## Laws

## of the

# State of Maryland

At the Session of the General Assembly Begun and Held in the City of Annapolis on the Eighth Day of January 2020 and Ending on the Eighteenth Day of March 2020

Bills vetoed by the Governor appear after the Laws

VOLUME I

The Department of Legislative Services General Assembly of Maryland prepared this document.

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## Laws of Maryland

MARYLAND, Sct.:

At a Session of the General Assembly of Maryland, begun and held in the City of Annapolis on the Eighth Day of January 2020, and ending on the Eighteenth Day of March 2020, Lawrence J. Hogan, Jr., being Governor of the State, the following laws were enacted, to wit:

## Chapter 1

(Senate Bill 537 of the 2019 Regular Session)

AN ACT concerning

## **Higher Education - Tuition Rates - Exemptions**

FOR the purpose of altering the circumstances under which certain individuals are exempt from paying the out—of—state tuition rate at certain institutions of higher education; altering the circumstances under which certain individuals are eligible to pay a certain tuition rate at certain institutions of higher education; requiring certain individuals to retain a certain tuition status until the individual is awarded a certain degree under certain circumstances; making certain stylistic changes; and generally relating to tuition rates at public institutions of higher education.

BY repealing and reenacting, with amendments,

Article – Education Section 15–106.8 Annotated Code of Maryland (2018 Replacement Volume and 2018 Supplement)

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

## Article - Education

15-106.8.

(a) In this section, "individual":

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

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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

Italics indicate opposite chamber/conference committee amendments.

- (1) Includes an undocumented immigrant individual; and
- (2) Does not include a nonimmigrant alien within the meaning of 8 U.S.C. § 1101(a)(15).
- (b) Notwithstanding any other provision of this article, an individual shall be exempt from paying the out-of-state tuition rate at [a community college] A PUBLIC INSTITUTION OF HIGHER EDUCATION in the State, AND SHALL BE ELIGIBLE FOR THE TUITION RATES DESCRIBED UNDER SUBSECTIONS (C) AND (D) OF THIS SECTION, if the individual:
- (1) [Beginning with the 2005–2006 school year, attended] **ATTENDED** a public or nonpublic secondary school in the State [for at least 3 years];
- (2) [Beginning with the 2007–2008 school year, graduated] **GRADUATED** from a public or nonpublic secondary school in the State or received the equivalent of a high school diploma in the State;
- (3) Registers as an entering student in [a community college] A PUBLIC INSTITUTION OF HIGHER EDUCATION in the State [not earlier than the 2011 fall semester] NOT LATER THAN 6 YEARS AFTER GRADUATING FROM A PUBLIC OR NONPUBLIC SECONDARY SCHOOL IN THE STATE OR RECEIVING THE EQUIVALENT OF A HIGH SCHOOL DIPLOMA IN THE STATE;
- (4) Provides to the [community college] PUBLIC INSTITUTION OF HIGHER EDUCATION documentation that the individual or the individual's parent or legal guardian has filed a Maryland income tax return[:
- (i) Annually for the 3 years while the individual attended a public or nonpublic secondary school in the State in accordance with item (1) of this subsection;
- (ii) Annually during the period, if any, between graduation from a public or nonpublic secondary school in the State and registration at a community college in the State; and
- (iii) Annually during the period of attendance at the community college] ANNUALLY FOR THE 3-YEAR PERIOD BEFORE THE ACADEMIC YEAR IN WHICH THE TUITION RATE EXEMPTION WOULD APPLY;
- (5) In the case of an individual who is not a permanent resident, provides to the [community college] PUBLIC INSTITUTION OF HIGHER EDUCATION an affidavit stating that the individual will file an application to become a permanent resident within 30 days after the individual becomes eligible to do so; AND
  - (6) In the case of an individual who is required to register with the

Selective Service System, provides to the [community college] PUBLIC INSTITUTION OF HIGHER EDUCATION documentation that the individual has complied with the registration requirement[; and

- (7) Registers in a community college in the State not later than 4 years after graduating from a public or nonpublic secondary school in the State or receiving the equivalent of a high school diploma in the State].
- (c) Notwithstanding any other provision of this article and subject to subsection **[(h)] (I)** of this section, an individual shall be eligible to pay a rate that is equivalent to the resident tuition rate at a public senior higher education institution, if the individual **[**:
- (1) Attended a community college not earlier than the 2010 fall semester and met the requirements of subsection (b) of this section, except for the requirement set forth in subsection (b)(3) of this section;
- (2) Was awarded an associate's degree by or achieved 60 credits at a community college in the State;
- (3) Provides the public senior higher education institution a copy of the affidavit submitted under subsection (b)(5) of this section;
- (4) Provides to the public senior higher education institution documentation that the individual or the individual's parent or legal guardian has filed a Maryland income tax return:
- (i) Annually while the individual attended a community college in the State;
- (ii) Annually during the period, if any, between graduation from or achieving 60 credits at a community college in the State and registration at a public senior higher education institution in the State; and
- (iii) Annually during the period of attendance at the public senior higher education institution; and
- (5) Registers at a public senior higher education institution in the State not later than 4 years after graduating from or achieving 60 credits at a community college in the State] MEETS THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION.
- (d) Notwithstanding any other provision of this article, an individual shall be eligible to pay a rate that is equivalent to the in–county tuition rate at a community college in the State if the individual:
  - (1) Meets the requirements of subsection (b) of this section; and

- (2) Attends a community college supported by the county in which:
- (i) AN ADDRESS IN THE COUNTY IS USED ON THE MARYLAND INCOME TAX RETURN OF THE INDIVIDUAL OR THE INDIVIDUAL'S PARENT OR LEGAL GUARDIAN OF THE CALENDAR YEAR PRIOR TO THE ACADEMIC YEAR IN WHICH THE RATE WOULD APPLY;
- (II) The secondary school from which the individual graduated is located; or
- [(ii)] (III) In the case of an individual who received the equivalent of a high school diploma in the State, the secondary school most recently attended by the individual is located.
- (E) (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, AN INDIVIDUAL SHALL RETAIN THE INDIVIDUAL'S TUITION STATUS AT A PUBLIC INSTITUTION OF HIGHER EDUCATION IN THE STATE IF THE INDIVIDUAL:
- (I) MEETS THE REQUIREMENTS OF PARAGRAPH (2) OF THIS SUBSECTION; AND
- (II) ON OR AFTER JUNE 15, 2012, WAS EXEMPT FROM PAYING THE OUT-OF-STATE OR OUT-OF-COUNTY TUITION RATE AT A PUBLIC INSTITUTION OF HIGHER EDUCATION.
- (2) TO RETAIN TUITION STATUS UNDER THIS SUBSECTION, AN INDIVIDUAL SHALL USE AN ADDRESS IN THE STATE ON THE MARYLAND INCOME TAX RETURN OF THE INDIVIDUAL OR THE INDIVIDUAL'S PARENT OR LEGAL GUARDIAN ANNUALLY UNTIL THE INDIVIDUAL IS AWARDED A DEGREE FROM THE PUBLIC INSTITUTION OF HIGHER EDUCATION.
- [(e)] **(F)** Information collected under this section as part of a student's registration shall remain confidential.
- [(f)] (G) (1) [A community college or public senior higher education institution] A PUBLIC INSTITUTION OF HIGHER EDUCATION that admits an individual who qualifies for the tuition rate under this section shall:
- (i) Keep a record of the number of individuals who pay the tuition rate in accordance with the requirements under [subsection (b), (c), or (d)] SUBSECTIONS (C) AND (D) of this section; and
- (ii) Report the information required in item (i) of this paragraph to the Commission each year.

- (2) The Commission shall submit to the General Assembly, in accordance with § 2–1246 of the State Government Article, an annual report consisting of a compilation of the reports submitted to the Commission under paragraph (1) of this subsection.
- [(g)] **(H)** The governing board of each public institution of higher education shall adopt appropriate policies to implement the provisions of this section.
- [(h)] (I) The students that are receiving the tuition rate **DESCRIBED** in subsection (c) of this section may not be counted as in—State students for the purposes of determining the number of Maryland undergraduate students enrolled at a public senior higher education institution.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2019.

Gubernatorial Veto Override, January 30, 2020.

## Chapter 2

(House Bill 1343 of the 2019 Regular Session)

AN ACT concerning

## Public Safety - Handgun Permit Review Board - Repeal

FOR the purpose of altering the process by which a person who is denied a certain handgun permit or renewal of a permit or whose permit is revoked or limited by the Secretary of State Police or the Secretary's designee may appeal the decision; repealing provisions of law relating to the Handgun Permit Review Board; providing that appeals from a certain decision by the Secretary or the Secretary's designee may be made to the Office of Administrative Hearings in a certain manner; providing that a person whose application for a certain permit or renewal of a permit is not acted on by the Secretary within a certain period of time may request a certain hearing before the Office of Administrative Hearings; requiring the Office of Administrative Hearings to make a certain annual report to the Governor and the General Assembly; making conforming changes; requiring the Department of Public Safety and Correctional Services, within a certain period of time, to provide certain notice to certain individuals; authorizing certain individuals to file a certain request for a hearing before the Office of Administrative Hearings under certain circumstances; requiring the Office of Administrative Hearings to schedule a certain hearing within a certain period of time under certain circumstances; making this Act an emergency measure; and generally relating to handgun permits.

BY repealing and reenacting, with amendments, Article – Public Safety

Section 5–301 and 5–312 Annotated Code of Maryland (2018 Replacement Volume)

## BY repealing

Article – Public Safety Section 5–302 Annotated Code of Maryland (2018 Replacement Volume)

BY repealing and reenacting, without amendments,

Article – Public Safety Section 5–311 Annotated Code of Maryland (2018 Replacement Volume)

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

## Article - Public Safety

5-301.

- (a) In this subtitle the following words have the meanings indicated.
- [(b) "Board" means the Handgun Permit Review Board.]
- [(c)] (B) "Handgun" has the meaning stated in § 4–201 of the Criminal Law Article.
- [(d)] (C) "Permit" means a permit issued by the Secretary to carry, wear, or transport a handgun.
- [(e)] **(D)** "Qualified handgun instructor" has the meaning stated in § 5–101 of this title.
- [(f)] (E) "Secretary" means the Secretary of State Police or the Secretary's designee.

**[**5–302.

- (a) There is a Handgun Permit Review Board in the Department of Public Safety and Correctional Services.
- (b) The Board consists of five members appointed from the public by the Governor with the advice and consent of the Senate.

- (c) (1) The term of a member is 3 years.
- (2) The terms of the members are staggered as required by the terms provided for members of the Board on October 1, 2003.
- (3) At the end of a term, a member continues to serve until a successor is appointed and qualifies.
- (4) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.
  - (5) A member of the Board is eligible for reappointment.
  - (d) A member of the Board is entitled to:
- (1) compensation in accordance with the State budget for each day that the member actually is engaged in the discharge of the member's official duties; and
- (2) reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.]

5–311.

- (a) A person who is denied a permit or renewal of a permit or whose permit is revoked or limited may request the Secretary to conduct an informal review by filing a written request within 10 days after receipt of written notice of the Secretary's initial action.
  - (b) An informal review:
- (1) may include a personal interview of the person who requested the informal review; and
  - (2) is not subject to Title 10, Subtitle 2 of the State Government Article.
- (c) In an informal review, the Secretary shall sustain, reverse, or modify the initial action taken and notify the person who requested the informal review of the decision in writing within 30 days after receipt of the request for informal review.
- (d) A person need not file a request for an informal review under this section before requesting review under § 5–312 of this subtitle.

5-312.

(a) (1) A person who is denied a permit or renewal of a permit or whose permit is revoked or limited may request [the Board to review] TO APPEAL the decision of the

Secretary TO THE OFFICE OF ADMINISTRATIVE HEARINGS by filing a written request with the [Board] SECRETARY AND THE OFFICE OF ADMINISTRATIVE HEARINGS within 10 days after receipt of written notice of the Secretary's final action.

- (2) A person whose application for a permit or renewal of a permit is not acted on by the Secretary within 90 days after submitting the application to the Secretary may request a hearing before the [Board] **OFFICE OF ADMINISTRATIVE HEARINGS** by filing a written request with the [Board] **SECRETARY** <u>AND THE OFFICE OF ADMINISTRATIVE HEARINGS</u>.
- (b) Within 90 days after receiving a request to review a decision of the Secretary, the Board shall:
  - (1) review the record developed by the Secretary; and
  - (2) conduct a hearing.
- (c) The Board may receive and consider additional evidence submitted by a party in conducting a review of the decision of the Secretary.
- (d) (1) Based on the Board's consideration of the record and any additional evidence, the Board shall sustain, reverse, or modify the decision of the Secretary.
- (2) Within 60 days after the last hearing in the matter conducted by the Board, the Board shall submit in writing to the applicant, the holder of the permit, and the Secretary the reasons for the decision of the Board.
- (e) (1) The applicant, the holder of the permit, or the Secretary may appeal the decision of the Board to the Office of Administrative Hearings within 30 days after the issuance of the Board's reasons under subsection (d)(2) of this section.
- (2) (B) (1) Within 60 days after the receipt of a request <u>UNDER</u> <u>SUBSECTION</u> (A) OF THIS SECTION from the applicant, OR the holder of the permit, OR the Secretary, the Office of Administrative Hearings shall schedule and conduct a de novo hearing on the <u>appeal MATTER</u>, at which witness testimony and other evidence may be provided.
- (2) Within 90 days after the conclusion of the last hearing on the matter, the Office of Administrative Hearings shall issue a finding of facts and a decision.
- (4) (3) A party that is aggrieved by the decision of the Office of Administrative Hearings may appeal the decision to the circuit court.
- [(f)] (B) (C) (1) [Subject to subsections (d) and (e) of this section, any] ANY SUBJECT TO SUBSECTION (B) OF THIS SECTION, ANY hearing and any subsequent

proceedings of judicial review shall be conducted in accordance with Title 10, Subtitle 2 of the State Government Article.

- (2) Notwithstanding paragraph (1) of this subsection, a court may not order the issuance or renewal of a permit or alter a limitation on a permit pending a final determination of the proceeding.
- [(g) (D) On or before December 1 each year JANUARY 1, 2019, 2020, 2021, AND 2022, the Board OFFICE OF ADMINISTRATIVE HEARINGS shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly:
- (1) the number of appeals of decisions by the Secretary that have been filed with the **Beard OFFICE OF ADMINISTRATIVE HEARINGS** within the previous year;
- (2) the number of decisions by the Secretary that have been sustained, modified, or reversed by the Board OFFICE OF ADMINISTRATIVE HEARINGS within the previous year;
  - (3) the number of appeals that are pending; and
- (4) the number of appeals that have been withdrawn within the previous year.
- (h) The Board is subject to Title 3 (Open Meetings Act) of the General Provisions Article.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2019:

- (a) (1) Subject to paragraph (2) of this subsection, within 30 days after this Act takes effect, the Department of Public Safety and Correctional Services shall provide written notice to each individual whose request to review a decision of the Secretary of State Police under § 5–312 of the Public Safety Article remains pending before the Handgun Permit Review Board on the taking effect of this Act.
- (2) The notice required under paragraph (1) of this subsection shall inform the individual that the individual, within 30 days of receipt of the notice, may file an amended request that the matter pending before the Handgun Permit Review Board be heard by the Office of Administrative Hearings in accordance with § 5–312(b) of the Public Safety Article, as enacted by Section 1 of this Act.
- (b) Within 30 days after receiving the notice described under subsection (a) of this section, the individual may file an amended request that the matter be heard by the Office of Administrative Hearings in accordance with § 5–312(b) of the Public Safety Article, as enacted by Section 1 of this Act.

(c) Notwithstanding § 5–312(b)(1) of the Public Safety Article, as enacted by Section 1 of this Act, within 45 days after the receipt of an amended request under this section, the Office of Administrative Hearings shall schedule and conduct a de novo hearing on the matter, at which witness testimony and other evidence may be provided.

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

Gubernatorial Veto Override, January 30, 2020.

Chapter 3

(Senate Bill 839 of the 2019 Regular Session)

AN ACT concerning

## Labor and Employment - Criminal Record Screening Practices (Ban the Box)

FOR the purpose of authorizing the Commissioner of Labor and Industry to conduct an investigation to determine whether certain provisions of this Act have been violated on receipt of a certain written complaint; prohibiting certain employers from requiring an applicant for employment to disclose certain information regarding the criminal record of the applicant except under certain circumstances. conducting a certain criminal history records check, or taking certain other action before a conditional offer for employment has been extended the conclusion of a first first in-person interview; providing that certain provisions of this Act do not prohibit an employer from making a certain inquiry or taking certain other action; providing that certain provisions of this Act do not apply to certain employers; authorizing requiring the Commissioner on a certain determination to resolve certain issues informally by mediation; authorizing the Commissioner to ask the Attorney General to bring a certain action on behalf of certain applicants under certain circumstances; authorizing the Attorney General to bring a certain action in a certain county under certain circumstances for injunctive relief, damages, or other relief; prohibiting employers from taking or refusing to take certain actions against certain applicants and employees under certain circumstances; establishing a certain civil penalty; requiring the Commissioner to issue a certain order under certain circumstances; authorizing the Commissioner to assess a certain civil penalty for certain violations of this Act under certain circumstances; requiring the Commissioner to consider certain factors in determining the amount of a certain penalty; subjecting the assessment of a certain penalty to certain requirements; providing for the construction

of this Act; defining certain terms; providing for a delayed effective date; and generally relating to criminal record screening practices of employers.

BY repealing and reenacting, with amendments,

Article – Labor and Employment

Section 3–103

Annotated Code of Maryland

(2016 Replacement Volume and 2018 Supplement)

## BY adding to

Article – Labor and Employment

Section 3–1401 through  $\frac{3-1406}{3}$  to be under the new subtitle "Subtitle 14.

Criminal History Screening"

Annotated Code of Maryland

(2016 Replacement Volume and 2018 Supplement)

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

## **Article - Labor and Employment**

3-103.

- (a) Except as otherwise provided in this section, the Commissioner may conduct an investigation to determine whether a provision of this title has been violated on the Commissioner's own initiative or may require a written complaint.
- (b) The Commissioner may conduct an investigation under Subtitle 3 of this title, on the Commissioner's own initiative or on receipt of a written complaint of an employee.
- (c) The Commissioner may conduct an investigation to determine whether Subtitle 5 of this title has been violated on receipt of a written complaint of an employee.
- (d) The Commissioner may conduct an investigation to determine whether Subtitle 6 of this title has been violated on receipt of a written complaint of a sales representative.
- (e) (1) The Commissioner may investigate whether § 3–701 of this title has been violated on receipt of a written complaint of an applicant for employment.
- (2) The Commissioner may investigate whether § 3–702 of this title has been violated on receipt of a written complaint of an applicant for employment or an employee.
- (3) The Commissioner may investigate whether § 3–704 of this title has been violated on receipt of a written complaint of an employee.

- (4) The Commissioner may investigate whether § 3–710 of this title has been violated on receipt of a written complaint of an employee as provided in § 3–710(d)(1) of this title.
- (5) The Commissioner may investigate whether § 3–711 of this title has been violated on receipt of a written complaint of an employee as provided in § 3–711(d)(1) of this title.
- (6) The Commissioner may investigate whether § 3–712 of this title has been violated on receipt of a written complaint of an employee or applicant.
- (f) (1) The Commissioner may investigate whether § 3–801 of this title has been violated on receipt of a written complaint of an employee.
- (2) The Commissioner may investigate whether § 3–802 of this title has been violated on receipt of a written complaint of an employee.
- (g) The Commissioner may investigate whether Subtitle 9 of this title has been violated:
  - (1) on the Commissioner's own initiative;
- (2) on receipt of a written complaint signed by the person submitting the complaint; or
  - (3) on referral from another unit of State government.
- (h) The Commissioner may conduct an investigation to determine whether Subtitle 10 of this title has been violated on receipt of a written complaint of an employee.
- (i) The Commissioner may conduct an investigation to determine whether Subtitle 12 of this title has been violated on receipt of a written complaint of an employee.
- (J) THE COMMISSIONER MAY CONDUCT AN INVESTIGATION TO DETERMINE WHETHER SUBTITLE 14 OF THIS TITLE HAS BEEN VIOLATED ON RECEIPT OF A WRITTEN COMPLAINT OF AN APPLICANT OR EMPLOYEE.
- [(j)] **(K)** The Commissioner, on the Commissioner's own initiative or on receipt of a written complaint, may conduct an investigation of whether a local minimum wage law has been violated.
- [(k)] (L) (1) The Commissioner may conduct an investigation to determine whether Subtitle 13 of this title has been violated on receipt of a written complaint by an employee.

(2) To the extent practicable, the Commissioner shall keep confidential the identity of an employee who has filed a written complaint alleging a violation of Subtitle 13 of this title unless the employee waives confidentiality.

## SUBTITLE 14. CRIMINAL HISTORY SCREENING.

#### 3–1401.

- (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
  - (B) "CRIMINAL RECORD" MEANS:
    - (1) AN ARREST;
    - (2) A PLEA OR VERDICT OF GUILTY;
    - (3) A PLEA OF NOLO CONTENDERE;
    - (4) THE MARKING OF A CHARGE "STET" ON THE DOCKET;
    - (5) A DISPOSITION OF PROBATION BEFORE JUDGMENT; OR
    - (5) (6) A DISPOSITION OF NOT CRIMINALLY RESPONSIBLE.
- (C) (1) "EMPLOYER" MEANS A PERSON WHO EMPLOYS 15 OR MORE FULL-TIME EMPLOYEES.
- (2) "EMPLOYER" INCLUDES A PERSON WHO ACTS, DIRECTLY OR INDIRECTLY, IN THE INTEREST OF AN EMPLOYER WITH RESPECT TO AN EMPLOYEE OF THE EMPLOYER.
- (D) (1) "EMPLOYMENT" MEANS ANY WORK FOR PAY AND ANY FORM OF VOCATIONAL OR EDUCATIONAL TRAINING, WITH OR WITHOUT PAY.
  - (2) "EMPLOYMENT" INCLUDES:
- (I) CONTRACTUAL, TEMPORARY, SEASONAL, OR CONTINGENT WORK; AND
- (II) WORK THROUGH THE SERVICES OF A TEMPORARY OR OTHER EMPLOYMENT AGENCY.

#### 3-1402.

## (A) THIS SUBTITLE DOES NOT:

- (1) PROHIBIT AN EMPLOYER FROM MAKING AN INQUIRY OR TAKING OTHER ACTION THAT THE EMPLOYER IS REQUIRED TO TAKE OR IS EXPRESSLY AUTHORIZED TO TAKE BY ANOTHER APPLICABLE FEDERAL, STATE, OR LOCAL LAW FEDERAL OR STATE LAW; OR
- (2) APPLY TO AN EMPLOYER THAT PROVIDES PROGRAMS, SERVICES, OR DIRECT CARE TO MINORS OR TO VULNERABLE ADULTS.
- (B) THIS SUBTITLE MAY NOT BE CONSTRUED TO PREEMPT A LOCAL JURISDICTION FROM ENACTING OR ENFORCING A LAW THAT IS MORE RESTRICTIVE WITH RESPECT TO CRIMINAL RECORD SCREENING PRACTICES OF EMPLOYERS IN THE LOCAL JURISDICTION.

3-1403.

- (A) AN EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, AN EMPLOYER MAY NOT, AT ANY TIME BEFORE A CONDITIONAL OFFER OF EMPLOYMENT HAS BEEN EXTENDED THE CONCLUSION OF A FIRST FIRST IN-PERSON INTERVIEW,‡
- (1) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, REQUIRE AN APPLICANT TO DISCLOSE WHETHER THE APPLICANT HAS A CRIMINAL RECORD OR HAS HAD CRIMINAL ACCUSATIONS BROUGHT AGAINST THE APPLICANT.
- (2) CONDUCT A CRIMINAL HISTORY RECORDS CHECK ON THE APPLICANT; OR
- (3) OTHERWISE INQUIRE OF THE APPLICANT OR OTHERS ABOUT WHETHER THE APPLICANT HAS A CRIMINAL RECORD OR HAS HAD CRIMINAL ACCUSATIONS BROUGHT AGAINST THE APPLICANT.
- (B) AN EMPLOYER MAY REQUIRE AN APPLICANT TO DISCLOSE DURING THE FIRST <u>IN-PERSON</u> INTERVIEW WITH THE APPLICANT WHETHER THE APPLICANT HAS A CRIMINAL RECORD OR HAS HAD CRIMINAL ACCUSATIONS BROUGHT AGAINST THE APPLICANT.

3-1404.

(A) (1) WHENEVER THE COMMISSIONER DETERMINES THAT THIS SUBTITLE HAS BEEN VIOLATED. THE COMMISSIONER MAY:

- (1) <u>SHALL</u> TRY TO RESOLVE ANY ISSUE INVOLVED IN THE VIOLATION INFORMALLY BY MEDIATION; OR.
- (2) <u>IF MEDIATION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS</u>
  <u>UNSUCCESSFUL, THE COMMISSIONER MAY</u> ASK THE ATTORNEY GENERAL TO BRING
  <u>AN ACTION ON BEHALF OF THE APPLICANT OR EMPLOYEE.</u>
- (B) THE ATTORNEY GENERAL MAY BRING AN ACTION UNDER THIS SECTION IN THE COUNTY WHERE THE VIOLATION ALLEGEDLY OCCURRED, FOR INJUNCTIVE RELIEF, DAMAGES, OR OTHER RELIEF.

#### <del>3-1405.</del>

AN EMPLOYER MAY NOT TAKE OR REFUSE TO TAKE A PERSONNEL ACTION OR OTHERWISE RETALIATE OR DISCRIMINATE AGAINST AN APPLICANT OR EMPLOYEE AS A REPRISAL FOR THE APPLICANT OR EMPLOYEE HAVING CLAIMED A VIOLATION OF THIS SUBTITLE.

## <del>3-1406.</del> *3-1405*.

AN EMPLOYER WHO VIOLATES ANY PROVISION OF THIS SUBTITLE IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$500 OR IMPRISONMENT FOR NOT MORE THAN 90 DAYS OR BOTH SUBJECT TO A CIVIL FINE NOT EXCEEDING \$500 FOR EACH VIOLATION.

- (A) IF THE COMMISSIONER DETERMINES THAT AN EMPLOYER HAS VIOLATED ANY PROVISION OF THIS SUBTITLE, THE COMMISSIONER:
  - (1) SHALL ISSUE AN ORDER COMPELLING COMPLIANCE; AND
- (2) FOR A SUBSEQUENT VIOLATION, MAY, IN THE COMMISSIONER'S DISCRETION, ASSESS A CIVIL PENALTY OF UP TO \$300 FOR EACH APPLICANT FOR EMPLOYMENT OR EMPLOYEE WITH RESPECT TO WHOM THE EMPLOYER VIOLATED ANY PROVISION OF THIS SUBTITLE.
- (B) IN DETERMINING THE AMOUNT OF THE PENALTY, IF ASSESSED, THE COMMISSIONER SHALL CONSIDER:
  - (1) THE GRAVITY OF THE VIOLATION;
  - (2) THE SIZE OF THE EMPLOYER'S BUSINESS;
  - (3) THE EMPLOYER'S GOOD FAITH; AND

- (4) THE EMPLOYER'S HISTORY OF VIOLATIONS UNDER THIS SUBTITLE.
- (C) THE ASSESSMENT OF A PENALTY UNDER SUBSECTION (A)(2) OF THIS SECTION SHALL BE SUBJECT TO THE NOTICE AND HEARING REQUIREMENTS OF TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 2020.

Gubernatorial Veto Override, January 30, 2020.

Chapter 4

(Senate Bill 1000 of the 2019 Regular Session)

AN ACT concerning

## Public Safety - Handgun Permit Review Board - Repeal

FOR the purpose of altering the process by which a person who is denied a certain handgun permit or renewal of a permit or whose permit is revoked or limited by the Secretary of State Police or the Secretary's designee may appeal the decision; repealing provisions of law relating to the Handgun Permit Review Board; providing that appeals from a certain decision by the Secretary or the Secretary's designee may be made to the Office of Administrative Hearings in a certain manner; providing that a person whose application for a certain permit or renewal of a permit is not acted on by the Secretary within a certain period of time may request a certain hearing before the Office of Administrative Hearings; requiring the Office of Administrative Hearings to make a certain annual report to the Governor and the General Assembly; making conforming changes; requiring the Department of Public Safety and Correctional Services, within a certain period of time, to provide certain notice to certain individuals; authorizing certain individuals to file a certain request for a hearing before the Office of Administrative Hearings under certain circumstances; requiring the Office of Administrative Hearings to schedule a certain hearing within a certain period of time under certain circumstances; making this Act an emergency measure; and generally relating to handgun permits.

BY repealing and reenacting, with amendments, Article – Public Safety Section 5–301 and 5–312 Annotated Code of Maryland (2018 Replacement Volume) BY repealing

Article – Public Safety

Section 5–302

Annotated Code of Maryland

(2018 Replacement Volume)

BY repealing and reenacting, without amendments,

Article – Public Safety

Section 5–311

Annotated Code of Maryland

(2018 Replacement Volume)

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

## Article - Public Safety

5-301.

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Board" means the Handgun Permit Review Board.
- [(c)] (B) "Handgun" has the meaning stated in § 4–201 of the Criminal Law Article.
- [(d)] (C) "Permit" means a permit issued by the Secretary to carry, wear, or transport a handgun.
- [(e)] **(D)** "Qualified handgun instructor" has the meaning stated in § 5–101 of this title.
- [(f)] (E) "Secretary" means the Secretary of State Police or the Secretary's designee.

**[**5–302.

- (a) There is a Handgun Permit Review Board in the Department of Public Safety and Correctional Services.
- (b) The Board consists of five members appointed from the public by the Governor with the advice and consent of the Senate.
  - (c) (1) The term of a member is 3 years.
    - (2) The terms of the members are staggered as required by the terms

provided for members of the Board on October 1, 2003.

- (3) At the end of a term, a member continues to serve until a successor is appointed and qualifies.
- (4) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.
  - (5) A member of the Board is eligible for reappointment.
  - (d) A member of the Board is entitled to:
- (1) compensation in accordance with the State budget for each day that the member actually is engaged in the discharge of the member's official duties; and
- (2) reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.]

5-311.

- (a) A person who is denied a permit or renewal of a permit or whose permit is revoked or limited may request the Secretary to conduct an informal review by filing a written request within 10 days after receipt of written notice of the Secretary's initial action.
  - (b) An informal review:
- (1) may include a personal interview of the person who requested the informal review; and
  - (2) is not subject to Title 10, Subtitle 2 of the State Government Article.
- (c) In an informal review, the Secretary shall sustain, reverse, or modify the initial action taken and notify the person who requested the informal review of the decision in writing within 30 days after receipt of the request for informal review.
- (d) A person need not file a request for an informal review under this section before requesting review under  $\S$  5–312 of this subtitle.

5-312.

(a) (1) A person who is denied a permit or renewal of a permit or whose permit is revoked or limited may request [the Board to review] TO APPEAL the decision of the Secretary TO THE OFFICE OF ADMINISTRATIVE HEARINGS by filing a written request with the [Board] SECRETARY AND THE OFFICE OF ADMINISTRATIVE HEARINGS within 10 days after receipt of written notice of the Secretary's final action.

- (2) A person whose application for a permit or renewal of a permit is not acted on by the Secretary within 90 days after submitting the application to the Secretary may request a hearing before the [Board] **OFFICE OF ADMINISTRATIVE HEARINGS** by filing a written request with the [Board] **SECRETARY** <u>AND THE OFFICE OF ADMINISTRATIVE HEARINGS</u>.
- (b) Within 90 days after receiving a request to review a decision of the Secretary, the Board shall:
  - (1) review the record developed by the Secretary; and
  - (2) conduct a hearing.
- (c) The Board may receive and consider additional evidence submitted by a party in conducting a review of the decision of the Secretary.
- (d) (1) Based on the Board's consideration of the record and any additional evidence, the Board shall sustain, reverse, or modify the decision of the Secretary.
- (2) Within 60 days after the last hearing in the matter conducted by the Board, the Board shall submit in writing to the applicant, the holder of the permit, and the Secretary the reasons for the decision of the Board.
- (e) (1) The applicant, the holder of the permit, or the Secretary may appeal the decision of the Board to the Office of Administrative Hearings within 30 days after the issuance of the Board's reasons under subsection (d)(2) of this section.
- (2) (B) (1) Within 60 days after the receipt of a request <u>UNDER</u> <u>SUBSECTION</u> (A) OF THIS SECTION from the applicant, OR the holder of the permit, OR the Secretary, the Office of Administrative Hearings shall schedule and conduct a de novo hearing on the <u>appeal MATTER</u>, at which witness testimony and other evidence may be provided.
- (3) (2) Within 90 days after the conclusion of the last hearing on the matter, the Office of Administrative Hearings shall issue a finding of facts and a decision.
- (4) (3) A party that is aggrieved by the decision of the Office of Administrative Hearings may appeal the decision to the circuit court.
- [(f)] (E) (C) (1) [Subject to subsections (d) and (e) of this section, any] ANY SUBJECT TO SUBSECTION (B) OF THIS SECTION, ANY hearing and any subsequent proceedings of judicial review shall be conducted in accordance with Title 10, Subtitle 2 of the State Government Article.
- (2) Notwithstanding paragraph (1) of this subsection, a court may not order the issuance or renewal of a permit or alter a limitation on a permit pending a final

determination of the proceeding.

- (g) (D) On or before December JANUARY 1 each year, 2019, 2020, 2021, AND 2022, the Board OFFICE OF ADMINISTRATIVE HEARINGS shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly:
- (1) the number of appeals of decisions by the Secretary that have been filed with the **Beard OFFICE OF ADMINISTRATIVE HEARINGS** within the previous year;
- (2) the number of decisions by the Secretary that have been sustained, modified, or reversed by the Beard OFFICE OF ADMINISTRATIVE HEARINGS within the previous year;
  - (3) the number of appeals that are pending; and
- (4) the number of appeals that have been withdrawn within the previous year.
- **[**(h) The Board is subject to Title 3 (Open Meetings Act) of the General Provisions Article.]

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

- (a) (1) Subject to paragraph (2) of this subsection, within 30 days after this Act takes effect, the Department of Public Safety and Correctional Services shall provide written notice to each individual whose request to review a decision of the Secretary of State Police under § 5–312 of the Public Safety Article remains pending before the Handgun Permit Review Board on the taking effect of this Act.
- (2) The notice required under paragraph (1) of this subsection shall inform the individual that the individual, within 30 days of receipt of the notice, may file an amended request that the matter pending before the Handgun Permit Review Board be heard by the Office of Administrative Hearings in accordance with § 5–312(b) of the Public Safety Article, as enacted by Section 1 of this Act.
- (b) Within 30 days after receiving the notice described under subsection (a) of this section, the individual may file an amended request that the matter be heard by the Office of Administrative Hearings in accordance with § 5–312(b) of the Public Safety Article, as enacted by Section 1 of this Act.
- (c) Notwithstanding § 5–312(b)(1) of the Public Safety Article, as enacted by Section 1 of this Act, within 45 days after the receipt of an amended request under this section, the Office of Administrative Hearings shall schedule and conduct a de novo hearing on the matter, at which witness testimony and other evidence may be provided.

October 1, 2019.

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

Gubernatorial Veto Override, January 30, 2020.

Chapter 5

(House Bill 720 of the 2019 Regular Session)

AN ACT concerning

## Natural Resources - Fishery Management Plans - Oysters

FOR the purpose of requiring the Department of Natural Resources to convene the Oyster Advisory Commission, in coordination with the University of Maryland Center for Environmental Science, on or before a certain date; providing for the membership of the Commission; requiring certain persons to provide information to the Commission under certain circumstances but prohibiting certain persons from participating as voting members; establishing certain requirements for the fishery management plan for oysters; requiring the Department of Natural Resources, in coordination with the University of Maryland Center for Environmental Science, to convene a certain stakeholder workgroup Science and the Commission, to develop a certain package of consensus recommendations for enhancing and implementing the fishery management plan for oysters; providing for the membership of the stakeholder workgroup; requiring the stakeholder workgroup Commission, with certain assistance, to develop certain recommendations based on a certain process, review certain oyster management actions and recommend certain oyster management actions to achieve certain goals, and review certain results for certain oyster management actions; prohibiting the Department from using certain funds for a certain purpose; authorizing the Commission to meet and deliberate in closed session for a certain purpose under certain circumstances, notwithstanding a certain provision of law; requiring the Department to submit a certain interim report and a final report by certain dates to the Governor and General Assembly; requiring the Department to perform certain reviews of the oyster stock and, with certain input, implement certain management actions; providing for the termination of the terms of certain members of the Commission; requiring the Secretary of Natural Resources to convene the Commission in a certain manner; requiring the Department to implement a certain Fishery Management Plan for Oysters subject to certain requirements; and generally relating to a fishery management plan for oysters.

## BY repealing and reenacting, with amendments,

<u>Article – Natural Resources</u>

Section 4-204(c) and 4-215(e)(4)

Annotated Code of Maryland

(2018 Replacement Volume)

## BY repealing and reenacting, without amendments,

Article – Natural Resources Section 4–215(b)(6) Annotated Code of Maryland (2018 Replacement Volume)

## BY repealing and reenacting, with amendments,

Article - Natural Resources
Section 4-215(e)(4)
Annotated Code of Maryland
(2018 Replacement Volume)

## BY adding to

Article – Natural Resources Section 4–215(e)(5) Annotated Code of Maryland (2018 Replacement Volume)

## Preamble

WHEREAS, Large connected oyster populations provide a number of environmental benefits to the Chesapeake Bay ecosystem, including reef habitat for finfish, shellfish, and other marine life, improved water quality, reduced sedimentation, carbon storage, and increased shellfish propagation; and

WHEREAS, The oyster population in the Bay is languishing at <del>1% of historic populations</del> a historic low; and

WHEREAS, The oyster resource is a valuable resource to the State of Maryland; and

WHEREAS, Chapter 703 of the Acts of the General Assembly of 2016 required the Department of Natural Resources to conduct a stock assessment and, based on this assessment, identify management strategies to address the maintenance of a sustainable oyster population and fishery; and

WHEREAS, With the completion of the oyster stock assessment, new regulations and policies for oyster management in Maryland are needed to sustain and grow the oyster resource, industry, and ecosystem; and

WHEREAS, A consensus—based process, as demonstrated by the OysterFutures model which utilizes a 60–40 balance of stakeholders, can be used to develop regulations

and policies for oyster management that have broad stakeholder support and are informed by the oyster stock assessment, stakeholder knowledge, and scientific evidence; <del>now, therefore,</del> and

WHEREAS, It is the intent of the General Assembly that the recommendations of this Commission be the fishery management plan for oysters; now, therefore,

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

#### **Article - Natural Resources**

<u>4–204.</u>

- (c) <u>There is an Oyster Advisory Commission in the Department.</u>
- (2) (I) [The Commission consists of members appointed by the Secretary] ON OR BEFORE JUNE 1, 2019, AND SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE DEPARTMENT SHALL, IN COORDINATION WITH THE UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE, CONVENE THE MEMBERS OF THE COMMISSION.

## (II) THE COMMISSION SHALL INCLUDE ONLY:

- 1. A REPRESENTATIVE FROM EACH COUNTY OYSTER COMMITTEE ESTABLISHED UNDER § 4–1106(B) OF THIS TITLE DESIGNATED BY THE COMMITTEE;
- 2. A REPRESENTATIVE FROM THE MARYLAND WATERMEN'S ASSOCIATION, DESIGNATED BY THE ASSOCIATION;
- 3. A REPRESENTATIVE FROM THE MARYLAND OYSTERMEN'S ASSOCIATION, DESIGNATED BY THE ASSOCIATION;
- 4. A REPRESENTATIVE FROM THE BLACKS OF THE CHESAPEAKE FOUNDATION, DESIGNATED BY THE FOUNDATION;
- 5. A REPRESENTATIVE FROM THE AQUACULTURE INDUSTRY, DESIGNATED BY THE AQUACULTURE COORDINATING COUNCIL;
- <u>6. A REPRESENTATIVE FROM THE COMMERCIAL</u> SEAFOOD BUYER INDUSTRY, DESIGNATED BY THE SECRETARY;
- 7. A REPRESENTATIVE FROM THE COASTAL CONSERVATION ASSOCIATION OF MARYLAND, DESIGNATED BY THE ASSOCIATION;

- 8. A REPRESENTATIVE FROM THE CHESAPEAKE BAY FOUNDATION, DESIGNATED BY THE FOUNDATION;
- 9. A REPRESENTATIVE FROM THE NATURE CONSERVANCY, DESIGNATED BY THE CONSERVANCY;
- 10. A REPRESENTATIVE FROM THE SHORERIVERS RIVERKEEPER ASSOCIATION, DESIGNATED BY THE ASSOCIATION;
- 11. A REPRESENTATIVE FROM THE ARUNDEL RIVERS FEDERATION, DESIGNATED BY THE FEDERATION;
- 12. A REPRESENTATIVE FROM THE OYSTER RECOVERY PARTNERSHIP, DESIGNATED BY THE PARTNERSHIP;
- 13. A REPRESENTATIVE FROM THE CHESAPEAKE BAY COMMISSION, DESIGNATED BY THE CHESAPEAKE BAY COMMISSION;
- 14. A REPRESENTATIVE FROM BLUE OYSTER ENVIRONMENTAL;
- 15. A REPRESENTATIVE FROM THE CHESAPEAKE BAYSAVERS, APPOINTED DESIGNATED BY THE CHESAPEAKE BAYSAVERS;
- 16. A REPRESENTATIVE FROM THE NATIONAL AQUARIUM, DESIGNATED BY THE NATIONAL AQUARIUM; AND
- MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE, DESIGNATED BY THE CENTER; AND
- <u>18. A REPRESENTATIVE FROM THE PATUXENT</u> <u>ENVIRONMENTAL AND AQUATIC RESEARCH LABORATORY, MORGAN STATE</u> UNIVERSITY, DESIGNATED BY THE RESEARCH LABORATORY.
- (3) THE FOLLOWING PERSONS SHALL PROVIDE INFORMATION TO THE COMMISSION AT THE REQUEST OF THE COMMISSION BUT MAY NOT PARTICIPATE AS VOTING MEMBERS:
- MANAGEMENT AND RESTORATION RESPONSIBILITIES, INCLUDING THE DEPARTMENT, THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, AND THE U.S. ARMY CORPS OF ENGINEERS;

## (II) THE PATUXENT ENVIRONMENTAL AND AQUATIC RESEARCH LABORATORY, MORGAN STATE UNIVERSITY;

(III) TWO MEMBERS OF THE SENATE, ONE FROM EACH POLITICAL PARTY, APPOINTED BY THE PRESIDENT OF THE SENATE; AND

(III) TWO MEMBERS OF THE HOUSE OF DELEGATES, ONE FROM EACH POLITICAL PARTY, APPOINTED BY THE SPEAKER OF THE HOUSE.

## [(3)] (4) The Commission shall:

- (i) Provide the Department with advice on matters related to oysters in the Chesapeake Bay;
- (ii) Review the best possible science and recommend changes to the framework and strategies for rebuilding and managing the oyster population in the Chesapeake Bay under the Chesapeake Bay Oyster Management Plan;
- (iii) Review the latest findings relevant to the Environmental Impact Statement evaluating oyster restoration alternatives for the Chesapeake Bay;
- (iv) Review any other scientific, economic, or cultural information relevant to oysters in the Chesapeake Bay; [and]
- (V) DEVELOP A PACKAGE OF CONSENSUS RECOMMENDATIONS, IN COORDINATION WITH THE DEPARTMENT, FOR ENHANCING AND IMPLEMENTING THE FISHERY MANAGEMENT PLAN FOR OYSTERS UNDER § 4–215 OF THIS SUBTITLE; AND
- [(v)] (VI) By December 31, 2007 and to the extent reasonably appropriate, report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly on:
- 1. Strategies to minimize the impact of oyster disease, including the State repletion program and bar cleaning:
- <u>2.</u> The framework and effectiveness of the oyster sanctuary, harvest reserve, and repletion programs, and the overall management of natural oyster bars, after performing a cost—benefit analysis that considers biological, ecological, economic, and cultural issues;
- 3. Strategies to maximize the ecological benefits of natural ovster bars; and
  - 4. Strategies to improve enforcement of closed oyster areas.

(5) THE DEPARTMENT MAY NOT USE FUNDS ALLOCATED TO A COUNTY OYSTER COMMITTEE FOR THE COMMISSION ESTABLISHED UNDER THIS SUBSECTION.

4-215.

LEVELS;

- (b) The Department shall prepare fishery management plans for the following species:
  - (6) Oysters;
- (e) (4) (i) Subject to subparagraph (ii) of this paragraph, the Department may not take any action to reduce or alter the boundaries of the oyster sanctuaries established in "Oyster Sanctuaries of the Chesapeake Bay and its Tidal Tributaries (September 2010)" until the Department has developed a fisheries management plan for the scientific management of the oyster stock [following the completion of its reports in accordance with paragraph (3) of this subsection] BASED ON MANAGEMENT STRATEGIES AND MEASUREMENTS RECOMMENDED BY THE OYSTER ADVISORY COMMISSION UNDER PARAGRAPH (5) OF THIS SUBSECTION AND DETERMINED BY THE DEPARTMENT IN CONSULTATION WITH THE UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE.
- (ii) <u>The fishery management plan developed in</u> Accordance with paragraph (5) of this subsection shall:
- AND REGIONS OF THE CHESAPEAKE BAY AND ITS TRIBUTARIES WHERE OVERFISHING HAS OCCURRED ACCORDING TO BIOLOGICAL REFERENCE POINTS ESTABLISHED BY THE MOST RECENT OYSTER STOCK ASSESSMENT WHILE MAINTAINING A HARVEST IN THE FISHERY;
  - 2. ACHIEVE FISHING MORTALITY RATES AT TARGET
    - 3. INCREASE OYSTER ABUNDANCE;
    - 4. INCREASE OYSTER HABITAT; AND
- <u>5. FACILITATE THE LONG-TERM SUSTAINABLE</u> HARVEST OF OYSTERS, INCLUDING THE PUBLIC FISHERY.
- (III) This paragraph may not be construed to prevent the Department from:

- 1. Selecting the final two tributaries for tributary-scale oyster restoration sanctuary projects in accordance with the 2014 Chesapeake Bay Agreement; or
- 2. Establishing, in the discretion of the Department, any dimensions for a tributary–scale oyster restoration sanctuary project.

## (5) (I) THE DEPARTMENT SHALL:

1. IN COORDINATION WITH THE UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE AND THE OYSTER ADVISORY COMMISSION, CONVENE A STAKEHOLDER WORKGROUP TO DEVELOP A PACKAGE OF CONSENSUS RECOMMENDATIONS FOR ENHANCING AND IMPLEMENTING THE FISHERY MANAGEMENT PLAN FOR OYSTERS THAT WILL BE INFORMED BY A COLLABORATIVELY DEVELOPED, SCIENCE—BASED MODELING TOOL TO QUANTIFY THE LONG—TERM IMPACTS OF IDENTIFIED MANAGEMENT ACTIONS AND POSSIBLE COMBINATIONS OF MANAGEMENT ACTIONS ON:

- A. OYSTER ABUNDANCE;
- B. OYSTER HABITAT;
- C. OYSTER HARVEST;
- D. OYSTER HARVEST REVENUE; AND
- E. NITROGEN REMOVAL; AND
- 2. HOLD PUBLIC LISTENING SESSIONS THROUGHOUT THE STATE TO IDENTIFY POSSIBLE MANAGEMENT ACTIONS FOR USE IN THE PUBLIC OYSTER FISHERY.

#### (H) THE STAKEHOLDER WORKGROUP SHALL INCLUDE:

- 1. A REPRESENTATIVE FROM EACH COUNTY WATERMEN'S ASSOCIATION:
- 2. A REPRESENTATIVE FROM THE MARYLAND WATERMEN'S ASSOCIATION;
- 3. A REPRESENTATIVE FROM THE COASTAL CONSERVATION ASSOCIATION OF MARYLAND:
- 4. A REPRESENTATIVE FROM THE CHESAPEAKE BAY FOUNDATION;

- 5. A REPRESENTATIVE FROM THE NATURE-CONSERVANCY;
- 6. A REPRESENTATIVE OF A COMMERCIAL SEAFOOD ORGANIZATION:
- 7. A REPRESENTATIVE FROM THE AQUACULTURE-INDUSTRY;
- 8. STATE AND FEDERAL AGENCIES TASKED WITH OYSTER MANAGEMENT AND RESTORATION RESPONSIBILITIES.
- (HI) (II) THE STAKEHOLDER WORKGROUP OYSTER ADVISORY COMMISSION, WITH THE ASSISTANCE OF EXTERNAL CONFLICT RESOLUTION AND FACILITATION SPECIALISTS, SHALL:
- 1. DEVELOP A PACKAGE OF CONSENSUS RECOMMENDATIONS THROUGH A FACILITATED CONSENSUS SOLUTIONS PROCESS, BASED ON A 75% MAJORITY AGREEMENT LEVEL FOR EACH RECOMMENDATION;
- 2. REVIEW CURRENT AND PROPOSED MANAGEMENT ACTIONS FOR COMPLETENESS AND RECOMMEND ADDITIONAL RECOMMEND MANAGEMENT ACTIONS OR COMBINATIONS OF MANAGEMENT ACTIONS TO ACHIEVE THE TARGETS IDENTIFIED IN THE OYSTER STOCK ASSESSMENT WITH THE GOAL OF INCREASING OYSTER ABUNDANCE; AND
- 3. REVIEW MODEL RESULTS FOR EACH MANAGEMENT ACTION OR COMBINATION OF MANAGEMENT ACTIONS TO INFORM STAKEHOLDER WORKGROUP ITS RECOMMENDATIONS.
- (III) NOTWITHSTANDING § 3-305 OF THE GENERAL PROVISIONS ARTICLE, AND WITH THE CONSENT OF A 75% MAJORITY OF ITS MEMBERS, THE OYSTER ADVISORY COMMISSION MAY MEET AND DELIBERATE IN CLOSED SESSION TO DEVELOP THE PACKAGE OF CONSENSUS RECOMMENDATIONS FOR ENHANCING AND IMPLEMENTING THE FISHERY MANAGEMENT PLAN FOR OYSTERS UNDER THIS PARAGRAPH.
- (IV) 1. THE DEPARTMENT SHALL SUBMIT INTERIM REPORTS ON THE DEVELOPMENT OF THE PACKAGE OF CONSENSUS RECOMMENDATIONS BY DECEMBER 1, 2019, AUGUST 1, 2020, AND DECEMBER 1, 2020, TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

- 2. THE DEPARTMENT SHALL PROVIDE A FINAL REPORT BY JULY 1, 2021, WHICH WILL INCLUDE AN IMPLEMENTATION SCHEDULE FOR THE CONSENSUS RECOMMENDATIONS, TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.
- (V) TO BE RESPONSIVE TO CHANGES IN THE OYSTER RESOURCE DUE TO ENVIRONMENTAL CONDITIONS, THE DEPARTMENT SHALL:
- 1. REVIEW THE STATUS OF THE STOCK RELATIVE TO REFERENCE POINTS EVERY 2 YEARS AND CONDUCT A BENCHMARK STOCK ASSESSMENT EVERY 6 YEARS WITH CONSIDERATION OF NEW METHODS AND WITH EXTERNAL PEER REVIEW; AND
- 2. WITH THE INPUT OF INTERESTED STAKEHOLDERS, IMPLEMENT MANAGEMENT ACTIONS THAT INCREASE OYSTER HABITAT, MAINTAIN HARVEST, AND GROW THE OYSTER STOCK.

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

- (a) The terms of the members serving on the Oyster Advisory Commission established under § 4–204(c) of the Natural Resources Article before the effective date of this Act shall terminate on the effective date of this Act.
- (b) The Secretary of Natural Resources shall convene the new members of the Oyster Advisory Commission in accordance with the provisions of Section 1 of this Act.
- (c) The terms of the new members convened under subsection (b) of this section shall begin on the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That the Department of Natural Resources shall implement the 2019 Fishery Management Plan for Oysters pending the development of consensus recommendations in accordance with this Act.

SECTION  $\frac{2}{2}$ . AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2019.

Gubernatorial Veto Override, January 30, 2020.

Chapter 6

(House Bill 891 of the 2019 Regular Session)

AN ACT concerning

#### State Personnel - Grievance Procedures

FOR the purpose of expanding the application of certain provisions of law governing grievance procedures for certain employees in the State Personnel Management System; requiring a grievant to complete certain forms in a certain manner for a certain purpose; applying a certain definition of "grievance" to a certain requirement that the Department of Transportation adopt certain regulations relating to employee grievance procedures; altering a certain definition; defining a certain term; making a conforming change; and generally relating to grievance procedures and State employees.

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section 12–101, 12–102, and 12–108

Annotated Code of Maryland

(2015 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation

Section 2-103.4(d)(2)

Annotated Code of Maryland

(2015 Replacement Volume and 2018 Supplement)

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

#### **Article - State Personnel and Pensions**

12-101.

- (a) In this title the following words have the meanings indicated.
- (b) "Employer" means one or more of the following:
  - (1) an employee's appointing authority;
  - (2) an employee's principal unit; or
  - (3) the Department of Budget and Management.
- (c) "Exclusive representative" has the meaning stated in § 3–101 of this article.
- [(c)] (D) (1) "Grievance" means a dispute between an employee and the employee's employer about the interpretation of and application to the employee of:
  - (i) a personnel policy or regulation adopted by the Secretary; [or]

 $\hbox{(ii)} \qquad \hbox{any other policy or regulation over which management has } \\ \hbox{control; } \textbf{OR}$ 

## (III) ANY TERM OR CONDITION OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE STATE AND THE EXCLUSIVE REPRESENTATIVE.

- (2) "Grievance" does not include a dispute about:
  - (i) a pay grade or range for a class;
  - (ii) the amount or the effective date of a statewide pay increase;
  - (iii) the establishment of a class;
  - (iv) the assignment of a class to a service category;
  - (v) the establishment of classification standards;
  - (vi) a mid-year performance appraisal; or
  - (vii) an oral reprimand or counseling.

12-102.

- (a) Except as otherwise provided by law, this title applies to all employees in the State Personnel Management System within the Executive Branch AND INDEPENDENT PERSONNEL SYSTEMS.
  - (b) This title does not apply to:
- (1) an employee who is appointed by the Governor whose appointment requires the Governor's approval;
- (2) an employee in the executive service of the State Personnel Management System;
  - (3) a temporary employee;
- (4) an attorney in the Office of the Attorney General or the Office of the Public Defender;
  - (5) a State Police officer;

- (6) <del>[an employee UNDER § 7-601 OF THE TRANSPORTATION ARTICLE</del> who is subject to a collective bargaining agreement that contains another grievance procedure;
- (7) an employee, including a member of a faculty, who is subject to a contract or regulation governing teacher tenure;
- **{**(8)**<del>} (7)</del>** a member of the faculty, an officer, or an administrative employee of Baltimore City Community College;
  - $\{(9)\}$  (8) a student employee;
- $\{(10)\}$  an individual who, as an inmate or patient in an institution, is employed by the State; or
- $\{(11)\}$  (11) an administrative law judge in the Office of Administrative Hearings.

12-108.

- **(A)** The Secretary shall:
  - (1) provide for forms for initiating and processing grievances; and
  - (2) make the forms available on the Department's [Web site] WEBSITE.
- (B) THE GRIEVANT SHALL COMPLETE THE FORMS PROVIDED IN ACCORDANCE WITH SUBSECTION (A) OF THIS SECTION IN SUFFICIENT DETAIL THAT WILL ALLOW FOR THE EXPEDITIOUS RESOLUTION OF THE GRIEVANCE.

## **Article – Transportation**

2-103.4.

(d) (2) The regulations shall address procedures for leave, appointment, hiring, promotion, layoff, removal, termination, redress of grievances, AS DEFINED IN § 12–101 OF THE STATE PERSONNEL AND PENSIONS ARTICLE, and reinstatement of employees and shall be presented to the Joint Committee on Administrative, Executive, and Legislative Review under Title 10, Subtitle 1 of the State Government Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2019.

Gubernatorial Veto Override, January 30, 2020.

# Chapter 7

# (House Bill 262 of the 2019 Regular Session)

AN ACT concerning

## **Higher Education - Tuition Rates - Exemptions**

FOR the purpose of altering the circumstances under which certain individuals are exempt from paying the out—of—state tuition rate at certain institutions of higher education; altering the circumstances under which certain individuals are eligible to pay a certain tuition rate at certain institutions of higher education; requiring certain individuals to retain a certain tuition status until the individual is awarded a certain degree under certain circumstances; making certain stylistic changes; and generally relating to tuition rates at public institutions of higher education.

BY repealing and reenacting, with amendments,

Article – Education Section 15–106.8 Annotated Code of Maryland (2018 Replacement Volume and 2018 Supplement)

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

#### Article - Education

15-106.8.

- (a) In this section, "individual":
  - (1) Includes an undocumented immigrant individual; and
- (2) Does not include a nonimmigrant alien within the meaning of 8 U.S.C. § 1101(a)(15).
- (b) Notwithstanding any other provision of this article, an individual shall be exempt from paying the out—of—state tuition rate at [a community college] A PUBLIC INSTITUTION OF HIGHER EDUCATION in the State, AND SHALL BE ELIGIBLE FOR THE TUITION RATES DESCRIBED UNDER SUBSECTIONS (C) AND (D) OF THIS SECTION, if the individual:
- (1) [Beginning with the 2005–2006 school year, attended] **ATTENDED** a public or nonpublic secondary school in the State [for at least 3 years];
  - (2) [Beginning with the 2007–2008 school year, graduated] **GRADUATED**

from a public or nonpublic secondary school in the State or received the equivalent of a high school diploma in the State;

- (3) Registers as an entering student in [a community college] A PUBLIC INSTITUTION OF HIGHER EDUCATION in the State [not earlier than the 2011 fall semester] NOT LATER THAN 6 YEARS AFTER GRADUATING FROM A PUBLIC OR NONPUBLIC SECONDARY SCHOOL IN THE STATE OR RECEIVING THE EQUIVALENT OF A HIGH SCHOOL DIPLOMA IN THE STATE;
- (4) Provides to the [community college] PUBLIC INSTITUTION OF HIGHER EDUCATION documentation that the individual or the individual's parent or legal guardian has filed a Maryland income tax return[:
- (i) Annually for the 3 years while the individual attended a public or nonpublic secondary school in the State in accordance with item (1) of this subsection;
- (ii) Annually during the period, if any, between graduation from a public or nonpublic secondary school in the State and registration at a community college in the State; and
- (iii) Annually during the period of attendance at the community college] ANNUALLY FOR THE 3-YEAR PERIOD BEFORE THE ACADEMIC YEAR IN WHICH THE TUITION RATE EXEMPTION WOULD APPLY;
- (5) In the case of an individual who is not a permanent resident, provides to the [community college] PUBLIC INSTITUTION OF HIGHER EDUCATION an affidavit stating that the individual will file an application to become a permanent resident within 30 days after the individual becomes eligible to do so; AND
- (6) In the case of an individual who is required to register with the Selective Service System, provides to the [community college] PUBLIC INSTITUTION OF HIGHER EDUCATION documentation that the individual has complied with the registration requirement[; and
- (7) Registers in a community college in the State not later than 4 years after graduating from a public or nonpublic secondary school in the State or receiving the equivalent of a high school diploma in the State].
- (c) Notwithstanding any other provision of this article and subject to subsection **[(h)] (I)** of this section, an individual shall be eligible to pay a rate that is equivalent to the resident tuition rate at a public senior higher education institution, if the individual **[**:
- (1) Attended a community college not earlier than the 2010 fall semester and met the requirements of subsection (b) of this section, except for the requirement set forth in subsection (b)(3) of this section;

- (2) Was awarded an associate's degree by or achieved 60 credits at a community college in the State;
- (3) Provides the public senior higher education institution a copy of the affidavit submitted under subsection (b)(5) of this section;
- (4) Provides to the public senior higher education institution documentation that the individual or the individual's parent or legal guardian has filed a Maryland income tax return:
- (i) Annually while the individual attended a community college in the State;
- (ii) Annually during the period, if any, between graduation from or achieving 60 credits at a community college in the State and registration at a public senior higher education institution in the State; and
- (iii) Annually during the period of attendance at the public senior higher education institution; and
- (5) Registers at a public senior higher education institution in the State not later than 4 years after graduating from or achieving 60 credits at a community college in the State] MEETS THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION.
- (d) Notwithstanding any other provision of this article, an individual shall be eligible to pay a rate that is equivalent to the in–county tuition rate at a community college in the State if the individual:
  - (1) Meets the requirements of subsection (b) of this section; and
  - (2) Attends a community college supported by the county in which:
- (i) AN ADDRESS IN THE COUNTY IS USED ON THE MARYLAND INCOME TAX RETURN OF THE INDIVIDUAL OR THE INDIVIDUAL'S PARENT OR LEGAL GUARDIAN OF THE CALENDAR YEAR PRIOR TO THE ACADEMIC YEAR IN WHICH THE RATE WOULD APPLY;
- (II) The secondary school from which the individual graduated is located; or
- [(ii)] (III) In the case of an individual who received the equivalent of a high school diploma in the State, the secondary school most recently attended by the individual is located.
  - (E) (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, AN

INDIVIDUAL SHALL RETAIN THE INDIVIDUAL'S TUITION STATUS AT A PUBLIC INSTITUTION OF HIGHER EDUCATION IN THE STATE IF THE INDIVIDUAL:

- (I) MEETS THE REQUIREMENTS OF PARAGRAPH (2) OF THIS SUBSECTION; AND
- (II) ON OR AFTER JUNE 15, 2012, WAS EXEMPT FROM PAYING THE OUT-OF-STATE OR OUT-OF-COUNTY TUITION RATE AT A PUBLIC INSTITUTION OF HIGHER EDUCATION.
- (2) TO RETAIN TUITION STATUS UNDER THIS SUBSECTION, AN INDIVIDUAL SHALL USE AN ADDRESS IN THE STATE ON THE MARYLAND INCOME TAX RETURN OF THE INDIVIDUAL OR THE INDIVIDUAL'S PARENT OR LEGAL GUARDIAN ANNUALLY UNTIL THE INDIVIDUAL IS AWARDED A DEGREE FROM THE PUBLIC INSTITUTION OF HIGHER EDUCATION.
- [(e)] **(F)** Information collected under this section as part of a student's registration shall remain confidential.
- [(f)] (G) (1) [A community college or public senior higher education institution] A PUBLIC INSTITUTION OF HIGHER EDUCATION that admits an individual who qualifies for the tuition rate under this section shall:
- (i) Keep a record of the number of individuals who pay the tuition rate in accordance with the requirements under [subsection (b), (c), or (d)] SUBSECTIONS (C) AND (D) of this section; and
- (ii) Report the information required in item (i) of this paragraph to the Commission each year.
- (2) The Commission shall submit to the General Assembly, in accordance with § 2–1246 of the State Government Article, an annual report consisting of a compilation of the reports submitted to the Commission under paragraph (1) of this subsection.
- [(g)] **(H)** The governing board of each public institution of higher education shall adopt appropriate policies to implement the provisions of this section.
- [(h)] (I) The students that are receiving the tuition rate **DESCRIBED** in subsection (c) of this section may not be counted as in—State students for the purposes of determining the number of Maryland undergraduate students enrolled at a public senior higher education institution.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  $1,\,2019.$ 

Gubernatorial Veto Override, January 30, 2020.

Chapter 8

(House Bill 994 of the 2019 Regular Session)

AN ACT concerning

# Labor and Employment - Criminal Record Screening Practices (Ban the Box)

FOR the purpose of authorizing the Commissioner of Labor and Industry to conduct an investigation to determine whether certain provisions of this Act have been violated on receipt of a certain written complaint; prohibiting certain employers from requiring an applicant for employment to disclose certain information regarding the criminal record of the applicant except under certain circumstances, conducting a certain criminal history records check, or taking certain other action before a conditional offer for employment has been extended; providing that certain provisions of this Act do not prohibit an employer from making a certain inquiry or taking certain other action; including on certain application forms a question or other request for information regarding whether the applicant for employment has a eriminal record or has had criminal accusations brought against the applicant requiring an applicant for employment to disclose certain information regarding the criminal record of the applicant except under certain circumstances before the first in-person interview; providing that certain provisions of this Act do not prohibit an employer from making a certain inquiry or taking certain other action; providing that certain provisions of this Act do not apply to certain employers; authorizing the Commissioner on a certain determination to resolve certain issues informally by mediation: authorizing the Commissioner to ask the Attorney General to bring a certain action on behalf of certain applicants under certain circumstances; authorizing the Attorney General to bring a certain action in a certain county under certain circumstances for injunctive relief, damages, or other relief; prohibiting employers from taking or refusing to take certain actions against certain applicants and employees under certain circumstances; establishing certain penalties; requiring the Commissioner to issue a certain order under certain circumstances; authorizing the Commissioner to assess a certain civil penalty for certain violations of this Act under certain circumstances; requiring the Commissioner to consider certain factors in determining the amount of a certain penalty; subjecting the assessment of a certain penalty to certain requirements; providing for the construction of this Act; defining certain terms; providing for a delayed effective date; and generally relating to criminal record screening practices of employers.

BY repealing and reenacting, with amendments, Article – Labor and Employment Section 3–103 Annotated Code of Maryland (2016 Replacement Volume and 2018 Supplement)

#### BY adding to

Article – Labor and Employment

Section 3–1401 through <u>3–1406</u> <u>3–1405</u> to be under the new subtitle "Subtitle 14. Criminal History Screening"

Annotated Code of Maryland

(2016 Replacement Volume and 2018 Supplement)

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

## **Article - Labor and Employment**

3-103.

- (a) Except as otherwise provided in this section, the Commissioner may conduct an investigation to determine whether a provision of this title has been violated on the Commissioner's own initiative or may require a written complaint.
- (b) The Commissioner may conduct an investigation under Subtitle 3 of this title, on the Commissioner's own initiative or on receipt of a written complaint of an employee.
- (c) The Commissioner may conduct an investigation to determine whether Subtitle 5 of this title has been violated on receipt of a written complaint of an employee.
- (d) The Commissioner may conduct an investigation to determine whether Subtitle 6 of this title has been violated on receipt of a written complaint of a sales representative.
- (e) (1) The Commissioner may investigate whether § 3–701 of this title has been violated on receipt of a written complaint of an applicant for employment.
- (2) The Commissioner may investigate whether § 3–702 of this title has been violated on receipt of a written complaint of an applicant for employment or an employee.
- (3) The Commissioner may investigate whether § 3–704 of this title has been violated on receipt of a written complaint of an employee.
- (4) The Commissioner may investigate whether § 3–710 of this title has been violated on receipt of a written complaint of an employee as provided in § 3–710(d)(1) of this title.

- (5) The Commissioner may investigate whether § 3–711 of this title has been violated on receipt of a written complaint of an employee as provided in § 3–711(d)(1) of this title.
- (6) The Commissioner may investigate whether § 3–712 of this title has been violated on receipt of a written complaint of an employee or applicant.
- (f) (1) The Commissioner may investigate whether § 3–801 of this title has been violated on receipt of a written complaint of an employee.
- (2) The Commissioner may investigate whether § 3–802 of this title has been violated on receipt of a written complaint of an employee.
- (g) The Commissioner may investigate whether Subtitle 9 of this title has been violated:
  - (1) on the Commissioner's own initiative;
- (2) on receipt of a written complaint signed by the person submitting the complaint; or
  - (3) on referral from another unit of State government.
- (h) The Commissioner may conduct an investigation to determine whether Subtitle 10 of this title has been violated on receipt of a written complaint of an employee.
- (i) The Commissioner may conduct an investigation to determine whether Subtitle 12 of this title has been violated on receipt of a written complaint of an employee.
- (J) THE COMMISSIONER MAY CONDUCT AN INVESTIGATION TO DETERMINE WHETHER SUBTITLE 14 OF THIS TITLE HAS BEEN VIOLATED ON RECEIPT OF A WRITTEN COMPLAINT OF AN APPLICANT OR EMPLOYEE.
- [(j)] **(K)** The Commissioner, on the Commissioner's own initiative or on receipt of a written complaint, may conduct an investigation of whether a local minimum wage law has been violated.
- [(k)] (L) (1) The Commissioner may conduct an investigation to determine whether Subtitle 13 of this title has been violated on receipt of a written complaint by an employee.
- (2) To the extent practicable, the Commissioner shall keep confidential the identity of an employee who has filed a written complaint alleging a violation of Subtitle 13 of this title unless the employee waives confidentiality.

#### SUBTITLE 14. CRIMINAL HISTORY SCREENING.

3-1401.

- (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
  - (B) "CRIMINAL RECORD" MEANS:
    - (1) AN ARREST;
    - (2) A PLEA OR VERDICT OF GUILTY;
    - (3) A PLEA OF NOLO CONTENDERE;
    - (4) THE MARKING OF A CHARGE "STET" ON THE DOCKET;
    - (5) A DISPOSITION OF PROBATION BEFORE JUDGMENT; OR
    - (5) (6) A DISPOSITION OF NOT CRIMINALLY RESPONSIBLE.
- (C) (1) "EMPLOYER" MEANS A PERSON WHO EMPLOYS 15 OR MORE FULL-TIME EMPLOYEES.
  - (2) "EMPLOYER" INCLUDES:
    - (I) A UNIT OF STATE OR LOCAL GOVERNMENT; AND
- (II) A PERSON WHO ACTS, DIRECTLY OR INDIRECTLY, IN THE INTEREST OF AN EMPLOYER WITH RESPECT TO AN EMPLOYEE OF THE EMPLOYER.
- (D) (1) "EMPLOYMENT" MEANS ANY WORK FOR PAY AND ANY FORM OF VOCATIONAL OR EDUCATIONAL TRAINING, WITH OR WITHOUT PAY.
  - (2) "EMPLOYMENT" INCLUDES:
- (I) CONTRACTUAL, TEMPORARY, SEASONAL, OR CONTINGENT WORK; AND
- (II) WORK THROUGH THE SERVICES OF A TEMPORARY OR OTHER EMPLOYMENT AGENCY.
- 3-1402.
  - (A) THIS SUBTITLE DOES NOT:

- (1) PROHIBIT AN EMPLOYER FROM MAKING AN INQUIRY OR TAKING OTHER ACTION THAT THE EMPLOYER IS REQUIRED TO TAKE OR IS EXPRESSLY AUTHORIZED TO TAKE BY ANOTHER APPLICABLE FEDERAL, STATE, OR LOCAL FEDERAL OR STATE LAW; OR
- (2) APPLY TO AN EMPLOYER THAT PROVIDES PROGRAMS, SERVICES, OR DIRECT CARE TO MINORS OR TO VULNERABLE ADULTS.
- (B) THIS SUBTITLE MAY NOT BE CONSTRUED TO PREEMPT A LOCAL JURISDICTION FROM ENACTING OR ENFORCING A LAW THAT IS MORE RESTRICTIVE WITH RESPECT TO CRIMINAL RECORD SCREENING PRACTICES OF EMPLOYERS IN THE LOCAL JURISDICTION.

3-1403.

- (A) (A) AN EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION,
  AN EMPLOYER MAY NOT, AT ANY TIME BEFORE A CONDITIONAL OFFER OF
  EMPLOYMENT HAS BEEN EXTENDED:
- (1) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, REQUIRE AN APPLICANT TO DISCLOSE WHETHER THE APPLICANT HAS A CRIMINAL RECORD OR HAS HAD CRIMINAL ACCUSATIONS BROUGHT AGAINST THE APPLICANT:
- (2) CONDUCT A CRIMINAL HISTORY RECORDS CHECK ON THE APPLICANT; OR
- (3) OTHERWISE INQUIRE OF THE APPLICANT OR OTHERS ABOUT WHETHER THE APPLICANT HAS A CRIMINAL RECORD OR HAS HAD CRIMINAL ACCUSATIONS BROUGHT AGAINST THE APPLICANT.
- (B) AN EMPLOYER MAY REQUIRE AN APPLICANT TO DISCLOSE DURING THE FIRST IN-PERSON INTERVIEW WITH THE APPLICANT WHETHER THE APPLICANT HAS A CRIMINAL RECORD OR HAS HAD CRIMINAL ACCUSATIONS BROUGHT AGAINST THE APPLICANT INCLUDE ON A PAPER OR ELECTRONIC APPLICATION FORM A QUESTION OR OTHER REQUEST FOR INFORMATION REGARDING WHETHER THE APPLICANT HAS A CRIMINAL RECORD OR HAS HAD CRIMINAL ACCUSATIONS BROUGHT AGAINST THE APPLICANT, AT ANY TIME BEFORE THE FIRST IN-PERSON INTERVIEW, REQUIRE AN APPLICANT TO DISCLOSE WHETHER THE APPLICANT HAS A CRIMINAL RECORD OR HAS HAD CRIMINAL ACCUSATIONS BROUGHT AGAINST THE APPLICANT.
- (B) AN EMPLOYER MAY REQUIRE AN APPLICANT TO DISCLOSE DURING THE FIRST IN-PERSON INTERVIEW WITH THE APPLICANT WHETHER THE APPLICANT HAS A CRIMINAL RECORD OR HAS HAD CRIMINAL ACCUSATIONS BROUGHT AGAINST THE APPLICANT.

3-1404.

- (A) WHENEVER THE COMMISSIONER DETERMINES THAT THIS SUBTITLE HAS BEEN VIOLATED, THE COMMISSIONER MAY:
- (1) TRY TO RESOLVE ANY ISSUE INVOLVED IN THE VIOLATION INFORMALLY BY MEDIATION; OR
- (2) ASK THE ATTORNEY GENERAL TO BRING AN ACTION ON BEHALF OF THE APPLICANT OR EMPLOYEE.
- (B) THE ATTORNEY GENERAL MAY BRING AN ACTION UNDER THIS SECTION IN THE COUNTY WHERE THE VIOLATION ALLEGEDLY OCCURRED, FOR INJUNCTIVE RELIEF, DAMAGES, OR OTHER RELIEF.

#### <del>3-1405.</del>

AN EMPLOYER MAY NOT TAKE OR REFUSE TO TAKE A PERSONNEL ACTION OR OTHERWISE RETALIATE OR DISCRIMINATE AGAINST AN APPLICANT OR EMPLOYEE AS A REPRISAL FOR THE APPLICANT OR EMPLOYEE HAVING CLAIMED A VIOLATION OF THIS SUBTITLE.

#### <del>3-1406.</del> 3-1405.

#### AN EMPLOYER WHO VIOLATES ANY PROVISION UNDER THIS SUBTITLE:

- (1) FOR A FIRST VIOLATION, IS SUBJECT TO A CIVIL PENALTY OF \$250;
- (2) FOR A SECOND VIOLATION, IS SUBJECT TO A CIVIL PENALTY OF \$500:
- (3) FOR A THIRD VIOLATION, IS SUBJECT TO A CIVIL PENALTY OF \$750; AND
- (4) FOR A FOURTH OR SUBSEQUENT VIOLATION, IS SUBJECT TO A CIVIL PENALTY NOT LESS THAN \$1,000.
- (A) IF THE COMMISSIONER DETERMINES THAT AN EMPLOYER HAS VIOLATED ANY PROVISION OF THIS SUBTITLE, THE COMMISSIONER:
  - (1) SHALL ISSUE AN ORDER COMPELLING COMPLIANCE; AND

- (2) FOR A SUBSEQUENT VIOLATION, MAY, IN THE COMMISSIONER'S DISCRETION, ASSESS A CIVIL PENALTY OF UP TO \$300 FOR EACH APPLICANT FOR EMPLOYMENT OR EMPLOYEE WITH RESPECT TO WHOM THE EMPLOYER VIOLATED ANY PROVISION OF THIS SUBTITLE.
- (B) IN DETERMINING THE AMOUNT OF THE PENALTY, IF ASSESSED, THE COMMISSIONER SHALL CONSIDER:
  - (1) THE GRAVITY OF THE VIOLATION;
  - (2) THE SIZE OF THE EMPLOYER'S BUSINESS;
  - (3) THE EMPLOYER'S GOOD FAITH; AND
- (4) THE EMPLOYER'S HISTORY OF VIOLATIONS UNDER THIS SUBTITLE.
- (C) THE ASSESSMENT OF A PENALTY UNDER SUBSECTION (A)(2) OF THIS SECTION SHALL BE SUBJECT TO THE NOTICE AND HEARING REQUIREMENTS OF TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 2020.

Gubernatorial Veto Override, January 30, 2020.

Chapter 9

(Senate Bill 830 of the 2019 Regular Session)

AN ACT concerning

Natural Resources - Fishery Management Plans - Oysters

FOR the purpose of requiring the Department of Natural Resources to convene the Oyster Advisory Commission, in coordination with the University of Maryland Center for Environmental Science, on or before a certain date; providing for the membership of the Commission; requiring certain persons to provide information to the Commission under certain circumstances but prohibiting certain persons from participating as voting members; establishing certain requirements for the fishery management plan for oysters; requiring the Department of Natural Resources, in coordination with the University of Maryland Center for Environmental Science, to convene a certain stakeholder workgroup Science and the Commission, to develop a certain package of consensus recommendations for enhancing and implementing the fishery

management plan for oysters; providing for the membership of the stakeholder workgroup; requiring the stakeholder workgroup Commission, with certain assistance, to develop certain recommendations based on a certain process, review certain ovster management actions and recommend certain ovster management actions to achieve certain goals, and review certain results for certain oyster management actions; prohibiting the Department from using certain funds for a certain purpose; prohibiting the Department from using certain funds for a certain purpose: authorizing the Commission to meet and deliberate in closed session for a certain purpose under certain circumstances, notwithstanding a certain provision of law; requiring the Department to submit certain interim reports and a final report by certain dates to the Governor and General Assembly; requiring the Department to perform certain reviews of the ovster stock and, with certain input, implement certain management actions; providing for the termination of the terms of certain members of the Commission; requiring the Secretary of Natural Resources to convene the Commission in a certain manner; requiring the Department to implement a certain Fishery Management Plan for Oysters subject to certain requirements; and generally relating to a fishery management plan for oysters.

# BY repealing and reenacting, with amendments,

Article – Natural Resources
Section 4–204(c) and 4–215(e)(4)
Annotated Code of Maryland
(2018 Replacement Volume)

BY repealing and reenacting, without amendments, Article – Natural Resources Section 4–215(b)(6) Annotated Code of Maryland (2018 Replacement Volume)

BY repealing and reenacting, with amendments,

Article - Natural Resources Section 4-215(e)(4) Annotated Code of Maryland (2018 Replacement Volume)

#### BY adding to

Article – Natural Resources Section 4–215(e)(5) Annotated Code of Maryland (2018 Replacement Volume)

#### Preamble

WHEREAS, Large connected oyster populations provide a number of environmental benefits to the Chesapeake Bay ecosystem, including reef habitat for finfish, shellfish, and other marine life, improved water quality, reduced sedimentation, carbon storage, and increased shellfish propagation; and

WHEREAS, The oyster population in the Bay is languishing at <del>1% of historic populations</del> a historic low; and

WHEREAS, The oyster resource is a valuable resource to Maryland; and

WHEREAS, Chapter 703 of the Acts of the General Assembly of 2016 required the Department of Natural Resources to conduct a stock assessment and, based on this assessment, identify management strategies to address the maintenance of a sustainable oyster population and fishery; and

WHEREAS, With the completion of the oyster stock assessment, new regulations and policies for oyster management in Maryland are needed to sustain and grow the oyster resource, industry, and ecosystem; and

WHEREAS, A consensus—based process, as demonstrated by the OysterFutures model which utilizes a 60–40 balance of stakeholders, can be used to develop regulations and policies for oyster management that have broad stakeholder support and are informed by the oyster stock assessment, stakeholder knowledge, and scientific evidence; now, therefore, and

WHEREAS, It is the intent of the General Assembly that the recommendations of this Commission be the fishery management plan for oysters; now, therefore,

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

#### Article - Natural Resources

4-204.

- (c) (1) There is an Oyster Advisory Commission in the Department.
- (2) (I) [The Commission consists of members appointed by the Secretary] ON OR BEFORE JUNE 1, 2019, AND SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE DEPARTMENT SHALL, IN COORDINATION WITH THE UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE, CONVENE THE MEMBERS OF THE COMMISSION.

# (II) THE COMMISSION SHALL ONLY INCLUDE INCLUDE ONLY:

1. A REPRESENTATIVE FROM EACH COUNTY OYSTER COMMITTEE ESTABLISHED UNDER § 4–1106(B) OF THIS TITLE DESIGNATED BY THE COMMITTEE;

- <u>2. A REPRESENTATIVE FROM THE MARYLAND</u>
  WATERMEN'S ASSOCIATION, DESIGNATED BY THE ASSOCIATION;
- 3. A REPRESENTATIVE FROM THE MARYLAND OYSTERMEN'S ASSOCIATION, DESIGNATED BY THE ASSOCIATION;
- 4. A REPRESENTATIVE FROM THE BLACKS OF THE CHESAPEAKE FOUNDATION, DESIGNATED BY THE FOUNDATION;
- 5. A REPRESENTATIVE FROM THE AQUACULTURE INDUSTRY DESIGNATED BY THE AQUACULTURE COORDINATING COUNCIL;
- 5-6. A REPRESENTATIVE FROM THE COMMERCIAL SEAFOOD BUYER INDUSTRY, DESIGNATED BY THE SECRETARY;
- <u>6.</u> 7. A REPRESENTATIVE FROM THE COASTAL CONSERVATION ASSOCIATION OF <u>MARYLAND</u> <u>MARYLAND</u>, <u>DESIGNATED BY THE ASSOCIATION</u>;
- **7.** 8. A REPRESENTATIVE FROM THE CHESAPEAKE BAY FOUNDATION, DESIGNATED BY THE FOUNDATION;
- 8. 9. A REPRESENTATIVE FROM THE NATURE CONSERVANCY, DESIGNATED BY THE CONSERVANCY;
- 9-10. A REPRESENTATIVE FROM THE SHORERIVERS RIVERKEEPER ASSOCIATION, DESIGNATED BY THE ASSOCIATION;
- 10. A REPRESENTATIVE FROM THE ARUNDEL RIVERS FEDERATION, DESIGNATED BY THE FEDERATION;
- <u>11.</u> 12. A REPRESENTATIVE FROM THE OYSTER RECOVERY PARTNERSHIP, DESIGNATED BY THE PARTNERSHIP;
- <u>12.</u> 13. A REPRESENTATIVE FROM THE CHESAPEAKE BAY COMMISSION, DESIGNATED BY THE CHESAPEAKE BAY COMMISSION;
- <u>13.</u> 14. A REPRESENTATIVE FROM BLUE OYSTER ENVIRONMENTAL, DESIGNATED BY BLUE OYSTER ENVIRONMENTAL;

- 15. A REPRESENTATIVE FROM THE CHESAPEAKE BAYSAVERS, DESIGNATED BY THE CHESAPEAKE BAYSAVERS;
- 44. 16. A REPRESENTATIVE FROM THE NATIONAL AQUARIUM, DESIGNATED BY THE NATIONAL AQUARIUM; AND
- <u>15.</u> 17. A REPRESENTATIVE FROM THE UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE, DESIGNATED BY THE CENTER; AND
- 18. A REPRESENTATIVE FROM THE PATUXENT ENVIRONMENTAL AND AQUATIC RESEARCH LABORATORY, MORGAN STATE UNIVERSITY, DESIGNATED BY THE RESEARCH LABORATORY.
- (3) THE FOLLOWING PERSONS SHALL PROVIDE INFORMATION TO THE COMMISSION AT THE REQUEST OF THE COMMISSION BUT MAY NOT PARTICIPATE AS VOTING MEMBERS:
- (I) STATE AND FEDERAL AGENCIES TASKED WITH OYSTER MANAGEMENT AND RESTORATION RESPONSIBILITIES, INCLUDING THE DEPARTMENT, THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, AND THE U.S. ARMY CORPS OF ENGINEERS;
- (II) TWO MEMBERS OF THE SENATE, ONE FROM EACH POLITICAL PARTY, APPOINTED BY THE PRESIDENT OF THE SENATE; AND
- (III) TWO MEMBERS OF THE HOUSE OF DELEGATES, ONE FROM EACH POLITICAL PARTY, APPOINTED BY THE SPEAKER OF THE HOUSE.
  - [(3)] **(4)** The Commission shall:
- (i) Provide the Department with advice on matters related to oysters in the Chesapeake Bay;
- (ii) Review the best possible science and recommend changes to the framework and strategies for rebuilding and managing the oyster population in the Chesapeake Bay under the Chesapeake Bay Oyster Management Plan;
- (iii) Review the latest findings relevant to the Environmental Impact Statement evaluating oyster restoration alternatives for the Chesapeake Bay;
- (iv) Review any other scientific, economic, or cultural information relevant to oysters in the Chesapeake Bay; [and]

- (V) DEVELOP A PACKAGE OF CONSENSUS RECOMMENDATIONS, IN COORDINATION WITH THE DEPARTMENT, FOR ENHANCING AND IMPLEMENTING THE FISHERY MANAGEMENT PLAN FOR OYSTERS UNDER § 4–215 OF THIS SUBTITLE; AND
- <u>f(v)</u> By December 31, 2007 and to the extent reasonably appropriate, report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly on:
- 1. Strategies to minimize the impact of oyster disease, including the State repletion program and bar cleaning;
- <u>2.</u> The framework and effectiveness of the oyster sanctuary, harvest reserve, and repletion programs, and the overall management of natural oyster bars, after performing a cost—benefit analysis that considers biological, ecological, economic, and cultural issues;
- 3. Strategies to maximize the ecological benefits of natural oyster bars; and
  - 4. Strategies to improve enforcement of closed oyster areas.
- (5) THE DEPARTMENT MAY NOT USE FUNDS ALLOCATED TO A COUNTY OYSTER COMMITTEE FOR THE COMMISSION ESTABLISHED UNDER THIS SUBSECTION.
- (5) THE DEPARTMENT MAY NOT USE FUNDS ALLOCATED TO A COUNTY OYSTER COMMITTEE FOR THE COMMISSION ESTABLISHED UNDER THIS SUBSECTION.

4-215.

- (b) The Department shall prepare fishery management plans for the following species:
  - (6) Oysters;
- (e) (4) (i) Subject to subparagraph (ii) of this paragraph, the Department may not take any action to reduce or alter the boundaries of the oyster sanctuaries established in "Oyster Sanctuaries of the Chesapeake Bay and its Tidal Tributaries (September 2010)" until the Department has developed a fisheries management plan for the scientific management of the oyster stock [following the completion of its reports in accordance with paragraph (3) of this subsection] BASED ON MANAGEMENT STRATEGIES AND MEASUREMENTS RECOMMENDED BY THE OYSTER ADVISORY COMMISSION UNDER PARAGRAPH (5) OF THIS SUBSECTION AND DETERMINED BY THE

DEPARTMENT IN CONSULTATION WITH THE UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE.

- (ii) <u>The fishery management plan developed in</u> Accordance with paragraph (5) of this subsection shall:
- AND REGIONS OF THE CHESAPEAKE BAY AND ITS TRIBUTARIES WHERE OVERFISHING HAS OCCURRED ACCORDING TO BIOLOGICAL REFERENCE POINTS ESTABLISHED BY THE MOST RECENT OYSTER STOCK ASSESSMENT WHILE MAINTAINING A HARVEST IN THE FISHERY;
- <u>2. ACHIEVE FISHING MORTALITY RATES AT TARGET</u> LEVELS;
  - 3. INCREASE OYSTER ABUNDANCE;
  - 4. INCREASE OYSTER HABITAT; AND
- <u>5. FACILITATE THE LONG-TERM SUSTAINABLE</u> HARVEST OF OYSTERS, *INCLUDING THE PUBLIC FISHERY*.
- (III) This paragraph may not be construed to prevent the Department from:
- 1. Selecting the final two tributaries for tributary-scale oyster restoration sanctuary projects in accordance with the 2014 Chesapeake Bay Agreement; or
- 2. Establishing, in the discretion of the Department, any dimensions for a tributary–scale oyster restoration sanctuary project.

#### (5) (I) THE DEPARTMENT SHALL:

1. IN COORDINATION WITH THE UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE AND THE OYSTER ADVISORY COMMISSION, CONVENE A STAKEHOLDER WORKGROUP TO DEVELOP A PACKAGE OF CONSENSUS RECOMMENDATIONS FOR ENHANCING AND IMPLEMENTING THE FISHERY MANAGEMENT PLAN FOR OYSTERS THAT WILL BE INFORMED BY A COLLABORATIVELY DEVELOPED, SCIENCE—BASED MODELING TOOL TO QUANTIFY THE LONG—TERM IMPACTS OF IDENTIFIED MANAGEMENT ACTIONS AND POSSIBLE COMBINATIONS OF MANAGEMENT ACTIONS ON:

#### A. OYSTER ABUNDANCE;

- B. OYSTER HABITAT;
- C. OYSTER HARVEST;
- D. OYSTER HARVEST REVENUE; AND
- E. NITROGEN REMOVAL; AND
- 2. HOLD PUBLIC LISTENING SESSIONS THROUGHOUT THE STATE TO IDENTIFY POSSIBLE MANAGEMENT ACTIONS FOR USE IN THE PUBLIC OYSTER FISHERY.

#### (H) THE STAKEHOLDER WORKGROUP SHALL INCLUDE:

- 1. A REPRESENTATIVE FROM EACH COUNTY WATERMAN'S ASSOCIATION:
- 2. A REPRESENTATIVE FROM THE MARYLAND WATERMAN'S ASSOCIATION:
- 3. A REPRESENTATIVE FROM THE COASTAL CONSERVATION ASSOCIATION OF MARYLAND;
- 4. A REPRESENTATIVE FROM THE CHESAPEAKE BAY

FOUNDATION;

5. A REPRESENTATIVE FROM THE NATURE

CONSERVANCY:

6. A REPRESENTATIVE OF A COMMERCIAL SEAFOOD

**ORGANIZATION:** 

7. A REPRESENTATIVE FROM THE AQUACULTURE

**INDUSTRY; AND** 

- 8. STATE AND FEDERAL AGENCIES TASKED WITH OYSTER MANAGEMENT AND RESTORATION RESPONSIBILITIES.
- (HI) (II) THE STAKEHOLDER WORKGROUP OYSTER ADVISORY COMMISSION, WITH THE ASSISTANCE OF EXTERNAL CONFLICT RESOLUTION AND FACILITATION SPECIALISTS, SHALL:

- 1. DEVELOP A PACKAGE OF CONSENSUS RECOMMENDATIONS THROUGH A FACILITATED CONSENSUS SOLUTIONS PROCESS, BASED ON A 75% MAJORITY AGREEMENT LEVEL FOR EACH RECOMMENDATION;
- 2. REVIEW CURRENT AND PROPOSED MANAGEMENT ACTIONS FOR COMPLETENESS AND RECOMMEND ADDITIONAL RECOMMEND MANAGEMENT ACTIONS OR COMBINATIONS OF MANAGEMENT ACTIONS TO ACHIEVE THE TARGETS IDENTIFIED IN THE OYSTER STOCK ASSESSMENT WITH THE GOAL OF INCREASING OYSTER ABUNDANCE; AND
- 3. REVIEW MODEL RESULTS FOR EACH MANAGEMENT ACTION OR COMBINATION OF MANAGEMENT ACTIONS TO INFORM STAKEHOLDER WORKGROUP ITS RECOMMENDATIONS.
- (III) NOTWITHSTANDING § 3–305 OF THE GENERAL PROVISIONS ARTICLE, AND WITH THE CONSENT OF A 75% MAJORITY OF ITS MEMBERS, THE OYSTER ADVISORY COMMISSION MAY MEET AND DELIBERATE IN CLOSED SESSION TO DEVELOP THE PACKAGE OF CONSENSUS RECOMMENDATIONS FOR ENHANCING AND IMPLEMENTING THE FISHERY MANAGEMENT PLAN FOR OYSTERS UNDER THIS PARAGRAPH.
- (IV) 1. THE DEPARTMENT SHALL SUBMIT INTERIM REPORTS ON THE DEVELOPMENT OF THE PACKAGE OF CONSENSUS RECOMMENDATIONS BY DECEMBER 1, 2019, AUGUST 1, 2020, AND DECEMBER 1, 2020, TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.
- 2. THE DEPARTMENT SHALL PROVIDE A FINAL REPORT BY JULY 1, 2021, WHICH WILL INCLUDE AN IMPLEMENTATION SCHEDULE FOR THE CONSENSUS RECOMMENDATIONS, TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.
- (V) TO BE RESPONSIVE TO CHANGES IN THE OYSTER RESOURCE DUE TO ENVIRONMENTAL CONDITIONS, THE DEPARTMENT SHALL:
- 1. REVIEW THE STATUS OF THE STOCK RELATIVE TO REFERENCE POINTS EVERY 2 YEARS AND CONDUCT A BENCHMARK STOCK ASSESSMENT EVERY 6 YEARS WITH CONSIDERATION OF NEW METHODS AND WITH EXTERNAL PEER REVIEW; AND
- 2. WITH THE INPUT OF INTERESTED STAKEHOLDERS, IMPLEMENT MANAGEMENT ACTIONS THAT INCREASE OYSTER HABITAT, MAINTAIN HARVEST, AND GROW THE OYSTER STOCK.

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

- (a) The terms of the members serving on the Oyster Advisory Commission established under § 4–204(c) of the Natural Resources Article before the effective date of this Act shall terminate on the effective date of this Act.
- (b) The Secretary of Natural Resources shall convene the new members of the Oyster Advisory Commission in accordance with the provisions of Section 1 of this Act.
- (c) The terms of the new members convened under subsection (b) of this section shall begin on the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That the Department of Natural Resources shall implement the 2019 Fishery Management Plan for Oysters pending the development of consensus recommendations in accordance with this Act.

SECTION  $\stackrel{2}{=}$  4. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2019.

Gubernatorial Veto Override, January 30, 2020.

Chapter 10

(Senate Bill 251)

AN ACT concerning

# Election Law - Special Elections - Calendar Revisions

FOR the purpose of altering the deadline by which a certificate of candidacy for an office to be filled by a special election is required to be filed; establishing the filing deadline for a certificate of candidacy for a special election of a write-in candidate; establishing the filing deadline for a certificate of nomination for a special election for a certain office; requiring that the verification and counting of certain signatures on a petition seeking to place the name of an individual on the ballot for a special election be completed within a certain time period; requiring that judicial review of a petition seeking to place the name of an individual on the ballot for a special election be sought by a certain date; altering the circumstance under which the Governor is authorized to take certain actions regarding a special election to fill a vacancy in a certain office; altering the earliest day on which a special primary and special general election to fill a vacancy in a certain office may be held; requiring the State Administrator of Elections to ensure that special elections are conducted in a certain manner; prohibiting a certain individual from filing a certificate of candidacy for a certain election if there are a certain number of days or less before the date of the election; altering the deadlines by which the State Board of Elections is required

to certify certain information to local boards regarding a special primary and special general election; altering the deadline by which the State Board is required to certify and display certain ballot information for a special primary election; altering the deadline by which each board of canvassers is required to transmit a certain copy of election results to certain persons following a special primary or special general election; authorizing a certain candidate for a certain primary election to withdraw the certificate of candidacy in accordance with certain procedures by a certain deadline after a certain special primary election; making conforming and clarifying changes; making this Act an emergency measure; providing for the termination of certain provisions of this Act; and generally relating to revisions to the election calendar for special elections.

BY repealing and reenacting, with amendments,

Article – Election Law Section 5–303, 5–703.1, 6–210, 8–710, 8–711, 9–207, and 11–401 Annotated Code of Maryland (2017 Replacement Volume and 2019 Supplement)

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

#### Article - Election Law

5 - 303.

- (a) Except as provided in subsections (b) [and], (c), AND (D) of this section:
- (1) in the year in which the Governor is elected, a certificate of candidacy shall be filed not later than 9 p.m. on the last Tuesday in February in the year in which the primary election will be held; and
- (2) for any other regularly scheduled election, a certificate of candidacy shall be filed not later than 9 p.m. on the 95th day before the day on which the primary election will be held.
- (b) [A] EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A certificate of candidacy for an office to be filled by a special election under this article shall be received and filed in the office of the appropriate board not later than 5 p.m. on the <u>FIRST</u> Monday that is 3 weeks or 21 days [prior to the date for the special primary election specified by the Governor in the] AFTER THE ISSUANCE OF THE proclamation BY THE GOVERNOR for the special primary election.
- (c) [The] EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, THE certificate of candidacy for the election of a write—in candidate shall be filed by the earlier of:

- (1) 7 days after a total expenditure of at least \$51 is made to promote the candidacy by a campaign finance entity of the candidate; or
- (2) 5 p.m. on the 7th day preceding the start of early voting for which the certificate is filed.
- (D) THE CERTIFICATE OF CANDIDACY FOR A SPECIAL ELECTION OF A WRITE-IN CANDIDATE SHALL BE FILED BY THE EARLIER OF:
- (1) 7 DAYS AFTER A TOTAL EXPENDITURE OF A LEAST \$51 IS MADE TO PROMOTE THE CANDIDACY BY ANY AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE OF THE CANDIDATE; OR
- (2) 5 P.M. ON THE 7TH DAY PRECEDING THE START OF VOTING AT A PRECINCT POLLING PLACE OR, IF THE ELECTION IS BEING CONDUCTED BY MAIL, THE VOTING CENTER ESTABLISHED UNDER § 9–503 OF THIS ARTICLE FOR WHICH THE CERTIFICATE IS FILED.

5-703.1.

- (a) Except for a candidate for a nonpartisan county board of education, this section applies to any candidate for public office subject to this title.
- (b) A candidate for a public office may be nominated by a political party under this subtitle if the political party is not required to nominate its candidates by party primary.
- (c) (1) This subsection does not apply to a candidate nominated by a new political party under  $\S 4-102(f)$  of this article.
- (2) A candidate for public office who seeks political party nomination under this section shall file a declaration of intent to seek political party nomination.
- (3) The declaration of intent shall be filed with the board at which the candidate files a certificate of candidacy under Subtitle 3 of this title.
  - (4) The declaration of intent shall be filed as follows:
    - (i) not later than the first Monday in July; and
    - (ii) for a special election to fill a vacancy:
- 1. for Representative in Congress, by the date and time specified in the Governor's proclamation; or

- 2. for a local public office, by the date and time specified in the county proclamation.
- (5) A candidate who seeks nomination by political party may not be charged a fee for filing the declaration of intent.
- (d) (1) A candidate for public office who seeks nomination by political party shall file a certificate of candidacy not later than 5 p.m. on the first Monday in August in the year of the general election for the office.
- (2) Except for the time of filing, the certificate of candidacy for a candidate who seeks nomination by political party shall comply with the requirements for a certificate of candidacy under Subtitle 3 of this title.
- (e) **(1)** A candidate for nomination by political party may not have the candidate's name placed on the general election ballot unless the candidate files with the appropriate board, on a form the State Board prescribes, a certificate of nomination signed by the officers of the political party.
- (2) IN A SPECIAL ELECTION TO FILL A VACANCY IN THE OFFICE OF REPRESENTATIVE IN CONGRESS, A CERTIFICATE OF NOMINATION SHALL BE FILED WITH THE STATE BOARD BY 5 P.M. ON THE DAY OF THE SPECIAL PRIMARY ELECTION. 6–210.
- (a) (1) A request for an advance determination under § 6–202 of this subtitle shall be submitted at least 30 days, but not more than 2 years and 1 month, prior to the deadline for the filing of the petition.
- (2) Except as provided in paragraph (3) of this subsection, within 5 business days of receiving a request for an advance determination, the election authority shall make the determination.
- (3) Within 10 business days of receiving a request for an advance determination of the sufficiency of a summary of a local law or charter amendment contained in a petition under § 6–202(b) of this subtitle, the election director shall make the determination.
- (b) Within 2 business days after an advance determination under § 6–202 of this subtitle, or a determination of deficiency under § 6–206 or § 6–208 of this subtitle, the chief election official of the election authority shall notify the sponsor of the determination.
- (c) (1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE verification and counting of validated signatures on a petition shall be completed within 20 days after the filing of the petition.

- (2) If A PETITION SEEKS TO PLACE THE NAME OF AN INDIVIDUAL ON THE BALLOT FOR A SPECIAL ELECTION, THE VERIFICATION AND COUNTING OF VALIDATED SIGNATURES ON THE PETITION SHALL BE COMPLETED WITHIN 10 DAYS AFTER THE FILING OF THE PETITION.
- (d) Within 1 business day of the completion of the verification and counting processes, or, if judicial review is pending, within 1 business day after a final judicial decision, the appropriate election official shall make the certifications required by § 6–208 of this subtitle.
- (e) (1) Except as provided in paragraph (2) of this subsection, any judicial review of a determination, as provided in § 6–209 of this subtitle, shall be sought by the 10th day following the determination to which the judicial review relates.
- (2) (i) If the petition seeks to place the name of an individual or a question on the ballot at any election, except a presidential primary election, judicial review shall be sought by the day specified in paragraph (1) of this subsection or the 69th day preceding that election, whichever day is earlier.
- (ii) If the petition seeks to place the name of an individual on the ballot for a presidential primary election in accordance with  $\S 8-502$  of this article, judicial review of a determination made under  $\S 6-208(a)(2)$  of this subtitle shall be sought by the 5th day following the determination to which the judicial review relates.
- (III) IF THE PETITION SEEKS TO PLACE THE NAME OF AN INDIVIDUAL ON THE BALLOT FOR A SPECIAL ELECTION, JUDICIAL REVIEW SHALL BE SOUGHT BY THE 2ND DAY FOLLOWING THE DETERMINATION TO WHICH THE JUDICIAL REVIEW RELATES.
- (3) (i) A judicial proceeding under this subsection shall be conducted in accordance with the Maryland Rules, except that:
- 1. the case shall be heard and decided without a jury and as expeditiously as the circumstances require; and
- 2. an appeal shall be taken directly to the Court of Appeals within 5 days after the date of the decision of the circuit court.
- (ii) The Court of Appeals shall give priority to hear and decide an appeal brought under subparagraph (i)2 of this paragraph as expeditiously as the circumstances require.

8-710.

(a) (1) Except as provided in paragraph (2) of this subsection, if there is a vacancy in the office of Representative in Congress, the Governor shall issue a

proclamation, within 10 days after the date that the vacancy occurs or becomes known to the Governor, declaring that a special primary election and a special general election shall be held to fill the vacancy.

- (2) If the vacancy occurs during the period beginning [60] **39** days before the regular primary election and ending on the last day of the term, the Governor may:
  - (i) decline to issue a proclamation; and
  - (ii) allow the office to remain vacant for the remainder of the term.
- (b) (1) The Governor's proclamation shall specify the dates of the special primary election and the special general election.
- (2) The special primary election shall be held on a Tuesday that is at least [65] **80** days after the date of the proclamation.
- (3) The special general election shall be held on a Tuesday that is at least [65] **70** days after the date of the special primary election.
  - (c) (1) The Governor shall:
    - (i) immediately give public notice of the proclamation; and
    - (ii) deliver the proclamation to the State Administrator.
    - (2) The State Administrator shall:
- (i) immediately notify the State Board members and the local boards of the counties that comprise the congressional district;
- (ii) forward to each of those local boards a copy of the proclamation; [and]
- (iii) direct the local boards of election to make the absentee ballot for the special primary election or special general election available to an absent uniformed services voter or overseas voter, as defined under the Uniformed and Overseas Citizens Absentee Voting Act, at least 45 days before the date of the special election; AND
- (IV) ENSURE THAT THE SPECIAL ELECTION IS CONDUCTED IN COMPLIANCE WITH ALL FEDERAL AND STATE LAWS.
- (d) (1) (I) Notwithstanding any other provision of this section, if the vacancy occurs or becomes known to the Governor during the period beginning 120 days before the regular primary election for Representatives in Congress and ending 40 days before the primary election, the Governor's proclamation shall order that:

- $\stackrel{\text{(i)}}{=}$  the special primary election shall be merged with the regular primary election;
- (ii) <u>2.</u> any individual who files a certificate of candidacy for the regular primary election shall be deemed to have filed a certificate of candidacy for the special primary election; and
- (iii) 3. any EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, ANY other qualified individual may file a certificate of candidacy, for both the special primary election and the regular primary election, not later than 9 p.m. on the day that is 2 days after the issuance of the proclamation.

# (II) A QUALIFIED INDIVIDUAL MAY NOT FILE A CERTIFICATE OF CANDIDACY UNDER SUBPARAGRAPH (I)3 OF THIS PARAGRAPH IF THERE ARE 64 DAYS OR LESS BEFORE THE DATE OF THE ELECTION.

- (2) A vote cast for a candidate in the merged primary election shall be deemed a vote for that candidate in both the special primary election and the regular primary election.
- (3) Two certificates of nomination, one for the special primary election and one for the regular primary election, shall be issued to each candidate nominated in the merged primary election.
  - (4) Notwithstanding any provision of this article:
- (i) a nominee for the special primary election may decline the nomination by notifying the State Board not later than 5 p.m. on the Wednesday following the primary election;
- (ii) the appropriate political party shall fill the vacancy in nomination not later than 5 p.m. on the Thursday following the primary election; and
- (iii) a petition for recount and recanvas of the special primary election shall be filed not later than 5 p.m. on the Wednesday following the primary election.

#### 8-711.

- (a) At least [20] **55** days before the special primary election, the State Board shall certify to the appropriate local boards the name, residence, and party affiliation of each candidate who qualifies to appear on the **SPECIAL** primary election ballot.
- (b) At least [20] **55** days before the special general election, the State Board shall certify to the appropriate local boards the name, residence, and party affiliation of each nominee who qualifies to appear on the **SPECIAL** general election ballot.

9-207.

- (a) The State Board shall certify and publicly display the content and arrangement of each ballot:
  - (1) for a primary election, at least 64 days before the election;
  - (2) for a general election, at least 64 days before the election;
- (3) for a special primary election, at least [18] **55** days before the election; and
- (4) for a special general election, not later than a date specified in the Governor's proclamation.
- (b) The Court of Appeals, on petition of the State Board, may establish a later date in extraordinary circumstances.
- (c) The State Board shall publicly display the content and arrangement of each certified ballot on its website.
- (d) Except pursuant to a court order under § 9–209 of this subtitle, or as provided in § 9–208 of this subtitle, the content and arrangement of the ballot may not be modified after the second day of the public display.
- (e) Unless a delay is required by court order, the State Board may begin to print the ballots after certification and 3 days of public display and correct any noted errors.

#### 11–401.

- (a) (1) After each election, each board of canvassers shall transmit one certified copy of the election results in its county, attested by the signatures of the chairperson and secretary of the board of canvassers, to:
  - (i) the Governor;
  - (ii) the State Board; and
  - (iii) the clerk of the circuit court for the appropriate county.
  - (2) The statement may be mailed or delivered in person.
- (b) After each general election in which votes have been cast for a write—in candidate, each board of canvassers shall transmit a statement of returns of the votes cast for write—in candidates who have filed a certificate of candidacy.

- (c) (1) The transmittal shall be made on the second Friday after a primary or general election or, if the canvass is completed after that date, within 48 hours after the completion of the canvass.
- (2) (i) Except as specified in subparagraph (ii) of this paragraph, after a special primary or special GENERAL election, the transmittal shall be made as soon as possible, but no later than the second [Thursday] FRIDAY after the election.
- (ii) After a special primary or special **GENERAL** election that is held at the same time as a primary or general election, the transmittal shall be made in accordance with paragraph (1) of this subsection.
- (d) The clerk of the circuit court shall record the election results filed with the court under this section.

SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding § 5–502 of the Election Law Article, an individual who has filed a certificate of candidacy for the primary election for Representative in Congress for the seventh congressional district may withdraw the certificate in accordance with procedures determined by the State Administrator of Elections within 2 days after the special primary election that is being held on February 4, 2020, for that office.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three—fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted. Section 2 of this Act shall remain effective for a period of 6 months from the date it is enacted and, at the end of the 6—month period, Section 2 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, February 3, 2020.

Chapter 11

(Executive Order 01.01.2020.02)

AN EXECUTIVE ORDER concerning

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

FOR the purpose of renaming the Governor's Office of Crime Control and Prevention to be the Governor's Office of Crime Prevention, Youth, and Victim Services; renaming the Governor's Office for Children to be the Division of Children and Youth under the Governor's Office of Crime Prevention, Youth, and Victim Services; providing that the Governor's Office of Crime Prevention, Youth, and Victim Services shall be the successor to the Governor's Office of Crime Control and Prevention; providing that the Division of Children and Youth shall be the successor of the Governor's Office for Children; establishing the duties of the Governor's Office of Crime Prevention, Youth, and Victim Services and the Division of Children and Youth; providing that certain employees transferred as a result of this Act shall be transferred without diminution of certain rights, benefits, or employment or retirement status; providing for the continuity of certain transactions affected by or flowing from this Act; providing for the continuity of certain laws, rules and regulations, standards and guidelines, policies, orders, and other directives, permits and licenses, applications, forms, plans, memberships, contracts, property, investigations, and administrative and judicial responsibilities; providing for appropriate transitional provisions relating to the continuity of certain boards and other units; providing that certain property, records, fixtures, appropriations, credits, assets, liabilities, obligations, rights, and privileges are transferred to the Governor's Office of Crime Prevention, Youth, and Victim Services; providing for the continuity of certain contracts, agreements, grants, or other obligations; requiring the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, to correct any cross-references or terminology rendered incorrect by this Executive Order and to describe any corrections made in an editor's note following the section affected; and generally relating to the establishment of the Governor's Office of Crime Prevention. Youth, and Victim Services and the Division of Children and Youth.

BY repealing and reenacting, with amendments,

Article – Correctional Services Section 3–518(a)(9), 9–603(a)(2)(i), (j)(1)(i), and (k), 9–614(b)(1)(i) and (2) Annotated Code of Maryland (2017 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Courts and Judicial Proceedings Section 3–1510(a)(5) and (h) Annotated Code of Maryland (2013 Replacement Volume and 2019 Supplement)

BY repealing,

Article – Criminal Law Section 10–626(a)(5) Annotated Code of Maryland (2012 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Criminal Law Section 10–626(d)(1) Annotated Code of Maryland (2012 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Criminal Procedure

Section 2–404, 10–208(a)(4), 10–209(b) and (e), 11–801(f), 11–804(a), 11–910(d), 11–911, 11–914(6), 11–919(b)(1) and (c)(1), 11–923(c)(1), (d), (e), and (g), 11–927(d)(2)(ix)2., 11–928(a), (c), (d)(1), (e)(1), and (f), 11–1006(c)(1), (d), (e), and (g), 11–1008(b)(3), 11–1101(c), 11–1102(a) and (b)(4), 12–403(d)(2), 12–601, 12–602(e)(2),

(f), and (g)(1)(i) and (2)

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article - Education

Section 8–417(b)(2) and 9.5–203(a)(6)

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Family Law

Section 4–501(h), 4–503(a)(1), 4–512(a)(5) and (h), 4–515(a)(1) and (c)(2)(i), 5–704.4 (a)(3) and (f), 5–1102(a)(3) and 5–1103(a)(3)

Annotated Code of Maryland

(2019 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Health–General

Section 5-703(a)(7), 7.5-303(a)(1)(xi) and (xii), 13-1504(a)(1)(ix), 15-139(d)(1), 24-904(b)(3)

Annotated Code of Maryland

(2019 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Health Occupations

Section 20–101(l)(2)(ii)

Annotated Code of Maryland

(2019 Replacement Volume)

BY repealing and reenacting, with amendments.

Article – Housing and Community Development

Section 4–2103(a)(13)(i)

Annotated Code of Maryland

(2019 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article - Human Services

Section 1–210(3), 6–604(a)(6), 7–128(12) and (16), 8–101(g), (h), (i)(1), (j)(1)(i), (k) through (m), (n)(1), (o), and (p), 8–306(a)(1), 8–402(a)(1), 8–507(a)(1), (b), and (c) Annotated Code of Maryland (2019 Replacement and 2019 Supplement)

#### BY adding to

Article – Human Services Section 8–101(g) and (h) Annotated Code of Maryland (2019 Replacement and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article - Public Safety

Section 1–401(b)(9), 2–514(a)(1) and (b), 3–207(a)(18)(i) and (h), 3–507(b)(1) and (c) through (e), 4–101(b), 4–401(d), 4–501(e), 4–601(b), 4–701(c), 4–703(f)(1), 4–901(e), 4–903(a) and (d)(3), 4–906(c)(2), 4–1008(2), 4–1009(a) and (c)(1) and (2), 4–1101(c), 4–1201(a) through (d), 4–1301(b), 4–1401(b), and 5–502(a), (b)(2)(iv), and (f) Annotated Code of Maryland (2018 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 12-110(c)(1)(x) and (xi)

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government

Section 6–401(d), 6–404(8), 6–406(a)(1), 9–2701(c)(1)(iv)1., 9–3201(c), 9–3202, 9–3206, 9–3207(e)(2), 9–3209(b)(4), 9–3211(g) and 10-1503(b)(22)

Annotated Code of Maryland

(2014 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation

Section 12–206.1(b)(1)(ii) and (e), and 25–113(a)(5)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

SECTION 1. BE IT ORDERED BY THE GOVERNOR OF MARYLAND, pursuant to Article II, Section 24, of the Constitution of Maryland, that the Laws of Maryland read as follows:

#### Article - Correctional Services

- (a) The Management Council consists of the following 15 members:
- (9) a representative of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES, appointed by the Governor;

9-603.

- (a) (2) (i) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES, the Maryland Department of Health, and the Maryland Correctional Administrators Association shall evaluate the implementation of the requirements of this section and determine a schedule to add additional counties, provided that the provisions of this section shall apply to all local detention centers and the Baltimore Pre—trial Complex by January 2023.
- (j) On or before November 1, 2020, and annually thereafter, the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall report data from individual local correctional facilities to the General Assembly, in accordance with § 2–12[46]57 of the State Government Article, on:
  - (1) the number of inmates diagnosed with:
    - (i) a mental health disorder:
- (k) Any behavioral health assessment, evaluation, treatment recommendation, or course of treatment shall be reported to the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES and also include any other data necessary to meet reporting requirements under this section.

9-614.

- (b) (1) On or before December 31 each year, each correctional unit shall submit data to the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES showing, by correctional unit:
  - (i) the total population of the correctional unit;
- (2) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall make the information submitted in accordance with paragraph (1) of this subsection available on its website and, when the information has been received from every correctional unit in accordance with paragraph (1) of this subsection, promptly submit the information in a

report to the General Assembly, in accordance with § 2–1257 of the State Government Article.

#### **Article - Courts and Judicial Proceedings**

3-1510.

- (a) (5) "Victim services provider" means a nonprofit or governmental organization that has been authorized by the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES to have online access to records of shielded peace orders in order to assist victims of abuse.
- (h) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES, in consultation with the Maryland Judiciary, may adopt regulations governing online access to shielded records by a victim services provider.

#### Article - Criminal Law

10-626.

- (a) [(5) "GOCCP" means the Governor's Office of Crime Control and Prevention.]
- (d) (1) The Executive Director of [GOCCP] THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall administer the Fund.

#### Article - Criminal Procedure

2-404.

On or before December 31, 2009, and annually thereafter, the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall report to the House Judiciary Committee and the Senate Judicial Proceedings Committee, in accordance with § 2–1257 of the State Government Article on the progress of jurisdictions and the Department of State Police in establishing interrogation rooms capable of creating audiovisual recordings of custodial interrogations.

10 - 208.

(a) (4) The Executive Director of the [Governor's Office of Crime Control and Prevention;] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES;

10 - 209.

- (b) The Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES, the Attorney General, and the Director of the Maryland Justice Analysis Center of the Department of Criminology and Criminal Justice of the University of Maryland shall serve on the Advisory Board as ex officio members.
- (e) Subject to the approval of the head of the appropriate unit, the Advisory Board may use the staff and facilities of the Department, the Administrative Office of the Courts, and the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES in the performance of its functions.

11-801.

(f) "Executive Director" means the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

11 - 804.

(a) There is a Criminal Injuries Compensation Board in the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

11-910.

(d) "Executive Director" means the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

11-911.

There is a State Board of Victim Services in the [Governor's Office of Crime Control and Prevention created by Order 01.01.1995.18] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

11-914.

Subject to the authority of the Executive Director, the Board shall:

(6) approve or disapprove each grant application submitted by the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES:

11-919.

- (b) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall:
- (1) adopt regulations for the administration and award of grants under Part II of this subtitle; and
- (c) (1) approve each grant application received by the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES before any money is released from the Fund;

11 - 923.

- (c) (1) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall help establish sexual assault crisis programs in the State.
- (d) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES may award grants to public or private nonprofit organizations to operate the sexual assault crisis programs certified by the federally recognized State sexual assault coalition.
- (e) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall regularly consult, collaborate with, and consider the recommendations of the federally recognized State sexual assault coalition regarding sexual assault crisis programs and policies, practices, and procedures that impact victims of sexual assault.
- (g) The Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall include a report on the sexual assault crisis programs in the annual report submitted by the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES to the General Assembly, in accordance with § 2–1257 of the State Government Article.

11 - 927.

- (d) (2) The Committee consists of the following members:
  - (ix) the following members appointed by the Governor:

2. one representative of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

11 - 928.

- (a) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall establish and sustain child advocacy centers in the State and ensure that every child in the State has access to a child advocacy center.
- (c) The [Governor's Office of Crime Control and Prevention] **GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES** may contract with public or private nonprofit organizations to operate child advocacy centers.
- (d) (1) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall contract with a nonprofit organization that is qualified under § 501(c)(3) of the Internal Revenue Code and represents urban, rural, and suburban child advocacy centers in the State to establish a Maryland Statewide Organization for Child Advocacy Centers.
  - (e) Money for child advocacy centers:
- (1) shall be distributed to child advocacy centers in accordance with a formula agreed on by the Maryland Statewide Organization for Child Advocacy Centers and the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES;
- (f) On or before June 1 each year, the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall submit an annual report, in accordance with § 2–1257 of the State Government Article, on child advocacy centers to the General Assembly.

11-1006.

- (c) (1) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall help establish and expand programs for survivors of homicide victims in the State.
- (d) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall award grants to public or private nonprofit organizations to operate the programs for survivors of homicide victims.

- (e) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES regularly shall consult, collaborate with, and consider the recommendations of service providers to survivors of homicide victims regarding programs, policies, practices, and procedures that impact survivors of homicide victims.
- (g) On or before October 1 each year, the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall include a report on the programs for survivors of homicide victims in the annual report submitted by the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES to the General Assembly, in accordance with § 2–1257 of the State Government Article.

11-1008.

(b) (3) The [Governor's Office of Crime Control and Prevention] **GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES** shall administer the pilot program.

11-1101.

(c) "Executive Director" means the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

11-1102.

- (a) There is a Victim Services Unit in the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.
- (b) (4) any other program that provides victim services under the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES that the Executive Director determines would benefit from inclusion under the Unit.

12 - 403.

(d) Except as otherwise provided under federal law, a law enforcement unit other than a State law enforcement unit that participated with a State law enforcement unit in seizing property forfeited under this section:

(2) may ask the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES to determine its share.

12-601.

- [(a)] In this subtitle [the following words have the meanings indicated.
- (b) "GOCCP" means the Governor's Office of Crime Control and Prevention.
- (c)], "MSAC" means the Maryland Statistical Analysis Center of [GOCCP] THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

  12–602.
- (e) (2) [GOCCP] THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall submit the aggregate report to the Governor, the General Assembly, as provided in § 2–1257 of the State Government Article, and each seizing authority before September 1 of each year.
- (f) (1) [GOCCP] THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall include in the aggregate report the total amount from forfeitures deposited in the General Fund of the State under § 12–405 of this title that were appropriated to the Maryland Department of Health for the purpose of funding drug treatment and education programs and how the funds were spent.
- (2) [GOCCP] THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES may include, with the aggregate report of MSAC, recommendations to the legislature to improve forfeiture statutes to better ensure that forfeiture proceedings are reported and handled in a manner that is fair to crime victims, innocent property owners, secured interest holders, citizens, and taxpayers.
- (g) (1) (i) [GOCCP] THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall report the noncompliance to the Police Training Commission; and
- (2) If the seizing authority fails to comply with the required reporting provisions within 30 days after being contacted by the Police Training and Standards Commission, [GOCCP] THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES and the Police Training and Standards Commission jointly shall report the noncompliance to the Governor and the Legislative Policy Committee of the General Assembly.

### Article - Education

(b) (2) The Department of Human Services, the Department of Juvenile Services, the Department of Budget and Management, the Maryland Department of Health, and the [Governor's Office for Children] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall participate with the Department in the development and implementation of rates in programs licensed or approved by those agencies to the extent required by federal and State law.

9.5 - 203.

- (a) The Council consists of the following members:
- (6) The Executive Director of the [Governor's Office for Children] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES, or the Executive Director's designee;

## Article - Family Law

4-501.

(h) "Executive Director" means the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

4-503.

- (a) A law enforcement officer who responds to a request for help under § 4–502 of this Part I of this subtitle shall give the victim a written notice that:
- (1) includes the telephone number of a local domestic violence program that receives funding from the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES; and

4-512.

- (a) (5) "Victim services provider" means a nonprofit or governmental organization that has been authorized by the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES to have online access to records of shielded protective orders in order to assist victims of abuse.
- (h) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES, in consultation with the Maryland Judiciary, may adopt regulations governing online access to shielded records by a victim services provider.

4-515.

- (a) (1) The Executive Director shall establish a program in the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES to help victims of domestic violence and their children.
- (c) Any program established under this section shall be subject to the following conditions:
- (2) the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall:
  - (i) supervise the program;

5-704.4.

- (a) (3) "Executive Director" means the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.
- (f) Notwithstanding any appropriation made under subsection (h) of this section, not later than October 1, 2019, the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall provide grant funding for services provided by the Safe Harbor Regional Navigator Grant Program.

5-1102.

- (a) All proposals for funding received under this subtitle designed to address the prevention of child physical or sexual abuse shall be reviewed by a selection committee composed of the following members:
- (3) the [Special Secretary] **DEPUTY DIRECTOR** of the [Office for Children, Youth, and Families] **DIVISION OF CHILDREN AND YOUTH OF THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES** who shall serve as the chairman of the committee.

5-1103.

- (a) All proposals for funding received under this subtitle designed to address the prevention of child alcohol and drug abuse shall be reviewed by a selection committee composed of the following members:
- (3) the [Special Secretary] **DEPUTY DIRECTOR** of the [Office for Children, Youth, and Families] **DIVISION OF CHILDREN AND YOUTH OF THE**

GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES who shall serve as chairman of the committee.

#### Article - Health - General

5-703.

- (a) The State Team shall be a multidisciplinary and multiagency review team, composed of at least 25 members, including:
- (7) The [Executive] **DEPUTY** Director of the [Governor's Office for Children] **DIVISION OF CHILDREN AND YOUTH OF THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES or the [Executive] <b>DEPUTY** Director's designee;

7.5 - 303.

- (a) (1) The Council consists of the following members:
- (xi) The [Executive Director of the Governor's Office for Children] DEPUTY DIRECTOR OF THE DIVISION OF CHILDREN AND YOUTH OF THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES, or the [Executive] DEPUTY Director's designee;
- (xii) The Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES, or the Executive Director's designee;

13-1504.

- (a) (1) The Advisory Council shall be composed of 19 members as follows:
- (ix) The [Special Secretary] **EXECUTIVE DIRECTOR** of the [Governor's Office for Children] **GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES**, or the [Special Secretary's] **EXECUTIVE DIRECTOR'S** designee;

15 - 139.

(d) (1) The [Governor's Office for Children] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall adopt regulations to carry out the provisions of subsection (c)(2) of this section.

24-904.

(b) The Standing Advisory Committee shall consist of:

(3) One representative from law enforcement, nominated by the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES;

## **Article – Health Occupations**

20-101.

- (l) (2) "Residential child care program" includes a program:
- (ii) That is subject to the licensing requirements of the [Governor's Office for Children] DIVISION OF CHILDREN AND YOUTH OF THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES governing the operations of residential child care programs.

## Article - Housing and Community Development

4-2103.

- (a) The Council consists of the following members:
  - (13) the following members, appointed by the Governor:
- (i) one representative of the [Governor's Office for Children] DIVISION OF CHILDREN AND YOUTH OF THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES;

#### **Article - Human Services**

1-210.

Notwithstanding any other State law and except as provided in § 1–211 of this subtitle, on written request, a public agency shall disclose information and records on children, youth, and families served by that agency to:

(3) the [Governor's Office for Children] DIVISION OF CHILDREN AND YOUTH OF THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

6-604.

(a) The Commission consists of the following 18 members appointed by the Governor:

(6) the Executive Director of the [Governor's Office for Children] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES OR THE EXECUTIVE DIRECTOR'S DESIGNEE:

7-128.

The Board consists of the following members:

- (12) the [Executive] **DEPUTY** Director of the [Governor's Office for Children] **DIVISION OF CHILDREN AND YOUTH OF THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES**, or the [Executive] **DEPUTY** Director's designee;
- (16) the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES, or the Executive Director's designee; and

8–101.

- (G) "DEPUTY DIRECTOR" MEANS THE DEPUTY DIRECTOR OF THE DIVISION OF CHILDREN AND YOUTH OF THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.
- (H) "DIVISION" MEANS THE DIVISION OF CHILDREN AND YOUTH OF THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.
- [(g)] (I) "Evidence—based" means meeting the criteria for an evidence—based early childhood home visiting service delivery model as defined by the federal Department of Health and Human Services.
- [(h)] (J) "Executive Director" means the Executive Director of the [Governor's Office for Children] THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.
- [(i)] (K) (1) "Family" means an eligible child's natural, adoptive, or foster parents.
  - [(j)] (L) (1) "Home visiting program" means a program or initiative that:
    - (i) contains home visiting as a primary service delivery strategy;
- [(k)] (M) "Hospital" has the meaning stated in § 19–301 of the Health General Article.

- [(k-1)] (N) "Local behavioral health authority" has the meaning stated in § 7.5-101 of the Health General Article.
- [(l)] (O) "Local management board" means an entity established or designated by a county under Subtitle 3 of this title to ensure the implementation of a local, interagency service delivery system for children, youth, and families.
- [(m)] (P) "Office" means the [Governor's Office for Children] THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.
  - [(n)] (Q) "Promising" means a home visiting program or practice that:
    - (1) does not yet meet the standard for evidence-based practices; and
- [(o)] (R) "Public agency" means a State or local government unit or a quasi-governmental entity.
- [(p)] (S) (1) "Residential child care program" means an entity that provides 24—hour per day care for children within a structured set of services and activities that are designed to achieve specific objectives relative to the needs of the children served and that include the provision of food, clothing, shelter, education, social services, health, mental health, recreation, or any combination of these services and activities.

8-306.

- (a) On or before January 1, 2018, the Prince George's County Local Management Board shall:
- (1) develop and implement a strategic plan to raise revenues to match the total funding provided by the [Governor's Office for Children] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES;

8-402.

- (a) The Council consists of the following members:
- (1) the [Executive] **DEPUTY** Director of the [Governor's Office for Children] **DIVISION OF CHILDREN AND YOUTH OF THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES**, or the Executive Director's designee;

8-507.

(a) (1) The [Governor's Office for Children] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES and the agencies of the Children's Cabinet, with input from local management boards, local home visiting

programs, and the Early Childhood Advisory Council, shall require the recipients of State funding for home visiting programs to submit reports to the [Governor's Office for Children] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES on a regular basis.

- (b) The [Governor's Office for Children] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES and the agencies of the Children's Cabinet shall develop a standardized reporting mechanism for the purpose of collecting information about and monitoring the effectiveness of State—funded home visiting programs.
- (c) On or before December 1, 2013, and at least every 2 years thereafter, the [Governor's Office for Children] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES and the agencies of the Children's Cabinet shall submit a report to the Governor and, in accordance with § 2–1257 of the State Government Article, the Senate Finance Committee, the House Ways and Means Committee, and the Joint Committee on Children, Youth, and Families on the implementation and outcomes of State–funded home visiting programs.

## Article - Public Safety

1-401.

- (b) The Board consists of the following members:
- (9) the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES, or the Executive Director's designee; and

2-514.

- (a) On or before April 1, 2010, and on or before April 1 of every even—numbered year thereafter, each local law enforcement unit shall report to the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES on the status of crime scene DNA collection and analysis in its respective jurisdiction for the preceding calendar year, and the Department shall report to the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES on the status of crime scene DNA collection statewide for the preceding calendar year, including:
  - (1) the crimes for which crime scene DNA evidence is routinely collected;
- (b) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall compile the information reported by the local law enforcement units and the Department under

subsection (a) of this section and submit an annual summary report to the Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly.

3-207.

- (a) The Commission has the following powers and duties:
- (18) to develop, with the cooperation of the Office of the Attorney General, the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES, and the Federal Trade Commission, a uniform identity fraud reporting form that:
- (i) makes transmitted data available on or before October 1, 2011, for use by each law enforcement agency of State and local government; and
- (h) The Commission shall distribute the victim's representation notification form developed by the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES under § 12–206.1(e) of the Transportation Article to each law enforcement agency in the State.

3-507.

- (b) Every year, on or before March 1, 2016, and March 1 of each subsequent year, each local law enforcement agency shall provide the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES with information, for the previous calendar year, about each officer—involved death and death in the line of duty that involved a law enforcement officer employed by the agency, to include at a minimum:
  - (1) the age, gender, ethnicity, and race of a deceased individual;
- (c) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall adopt procedures for the collection and analysis of the information described in subsection (b) of this section.
- (d) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall analyze and disseminate the information provided under subsection (b) of this section.
- (e) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall make an annual report on the incidence of officer—involved deaths and deaths in the line of duty in the State to the General Assembly, in accordance with § 2–1257 of the State Government Article, on or before June 30 of each year.

4–101.

(b) "Executive Director" means the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

4-401.

(d) The Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall:

4-501.

(e) "Executive Director" means the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

4-601.

(b) "Executive Director" means the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

4-701.

(c) "Executive Director" means the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

4 - 703.

- (f) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES and the Maryland Police Training and Standards Commission shall provide technical assistance to agencies in applying for:
  - (1) money from the Fund; or

4-901.

(e) "Executive Director" means the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

4-903.

- (a) There is a Maryland Violence Intervention and Prevention Advisory Council in the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.
- (d) (3) The results of the evaluation under paragraph (2) of this subsection shall be posted to the [Governor's Office of Crime Control and Prevention's] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES' website.

4-906.

- (c) In addition to any other reporting requirements from the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES, grantees shall submit a report at the end of each grant cycle that shall:
- (2) be posted to the [Governor's Office of Crime Control and Prevention's] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES' website.

4-1008.

A local government or nonprofit entity that receives funding under this subtitle:

(2) shall comply with any data sharing and reporting requirements established by the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES under § 4–1009 of this subtitle as a condition of receiving funding.

4-1009.

- (a) In this section, "Executive Director" means the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.
- (c) (1) On or before October 1, 2020, and every October 1 thereafter, the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall place on its website in an easily accessible location a filterable data display showing all data collected under this subtitle pertaining to outcome—based performance measures under this section for the previous fiscal year.
- (2) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall notify annually

in writing the Governor and the Legislative Policy Committee, in accordance with § 2–1257 of the State Government Article, when the filterable data display has been updated under paragraph (1) of this subsection.

4-1101.

(c) "Executive Director" means the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

4-1201.

- (a) This subtitle applies only to each grant the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES makes to the Baltimore Police Department.
- (b) The purpose of this subtitle is to ensure that grants from the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES to the Baltimore Police Department for community policing efforts are used for that purpose.
- (c) (1) In fiscal year 2019, the Baltimore Police Department shall prepare a half-year report on the expenditure of grants received from the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.
- (2) In fiscal year 2020 and in each subsequent fiscal year, the Baltimore Police Department shall prepare an annual report on the expenditure of grants received from the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.
  - (d) The report required under subsection (c) of this section shall include:
- (1) the intended use of each grant from the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES to the Baltimore Police Department; and
- (2) the specific expenditures made by the Baltimore Police Department with any monetary grants received from the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

(b) "Executive Director" means the Executive Director of the [Governor's of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

4-1401.

(b) "Executive Director" means the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

5-502.

- (a) There is a Cease Fire Council in the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.
  - (b) (2) Of the 11 members of the Council:
- (iv) one shall be the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES or a designee;
- (f) (1) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall provide staff support for the Council.
- (2) The Assistant Attorney General assigned to the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES is the legal advisor to the Council.

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

12-110.

- (c) (1) The Council consists of the following members:
- (x) the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES;
- (xi) the [Executive] **DEPUTY** Director of the [Governor's Office for Children] **DIVISION OF CHILDREN AND YOUTH OF THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES;**

6-401.

(d) "[Executive] **DEPUTY** Director" means the [Executive] **DEPUTY** Director of the [Governor's Office for Children] **DIVISION OF CHILDREN AND YOUTH OF THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES**.

6-404.

The Unit shall:

(8) collaborate with the Department, the Department of Human Services, the Maryland Department of Health, and the [Governor's Office for Children] **DIVISION OF CHILDREN AND YOUTH OF THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES** in all matters related to the licensing and monitoring of children's residential facilities; and

6-406.

- (a) The Unit shall report in a timely manner to the [Executive] **DEPUTY** Director, the Secretary, and, in accordance with § 2–1257 of this article, the Speaker of the House of Delegates and the President of the Senate:
- (1) knowledge of any problem regarding the care, supervision, and treatment of children in facilities;

9-2701.

- (c) (1) The Council consists of:
- (iv) the following members appointed by the [Governor's Office for Children] DIVISION OF CHILDREN AND YOUTH OF THE GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES:
- 1. four youths nominated by the local management boards established under § 8–301 of the Human Services Article;

9 - 3201.

(c) "Executive Director" means the Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

9 - 3202.

There is a Justice Reinvestment Oversight Board in the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

9-3206.

The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall provide staff for the Board. 9–3207.

(e) (2) The Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall appoint members of the advisory board, subject to the approval of the chair of the Board.

9 - 3209.

(b) (4) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall receive from the Fund each fiscal year the amount necessary to offset the costs of administering the Fund, including the costs incurred in an agreement to collect and interpret data as authorized by § 9–3207 of this subtitle.

9-3211.

(g) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall provide staff for the Commission.

10-1503.

- (b) The Council consists of the following 37 members:
- (22) The Executive Director of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES:

## **Article – Transportation**

12-206.1.

(b) (1) During the investigation of a moving violation, the investigating agency shall:

- (ii) Provide the victim's representative with a copy of the victim's representation notification form developed by the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES under subsection (e) of this section.
- (e) The [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES shall develop and, as necessary, update a uniform victim's representation notification form that may be filed by a victim's representative under this section.

25-113.

(a) (5) "Maryland Statistical Analysis Center" means the research, development, and evaluation component of the [Governor's Office of Crime Control and Prevention] GOVERNOR'S OFFICE OF CRIME PREVENTION, YOUTH, AND VICTIM SERVICES.

SECTION 2. AND BE IT FURTHER ORDERED, That, as provided in this Executive Order:

- (a) (1) The Governor's Office of Crime Prevention, Youth, and Victim Services is the successor of the Governor's Office of Crime Control and Prevention.
- (2) The Executive Director of the Governor's Office of Crime Prevention, Youth, and Victim Services is the successor of the Executive Director of the Governor's Office of Crime Control and Prevention.
- (3) The Division of Children and Youth of the Governor's Office of Crime Prevention, Youth, and Victim Services is the successor of the Governor's Office for Children.
- (4) The Deputy Director of the Division of Children and Youth of the Governor's Office of Crime Prevention, Youth, and Victim Services is the successor of the Executive Director of the Governor's Office for Children.
- (b) In every law, executive order, rule, regulation, policy, or document created by an official, an employee, or a unit of this State, the names and titles of those agencies and officials mean the names and titles of the successor agency or official.

SECTION 3. AND BE IT FURTHER ORDERED, that all persons who, as of the effective date of this Order, are employed in the Governor's Office of Crime Control and Prevention, the Maryland Statistical Analysis Center, and the Governor's Office for Children are hereby transferred to the Governor's Office of Crime Prevention, Youth, and Victim Services without any change or loss of rights or status, and shall retain their merit system and retirement system status.

SECTION 4. AND BE IT FURTHER ORDERED, that any transaction affected by or arising from any statute here amended, repealed, or transferred, and validly entered into before the effective date of this Order and every right, duty, or interest flowing from it remains valid after the effective date and may be terminated, completed, consummated, or enforced pursuant to law.

SECTION 5. AND BE IT FURTHER ORDERED, that all rules and regulations, proposed rules and regulations, standards and guidelines, proposed standards and guidelines, orders and other directives, forms, plans, memberships, special funds, appropriations, grants, applications for grants, contracts, property, investigations, administrative and judicial proceedings, rights to sue and be sued, and all other duties and responsibilities associated with those functions of the Governor's Office of Crime Control and Prevention, the Maryland Statistical Analysis Center, and the Governor's Office for Children transferred by this Order shall continue in effect under the Governor's Office of Crime Prevention, Youth, and Victim Services.

SECTION 6. AND BE IT FURTHER ORDERED, that any unexpended appropriation for the purpose of financing the Governor's Office of Crime Control and Prevention, the Maryland Statistical Analysis Center, and the Governor's Office for Children shall be transferred by approved budget amendment to the Governor's Office of Crime Prevention, Youth, and Victim Services.

SECTION 7. AND BE IT FURTHER ORDERED, that nothing in this Act shall affect the terms of office of a member of any division, board, council, commission, authority, office, unit, or other entity that is transferred by this Act to the Governor's Office of Crime Prevention, Youth, and Victim Services. An individual who is a member of any such entity on the effective date of this Act shall remain a member for the balance of the term to which the member is appointed, unless the member sooner dies, resigns, or is removed under appropriate provisions of law.

SECTION 8. AND BE IT FURTHER ORDERED, that the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct, with no further action required by the General Assembly, cross—references and terminology rendered incorrect by this Executive Order. The publisher shall adequately describe any correction that is made in an editor's note following the section affected.

SECTION 9. AND BE IT FURTHER ORDERED, that this Executive Order shall become effective and have the force of law on the 27th day of February, 2020, unless specifically disapproved within 50 days after submission, by a Resolution of Disapproval concurred in by a majority vote of all members of either House of the General Assembly.

GIVEN Under My Hand and the Great Seal of the State of Maryland, in the City of Annapolis, this 17th Day of January, 2020.

Lawrence J. Hogan, Jr. Governor

ATTEST:

John C. Wobensmith Secretary of State

Executive Order effective March 7, 2020, in accordance with Article II, Section 24 of the Maryland Constitution.

# Chapter 12

(Senate Bill 1079)

AN ACT concerning

# State Budget - Revenue Stabilization Account Transfers - Coronavirus

FOR the purpose of allowing the Governor to transfer by budget amendment up to a certain amount of funds from the Revenue Stabilization Account to fund costs associated with a certain coronavirus disease; requiring the Governor to provide the Legislative Policy Committee with a certain amount of time for review and comment before transferring funds from the Account; requiring a certain report to be submitted within a certain time frame; making this Act an emergency measure; providing for the termination of this Act; and generally relating to funding for the coronavirus disease.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, notwithstanding That:

- (a) Notwithstanding § 7–311(i) of the State Finance and Procurement Article, after providing the Legislative Policy Committee with at least 7 days to review and comment, the Governor may transfer by budget amendment up to \$50,000,000 from the Revenue Stabilization Account established under § 7–311 of the State Finance and Procurement Article to the expenditure accounts of the appropriate units of State government to fund costs associated with the Coronavirus Disease 2019 (COVID–19).
- (b) Within 60 days after the release of funds to units of State government, the Department of Budget and Management shall submit a report to the Legislative Policy

Committee and the General Assembly, in accordance with § 2–1257 of the State Government Article, on the use of the funds, disaggregated by unit of State government.

SECTION 2. 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. It shall remain effective through June 30, 2021, and, at the end of June 30, 2021, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, March 9, 2020.

Chapter 13

(Senate Bill 1080)

AN ACT concerning

State Government – State of Emergency and Catastrophic Health Emergency – Authority of Governor <u>and Unemployment Insurance Benefits</u> (COVID-19 Public Health Emergency Protection Act of 2020)

FOR the purpose of authorizing the Governor to take certain actions as a result of the issuance of a certain proclamation for the duration of a certain emergency; providing that a certain violation is subject to certain provisions of law under certain circumstances; providing that a certain alternative workweek may allow an employee to work certain hours or shifts and less than a certain number of hours in a week; requiring that an employee who is authorized to work an alternative workweek, under certain circumstances, is considered a full—time employee of the State and is entitled to certain compensation; providing that time worked by a certain employee includes only certain hours and does not include certain leave hours for certain purposes; authorizing the Secretary of Labor to determine that a certain individual is eligible for unemployment insurance benefits under certain circumstances; defining certain terms; making this Act an emergency measure; providing for the termination of this Act; and generally relating to the authority of the Governor in a state of emergency and a catastrophic health emergency.

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

- (a) (1) (i) In this section the following words have the meanings indicated.
  - (2) (ii) "Carrier" means:

- (i) 1. an insurer;
- $\frac{\text{(ii)}}{2}$  a nonprofit health service plan; or
- (iii) <u>3.</u> a health maintenance organization.
- (iii) "COVID-19" means, interchangeably and collectively, the coronavirus known as COVID-19 or 2019–nCoV and the SARS–CoV-2 virus.
  - (3) (4) (iv) "Department" means the Maryland Department of Health.
- (4) (5) (v) "Health care provider" has the meaning stated in § 14–3A–01 of the Public Safety Article.
  - (5) (c) (vi) "Program" means the Maryland Medical Assistance Program.
- (b) (2) As a result of the issuance by the Governor on March 5, 2020, of the proclamation declaring a state of emergency and the existence of a catastrophic health emergency or any other proclamation issued under Title 14 of the Public Safety Article relating to the outbreak of COVID-19, the Governor, for the duration of the emergency, may:
- (1) (i) prohibit cost—sharing by carriers for disease COVID—19 testing and any associated costs that is conducted based on testing protocols recommended by the Secretary of Health;
- (2) (ii) order the Department to cover the cost of disease COVID-19 testing and any associated costs, if the costs would not otherwise be paid for by a carrier or another third party;
- (3) (iii) require carriers and the Program to cover the cost of an immunization for COVID-19 and any associated costs, without cost-sharing, if:
- (i) 1. the immunization has been determined by the Department to prevent the disease that is the basis for the issuance of the proclamation; and
- (ii) <u>2.</u> the patient belongs to a category of individuals to whom the Department has determined cost—sharing should not apply;
- (4) (iv) notwithstanding any other provision of law, establish or waive telehealth protocols for COVID-19, including authorizing health care professionals licensed out-of-state to provide telehealth to patients in the State;
- (5) (v) order the Department to reimburse synchronous and asynchronous telehealth services for COVID-19 provided to a patient, without regard to whether the patient is at a clinical site, if the service is:

- (i) <u>1.</u> covered by the Program;
- $\stackrel{\text{(ii)}}{=}$   $\underline{2}$  provided by a health care provider participating in the Program; and
- $\frac{\text{(iii)}}{3.}$  authorized under the health care provider's scope of practice;
- (6) (vi) consult, as appropriate, with the Department, the Maryland Insurance Commissioner, and the Maryland Health Benefit Exchange to develop and implement orders <u>relating to COVID-19</u> to:
- (i) <u>1.</u> minimize disruption in enrollment in health insurance and the Program;
- (ii) 2. facilitate reimbursement by carriers of telehealth services provided to patients in the State; and
- (iii) <u>3.</u> facilitate reimbursement of essential services to minimize the risk to public health;
- (7) (vii) (i) 1. for the duration of the emergency, prohibit a retailer from increasing the sale or rental price of any good or service to a price that increases the retailer's value of profit by more than 10%, including for the price of:
  - $\frac{1}{1}$  A. food;
  - $\underline{\underline{\mathbf{B}}}$   $\underline{\underline{\mathbf{B}}}$  fuel;
  - 3. C. water and ice;
  - 4. <u>D.</u> medicine;
  - 5. <u>E.</u> medical supplies and equipment;
  - $\underline{\mathsf{F.}}$  cleaning products;
  - ₹. <u>G.</u> building supplies and equipment;
  - 8. <u>H.</u> energy sources; and
  - 9. I. storage space; and
- $\frac{\text{(ii)}}{2}$  publish a list of goods and services to which item  $\frac{\text{(i)}}{2}$  of this item applies; and

- (8) (viii) prohibit an employer from terminating an employee solely on the basis that the employee has been required to be isolated or quarantined under Title 14 of the Public Safety Article; and
- (ix) order the Department to authorize an alternative workweek for an employee:
- 1. of a health care facility that is owned or operated by the Department and open 24 hours a day and 7 days a week; and
- <u>2.</u> <u>who is subject to the Memorandum of Understanding with</u> the American Federation of Teachers.
- (b) Notwithstanding the provisions of the Commercial Law Article, if the Governor prohibits a retailer from increasing the sale or rental price of any good or service under subsection (a)(2)(vii)1 of this section, a violation of the prohibition:
- (1) is an unfair, abusive, and deceptive trade practice within the meaning of Title 13 of the Commercial Law Article; and
- (2) is subject to the enforcement and penalty provisions of Title 13 of the Commercial Law Article.
- (c) If the Governor orders the Department to authorize an alternative workweek under subsection (a)(2)(ix) of this section:
- (1) the alternative workweek may allow the employee to work hours or shifts that are not typical for State employees and work less than 40 hours in a week;
- (2) an employee who is authorized to work an alternative workweek shall be:
- (i) considered a full-time employee of the State, notwithstanding any other provision of law; and
- (ii) entitled to compensation for overtime work in accordance with § 8–305 of the State Personnel and Pensions Article; and
- (3) for the purposes of § 8–305 of the State Personnel and Pensions Article, the time worked by an employee who is authorized to work an alternative workweek includes only the hours actually worked and does not include paid leave hours taken by the employee during the workweek.
- SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of Title 8 of the Labor and Employment Article, the Secretary of Labor may determine that an individual, who need not separate from the individual's employment, is eligible for benefits if:

- (1) the individual's employer temporarily ceases operations due to COVID-19, preventing employees from coming to work;
- (2) the individual is quarantined due to COVID-19 with the expectation of returning to work after the quarantine is over; or
- (3) the individual leaves employment due to a risk of exposure or infection of COVID-19 or to care for a family member due to COVID-19.

SECTION  $\frac{2}{3}$ . AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three—fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted. It shall remain effective through April 30, 2021, and, at the end of April 30, 2021, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, March 19, 2020.

Chapter 14

(House Bill 1663)

AN ACT concerning

State Government – State of Emergency and Catastrophic Health Emergency – Authority of Governor <u>and Unemployment Insurance Benefits</u> (COVID-19 Public Health Emergency Protection Act of 2020)

FOR the purpose of authorizing the Governor to take certain actions as a result of the issuance of a certain proclamation for the duration of a certain emergency; providing that a certain violation is subject to certain provisions of law under certain circumstances; providing that a certain alternative workweek may allow an employee to work certain hours or shifts and less than a certain number of hours in a week; requiring that an employee who is authorized to work an alternative workweek, under certain circumstances, is considered a full—time employee of the State and is entitled to certain compensation; providing that time worked by a certain employee includes only certain hours and does not include certain leave hours for certain purposes; authorizing the Secretary of Labor to determine that a certain individual is eligible for unemployment insurance benefits under certain circumstances; defining certain terms; making this Act an emergency measure; providing for the termination of this Act; and generally relating to the authority of the Governor in a state of emergency and a catastrophic health emergency.

	SECTION	1.	BE IT	<b>ENACTED</b>	BY	THE	GENE	RAL A	ASSEN	<b>IBLY</b>	OF I	MARY	ZLAND,
That:													

- (a) (1) (i) In this section the following words have the meanings indicated.
  - (2) (ii) "Carrier" means:
    - (i) 1. an insurer;
    - (ii) 2. a nonprofit health service plan; or
    - (iii) <u>3.</u> a health maintenance organization.
- (iii) "COVID-19" means, interchangeably and collectively, the coronavirus known as COVID-19 or 2019–nCoV and the SARS-CoV-2 virus.
  - (3) (4) (iv) "Department" means the Maryland Department of Health.
- (4) (5) (v) "Health care provider" has the meaning stated in § 14–3A–01 of the Public Safety Article.
  - (5) (ci) "Program" means the Maryland Medical Assistance Program.
- (b) (2) As a result of the issuance by the Governor on March 5, 2020, of the proclamation declaring a state of emergency and the existence of a catastrophic health emergency or any other proclamation issued under Title 14 of the Public Safety Article relating to the outbreak of COVID-19, the Governor, for the duration of the emergency, may:
- (1) (i) prohibit cost—sharing by carriers for disease COVID—19 testing and any associated costs that is conducted based on testing protocols recommended by the Secretary of Health;
- (2) (ii) order the Department to cover the cost of disease COVID-19 testing and any associated costs, if the costs would not otherwise be paid for by a carrier or another third party;
- (3) (iii) require carriers and the Program to cover the cost of an immunization for COVID-19 and any associated costs, without cost-sharing, if:
- (i) <u>1.</u> the immunization has been determined by the Department to prevent the disease that is the basis for the issuance of the proclamation; and
- (ii) <u>2.</u> the patient belongs to a category of individuals to whom the Department has determined cost—sharing should not apply;

- (4) (iv) notwithstanding any other provision of law, establish or waive telehealth protocols for COVID-19, including authorizing health care professionals licensed out-of-state to provide telehealth to patients in the State;
- (5) (v) order the Department to reimburse synchronous and asynchronous telehealth services <u>for COVID-19</u> provided to a patient, without regard to whether the patient is at a clinical site, if the service is:
  - (i) <u>1.</u> covered by the Program;
- $\frac{\text{(ii)}}{2}$  provided by a health care provider participating in the Program; and
- $\frac{\text{(iii)}}{3.}$  authorized under the health care provider's scope of practice;
- (6) (vi) consult, as appropriate, with the Department, the Maryland Insurance Commissioner, and the Maryland Health Benefit Exchange to develop and implement orders relating to COVID-19 to:
- $\stackrel{\text{(i)}}{=}$  1. minimize disruption in enrollment in health insurance and the Program;
- $\frac{\text{(ii)}}{2}$  facilitate reimbursement by carriers of telehealth services provided to patients in the State; and
- $\frac{\text{(iii)}}{\text{the risk to public health;}}$  facilitate reimbursement of essential services to minimize
- (7) (i) (vii) 1. for the duration of the emergency, prohibit a retailer from increasing the sale or rental price of any good or service to a price that increases the retailer's value of profit by more than 10%, including for the price of:
  - $\frac{1}{1}$  A. food;
  - $\underline{\underline{\mathbf{B}}}$   $\underline{\underline{\mathbf{B}}}$  fuel;
  - 3. <u>C.</u> water and ice;
  - 4. D. medicine;
  - 5. <u>E.</u> medical supplies and equipment;
  - 6. <u>F.</u> cleaning products;
  - $\Xi$ . building supplies and equipment;

- 8. H. energy sources; and
- 9. I. storage space; and
- $\frac{\text{(ii)}}{2}$  publish a list of goods and services to which item  $\frac{1}{2}$  of this item applies; and
- (8) (viii) prohibit an employer from terminating an employee solely on the basis that the employee has been required to be isolated or quarantined under Title 14 of the Public Safety Article; and
- (ix) order the Department to authorize an alternative workweek for an employee:
- 1. of a health care facility that is owned or operated by the Department and open 24 hours a day and 7 days a week; and
- <u>2.</u> <u>who is subject to the Memorandum of Understanding with the American Federation of Teachers.</u>
- (b) Notwithstanding the provisions of the Commercial Law Article, if the Governor prohibits a retailer from increasing the sale or rental price of any good or service under subsection (a)(2)(vii)1 of this section, a violation of the prohibition:
- (1) is an unfair, abusive, and deceptive trade practice within the meaning of Title 13 of the Commercial Law Article; and
- (2) is subject to the enforcement and penalty provisions of Title 13 of the Commercial Law Article.
- (c) If the Governor orders the Department to authorize an alternative workweek under subsection (a)(2)(ix) of this section:
- (1) the alternative workweek may allow the employee to work hours or shifts that are not typical for State employees and work less than 40 hours in a week;
- (2) an employee who is authorized to work an alternative workweek shall be:
- (i) considered a full-time employee of the State, notwithstanding any other provision of law; and
- (ii) entitled to compensation for overtime work in accordance with § 8–305 of the State Personnel and Pensions Article; and
- (3) for the purposes of § 8–305 of the State Personnel and Pensions Article, the time worked by an employee who is authorized to work an alternative workweek

includes only the hours actually worked and does not include paid leave hours taken by the employee during the workweek.

SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of Title 8 of the Labor and Employment Article, the Secretary of Labor may determine that an individual, who need not separate from the individual's employment, is eligible for benefits if:

- (1) the individual's employer temporarily ceases operations due to COVID-19, preventing employees from coming to work;
- (2) the individual is quarantined due to COVID–19 with the expectation of returning to work after the quarantine is over; or
- (3) the individual leaves employment due to a risk of exposure or infection of COVID-19 or to care for a family member due to COVID-19.

SECTION  $\stackrel{?}{=}$  3. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three—fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted. It shall remain effective through April 30, 2021, and, at the end of April 30, 2021, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, March 19, 2020.

Chapter 15

(House Bill 448)

AN ACT concerning

# Health Care Practitioners - Telehealth and Shortage

FOR the purpose of authorizing certain health care practitioners to establish a practitioner—patient relationship through certain telehealth interactions under certain circumstances; requiring a health care practitioner providing telehealth services to be held to certain standards of practice and provide or refer a patient for certain services under certain circumstances; requiring a health care practitioner to perform a certain clinical evaluation before providing certain treatment or issuing a prescription through telehealth; prohibiting a health care practitioner from prescribing a certain opiate for a certain purpose through telehealth except under certain circumstances; providing that a health care practitioner who prescribes a controlled dangerous substance through telehealth is subject to certain laws;

requiring a health care practitioner to document certain information in a patient's medical record using certain documentation standards; providing that certain laws regarding confidentiality and a patient's right to health information apply to telehealth interactions in a certain manner; requiring a health care practitioner performing services through telehealth to be licensed, certified, or otherwise authorized by law to provide health care services in the State under certain circumstances; authorizing health occupations boards to adopt certain regulations; defining certain terms; making this Act an emergency measure; stating the intent of the General Assembly; and generally relating to telehealth and health care practitioners.

## BY adding to

Article – Health Occupations

Section 1–1001 through 1–1006 to be under the new subtitle "Subtitle 10. Telehealth"

Annotated Code of Maryland

(2014 Replacement Volume and 2019 Supplement)

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

## **Article - Health Occupations**

## SUBTITLE 10. TELEHEALTH.

## 1-1001.

- (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (B) "ASYNCHRONOUS TELEHEALTH INTERACTION" MEANS AN EXCHANGE OF INFORMATION BETWEEN A PATIENT AND A HEALTH CARE PRACTITIONER THAT DOES NOT OCCUR IN REAL TIME, INCLUDING THE SECURE COLLECTION AND TRANSMISSION OF A PATIENT'S MEDICAL INFORMATION, CLINICAL DATA, CLINICAL IMAGES, LABORATORY RESULTS, AND SELF-REPORTED MEDICAL HISTORY.
- (C) "HEALTH CARE PRACTITIONER" MEANS AN INDIVIDUAL WHO IS LICENSED, CERTIFIED, OR OTHERWISE AUTHORIZED BY LAW TO PROVIDE HEALTH CARE SERVICES UNDER THIS ARTICLE.
- (D) "SYNCHRONOUS TELEHEALTH INTERACTION" MEANS AN EXCHANGE OF INFORMATION BETWEEN A PATIENT AND A HEALTH CARE PRACTITIONER THAT OCCURS IN REAL TIME.

- (E) (1) "TELEHEALTH" MEANS A MODE OF DELIVERING HEALTH CARE SERVICES THROUGH THE USE OF TELECOMMUNICATIONS TECHNOLOGIES BY A HEALTH CARE PRACTITIONER TO A PATIENT AT A DIFFERENT PHYSICAL LOCATION THAN THE HEALTH CARE PRACTITIONER.
- (2) "TELEHEALTH" INCLUDES SYNCHRONOUS AND ASYNCHRONOUS INTERACTIONS.
- (3) "TELEHEALTH" DOES NOT INCLUDE THE PROVISION OF HEALTH CARE SERVICES SOLELY THROUGH AUDIO-ONLY CALLS, E-MAIL MESSAGES, OR FACSIMILE TRANSMISSIONS.

#### 1-1002.

A HEALTH CARE PRACTITIONER MAY ESTABLISH A PRACTITIONER-PATIENT RELATIONSHIP THROUGH EITHER A SYNCHRONOUS TELEHEALTH INTERACTION OR AN ASYNCHRONOUS TELEHEALTH INTERACTION, IF THE HEALTH CARE PRACTITIONER:

- (1) VERIFIES THE IDENTITY OF THE PATIENT RECEIVING HEALTH CARE SERVICES THROUGH TELEHEALTH;
- (2) DISCLOSES TO THE PATIENT THE HEALTH CARE PRACTITIONER'S NAME, CONTACT INFORMATION, AND THE TYPE OF HEALTH OCCUPATION LICENSE HELD BY THE HEALTH CARE PRACTITIONER; AND
- (3) OBTAINS ORAL OR WRITTEN CONSENT FROM THE PATIENT OR FROM THE PATIENT'S PARENT OR GUARDIAN IF STATE LAW REQUIRES THE CONSENT OF A PARENT OR GUARDIAN.

## 1-1003.

- (A) A HEALTH CARE PRACTITIONER PROVIDING TELEHEALTH SERVICES SHALL <del>BE</del>:
- (1) BE HELD TO THE SAME STANDARDS OF PRACTICE THAT ARE APPLICABLE TO IN-PERSON HEALTH CARE SETTINGS; AND
- (2) IF CLINICALLY APPROPRIATE FOR THE PATIENT, PROVIDE OR REFER A PATIENT TO IN-PERSON HEALTH CARE SERVICES OR ANOTHER TYPE OF TELEHEALTH SERVICE.
- (B) (1) A HEALTH CARE PRACTITIONER SHALL PERFORM A CLINICAL EVALUATION THAT IS APPROPRIATE FOR THE PATIENT AND THE CONDITION WITH

WHICH THE PATIENT PRESENTS BEFORE PROVIDING TREATMENT OR ISSUING A PRESCRIPTION THROUGH TELEHEALTH.

- (2) A HEALTH CARE PRACTITIONER MAY USE A SYNCHRONOUS TELEHEALTH INTERACTION OR AN ASYNCHRONOUS TELEHEALTH INTERACTION TO PERFORM THE CLINICAL EVALUATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION.
- (C) (1) ★ A HEALTH CARE PRACTITIONER MAY NOT PRESCRIBE AN OPIATE DESCRIBED IN THE LIST OF SCHEDULE II SUBSTANCES UNDER § 5–403 OF THE CRIMINAL LAW ARTICLE FOR THE TREATMENT OF PAIN THROUGH TELEHEALTH, UNLESS:
- (I) THE INDIVIDUAL RECEIVING THE PRESCRIPTION IS A PATIENT IN A HEALTH CARE FACILITY, AS DEFINED IN § 19–114 OF THE HEALTH GENERAL ARTICLE; OR
- (II) THE GOVERNOR HAS DECLARED A STATE OF EMERGENCY DUE TO A CATASTROPHIC HEALTH EMERGENCY.
- (2) Subject to paragraph (1) of this subsection, a health care practitioner who through telehealth prescribes a controlled dangerous substance, as defined in § 5–101 of the Criminal Law Article, is subject to any applicable regulation, limitation, and prohibition in federal and State law relating to the prescription of controlled dangerous substances.

## 1-1004.

- (A) A HEALTH CARE PRACTITIONER SHALL DOCUMENT IN A PATIENT'S MEDICAL RECORD THE HEALTH CARE SERVICES PROVIDED THROUGH TELEHEALTH TO THE PATIENT ACCORDING TO THE SAME DOCUMENTATION STANDARDS USED FOR IN–PERSON HEALTH CARE SERVICES.
- (B) ALL LAWS REGARDING THE CONFIDENTIALITY OF HEALTH INFORMATION AND A PATIENT'S RIGHT TO THE PATIENT'S HEALTH INFORMATION APPLY TO TELEHEALTH INTERACTIONS IN THE SAME MANNER AS THE LAWS APPLY TO IN-PERSON HEALTH CARE INTERACTIONS.

#### 1-1005.

A HEALTH CARE PRACTITIONER PROVIDING HEALTH CARE SERVICES THROUGH TELEHEALTH MUST BE LICENSED, CERTIFIED, OR OTHERWISE AUTHORIZED BY LAW TO PROVIDE HEALTH CARE SERVICES IN THE STATE IF THE

HEALTH CARE SERVICES ARE BEING PROVIDED TO A PATIENT LOCATED IN THE STATE.

#### 1-1006.

- (A) A HEALTH OCCUPATIONS BOARD MAY ADOPT REGULATIONS TO IMPLEMENT THIS SUBTITLE.
- (B) REGULATIONS ADOPTED BY A HEALTH OCCUPATIONS BOARD UNDER SUBSECTION (A) OF THIS SECTION:
- (1) MAY NOT ESTABLISH A SEPARATE STANDARD OF CARE FOR TELEHEALTH; AND
- (2) SHALL ALLOW FOR THE ESTABLISHMENT OF A PRACTITIONER-PATIENT RELATIONSHIP THROUGH A SYNCHRONOUS TELEHEALTH INTERACTION OR AN ASYNCHRONOUS TELEHEALTH INTERACTION PROVIDED BY A HEALTH CARE PRACTITIONER WHO IS COMPLYING WITH THE HEALTH CARE PRACTITIONER'S STANDARD OF CARE.

SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Governor shall develop and implement a plan to facilitate the joining of the State with adjacent states and jurisdictions in interstate compacts regulating health care practitioners for the purpose of improving patient access to health care practitioners in State communities experiencing a health care practitioner shortage.

SECTION 2. 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020 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 3, 2020.

Chapter 16

(Senate Bill 402)

AN ACT concerning

## Health Care Practitioners - Telehealth and Shortage

FOR the purpose of authorizing certain health care practitioners to establish a practitioner-patient relationship through certain telehealth interactions under

certain circumstances; requiring a health care practitioner providing telehealth services to be held to certain standards of practice and provide or refer a patient for certain services under certain circumstances; requiring a health care practitioner to perform a certain clinical evaluation before providing certain treatment or issuing a prescription through telehealth; prohibiting a health care practitioner from prescribing a controlled dangerous substance certain opiate through telehealth except under certain circumstances; providing that a health care practitioner who prescribes a controlled dangerous substance through telehealth is subject to certain laws under certain circumstances; requiring a health care practitioner to document certain information in a patient's medical record using certain documentation standards; providing that certain laws regarding confidentiality and a patient's right to health information apply to telehealth interactions in a certain manner; requiring a health care practitioner performing services through telehealth to be licensed, certified, or otherwise authorized by law to provide health care services in the State under certain circumstances; authorizing health occupations boards to adopt certain regulations; defining certain terms; stating the intent of the General Assembly; making this Act an emergency measure; and generally relating to telehealth and health care practitioners.

# BY adding to

Article – Health Occupations

Section 1–1001 through 1–1006 to be under the new subtitle "Subtitle 10. Telehealth"

Annotated Code of Maryland

(2014 Replacement Volume and 2019 Supplement)

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

## **Article - Health Occupations**

#### SUBTITLE 10. TELEHEALTH.

#### 1-1001.

- (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (B) "ASYNCHRONOUS TELEHEALTH INTERACTION" MEANS AN EXCHANGE OF INFORMATION BETWEEN A PATIENT AND A HEALTH CARE PRACTITIONER THAT DOES NOT OCCUR IN REAL TIME, INCLUDING THE SECURE COLLECTION AND TRANSMISSION OF A PATIENT'S MEDICAL INFORMATION, CLINICAL DATA, CLINICAL IMAGES, LABORATORY RESULTS, AND SELF-REPORTED MEDICAL HISTORY.

- (C) "HEALTH CARE PRACTITIONER" MEANS AN INDIVIDUAL WHO IS LICENSED, CERTIFIED, OR OTHERWISE AUTHORIZED BY LAW TO PROVIDE HEALTH CARE SERVICES UNDER THIS ARTICLE.
- (D) "SYNCHRONOUS TELEHEALTH INTERACTION" MEANS AN EXCHANGE OF INFORMATION BETWEEN A PATIENT AND A HEALTH CARE PRACTITIONER THAT OCCURS IN REAL TIME.
- (E) (1) "TELEHEALTH" MEANS A MODE OF DELIVERING HEALTH CARE SERVICES THROUGH THE USE OF TELECOMMUNICATIONS TECHNOLOGIES BY A HEALTH CARE PRACTITIONER TO A PATIENT AT A DIFFERENT PHYSICAL LOCATION THAN THE HEALTH CARE PRACTITIONER.
- (2) "TELEHEALTH" INCLUDES SYNCHRONOUS AND ASYNCHRONOUS INTERACTIONS.
- (3) "TELEHEALTH" DOES NOT INCLUDE THE PROVISION OF HEALTH CARE SERVICES SOLELY THROUGH AUDIO-ONLY CALLS, E-MAIL MESSAGES, OR FACSIMILE TRANSMISSIONS.

#### 1-1002.

A HEALTH CARE PRACTITIONER MAY ESTABLISH A PRACTITIONER-PATIENT RELATIONSHIP THROUGH EITHER A SYNCHRONOUS TELEHEALTH INTERACTION OR AN ASYNCHRONOUS TELEHEALTH INTERACTION, IF THE HEALTH CARE PRACTITIONER:

- (1) VERIFIES THE IDENTITY OF THE PATIENT RECEIVING HEALTH CARE SERVICES THROUGH TELEHEALTH;
- (2) DISCLOSES TO THE PATIENT THE HEALTH CARE PRACTITIONER'S NAME, CONTACT INFORMATION, AND THE TYPE OF HEALTH OCCUPATION LICENSE HELD BY THE HEALTH CARE PRACTITIONER; AND
- (3) OBTAINS ORAL OR WRITTEN CONSENT FROM THE PATIENT OR FROM THE PATIENT'S PARENT OR GUARDIAN IF STATE LAW REQUIRES THE CONSENT OF A PARENT OR GUARDIAN.

#### 1-1003.

(A) A HEALTH CARE PRACTITIONER PROVIDING TELEHEALTH SERVICES SHALL BE:

- (1) BE HELD TO THE SAME STANDARDS OF PRACTICE THAT ARE APPLICABLE TO IN-PERSON HEALTH CARE SETTINGS; AND
- (2) IF CLINICALLY APPROPRIATE FOR THE PATIENT, PROVIDE OR REFER A PATIENT TO IN-PERSON HEALTH CARE SERVICES OR ANOTHER TYPE OF TELEHEALTH SERVICE.
- (B) (1) A HEALTH CARE PRACTITIONER SHALL PERFORM A CLINICAL EVALUATION THAT IS APPROPRIATE FOR THE PATIENT AND THE CONDITION WITH WHICH THE PATIENT PRESENTS BEFORE PROVIDING TREATMENT OR ISSUING A PRESCRIPTION THROUGH TELEHEALTH.
- (2) A HEALTH CARE PRACTITIONER MAY USE A SYNCHRONOUS TELEHEALTH INTERACTION OR AN ASYNCHRONOUS TELEHEALTH INTERACTION TO PERFORM THE CLINICAL EVALUATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION.
- (C) (1) A HEALTH CARE PRACTITIONER MAY NOT PRESCRIBE A CONTROLLED DANGEROUS SUBSTANCE, AS DEFINED IN § 5-101 OF THE CRIMINAL LAW ARTICLE, THROUGH TELEHEALTH, UNLESS A DECLARED STATE OF EMERGENCY IS IN EFFECT.
- (C) (1) A HEALTH CARE PRACTITIONER MAY NOT PRESCRIBE AN OPIATE DESCRIBED IN THE LIST OF SCHEDULE II SUBSTANCES UNDER § 5–403 OF THE CRIMINAL LAW ARTICLE FOR THE TREATMENT OF PAIN THROUGH TELEHEALTH, UNLESS:
- (I) THE INDIVIDUAL RECEIVING THE PRESCRIPTION IS A PATIENT IN A HEALTH CARE FACILITY, AS DEFINED IN § 19–114 OF THE HEALTH GENERAL ARTICLE; OR
- (II) THE GOVERNOR HAS DECLARED A STATE OF EMERGENCY DUE TO A CATASTROPHIC HEALTH EMERGENCY.
- (2) <u>If a declared state of emergency is in effect</u> <u>Subject to Paragraph</u> (1) of this <u>subsection</u>, a health care practitioner who through telehealth prescribes a controlled dangerous substance, as defined in § 5–101 of the Criminal Law Article, is subject to any applicable regulation, limitation, and prohibition in federal and State law relating to the prescription of controlled dangerous substances.

- (A) A HEALTH CARE PRACTITIONER SHALL DOCUMENT IN A PATIENT'S MEDICAL RECORD THE HEALTH CARE SERVICES PROVIDED THROUGH TELEHEALTH TO THE PATIENT ACCORDING TO THE SAME DOCUMENTATION STANDARDS USED FOR IN–PERSON HEALTH CARE SERVICES.
- (B) ALL LAWS REGARDING THE CONFIDENTIALITY OF HEALTH INFORMATION AND A PATIENT'S RIGHT TO THE PATIENT'S HEALTH INFORMATION APPLY TO TELEHEALTH INTERACTIONS IN THE SAME MANNER AS THE LAWS APPLY TO IN-PERSON HEALTH CARE INTERACTIONS.

#### 1-1005.

A HEALTH CARE PRACTITIONER PROVIDING HEALTH CARE SERVICES THROUGH TELEHEALTH MUST BE LICENSED, CERTIFIED, OR OTHERWISE AUTHORIZED BY LAW TO PROVIDE HEALTH CARE SERVICES IN THE STATE IF THE HEALTH CARE SERVICES ARE BEING PROVIDED TO A PATIENT LOCATED IN THE STATE.

#### 1–1006.

- (A) A HEALTH OCCUPATIONS BOARD MAY ADOPT REGULATIONS TO IMPLEMENT THIS SUBTITLE.
- (B) REGULATIONS ADOPTED BY A HEALTH OCCUPATIONS BOARD UNDER SUBSECTION (A) OF THIS SECTION:
- (1) MAY NOT ESTABLISH A SEPARATE STANDARD OF CARE FOR TELEHEALTH; AND
- (2) SHALL ALLOW FOR THE ESTABLISHMENT OF A PRACTITIONER-PATIENT RELATIONSHIP THROUGH A SYNCHRONOUS TELEHEALTH INTERACTION OR AN ASYNCHRONOUS TELEHEALTH INTERACTION PROVIDED BY A HEALTH CARE PRACTITIONER WHO IS COMPLYING WITH THE HEALTH CARE PRACTITIONER'S STANDARD OF CARE.

SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Governor shall develop and implement a plan to facilitate the joining of the State with adjacent states and jurisdictions in interstate compacts regulating health care practitioners for the purpose of improving patient access to health care practitioners in State communities experiencing a health care practitioner shortage.

SECTION 2. 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020 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 3, 2020.

Chapter 17

(House Bill 1208)

AN ACT concerning

# Maryland Medical Assistance Program - Telehealth - Pilot Mental Health and Chronic Condition Management Services - Coverage and Pilot Program

FOR the purpose of requiring the Maryland Medical Assistance Program, subject to a certain limitation, to provide mental health services appropriately delivered through telehealth to a patient in a certain setting; altering the definition of telehealth as it applies to certain provisions of law governing coverage of telehealth by certain insurers, nonprofit health service plans, and health maintenance organizations to include the delivery of mental health care services to a patient in a certain setting: requiring the Maryland Department of Health to apply to the Centers for Medicare and Medicaid Services for an amendment to certain waivers to implement a pilot program to provide certain telehealth services to recipients under the Maryland Medical Assistance Program; limiting the telehealth services available under the pilot program; requiring the Department to administer the pilot program under certain circumstances; requiring the Department to report to the General Assembly on the status of a certain application on or before a certain date and with certain frequency thereafter; requiring the Department to report to the General Assembly on the status of the pilot program on or before a certain date each year under certain circumstances: requiring the Department to conduct a certain study and submit a certain report, on or before a certain date, to the General Assembly; providing for the termination of certain provisions of this Act; making this Act an emergency measure; defining a certain term; and generally relating to the coverage for telehealth pilot <del>program</del>.

BY repealing and reenacting, without amendments,

Article – Health – General Section 15–103(a)(1) Annotated Code of Maryland (2019 Replacement Volume)

BY repealing and reenacting, with amendments,

<u>Article – Health – General</u> <u>Section 15–103(a)(2)(xiii) and (xiv)</u> Annotated Code of Maryland

#### (2019 Replacement Volume)

BY adding to

Article – Health – General Section <u>15–103(a)(2)(xv) and</u> 15–141.2 Annotated Code of Maryland (2019 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Insurance

Section 15–139

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

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

#### Article - Health - General

<u>15–103.</u>

- (a) (1) The Secretary shall administer the Maryland Medical Assistance Program.
  - (2) The Program:

(xiii) Beginning on January 1, 2019, may provide, subject to the limitations of the State budget, and as permitted by federal law, dental services for adults whose annual household income is at or below 133 percent of the poverty level; [and]

(xiv) Shall provide, subject to the limitations of the State budget, medically appropriate drugs that are approved by the United States Food and Drug Administration for the treatment of hepatitis C, regardless of the fibrosis score, and that are determined to be medically necessary; AND

(XV) SHALL PROVIDE, SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET, MENTAL HEALTH SERVICES APPROPRIATELY DELIVERED THROUGH TELEHEALTH TO A PATIENT IN THE PATIENT'S HOME SETTING.

#### <u>Article – Insurance</u>

15-139.

(a) (1) In this section, "telehealth" means, as it relates to the delivery of health care services, the use of interactive audio, video, or other telecommunications or electronic technology by a licensed health care provider to deliver a health care service within the

scope of practice of the health care provider at a location other than the location of the patient.

# (2) "TELEHEALTH" INCLUDES THE DELIVERY OF MENTAL HEALTH CARE SERVICES TO A PATIENT IN THE PATIENT'S HOME SETTING.

#### [(2)] (3) "Telehealth" does not include:

- (i) an audio-only telephone conversation between a health care provider and a patient;
- (ii) an electronic mail message between a health care provider and a patient; or
- (iii) a facsimile transmission between a health care provider and a patient.

#### (b) This section applies to:

- (1) insurers and nonprofit health service plans that provide hospital, medical, or surgical benefits to individuals or groups on an expense–incurred basis under health insurance policies or contracts that are issued or delivered in the State; and
- (2) <u>health maintenance organizations that provide hospital, medical, or surgical benefits to individuals or groups under contracts that are issued or delivered in the State.</u>

#### (c) (1) An entity subject to this section:

- (i) shall provide coverage under a health insurance policy or contract for health care services appropriately delivered through telehealth; and
- (ii) may not exclude from coverage a health care service solely because it is provided through telehealth and is not provided through an in-person consultation or contact between a health care provider and a patient.
- (2) The health care services appropriately delivered through telehealth shall include counseling for substance use disorders.

#### (d) An entity subject to this section:

- (1) shall reimburse a health care provider for the diagnosis, consultation, and treatment of an insured patient for a health care service covered under a health insurance policy or contract that can be appropriately provided through telehealth;
  - (2) is not required to:

- (i) reimburse a health care provider for a health care service delivered in person or through telehealth that is not a covered benefit under the health insurance policy or contract; or
- (ii) reimburse a health care provider who is not a covered provider under the health insurance policy or contract; and
- (3) (i) may impose a deductible, copayment, or coinsurance amount on benefits for health care services that are delivered either through an in–person consultation or through telehealth;
- (ii) may impose an annual dollar maximum as permitted by federal law; and
  - (iii) may not impose a lifetime dollar maximum.
- (e) An entity subject to this section may undertake utilization review, including preauthorization, to determine the appropriateness of any health care service whether the service is delivered through an in–person consultation or through telehealth if the appropriateness of the health care service is determined in the same manner.
- (f) A health insurance policy or contract may not distinguish between patients in rural or urban locations in providing coverage under the policy or contract for health care services delivered through telehealth.
- (g) A decision by an entity subject to this section not to provide coverage for telehealth in accordance with this section constitutes an adverse decision, as defined in § 15–10A–01 of this title, if the decision is based on a finding that telehealth is not medically necessary, appropriate, or efficient.

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

#### Article - Health - General

#### **15–141.2.**

- (A) (1) IN THIS SECTION, "TELEHEALTH" MEANS A MODE OF DELIVERING HEALTH CARE SERVICES THROUGH THE USE OF TELECOMMUNICATIONS TECHNOLOGIES BY A HEALTH CARE PRACTITIONER TO A PATIENT AT A DIFFERENT PHYSICAL LOCATION THAN THE HEALTH CARE PRACTITIONER.
- (2) "TELEHEALTH" INCLUDES SYNCHRONOUS AND ASYNCHRONOUS INTERACTIONS.

- (3) "TELEHEALTH" DOES NOT INCLUDE THE PROVISION OF HEALTH CARE SERVICES SOLELY THROUGH AUDIO-ONLY CALLS, E-MAIL MESSAGES, OR FACSIMILE TRANSMISSIONS.
- (B) (1) ON OR BEFORE DECEMBER 1, 2020, THE DEPARTMENT SHALL APPLY TO THE CENTERS FOR MEDICARE AND MEDICAID SERVICES FOR AN AMENDMENT TO ANY OF THE STATE'S § 1115 WAIVERS NECESSARY TO IMPLEMENT A PILOT PROGRAM TO PROVIDE TELEHEALTH SERVICES TO PROGRAM RECIPIENT'S REGARDLESS OF THE PROGRAM RECIPIENT'S LOCATION AT THE TIME TELEHEALTH SERVICES ARE PROVIDED.
- (2) TELEHEALTH SERVICES AVAILABLE UNDER THE PILOT PROGRAM SHALL BE LIMITED TO:
- (I) CHRONIC CHRONIC CONDITION CASE MANAGEMENT SERVICES; AND

#### (H) BEHAVIORAL HEALTH SERVICES.

- (C) IF THE AMENDMENT APPLIED FOR UNDER SUBSECTION (B) OF THIS SECTION IS APPROVED, THE DEPARTMENT SHALL ADMINISTER THE PILOT PROGRAM.
- (D) THE DEPARTMENT SHALL COLLECT OUTCOMES DATA ON RECIPIENTS OF TELEHEALTH SERVICES UNDER THE PILOT PROGRAM TO EVALUATE THE EFFECTIVENESS OF THE PILOT PROGRAM.
- (E) ON OR BEFORE DECEMBER 1, 2020, AND EVERY 6 MONTHS THEREAFTER UNTIL THE APPLICATION DESCRIBED UNDER SUBSECTION (B) OF THIS SECTION IS APPROVED, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, ON THE STATUS OF THE APPLICATION.
- (F) IF THE AMENDMENT APPLIED FOR UNDER SUBSECTION (B) OF THIS SECTION IS APPROVED, ON OR BEFORE DECEMBER 1 EACH YEAR FOLLOWING THE APPROVAL, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, ON THE STATUS OF THE PILOT PROGRAM.

#### SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) The Maryland Department of Health shall study whether, under the Maryland Medical Assistance Program, substance use disorder services may be appropriately provided through telehealth to a patient in the patient's home setting.

- (b) On or before December 1, 2021, the Maryland Department of Health shall submit a report to the General Assembly, in accordance with § 2–1257 of the State Government Article, that includes any findings and recommendations from the study required under subsection (a) of this section, including:
- (1) the types of substance use disorder services, if any, that may be appropriately provided through telehealth to a patient in the patient's home setting; and
- (2) any technological or other standards needed for the provision of appropriate and quality substance use disorder services to a patient in the patient's home setting.

SECTION 2. 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020. It shall remain effective for a period of 5 years and, at the end of June 30, 2025, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect 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. Sections 2 and 3 shall remain effective through June 30, 2025, and, at the end of June 30, 2025, Sections 2 and 3, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, April 3, 2020.

Chapter 18

(Senate Bill 502)

AN ACT concerning

# Health Insurance - Telehealth - Delivery of Mental Health and Chronic Condition Management Services - Coverage for Home Settings and Pilot Program

FOR the purpose of requiring the Maryland Medical Assistance Program, subject to a certain limitation, to provide mental health services appropriately delivered through telehealth to a patient in a certain setting; altering the definition of telehealth as it applies to certain provisions of law governing coverage of telehealth by certain insurers, nonprofit health service plans, and health maintenance organizations to include the delivery of mental health care services to a patient in a certain setting; requiring the Maryland Department of Health to apply to the Centers for Medicare and Medicaid Services for an amendment to certain waivers to implement a pilot program to provide certain telehealth services to recipients under the Maryland Medical Assistance Program; limiting the telehealth services available under the

pilot program; requiring the Department to administer the pilot program under certain circumstances; requiring the Department to report to the General Assembly on the status of a certain application on or before a certain date and with certain frequency thereafter; requiring the Department to report to the General Assembly on the status of the pilot program on or before a certain date each year under certain circumstances; requiring the Department to conduct a certain study and submit a certain report, on or before a certain date, to the General Assembly; defining a certain term; providing for the application of certain provisions of this Act; providing for the termination of certain provisions of this Act; providing for the termination of certain provisions of this Act an emergency measure; and generally relating to coverage for telehealth and mental health care services.

BY repealing and reenacting, without amendments,

Article – Health – General Section 15–103(a)(1) Annotated Code of Maryland (2019 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Health – General Section 15–103(a)(2)(xiii) and (xiv) Annotated Code of Maryland (2019 Replacement Volume)

#### BY adding to

Article – Health – General Section 15–103(a)(2)(xv) <u>and 15–141.2</u> Annotated Code of Maryland (2019 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Insurance Section 15–139 Annotated Code of Maryland (2017 Replacement Volume and 2019 Supplement)

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

#### Article - Health - General

15–103.

- (a) (1) The Secretary shall administer the Maryland Medical Assistance Program.
  - (2) The Program:

- (xiii) Beginning on January 1, 2019, may provide, subject to the limitations of the State budget, and as permitted by federal law, dental services for adults whose annual household income is at or below 133 percent of the poverty level; [and]
- (xiv) Shall provide, subject to the limitations of the State budget, medically appropriate drugs that are approved by the United States Food and Drug Administration for the treatment of hepatitis C, regardless of the fibrosis score, and that are determined to be medically necessary; **AND**
- (XV) SHALL PROVIDE, SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET, MENTAL HEALTH SERVICES APPROPRIATELY DELIVERED THROUGH TELEHEALTH TO A PATIENT IN THE PATIENT'S HOME SETTING.

#### Article - Insurance

15 - 139.

- (a) (1) In this section, "telehealth" means, as it relates to the delivery of health care services, the use of interactive audio, video, or other telecommunications or electronic technology by a licensed health care provider to deliver a health care service within the scope of practice of the health care provider at a location other than the location of the patient.
- (2) "TELEHEALTH" INCLUDES THE DELIVERY OF MENTAL HEALTH CARE SERVICES TO A PATIENT IN THE PATIENT'S HOME SETTING.
  - [(2)] (3) "Telehealth" does not include:
- (i) an audio-only telephone conversation between a health care provider and a patient;
- (ii) an electronic mail message between a health care provider and a patient; or
- (iii) a facsimile transmission between a health care provider and a patient.
  - (b) This section applies to:
- (1) insurers and nonprofit health service plans that provide hospital, medical, or surgical benefits to individuals or groups on an expense—incurred basis under health insurance policies or contracts that are issued or delivered in the State; and

- (2) health maintenance organizations that provide hospital, medical, or surgical benefits to individuals or groups under contracts that are issued or delivered in the State.
  - (c) (1) An entity subject to this section:
- (i) shall provide coverage under a health insurance policy or contract for health care services appropriately delivered through telehealth; and
- (ii) may not exclude from coverage a health care service solely because it is provided through telehealth and is not provided through an in-person consultation or contact between a health care provider and a patient.
- (2) The health care services appropriately delivered through telehealth shall include counseling for substance use disorders.
  - (d) An entity subject to this section:
- (1) shall reimburse a health care provider for the diagnosis, consultation, and treatment of an insured patient for a health care service covered under a health insurance policy or contract that can be appropriately provided through telehealth;
  - (2) is not required to:
- (i) reimburse a health care provider for a health care service delivered in person or through telehealth that is not a covered benefit under the health insurance policy or contract; or
- (ii) reimburse a health care provider who is not a covered provider under the health insurance policy or contract; and
- (3) (i) may impose a deductible, copayment, or coinsurance amount on benefits for health care services that are delivered either through an in–person consultation or through telehealth;
- (ii) may impose an annual dollar maximum as permitted by federal law; and
  - (iii) may not impose a lifetime dollar maximum.
- (e) An entity subject to this section may undertake utilization review, including preauthorization, to determine the appropriateness of any health care service whether the service is delivered through an in–person consultation or through telehealth if the appropriateness of the health care service is determined in the same manner.

- (f) A health insurance policy or contract may not distinguish between patients in rural or urban locations in providing coverage under the policy or contract for health care services delivered through telehealth.
- (g) A decision by an entity subject to this section not to provide coverage for telehealth in accordance with this section constitutes an adverse decision, as defined in § 15–10A–01 of this title, if the decision is based on a finding that telehealth is not medically necessary, appropriate, or efficient.

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

#### Article - Health - General

#### **15–141.2.**

- (A) (1) IN THIS SECTION, "TELEHEALTH" MEANS A MODE OF DELIVERING HEALTH CARE SERVICES THROUGH THE USE OF TELECOMMUNICATIONS TECHNOLOGIES BY A HEALTH CARE PRACTITIONER TO A PATIENT AT A DIFFERENT PHYSICAL LOCATION THAN THE HEALTH CARE PRACTITIONER.
- (2) "TELEHEALTH" INCLUDES SYNCHRONOUS AND ASYNCHRONOUS INTERACTIONS.
- (3) "TELEHEALTH" DOES NOT INCLUDE THE PROVISION OF HEALTH CARE SERVICES SOLELY THROUGH AUDIO-ONLY CALLS, E-MAIL MESSAGES, OR FACSIMILE TRANSMISSIONS.
- (B) (1) ON OR BEFORE DECEMBER 1, 2020, THE DEPARTMENT SHALL APPLY TO THE CENTERS FOR MEDICARE AND MEDICAID SERVICES FOR AN AMENDMENT TO ANY OF THE STATE'S § 1115 WAIVERS NECESSARY TO IMPLEMENT A PILOT PROGRAM TO PROVIDE TELEHEALTH SERVICES TO PROGRAM RECIPIENTS REGARDLESS OF THE PROGRAM RECIPIENT'S LOCATION AT THE TIME TELEHEALTH SERVICES ARE PROVIDED.
- (2) TELEHEALTH SERVICES AVAILABLE UNDER THE PILOT PROGRAM SHALL BE LIMITED TO CHRONIC CONDITION MANAGEMENT SERVICES.
- (C) IF THE AMENDMENT APPLIED FOR UNDER SUBSECTION (B) OF THIS SECTION IS APPROVED, THE DEPARTMENT SHALL ADMINISTER THE PILOT PROGRAM.
- (D) THE DEPARTMENT SHALL COLLECT OUTCOMES DATA ON RECIPIENTS OF TELEHEALTH SERVICES UNDER THE PILOT PROGRAM TO EVALUATE THE EFFECTIVENESS OF THE PILOT PROGRAM.

- (E) ON OR BEFORE DECEMBER 1, 2020, AND EVERY 6 MONTHS THEREAFTER UNTIL THE APPLICATION DESCRIBED UNDER SUBSECTION (B) OF THIS SECTION IS APPROVED, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, ON THE STATUS OF THE APPLICATION.
- (F) IF THE AMENDMENT APPLIED FOR UNDER SUBSECTION (B) OF THIS SECTION IS APPROVED, ON OR BEFORE DECEMBER 1 EACH YEAR FOLLOWING THE APPROVAL, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, ON THE STATUS OF THE PILOT PROGRAM.

#### SECTION 3. AND BE IT FURTHER ENACTED, That:

- (a) The Maryland Department of Health shall study whether, under the Maryland Medical Assistance Program, substance use disorder services may be appropriately provided through telehealth to a patient in the patient's home setting.
- (b) On or before December 1, 2021, the Maryland Department of Health shall submit a report to the General Assembly, in accordance with § 2–1257 of the State Government Article, that includes any findings and recommendations from the study required under subsection (a) of this section, including:
- (1) the types of substance use disorder services, if any, that may be appropriately provided through telehealth to a patient in the patient's home setting; and
- (2) any technological or other standards needed for the provision of appropriate and quality substance use disorder services to a patient in the patient's home setting.

<u>SECTION 2. 4. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall apply to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after January 1, 2021.</u>

SECTION 3. <u>5.</u> AND BE IT FURTHER ENACTED, That <u>Sections 1 and 4 of this Act shall take effect January 1, 2021.</u>

SECTION 6. 4. AND BE IT FURTHER ENACTED, That, except as provided in Section 5 of this Act, this Act shall take effect July 1, 2020 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. Sections 2 and 3 shall remain effective for a period of 5 years through June 30, 2025, and, at the end of June 30, 2025, Sections 2 and 3, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, April 3, 2020.

Chapter 19

(Senate Bill 190)

**Budget Bill** 

(Fiscal Year 2021)

AN ACT for the purpose of making the proposed appropriations contained in the State Budget for the fiscal year ending June 30, 2021, in accordance with Article III, Section 52 of the Maryland Constitution; and generally relating to appropriations and budgetary provisions made pursuant to that section.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That subject to the provisions hereinafter set forth and subject to the Public General Laws of Maryland relating to the Budget procedure, the several amounts hereinafter specified, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be disbursed for the several purposes specified for the fiscal year beginning July 1, 2020, and ending June 30, 2021, as hereinafter indicated.

#### PAYMENTS TO CIVIL DIVISIONS OF THE STATE

#### A15000.01 Disparity Grants

General Fund Appropriation, provided that \$250,000 of this appropriation made for the purpose of a Disparity Grant for Baltimore City may not be expended until Baltimore City includes in its Capital Improvement Plan an upgrade for a facility in East Baltimore that would be suitable as a transfer site for small haulers that need to dispose of waste and provides a report to the budget committees detailing the transfer site location and timeline for opening. The report shall be submitted prior to the expenditure of 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 to the General Fund if the report is	
not received, provided that \$250,000 of this	
appropriation made for the purpose of a	
Disparity Grant for Baltimore City may not	
be expended until Baltimore City includes	
in its Capital Improvement Plan an	
upgrade for a facility in East Baltimore	
that would be suitable as a transfer site for	
small haulers that need to dispose of waste	
and provides a report to the budget	
committees detailing the transfer site	
location and timeline for opening. The	
report shall be submitted prior to the	
expenditure of 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 to the	
General Fund if the report is not received	158,321,523
A15O00.02 Teacher Retirement Supplemental Grants General Fund Appropriation	27,658,661
o. v. c.	_,,,,,,,,,
A15O00.03 Miscellaneous Grants	
Special Fund Appropriation	1,220,000
SUMMARY	
Total General Fund Appropriation	185,980,184
Total Special Fund Appropriation	1,220,000
Total Special Lana Tippi opilation	
Total Appropriation	187,200,184
GENERAL ASSEMBLY OF MARYLAND	
B75A01.01 Senate	
General Fund Appropriation	14,596,654
Gonorai i ana rippropriation	14,000,004
B75A01.02 House of Delegates	
General Fund Appropriation	27,907,775
rr sp	.,,

B75A01.03 >>> General>> Legislative>> Expenses>>

General Fund Appropriation	1,158,515
DEPARTMENT OF LEGISLATIVE SERVICES	
B75A01.04 Office of Operations and Support Services	
General Fund Appropriation	18,585,967
B75A01.05 Office of Legislative Audits	1 7 110 404
General Fund Appropriation	15,118,434
B75A01.06 Office of Program Evaluation and Government Accountability	
General Fund Appropriation	893,437
B75A01.07 Office of Policy Analysis General Fund Appropriation, provided that	
this appropriation is increased by	
\$2,000,000 and 6 regular positions are	00 700 710
<u>added</u>	22,788,516
SUMMARY	
Total General Fund Appropriation	101,049,298

#### **JUDICIARY**

Provided that \$2,662,280 \$3,554,879 \$2,662,280 in general funds for new positions is reduced and 46.0 57.0 46.0 new positions (35 46 35 regular employees and 11 full-time equivalent contractual bailiffs) are eliminated.

Further provided that \$5,713,700 in general funds, \$377,991 in special funds, and \$83,363 in reimbursable funds for employee merit increases in fiscal 2021 is reduced. The Chief Judge is authorized to allocate this reduction across the Judiciary.

Further provided that the Judiciary's budget is increased by \$4,537,198 in general funds and \$282,818 in special funds to provide employees with a 2% general salary increase effective January 1, 2021. The

<u>Chief Judge is authorized to allocate these</u> funds across the Judiciary.

Further provided that it is the intent of the General Assembly that all general salary increases provided by the Executive Branch for State employees be provided for the Judiciary in the budget of the Department of Budget and Management.

#### C00A00.01 Court of Appeals

C00A00.02 Court of Special Appeals

C00A00.03 Circuit Court Judges

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### C00A00.04 District Court

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 ......

218,114,834 212,823,507

#### C00A00.06 Administrative Office of the Courts

General Fund Appropriation, provided that \$750,000 of this appropriation made for the purpose of providing grants through the Administrative Office of the Courts may not be expended for that purpose but instead may be transferred by budget amendment to program D21A01.01 in the Governor's Office of Crime Prevention, Youth, and

Victim Services to be used only to provide funds for the Pretrial Services Program Grant Fund, established by Chapter 771 of 2018. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise and shall revert to the General Fund  Special Fund Appropriation	75,696,933 74,827,042 75,136,933 22,000,000 268,822	$\frac{97,965,755}{97,995,864}$ $\frac{97,405,755}{97,405,755}$
C00A00.07 Court Related Agencies General Fund Appropriation		3,554,118
C00A00.08 Thurgood Marshall State Law Library General Fund Appropriation	3,890,563 5,979	3,896,542
C00A00.09 Judicial Information Systems General Fund Appropriation	51,260,172 9,079,654	60,339,826
C00A00.10 Clerks of the Circuit Court General Fund Appropriation	110,631,070 20,239,881	130,870,951
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
C00A00.12 Major Information Technology Development Projects Special Fund Appropriation		18,360,001
SUMMARY		
Total General Fund Appropriation Total Special Fund Appropriation		560,676,721 69,685,515

Total General Fund Appropriation	112,985,059 576,369 1,922,147
Total Appropriation	115,483,575

#### OFFICE OF THE ATTORNEY GENERAL

#### C81C00.01 Legal Counsel and Advice

121

General Fund Appropriation, provided that contingent on the enactment of SB 407 or HB 745, \$250,000 of this appropriation made for the purpose of operations of the

Office of the Attorney General may not be expended for that purpose but instead may be used only to establish and fund the Senior and Vulnerable Adult Asset Recovery Unit. 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  Special Fund Appropriation	6,294,590 2,799,826	9,094,416
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
C81C00.04 Securities Division General Fund Appropriation	2,757,393 <del>1,224,869</del> <u>924,869</u>	<del>3,982,262</del> <u>3,682,262</u>
C81C00.05 Consumer Protection Division General Fund Appropriation	700,000 7,866,450	8,566,450
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
C81C00.06 Antitrust Division General Fund Appropriation		766,037
C81C00.09 Medicaid Fraud Control Unit General Fund Appropriation Federal Fund Appropriation	1,329,770 3,966,400	5,296,170
C81C00.10 People's Insurance Counsel Division Special Fund Appropriation		661,347

C81C00.12 Juvenile Justice Monitoring Program

General Fund Appropriation	499,290
C81C00.14 Civil Litigation Division General Fund Appropriation	
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
C81C00.15 Criminal Appeals Division General Fund Appropriation	2,954,689
C81C00.16 Criminal Investigation Division General Fund Appropriation	2,322,083
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
C81C00.17 Educational Affairs Division General Fund Appropriation	352,002
C81C00.18 Correctional Litigation Division General Fund Appropriation	499,338
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
C81C00.20 Contract Litigation Division	
Funds are appropriated in other agency	

budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C81C00.21 Mortgage Foreclosure Settlement Program

Special Fund Appropriation	592,861
C81C00.22 Baltimore City Violent Crime Prosecution Division	
General Fund Appropriation	$\frac{2,547,873}{1,906,888}$ $2,547,873$
SUMMARY	
Total General Fund Appropriation	23,803,314 13,353,354 3,966,400
Total Appropriation	41,123,068
OFFICE OF THE STATE PROSECUTOR	
C82D00.01 General Administration General Fund Appropriation	1,736,620
MARYLAND TAX COURT	
C85E00.01 Administration and Appeals General Fund Appropriation	754,442
PUBLIC SERVICE COMMISSION	
C90G00.01 General Administration and Hearings Special Fund Appropriation	12,169,200
C90G00.02 Telecommunications, Gas and Water Division Special Fund Appropriation	556,434
C90G00.03 Engineering Investigations Special Fund Appropriation	2,305,319
C90G00.04 Accounting Investigations Special Fund Appropriation	764,781

125	Lawrence J. Hogan, Jr., Governor	Chapter 19
	C90G00.05 Common Carrier Investigations Special Fund Appropriation	1,964,826
	C90G00.06 Washington Metropolitan Area Transit Commission	401 701
	Special Fund Appropriation	461,761
	C90G00.07 Electricity Division Special Fund Appropriation	556,861
	C90G00.08 Public Utility Law Judge Special Fund Appropriation	997,210
	C90G00.09 Staff Counsel Special Fund Appropriation	1,108,225
	C90G00.10 Energy Analysis and Planning Division Special Fund Appropriation	749,174
	SUMMARY	
	Total Special Fund Appropriation  Total Federal Fund Appropriation	20,926,959 706,832
	Total Appropriation	21,633,791
	OFFICE OF THE PEOPLE'S COUNSEL	
	C91H00.01 General Administration Special Fund Appropriation	4,210,300
	SUBSEQUENT INJURY FUND	
	C94I00.01 General Administration Special Fund Appropriation	2,521,189
	UNINSURED EMPLOYERS' FUND	
	C96J00.01 General Administration	
	Special Fund Appropriation	2,067,245

C98F00.01 General Administration Special Fund Appropriation	15,338,128
C98F00.02 Major Information Technology Development Projects Special Fund Appropriation	3,088,521
SUMMARY	
Total Special Fund Appropriation	18,426,649

### BOARD OF PUBLIC WORKS

D05E01.01 Administration Office General Fund Appropriation	1,053,732
To the Board of Public Works to be used by the Board in its judgment (1) for supplementing appropriations made in the budget for fiscal 2021 when the regular appropriations are insufficient for the operating expenses of the government beyond those that are contemplated at the time of the appropriation of the budget for this fiscal year, or (2) for any other contingencies that might arise within the State or other governmental agencies during the fiscal year or any other purposes provided by law, when adequate provision for such contingencies or purposes has not been made in this budget.	
General Fund Appropriation	500,000
D05E01.05 Wetlands Administration General Fund Appropriation	236,846
D05E01.10 Miscellaneous Grants to Private Nonprofit Groups General Fund Appropriation	6,415,592
To provide annual grants to private groups and sponsors that have statewide implications and merit State support.  Council of State Governments	
D05E01.15 Payments of Judgments Against the State	
General Fund Appropriation	2,078,491
SUMMARY	
Total General Fund Appropriation	10,284,661

#### EXECUTIVE DEPARTMENT – GOVERNOR

## D10A01.01 General Executive Direction and

Control

General Fund Appropriation .....

12,514,907 12,402,317

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### OFFICE OF THE DEAF AND HARD OF HEARING

#### D11A04.01 Executive Direction

General Fund Appropriation .....

449,087

#### DEPARTMENT OF DISABILITIES

#### D12A02.01 General Administration

General Fund Appropriation	3,943,928
Special Fund Appropriation	337,424
Federal Fund Appropriation	1,966,587

6,247,939

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### MARYLAND ENERGY ADMINISTRATION

#### D13A13.01 General Administration

Special Fund Appropriation	4,928,187	
Federal Fund Appropriation	984,627	5,912,814

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

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Lawrence	บ.	mogan,	OI	GOVELHOL

D13A13.02 The Jane E. Lawton Conservation Loan Program Special Fund Appropriation	2,050,000
D13A13.06 Energy Efficiency and Conservation Programs, Low and Moderate Income Residential Sector Special Fund Appropriation	6,700,000
D13A13.07 Energy Efficiency and Conservation Programs, All Other Sectors	,000,000 58,029 5,058,029
D13A13.08 Renewable and Clean Energy Programs and Initiatives  Special Fund Appropriation, provided that entirement upon the enactment of HB 982 or SB 740, \$6,500,000 of this appropriation made for the purpose of Maryland Energy Infrastructure Grants, Contributions in Aid of Construction Dispensation Fund, 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 Housing and Community Development program S00A25.04 Housing and Building Energy Programs to be used only for low-income residential weatherization as part of the Electric Universal Service Program. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled	29,869,721
SUMMARY	
Total Special Fund Appropriation  Total Federal Fund Appropriation	
Total Appropriation	49,590,564

## BOARDS, COMMISSIONS, AND OFFICES

D15A05.01 Survey Commissions General Fund Appropriation		124,600
D15A05.03 Governor's Office of Small, Minority &		
Women Business Affairs		
General Fund Appropriation, provided that		
\$100,000 of this appropriation made for the		
purpose of general administration may not		
be expended until the Governor's Office of		
Small, Minority, and Women Business		
Affairs submits a report to the budget		
committees that provides the date that the		
<u>Director of Compliance and Legislative</u>		
Affairs position will be filled and, when		
filled, describes the work the Director is		
doing to support State agencies in		
diversifying their procurement awards. The		
report shall be submitted by July 1, 2020,		
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 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		1 000 000
$\underline{not\ submitted}$		1,389,683
D15A05.05 Governor's Office of Community		
Initiatives		
General Fund Appropriation	2,538,872	
Special Fund Appropriation	248,886	
Federal Fund Appropriation	5,871,318	8,659,076
rederal rund Appropriation	0,071,010	0,000,070
Funds are appropriated in other agency		
budgets to pay for services provided by this		
program. Authorization is hereby granted		
to use these receipts as special funds for		
operating expenses in this program.		
D15A05.06 State Ethics Commission		
	1 057 510	
General Fund AppropriationSpecial Fund Appropriation	1,057,518 $376,681$	1 /2/ 100
Special Fund Appropriation	010,001	1,434,199

D15A05.07 Health Care Alternative Dispute Resolution Office General Fund Appropriation	494,190
Special Fulla Appropriation 20,304	494,190
D15A05.20 State Commission on Criminal Sentencing Policy General Fund Appropriation	572,609
D15A05.22 Governor's Grants Office	
General Fund Appropriation	314,373
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
D15A05.23 State Labor Relations Boards General Fund Appropriation	333,900
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
D15A05.24 Maryland State Board of Contract	
Appeals General Fund Appropriation	760,021
D15A05.25 Governor's Coordinating Offices – Shared Services	700,021
General Fund Appropriation	1,477,513 1,324,185
SUMMARY	
Total General Fund Appropriation	8,821,047 714,471 5,871,318
Total Appropriation	15,406,836

#### SECRETARY OF STATE

General Fund Appropriation	3,119,282	
Special Fund Appropriation	1,063,469	4,182,751

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### HISTORIC ST. MARY'S CITY COMMISSION

#### D17B01.51 Administration

General Fund Appropriation	3,160,131	
Special Fund Appropriation	864,035	
Federal Fund Appropriation	48,172	4,072,338

#### GOVERNOR'S OFFICE OF JUSTICE, YOUTH, AND VICTIM SERVICES

#### ADMINISTRATIVE HEADQUARTERS

Provided that \$45,500,000 in federal crime victim assistance funding provided through the Governor's Office of Crime Prevention, Youth, and Victim Services (GOCPYVS) shall be allocated in fiscal 2021 for the purpose of continuing victims of crime services.

Further provided that GOCPYVS is authorized to process a budget amendment recognizing additional federal funds to reach the mandated \$45,500,000 threshold.

Further provided that \$250,000 of the general fund appropriation for GOCPYVS may not be expended until GOCPYVS submits a report by November 1, 2020, regarding the federal Victims of Crime Act (VOCA) funding. The report should include:

- (1) total active VOCA grant awards as of January 1, 2020, 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, 2020, 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;
  and
- (3) 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.
- 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 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.

#### D21A01.01 Administrative Headquarters

General Fund Appropriation, provided that \$100,000 of this appropriation to the Governor's Office of Crime Prevention, Youth, and Victim Services' (GOCPYVS) Administrative Headquarters may not be expended until the GOCPYVS and the Victim Services Unit submit a report detailing the allocation of the Victims of Crime Act (VOCA) funding for the federal fiscal 2015, 2016, and 2017 fund cycles. This report should identify funds expended for the purpose of the direct provision of services, administration, and funds that went unobligated. The report should also evaluate the success of Maryland's VOCA funding program using performance metrics to detail how these funds have translated to improved outcomes for victims of crime. This report shall be submitted no later than December 1, 2020. 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 .....

not submitted4,527,773Special Fund Appropriation10,237,688Federal Fund Appropriation43,580,290

58,345,751

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### D21A01.02 Local Law Enforcement Grants

General Fund Appropriation, provided that \$11,136,063 of this appropriation, representing the entirety of the local law enforcement grants to the Baltimore City Police Department and the Baltimore City State's Attorney's Office, may not be expended unless the Mayor's Office of

Criminal Justice, in coordination with the Baltimore City State's Attorney's Office and the Baltimore Police Department, submits a comprehensive annual crime strategy for the city, which must include specific measurable actions 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 crime reduction strategy report shall be submitted to the Governor and budget committees by October 1, 2020. By December 31. 2020. and quarterly thereafter, the Mayor's Office of Criminal Justice shall report on progress made on the crime reduction targets included in the annual crime reduction strategy. Further provided that the Baltimore Police Department enters their warrant information into the National Criminal Information Center (NCIC) / Maryland Telecommunications Enforcement Resources System (METERS), provided that \$11,136,063 of this appropriation. representing the entirety of the local law enforcement grants to the Baltimore City Police Department and the Baltimore City State's Attorney's Office, may not be expended unless the Mayor's Office of Criminal Justice, in coordination with the Baltimore City State's Attorney's Office and the Baltimore Police Department, submits a year one update to the comprehensive five-year crime strategy for the city submitted during the 2020 fiscal year. The crime reduction strategy report shall be submitted to the Governor and budget committees by October 1, 2020. The budget committees shall have 45 days following the receipt of a 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 back to the General Fund if the report is not submitted.

Further provided that by December 31, 2020,

and quarterly thereafter, the Mayor's Office	
of Criminal Justice shall provide quarterly	
performance reports on progress made on	
the crime reduction strategy.	
Further provided that the Baltimore Police	
<u>Department enters its warrant information</u>	
into the National Criminal Information	
$\underline{Center/Maryland}$ $\underline{Telecommunications}$	20 714 410
Enforcement Resources System	38,714,419
D21A01.03 State Aid for Police Protection	
General Fund Appropriation	74,518,472
D21A01.04 Violence Intervention and Prevention	
Program	
General Fund Appropriation, provided that	
\$250,000 of this appropriation provided for	
a grant to the Children and Parent	
Resource Group, Inc. shall be reduced contingent on the enactment of legislation	
repealing the mandate that funding be	
provided to the Children and Parent	
Resource Group, Inc.	1,910,000
D21A01.05 Baltimore City Crime Prevention	
Initiative	
General Fund Appropriation	6,932,000
D21A01.06 Maryland Statistical Analysis Center	
Federal Fund Appropriation	63,914
SUMMARY	
Total General Fund Appropriation	126,602,664
Total Special Fund Appropriation	10,237,688
Total Federal Fund Appropriation	43,644,204
	100 101 770
Total Appropriation	180,484,556

#### CHILDREN'S SERVICES

- General Fund Appropriation, provided that \$100,000 of this appropriation to the Governor's Office of Crime Prevention, Youth, and Victim Services' Children and Youth Division may not be expended until the Children and Youth Division submits a report on behalf of the Children's Cabinet to the budget committees on out-of-home placements containing:
  - (1) the total number of out-of-home placements and entries by jurisdiction over the previous 3 years and similar data on out-of-state placements;
  - (2) the costs associated with out-of-home placements;
  - (3) an explanation of recent placement trends;
  - (4) findings of child abuse and neglect occurring while families are receiving family preservation services or within 1 year of each case closure;
  - (5) an evaluation of data derived from the application of the Maryland Family Risk Assessment; and
  - (6) areas of concern related to trends in out—of—home 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 the Children and Youth Division and comply with any data requests necessary for the timely production of the report. The report shall be submitted to the budget committees by

December 31, 2020, 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.

Further provided that \$100,000 \$250,000 \$100,000 of this appropriation may not be expended until the Governor's Office of Crime Prevention, Youth, and Victim Services (GOCPYVS) submits a report by October 15, 2020, regarding funding provided to Local Management Boards (LMB) through the Children's Cabinet Interagency Fund (CCIF). The report should include the different strategies that GOCPYVS uses to determine funding levels for LMBs, as well as any future plans that the agency may have to alter funding or grant procedures. The report should also include, in consultation with LMBs, an evaluation of the effectiveness of funding procedures on current outcomes, the rationale behind funding criminal justice-related grants through LMBs, and how the current and proposed funding goals and programs address and assist families and youth of all ages and backgrounds. The budget committees shall have 45 days to review and comment following the receipt of the report. 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 it is the intent of the budget committees that the primary purpose of the programs funded through the CCIF grants be to ensure a safe, stable, and healthy environment for all children

and families in order to promote positive child well-being .....

969,277

#### VICTIM SERVICES UNIT

#### D21A03.01 Victim Services Unit

General Fund Appropriation, provided that \$100,000 of this appropriation made for the purposes of general administration may not be expended until the Governor's Office of Crime Prevention, Youth, and Victim Services' (GOCPYVS) Victim Services Unit (VSU) submits a report on care for postexposure prophylaxis administered through the Pilot Program for Preventing Human Immunodeficiency Virus Infection for Rape Victims. This report shall include the following:

- (1) the number of patients that qualified to receive postexposure prophylaxis under the pilot program;
- (2) the number of patients that chose to receive postexposure prophylaxis;
- (3) the total amount requested for reimbursement by providers and the total amount reimbursed to providers for the postexposure prophylaxis;
- (4) the number of requests for reimbursements submitted, granted, and denied, including the reasons for each request denied;
- (5) the cost of the postexposure prophylaxis treatment and follow-up care provided under the pilot program;
- (6) the date the pilot program was fully implemented; and

(7) <u>discussion of the process for treatment providers to apply for and receive reimbursement under this program.</u>

This report shall be submitted to the budget committees no later than December 1, 2020.

The budget committees shall have 45 days following 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 back to the General Fund if the report is not submitted.

MARYLAND CRIMINAL INTELLIGENCE NETWORK

#### D21A05.01 Maryland Criminal Intelligence Network

General Fund Appropriation .....

6,802,326

5,884,696

#### DEPARTMENT OF AGING

#### D26A07.01 General Administration

General Fund Appropriation, provided that \$100,000 of this appropriation made for the purpose of general administration may not be expended until the Maryland Department of Aging submits two reports to the budget committees. The first report should describe its method of waitlist data collection and each Area Agency on Aging's (AAA) approach to waitlist management. The second report should provide the waitlist data from each AAA, by program, as of January 1, 2021. This second report shall be submitted by January 15, 2021, and the budget committees shall have 45 days to review and comment. Funds restricted pending receipt of these reports may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if both reports are not submitted.

Further provided that \$100,000 of this appropriation for general operating expenditures may not be expended until the Maryland Department of Aging (MDOA) submits a report to the budget committees analyzing the current administration and utilization of the Community for Life (CFL) program. The report shall include the following: (1) data about each grantee of the program since its inception, including the membership capacity of each CFL, the amount of funding each CFL was originally granted, the amount each CFL has expended, the amount of the State grant that the CFL intends to encumber, and the amount of funding, by source, that each grantee receives from other sources to support operating expenses of the CFL program; (2) fiscal 2020 actual data about members' utilization of the core CFL services, which include transportation, service navigator assistance, and home repair and maintenance; (3) membership totals for each CFL as of July 1, 2020; (4) the number of members that benefit from a scholarship as of July 1, 2020; and (5) a list of engagement events, informational publications, and other outreach efforts hosted by CFLs and MDOA throughout fiscal 2020 to increase awareness of the program throughout the State, and outreach efforts planned for fiscal 2021. The report shall be submitted by September 1, 2020, 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 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 .....

Special Fund Appropriation .....

Federal Fund Appropriation .....

2,149,080 566,556 2,948,841 Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

# D26A07.02 Senior Citizens Activities Centers Operating Fund General Fund Appropriation ......

764,238

#### D26A07.03 Community Services

General Fund Appropriation, provided that \$470,000 of this appropriation for community services may be expended only to increase funding for the State Nutrition 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.

Further provided that \$1,530,000 of this appropriation made for the purpose of community services may not be expended until the Maryland Department of Aging submits a report to the budget committees describing how the funds will be used and, to the extent applicable, distributed among the Area Agencies on Aging. The report shall be submitted prior to the expenditure of the funds, and the budget committees shall have 30 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 to the General Fund if the report is not received.

Further provided that \$600,000 of this appropriation for Community for Life (CFL) may be expended only to establish new CFLs in jurisdictions that have not yet received funding under this 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.

Further provided that \$600,000 of this
appropriation for the Community for Life
(CFL) program may be expended only to
establish new CFLs in jurisdictions with
populations above 600,000 that have not yet
received funding under this 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
<u>Fund</u>

25,635,025 25,035,025 25,635,025

31,876,191

Federal Fund Appropriation .....

57,511,216 56,911,216

57,511,216

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### D26A07.04 Senior Call–Check Service and Notification Program

Special Fund Appropriation .....

416,985

3,613,034

#### **SUMMARY**

Total General Fund Appropriation	28,548,343
Total Special Fund Appropriation	983,541
Total Federal Fund Appropriation	34,825,032

#### MARYLAND COMMISSION ON CIVIL RIGHTS

D27L00.01	General Administration
Conor	val Fund Annyanyiation

General Fund Appropriation	2,748,812
Special Fund Appropriation	5,000
Federal Fund Appropriation	859,222

20,000,000

#### MARYLAND STADIUM AUTHORITY

MARYLAND STADIUM AUTHORITY	
D28A03.02 Maryland Stadium Facilities Fund Special Fund Appropriation	15,207,978
D28A03.41 General Administration	
Funds are appropriated in the agency's budget to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
D28A03.55 Baltimore Convention Center General Fund Appropriation	6,227,355
D28A03.58 Ocean City Convention Center General Fund Appropriation	1,646,650
D28A03.59 Montgomery County Conference Center General Fund Appropriation	1,556,000
D28A03.60 Hippodrome Performing Arts Center General Fund Appropriation	1,383,004
D28A03.66 Baltimore City Public Schools Construction Financing Fund	

#### D28A03.67 Baltimore City Public Schools Construction Facilities Fund

Funds are appropriated in the agency's budget to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Special Fund Appropriation .....

#### D28A03.68 Baltimore City CORE

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### SUMMARY

Total General Fund Appropriation	10,813,009 35,207,978
Total Appropriation	46,020,987

#### STATE BOARD OF ELECTIONS

#### D38I01.01 General Administration

General Fund Appropriation, provided that \$200,000 of this appropriation made for the purpose of general administration may not be expended until the State Board of Elections (SBE), in consultation with the Department of Information Technology, submits quarterly reports on July 1, 2020; October 1, 2020; January 1, 2021; and April 1. 2021, on all information technology (IT) project activities undertaken by SBE including a listing of all IT development projects, a description of the actions undertaken in that quarter, an assessment of timeliness of the project with respect to the project schedule, a description of costs incurred in that quarter, an assessment of the cost of the project with respect to estimated project costs, and a listing of deficiencies or concerns related to the projects. Funding restricted for purpose may be released quarterly in \$50,000 installments upon receipt of the required quarterly reports. The budget committees shall have 45 days from the date of receipt of the reports to review and comment upon receipt of each report. Funds restricted pending the receipt of the reports 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 .....

Special Fund Appropriation .....

5,320,493 183,883

5,504,376

D38I01.02 Help America Vote Act       7,641,912         General Fund Appropriation       15,950,861         Special Fund Appropriation       15,288,986         Federal Fund Appropriation       1,102,560	24,695,333 24,033,458
D38I01.03 Major Information Technology Development Projects	
Special Fund Appropriation	1,379,551 1,163,938
SUMMARY	
Total General Fund Appropriation	12,962,405 16,636,807 1,102,560
Total Appropriation	30,701,772
DEPARTMENT OF PLANNING D40W01.01 Operations Division	
General Fund Appropriation3,665,176Special Fund Appropriation27,702Federal Fund Appropriation4,058	3,696,936
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
D40W01.02 State Clearinghouse General Fund Appropriation	272,460
D40W01.03 Planning Data and Research General Fund Appropriation, provided that  \$150,000 of this appropriation made for the purpose of general administrative expenses in the Planning Data and Research program may not be expended pending the	

submission of a confirmatory letter from the Maryland Department of Planning to the budget committees by August 1, 2020. The letter shall indicate that a Memorandum of Understanding has been signed between the Maryland Department of Planning and the <u>Department of Legislative Services on the</u> provision of geocoded addresses for prisoners listed in the database maintained by the Department of Public Safety and Correctional Services. The budget committees shall have 45 days from the date of the receipt of the confirmatory letter to review and comment. Funds restricted pending the receipt of the confirmatory letter may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the confirmatory letter is not submitted to the budget committees ......

3.271.586

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D40W01.04	Planning	Coordination
Conon	ol Fund A	nnvonviotion

General Fund Appropriation	$\frac{1,771,556}{1}$
	1,667,335
Federal Fund Appropriation	61,772

<del>1,833,328</del> 1,729,107

7,694,588

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

### D40W01.07 Management Planning and

Educational Outreach	
General Fund Appropriation	1,246,088
Special Fund Appropriation	6,183,393
Federal Fund Appropriation	265,107

D40W01.08 Museum Services	
General Fund Appropriation	
Special Fund Appropriation	
Federal Fund Appropriation	3,164,518
D40W01.09 Research Survey and Registration	
General Fund Appropriation	
Special Fund Appropriation	1 0 4 4 0 0 1
Federal Fund Appropriation	1,244,281
Funds are appropriated in other agency	
budgets to pay for services provided by this	
program. Authorization is hereby granted	
to use these receipts as special funds for	
operating expenses in this program.	
D40W01.10 Preservation Services	
General Fund Appropriation	
Special Fund Appropriation	
Federal Fund Appropriation	1,327,460
	, ,
D40W01.11 Historic Preservation – Capital	
Appropriation	
Special Fund Appropriation	300,000
	,
D40W01.12 Heritage Structure Rehabilitation Tax	
Credit	0.000.000
General Fund Appropriation	9,000,000
SUMMARY	
Total Canaval Fund Annyanyiation	99 160 499
Total General Fund Appropriation Total Special Fund Appropriation	23,160,432 7,476,087
Total Federal Fund Appropriation	1,064,417
Total Federal Fully Appropriation	1,004,417
Total Appropriation	31,700,936

#### MILITARY DEPARTMENT

#### MILITARY DEPARTMENT OPERATIONS AND MAINTENANCE

General Fund Appropriation3,901,049Special Fund Appropriation39,976Federal Fund Appropriation708,353	
D50H01.02 Air Operations and Maintenance General Fund Appropriation	
D50H01.03 Army Operations and Maintenance General Fund Appropriation	
D50H01.05 State Operations General Fund Appropriation	
D50H01.06 Maryland Emergency Management Agency General Fund Appropriation	
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
D50H01.08 MEMA – Opioid Operational Command Center General Fund Appropriation, provided that funds may be transferred to other State agencies to support the State's response to	
the heroin/opioid epidemic	10,834,729
Total General Fund Appropriation Total Special Fund Appropriation Total Federal Fund Appropriation	25,311,480 19,486,967 53,039,507

Total Appropriation		97,837,954
MARYLAND INSTITUTE FOR EMERGENCY MEDICA	- AL SERVICES S	YSTEMS
D53T00.01 General Administration Special Fund Appropriation Federal Fund Appropriation	16,900,803 1,872,569	18,773,372
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
DEPARTMENT OF VETERANS AF	FAIRS	
D55P00.01 Service Program  General Fund Appropriation	1,689,077 1,307	1,690,384
D55P00.02 Cemetery Program General Fund Appropriation	5,985,939 5,920,487 980,636	0.450.410
Federal Fund Appropriation	1,706,038	8,672,613 8,607,161
D55P00.03 Memorials and Monuments Program General Fund Appropriation		397,340
D55P00.05 Veterans Home Program General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	3,900,134 3,128,215 19,203,262	26,231,611
D55P00.08 Executive Direction General Fund Appropriation		1,294,558
D55P00.11 Outreach and Advocacy General Fund Appropriation		294,044

#### **SUMMARY**

Total General Fund Appropriation Total Special Fund Appropriation Total Federal Fund Appropriation	13,495,640 4,110,158 20,909,300
Total Appropriation	38,515,098
STATE ARCHIVES	
D60A10.01 Archives General Fund Appropriation	8,971,535
D60A10.02 Artistic Property General Fund Appropriation	420,852
SUMMARY	
Total General Fund Appropriation	7,146,000 2,246,387
Total Appropriation	9,392,387

#### MARYLAND HEALTH BENEFIT EXCHANGE

D78Y01.01 Maryland Health Benefit Exchange Special Fund Appropriation, provided that \$3,000,000 \$3,500,000 of this appropriation shall be reduced contingent upon the enactment of legislation altering the mandate for the Maryland Health Benefit Exchange.

Further provided that \$1,160,000 \$450,000 of this appropriation made for the purpose of operating the Maryland Health Benefit Exchange (MHBE) may not be expended until MHBE submits a report that evaluates the appropriate future State

funding level of MHBE, taking into account		
the available federal funding to support		
activities of the agency, for fiscal 2022 and		
beyond. The report should take into		
account the current required activities of		
the agency and any activities related to		
legislation enacted in 2020. The report		
shall be submitted by December 1, 2020,		
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 be canceled if the report		
is not submitted to the budget committees	<del>23,430,140</del>	
D 1 1D 14	$\frac{23,220,140}{23,220,140}$	15 0 <b>-</b> 1 5 10
Federal Fund Appropriation	22,541,402	45,971,542
		45,761,542
D78Y01.02 Major Information Technology Development Projects Special Fund Appropriation Federal Fund Appropriation	11,569,860 25,483,590	37,053,450
rederar rund Appropriation	20,400,000	01,000,400
D78Y01.03 Reinsurance Program Special Fund Appropriation	88,604,365 373,129,135	461,733,500
_		
SUMMARY		
Total Special Fund Appropriation		123,394,365
Total Federal Fund Appropriation		421,154,127
_ Joan I Garda I ama impropriation		
Total Appropriation		544,548,492

#### MARYLAND INSURANCE ADMINISTRATION

#### INSURANCE ADMINISTRATION AND REGULATION

D80Z01.01 Administration and Operations	
Special Fund Appropriation	33,169,373

153	Lawrence J. Hogan, Jr., Gov	ernor	Chapter 19
	Federal Fund Appropriation	282,390	33,451,763
Ι	D80Z01.02 Major Information Technology Development Projects Special Fund Appropriation		2,000,000
	SUMMARY		
	Total Special Fund Appropriation Total Federal Fund Appropriation		35,169,373 282,390
	Total Appropriation		35,451,763
	CANAL PLACE PRESERVATION AND DEVELO	OPMENT AUTHO	PRITY
I	D90U00.01 General Administration		
	General Fund Appropriation	128,000 560,432	688,432
	OFFICE OF ADMINISTRATIVE H	EARINGS	
I	D99A11.01 General Administration		
	Special Fund Appropriation		52,435

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### COMPTROLLER OF MARYLAND

Provided that 3 regular positions and \$165,300 in general funds and \$6,084 in special funds are reduced.

#### OFFICE OF THE COMPTROLLER

E00A01.01 Executive Direction General Fund Appropriation	5,854,434
E00A01.02 Financial and Support Services General Fund Appropriation	3,511,470
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
SUMMARY	
Total General Fund Appropriation  Total Special Fund Appropriation	7,828,201 1,537,703
Total Appropriation	9,365,904
GENERAL ACCOUNTING DIVISION	
E00A02.01 Accounting Control and Reporting General Fund Appropriation	5,902,103
BUREAU OF REVENUE ESTIMATES	
E00A03.01 Estimating of Revenues General Fund Appropriation	1,554,063

#### REVENUE ADMINISTRATION DIVISION

#### E00A04.01 Revenue Administration

General Fund Appropriation, provided that \$300,000 of this appropriation made for the purpose of administration may not be expended for that purpose but instead may be used only for the purpose of implementing a private letter ruling process. 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

Special Fund Appropriation .....

31,559,811 4,828,572

36,388,383

E00A04.02 Major Information Technology

**Development Projects** 

Special Fund Appropriation, provided that \$10,059,068 of this appropriation made for the purpose of the Integrated Tax System major information technology project may not be expended until the Comptroller of Maryland submits documentation to the budget committees certifying that the Alcohol and Tobacco Commission shall be provided office space at the current location of the Comptroller's Office in the City of Annapolis, and that the Alcohol and Tobacco Commission shall be provided access to the existing comprehensive document management and licensing database system currently used by the Field Enforcement Division within Comptroller's Office for alcoholic beverages and tobacco enforcement activities. Office space and access to the database shall be provided for the period of January 1, 2021, through June 30, 2021. The documentation shall be submitted by June 1, 2020, and the budget committees shall have 30 days from the date of receipt to review and comment. Funds restricted pending the receipt of the documentation may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the documentation is not submitted to the budget committees .....

10.759.068

	10,059,068
SUMMARY	
Total General Fund Appropriation	31,559,811 14,887,640
Total Appropriation	46,447,451
COMPLIANCE DIVISION	
E00A05.01 Compliance Administration  General Fund Appropriation	90.010 570
with unclaimed property in one publication 11,895,922	36,619,579

#### FIELD ENFORCEMENT DIVISION

E00A06.01 Field Enforcement Administration
General Fund Appropriation, provided that
\$1,600,000 and 27 positions in program
E00A06.01 Field Enforcement
Administration in the Comptroller of
Maryland may not be expended for that
purpose but instead may only be transferred
by budget amendment to the Alcohol and
<u>Tobacco Commission, program E17A01.01</u>
for the staffing and operations of that
Commission. This transfer shall occur on
January 1, 2021. Funds not expended for
this restricted purpose may not be
transferred by budget amendment or
otherwise to any other purpose and shall
<u>revert to the General Fund</u>
Special Fund Appropriation

3,370,198 4,183,864

7,554,062

CENTRAL PAYROLL BUREA	U	
E00A09.01 Payroll Management General Fund Appropriation	3,486,623 168,183	3,654,806
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
INFORMATION TECHNOLOGY DI	VISION	
E00A10.01 Annapolis Data Center Operations		
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
E00A10.02 Comptroller IT Services General Fund Appropriation	19,174,220 3,455,478	22,629,698
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
ALCOHOL AND TOBACCO COMM	ISSION	
E17A01.01 Administration and Enforcement General Fund Appropriation	_	881,397
STATE TREASURER'S OFFIC	CE	
	_	

### TREASURY MANAGEMENT

E20B01.01 Treasury Management		
General Fund Appropriation	6,230,266	
Special Fund Appropriation	699,581	6,929,847

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### E20B01.02 Major Information Technology

Development Projects

Special Fund Appropriation .....

290,196

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### **SUMMARY**

Total General Fund Appropriation	6,230,266
Total Special Fund Appropriation	989,777
Total Appropriation	7,220,043

#### INSURANCE PROTECTION

#### E20B02.01 Insurance Management

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### E20B02.02 Insurance Coverage

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### BOND SALE EXPENSES

1,696,000	40,000 1,656,000	E20B03.01 Bond Sale Expenses  General Fund Appropriation  Special Fund Appropriation
	AND TAXATION	STATE DEPARTMENT OF ASSESSMENTS
	3,934,700	E50C00.01 Office of the Director General Fund Appropriation
4,314,503	379,803	Special Fund Appropriation
35,785,168	17,892,584 17,892,584	E50C00.02 Real Property Valuation General Fund Appropriation, provided that \$3,578,517 of this appropriation shall be reduced contingent upon the enactment of legislation changing the funding formula for the State Department of Assessments and Taxation's Real Property Valuation program. Authorization is granted to process a special fund budget amendment of \$3,578,517 to use the special fund revenue to replace the aforementioned general fund amount Special Fund Appropriation
59,769,100	17,092,904	Special rund Appropriation
	2,211,684	General Fund Appropriation, provided that \$442,337 of this appropriation shall be reduced contingent upon the enactment of legislation changing the funding formula for the State Department of Assessments and Taxation's Office of Information Technology program. Authorization is granted to process a special fund budget amendment of \$442,337 to use the special fund revenue to replace the aforementioned general fund amount
4,423,368	2,211,684	Special Fund Appropriation

General Fund Appropriation, provided that \$334,920 of this appropriation shall be reduced contingent upon the enactment of legislation changing the funding formula

for the State Department of Assessments and Taxation's Business Property	
Valuation program. Authorization is granted to process a special fund budget amendment of \$334,920 to use the special	
fund revenue to replace the	
aforementioned general fund amount 1,674,600	
Special Fund Appropriation	3,349,200
E50C00.06 Tax Credit Payments	a <del>-</del> a.aa.
General Fund Appropriation	97,246,584
F50C00 08 Property Tax Credit Programs	
E50C00.08 Property Tax Credit Programs General Fund Appropriation	
Special Fund Appropriation	3,123,368
Special Fund Appropriation	5,125,500
E50C00.09 Major Information Technology	
Development Projects Special Fund Appropriation	1,533,766
Special Fund Appropriation	1,000,700
E50C00.10 Charter Unit	
General Fund Appropriation	
Special Fund Appropriation	6,674,667
SUMMARY	
Total General Fund Appropriation	125,264,259
Total Special Fund Appropriation	31,186,365
Total Appropriation	156,450,624
MARYLAND LOTTERY AND GAMING CONTROL AGENCY	Y
E75D00.01 Administration and Operations	
Special Fund Appropriation	85,109,596
E75D00.02 Video Lottery Terminal and Gaming Operations	
General Fund Appropriation	
Special Fund Appropriation	18,286,896
	•

161	161 Lawrence J. Hogan, Jr., Governor			
	SUMMARY			
	Total General Fund Appropriation	6,585,501 96,810,991		
	Total Appropriation	103,396,492		
	PROPERTY TAX ASSESSMENT APPEALS BOARDS			
	E80E00.01 Property Tax Assessment Appeals Boards			

1,107,405

General Fund Appropriation .....

#### DEPARTMENT OF BUDGET AND MANAGEMENT

#### OFFICE OF THE SECRETARY

F10A01.01 Executive Direction General Fund Appropriation	3,010,199
Funds are appropriated in other agency budgets and funds will be transferred from the Employees' and Retirees' Health Insurance Non-Budgeted Fund Accounts to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
F10A01.02 Division of Finance and Administration General Fund Appropriation	1,584,366
F10A01.03 Central Collection Unit Special Fund Appropriation	17,004,584
SUMMARY	
Total General Fund Appropriation	4,594,565 17,004,584
Total Appropriation	21,599,149

#### OFFICE OF PERSONNEL SERVICES AND BENEFITS

#### F10A02.01 Executive Direction

General Fund Appropriation, provided that \$50,000 of this appropriation may not be expended until the Department of Budget and Management submits a report on the fiscal 2020 closeout of the Employee and Retiree Health Insurance Account. This report shall include (1) closing fiscal 2020 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 bv 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. The report shall be submitted to the budget committees by October 1, 2020. The budget committees shall have 45 days to review and comment following the receipt of the report. 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 .....

2,651,661

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### F10A02.02 Division of Employee Benefits

Funds will be transferred from the Employees' and Retirees' Health Insurance Non-Budgeted Fund Accounts to pay for administration services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

## F10A02.04 Division of Personnel Services General Fund Appropriation ......

2,714,108

Funds are appropriated in other agency

budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F10A02.06 Division of Classification and Salary General Fund Appropriation ......

2.057.938

F10A02.07 Division of Recruitment and

Examination

General Fund Appropriation .....

1,373,754

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### F10A02.08 Statewide Expenses

General Fund Appropriation, provided that funds appropriated for Cost of Living Adjustments (COLA), State Law Enforcement Officers Labor Alliance bargaining agreement provisions, bonuses, and Annual Salary Review (ASR) may be transferred to programs of other State agencies

107,368,010

Special Fund Appropriation, provided that funds appropriated for Cost of Living Adjustments (COLA), State Law Enforcement Officers Labor Alliance bargaining agreement provisions, bonuses, and Annual Salary Review (ASR) may be transferred to programs of other State agencies

22,838,643

Federal Fund Appropriation, provided that funds appropriated for Cost of Living Adjustments (COLA), State Law Enforcement Officers Labor Alliance bargaining agreement provisions, and Annual Salary Review (ASR) may be transferred to programs of other State agencies

9,541,697

139,748,350

F10A02.09 SmartWork

General Fund Appropriation .....

2.000.000

1,269,505

	1,000,000
SUMMARY	
Total General Fund Appropriation	117,165,471 22,838,643 9,541,697
Total Appropriation	149,545,811
OFFICE OF BUDGET ANALYSIS	
F10A05.01 Budget Analysis and Formulation General Fund Appropriation	5,592,966
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
OFFICE OF CAPITAL BUDGETING	
F10A06.01 Capital Budget Analysis and Formulation	1 000 707

#### DEPARTMENT OF INFORMATION TECHNOLOGY

#### MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT FUND

F50A01.01 Major Information Technology

Development Project Fund

General Fund Appropriation .....

96,552,770 77,052,770 76,837,158

Special Fund Appropriation, provided that funds appropriated herein for Major

8,649,796

<del>105,202,566</del> <u>85,702,566</u> <u>85,486,954</u>

#### OFFICE OF INFORMATION TECHNOLOGY

Provided that 15 regular positions shall be reduced from the budget of the Department of Information Technology (DoIT), and that \$90,000 in general funds, \$60,000 in special funds, and \$1.350,000 reimbursable funds associated with these positions may not be expended for that purpose but instead may be used only for the purpose of enhancing DoIT salaries by creating a new salary scale for information technology positions. The Department of Budget and Management and DoIT should report on salary actions to the budget committees by September 4, 2020. 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 or be canceled.

Further provided that the budget of DoIT shall be reduced by \$30,000 in general funds and \$20,000 in special funds.

F50B04.01 State Chief of Information Technology General Fund Appropriation ......

16,685,651

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### F50B04.02 Security

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted

1,959,081

to use these receipts as special funds for operating expenses in this program.

#### F50B04.03 Application Systems Management

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### F50B04.04 Infrastructure

Special Fund Appropriation .....

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### F50B04.05 Chief of Staff

#### F50B04.07 Radio

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### F50B04.09 Telecommunications Access of

Maryland

#### **SUMMARY**

Total General Fund Appropriation	18,272,201
Total Special Fund Appropriation	5,940,654

Total Appropriation	24,212,855
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#### MARYLAND STATE RETIREMENT AND PENSION SYSTEMS

#### STATE RETIREMENT AGENCY

#### G20J01.01 State Retirement Agency

Special Fund Appropriation .....

17,987,751

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### G20J01.02 Major Information Technology

**Development Projects** 

Special Fund Appropriation .....

1,272,904

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### SUMMARY

Total Special Fund Appropriation .....

19,260,655

#### TEACHERS AND STATE EMPLOYEES SUPPLEMENTAL RETIREMENT PLANS

G50L00.01 Maryland Supplemental Retirement

Plan Board and Staff

Special Fund Appropriation .....

2,004,432

#### DEPARTMENT OF GENERAL SERVICES

#### OFFICE OF THE SECRETARY

H00A01.01 Executive Direction General Fund Appropriation		2,266,396		
H00A01.02 Administration General Fund Appropriation	2,208,518			
SUMMARY				
Total General Fund Appropriation	4,474,914			
OFFICE OF FACILITIES SECURITY				
H00B01.01 Facilities Security				
General Fund Appropriation	13,590,269			
Special Fund Appropriation	106,329			
Federal Fund Appropriation	344,107	14,040,705		

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### OFFICE OF FACILITIES OPERATION AND MAINTENANCE

H00C01.01 Facilities Operation and Maintenance General Fund Appropriation, provided that \$383,000 of this appropriation shall be reduced contingent upon the enactment of legislation altering the mandated level of funding provided to the City of Annapolis as a Payment in Lieu of Taxes, provided that \$40,000 of this appropriation made for the purpose of a mandated level of funding to the City of Annapolis as a Payment in Lieu of Taxes may not be provided until: (1) the establishment of a workgroup on the Housing Authority of the City of Annapolis (HACA); and (2) the City of Annapolis, in consultation with Anne Arundel County, the Housing Commission of Anne Arundel County and HACA, submit a report to the budget committees with the findings of the workgroup on the conditions of public housing and with recommendations for short-term and long-term plans for redevelopment. Specifically, the report shall:

- (1) identify in a HACA property any existing or chronically recurring hazardous condition that may be identified according to the Building and Maintenance Code of the City of Annapolis;
- (2) identify any dangerous or unsafe aspects, features, locations, or conditions existing or prevailing on or about HACA property, including any recent harmful or unsafe behavior patterns, incidents, or trends;
- (3) articulate the existing preservation and upkeep scheme; and
- (4) articulate the redevelopment plan, including prospective funding requirements and sources, and a prospective schedule.

The report shall be submitted by December 15, 2020, and the budget committees shall have 45 days 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

33.061.542

34.574.549

34,044,549

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### H00C01.04 Saratoga State Center

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### H00C01.05 Reimbursable Lease Management

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### H00C01.07 Parking Facilities

General Fund Appropriation	1
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1,664,685

#### **SUMMARY**

Total General Fund Appropriation	34,226,227
Total Special Fund Appropriation	354,967
Total Federal Fund Appropriation	1,128,040

#### OFFICE OF PROCUREMENT AND LOGISTICS

#### H00D01.01 Procurement and Logistics

General Fund Appropriation, provided that since the Department of General Services'
Office of State Procurement (OSP) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$100,000 of this agency's administrative appropriation may not be expended unless:

- (1) OSP has taken corrective action with respect to all repeat audit findings on or before November 1, 2020; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days from the date of the receipt of the report to review and comment to allow for funds to be released prior to the end of fiscal 2021 ......

7,767,142

Special Fund Appropriation .....

2,301,124

10,068,266

1,980,605

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### OFFICE OF REAL ESTATE

#### H00E01.01 Real Estate Management

 General Fund Appropriation
 1,568,343

 Special Fund Appropriation
 412,262

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### OFFICE OF FACILITIES PLANNING, DESIGN AND CONSTRUCTION

#### H00G01.01 Facilities Planning, Design and

Construction

General Fund Appropriation, provided that the amount appropriated herein for Maryland Environmental Service critical maintenance projects shall be transferred to the appropriate State facility effective July 1, 2020

20,812,691

Lawrence d	T.	Hogan.	.Jr.,	Governor
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Chapter 19

173

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### BUSINESS ENTERPRISE ADMINISTRATION

H00H01.01 Business Enterprise

 General Fund Appropriation
 3,200,072

 Special Fund Appropriation
 998,968
 4,199,040

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### DEPARTMENT OF TRANSPORTATION

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 vear by the General Assembly and will result in the need to expend funds in the current budget year; or
- 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.

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 122.2 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 2021. 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) <u>business growth at the Helen</u>
  <u>Delich Bentley Port of Baltimore or Baltimore–Washington</u>
  <u>International Thurgood Marshall Airport, that demands additional personnel; or</u>
- (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 2021 budget shall be subject to Section 7–236 of the State Finance and Procurement Article and the Rule of 100.

Further provided that \$10,500,266 in special funds is reduced to increase turnover. The department may allocate this reduction among the department's programs.

Further provided that the Maryland

Department of Transportation is
authorized to increase by budget
amendment the special fund capital
appropriation for the Maryland Port
Administration by \$10,000,000 to provide a
portion of the funds needed for the Howard
Street Tunnel Project.

#### THE SECRETARY'S OFFICE

J00A01.01 Executive Direction
Special Fund Appropriation .......

34,438,340

#### J00A01.02 Operating Grants-In-Aid Special Fund Appropriation, prov

Special Fund Appropriation, provided that no more than \$5,855,901 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 increase funds for an existing grantee.
- Further provided that no expenditures in excess of \$5,855,901 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  Federal Fund Appropriation	5,855,901 14,725,749	20,581,650
J00A01.03 Facilities and Capital Equipment 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 2020–2025 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 from the date of notification to review and comment on the proposed system preservation or minor project	31,829,000	
Federal Fund Appropriation	6,320,000	38,149,000
J00A01.04 Washington Metropolitan Area Transit – Operating Special Fund Appropriation		444,275,701
J00A01.05 Washington Metropolitan Area		
Transit – Capital Special Fund Appropriation		219,151,000
J00A01.07 Office of Transportation Technology		
Services Special Fund Appropriation		51,396,731

J00A01.08 Major Information Technology
Development Projects
Special Fund Appropriation

3,042,000

#### **SUMMARY**

Total Special Fund Appropriation	789,988,673 21,045,749
Total Appropriation	811,034,422

## DEBT SERVICE REQUIREMENTS

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 \$3,877,330,000 as of June 30, 2021.

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 2020 through 2030.

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.

- 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 \$1,226,530,000 as of June 30, 2021. The total aggregate outstanding and unpaid principal balance on the Purple Line TIFIA loan may not exceed \$925,315,170 as of June 30, 2021. 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, 2021, and the total amount by which the fiscal 2021 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.

J00A04.01 Debt Service Requirements
Special Fund Appropriation ......

415,915,288

#### STATE HIGHWAY ADMINISTRATION

J00B01.01 State System Construction and Equipment

Special Fund Appropriation, provided that \$5,000,000 of this appropriation made for the purpose of Safety, Congestion Relief and Community Enhancement projects may not be expended for that purpose but instead may be transferred by budget amendment to the Maryland Transit Administration program J00H01.02 Bus Operations to be used onlv contributions to the Maryland Transit Administration pension plan. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Further provided that \$1,000,000 of this appropriation made for the purpose of Safety, Congestion Relief and Community Enhancement projects may not be expended for that purpose but instead may only be used for preliminary planning for Segment D of MD 28, Norbeck Road, and MD 198, Spencerville Road/Sandy Spring Road. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Further provided that \$12,500,000 of this appropriation made for the purpose of

funding projects in the Total Maximum

Daily Load (TMDL) Program shall be		
reduced contingent on engetment of		
legislation authorizing the transfer of		
\$12 500 000 from the Ray Restoration Fund		
to the Transportation Trust Fund.		
Authorization is hereby siven for the		
Maryland Department of Transportation to		
process a hydrot amendment to increase the		
appropriation for TMDL projects by		
\$12,500,000 using the funds available from		
$\frac{\psi_1 z_1,000,000}{the transfer from the Bay Restoration Fund.}$	620,977,000	
Federal Fund Appropriation	617,839,000	1,238,816,000
1 cuciai i una rippropriation	017,000,000	1,200,010,000
•		
J00B01.02 State System Maintenance		
Special Fund Appropriation	285,943,380	
Federal Fund Appropriation	13,612,005	299,555,385
1 cuciai i una rippropriation	10,012,000	200,000,000
<del>-</del>		
J00B01.03 County and Municipality Capital Funds		
Special Fund Appropriation	5,900,000	
Federal Fund Appropriation	65,900,000	71,800,000
reactar rana repropriation	00,500,000	71,000,000
J00B01.04 Highway Safety Operating Program		
Special Fund Appropriation	12,610,577	
Federal Fund Appropriation	2,926,640	15,537,217
1 odotat 1 dila rippropriation		10,001,211

# J00B01.05 County and Municipality Funds

Special Fund Appropriation, provided that \$28,157 of this appropriation made for the purpose of providing transportation aid to Deer Park in Garrett County may not be expended until the town has submitted the audit reports and the Uniform Financial Reports as required under Sections 16-304 and 16-306 of the Local Government Article for fiscal 2017, 2018, and 2019. Funds restricted pending the receipt of these documents may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled, provided that \$200,000 of this appropriation made for the purpose of providing transportation aid to Baltimore

City may be used only for a traffic engineering study of York Road in Baltimore City	264,193,664
J00B01.08 Major Information Technology Development Projects Special Fund Appropriation	4,912,000
SUMMARY	
Total Special Fund Appropriation	1,190,862,621 703,951,645
Total Appropriation	1,894,814,266
MARYLAND PORT ADMINISTRATION	
J00D00.01 Port Operations Special Fund Appropriation	51,915,078
J00D00.02 Port Facilities and Capital Equipment Special Fund Appropriation	142,646,000
SUMMARY	
Total Special Fund Appropriation	158,342,078 36,219,000
Total Appropriation	194,561,078
MOTOR VEHICLE ADMINISTRATION	
J00E00.01 Motor Vehicle Operations Special Fund Appropriation	195,987,176
J00E00.03 Facilities and Capital Equipment Special Fund Appropriation	25,380,145

J00E00.04 Maryland Highway Safety Office Special Fund Appropriation Federal Fund Appropriation	3,686,049 12,173,612	15,859,661
J00E00.08 Major Information Technology Development Projects Special Fund Appropriation		16,743,855
SUMMARY		
Total Special Fund Appropriation  Total Federal Fund Appropriation		241,703,183 12,267,654
Total Appropriation		253,970,837
MARYLAND TRANSIT ADMINISTE	RATION	
J00H01.01 Transit Administration		
Special Fund Appropriation  Federal Fund Appropriation	102,740,939 252,500	102,993,439
J00H01.02 Bus Operations Special Fund Appropriation Federal Fund Appropriation	477,059,750 15,327,107	492,386,857
J00H01.04 Rail Operations Special Fund Appropriation Federal Fund Appropriation	232,679,497 23,907,689	256,587,186
J00H01.05 Facilities and Capital Equipment Special Fund Appropriation	109,350,000 488,106,000	597,456,000
J00H01.06 Statewide Programs Operations Special Fund Appropriation Federal Fund Appropriation	68,218,614 22,630,034	90,848,648

Development Projects Special Fund Appropriation	10,228,000	
SUMMARY		
Total Special Fund Appropriation	1,000,276,800 550,223,330	
Total Appropriation	1,550,500,130	
MARYLAND AVIATION ADMINISTRATION		
J00I00.02 Airport Operations       218,779,812         Special Fund Appropriation       218,509,812         Federal Fund Appropriation       645,500	219,425,312 219,155,312	
J00I00.03 Airport Facilities and Capital Equipment Special Fund Appropriation	60,232,000	
SUMMARY		
Total Special Fund Appropriation	270,953,812 8,433,500	
Total Appropriation	279,387,312	

# DEPARTMENT OF NATURAL RESOURCES

# OFFICE OF THE SECRETARY

K00A01.01 Secretariat		
General Fund Appropriation	2,415,717	
Special Fund Appropriation	273,875	
	·	9 790 509
Federal Fund Appropriation	100,000	2,789,592
K00A01.02 Office of the Attorney General		
General Fund Appropriation	1,787,998	
	89,706	1,877,704
Special Fund Appropriation		1,011,104
K00A01.03 Finance and Administrative Services		
General Fund Appropriation	7,438,335	
Special Fund Appropriation	4,147,766	
Federal Fund Appropriation	234,117	11,820,218
-		11,020,210
K00A01.04 Human Resource Service		
General Fund Appropriation	1,840,158	
Special Fund Appropriation	237,423	
Federal Fund Appropriation	96,893	2,174,474
-		2,114,414
K00A01.05 Information Technology Service		
General Fund Appropriation	2,171,123	
Special Fund Appropriation	176,581	
Federal Fund Appropriation	113,900	2,461,604
-		2,401,004
K00A01.06 Office of Communications		
General Fund Appropriation	1,130,378	
Special Fund Appropriation	218,279	1,348,657
-		
SUMMARY		
Total General Fund Appropriation		16,783,709
Total Special Fund Appropriation	•••••	5,143,630
Total Federal Fund Appropriation		544,910
Total Appropriation		22,472,249
10tai 11ppi opiitatioti	••••••	

# FOREST SERVICE

K00A02.09 Forest Service General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	6,611,491 7,016,290 2,666,383	16,294,164
Funds are appropriated in other units of the Department of Natural Resources budget and other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
WILDLIFE AND HERITAGE SEF	RVICE	
K00A03.01 Wildlife and Heritage Service Special Fund Appropriation  Federal Fund Appropriation	5,214,466 5,118,330 5,214,466 6,013,184 5,968,169 6,013,184	11,227,650 11,086,499 11,227,650
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
MARYLAND PARK SERVIC	Е	
K00A04.01 Statewide Operations General Fund Appropriation Special Fund Appropriation	5,783,652 46,709,064	

377,000

52,869,716

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Federal Fund Appropriation .....

5,465,020

K00A04.06 Revenue Operations Special Fund Appropriation	1,900,000
SUMMARY	
Total General Fund Appropriation	5,783,652 48,609,064 377,000
Total Appropriation	54,769,716
LAND ACQUISITION AND PLANNING	
K00A05.05 Land Acquisition and Planning	

#### K00A05.10 Outdoor Recreation Land Loan

Special Fund Appropriation .....

Special Fund Appropriation, provided that of the Special Fund allowance, \$78,800,517 represents that share of Program Open Space revenues available for State projects and \$44,185,905 represents that share of Program Open Space revenues available for local programs. These amounts may be used for any State projects or local share authorized in Chapter 403, Laws of Maryland, 1969 as amended, or in Chapter 81, Laws of Maryland, 1984; Chapter 106, Laws of Maryland, 1985; Chapter 109, Laws of Maryland, 1986; Chapter 121, Laws of Maryland, 1987; Chapter 10, Laws of Maryland, 1988; Chapter 14, Laws of Maryland, 1989; Chapter 409, Laws of Maryland, 1990; Chapter 3, Laws of Maryland, 1991; Chapter 4, 1st Special Session, Laws of Maryland, 1992; Chapter 204, Laws of Maryland, 1993; Chapter 8, Laws of Maryland, 1994; Chapter 7, Laws of Maryland, 1995; Chapter 13, Laws of Maryland, 1996; Chapter 3, Laws of Maryland, 1997; Chapter 109, Laws of Maryland, 1998; Chapter 118, Laws of Maryland, 1999; Chapter 204, Laws of

Maryland, 2000; Chapter 102, Laws of Maryland, 2001; Chapter 290, Laws of Maryland, 2002; Chapter 204, Laws of Maryland, 2003; Chapter 432, Laws of Maryland, 2004; Chapter 445, Laws of Maryland, 2005; Chapter 46, Laws Maryland, 2006; Chapter 488, Laws of Maryland, 2007; Chapter 336, Laws of Maryland, 2008; Chapter 485, Laws of Maryland, 2009; Chapter 483, Laws of Maryland, 2010; Chapter 396, Laws of Maryland, 2011; Chapter 444, Laws of Maryland, 2012; Chapter 424, Laws of Maryland, 2013; Chapter 463, Laws of Maryland, 2014; Chapter 495, Laws of Maryland, 2015; Chapter 27, Laws Maryland, 2016; Chapter 22, Laws Maryland, 2017; Chapter 9, Laws Maryland, 2018; Chapter 14, Laws of Maryland, 2019 and for any of the following State and local projects.

Further provided that \$4,590,000 of this appropriation made for the purpose of eapital development projects in State parks under the Natural Resources Development Fund may not be expended for that purpose but instead may be used only for completion of construction and equipping of renovations to the Patterson Center at the Jefferson Patterson Park and Museum. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled

122,986,422

Allowance, Local Projects ......\$44,185,905 Land Acquisitions .......\$36,609,558

Department of Natural Resources Capital Improvements:

Natural Resource

Development Fund .......\$15,281,533

Ocean City Beach

Maintenance ......\$1,000,000

Critical Maintenance

Program .....\$4,159,480

Subtotal\$20,441,013	
Heritage Conservation Fund\$3,599,673	
Rural Legacy\$17,999,092	
Advance Option and Purchase Fund\$151,181	
Allowance, State Projects\$78,800,517	
Federal Fund Appropriation	125,986,422
SUMMARY	
Total Special Fund Appropriation	128,451,442 3,000,000
Total Appropriation	131,451,442
LICENSING AND REGISTRATION SERVICE	
K00A06.01 Licensing and Registration Service Special Fund Appropriation	4,243,908
NATURAL RESOURCES POLICE	
K00A07.01 General Direction9,281,250General Fund Appropriation9,281,250Special Fund Appropriation800,749Federal Fund Appropriation3,163,124	13,245,123
K00A07.04 Field Operations29,571,803General Fund Appropriation7,253,847Federal Fund Appropriation2,358,663	39,184,313
SUMMARY	
Total General Fund Appropriation	38,853,053 8,054,596

Total Federal Fund Appropriation	5,521,787
Total Appropriation	52,429,436
ENGINEERING AND CONSTRUCTION	
K00A09.01 General Direction791,411General Fund Appropriation4,582,416	5,373,827
Funds are appropriated in other units of the Department of Natural Resources budget to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
K00A09.06 Ocean City Maintenance Special Fund Appropriation	1,000,000
SUMMARY	
Total General Fund Appropriation	791,411 5,582,416
Total Appropriation	6,373,827
CRITICAL AREA COMMISSION	
K00A10.01 Critical Area Commission General Fund Appropriation	2,175,293
RESOURCE ASSESSMENT SERVICE	
K00A12.05 Power Plant Assessment Program General Fund Appropriation	6,503,767

Funds are appropriated in other agency budgets to pay for services provided by this

program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
K00A12.06 Monitoring and Ecosystem Assessment4,003,561General Fund Appropriation3,313,896Federal Fund Appropriation2,292,551	9,610,008
Funds are appropriated in other units of the Department of Natural Resources budget and in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
K00A12.07 Maryland Geological Survey	
General Fund Appropriation	
Special Fund Appropriation	2,609,593
Funds are appropriated in other units of the Department of Natural Resources budget and in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
SUMMARY	
Total General Fund Appropriation	6,036,845
Total Special Fund Appropriation	10,105,555
Total Federal Fund Appropriation	2,580,968
Total Appropriation	18,723,368
MARYLAND ENVIRONMENTAL TRUST	
K00A13.01 Maryland Environmental Trust	
General Fund Appropriation	596,777
A A P P P P P P P P P P P P P P P P P P	

Funds are appropriated in other units of the Department of Natural Resources budget and in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### CHESAPEAKE AND COASTAL SERVICE

# K00A14.01 Waterway Capital

- (1) \$2,000,000 for a nonmatching fund grant for dredging Deep Creek Lake; and
- \$250,000 for a nonmatching fund grant for replenishment of the Cape St. Claire Beach.

Funds not expended for this restricted purpose

may not be transferred by budget

amendment or otherwise to any other

purpose and shall be canceled

Federal Fund Appropriation

13,500,000 2,500,000

16,000,000

## K00A14.02 Chesapeake and Coastal Service

General Fund Appropriation .....

Special Fund Appropriation, provided that \$200,000 of this appropriation made for the purpose of administration may not be expended until the Department of Natural Resources submits the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund annual work and expenditure plans as required by Section 8–2A–03 of the Natural Resources Article. The work plan shall identify the planned work to be funded

2,040,990

with money from the Trust Fund for fiscal
2022, including annual nutrient and
sediment reduction targets, performance
measures, and accountability criteria. The
expenditure plan shall identify planned
expenditures for the work plan and include
an accounting of all money distributed from
the Trust Fund in fiscal 2020. The report
shall be submitted with the fiscal 2022
budget submission, 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 the report may not be
transferred by budget amendment or
otherwise to any other purpose and shall be
canceled if the report is not submitted

59,830,874 59,771,046 9,324,013

71,195,877 71,136,049

27,213,985

Funds are appropriated in other units of the Department of Natural Resources budget and in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Federal Fund Appropriation .....

## **SUMMARY**

Total General Fund Appropriation	2,040,990
Total Special Fund Appropriation	73,271,046
Total Federal Fund Appropriation	11,824,013

## FISHING AND BOATING SERVICES

# K00A17.01 Fishing and Boating Services

General Fund Appropriation	7,547,524
Special Fund Appropriation	15,033,272
Federal Fund Appropriation	4,633,189

Funds are appropriated in other units of the Department of Natural Resources budget and in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

# DEPARTMENT OF AGRICULTURE

# OFFICE OF THE SECRETARY

L00A11.01 Executive Direction General Fund Appropriation	1,320,633
L00A11.02 Administrative Services General Fund Appropriation	1,798,325
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.  L00A11.03 Central Services General Fund Appropriation	
General Fund Appropriation	2,716,456
Funds are appropriated in other units of the Department of Agriculture budget to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
L00A11.04 Maryland Agricultural Commission General Fund Appropriation	92,023
L00A11.05 Maryland Agricultural Land Preservation Foundation Special Fund Appropriation	2,304,236
L00A11.11 Capital Appropriation Special Fund Appropriation	42,105,178
SUMMARY	
Total General Fund Appropriation	5,444,035 44,488,953 403,863
Total Appropriation	50,336,851

OFFICE OF MARKETING, ANIMAL INDUSTRIES, A	ND CONSUMER S	ERVICES
L00A12.01 Office of the Assistant Secretary General Fund Appropriation		223,167
L00A12.02 Weights and Measures General Fund Appropriation Special Fund Appropriation	336,554 1,752,188	2,088,742
L00A12.03 Food Quality Assurance General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	174,630 1,959,372 1,097,065	3,231,067
L00A12.04 Maryland Agricultural Statistics Services General Fund Appropriation		9,200
L00A12.05 Animal Health General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	2,555,351 457,005 605,942	3,618,298
L00A12.07 State Board of Veterinary Medical Examiners Special Fund Appropriation		818,794
L00A12.08 Maryland Horse Industry Board Special Fund Appropriation		314,254
L00A12.10 Marketing and Agriculture Development General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	933,053 2,190,983 1,009,043	4,133,079
Funds are appropriated in other agency budgets to pay for services provided by this		

program. Authorization is hereby granted to use these receipts as special funds for

operating expenses in this program.

L00A12.11 Maryland Agricultural Fair Board Special Fund Appropriation	1,460,000
L00A12.18 Rural Maryland Council General Fund Appropriation	6,160,757
L00A12.19 Maryland Agricultural Education and Rural Development Assistance Fund General Fund Appropriation	167,000
Resource—Based Industry Development Corporation General Fund Appropriation, provided that contingent on the enactment of SB 985 or HB 1488, \$140,000 of this appropriation made for the purpose of making grants to or providing equity investment financing for agricultural and resource—based businesses may not be expended by the Maryland Agricultural and Resource—Based Industry Development Corporation for that purpose but instead may be transferred only by budget amendment to the Maryland Department of Agriculture, program L00A12.10 Marketing and Agriculture Development for the hiring of two staff and equipping of the Office of the Certified Local Farm Enterprise 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	5,375,000
SUMMARY	
Total General Fund Appropriation	15,934,712 8,952,596 2,712,050
Total Appropriation	27,599,358

L00A14.01 Office of the Assistant Secretary General Fund Appropriation		240,451
L00A14.02 Forest Pest Management General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	927,633 137,470 288,123	1,353,226
L00A14.03 Mosquito Control General Fund Appropriation	1,167,205 1,862,790	3,029,995
L00A14.04 Pesticide Regulation Special Fund Appropriation Federal Fund Appropriation	851,847 352,769	1,204,616
L00A14.05 Plant Protection and Weed  Management General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	1,150,067 264,577 855,468	2,270,112
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
L00A14.06 Turf and Seed  General Fund Appropriation	786,212 328,704	1,114,916
L00A14.09 State Chemist Special Fund Appropriation Federal Fund Appropriation	3,102,247 82,898	3,185,145
L00A14.10 Nuisance Insects General Fund Appropriation	200,000 200,000	400,000

# SUMMARY

Total General Fund Appropriation	4,471,568 6,747,635 1,579,258
Total Appropriation	12,798,461
OFFICE OF RESOURCE CONSERVATION	
L00A15.01 Office of the Assistant Secretary General Fund Appropriation	228,109
L00A15.02 Program Planning and Development General Fund Appropriation	
Federal Fund Appropriation	$\frac{3,296,257}{1,796,257}$
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
L00A15.03 Resource Conservation Operations General Fund Appropriation	8,210,624
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
L00A15.04 Resource Conservation Grants General Fund Appropriation	15,964,787

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

L00A15.06 Nutrient Management General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	1,562,712 184,117 1,292,155	3,038,984
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
L00A15.07 Watershed Implementation		
General Fund Appropriation	737,083	
Federal Fund Appropriation	318,764	1,055,847
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
SUMMARY		
Total General Fund Appropriation		11,981,019
Total Special Fund Appropriation	•••••	15,652,670
Total Federal Fund Appropriation	<u>-</u>	2,660,919
Total Appropriation		30,294,608

#### MARYLAND DEPARTMENT OF HEALTH

#### OFFICE OF THE SECRETARY

#### M00A01.01 Executive Direction

General Fund Appropriation, 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 to budget committees on administrative services organization transition and estimated payments made during the transition. The report shall be submitted by July 1, 2020, 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 ...

 $12,312,617 \\ 19,050 \\ 2,163,632$ 

14,495,299

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Special Fund Appropriation .....

Federal Fund Appropriation .....

#### M00A01.02 Operations

General Fund Appropriation	$\frac{22,942,958}{2}$
	21,942,958
Special Fund Appropriation	10,834
Federal Fund Appropriation	9,284,514

<del>32,238,306</del> 31,238,306

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

	58,084 49,637 5,007,721
SUMMARY	
Total General Fund Appropriation	29,884
Total Appropriation	50,741,326
REGULATORY SERVICES	
Special Fund Appropriation	23,395 75,886 18,440 24,217,721 23,787 38,631 27,872,418
M00B01.05 Board of Nursing Special Fund Appropriation	9,330,163
M00B01.06 Maryland Board of Physicians Special Fund Appropriation	10,200,620
SUMMARY	
Total General Fund Appropriation  Total Special Fund Appropriation  Total Federal Fund Appropriation	47,165,300

Total Appropriation	71,620,922

# DEPUTY SECRETARY FOR PUBLIC HEALTH SERVICES

M00F01.01 Executive Direction
General Fund Appropriation - provided that
\$800,000 of this appropriation made for the
purpose of supporting the Maryland
Primary Care Program Project
Management Office shall be reduced
contingent on the enactment of HB 152 or
SB 192 authorizing the use of special fund
balance from the Maryland Board of
Physicians for this numbers

Physicians for this purpose	$\frac{10,463,045}{10,463,045}$
	<del>9,463,045</del>
	<i>9,963,045</i>
Special Fund Appropriation	408,570
Federal Fund Appropriation	8,478,607

19,350,222 18,350,222 18,850,222

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

# OFFICE OF POPULATION HEALTH IMPROVEMENT

M00F02.01 Office of Population Health Improvement General Fund Appropriation Federal Fund Appropriation	2,511,599 11,982,289	14,493,888
M00F02.07 Core Public Health Services General Fund Appropriation		60,043,926
SUMMARY		
Total General Fund Appropriation  Total Federal Fund Appropriation		62,555,525 11,982,289
Total Appropriation		74,537,814

14,530,665

PREVENTION AND HEALTH PROMOTION	ADMINISTRATIO	ON
M00F03.01 Infectious Disease and Environmental Health Services General Fund Appropriation	17,152,064	
Special Fund Appropriation Federal Fund Appropriation	66,933,508 71,517,667	155,603,239
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
M00F03.04 Family Health and Chronic Disease		
Services	49 049 440	
General Fund AppropriationSpecial Fund Appropriation	43,843,449 $51,357,874$	
Federal Fund Appropriation	157,735,715	<del>252,937,038</del>
TP IP	147,883,994	243,085,317
SUMMARY		
Total General Fund Appropriation		60,995,513
Total Special Fund Appropriation	•••••	118,291,382
Total Federal Fund Appropriation		219,401,661
Total Appropriation		398,688,556
OFFICE OF THE CHIEF MEDICAL	- EXAMINER	
M00F05.01 Post Mortem Examining Services		

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

General Fund Appropriation .....

## OFFICE OF PREPAREDNESS AND RESPONSE

M00F06.01 Office of Preparedness and Response General Fund Appropriation Federal Fund Appropriation	366,600 14,522,107	14,888,707
WESTERN MARYLAND CENT	ER	
M00I03.01 Services and Institutional Operations General Fund Appropriation	21,928,706 289,068	22,217,774
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
DEER'S HEAD CENTER		
M00I04.01 Services and Institutional Operations General Fund Appropriation	20,942,284 2,618,167	23,560,451
LABORATORIES ADMINISTRAT	TION	
M00J02.01 Laboratory Services  General Fund Appropriation  Special Fund Appropriation  Federal Fund Appropriation	34,802,745 7,952,950 4,479,229	47,234,924

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

# DEPUTY SECRETARY FOR BEHAVIORAL HEALTH

## M00K01.01 Executive Direction

General Fund Appropriation, provided that \$250,000 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 quality measures available for the treatment of specialty behavioral health services in the public behavioral health system. The report shall be submitted by October 1, 2020, and the budget committee 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.

Further provided that \$250,000 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 December 1, 2020, 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 ...

1,846,299

#### BEHAVIORAL HEALTH ADMINISTRATION

# M00L01.01 Program Direction

General Fund Appropriation, provided that \$100,000 of this appropriation made for the purposes of program direction may not be expended until the Maryland Department

of Health submits a report to the budget committees on Assertive Community Treatment. The report shall be submitted by September 1, 2020, 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 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 \$100,000 of this appropriation made for the purposes of program direction may not be expended until the Maryland Department of Health submits a report to the budget committees on substance use residential treatment funding limitations. The report shall be submitted by September 1, 2020, 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 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 .....

Federal Fund Appropriation .....

10,182,908 3,246,283

13,429,191

# M00L01.02 Community Services

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.

General Fund Appropriation, provided that \$3,584,956 of this appropriation shall be

reduced contingent upon the enactment of		
legislation reducing the required provider		
rate increase for certain behavioral health		
services	204,207,585	
Special Fund Appropriation	32,356,088	
Federal Fund Appropriation <del>, provided that</del>		
\$801,541 of this appropriation shall be		
reduced contingent upon the enactment of		
legislation reducing the required provider		
rate increase for certain behavioral health		
services	71,681,960	308,245,633

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

# M00L01.03 Community Services for Medicaid State Fund Recipients

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.

General Fund Appropriation, provided that \$1,141,973 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the required provider rate increase for certain behavioral health services

90,903,429

#### **SUMMARY**

Total General Fund Appropriation	305,293,922
Total Special Fund Appropriation	32,356,088
Total Federal Fund Appropriation	74,928,243

THOMAS B. FINAN HOSPITAL CENTER	
M00L04.01 Thomas B. Finan Hospital Center General Fund Appropriation	22,199,030
REGIONAL INSTITUTE FOR CHILDREN AND ADOLESCENTS – BALTIMORE	
M00L05.01 Regional Institute for Children and Adolescents – Baltimore General Fund Appropriation	17,929,828
EASTERN SHORE HOSPITAL CENTER	
M00L07.01 Eastern Shore Hospital Center General Fund Appropriation	22,992,000
SPRINGFIELD HOSPITAL CENTER	
M00L08.01 Springfield Hospital Center General Fund Appropriation	73,904,237
SPRING GROVE HOSPITAL CENTER	
M00L09.01 Spring Grove Hospital Center84,190,219General Fund Appropriation2,512,302Federal Fund Appropriation24,236	86,726,757
Thursday and announciated in athem against	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

14,731,465

#### CLIFTON T. PERKINS HOSPITAL CENTER

71,691,328	
32,405	71,723,733
	, ,

# JOHN L. GILDNER REGIONAL INSTITUTE FOR CHILDREN AND ADOLESCENTS

M00L11.01 John L. Gildner Regional Institute for		
Children and Adolescents		
General Fund Appropriation	14,580,747	
Special Fund Appropriation	94,616	
Federal Fund Appropriation	56,102	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### BEHAVIORAL HEALTH ADMINISTRATION FACILITY MAINTENANCE

M00L15.01 Behavioral Health Administration		
Facility Maintenance		
General Fund Appropriation	940,075	
Special Fund Appropriation	489,857	1,429,932

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### DEVELOPMENTAL DISABILITIES ADMINISTRATION

# M00M01.01 Program Direction

General Fund Appropriation, provided that \$500,000 of this appropriation may not be expended until the department submits a report to the budget committees including recommendations for expanded uses of the Waiting List Equity Fund, an estimate for the number of individuals on the waiting

list for community services that would be served under the expanded uses, a timeline for when the agency plans to propose amendments to the statute establishing the fund, and a timeline for spending down the current balance in the fund. The report shall be submitted by October 1, 2020, 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 a report is not submitted.

Further provided that \$1,000,000 of this appropriation may not be expended until the department submits two reports to the budget committees providing updates on the agency's implementation of the new functionalities on the Long Term Services and Supports (LTSS) system community service provider rate structure. The first report shall be submitted by June 1, 2020, and shall include descriptions of the finalized rates, any phase-in decisions, any bridge funding availability, a provider impact analysis based on the final rates, a State budgetary impact based on the final rates, the findings of the LTSS pilot, the corrections applied to the LTSS system as a result of the pilot, and the timeline for meeting the federal electronic-visit verification requirement. The second report shall be submitted by October 1, 2020, and shall provide updates on the final operationalized rates; the number of providers, individuals, and service types transitioned to the LTSS system; the number of providers, individuals, and service types that have not transitioned and a timeline for when they will switch systems; the initial impact of new rates on providers; the initial impact of new rates on community services spending; agency spending on bridge funding and the process the agency will use to recoup any overpayments: any defects or issues with the billing and reimbursement functionality of LTSS; any defects or issues with the service authorization functionality of LTSS and service authorization process overall; and the progress in meeting the electronic-visit verification requirement. The budget committees shall have 45 days from the date of receipt of the reports to review and comment. Funds restricted pending the receipt of both reports may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if both reports are not submitted .....

5,301,623 4,261,266

9,562,889

# M00M01.02 Community Services

Provided that \$26,507,537 in general funds, \$140,261 in special funds, and \$23,651,144 in federal funds of this appropriation made for the purpose of a 4% community service provider rate increase may only be used to adjust the rates for all community services to a level 4% higher than the rates in effect as of March 1, 2020. Notwithstanding this requirement, the rates for community services provided to individuals in the Long Term Services and Supports pilot program may increase by more than 4%.

Federal Fund Appropriation .....

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 or be canceled.

General Fund Appropriation, provided that \$13,253,768 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the amount of the annual funding increase to community service providers

722,395,870

8,033,872

	<u>721,934,516</u>	
Special Fund Appropriation <del>, provided that \$70,130 of this appropriation shall be</del>		
reduced contingent upon the enactment of		
legislation reducing the amount of the annual funding increase to community		
service providers	6,146,790	
Federal Fund Appropriation <del>, provided that \$11,825,575 of this appropriation shall be</del>		
reduced contingent upon the enactment of		
legislation reducing the amount of the annual funding increase to community		
service providers	644,463,564	1,373,006,224 1,372,544,870
SUMMARY		
Total General Fund Appropriation		727,236,139
Total Special Fund Appropriation  Total Federal Fund Appropriation		6,146,790 648,724,830
Total Federal Fund Appropriation		
Total Appropriation		1,382,107,759
HOLLY CENTER		
M00M05.01 Holly Center		
General Fund Appropriation	17,350,711 116,707	17,467,418
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
DEVELOPMENTAL DISABILITIES ADMINISTRATION DELIVERY SYSTEM	COURT INVOL	VED SERVICE

M00M06.01 Secure Evaluation and Therapeutic

General Fund Appropriation .....

Treatment (SETT) Program

### POTOMAC CENTER

M00M07.01 Potomac Center

17,705,206

### DEVELOPMENTAL DISABILITIES ADMINISTRATION FACILITY MAINTENANCE

M00M15.01 Developmental Disabilities
Administration Facility Maintenance
General Fund Appropriation .......

904,909

### MEDICAL CARE PROGRAMS ADMINISTRATION

M00Q01.01 Deputy Secretary for Health Care Financing

General Fund Appropriation, provided that \$100,000 of this appropriation intended for administration may not be expended until the Maryland Department of Health and the Hilltop Institute at the University of Maryland, Baltimore County, in consultation with other stakeholders, submit a report to the budget committees that provides a cost-benefit analysis of expanding access to long-term care services through home— and community-based waivers. The analysis should include:

- (1) a comparison of all health care costs incurred by individuals by different levels of acuity who have moved into waiver services and those who remain on the waiting list for waiver services;
- (2) to the extent practical, comparison data for a five-year period;
- (3) how to capture savings from provision of waiver services through Medicaid that accrues to Medicare for the benefit of the Medicaid program;

- the extent to which the provider (4) community can accommodate additional individuals served though waiver and similarMedicaid services; and
- any other information that is *(5)* necessary to adequately capture the full extent of incurred cost and cost avoidance from more fully utilizing waiver services.

The report shall be submitted by December 1,
2020 and the committees shall have 45 days
from the date of the receipt of the 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

Special Fund Appropriation	3,900,000	
Federal Fund Appropriation	5,634,086	10,941,207

1,407,121

M00Q01.02 Office of Enterprise Technology – Medicaid

Congred Fund Annuaryistian	4 606 745	
General Fund Appropriation	4,606,745	
	4,399,745	
Federal Fund Appropriation	$\frac{12,866,098}{12,866,098}$	<del>17,472,843</del>
	12,452,098	16,851,843

M00Q01.03 Medical Care Provider Reimbursements

> 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.

> General Fund Appropriation, provided that no part of this General Fund appropriation may be paid to any physician or surgeon or any hospital, clinic, or other medical

facility for or in connection with the performance of any abortion, except upon certification by a physician or surgeon, based upon his or her professional judgment that the procedure is necessary, provided one of the following conditions continuation where pregnancy is likely to result in the death of the woman; or where the woman is a victim of rape, sexual offense, or incest that has been reported to a law enforcement agency or a public health or social agency; or where it can be ascertained by the physician with a reasonable degree of medical certainty that the fetus is affected by genetic defect or serious deformity or abnormality; or where it can be ascertained by the physician with a reasonable degree of medical certainty that termination of pregnancy is medically necessary because there is substantial risk that continuation of the pregnancy could have a serious and adverse effect on the woman's present or future physical health; or before an abortion can be performed on the grounds of mental health there must be certification in writing by the physician or surgeon that in his or her professional judgment there exists medical evidence that continuation of the pregnancy is creating a serious effect on the woman's present mental health and if carried to term there is a substantial risk of a serious or long-lasting effect on the woman's future mental health.

Further provided that \$15,084,737 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the required provider rate increase.

Further provided that \$10,000,000 \$20,000,000 \$10,000,000 of this appropriation shall be reduced contingent upon the enactment of legislation reducing increasing the Medicaid Deficit Assessment for fiscal year 2021.

Further provided that \$750,000 of this appropriation shall be reduced contingent upon the enactment of legislation authorizing the transfer of a like amount of special funds from the Board of Pharmacy Fund	3,178,930,546 3,172,030,546 3,167,530,546	
Special Fund Appropriation, provided that authorization is hereby provided to process a special fund budget amendment of up to \$4,500,000 \$2,629,183 from the Cigarette Restitution Fund to support Medicaid provider reimbursements  Federal Fund Appropriation, provided that	3,169,401,363 882,296,805	
\$19,122,643 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the required provider rate increase	5,848,171,206	9,909,398,557 9,902,498,557 9,897,998,557 9,899,869,374
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
M00Q01.04 Benefits Management and Provider Services		
General Fund Appropriation	13,410,837 1,700,000 38,993,775	54,104,612
M00Q01.05 Office of Finance General Fund Appropriation Federal Fund Appropriation	2,642,628 4,539,409	7,182,037
M00Q01.06 Kidney Disease Treatment Services General Fund Appropriation	5,861,401 273,925	6,135,326

M00Q01.07 Maryland Children's Health Program General Fund Appropriation, provided that no part of this General Fund appropriation may be paid to any physician or surgeon or any hospital, clinic, or other medical facility for or in connection with the performance of any abortion, except upon certification by a physician or surgeon, based upon his or her professional judgment that the procedure is necessary, provided one of the following conditions exists: where continuation of the pregnancy is likely to result in the death of the woman; or where the woman is a victim of rape, sexual offense, or incest that has been reported to a law enforcement agency or a public health or social agency; or where it can be ascertained by the physician with a reasonable degree of medical certainty that the fetus is affected by genetic defect or serious deformity or abnormality; or where it can be ascertained by the physician with a reasonable degree of medical certainty that termination of pregnancy is medically necessary because there is substantial risk that continuation of the pregnancy could have a serious and adverse effect on the woman's present or future physical health; or before an abortion can be performed on the grounds of mental health there must be certification in writing by the physician or surgeon that in his or her professional judgment there exists medical evidence that continuation of the pregnancy is creating a serious effect on the woman's present mental health and if carried to term there is a substantial risk of a serious or long-lasting effect on the woman's future mental health.

> Federal Fund Appropriation, provided that

78,356,310 4,828,561

Lawrence J	I Hogan	.Tr	Governor
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\$89,448 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the required provider rate increase  M00Q01.08 Major Information Technology Development Projects	175,844,554	259,029,425
Federal Fund Appropriation		78,301,291 73,301,291
M00Q01.09 Office of Eligibility Services General Fund Appropriation	5,079,185 9,053,025	14,132,210
M00Q01.10 Medicaid Behavioral Health Provider Reimbursements		
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.		
General Fund Appropriation, provided that \$6,374,783 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the required provider rate increase for certain behavioral health		
Special Fund Appropriation	578,166,115 11,114,687	
rate increase for certain behavioral health services	1,076,562,874	1,665,843,676
M00Q01.11 Senior Prescription Drug Assistance Program		
Special Fund Appropriation		12,175,744

### **SUMMARY**

Total General Fund Appropriation	3,858,724,705
Total Special Fund Appropriation	916,289,722
Total Federal Fund Appropriation	7,244,552,318
Total Appropriation	12,019,566,745

### HEALTH REGULATORY COMMISSIONS

M00R01.01 Maryland Health Care Commission Special Fund Appropriation, provided that \$500,000 of this appropriation to be used to provide a grant to the R Adams Cowley Shock Trauma Center may not be made until the University of Maryland Medical System submits a report to the budget committees and the Joint Audit and Evaluation Committee (JAEC) detailing specific responses to findings recommendations contained in the March 2020 Office of Legislative Audits Special Review of Board of Directors Activities and the December 2019 Special Committee of the Board of the University of Maryland Medical System internal forensic audit report undertaken with advice by Latham and Watkins, LLP. The report shall be submitted by October 1, 2020 and the budget committees and JAEC shall have 45 days to review and comment from the date the report is received. Funds restricted pending the receipt of the report may not be expended or transferred by budget amendment or otherwise to any other purpose and shall be canceled .....

33,473,132

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

### Commission

- Special Fund Appropriation, provided that \$250,000 of this appropriation made for the purpose of administration may not be expended for that purpose and instead may only be used to fund an independent actuarial analysis of the state's hospital medical liability market. The independent actuarial analysis shall include:
  - (1) the cost of hospital self-insurance programs including the availability, adequacy and affordability of hospital reinsurance in the state;
  - (2) an examination of hospital reinsurance climates in other states and the ability of states to maintain adequate access to hospital reinsurers;
  - (3) the impact on Maryland's medical liability climate of implementing each of the provisions of California's Medical Injury Compensation Reform Act; and
  - (4) recommendations on how to stabilize the hospital liability market in the state to ensure both continued access to essential services and success under Maryland's Total Cost of Care Model.
- The Health Care Services Cost Review
  Commission shall submit the independent
  actuarial analysis to the Senate Budget and
  Taxation Committee, Senate Judicial
  Proceedings Committee, Senate Finance
  Committee, House Judiciary Committee,
  House Health and Government Operations
  Committee, and the House Appropriations
  Committee by September 15, 2020. Funds
  not expended for this restricted purpose
  may not be transferred by budget

amendment or otherwise to any other purpose and shall be canceled	123,527,280
M00R01.03 Maryland Community Health	
Resources Commission	
Special Fund Appropriation, provided that	
\$1,000,000 of this appropriation made for	
the purpose of community health grants	
may not be expended for that purpose and	
instead may be used only to support Local	
Health Improvement Coalitions. Funds not	
expended for this restricted purpose may	
not be transferred by budget amendment or	
otherwise to any other purpose and shall be	
<u>canceled</u>	8,000,000
SUMMARY	
Total Special Fund Appropriation	165,000,412
Total Appropriation	165 000 419
Total Appropriation	165,000,412

### DEPARTMENT OF HUMAN SERVICES

### OFFICE OF THE SECRETARY

General Fund Appropriation, provided that \$100,000 of this appropriation made for the purpose of general administration may not be expended until the Department of Human Services submits a report to the budget committees that identifies the factors affecting the low proportion of out-of-home placement cases that receive appropriate physical and mental health services and a strategic plan for improving the rate of appropriate services provided to children in out-of-home placements. The report shall be submitted by October 1, 2020, 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 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 .....

Special Fund Appropriation	$7{,}127$	
Federal Fund Appropriation	7,533,984	16,574,918

9,033,807

N00A01.02 Citizen's Review Board for Children		
General Fund Appropriation	741,781	
Federal Fund Appropriation	64,396	806,177

N00A01.03 Maryland Commission for Women	
General Fund Appropriation	142,189

13,040,431

### **SUMMARY**

Total General Fund Appropriation	22,958,208
Total Special Fund Appropriation	7,127
Total Federal Fund Appropriation	7,598,380
Total Appropriation	30,563,715
1000111pp10p11001011	55,505,115

### SOCIAL SERVICES ADMINISTRATION

N00B00.04 General Administration – State

General Fund Appropriation, provided that \$100,000 of this appropriation made for the purpose of administrative expenses may not be expended until the Department of Human Services (DHS) submits a report to the budget committees on a planned new foster care rate structure including detail on how the provider rates will be calculated, whether the change will impact the availability of federal funds to support foster care payments, and the timeline for implementing the new rate structure. If DHS decides not to proceed with a new foster care rate structure, the report shall instead detail the reason why no change will be made and a planned timeline for consideration of any future changes. The report shall be submitted by September 1, 2020, 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.

Further provided that \$1,000,000 of this appropriation made for the purpose of recognizing savings from expanded federal fund eligibility for subsidized adoptions may not be expended until the Department of Human Services submits a report

detailing the planned use of the funds, including describing specific child welfare activities that will be completed or undertaken with the funds. The report shall be submitted by July 1, 2020, 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.

Further provided that \$100,000 of this appropriation made for the purpose of administrative expenses may not be expended unless the Department of Human Services includes in the fiscal 2022 budget subprogram detail for the fiscal 2020 actual, fiscal 2021 working, and fiscal 2022 allowance that separately identifies payments and anticipated payments by the department for youth in both medical hospitals and psychiatric hospitals that are not covered by Medicaid. The detail shall be submitted with the fiscal 2022 budget, 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 detail is not provided .....

Federal Fund Appropriation .....

16,670,042 16,329,349

329,349 32,999,391

22,964,787

### OPERATIONS OFFICE

N00E01.01 Division of Budget, Finance, and

Personnel General Fund Appropriation ....

 General Fund Appropriation
 12,108,805

 Special Fund Appropriation
 39,081

 Federal Fund Appropriation
 10,816,901

N00E01.02 Division of Administrative Services General Fund Appropriation ......

4,553,586

Federal Fund Appropriation	5,644,649	10,198,235
SUMMARY		
Total General Fund Appropriation		16,662,391 39,081 16,461,550
Total Appropriation		33,163,022
OFFICE OF TECHNOLOGY FOR HUMAN	I SERVICES	
N00F00.02 Major Information Technology		
Development Projects Federal Fund Appropriation		94,771,080 87,271,080
General Fund Appropriation, provided that \$250,000 of this appropriation made for the purpose of general administration may not be expended until the Department of Human Services submits a report describing the timeline to completion, including detail for each system, for the Maryland Total Human—services Information Integrated Network development. The report should also include spending by source over the course of fiscal 2021 and 2022 with monthly milestones to be achieved. The report shall be submitted by July 1, 2020, 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 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  Special Fund Appropriation	21,878,103 $1,281,233$ $29,753,214$	52,912,550

### **SUMMARY**

Total General Fund Appropriation	21,878,103 1,281,233 117,024,294
Total Appropriation	140,183,630

### LOCAL DEPARTMENT OPERATIONS

N00G00.01 Foster Care Maintenance Payments General Fund Appropriation, provided that funds appropriated herein may be used to develop a broad range of services to assist in returning children with special needs from out-of-state placements, to prevent unnecessary residential or institutional placements within Maryland, and to work with local jurisdictions in these regards. Policy decisions regarding expenditures of such funds shall be made jointly by the Governor's Office of Justice, Youth and Victim Services, the Secretaries of Health, Human Services, Juvenile Services, Budget and Management, and the State Superintendent of Education.

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	209,320,229	
Special Fund Appropriation	4,283,046	
Pr P	3,283,046	
Federal Fund Appropriation	74,388,193	<del>287,991,468</del>
1 out at 1 state 1 proprietors	, 1,000,100	286,991,468
		<u>=00,001,100</u>
-		
N00G00.02 Local Family Investment Program		
General Fund Appropriation	67,854,694	
Special Fund Appropriation	2,257,514	
Federal Fund Appropriation	93,257,189	163,369,397

N00G00.03 Child Welfare Services

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.

Further provided that \$250,000 of this appropriation made for the purpose of administrative expenses in Child Welfare Services may not be expended until the Department of Human Services (DHS) submits a report that demonstrates that DHS has reallocated to Baltimore, Carroll, and Prince George's counties the number of caseworker and supervisor positions needed, in combination with existing filled and vacant positions in the jurisdiction, to meet the Child Welfare League of America (CWLA) caseload standards. The report should also include data on the number of cases and positions required based on the caseload to meet the CWLA caseload standards, by jurisdiction, for the following caseload types current within 70 days: intakescreening, childprotective investigation. consolidated in-home services, interagency family preservation services, services to families with children-intake, foster care, kinship care, family foster care, 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 report shall be submitted by December 1, 2020, 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 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  Special Fund Appropriation  Federal Fund Appropriation	147,284,793 2,179,726 92,286,565	241,751,084
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
N00G00.04 Adult Services General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	12,473,117 739,274 33,823,459	47,035,850
N00G00.05 General Administration General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	26,892,268 2,254,514 14,895,924	44,042,706
N00G00.06 Child Support Administration General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	18,184,044 647,294 34,017,573	52,848,911
N00G00.08 Assistance Payments General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	47,610,808 6,445,657 <del>1,044,449,048</del> <u>994,449,048</u>	1,098,505,513 1,048,505,513
N00G00.10 Work Opportunities Federal Fund Appropriation		31,338,630
SUMMARY		
Total General Fund Appropriation Total Special Fund Appropriation Total Federal Fund Appropriation	•••••	529,619,953 17,807,025 1,368,456,581
Total Appropriation		1,915,883,559

### CHILD SUPPORT ADMINISTRATION

### N00H00.08 Child Support – State

3,164,139	
11,122,223	
<del>30,064,248</del>	44,350,610
29,221,443	43,507,805
	11,122,223 <del>30,064,248</del>

### FAMILY INVESTMENT ADMINISTRATION

### N00I00.04 Director's Office

General Fund Appropriation, provided that since the Department of Human Services (DHS) Family Investment Administration has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$100,000 of this agency's administrative appropriation may not be expended unless:

- (1) DHS has taken corrective action with respect to all repeat audit findings on or before November 1, 2020; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2021.

Further provided that \$100,000 of this appropriation made for the purpose of the Director's Office in the Family Investment Administration may not be expended until the Department of Human Services submits a report to the budget committees detailing the impact of recent federal Supplemental Nutrition Assistance Program (SNAP) rule changes. The detail

should include for the period January 2020 through November 2020:

- (1) the number of able-bodied adults without dependents (ABAWD) separately by jurisdiction and month;
- (2) the number of ABAWDs

  determined ineligible for benefits

  due to ABAWD requirements

  separately by jurisdiction and
  month; and
- (3) the number of ABAWDs that returned to benefits after complying with the requirements separately by jurisdiction and month.

The report shall also include information on the number of SNAP applicants and recipients who no longer qualify, do not qualify for benefits, or have had their benefits reduced as a result of any finalized federal rule change related to broad-based categorical eligibility or the standard utility allowance. The report shall be submitted by December 15, 2020, 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 ...

41,850,211

10.002.815

N00I00.05 Maryland Office for Refugees and Asylees Federal Fund Appropriation ......

14,670,592

41.917.433

N00I00.06 Office of Home Energy Programs Special Fund Appropriation	
N00I00.07 Office of Grants Management General Fund Appropriation	
SUMMARY	
Total General Fund Appropriation  Total Special Fund Appropriation  Total Federal Fund Appropriation	17,244,545 56,600,499 129,709,019
Total Appropriation	203,554,063

# MARYLAND DEPARTMENT OF LABOR

# OFFICE OF THE SECRETARY

P00A01.01 Executive Direction General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	$\begin{array}{r} 12,517,298 \\ 12,270,298 \\ \hline 1,715,611 \\ 1,605,283 \\ 3,304,793 \end{array}$	$\frac{17,537,702}{17,180,374}$
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
P00A01.02 Program Analysis and Audit General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	61,763 82,559 261,198	405,520
P00A01.05 Legal Services  General Fund Appropriation  Special Fund Appropriation  Federal Fund Appropriation	1,097,871 1,875,056 1,187,870	4,160,797
P00A01.08 Office of Fair Practices General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	53,964 76,025 224,898	354,887
P00A01.09 Governor's Workforce Development Board General Fund Appropriation		308,632
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		

P00A01.11 Board of Appeals Special Fund Appropriation	1,551,243
P00A01.12 Lower Appeals Special Fund Appropriation	5,031,699
SUMMARY	
Total General Fund Appropriation	13,792,528 5,584,514 9,616,110
Total Appropriation	28,993,152
DIVISION OF ADMINISTRATION	
P00B01.01 Office of Administration General Fund Appropriation	7,265,519
P00B01.04 Office of General Services General Fund Appropriation	5,131,391
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
P00B01.05 Office of Information Technology General Fund Appropriation	4,457,943

Total General Fund Appropriation	1,984,744 2,761,791 12,108,318
Total Appropriation	16,854,853
DIVISION OF FINANCIAL REGULATION	
P00C01.02 Financial Regulation General Fund Appropriation	11,371,512
DIVISION OF LABOR AND INDUSTRY	
P00D01.01 General Administration General Fund Appropriation 87,779 Special Fund Appropriation 603,696 Federal Fund Appropriation 289,152	980,627
P00D01.02 Employment Standards General Fund Appropriation	2,263,425
P00D01.03 Railroad Safety and Health Special Fund Appropriation	432,447
P00D01.05 Safety Inspection Special Fund Appropriation	5,444,159
P00D01.07 Prevailing Wage General Fund Appropriation	743,993
P00D01.08 Occupational Safety and Health Administration General Fund Appropriation 69,332 Special Fund Appropriation 5,072,492 Federal Fund Appropriation 5,300,408	10,442,232

P00D01.09 Building Codes Unit	
General Fund Appropriation	679,394
Special Fund Appropriation	079,594
CLIMIMADM	
SUMMARY	
Total General Fund Appropriation	2,752,976
Total Special Fund Appropriation	12,643,741
Total Federal Fund Appropriation	5,589,560
Total Appropriation	20 026 277
Total Appropriation	20,986,277
DIVISION OF RACING	
P00E01.02 Maryland Racing Commission	
General Fund Appropriation	
Special Fund Appropriation	70,509,190
P00E01.03 Racetrack Operation	
General Fund Appropriation	
Special Fund Appropriation	2,574,319
P00E01.05 Maryland Facility Redevelopment	
Program	
Special Fund Appropriation	11,190,826
P00E01.06 Share of Video Lottery Terminal	
Revenue for Local Impact Grants	
Special Fund Appropriation	95,009,377
SUMMARY	
Total General Fund Appropriation	2,292,084
Total Special Fund Appropriation	176,991,628
Total Appropriation	179,283,712
	·

DIVISION OF OCCUPATIONAL AND PROFESSIONAL LICENSING

9,934,706

P00F01.01	Occupational and Professional
<del>-</del> .	•

Licensing

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

### DIVISION OF WORKFORCE DEVELOPMENT AND ADULT LEARNING

## P00G01.07 Workforce Development

General Fund Appropriation, provided that \$100,000 of this appropriation made for the purpose of the Office of Workforce Development may not be expended until the Maryland Department of Labor submits a report to the budget committees on journeyworker to apprentice ratios in construction apprenticeship programs and specifically (1) the number of construction apprenticeship programs that operating at a 1:1 journeyworker to apprentice ratio; (2) the number of programs operating at a 1:2 journeyworker to apprentice ratio; (3) the number and percentage of employers participating in a construction apprenticeship program with a 1:2 ratio that are utilizing the 1:2 ratio; (4) details of any Occupational Safety and Health Administration and/or Maryland Occupational Safety and Health violations involving employers utilizing the 1:2 ratio; (5) how employers utilizing a 1:1 ratio are impacted during the bidding process for projects by employers utilizing the 1:2 ratio; and (6) any plans by the department to standardize the ratio for all construction apprenticeship sponsors. The report shall be submitted by October 1, 2020, 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 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	4,320,719	
Special Fund AppropriationFederal Fund Appropriation	1,682,071 69,695,921	75,698,711
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
P00G01.12 Adult Education and Literacy Program		
General Fund AppropriationSpecial Fund Appropriation	$908,972 \\ 5,002$	
Federal Fund Appropriation	2,387,633	3,301,607
P00G01.13 Adult Corrections Program General Fund Appropriation		15,538,565
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
P00G01.14 Aid to Education		
General Fund Appropriation Federal Fund Appropriation	8,011,986 8,825,982	16,837,968
SUMMARY		
Total General Fund Appropriation		28,780,242 1,687,073 80,909,536
Total Appropriation		111,376,851

# DIVISION OF UNEMPLOYMENT INSURANCE

239	239 Lawrence J. Hogan, Jr., Governor		Chapter 19
	Special Fund AppropriationFederal Fund Appropriation	11,379,674 47,198,225	58,577,899
P00	H01.02 Major Information Technology Development Projects Federal Fund Appropriation		4,440,478
	SUMMARY		
	Total Special Fund Appropriation  Total Federal Fund Appropriation		11,379,674 51,638,703

63,018,377

Total Appropriation .....

# DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES

Provided that 521 vacant positions are abolished in the Department of Public Safety and Correctional Services. General Fund savings from these positions will be utilized for overtime and other personnel—related costs.

Further provided that \$5,000,000 \$2,500,000 \$5,000,000 in general funds shall be reduced to reflect personnel savings associated with the abolishment of 521 positions across the department.

Further provided that \$900,000,000 of this appropriation made for the purpose of Comptroller Object 01 Salaries and Wages may be expended only for that purpose. 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 or be canceled.

Further provided that \$890,000,000 of this appropriation made for the purpose of Comptroller Object 01 Salaries and Wages may be expended only for that purpose.

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 or be canceled.

Further provided that \$7,157,230 of this appropriation for the purpose of substance abuse treatment services may only be expended for that purpose or for the purpose of providing aid to political subdivisions to implement Chapter 532 of 2019. Funds unexpended at the end of the fiscal year shall revert to the General Fund or be canceled.

Further provided that \$100,000 of this

appropriation for the purpose of substance abuse treatment services may not be expended until the Department of Public Safety and Correctional Services (DPSCS) submits a report on the new substance abuse 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 substance abuse 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 substance abuse treatment funds. The report shall be submitted by September 1, 2020, 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.

### OFFICE OF THE SECRETARY

Q00A01.01 General Administration General Fund Appropriation		15,068,503
Q00A01.02 Information Technology and Communications Division General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	36,430,244 8,250,000 900,024	45,580,268
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		

10,965,954

Q00A01.03 Intelligence and Investigative Division

General Fund Appropriation .....

Federal Fund Appropriation	50,000	11,015,954
Q00A01.04 9–1–1 Emergency Number Systems Special Fund Appropriation		145,686,977
Q00A01.06 Division of Capital Construction and Facilities Maintenance General Fund Appropriation		4,258,069
Q00A01.07 Major Information Technology Development Projects Special Fund Appropriation		2,250,000
Q00A01.10 Administrative Services General Fund Appropriation		33,130,019
SUMMARY		
Total General Fund Appropriation  Total Special Fund Appropriation  Total Federal Fund Appropriation		99,852,789 156,186,977 950,024
Total Appropriation		256,989,790
DEPUTY SECRETARY FOR OPER	RATIONS	
Q00A02.01 Administrative Services General Fund Appropriation		8,460,755
Q00A02.03 Field Support Services General Fund Appropriation	5,146,704 25,000	5,171,704
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
Q00A02.04 Security Operations General Fund Appropriation		30,362,339
Q00A02.05 Central Home Detention Unit		

General Fund Appropriation	8,291,713
SUMMARY	
Total General Fund Appropriation	52,201,511 85,000
Total Appropriation	52,286,511
MARYLAND CORRECTIONAL ENTERPRISES	
Q00A03.01 Maryland Correctional Enterprises Special Fund Appropriation	56,733,452

### DIVISION OF CORRECTION – HEADQUARTERS

### Q00B01.01 General Administration

General Fund Appropriation, provided that \$100,000 of this appropriation may not be expended until the Department of Public Safety and Correctional Services submits a report on plans to replace the Brockbridge Correctional Facility (BCF). The report shall summarize actions taken to downsize BCF, provide a funding estimate and construction timeline for any necessary facility renovations, and provide a detailed description of operational programmatic plans for the new facility. The report shall be due August 15, 2020, 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 .....

4,755,953

Q00C01.01 General Administration and Hearings General Fund Appropriation ......

6,047,718

### DIVISION OF PAROLE AND PROBATION

Provided that \$1,300,000 of the general fund appropriation for the Division of Parole and Probation shall be reduced contingent on enactment of legislation to increase the Drinking Driver Monitor Program supervision fee. The Division is authorized to allocate this reduction across the regions.

Q00C02.01 Division of Parole and Probation -

Support Services

85,000 19,182,823

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

### PATUXENT INSTITUTION

Q00D00.01 Patuxent Institution

 60,265,512 60,244,062

 $\overline{60.265.512}$ 

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

### INMATE GRIEVANCE OFFICE

Special Fund Appropriation .....

788,556

### POLICE AND CORRECTIONAL TRAINING COMMISSIONS

Q00G00.01 General Administration

General Fund Appropriation .....

7,781,684

Special Fund Appropriation, provided that \$50,000 of this appropriation made for the purpose of management studies and consultants may not be expended until the Police and Correctional Training Commissions, in consultation with the Maryland State Police, submit a report to the budget committees outlining the results of a utilization analysis of the Public Safety Education and Training Center driver training course, firearms training course, and overall classroom space. The utilization analysis shall include (1) a quantitative analysis of subscription and utilization rates of the driver training course, firearms training course, and other classrooms from the beginning of fiscal 2019 to present, broken down by audience type and instructor type; and (2) an evaluation of these results, including the identification of areas that require additional resources or strategic enhancements. The report shall submitted by December 1, 2020, and the budget committees shall have 45 days 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 to the budget committees .....

2,380,000

Federal Fund Appropriation .....

375,523

10,537,207

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

### MARYLAND COMMISSION ON CORRECTIONAL STANDARDS

Q00N00.01 General Administration
General Fund Appropriation ......

613,939

### DIVISION OF CORRECTION – WEST REGION

Q00R02.01 Maryland Correctional Institution – Hagerstown

> General Fund Appropriation, provided that \$100,000 of this appropriation may not be expended until the Department of Public Safety and Correctional Services submits hiring and attrition reports to the budget committees on a quarterly monthly basis. The reports shall include a breakdown of all hires and separations for the 3-each month period 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 each month; the quantity, type, and cost of bonuses disbursed; as well as overall applications received, tested, and interviewed. The first <del>quarterly</del> report shall be submitted to the budget committees no later than October 30 August 15, 2020 and the committees shall have 45 days to review and comment from the date the first 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 revert to the General Fund if the report is not submitted to the budget committees .....

55,537,563 123,500

55,661,063

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for

Special Fund Appropriation .....

329,718,941

<b>-</b>			
		operating expenses in this program.	
86,820,786	86,275,786 545,000	Q00R02.02 Maryland Correctional Training Center General Fund Appropriation	
		Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
57,388,720	57,138,720 250,000	Q00R02.03 Roxbury Correctional Institution General Fund Appropriation	
		Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
	64,523,623 64,458,623 64,523,623	Q00R02.04 Western Correctional Institution General Fund Appropriation	
64,698,623 64,633,623 64,698,623	175,000	Special Fund Appropriation	
		Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
66,418,249	66,243,249 175,000	Q00R02.05 North Branch Correctional Institution General Fund Appropriation	
		SUMMARY	

Total General Fund Appropriation .....

Total Special Fund Appropriation	
	330,987,441
WEST REGION	
19 199 905	
2,256,664	20,378,869
REGION	
95,540,984 175,000	95,715,984
4 <del>3,901,869</del> 4 <del>3,883,869</del>	
43,901,869 100,000	44,001,869 43,983,869 44,001,869
	### Temperature   18,122,205

Q00S02.03 Maryland Correctional Institution for

General Fund Appropriation, <u>provided that</u> \$1,500,000 of this appropriation may only

Women

wome	n's pr	e-relea	se pilo	ose of crea t program t of the follo	. The
<u>(1)</u>	rehal	<u>bilitati</u>	ve space	compreh e only for u le under	vomen

prerelease security level;

- (2) a community-based unit or facility with less restrictive requirements that allows offenders to be closer to family, transportation, and community resources that will provide them with assistance;
- (3) a location situated in close proximity to where the greater number of offenders will be returning; and
- (4) <u>evidence-based</u> <u>and</u> <u>gender-responsive programs and</u> services.

$F\iota$	<u>ınds ne</u>	pt expe	endea	l for th	<u>is res</u>	tricte	<u>l pur</u>	pose
	may	not	be	trans	ferrec	d $by$	$b\iota$	<u>ıdget</u>
	amen	dment	or	other	wise	to a	ny (	<u>other</u>
	purpo	se an	d sh	all re	vert i	to the	Gei	<u>neral</u>
	$\overline{Fund}$							
a	. 1 1			. , .				

 Fund
 43,584,935

 Special Fund Appropriation
 225,000
 43,809,935

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.04	Brockbridge Correction	al Facility
Gener	ral Fund Appropriation	

11,669

Q00S02.06	Southern Maryland Pre–Release Unit
Gener	al Fund Appropriation

6,158,917 6,163,267

Special Fund Appropriation .....

145,000 <del>6,308,26</del>

		<u>6,303,917</u> <u>6,308,267</u>
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
Q00S02.07 Eastern Pre–Release Unit General Fund Appropriation	5,808,157 345,000	6,153,157
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
Q00S02.08 Eastern Correctional Institution General Fund Appropriation  Special Fund Appropriation Federal Fund Appropriation	$   \begin{array}{r}     \frac{123,060,747}{123,060,747} \\     \underline{123,060,747} \\     \underline{367,000} \\     \underline{215,000}   \end{array} $	192 649 747
reactar rana rippropriation		123,635,247 123,642,747
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
Q00S02.09 Dorsey Run Correctional Facility General Fund Appropriation Special Fund Appropriation	43,266,230 410,000	43,676,230
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for		

operating expenses in this program.

Q00S02.10 Central Maryland Correctional Facility General Fund Appropriation	18,779,262 18,774,262 18,779,262
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
SUMMARY	
Total General Fund Appropriation Total Special Fund Appropriation Total Federal Fund Appropriation	380,032,120 1,852,000 215,000
Total Appropriation	382,099,120
DIVISION OF PAROLE AND PROBATION – EAST REGION	N
Q00S03.01 Division of Parole and Probation – East Region	
General Fund Appropriation	27,083,996
DIVISION OF PAROLE AND PROBATION – CENTRAL REGI	ON
Q00T03.01 Division of Parole and Probation – Central Region General Fund Appropriation	38,615,087

## DIVISION OF PRETRIAL DETENTION

Q00T04.01 Chesapeake Detention Facility
General Fund Appropriation, provided that
\$1,000,000 of this appropriation may not be

expended until the Department of Public

expended until the Department of Public		
Safety and Correctional Services conducts		
a review of the federal 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 a detailed history of		
the use of this facility as a federal detention		
center, 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		
<del></del>		
by December 1, 2020, 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		
<del>-</del>	4.054.401	
not submitted to the budget committees	4,254,401	
Special Fund Appropriation	85,000	
Federal Fund Appropriation	25,057,042	29,396,443
Q00T04.02 Pretrial Release Services		
General Fund Appropriation		5,569,667
Q00T04.04 Baltimore Central Booking and Intake		
Center		
General Fund Appropriation	73,741,540	
Special Fund Appropriation	214,500	73,956,040
Special Fund Appropriation	214,500	75,550,040
Q00T04.05 Youth Detention Center		
•	17 00C 770	
General Fund Appropriation	17,296,778	15 001 550
Special Fund Appropriation	25,000	17,321,778
Q00T04.06 Maryland Reception, Diagnostic and		
Classification Center		
	20 101 N10	
General Fund Appropriation	38,484,018	90 800 010
Special Fund Appropriation	85,000	38,569,018

Q00T04.07 Baltimore City Correctional Center General Fund Appropriation	18,976,191
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
Q00T04.08 Metropolitan Transition Center General Fund Appropriation	61,817,075
Q00T04.09 General Administration General Fund Appropriation	2,290,229
SUMMARY	
Total General Fund Appropriation	221,791,399 1,048,000 25,057,042
Total Appropriation	247,896,441

# STATE DEPARTMENT OF EDUCATION

# HEADQUARTERS

Provided that it is the intent of the Maryland
General Assembly that the Maryland State
Department of Education redistribute 20
vacant positions to meet obligations
specific to implementing recommendations
in line with the Blueprint for Maryland's
<u>Future.</u>

<u>ruture.</u>		
R00A01.01 Office of the State Superintendent General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	12,357,694 2,143,612 2,314,491	16,815,797
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
R00A01.02 Division of Business Services General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	489,357 41,364 6,025,863	6,556,584
R00A01.04 Division of Accountability and Assessment General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	37,238,145 561,171 15,778,127	53,577,443
Funds are appropriated in other agency		

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

7,993,286	
155,736	
3,916,052	12,065,074
	155,736

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.  R00A01.07 Office of School and Community Nutrition Programs General Fund Appropriation	261,318 9,862,016	10,123,334
R00A01.10 Division of Early Childhood Development General Fund Appropriation, provided that \$100,000 of this appropriation made for the purpose of administration may not be expended until the Maryland State Department of Education submits a report to the budget committees accounting for federal funds awarded through the Child Care and Development Block Grant and Child Care Mandatory and Matching Funds of the Child Care and Development Fund. The report shall detail beginning balances, gross income, expenditures, and ending balances from fiscal 2016 to 2020 in a format specified by the Department of Legislative Services. The report shall be submitted by November 1, 2020, 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 Federal Fund Appropriation	13,017,037 50,211,873	63,228,910
R00A01.11 Division of Curriculum, Assessment, and Accountability General Fund Appropriation	1,802,975 1,499,785	

Federal Fund Appropriation	5,879,151	9,181,911
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
R00A01.12 Division of Student, Family and School Support		
General Fund Appropriation	2,190,180 126,170 7,919,299	10,235,649
POOAO1 12 Division of Special Education/Fordy		
R00A01.13 Division of Special Education/Early Intervention Services General Fund Appropriation	577,402 1,554,453 10,210,985	12,342,840
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
R00A01.14 Division of Career and College		
Readiness General Fund Appropriation Federal Fund Appropriation	1,102,803 2,558,817	3,661,620
R00A01.15 Juvenile Services Education Program General Fund Appropriation	16,933,564 3,524,891	20,458,455
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		

Accreditation General Fund Appropriation	3,060,484
R00A01.20 Division of Rehabilitation Services – Headquarters General Fund Appropriation	15,851,537
R00A01.21 Division of Rehabilitation Services – Client Services General Fund Appropriation	43,888,589
R00A01.22 Division of Rehabilitation Services – Workforce and Technology Center General Fund Appropriation	9,965,356
R00A01.23 Division of Rehabilitation Services – Disability Determination Services Federal Fund Appropriation	44,009,719
Blindness and Vision Services General Fund Appropriation	9,953,634
SUMMARY  Total General Fund Appropriation  Total Special Fund Appropriation  Total Federal Fund Appropriation	111,617,607 10,497,600 222,861,729
Total Appropriation	344,976,936

Provided that the Maryland State Department of Education shall notify the budget committees of any intent to transfer funds from program R00A02 Aid to Education to any other budgetary unit. The budget committees shall have 45 days from the date of notification to review and comment on the planned transfer prior to its effect.		
R00A02.01 State Share of Foundation Program General Fund Appropriation	3,202,727,905 291,906,726	3,494,634,631
R00A02.02 Compensatory Education General Fund Appropriation		1,363,208,050
R00A02.03 Aid for Local Employee Fringe Benefits General Fund Appropriation		750,289,290
R00A02.04 Children at Risk  General Fund Appropriation	10,844,230 5,295,514 33,622,730	49,762,474
R00A02.05 Formula Programs for Specific Populations General Fund Appropriation		1,900,000
R00A02.06 Maryland Prekindergarten Expansion Program Financing Fund Special Fund Appropriation	26,644,000	
Federal Fund Appropriation	3,000,000	29,644,000
R00A02.07 Students With Disabilities General Fund Appropriation		474,340,374
To provide funds as follows: Formula		

funds Provided that appropriated nonpublic placements may be used to develop a broad range of services to assist in returning children with special needs from out-of-state placements to Maryland; to prevent out-of-state placements of children with special needs; to prevent unnecessary separate day school, residential or institutional placements within Maryland; and to work with local jurisdictions in these regards. Policy decisions regarding the expenditures of such funds shall be made jointly by the Governor's Office of Justice, Youth and Victim Services, and the Secretaries of Health, Human Services, Juvenile Services, Budget and Management, and the State Superintendent of Education.

R00A02.08 Assistance to State for Educating Students With Disabilities Federal Fund Appropriation ......

220,913,934

R00A02.12 Educationally Deprived Children
Federal Fund Appropriation ......

297,700,581

## R00A02.13 Innovative Programs

General Fund Appropriation, provided that \$437,341 of this appropriation made for the purpose of Advanced Placement testing may not be expended for that purpose, but instead may be transferred by budget amendment to Program R00A03.03 – Other Institutions – Funding for Educational Organizations 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 to any other purpose and shall revert to the General Fund.

Further provided that \$649,159 of this appropriation is contingent on the enactment of HB 348 or SB 267, the AP Opportunities Act of 2020. Funds not expended for this purpose shall revert to the

General Fund  Special Fund Appropriation  Federal Fund Appropriation	20,223,753 9,250,000 22,849,363	52,323,116
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
R00A02.15 Language Assistance Federal Fund Appropriation		10,395,537
R00A02.18 Career and Technology Education Federal Fund Appropriation		15,337,000
R00A02.24 Limited English Proficient General Fund Appropriation		348,240,555
R00A02.25 Guaranteed Tax Base General Fund Appropriation		41,232,314
R00A02.27 Food Services Program General Fund Appropriation Federal Fund Appropriation	14,086,664 319,173,827	333,260,491
R00A02.39 Transportation General Fund Appropriation		310,186,610
R00A02.55 Teacher Development General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	4,520,000 300,000 29,999,542	34,819,542
R00A02.57 Transitional Education Funding Program General Fund Appropriation	10,575,000	
Federal Fund Appropriation	14,250,000	24,825,000
R00A02.58 Head Start General Fund Appropriation		3,000,000
R00A02.59 Child Care Subsidy Program		

General Fund Appropriation	43,547,835	
Federal Fund Appropriation	96,284,373	139,832,208

R00A02.60 Blueprint for Maryland's Future Grant Program

Special Fund Appropriation, provided that, contingent on the enactment of HB 1300 or SB 1000, the Governor is authorized to process a fiscal 2021 budget amendment recognizing \$6,500,000 in special funds from the Blueprint for Maryland's Future Fund to support the implementation of recommendations from the Commission on Innovation and Excellence in Education. Funds should be distributed as follows:

<u>Programs</u>	<u>Amount</u>
Accountability and Implementation	
<u>Board</u>	\$1,500,000
Career and Technical Education	
Committee and Skills Advisory	
<u>Board</u>	\$300,000
School Based Health Centers	\$1,300,000
Behavioral Health Training	\$700,000
Teacher Training	<u>\$500,000</u>
Maryland State Department of	
Education (MSDE), Expert	
Review Teams	<u>\$500,000</u>
MSDE, School-level Financial	
Reporting System	\$1,700,000

Further provided that, contingent on the enactment of HB 1300 or SB 1000, the Governor is authorized to process a fiscal 2021 budget amendment that provides sufficient funding from the Blueprint for Maryland's Future Fund for all schools identified as eligible to receive a Concentration of Poverty grant in the 2020–2021 school year

350,810,550

## **SUMMARY**

Total General Fund Appropriation	6,598,922,580
Total Special Fund Appropriation	684,206,790
Total Federal Fund Appropriation	1,063,526,887

## FUNDING FOR EDUCATIONAL ORGANIZATIONS

R00A03.01 Maryland School for the Blind
General Fund Appropriation, provided that
the \$100,000 of this appropriation made for
the purpose of providing a grant to the
Maryland School for the Blind (MSB) may
not be expended until the Maryland
Department of Education and MSB submit
a report that includes, but is not limited to:

- (1) federal, State, and local sources of revenue, including formula,
  Enhanced Services grant, and local education agency funding;
- (2) expenditures identified in accordance with State object and subobject categories; and
- (3) <u>a 5-year capital improvement plan</u> <u>that includes preventative</u> <u>maintenance costs; and</u>
- (4) consideration of how MSB might transition from a private school to a public school similar to Maryland School for the Deaf.

R00A03.02 Blind Industries and Services Maryland	of	
General Fund Appropriation		531,115
R00A03.03 Other Institutions		
General Fund Appropriation		6,070,458
Accokeek Foundation	20,978	
Adventure Theater	20,000	
Alice Ferguson Foundation Alliance of Southern P.G.	83,261	
Communities, Inc.	33,305	
American Visionary Art		
Museum	20,000	
Annapolis Maritime Museum	40,037	
Audubon Naturalist Society	20,000	
Baltimore Center Stage	20,000	
Baltimore Museum of Art	20,000	
Baltimore Museum of Industry	84,138	
Baltimore Symphony Orchestra	66,609	
B&O Railroad Museum	63,104	
Best Buddies International	,	
(MD Program)	166,522	
Calvert Marine Museum	$52,\!446$	
Chesapeake Bay	,	
Environmental Center	20,000	
Chesapeake Bay Maritime	,	
Museum	21,034	
Chesapeake Shakespeare	,	
Company	20,000	
Citizenship Law–Related	,	
Education	30,675	
Collegebound Foundation	37,688	
The Dyslexia Tutoring	,	
Program, Inc.	37,688	
Echo Hill Outdoor School	56,092	
Everyman Theater	$52,\!446$	
Fire Museum of Maryland	20,000	
Greater Baltimore Urban	,	
League	20,000	
Historic London Town &	,	
Gardens	20,000	
Imagination Stage	249,785	
Irvine Nature Center	20,000	
Jewish Museum of Maryland	20,000	
Junior Achievement of Central	·	
3.6 1 1	40.000	

42,068

Maryland

KID Museum	20,000
Living Classrooms Inc.	319,023
Maryland Academy of Sciences	915,879
Maryland Historical Society	125,329
Maryland Humanities Council	43,821
Maryland Leadership	45,575
Maryland Zoo in Baltimore	851,900
Math, Engineering and Science	-,-,-
Achievement	79,754
MdBio Foundation	26,223
National Aquarium in	,
Baltimore	497,817
National Great Blacks in Wax	,
Museum	42,068
Northbay	500,000
Olney Theatre	146,365
Outward Bound	133,219
Port Discovery	116,566
Reginald F. Lewis Museum	26,223
Round House Theater	20,000
Salisbury Zoological Park	20,000
Sotterley Foundation	20,000
South Baltimore Learning	
Center	42,068
State Mentoring Resource	
Center	79,755
Sultana Projects	21,034
SuperKids Camp	410,172
Village Learning Place	45,575
Walters Art Museum	20,000
Ward Museum	35,058
Young Audiences of Maryland	89,158

6,070,458

## R00A03.04 Aid to Non-Public Schools

Special Fund Appropriation, 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 2416(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. To be eligible to participate, a nonpublic school shall:

- (1) Hold a certificate of approval from or be registered with the State Board of Education;
- **(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 appropriate department. with 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.

The department shall establish a process to ensure that the local education agencies are effectively and promptly working with the nonpublic schools to assure that the nonpublic schools have appropriate access to federal funds for which they are eligible.

Further provided that the Maryland State Department of Education shall:

(1) Assure that the process for

textbook, computer hardware, and computer software acquisition uses a list of qualified textbook, computer hardware, and computer software vendors and of qualified textbooks, computer hardware, and computer software; uses textbooks, computer hardware, and computer software that are secular in character and acceptable for use in any public elementary or secondary school in Maryland; and

- (2) Receive requisitions for textbooks, computer hardware, and computer software to be purchased from the eligible and participating schools, and forward approved the requisitions and payments to the qualified textbook. computer hardware, or computer software vendor who will send the textbooks. computer hardware, or computer software directly to the eligible school, which will:
  - (i) Report shipment receipt to the department;
  - (ii) Provide assurance that the savings on the cost of the textbooks, computer computer hardware. or software will be dedicated to reducing the cost of textbooks. computer hardware. computer orsoftware for students; and
  - (iii) Since the textbooks, computer hardware, or computer software shall remain property of the State, maintain appropriate shipment receipt records for audit purposes.

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 discriminate against otherwise 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 and software and other hardware electronically delivered learning materials acquired through the fiscal 2021 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 2020 or 2021 may not participate in the program in fiscal 2021. 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. 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

R00A03.05 Broadening Options and Opportunities for Students Today

Special Fund Appropriation, provided that this appropriation shall be for a Broadening Options and Opportunities for Students Today (BOOST) Program that provides scholarships for students who are eligible for the free or reduced price lunch program to attend eligible nonpublic schools. The Maryland State Department of Education (MSDE) shall administer the grant program in accordance with the following guidelines:

- (1) To be eligible to participate in the BOOST Program, a nonpublic school must:
  - (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 2019–2020 school year;
  - (b) provide more than only prekindergarten and kindergarten programs;
  - (c) administer assessments to all students in accordance with federal and State law: and administer national, <u>norm</u>-<u>refer</u>enced standardized assessments chosen from the list of assessments published by the U.S. Department of Education to qualify nonpublic schools for the Blue National Ribbon Schools Program. The nonpublic schools must

<u>administer the assessments</u> 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 student admissions. in retention, or expulsion or otherwise discriminate against any student on the basis of race, color, national origin, <del>or</del>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 **MSDE** reimburse all scholarship funds received under the BOOST Program for the 2020-2021 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 for scholarships process students who are eligible for the reduced free or 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 2019-2020 school year and will be entering any of grades 1, 2, 3, 6, 7, 8, 10, 11, or 12, or grade 9 if he or she is a student who attended during the 2019-2020 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 2019-2020 school <del>year.</del>
- (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 bv the Governor, 2 members appointed by the President of the Senate, 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 bv 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, 2020, for the
  2019–2020 school year to eligible
  individuals. Any unexpended funds not
  awarded to students for scholarships shall
  be encumbered at the end of fiscal 2021 and
  available for scholarships in the 2021–2022
  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

<u>January 15, 2021, that includes the following:</u>

- (1) the number of students receiving BOOST Program scholarships;
- (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;
- 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 2019–2020 school year, whether, what type, and how much nonpublic scholarship aid the student received in the 2019–2020 school year and will receive in the 2020–2021 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;
- 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;
- the number of students who received BOOST Program scholarships for the 2019–2020 school year who are attending public school for the 2020–2021 school year as well as their reasons for returning to public schools; and
- the number of students who (13)received BOOST Program scholarships for the 2019-2020 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 ......

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#### SUMMARY

Total General Fund Appropriation	31,432,908
Total Special Fund Appropriation	13,410,817

#### CHILDREN'S CABINET INTERAGENCY FUND

R00A04.01 Children's Cabinet Interagency Fund General Fund Appropriation ......

22,049,569

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

## MARYLAND LONGITUDINAL DATA SYSTEM CENTER

R00A05.01 Maryland Longitudinal Data System Center

General Fund Appropriation .....

2,477,858

# MARYLAND CENTER FOR SCHOOL SAFETY

R00A06.01 Maryland Center for School Safety – Operations

General Fund Appropriation, provided that \$100,000 of this appropriation within the Maryland Center for School Safety may not be expended until the center submits a report to the budget committees detailing the allocation of the School Resource Officer (SRO) Grant for the fiscal 2020 funding cycle. The report should further identify any local school systems that have failed to submit an SRO Adequate Coverage Plan by the July 1, 2020, deadline and the respective SRO Grant funds withheld from each noncompliant school

2,425,224

# R00A06.02 Maryland Center for School Safety -

Grants

22,600,000

#### SUMMARY

Total General Fund Appropriation	14,425,224
Total Special Fund Appropriation	10,600,000

## INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION

# R00A07.01 Interagency Commission on School

Construction

General Fund Appropriation, provided that \$100,000 of this appropriation may not be expended until the Interagency Commission on School Construction submits a report to the budget committees on the status of the Statewide Facilities Assessment, which will include the agency's progress to secure a third-party vendor, the anticipated timeline for completing the required assessment, and its anticipated cost. The report shall be submitted by July 1, 2020, 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 ...

3,130,928

# R00A07.02 Capital Appropriation

General Fund Appropriation, provided that \$40,000,000 of this appropriation shall be reduced contingent upon the enactment of the Building Opportunity Fund legislation that authorizes certain revenue bond proceeds be used for the Healthy School Facility Fund and the School Safety Grant Program, provided that \$3,500,000 of this appropriation made for the purpose of Nonpublic School Safety Grants shall be distributed as grants to nonpublic schools Maryland for school safety improvements. Provided that grants may be provided only to nonpublic schools that were eligible to participate in the Aid to Non-Public Schools R00A03.04 (for the purchase of textbooks or computer hardware and software for loans to students in eligible nonpublic schools) during the 2019-2020 school year or nonpublic schools that serve students with disabilities through the Non-Public Placement Program R00A02.07 Subprogram 0762, with a maximum amount of \$65 per eligible student for participating schools, except that at schools where at least 20% of the students are eligible for the free and reduced-price meal program or for schools that service students with disabilities through the Non-Public Placement Program, there shall be a distribution of \$85 per student and no individual school may receive less than \$5,000. Further provided that funds shall be administered by the Interagency Commission on School Construction .......

43,500,000

To provide funds as follows:

Healthy School Facility Fund ...30,000,000 School Safety Grant Program ...10,000,000 Nonpublic School Safety

Special Fund Appropriation, provided that \$30,000,000 of this appropriation shall be reduced contingent upon the enactment of the Building Opportunity Fund legislation that authorizes certain revenue bond proceeds be used for the Healthy School Facility Fund  SUMMARY	73,500,000
Total General Fund Appropriation	46,630,928
Total Special Fund Appropriation	30,000,000
Total Appropriation	76,630,928
OFFICE OF THE INSPECTOR GENERAL	
R00A08.01 Office of the Inspector General General Fund Appropriation	459,582
MARYLAND STATE LIBRARY AGENCY	
MARYLAND STATE LIBRARY	
R11A11.01 Maryland State Library General Fund Appropriation	
Federal Fund Appropriation	4,573,159
R11A11.02 Public Library Aid General Fund Appropriation	
Federal Fund Appropriation	
R11A11.03 State Library Network General Fund Appropriation	19,535,167
R11A11.04 Aid for Local Library Employee Fringe Benefits	
General Fund Appropriation	20,245,183

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Chapter 10	Chap	ter	19	
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Total General Fund Appropriation  Total Federal Fund Appropriation		87,415,890 3,415,756
Total Appropriation		90,831,646
MORGAN STATE UNIVERS	ITY	
R13M00.00 Morgan State University Current Unrestricted Appropriation, provided that the appropriation for the purpose of Morgan State University (MSU) shall be reduced by \$260,000. Further provided that MSU may not increase resident undergraduate tuition in fiscal 2021 above the budgeted increase of 2%  Current Restricted Appropriation	236,074,695 $54,625,696$	290,700,391
ST. MARY'S COLLEGE OF MAR	YLAND	
R14D00.00 St. Mary's College of Maryland Current Unrestricted Appropriation Current Restricted Appropriation	67,732,753 5,300,000	73,032,753
MARYLAND PUBLIC BROADCASTING	COMMISSION	
R15P00.01 Executive Direction and Control Special Fund Appropriation		1,030,277
\$215,561 of this appropriation shall be reduced contingent upon the enactment of legislation that would repeal the increase in funding mandated by Chapter 813 of the 2017 legislative session  Special Fund Appropriation	9,222,803 $672,445$	9,895,248
		5,555, <b>-</b> 10
R15P00.03 Broadcasting Special Fund Appropriation		10,911,275
R15P00.04 Content Enterprises		

Special Fund AppropriationFederal Fund Appropriation	6,229,653 446,551	6,676,204	
SUMMARY			
Total General Fund Appropriation		9,222,803 18,843,650 446,551	
Total Appropriation		28,513,004	
UNIVERSITY SYSTEM OF MARY	/LAND		
Provided that the unrestricted fund appropriation made for the purpose of University System of Maryland (USM) institutions shall be reduced by \$5,000,000.  Further provided that USM institutions may not increase resident undergraduate tuition in fiscal 2021 above the budgeted increase of 2%.  UNIVERSITY OF MARYLAND, BALTIMOR R30B21.00 University of Maryland, Baltimore	ORE CAMPUS		
Campus Current Unrestricted Appropriation Current Restricted Appropriation	712,138,209 620,647,486	1,332,785,695	
UNIVERSITY OF MARYLAND, COLLEGE	PARK CAMPUS		
R30B22.00 University of Maryland, College Park			
Campus Current Unrestricted Appropriation Current Restricted Appropriation	1,832,303,491 473,616,518	2,305,920,009	
BOWIE STATE UNIVERSITY			
R30B23.00 Bowie State University Current Unrestricted Appropriation Current Restricted Appropriation	124,727,218 24,513,546	149,240,764	

# TOWSON UNIVERSITY

R30B24.00 Towson University Current Unrestricted Appropriation	550,035,493			
UNIVERSITY OF MARYLAND EASTERN SHORE				
R30B25.00 University of Maryland Eastern Shore Current Unrestricted Appropriation	123,895,558			
FROSTBURG STATE UNIVERSITY				
R30B26.00 Frostburg State University Current Unrestricted Appropriation	122,942,690			
COPPIN STATE UNIVERSITY				
R30B27.00 Coppin State University Current Unrestricted Appropriation	95,497,529			
UNIVERSITY OF BALTIMORE				
R30B28.00 University of Baltimore Current Unrestricted Appropriation	140,561,387			
SALISBURY UNIVERSITY				
R30B29.00 Salisbury University Current Unrestricted Appropriation	218,270,485			
UNIVERSITY OF MARYLAND GLOBAL CAMPUS				

419,164,514

R30B30.00 University of Maryland Global Campus

Current Unrestricted Appropriation .....

Current Restricted Appropriation	50,417,378	469,581,892
UNIVERSITY OF MARYLAND BALTIMO	ORE COUNTY	
R30B31.00 University of Maryland Baltimore County Current Unrestricted Appropriation Current Restricted Appropriation	413,562,417 86,810,727	500,373,144
UNIVERSITY OF MARYLAND CENTER FOR ENVI	RONMENTAL S	CIENCE
R30B34.00 University of Maryland Center for Environmental Science Current Unrestricted Appropriation Current Restricted Appropriation	30,900,257 18,230,003	49,130,260
UNIVERSITY SYSTEM OF MARYLAN	ND OFFICE	
R30B36.00 University System of Maryland Office Current Unrestricted Appropriation Current Restricted Appropriation	52,683,066 2,000,000	54,683,066
MARYLAND HIGHER EDUCATION CO	OMMISSION	
R62I00.01 General Administration General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	6,661,342 641,961 345,491	7,648,794
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
R62I00.02 College Prep/Intervention Program General Fund Appropriation		750,000
R62I00.03 Joseph A. Sellinger Formula for Aid to Non–Public Institutions of Higher Education General Fund Appropriation, provided that \$32.035.089 \$20.000.000 \$22.435.098		

<i>\$21,435,098</i> of this appropriation shall be reduced contingent upon the enactment of legislation to level fund reduce the grant to private colleges and universities at the fiscal 2020 working appropriation level		91,059,994
R62I00.05 The Senator John A. Cade Funding		
Formula for the Distribution of Funds to Community Colleges		
General Fund Appropriation <del>, provided that</del>		
\$18,196,550 \$3,600,000 of this		
appropriation shall be reduced contingent		
upon the enactment of legislation reducing		
the growth in the Cade formula over the		224 222 - 22
fiscal 2020 appropriation by 50% 10%		304,838,789
R62I00.06 Aid to Community Colleges – Fringe Benefits		
General Fund Appropriation		62,378,130
R62I00.07 Educational Grants	4 = 00 = 0.04	
General Fund Appropriation	15,637,361	15 050 105
Federal Fund Appropriation	38,826	15,676,187
To provide Education Grants to various State, Local and Private Entities		
Achieving a Better Life Experience		
(ABLE) Program 300,000		
Complete College Maryland 250,000		
Regional Higher Education		
Centers 1,609,861		
Washington Center for Internships		
and Academic Seminars 250,000		
UMB-WellMobile		
John R. Justice Grant		
Colleges Savings Plan Match 10,067,500 Cyber Warrior Diversity		
Program		
Near Completer Grants 375,000		
F 3.5,000		
R62I00.09 2+2 Transfer Scholarship Program		
Special Fund Appropriation		300,000
R62I00.10 Educational Excellence Awards		

82,435,519

General Fund Appropriation .....

Special Fund Appropriation	5,694,150	88,129,669
R62I00.12 Senatorial Scholarships General Fund Appropriation		6,748,034
R62I00.14 Edward T. and Mary A. Conroy Memorial Scholarship and Jean B. Cryor Memorial Scholarship Program		
General Fund Appropriation		2,400,000
R62I00.15 Delegate Scholarships General Fund Appropriation		6,862,478
R62I00.16 Charles W. Riley Firefighter and Ambulance and Rescue Squad Member Scholarship Program		
Special Fund Appropriation		358,000
R62I00.17 Graduate and Professional Scholarship Program		
General Fund Appropriation		1,174,473
R62I00.21 Jack F. Tolbert Memorial Student Grant Program		
General Fund Appropriation		200,000
R62I00.26 Janet L. Hoffman Loan Assistance Repayment Program		
General Fund Appropriation	1,305,000 65,000	1,370,000
R62I00.27 Maryland Loan Assistance Repayment Program for Foster Care Recipients		100.000
General Fund Appropriation		100,000
R62I00.28 Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants		
Special Fund Appropriation, provided that \$400,000 of this appropriation is contingent upon the enactment of legislation enabling the transfer of funds from the Maryland Board of Physicians to the Maryland Loan Assistance Repayment Program for Physicians and Physician		

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Assistants	790,000
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
R62I00.33 Part-Time Grant Program General Fund Appropriation	5,087,780
R62I00.36 Workforce Shortage Student Assistance Grants	
General Fund Appropriation	1,229,853
R62I00.37 Veterans of the Afghanistan and Iraq Conflicts Scholarship	
General Fund Appropriation	750,000
R62I00.38 Nurse Support Program II Special Fund Appropriation	17,626,178
R62I00.44 Somerset Economic Impact Scholarship General Fund Appropriation	12,000
R62I00.45 Workforce Development Sequence Scholarships General Fund Appropriation	1,000,000
R62I00.46 Cybersecurity Public Service Scholarship	100,000
General Fund Appropriation	160,000
R62I00.47 Community College Facilities Renewal Grant Program General Fund Appropriation, provided that \$4,333,000 of this appropriation shall be reduced contingent upon the enactment of	
legislation enabling mandated Community College Facilities Renewal grants to be	
funded through the operating or capital budget	4,333,000 4,000,000
R62I00.48 Maryland Community College Promise	
Scholarship Program General Fund Appropriation	<del>15,000,000</del>

Lawrence J. Hogan, Jr., Governor

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	11,500,000
R62I00.49 Teaching Fellows for Maryland Scholarships	
Special Fund Appropriation	2,000,000
R62I00.51 Richard W. Collins III Leadership with	
Honor Scholarship Program	
General Fund Appropriation	1,000,000
SUMMARY	
Total General Fund Appropriation	607,290,753
Total Special Fund Appropriation	27,475,289
Total Federal Fund Appropriation	384,317
Total Appropriation	635,150,359

## HIGHER EDUCATION

# R75T00.01 Support for State Operated Institutions of Higher Education

The following amounts constitute the General Fund appropriation for the State operated institutions of higher education. The State Comptroller is hereby authorized to transfer these amounts to the accounts of the programs indicated below in four equal allotments; said allotments to be made on July 1 and October 1 of 2020 and January 1 and April 1 of 2021. Neither this appropriation nor the amounts herein enumerated constitute a lump sum appropriation as contemplated by Sections 7–207 and 7–233 of the State Finance and Procurement Article of the Code.

Program	Title
R30B21	University of Maryland,
Baltir	more Campus240,686,961
R30B22	University of Maryland,
Colleg	ge Park Campus555,171,250
R30B23	Bowie State University46,663,024
R30B24	Towson University134,879,609

R30B25 University of Maryland
Eastern Shore44,927,526
R30B26 Frostburg State
University43,548,045
R30B27 Coppin State
University46,382,441
R30B28 University of Baltimore42,507,281
R30B29 Salisbury University58,826,600
R30B30 University of Maryland
Global Campus43,550,988
R30B31 University of Maryland
Baltimore County148,911,845
R30B34 University of Maryland
Center for Environmental
Science22,535,215
R30B36 University System of
Maryland Office42,195,077
Subtotal University System
of Maryland1,470,785,862
R95C00 Baltimore City
Community College40,087,604
R14D00 St. Mary's College
of Maryland25,677,936
R13M00 Morgan State
University112,503,497
General Fund Appropriation, provided that
the appropriation made for the purpose of

General Fund Appropriation, provided that the appropriation made for the purpose of University System of Maryland (USM) institutions shall be reduced by \$5,000,000. Further provided that USM institutions may not increase resident undergraduate tuition in fiscal 2021 above the budgeted increase of 2%.

Further provided that \$32,000,000 of this appropriation made for the purpose of funding Workforce Development Initiatives at the University System of Maryland institutions 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.

Further provided that the appropriation made for the purpose of Morgan State University (MSU) shall be reduced by \$260,000. Further provided that MSU may not increase resident undergraduate tuition in fiscal 2021 above the budgeted increase of 2% .....

1,649,054,899

The following amounts constitute an estimate of Special Fund revenues derived from the Higher Education Investment Fund and the Maryland Emergency Medical System Operations Fund. These revenues support the Special Fund appropriation for the State operated institutions of higher education. The State Comptroller is hereby authorized to transfer these amounts to the accounts of the programs indicated below in four allotments; said allotments to be made on July 1 and October 1 of 2020 and January 1 and April 1 of 2021. To the extent revenue attainment is lower than estimated, the State Comptroller shall adjust the transfers at year's end. Neither this appropriation nor the amounts herein enumerated constitute a lump appropriation as contemplated by Sections 7–207 and 7–233 of the State Finance and Procurement Article of the Code.

Program	Title
R30B21	University of Maryland,
Baltin	nore Campus12,490,297
R30B22	University of Maryland,
Colleg	ge Park Campus41,406,617
R30B23	Bowie State University2,400,723
R30B24	Towson University6,517,237
R30B25	University of Maryland
Easter	rn Shore2,298,673
R30B26	Frostburg State
Unive	rsity2,232,638
R30B27	Coppin State
Unive	rsity2,468,794
R30B28	University of Baltimore1,994,756
R30B29	Salisbury University2,883,997
R30B30	University of Maryland

Global Campus2,240,604 R30B31 University of Maryland		
Baltimore County7,070,505 R30B34 University of Maryland Center for Environmental		
Science		
Maryland Office2,093,238		
Subtotal University System of Maryland87,292,670		
R14D00 St. Mary's College of Maryland		
Special Fund Appropriation, provided that \$9,389,631 of this appropriation shall be used by the University of Maryland, College Park (R30B22) for no other purpose than to support the Maryland Fire and		
Rescue Institute as provided in Section 13–955 of the Transportation Article	92,603,631	1,741,658,530
BALTIMORE CITY COMMUNITY	COLLEGE	
R95C00.00 Baltimore City Community College		
Current Unrestricted Appropriation	64,671,368 18,432,901	83,104,269
MARYLAND SCHOOL FOR TH	E DEAF	
R99E01.00 Services and Institutional Operations General Fund Appropriation	34,657,549 $351,721$	
Federal Fund Appropriation	564,259	35,573,529

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

## DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

## OFFICE OF THE SECRETARY

S00A20.01 Office of the Secretary General Fund Appropriation	6,127,795 12,095,482
	12,035,462
SUMMARY	
Total General Fund Appropriation	2,009,050
Total Special Fund Appropriation	12,123,703
Total Federal Fund Appropriation	4,090,524
Total Appropriation	18,223,277
DIVISION OF CREDIT ASSURANCE	
S00A22.01 Maryland Housing Fund	
Special Fund Appropriation	549,415
S00A22.02 Asset Management Special Fund Appropriation	5,744,392
11 1	, · , - <del></del>
SUMMARY	
Total Special Fund Appropriation	6,293,807

# DIVISION OF NEIGHBORHOOD REVITALIZATION

# S00A24.01 Neighborhood Revitalization

General Fund Appropriation, provided that \$200,000 of this appropriation shall be reduced contingent upon the enactment of legislation repealing the mandate that funding be provided for the National Capital Strategic Economic Development

Fund Special Fund Appropriation Federal Fund Appropriation	11,987,808 8,946,650 11,990,835	32,925,293
S00A24.02 Neighborhood Revitalization – Capital Appropriation General Fund Appropriation		
Further provided that \$5,000,000 of this appropriation shall be reduced contingent upon the enactment of legislation altering the mandate for the Seed Community		
Development Anchor Institution Fund  Special Fund Appropriation  Federal Fund Appropriation	12,500,000 2,200,000 12,000,000	26,700,000
SUMMARY		
Total General Fund Appropriation  Total Special Fund Appropriation  Total Federal Fund Appropriation		24,487,808 11,146,650 23,990,835
Total Appropriation		59,625,293
DIVISION OF DEVELOPMENT F	INANCE	
S00A25.01 Administration Special Fund Appropriation		5,464,846
S00A25.02 Housing Development Program Special Fund Appropriation Federal Fund Appropriation	4,353,213 300,000	4,653,213
S00A25.03 Single Family Housing Special Fund Appropriation Federal Fund Appropriation	6,963,509 578,754	7,542,263
Funds are appropriated in other agency		

budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for

operating expenses in this program.

S00A25.04 Housing and Building Energy Programs Special Fund Appropriation Federal Fund Appropriation	26,479,785 4,882,265	31,362,050
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
S00A25.05 Rental Services Programs Federal Fund Appropriation		260,426,571
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
S00A25.07 Rental Housing Programs – Capital Appropriation		
General Fund Appropriation	12,000,000 16,500,000 8,000,000	36,500,000
S00A25.08 Homeownership Programs – Capital Appropriation		
Special Fund Appropriation		3,000,000
S00A25.09 Special Loan Programs – Capital Appropriation Special Fund Appropriation Federal Fund Appropriation	4,400,000 2,000,000	6,400,000
S00A25.15 Housing and Building Energy Programs – Capital Appropriation Special Fund Appropriation Federal Fund Appropriation	8,600,000 1,000,000	9,600,000

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	al General Fund Appropriation		12,000,000
	al Special Fund Appropriational Federal Fund Appropriation		75,761,353 277,187,590
	Total Appropriation		364,948,943
	DIVISION OF INFORMATION TECH	HNOLOGY	
	1 Information Technology		
<u> </u>	ecial Fund Appropriationleral Fund Appropriation	1,803,807 1,586,381	3,390,188
	DIVISION OF FINANCE AND ADMIN	ISTRATION	
S00A27.0	1 Finance and Administration		
-	ecial Fund Appropriationleral Fund Appropriation	$5,445,029 \\ 272,127$	5,717,156
N	- IARYLAND AFRICAN AMERICAN MUSEU:	M CORPORATIO	)N

1,959,000

S50B01.01 General Administration

General Fund Appropriation .....

# DEPARTMENT OF COMMERCE

# OFFICE OF THE SECRETARY

General Fund Appropriation, provided that  \$100,000 of this appropriation made for the purpose of administration may not be expended for that purpose but instead may be used only for the Make Office Vacancies Extinct 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  Special Fund Appropriation	$   \begin{array}{r}     \frac{1,662,941}{1,347,941} \\     \underline{1,662,941} \\     116,780 \\     32,836   \end{array} $	$\frac{1,812,557}{1,497,557}$ $\frac{1,812,557}{1,812,557}$
T00A00.02 Office of Policy and Research General Fund Appropriation	$1,452,910 \\ 271,582 \\ 21,024$	1,745,516
T00A00.03 Office of the Attorney General General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	91,664 1,441,329 8,564	1,541,557
T00A00.08 Division of Administration and Technology General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	4,729,204 $546,769$ $120,096$	5,396,069
T00A00.10 Maryland Marketing Partnership General Fund Appropriation	1,000,000 1,000,000	2,000,000

# SUMMARY

Total General Fund Appropriation Total Special Fund Appropriation Total Federal Fund Appropriation		8,936,719 3,376,460 182,520
Total Appropriation		12,495,699
DIVISION OF BUSINESS AND INDUSTRY SEC	CTOR DEVELOPN	MENT
T00F00.01 Managing Director of Business and Industry Sector Development General Fund Appropriation	634,974 127,952	762,926
T00F00.03 Maryland Small Business Development Financing Authority Special Fund Appropriation		1,827,716
T00F00.04 Office of Business Development General Fund Appropriation	3,318,019 713,801	4,031,820
T00F00.05 Office of Strategic Industries and Entrepreneurship General Fund Appropriation Special Fund Appropriation	3,546,703 239,311	3,786,014
T00F00.07 Partnership for Workforce Quality General Fund Appropriation		1,000,000
T00F00.08 Office of Finance Programs Special Fund Appropriation		4,139,095
T00F00.09 Maryland Small Business Development Financing Authority – Business Assistance General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	1,500,000 3,860,000 100,000	5,460,000

Trade General Fund Appropriation Special Fund Appropriation	2,646,288 100,000	
Federal Fund Appropriation	700,000	3,446,288
T00F00.11 Maryland Nonprofit Development Fund Special Fund Appropriation		337,500
T00F00.12 Maryland Biotechnology Investment Tax Credit Reserve Fund General Fund Appropriation		12,000,000
T00F00.13 Office of Military Affairs and Federal Affairs		
General Fund Appropriation	896,249 175,935 1,957,445	3,029,629
T00F00.15 Small, Minority, and Women–Owned Business Investment Account Special Fund Appropriation		17,169,226
T00F00.16 Economic Development Opportunity Fund Special Fund Appropriation		5,000,000
T00F00.18 Military Personnel and Service–Disabled Veteran Loan Program General Fund Appropriation Special Fund Appropriation	100,000 300,000	400,000
T00F00.19 Cybersecurity Investment Incentive Tax Credit Program		
General Fund Appropriation  Special Fund Appropriation	1,000,000 1,000,000	2,000,000
T00F00.20 Maryland E–Nnovation Initiative Special Fund Appropriation		8,500,000
T00F00.21 Maryland Economic Adjustment Fund Special Fund Appropriation		200,000
Machan and Mr. 1. 1. I		

T00F00.23 Maryland Economic Development

Assistance Authority and Fund

Provided that \$1,000,000 in general funds and
\$1,000,000 in special funds made for the
purpose of the Maryland Economic
<u>Development Assistance Authority and</u>
Fund may not be expended for that purpose
but instead may be used only to provide
grants to businesses impacted by the
construction of the Purple Line Light Rail
Project in Montgomery and Prince George's
counties. Funds not expended for this
restricted purpose may not be transferred by
budget amendment or otherwise to any
other purpose and shall either be canceled
or shall revert to the General Fund.

General Fund Appropriation <del>10,000,0</del>	<del>)00</del>
<u>1,000,0</u> Special Fund Appropriation	
T00F00.24 More Jobs for Marylanders Tax Credit Reserve Fund	
General Fund Appropriation	9,063,374 2,000,000
T00F00.25 More Jobs for Marylanders Sales and Use Tax Credit Reserve Fund	
General Fund Appropriation	<del>1,000,000</del> <u>0</u>
SUMMARY	
Total General Fund Appropriation	29,642,233 61,690,536 2,757,445
Total Appropriation	94,090,214

T00G00.02 Office of Tourism Development   General Fund Appropriation, provided that   \$1,600,000 of this appropriation shall be reduced contingent upon the enactment of legislation climinating the mandated funding for the Baltimore Symphony Orchestra	T00G00.01 Office of the Assistant Secretary General Fund Appropriation	336,021
General Fund Appropriation         10,360,000           Special Fund Appropriation         300,000         10,660,000           T00G00.04 Office of Marketing and Communications	General Fund Appropriation, provided that \$1,600,000 of this appropriation shall be reduced contingent upon the enactment of legislation eliminating the mandated funding for the Baltimore Symphony	5,054,520
General Fund Appropriation         10,360,000           Special Fund Appropriation         300,000         10,660,000           T00G00.04 Office of Marketing and Communications		
Communications         2,584,715           General Fund Appropriation         2,584,715           Special Fund Appropriation         527,730           T00G00.05 Maryland State Arts Council         25,544,726           General Fund Appropriation         1,300,000           Federal Fund Appropriation         726,299           27,571,025           T00G00.08 Preservation of Cultural Arts Program         1,000,000           SUMMARY           Total General Fund Appropriation         43,879,982           Total Special Fund Appropriation         3,127,730           Total Federal Fund Appropriation         726,299           Total Appropriation         47,734,011           MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION           T50T01.01 Technology Development, Transfer and Commercialization	General Fund Appropriation 10,360,000	10,660,000
Commercialization	<u> </u>	
Special Fund Appropriation		
General Fund Appropriation         25,544,726           Special Fund Appropriation         1,300,000           Federal Fund Appropriation         726,299         27,571,025           T00G00.08 Preservation of Cultural Arts Program Special Fund Appropriation         1,000,000           SUMMARY         SUMMARY         43,879,982           Total General Fund Appropriation         3,127,730           Total Federal Fund Appropriation         726,299           Total Appropriation         47,734,011           MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION           T50T01.01 Technology Development, Transfer and Commercialization		3,112,445
Special Fund Appropriation 1,000,000  SUMMARY  Total General Fund Appropriation 43,879,982 Total Special Fund Appropriation 3,127,730 Total Federal Fund Appropriation 726,299  Total Appropriation 47,734,011  MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION  T50T01.01 Technology Development, Transfer and Commercialization	General Fund Appropriation25,544,726Special Fund Appropriation1,300,000	27,571,025
Total General Fund Appropriation 43,879,982 Total Special Fund Appropriation 3,127,730 Total Federal Fund Appropriation 726,299  Total Appropriation 47,734,011  MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION  T50T01.01 Technology Development, Transfer and Commercialization		1,000,000
Total Special Fund Appropriation	SUMMARY	
MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION  T50T01.01 Technology Development, Transfer and Commercialization	Total Special Fund Appropriation	3,127,730
T50T01.01 Technology Development, Transfer and Commercialization	Total Appropriation	47,734,011
Commercialization	= MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION	
		4,574,480

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	T50T01.03 Maryland Stem Cell Research Fund General Fund Appropriation	8,200,000
	T50T01.04 Maryland Innovation Initiative General Fund Appropriation	4,800,000
	T50T01.05 Cybersecurity Investment Fund General Fund Appropriation	900,000
	T50T01.06 Enterprise Investment Fund Administration Special Fund Appropriation	1,209,966
	T50T01.07 Capital – Enterprise Investment Fund Special Fund Appropriation	4,200,000
	T50T01.08 Second Stage Business Incubator General Fund Appropriation	1,000,000
	T50T01.10 Minority Pre—Seed Investment Fund General Fund Appropriation	1,000,000
	SUMMARY	
	Total General Fund Appropriation	20,474,480 5,409,966
	Total Appropriation	25,884,446

# DEPARTMENT OF THE ENVIRONMENT

# OFFICE OF THE SECRETARY

U00A01.01 Office of the Secretary General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation	1,072,544 783,350 898,711	2,754,605
U00A01.03 Capital Appropriation – Water Quality Revolving Loan Fund Special Fund Appropriation Federal Fund Appropriation	111,600,000 38,430,000	150,030,000
Funds are appropriated in other units of the Department of the Environment to pay for services provided by this program.  Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
U00A01.04 Capital Appropriation – Hazardous Substance Clean–Up Program General Fund Appropriation		500,000
U00A01.05 Capital Appropriation – Drinking Water Revolving Loan Fund Special Fund Appropriation	14,800,000 14,716,000	29,516,000
Funds are appropriated in other units of the Department of the Environment to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
U00A01.11 Capital Appropriation – Bay Restoration Fund – Wastewater Special Fund Appropriation		75,000,000
U00A01.12 Capital Appropriation – Bay Restoration Fund – Septic Systems Special Fund Appropriation		15,000,000

U00A01.15 Capital Appropriation – Comprehensive Flood Management Grant Program	200,000
General Fund Appropriation	200,000
SUMMARY	
Total General Fund Appropriation	1,772,544 217,183,350 54,044,711
Total Appropriation	273,000,605
OPERATIONAL SERVICES ADMINISTRATION	
U00A02.02 Operational Services Administration General Fund Appropriation	)
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.	
WATER AND SCIENCE ADMINISTRATION	
U00A04.01 Water and Science Administration       19,288,723         General Fund Appropriation       8,782,773         Federal Fund Appropriation       13,030,663         12,845,347	l <del>2 41,102,156</del>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

# LAND AND MATERIALS ADMINISTRATION

- 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 and a separate report on ways to make the Maryland Used Tire Cleanup and Recycling Fund solvent. The report on ways to make the Maryland Used Tire Cleanup and Recycling Fund solvent shall include information concerning all of the fund's expenditure categories - Scrap Tire Program, Land and Materials Administration, department indirect costs, stockpile cleanups, and Maryland Environmental Service projects and *administration – as follows:* 
  - (1) an analysis of the appropriate level at which the recycling fee per tire should be set and expenditures should be prioritized in order to address all of the funding needs;
  - (2) a description of what is included in each of the expenditure categories for each fiscal year from fiscal 2012 to 2021 and explanations for changes between fiscal years;
  - (3) the impact of the fiscal 2012 Water
    Quality Revolving Loan Fund loan
    for the Garner/Brandywine
    stockpile cleanup on the
    sustainability of the Maryland Used
    Tire Cleanup and Recycling Fund;
    and
  - (4) a five-year funding plan for fiscal 2021 through 2025 for the known and estimated stockpile cleanup projects, as well as the other expenditure categories based on the revenue and expenditure analysis outlined above.

The requested reports shall be submitted no later than November 1, 2020. The budget committees shall have 45 days from the date the reports are received to review and comment. Funds restricted pending the receipt of the reports 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 ........

9,875,425 <del>0,116,041</del> 32,713,697 9,988,977 32,586,633

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### AIR AND RADIATION ADMINISTRATION

U00A07.01 Air and Radiation Administration
General Fund Appropriation, provided that
\$100,000 of this appropriation made for the
purpose of general operating expenses in
the Air and Radiation Administration may
not be expended until the Maryland
Department of the Environment submits
the fiscal 2020 Maryland Clean Air Fund
annual report and a separate report on
ways to make the Maryland Clean Air
Fund solvent. The report on ways to make
the Maryland Clean Air Fund solvent shall
include:

- (1) <u>a fiscal year summary of the amount of emissions that were billed to all Title V sources;</u>
- (2) the total amount of revenue received against those billable emissions;
- (3) the direct and indirect operating expenses charged to the Title V

- operating permits, including a breakdown of one—time and ongoing costs for fiscal 2015 through 2020;
- (4) the fiscal 2020 revenue structure for the Title V operating permits; and
- (5) recommendations to address the long-term solvency of the Maryland Clean Air Fund.

The requested reports shall be submitted no later than November 1, 2020. The budget committees shall have 45 days from the date the reports are received to review and comment. Funds restricted pending the submission of the reports 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

 are not submitted to the budget committees
 3,252,844

 Special Fund Appropriation
 9,739,184

 9,590,684
 4,884,813

17,876,841 17,728,341

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

#### COORDINATING OFFICES

# U00A10.01 Coordinating Offices

General Fund Appropriation	4,700,023	
Special Fund Appropriation	28,835,108	
	<u>28,791,431</u>	
Federal Fund Appropriation	$\frac{1,703,689}{1}$	<del>35,238,820</del>
	1,640,318	35,131,772

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted

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	to use these receipts as special funds for operating expenses in this program.	
	0.03 Bay Restoration Fund Debt Service pecial Fund Appropriation	33,000,000
	SUMMARY	
	otal General Fund Appropriation	4,700,023
	otal Special Fund Appropriationotal Federal Fund Appropriation	61,791,431 1,640,318
	Total Appropriation	68,131,772

#### DEPARTMENT OF JUVENILE SERVICES

#### OFFICE OF THE SECRETARY

V00D01.01 Office of the Secretary
General Fund Appropriation ......

4,858,571

#### DEPARTMENTAL SUPPORT

# V00D02.01 Departmental Support

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 submits a report detailing the operations of the Baltimore City Strategic Partnership to the budget committees. This report shall identify the entities participating in this partnership and the respective role and responsibilities of each, detail processing of cases under this partnership, identify performance measures demonstrating the efficacy of this partnership, and comment on how the partnership will impact juvenile caseloads. The report shall be submitted by December 31, 2020, 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 .....

Federal Fund Appropriation .....

27,144,660 209,671

09,671 27,354,331

#### RESIDENTIAL AND COMMUNITY OPERATIONS

V00E01.01 Residential and Community Operations	
General Fund Appropriation	4,848,355
Special Fund Appropriation	19,476
Federal Fund Appropriation	$675,\!270$

5,543,101

# BALTIMORE CITY REGION

	<del>3,543</del>
CENTRAL REGION	
	3,958 1,111 3,417 34,998,486
WESTERN REGION	
V00I01.01 Western Region Operations50,197General Fund Appropriation50,197Special Fund Appropriation771Federal Fund Appropriation1,051	1,848
EASTERN SHORE REGION	
	7,336 2,586 2,392 19,952,314
SOUTHERN REGION	
	2,043 1,637 0,521 22,494,201

# METRO REGION

General Fund Appropriation	49,464,804	
Special Fund Appropriation	618,488	
Federal Fund Appropriation	744,445	50,827,737

71,667,215

#### DEPARTMENT OF STATE POLICE

#### MARYLAND STATE POLICE

W00A01.01 Office of the Superintendent General Fund Appropriation		27,729,504
W00A01.02 Field Operations Bureau General Fund Appropriation	136,329,787 79,873,860	216,203,647
Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.		
W00A01.03 Criminal Investigation Bureau General Fund Appropriation	70,242,215	

1,425,000

## W00A01.04 Support Services Bureau

General Fund Appropriation, provided that \$100,000 of the appropriation for the Support Services Bureau within the Department of State Police (DSP) may not be expended until the department provides the budget committees with an update on its transition to the National Incident Based Reporting System (NIBRS) method of reporting crime statistics. The report shall provide the following:

Federal Fund Appropriation .....

- (1) a list of jurisdictions and State agencies that are currently NIBRS compliant;
- (2) the current status of implementing the transition;
- (3) actions taken by DSP to assist local reporting agencies in becoming NIBRS compliant; and
- (4) the identification of federal fund

sources available to reporting agencies to assist in their transition to NIBRS.

The report shall be submitted by November
15, 2020, and the budget committees shall
have 45 days to review and comment
following the 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
<u>budget committees</u>

budget committees67,498,988Special Fund Appropriation33,905,879Federal Fund Appropriation5,500,000

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

W00A01.08 Vehicle Theft Prevention Council Special Fund Appropriation ......

2,000,000

106,904,867

#### SUMMARY

Total General Fund Appropriation	301,800,494
Total Special Fund Appropriation	115,779,739
Total Federal Fund Appropriation	6,925,000

#### FIRE PREVENTION COMMISSION AND FIRE MARSHAL

W00A02.01 Fire Prevention Services
General Fund Appropriation ......

9,964,981

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

# PUBLIC DEBT

X00A00.01 Redemption and Interest on State Bonds		
General Fund Appropriation	226,000,000	
	221,000,000	
Special Fund Appropriation	1,113,000,000	
Federal Fund Appropriation	11,000,000	<del>1,350,000,000</del>
		1,345,000,000

#### STATE RESERVE FUND

#### Y01A01.01 Revenue Stabilization Account

General Fund Appropriation, provided that \$284,439,149 of this appropriation shall be reduced contingent upon the enactment of legislation to maintain the fund balance at 6.25% of projected fiscal 2021 General Fund revenues

291,439,149

#### Y01A02.01 Dedicated Purpose Account

General Fund Appropriation, provided that \$33,333,333 of this appropriation shall be reduced contingent upon the enactment of legislation deferring the fiscal 2021 Local Income Tax Reserve Fund repayment until the out years.

Further provided that \$25,000,000 of this appropriation shall be reduced contingent upon the enactment of legislation eliminating the fiscal 2021 payment to the Postretirement Health Benefits Trust Fund.

Further provided that \$25,000,000 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the amount of retirement reinvestment contributions.

Further provided that \$12,500,000 of this appropriation shall be reduced contingent upon the enactment of legislation authorizing the transfer of an equivalent amount of funds from the Bay Restoration Fund to the Maryland Department of Transportation (MDOT) to support the State's compliance with the Watershed Implementation Plan for Chesapeake Bay restoration. MDOT is authorized to process a budget amendment increasing the amount of spending from the Transportation Trust Fund for the Washington Metropolitan Area Transit Authority contribution by \$12,500,000

265,503,782 228,333,333

Retirement Reinvestment	
Contributions	25,000,000
Program Open Space	
Repayment	<del>38,170,449</del>
	<u>0</u>
Washington Metropolitan	
Area Transit Authority	
Contribution	125,000,000
Postretirement Health	
Benefits Trust Fund	25,000,000
Local Income Tax Reserve	, ,
Fund Repayment	33,333,000
Cybersecurity Assessments	20,000,000
· · ·	, ,

#### LEGISLATIVE BRANCH

## FY 2020 Deficiency Appropriation

#### B75A01.01 Senate

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide funding for two administrative aide positions to support the Senate effective December 1, 2019.

General Fund Appropriation .....

109,965

# B75A01.02 House of Delegates

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide funding for two administrative aide positions to support the Office of the Speaker effective December 1, 2019.

#### JUDICIARY

## FY 2020 Deficiency Appropriation

# C00A00.10 Clerks of the Circuit Court

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund the Cost of Living Adjustment of 3% that was implemented July 1, 2019.

General Fund Appropriation	$\frac{6,472,250}{6}$
	<del>842,303</del>
	3,657,277
Special Fund Appropriation	<del>383,111</del>
	$\frac{27,209}{2}$
	<u>205,160</u>

6,855,361 869,512 3,862,437

# FY 2020 Deficiency Appropriation

#### C80B00.01 General Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund expenses incurred as a result of the implementation of the eDefender case management program.

## C80B00.02 District Operations

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund expenses incurred as a result of the implementation of the eDefender case management program.

# C80B00.02 District Operations

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund expenses incurred in fiscal 2019 which carried into fiscal 2020.

#### OFFICE OF THE ATTORNEY GENERAL

# FY 2020 Deficiency Appropriation

## C81C00.01 Legal Counsel and Advice

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide agency turnover relief.

#### BOARD OF PUBLIC WORKS

FY 2020 Deficiency Appropriation

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to restore the balance in the Contingent Fund.

# D05E01.10 Miscellaneous Grants to Private Nonprofit Groups

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund permitting, bonding, and insurance costs for capital construction at the Maryland Zoo in Baltimore.

## D05E01.15 Payments of Judgments Against the State

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund payments to wrongfully convicted individuals.

#### MARYLAND ENERGY ADMINISTRATION

## FY 2020 Deficiency Appropriation

D13A13.02 The Jane E. Lawton Conservation Loan Program To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to reflect the merger of the State Agency Loan Program and the Jane E. Lawton Conservation Loan Program effective on June 1, 2019.

#### D13A13.03 State Agency Loan Program

To become available immediately upon passage of this budget to adjust the appropriation for fiscal 2020 to reflect the merger of the State Agency Loan Program and the Jane E. Lawton Conservation Loan Program effective on June 1, 2019.

Special Fund Appropriation	-1,200,000
D13A13.06 Energy Efficiency and Conservation Programs, Low and Moderate Income Residential Sector  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund additional energy efficiency projects in the low and moderate income residential sector.	
Special Fund Appropriation	2,500,000
D13A13.07 Energy Efficiency and Conservation Programs, All Other Sectors  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund additional grants for the Combined Heat and Power Program.  Special Fund Appropriation	<del>367,061</del> 125,908
SECRETARY OF STATE	
FY 2020 Deficiency Appropriation	
D16A06.01 Office of the Secretary of State  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide sufficient funds for salaries.	
General Fund Appropriation	87,269

# OFFICE OF JUSTICE, YOUTH, AND VICTIM SERVICES

FY 2020 Deficiency Appropriation

# ADMINISTRATIVE HEADQUARTERS

# D21A01.01 Administrative Headquarters

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund the Rape Kit Testing Grant Fund.

Special Fund Appropriation	3,500,000
D21A01.01 Administrative Headquarters  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to reflect the receipt of additional special and federal fund grants.	
Special Fund AppropriationFederal Fund Appropriation	3,323,106 1,755,467
	5,078,573
D21A01.02 Local Law Enforcement Grants (LLE)  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund technology improvements at the Baltimore City Police Department.	
General Fund Appropriation	4,600,000
D21A01.02 Local Law Enforcement Grants (LLE)  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund the Rape Kit Testing Grant Fund.	
General Fund Appropriation	3,500,000
D21A01.02 Local Law Enforcement Grants (LLE)  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide additional funding to the Prince George's County State's Attorney's Office and the Baltimore City State's Attorney's Office.	
General Fund Appropriation	250,000

# MARYLAND STADIUM AUTHORITY

FY 2020 Deficiency Appropriation

#### D28A03.41 General Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund legal services rendered to the Maryland Stadium Authority.

## STATE BOARD OF ELECTIONS

## FY 2020 Deficiency Appropriation

#### D38I01.01 General Administration

To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2020 to remove unnecessary funding for the Maryland Campaign Reporting System (MDCRIS).

# D38I01.02 Help America Vote Act

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide funding for voting equipment for Same Day Registration during the 2020 elections.

General Fund Appropriation199,652Special Fund Appropriation3,996,387

4,196,039

#### D38I01.02 Help America Vote Act

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide funding for the voting system contract.

2,211,388

# D38I01.02 Help America Vote Act

To become available immediately upon passage of this

budget to supplement the appropriation for fiscal 2020 to provide a help desk for the 2020 elections.	
General Fund Appropriation	37,500 37,500
	75,000
D38I01.02 Help America Vote Act To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide additional funding for ballots for the 2020 elections.	
General Fund Appropriation	33,838 33,838
	67,676
D38I01.02 Help America Vote Act  To become available immediately upon passage of this budget to create two new State positions, contractual conversions, that require no additional funding in the budget.	
General Fund Appropriation	0
D38I01.02 Help America Vote Act To become available immediately upon passage of this budget to provide funding for the Special Election to fill the vacancy in the 7th Congressional District.	
General Fund Appropriation	220,018 220,021
	440,039

# D38I01.03 Major Information Technology Development Projects

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide funding for the manager of the Pollbook Project 2022 (Major IT).

Special Fund Appropriation	125,000
DEPARTMENT OF PLANNING	
FY 2020 Deficiency Appropriation	
D40W01.07 Management Planning and Educational Outreach To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to support salaries within the Certified Local Governments grant program.	
Federal Fund Appropriation	12,425
D40W01.10 Preservation Services  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund an Easement Inspector for the Maryland Historical Trust (MHT).	
Federal Fund Appropriation	45,924
STATE TREASURER'S OFFICE	
FY 2020 Deficiency Appropriation	
TREASURY MANAGEMENT	
E20B01.02 Major Information Technology Development Projects – Treasury Management To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide funds for the financial and insurance system Major IT project.	
Special Fund Appropriation	$220,635 \\ 927,703$
	1,148,338

#### **TAXATION**

### FY 2020 Deficiency Appropriation

#### E50C00.08 Property Tax Credit Programs

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund operations for the State Department of Assessments and Taxation's Tax Sale Ombudsman Office that was established by Chapter 730 of the 2019 legislative session.

Special Fund Appropriation .....

86,144

#### DEPARTMENT OF BUDGET AND MANAGEMENT

FY 2020 Deficiency Appropriation

# OFFICE OF PERSONNEL SERVICES AND BENEFITS

#### F10A02.01 Executive Direction

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide funding for the State Personnel System operations and maintenance.

General Fund Appropriation .....

1,126,946

#### F10A02.08 Statewide Expenses

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide funding for the Cost of Living Adjustment (COLA) of 1% to be distributed to eligible State employees effective January 1, 2020. These appropriations will be realigned by a fiscal 2020 budget amendment to the respective agencies.

General Fund Appropriation, provided that funds appropriated for the Cost of Living Adjustment (COLA) may be transferred to programs of other State agencies

Special Fund Appropriation, provided that funds appropriated for the Cost of Living Adjustment (COLA) may be transferred to programs of other 19,094,682

125,000

State agencies  Federal Fund Appropriation, provided that funds appropriated for the Cost of Living Adjustment	4,488,065
(COLA) may be transferred to programs of other State agencies	1,489,385
	25,072,132
F10A02.08 Statewide Expenses  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund the Correctional Officer Retention Incentive Bonus. This appropriation will be realigned by a fiscal 2020 budget amendment to the Department of Public Safety and Correctional Services.  General Fund Appropriation, provided that funds appropriated for the Correctional Officer Retention Incentive Bonus may be transferred to the Department of Public Safety and Correctional Services	5,932,500
DEPARTMENT OF INFORMATION TECHNOLOGY	
FY 2020 Deficiency Appropriation	
MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT FUND	
F50A01.01 Major Information Technology Development Project Fund To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund the Pollbook Manager Major IT project for the	

# F50A01.01 Major Information Technology Development Project Fund

State Board of Elections.

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to support the MD THINK Major IT project for the Department of Human Services.

General Fund Appropriation .....

283,683

General Fund Appropriation	27,222,710
F50A01.01 Major Information Technology Development Project Fund To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to support the Financial and Insurance Claims Management Solution Major IT project for the State Treasurer's Office.	
General Fund Appropriation	637,967
OFFICE OF INFORMATION TECHNOLOGY	
F50B04.01 State Chief of Information Technology  To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2020 to reflect the transfer of three attorney general positions from the Department of Information Technology to the Department of General Services. These positions were transferred October 1, 2019 to support the Office of State Procurement.	
General Fund Appropriation	-283,683
DEPARTMENT OF GENERAL SERVICES	
FY 2020 Deficiency Appropriation	
OFFICE OF THE SECRETARY	
H00A01.01 Executive Direction  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to reflect the transfer of three attorney general positions from the Department of Information Technology to the Department of General Services. These positions were transferred October 1, 2019 to support the Office of State Procurement.	

General Fund Appropriation .....

139.777

#### H00A01.02 Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to support the expanded duties of the Office of State Procurement.

General Fund Appropriation .....

#### OFFICE OF FACILITIES SECURITY

#### H00B01.01 Facilities Security

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund security system upgrades in State office buildings.

# OFFICE OF FACILITIES OPERATIONS AND MAINTENANCE

#### H00C01.01 Facilities Operation and Maintenance

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund the temporary relocation of the operations of the Towson District Court to the Catonsville District Court building due to emergency repairs.

#### OFFICE OF PROCUREMENT AND LOGISTICS

#### H00D01.01 Procurement and Logistics

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund the expanded duties of the Office of State Procurement.

#### DEPARTMENT OF NATURAL RESOURCES

FY 2020 Deficiency Appropriation

#### MARYLAND FOREST SERVICE

#### K00A02.09 Forest Service

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund off-highway recreational vehicle trail creation and maintenance.

#### MARYLAND PARK SERVICE

#### K00A04.01 Statewide Operations

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund off-highway recreational vehicle trail creation and maintenance.

#### K00A04.01 Statewide Operations

To become available immediately upon passage of this budget to adjust the appropriation for fiscal 2020 to maintain Maryland Park Service operations at the same level of service to offset special fund revenue shortfall.

#### ENGINEERING AND CONSTRUCTION

#### K00A09.01 General Direction

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund Bloede Dam permit mitigation requirements through the construction of the Masonville Dredged Material Containment Facility.

## K00A12.05 Power Plant Assessment Program

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund studies related to the State's renewable portfolio standard.

#### DEPARTMENT OF AGRICULTURE

FY 2020 Deficiency Appropriation

#### OFFICE OF RESOURCE CONSERVATION

### L00A15.03 Resource Conservation Operations

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to allow the agency to convert 40 Soil Conservation District contractual employees to full—time positions.

#### MARYLAND DEPARTMENT OF HEALTH

FY 2020 Deficiency Appropriation

#### OFFICE OF THE SECRETARY

#### M00A01.02 Operations

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund federal indirect cost rate recoveries.

General Fund Appropriation	1,350,967
Federal Fund Appropriation	-1,350,967

#### REGULATORY SERVICES

M00B01.04 Health Professional Boards and Commissions To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund an upgrade to the online platform and content

for the State's Residential Child and Youth Care Practitioners training module.	
General Fund Appropriation	100,000
DEPUTY SECRETARY FOR PUBLIC HEALTH SERVICES	
M00F01.01 Executive Direction  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund the Maryland Primary Care Program Project Management Office.	
General Fund Appropriation	1,000,000
PREVENTION AND HEALTH PROMOTION ADMINISTRATION	
M00F03.01 Infectious Disease and Environmental Health Services  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund additional tuberculosis grants to local health departments.	
General Fund Appropriation	100,000
M00F03.04 Family Health and Chronic Disease Services To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund the Family Planning Program.	
General Fund AppropriationFederal Fund Appropriation	3,556,247 $-2,932,102$
	624,145

M00F03.04 Family Health and Chronic Disease Services

To become available immediately upon passage of this
budget to supplement the appropriation for fiscal 2020
to support the Breast and Cervical Cancer Diagnosis
and Treatment Program.

604,110

General Fund Appropriation	812,830
BEHAVIORAL HEALTH ADMINISTRATION	
M00L01.01 Program Direction  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund the creation of a statewide bed registry for all inpatient psychiatric beds.	
General Fund Appropriation	100,000
M00L01.02 Community Services  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund grants to a nonprofit organization for non-opioid chronic pain management treatment and tele-education-based curriculum on childhood neurodevelopmental and mental health identification and management.	
General Fund Appropriation	2,550,000
M00L01.02 Community Services  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund Behavioral Health Administration community services.	
General Fund Appropriation	9,083,157
BEHAVIORAL HEALTH ADMINISTRATION FACILITY MAINTENANCE	
M00L15.01 Behavioral Health Administration Facility Maintenance  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide funds for fuel, utilities, security services, and other operational costs at Crownsville Hospital Center.	

General Fund Appropriation .....

Lawrence J. Hogan, Jr., Governor	Chapter 19
Special Fund Appropriation	203,632
	807,742
DEVELOPMENTAL DISABILITIES ADMINISTRATION	
M00M01.02 Community Services  To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2020 to reflect actual contract costs.	
General Fund Appropriation	-2,563,106 $-1,894,471$
	-4,457,577
MEDICAL CARE PROGRAMS ADMINISTRATION  M00Q01.03 Medical Care Provider Reimbursements To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020.	
General Fund Appropriation	16,000,000 -16,000,000 0
M00Q01.03 Medical Care Provider Reimbursements  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund the Affordable Care Act health insurer tax in effect for calendar year 2020.	

331

# M00Q01.03 Medical Care Provider Reimbursements

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to adjust enrollment, utilization, and rate projection

General Fund Appropriation .....

Federal Fund Appropriation .....

24,000,000

44,000,000

68,000,000

assumption	s for	the	tra	ditio	nal	Medi	caid	and	ACA
Expansion	popul	ation	ıs,	and	acc	ount	for	addit	tional
special fund	rever	nue.							

General Fund Appropriation	<del>37,295,041</del>
	22,295,041
Special Fund Appropriation	106,253,135
Federal Fund Appropriation	160,868,991
	204 417 167

304,417,167 289,417,167

# M00Q01.10 Medicaid Behavioral Health Provider Reimbursements

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide funds for service year 2019 medical provider reimbursements and contractual services.

General Fund Appropriation	11,015,637
Federal Fund Appropriation	17,982,305
	28,997,942

# M00Q01.10 Medicaid Behavioral Health Provider Reimbursements

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide funds for service year 2020 medical provider reimbursements and contractual services.

General Fund Appropriation	48,097,926
Federal Fund Appropriation	1,409,154
	49,507,080

#### DEPARTMENT OF HUMAN SERVICES

FY 2020 Deficiency Appropriation

# OFFICE OF TECHNOLOGY FOR HUMAN SERVICES

N00F00.02 Major Information Technology Development

33,892,664

#### **Projects**

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide funds for the MD THINK project.

Federal Fund Appropriation .....

#### LOCAL DEPARTMENT OPERATIONS

#### N00G00.02 Local Family Investment Plan

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to support the Two–Generation Model of service.

# DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES

FY 2020 Deficiency Appropriation

#### OFFICE OF THE SECRETARY

Q00A01.06 Division of Capital Construction and Facilities Maintenance

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund a study to determine the costs associated with full compliance with the Americans with Disabilities Act in Department facilities.

#### STATE DEPARTMENT OF EDUCATION

FY 2020 Deficiency Appropriation

#### AID TO EDUCATION

#### R00A02.01 State Share of Foundation Program

To become available immediately upon passage of this budget to adjust the appropriation for fiscal 2020 to replace general funds with Education Trust Fund revenues due to revised Video Lottery Terminal

revenue projections in fiscal 2020.	
General Fund Appropriation	-12,020,635 $12,020,635$
	0
R00A02.13 Innovative Programs  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide funds to accommodate updated enrollment and supplemental grant disbursements for Pathways in Technology Early College High School (P-TECH) Program schools.	
General Fund Appropriation	463,128
INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION	
R00A07.01 Interagency Commission on School Construction To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to provide funds to meet anticipated obligations for contractual services.	
General Fund Appropriation	500,000
ST. MARY'S COLLEGE OF MARYLAND	
FY 2020 Deficiency Appropriation	
R14D00.01 Instruction  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund the DeSousa–Brent Scholars program.	
Current Unrestricted Fund Appropriation	800,000

# MARYLAND HIGHER EDUCATION COMMISSION

FY 2020 Deficiency Appropriation

0

R62I00 07	Educational	Grants
Troatoo.o.	Laudandiai	OTALIO

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to support the Maryland 529 ABLE program.

#### R62I00.07 Educational Grants

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund the Save4College State contribution for eligible Maryland College Investment Plans.

# SUPPORT FOR STATE OPERATED INSTITUTIONS OF HIGHER EDUCATION

FY 2020 Deficiency Appropriation

#### HIGHER EDUCATION INSTITUTIONS

R75T00.01 Support for State Operated Institutions of Higher Education

To become available immediately upon passage of this budget to recognize additional special fund revenue from the Higher Education Investment Fund.

General Fund Appropriation	$-12,\!200,\!000$
Special Fund Appropriation	12,200,000

DEPARTMENT OF THE ENVIRONMENT

FY 2020 Deficiency Appropriation

#### LAND AND MATERIALS ADMINISTRATION

#### U00A06.01 Land and Materials Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to implement expanded lead prevention activities under Chapter 341 of 2019.

#### U00A07.01 Air and Radiation Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to implement expanded lead prevention activities under Chapter 341 of 2019 and to support air quality monitoring, permitting, and compliance in the Air and Radiation Administration.

General Fund Appropriation, provided that \$100,000 of this appropriation made for the purpose of supporting air quality monitoring, permitting, and compliance in the Air and Radiation Administration may not be expended until the Maryland Department of the Environment submits the delinquent fiscal 2015 through 2019 Maryland Clean Air Fund annual reports required by Section 2–107(3) of the Environment Article by May 1, 2020. The budget committees shall have 45 days from the date of the receipt of the reports to review and comment. Funds restricted pending the submission of the reports 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 .....

750,000 -750,000

0

#### DEPARTMENT OF STATE POLICE

Special Fund Appropriation .....

FY 2020 Deficiency Appropriation

#### MARYLAND STATE POLICE

#### W00A01.01 Office of the Superintendent

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund the Baltimore Regional Intelligence Center.

W00A01.01 Office of the Superintendent  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund SLEOLA negotiated Fitness and Education Bonuses.	
General Fund Appropriation	37,850
W00A01.02 Field Operations Bureau  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund SLEOLA negotiated Fitness and Education Bonuses.	
General Fund Appropriation	456,479 81,491
	537,970
W00A01.03 Criminal Investigation Bureau  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund SLEOLA negotiated Fitness and Education Bonuses.	
General Fund Appropriation	118,250
W00A01.04 Support Services Bureau  To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2020 to fund increased costs associated with bulletproof vests and gasoline.	
General Fund Appropriation	1,751,919
W00A01.04 Support Services Bureau  To become available immediately upon passage of this budget to increase the appropriation for fiscal 2020 to find SLEOLA progetiated Fitness and Education	

fund SLEOLA negotiated Fitness and Education

Bonuses.

Special Fund Appropriation	48,509
FIRE PREVENTION COMMISSION AND FIRE MARSHAL	
W00A02.01 Fire Prevention Services  To become available immediately upon passage of this budget to increase the appropriation for fiscal 2020 to fund SLEOLA negotiated Fitness and Education Bonuses.	
General Fund Appropriation	87,421

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.

- (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.
- (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.
  - (d) (c) To prescribe procedures and forms for carrying out the above provisions.

SECTION 3. AND BE IT FURTHER ENACTED, That in accordance with Section 7–109 of the State Finance and Procurement Article, it is the intention of the General Assembly to include herein a listing of nonclassified flat rate or per diem positions by unit of State government, job classification, the number in each job classification and the amount proposed for each classification. The Chief Judge of the Court of Appeals may make adjustments to positions contained in the Judicial portion of this section (including judges) that are impacted by changes in salary plans or by salary actions in the executive agencies. Eligible positions in this section will receive the cost of living adjustments (COLA) included in the fiscal 2021 budget according to the same schedule as positions in the Standard Pay Plan.

# JUDICIARY

Chief Judge, Court of Appeals	1	210,433	
Judge, Court of Appeals (@ 191,433)	6	1,148,598	
Chief Judge, Court of Special Appeals	1	181,633	
Judge, Court of Special Appeals (@ 178,633)	14	2,500,862	
Judge, Circuit Court (@ 169,433)	174	29,481,342	
Chief Judge, District Court of Maryland	1	178,633	
Judge, District Court (@ 156,333)	123	19,228,959	
Judiciary Clerk of Court A (@ 118,600)	<del>5</del>	<del>593,000</del>	
Judiciary Clerk of Court B (@ 121,600)	€	$\frac{729,600}{1}$	
Judiciary Clerk of Court C (@ 122,750)	€	$\frac{736,500}{1}$	
Judiciary Clerk of Court D (@ 124,500)	7	<del>871,500</del>	
Judiciary Clerk of Court I (A) (@118,600)	<u>7</u>	<u>830,200</u>	
Judiciary Clerk of Court II (B) (@121,600)	<del>7</del> <u>7</u> <u>6</u> <u>6</u> 5	<u>729,600</u>	
Judiciary Clerk of Court III (C) (@122,750)	$\overline{6}$	736,500	
Judiciary Clerk of Court IV (D) (@124,500)	$\overline{\underline{5}}$	622,500	
OFFICE OF THE PUBLIC DEFENDER			
Public Defender	1	169,433	
OFFICE OF THE ATTORNEY GENERAL			
Attorney General	1	149,500	
OFFICE OF THE STATE PROSECUTOR			
State Prosecutor	1	169,433	
MARYLAND TAX COURT			
Chief Judge, Tax Court	1	45,840	
Judge, Tax Court (@ 39,248)	4	156,992	
PUBLIC SERVICE COMMISSION			
Commissioner (@ 147,155)	4	588,620	
WORKERS' COMPENSATION COMMISSION			
Chairman	1	158,033	
Commissioner (@ 156,333)	9	1,406,997	
Commissioner (@ 100,000)	J	1,400,001	

41	Lawrence J. Hogan, Jr., Governor	Cł	napter 19
	EXECUTIVE DEPARTMENT – GOVERNOR		
	Governor Lieutenant Governor	1 1	180,000 149,500
	BOARDS, COMMISSIONS AND OFFICES		
	Chairman Member (@ 118,865)	1 2	131,788 237,730
	SECRETARY OF STATE		
	Secretary of State	1	105,500
	MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEMS		
	EMS Executive Director	1	300,225
	OFFICE OF THE COMPTROLLER		
	Comptroller	1	149,500
	STATE TREASURER'S OFFICE		
	Treasurer	1	149,500
	STATE LOTTERY AND GAMING CONTROL AGEN	CY	
	Lottery and Gaming Commissioner (@ 18,000)	7	126,000
	MARYLAND STATE RETIREMENT AND PENSION SYS	STEMS	
	State Retirement Administrator	1	150,041
	MARYLAND DEPARTMENT OF TRANSPORTATION	N	
	State Highway Administration		
	State Highway Administrator	1	163,000
	Maryland Port Administration		
	Executive Director	1	309,466
	Deputy Executive Director, Development and Administration Director, Operations	1 1	172,264 133,000

apter 19 Laws of Maryland – 2020 Session	ı	342
Director, Marketing	1	147,761
CFO and Treasurer (MIT)	1	137,299
Director, Maritime Commercial Management	1	140,630
General Manager Intermodal Trade Development	1	125,000
Director, Security	1	110,000
Director, Harbor Development	1	140,000
BCO Trade Development Executive	1	98,940
General Manager, Cruise MD Marketing	1	105,000
Deputy Executive Director, Logistics/Port Ops	1	190,000
Maryland Transit Administration		
Maryland Transit Administrator	1	215,200
Senior Deputy Administrator, Transit Operations	1	147,696
Executive Director of Safety and Risk Management	1	139,265
Executive Project Director, New Starts	1	150,032
Executive Project Director, New Starts	1	124,454
MTA Police Chief	1	129,355
Maryland Aviation Administration		
Executive Director	1	294,304
Chief Engineer	1	151,356
Chief Administrative Officer	1	148,250
Chief Financial Officer	1	165,565
Director, Planning and Environmental Services	1	134,486
Director, Commercial Management	1	135,000
Director, Marketing, Communications and Customer		
Service	1	130,570
Director, Regional Aviation Assistance	1	110,313
Chief Operating Officer	1	$168,\!655$
Director of Engineering and Construction	1	137,000
Director of Martin State Airport	1	117,176
Director of Maintenance and Utilities	1	127,500

#### MARYLAND DEPARTMENT OF HEALTH

Chapter 19

#### Office of the Chief Medical Examiner

Resident Forensic Pathologist (@ 69,650) 3 208,950

#### DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES

#### Maryland Parole Commission

Chairman	1	112,403
Member (@ 99,481)	9	895,329

94.109

1

MSD Non–Faculty Manager I

#### PUBLIC EDUCATION

# State Department of Education – Headquarters

State Superintendent of Schools		236,000
MARYLAND SCHOOL FOR THE DEAF		
MSD Non–Faculty Manager II	1	111,954

SECTION 4. AND BE IT FURTHER ENACTED, That if any person holding an office of profit within the meaning of Article 35 of the Declaration of Rights, Constitution of Maryland, is appointed to or otherwise becomes the holder of a second office within the meaning of Article 35 of the Declaration of Rights, Constitution of Maryland, then no compensation or other emolument, except expenses incurred in connection with attendance at hearings, meetings, field trips, and working sessions, shall be paid from any funds appropriated by this bill to that person for any services in connection with the second office.

SECTION 5. AND BE IT FURTHER ENACTED, That amounts received pursuant to Sections 2–201 and 7–217 of the State Finance and Procurement Article may be expended by approved budget amendment.

SECTION 6. AND BE IT FURTHER ENACTED, That funds appropriated by this bill may be transferred among programs in accordance with the procedure provided in Sections 7–205 through 7–212, inclusive, of the State Finance and Procurement Article.

SECTION 7. AND BE IT FURTHER ENACTED, That, except as otherwise provided, amounts received from sources estimated or calculated upon in the budget in excess of the estimates for any special or federal fund appropriations listed in this bill may be made available by approved budget amendment.

SECTION 8. AND BE IT FURTHER ENACTED, That authorization is hereby granted to transfer by budget amendment General Fund amounts for the operations of State office buildings and facilities to the budgets of the various agencies and departments occupying the buildings.

SECTION 9. AND BE IT FURTHER ENACTED, That \$12,591,800 is appropriated in the various agency budgets for tort claims (including motor vehicles) under the provisions of the State Government Article, Title 12, Subtitle 1, the Maryland Tort Claims Act (MTCA). These funds are to be transferred to the State Insurance Trust Fund; these funds, together with funds appropriated in prior budgets for tort claims but unexpended, are the only funds available to make payments under the provisions of the MTCA.

(A) Tort claims for incidents or occurrences occurring after October 1, 1999, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer's

regulations to payments of no more than \$200,000 to a single claimant for injuries arising from a single incident or occurrence.

- (B) Tort claims for incidents or occurrences occurring after July 1, 1996, and before October 1, 1999, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer's regulations to payments of no more than \$100,000 to a single claimant for injuries arising from a single incident or occurrence.
- (C) Tort claims for incidents or occurrences resulting in death on or after July 1, 1994, and before July 1, 1996, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer's regulations to payments of no more than \$75,000 to a single claimant. All other tort claims occurring on or after July 1, 1994, and before July 1, 1996, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer's regulations to payments of no more than \$50,000 to a single claimant for injuries arising from a single incident or occurrence.
- (D) Tort claims for incidents or occurrences occurring prior to July 1, 1994, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer's regulations to payments of no more than \$50,000 to a single claimant for injuries arising from a single incident or occurrence.

SECTION 10. AND BE IT FURTHER ENACTED, That authorization is hereby granted to transfer by budget amendment General Fund amounts, budgeted to the various State agency programs and subprograms which comprise the indirect cost pools under the Statewide Indirect Cost Plan, from the State agencies providing such services to the State agencies receiving the services. It is further authorized that receipts by the State agencies providing such services from charges for the indirect services may be used as special funds for operating expenses of the indirect cost pools.

SECTION 11. AND BE IT FURTHER ENACTED, That certain funds appropriated to the various State agency programs and subprograms in Comptroller Object 0882 (In–State Services – Computer Usage – ADC Only) shall be utilized to pay for services provided by the Comptroller of the Treasury, Data Processing Division, Computer Center Operations (E00A10.01) consistent with the reimbursement schedule provided for in the supporting budget documents. 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 Object 0882 between State departments and agencies by approved budget amendment in fiscal 2021.

SECTION 12. AND BE IT FURTHER ENACTED, That, pursuant to Section 8–102 of the State Personnel and Pensions Article, the salary schedule for the executive pay plan during fiscal 2021 shall be as set forth below. Adjustments to the salary schedule may be made during the fiscal year in accordance with the provisions of Sections 8–108 and 8–109 of the State Personnel and Pensions Article. Notwithstanding the inclusion of salaries for positions which are determined by agencies with independent salary setting authority in the salary schedule set forth below, such salaries may be adjusted during the fiscal year in

accordance with such salary setting authority. Eligible positions in this section will receive the cost of living adjustments (COLA) included in the fiscal 2021 budget according to the same schedule as positions in the Standard Pay Plan.

Fiscal 2021 Executive Salary Schedule

	Scale	Minimum	Maximum
EPP 0001	9904	84,420	112,560
EPP 0002	9905	90,702	121,002
EPP 0003	9906	97,491	130,120
EPP 0004	9907	104,822	139,975
EPP 0005	9908	112,738	150,614
EPP 0006	9909	121,291	162,109
EPP 0007	9910	$130,\!524$	174,513
EPP 0008	9911	140,503	187,919
EPP 0009	9991	161,576	271,215

Classification Title Scale

# OFFICE OF THE PUBLIC DEFENDER

Deputy Public Defender	9909
Executive VI	9906

#### OFFICE OF THE ATTORNEY GENERAL

Deputy Attorney General	9909
Deputy Attorney General	9909
Senior Executive Associate Attorney General	9908
Senior Executive Associate Attorney General	9908
Senior Executive Associate Attorney General	9908
Senior Executive Associate Attorney General	9908

#### PUBLIC SERVICE COMMISSION

Chair 9991

#### OFFICE OF THE PEOPLE'S COUNSEL

People's Counsel 9906

# SUBSEQUENT INJURY FUND

Executive Director 9906

#### UNINSURED EMPLOYERS' FUND

Executive Director	9906
Executive Director	9900

#### EXECUTIVE DEPARTMENT – GOVERNOR

Executive Senior	9991
Executive Aide XI	9911
Executive Aide XI	9911
Executive Aide XI	9911
Executive Aide X	9910
Executive Aide IX	9909
Executive Aide IX	9909
Executive Aide IX	9909

# DEPARTMENT OF DISABILITIES

Secretary	9909
Deputy Secretary	9906

# MARYLAND ENERGY ADMINISTRATION

Executive Aide VIII 9908

# BOARDS, COMMISSIONS AND OFFICES

Executive Aide IX	9909
Executive Aide IX	9909
Executive Aide VIII	9908

# GOVERNOR'S OFFICE OF JUSTICE, YOUTH, AND VICTIM SERVICES

# Administrative Headquarters

Executive Aide VIII	9908
Executive Aide VIII	9908

#### DEPARTMENT OF AGING

Secretary	9909
Deputy Secretary	9906

#### MARYLAND COMMISSION ON CIVIL RIGHTS

Executive Director 9906

Deputy Director	9904
STATE BOARD OF ELECTIONS	3
State Administrator of Elections	9907
DEPARTMENT OF PLANNING	
Secretary Deputy Director Executive V	9909 9906 9905
MILITARY DEPARTMENT	
Military Department Operations and Mai	ntenance
Adjutant General Executive Aide X Executive IX Executive VII Executive VII	9909 9910 9909 9907 9907
DEPARTMENT OF VETERANS AFFAIRS	
Secretary	9905
STATE ARCHIVES	
State Archivist	9907
MARYLAND HEALTH BENEFIT EXCHANGE	
Executive Senior Health Benefit Exchange Executive XI Health Benefit Exchange Executive XI Executive Aide IX Executive Aide VIII	9991 9911 9911 9909 9908
MARYLAND INSURANCE ADMINISTRATION	
Maryland Insurance Commissioner Maryland Deputy Insurance Commissioner	9911 9908
OFFICE OF ADMINISTRATIVE HEAR	RINGS
Chief Administrative Law Judge	9908

#### COMPTROLLER OF MARYLAND

# Office of the Comptroller

Chief Deputy Comptroller 9911 Executive Aide XI 9911

General Accounting Division

Assistant State Comptroller VII 9907

Bureau of Revenue Estimates

Assistant State Comptroller VII 9907

Revenue Administration Division

Assistant State Comptroller VII 9907

Compliance Division

Assistant State Comptroller VII 9907

Field Enforcement Division

Assistant State Comptroller VII 9907

Central Payroll Bureau

Assistant State Comptroller VI 9906

ALCOHOL AND TOBACCO COMMISSION

Executive IX 9909

#### STATE TREASURER'S OFFICE

Chief Deputy Treasurer	9909
Executive VIII	9908
Executive VI	9906
Executive V	9905
Executive IV	9904

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION

Director	9908
Deputy Director	9906
Executive V	9905

# MARYLAND LOTTERY AND GAMING CONTROL AGENCY

Director	9911
Executive VIII	9908
Executive VII	9907

### DEPARTMENT OF BUDGET AND MANAGEMENT

# Office of the Secretary

Secretary	9911
Deputy Secretary	9910

# Office of Personnel Services and Benefits

Executive IX	9909

# Office of Budget Analysis

Executive IX 9909

# Office of Capital Budgeting

Executive VII 9907

# DEPARTMENT OF INFORMATION TECHNOLOGY

Secretary	9911
Deputy Secretary	9909
Executive IX	9909
Executive VIII	9908
Executive Aide VIII	9908

# MARYLAND STATE RETIREMENT AND PENSION SYSTEMS

Executive Director 9909

#### TEACHERS AND STATE EMPLOYEES SUPPLEMENTAL RETIREMENT PLANS

Chairman

Executive VII	9907
DEF	PARTMENT OF GENERAL SERVICES
	Office of the Secretary
Secretary Executive VIII	9911 9908
	Office of Facilities Operation and Maintenance
Executive V	9905
	Office of Procurement and Logistics
Executive Aide X Executive VI	9910 9906
	Office of Real Estate
Executive V	9905
(	Office of Facilities Planning, Design and Construction
Executive VI	9906
1	Business Enterprise Administration
Executive V	9905
DEPA	ARTMENT OF NATURAL RESOURCES
	Office of the Secretary
Secretary Deputy Secretary Executive VI Executive VI	9910 9908 9906 9906
	Critical Area Commission

DEPARTMENT OF AGRICULTURE

9906

# Office of the Secretary

Secretary	9909
Deputy Secretary	9907
Executive V	9905

Office of Marketing, Animal Industries and Consumer Services

Executive V 9905

Office of Plant Industries and Pest Management

Executive V 9905

Office of Resource Conservation

Executive V 9905

#### MARYLAND DEPARTMENT OF HEALTH

### Office of the Secretary

Secretary	9911
Executive Aide XI	9911
Deputy Secretary	9908
Executive VII	9907
Executive V	9905

Deputy Secretary for Public Health Services

Executive Aide IX 9909

Office of the Chief Medical Examiner

Chief Medical Examiner Post Mortem 9991

Laboratories Administration

Executive VI 9906

Deputy Secretary for Behavioral Health

Executive IX 9909

Developmental Disabilities Administration

Executive IX 9909

Executive VI	9906
Executive VI	9906
Executive VI	9906

Health Regulatory Commissions

Executive VIII 9908

# DEPARTMENT OF HUMAN SERVICES

# Office of the Secretary

9911
9908
9908
9908

Social Services Administration

Executive VI 9906

Office of Technology for Human Services

Executive Aide XI 9911

**Child Support Administration** 

Executive Director 9906

Family Investment Administration

Executive VI 9906

# MARYLAND DEPARTMENT OF LABOR

# Office of the Secretary

Secretary	9910
Deputy Secretary	9908
Executive VIII	9908

Division of Labor and Industry

Executive VII 9907

Division	of	Occui	pational	and	Profe	ssional	Licensi	ng
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Executive VII 9907

Division of Workforce Development and Adult Learning

Executive VII 9907

Division of Unemployment Insurance

Executive VII 9907

# DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES

# Office of the Secretary

Secretary	9911
Deputy Secretary	9908
Executive VII	9907
Executive VII	9907

Deputy Secretary for Operations

Deputy Secretary 9908

Division of Correction – Headquarters

Commissioner of Correction 9907

Division of Parole and Probation

Director, Division of Parole and Probation 9907

Division of Pretrial Detention

Executive Aide X 9910

#### PUBLIC EDUCATION

#### State Department of Education – Headquarters

Deputy State Superintendent of Schools	9909
Deputy State Superintendent of Schools	9909
Deputy State Superintendent of Schools	9909
Assistant Deputy State Superintendent	9907

Executive VII	9907
Executive VII	9907
Assistant State Superintendent	9906
Maryland Longitudinal Data System (	Center
Executive VI	9906
Interagency Commission on School Cons	truction
Executive VII	9907
Executive VII	9907
Executive VII  Maryland State Library Agency	9907
	9907
Maryland State Library Agency	9909
Maryland State Library Agency Assistant State Superintendent Maryland Higher Education Commis	9909 sion
Maryland State Library Agency Assistant State Superintendent Maryland Higher Education Commis	9909 sion 9910
Maryland State Library Agency Assistant State Superintendent Maryland Higher Education Commis	9909 sion
Maryland State Library Agency Assistant State Superintendent Maryland Higher Education Commis	9909 sion 9910
Maryland State Library Agency Assistant State Superintendent Maryland Higher Education Commis Secretary Assistant Secretary	9909 sion 9910

# DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

# Office of the Secretary

Secretary				9910
Deputy Secretary				9909
Executive VIII				9908
	D: : :	6.0	1 · A	

Division of Credit Assurance

Executive VII 9907

Division of Neighborhood Revitalization

Executive VII 9907

Division of Development Finance

Executive VIII	9908
Executive viii	9900

### DEPARTMENT OF COMMERCE

# Office of the Secretary

Secretary	9911
Deputy Secretary	9909

# Division of Business and Industry Sector Development

Executive VIII 9908

# Division of Tourism, Film and the Arts

Executive VIII 9908 Executive Aide VIII 9908

# DEPARTMENT OF THE ENVIRONMENT

# Office of the Secretary

Secretary	9911
Deputy Secretary	9908
Executive VII	9907

#### Water and Science Administration

Executive VI 9906

#### Land and Materials Administration

Executive VI 9906

#### Air and Radiation Administration

Executive VI 9906

### DEPARTMENT OF JUVENILE SERVICES

#### Office of the Secretary

Secretary 9911

# Departmental Support

Deputy Secretary 9908

# Residential and Community Operations

Deputy Secretary 9908 Assistant Secretary 9905

#### DEPARTMENT OF STATE POLICE

# Maryland State Police

Superintendent	9991
Executive VIII	9908
Deputy Secretary	9907

SECTION 13. AND BE IT FURTHER ENACTED, That, pursuant to Section 2–103.4(h) of the Transportation Article, the salary schedule for the Department of Transportation executive pay plan during fiscal 2021 shall be as set forth below. Adjustments to the salary schedule may be made during the fiscal year in accordance with the provisions of Section 2–103.4(h) of the Transportation Article. Notwithstanding the inclusion of salaries for positions that are determined by agencies with independent salary setting authority in the salary schedule set forth below, such salaries may be adjusted during the fiscal year in accordance with such salary setting authority. Eligible positions in this section will receive the cost of living adjustments (COLA) included in the fiscal 2021 budget according to the same schedule as positions in the Standard Pay Plan.

# Fiscal 2021 Executive Salary Schedule

	Scale	Minimum	Maximum
ES 4	9904	84,420	112,560
ES 5	9905	90,702	121,002
ES 6	9906	97,491	130,120
ES7	9907	104,822	139,975
ES 8	9908	112,738	150,614
ES 9	9909	121,291	162,109
ES 10	9910	130,524	174,513
ES 11	9911	140,503	187,919
ES 91	9991	161,576	$271,\!215$

#### DEPARTMENT OF TRANSPORTATION

### The Secretary's Office

Secretary	9911
Deputy Secretary	9909
Deputy Secretary	9909

#### Motor Vehicle Administration

Motor Vehicle Administrator

9909

SECTION 14. AND BE IT FURTHER ENACTED, That if a person is placed by the Department of Health, Department of Human Services, or Department of Juvenile Services or the State Department of Education in a facility or program that becomes eligible for Medical Assistance Program (Medicaid) participation, and the Medical Assistance Program makes payment for such services, general funds equal to the general funds paid by the Medical Assistance Program to such a facility or program may be transferred from the previously mentioned departments to the Medical Assistance Program. Further, should the facility or program become eligible subsequent to payment to the facility or program by any of the previously mentioned departments, and the Medical Assistance Program makes subsequent additional payments to the facility or program for the same services, any recoveries of overpayment, whether paid in this or prior fiscal years, shall become available to the Medical Assistance Program for provider reimbursement purposes.

SECTION 15. AND BE IT FURTHER ENACTED, That all funds appropriated to the various State departments and agencies in Comptroller Object 0831 (Office of Administrative Hearings) to conduct administrative hearings by the Office of Administrative Hearings are to be transferred to the Office of Administrative Hearings (D99A11.01) on July 1, 2020, and may not be expended for any other purpose.

SECTION 16. AND BE IT FURTHER ENACTED, That funds budgeted in the State Department of Education and the Department of Health, Department of Human Services, and Department of Juvenile Services may be transferred by budget amendment to the Children's Cabinet Interagency Fund (R00A04.01). Funds transferred would represent costs associated with local partnership agreements approved by the Children's Cabinet Interagency Fund.

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), 0322 (Capital Lease 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, 0322, and 0876 between State departments and agencies by approved budget amendment in fiscal 2020 and fiscal 2021. 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.

SECTION 18. AND BE IT FURTHER ENACTED, That all funds appropriated to the various State departments and agencies in Comptroller Object 0875 (Retirement Administrative Fee) to support the Maryland State Retirement agency operations are to be transferred to the Maryland State Retirement agency (G20J01.01) on July 1, 2020, and may not be expended for any other purpose.

SECTION 19. AND BE IT FURTHER ENACTED, That for fiscal 2021, the Governor is authorized to transfer positions and funding, by approved budget amendment, from the Comptroller of Maryland to the Alcohol and Tobacco Commission.

SECTION 20. AND BE IT FURTHER ENACTED, That for fiscal year 2020 funds are appropriated in other agency budgets to pay for services provided by D50H01.06 Maryland Emergency Management Agency. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SECTION 21. 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 4 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.

SECTION 22. 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.

SECTION 23. 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.

SECTION 24. 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 2021, 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 funds to be carried forward into future years for child welfare or welfare reform activities;
- (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.

SECTION 25. 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 2022 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 2021 except as indicated elsewhere in this Act; however, this may not preclude the placement of additional information into the budget books. For actual fiscal 2020 spending, the fiscal 2021 working appropriation, and the fiscal 2022 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 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 2020 spending, the fiscal 2021 working appropriation, and the fiscal 2022 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 2022 Budget Bill affecting fiscal 2021 or 2022, 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.

Further provided that DBM shall provide to DLS by September 1, 2020, a list of subprograms used by each department, unit, agency, office, and institution, along with a brief description of the subprograms' purpose and responsibilities.

SECTION 26. AND BE IT FURTHER ENACTED, That on or before August 1, 2020, 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 2020 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:

- (1) a common code for each interagency agreement that specifically identifies each agreement and the fiscal year in which the agreement began;
  - (2) the starting date for each agreement;

- (3) the ending date for each agreement;
- (4) 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;
  - (5) a description of the nature of the goods and services to be provided;
- (6) the total number of personnel, both full—and part—time, associated with the agreement;
- (7) contact information for the agency and the public institution of higher education for the person(s) having direct oversight or knowledge of the agreement;
- (8) total indirect cost recovery or facilities and administrative (F&A) expenditures authorized for the agreement;
- (9) the indirect cost recovery or F&A rate for the agreement and brief description of how the rate was determined;
  - (10) actual expenditures for the most recently closed fiscal year;
- (11) actual base expenditures that the indirect cost recovery or F&A rate may be applied against during the most recently closed fiscal year;
- (12) actual expenditures for indirect cost recovery or F&A for the most recently closed fiscal year; and
- (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, 2020, 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 2020.

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 2021 without prior approval of the Secretary of Budget and Management.

SECTION 27. 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 Justice, 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) <u>Budget amendments increasing total appropriations in any fund account by \$100,000 or more may not be approved by the Governor until:</u>
- (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.
- (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.

- (5) 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.
- (6) 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.
- (7) 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.
- (8) Further provided that the fiscal 2021 appropriation detail as shown in the Governor's budget books submitted to the General Assembly in January 2021 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.
- appropriate additional special, higher education, and federal revenues in the budget bill as approved by the General Assembly. Further provided that for the fiscal 2022 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.

#### SECTION 28. 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 2020 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.
- (2) The State Superintendent of Schools shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2020 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.

- (3) The Secretary of Human Services shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2020 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.
- (4) For the programs specified, reports must indicate by fund type total appropriations for fiscal 2020 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.
- (5) 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, 2020, and submitted on a monthly basis thereafter.
- (6) It is the intent of the General Assembly that general funds appropriated for fiscal 2020 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.

SECTION 29. 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 Chesapeake Employers Insurance Company (CEIC) via transmittal. The control account shall also record all funds withdrawn from CEIC and returned to the State and subsequently transferred to the General Fund. CEIC shall submit monthly reports to the Department of Legislative Services concerning the status of the account.

SECTION 30. 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, 2020, 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 that have been in contractual FTEs for at least 2 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) <u>funds are available from non–State sources for each position</u> <u>established under this exception; and</u>
- (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, 2021, the status of positions created with non–State funding sources during fiscal 2018 through 2021 under this provision as remaining, authorized, or abolished due to the discontinuation of funds.

SECTION 31. AND BE IT FURTHER ENACTED, That immediately following the close of fiscal 2020, 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 2020 and on the first day of fiscal 2021. Authorized positions shall include all positions authorized by the General Assembly in the personnel detail of the budgets for fiscal 2020 and 2021, 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 2021 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 2022 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;

(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 2021 Governor's budget books shall also be provided.

SECTION 32. 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.

SECTION 33. AND BE IT FURTHER ENACTED, That the Secretary of Budget and Management shall include as an appendix in the fiscal 2022 Governor's budget books an accounting of the fiscal 2020 actual, fiscal 2021 working appropriation, and fiscal 2022 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 Medicare–eligible retirees, and Medicare–eligible retirees, and Medicare–eligible retirees; and
- (4) any balance remaining and held in reserve for future provider payments.

SECTION 34. 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 2020 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 2021 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 2020 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 Quality Revolving Loan Fund among others, are for Chesapeake Bay restoration purposes; and
- (6) updated information on the Phase III WIP 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, 2020, 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.

SECTION 35. AND BE IT FURTHER ENACTED, That \$1,000,000 of the general fund appropriation within the Department of State Police (DSP) may not be expended until DSP submits the Crime in Maryland, 2019 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, 2020, 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 2020 upon receipt of notification from DSP. GOCPYVS shall withhold SAPP funds until such a time that the jurisdiction submits 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, 2020, and the amount of SAPP funding withheld from each jurisdiction.

SECTION 36. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation within the Department of State Police (DSP) and \$100,000 of the general fund appropriation within the Governor's Office of Crime Prevention, Youth, and Victim Services (GOCPYVS) may not be expended until DSP and GOCPYVS jointly submit a report identifying the role each plays within the Baltimore City Crime Prevention Initiative (BCCPI) to combat violent crime in Baltimore City. This report should specifically provide an update regarding the establishment of the Baltimore Regional Intelligence Center (BRIC). The report should also provide and evaluate measurable performance metrics related to the DSP Strike Force and BRIC, and discuss how they compare to the performance measures detailed in the Joint Report on BCCPI. Finally, this report should discuss all grant awards allocated in fiscal 2020 under this initiative and provide information on the grant recipients and how these funds were used.

The report shall be submitted by September 15, 2020, 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 the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

SECTION 37. AND BE IT FURTHER ENACTED, That, effective July 1, 2020, the Governor is authorized to transfer all positions and funding in program D50H01.08 MEMA – Opioid Operational Command Center from the Military Department to the Maryland Department of Health Office of the Secretary, program M00A01.01 Executive Direction.

SECTION 37. AND BE IT FURTHER ENACTED, That \$11,136,063 of this appropriation, representing the entirety of the local law enforcement grants to the Baltimore City Police Department and the Baltimore City State's Attorney's Office, and \$3,000,000 in disparity grants to Baltimore City budgeted within A15000.01 may not be expended unless the Mayor's Office of Criminal Justice, in coordination with the Baltimore City State's Attorney's Office and the Baltimore Police Department, submits a comprehensive annual crime strategy for the city, which must include specific measurable actions 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 crime reduction strategy report shall be developed in consultation with the Governor's Office of Crime Prevention, Youth, and Victim Services (GOCPYVS) and submitted to the Governor and budget committees by

October 15, 2020. By October 15, 2020, and quarterly thereafter, the Mayor's Office of Criminal Justice shall report on progress made on the crime reduction targets included in the annual crime reduction strategy. Further provided that the Baltimore Police Department enters their warrant information into the National Criminal Information Center (NCIC) / Maryland Telecommunications Enforcement Resources System (METERS).

Further provided that \$100,000 in the general fund appropriation to the GOCPYVS Administrative Headquarters may not be expended until GOCPYVS submits a letter commenting on and expressing written approval of the comprehensive annual crime strategy no later than October 15, 2020.

Further provided that \$1,000,000 of disparity grant funding to Baltimore City shall remain withheld and shall be disbursed in increments of \$250,000 upon the submission of each quarterly report. The budget committees shall have 45 days to review and comment prior to the release of funds. 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.

SECTION 38. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation in the Department of Human Services (DHS) and \$100,000 of the general fund appropriation in the Maryland Department of Health (MDH) made for the purpose of general administration may not be expended until DHS and MDH submit a Memorandum of Understanding (MOU), signed by the secretaries of both agencies, that provides for the sharing of Medicaid data and inclusion of this data in the Life After Welfare report from the University of Maryland School of Social Work beginning with the 2020 report. The signed MOU shall be submitted by July 1, 2020, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the MOU may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the MOU is not submitted to the budget committees.

SECTION 39. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation made for the purpose of administrative expenses in program N00G00.03 Child Welfare Services and \$100,000 of the general fund appropriation made for the purpose of administrative expenses in program M00L01.01 Program Direction may not be expended until the Department of Human Services (DHS) and Maryland Department of Health (MDH) submit a report that:

(1) details how many additional licensed placement beds are needed to ensure that no child who requires placement in a psychiatric unit of a hospital, other hospital placement, residential child care program, or residential treatment center due to conditions meeting statutory criteria of psychiatric need, neurocognitive disorder, or other comparable condition is faced with the lack of suitable placement after being in a hospital emergency room for 30 or more hours for both youth in the custody of DHS and all youth in need of placement;

by placement type, including a timeline for creation of sufficient space;

- (3) provides information on the number of additional placement beds created by type of placement since January 1, 2020;
- (4) provides options for other treatment models that allow youth to remain in a family setting while receiving treatment;
- (5) provides a plan for developing or increasing the psychiatric crisis response activities for youth to prevent the need for out—of—home placements, emergency room visits, or inpatient psychiatric care; and
- (6) provides information on psychiatric crisis response activities for youth funded by the Social Services Administration of DHS or the Behavioral Health Administration of MDH in the fiscal 2020 actual and the fiscal 2021 working appropriation.

The report shall be submitted by December 1, 2020, 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.

SECTION 40. AND BE IT FURTHER ENACTED, That for fiscal 2021 funding for State health insurance contributions for employees and retirees shall be reduced by \$10,000,000 in Executive Branch, Legislative Branch, and Judicial Branch agencies. Funding for this purpose shall be reduced in Comptroller Object 0152 (Health Insurance), Comptroller Object 0154 (Retirees Health Insurance Premiums), and Comptroller Object 0217 (Contractual Health Insurance) within programs in the Executive Branch, Legislative Branch, and Judicial Branch agencies in Section 1 of this Act in fiscal 2021 by the following amounts in accordance with a schedule determined by the Governor, the Presiding Officers, and Chief Judge:

<u>Programs</u>	<u>Fund</u>	<u>Amount</u>
General Assembly of Maryland	General Fund	\$107,880
<u>Judiciary</u>	General Fund	\$519,556
Executive Branch	General Fund	\$6,832,238
<u>Judiciary</u>	Special Fund	\$33,747
Executive Branch	Special Fund	\$1,592,087
Executive Branch	<u>Federal Fund</u>	\$914,492

SECTION 41. AND BE IT FURTHER ENACTED, That the reimbursable funds appropriation in the Department of Information Technology programs F50B04.01 State Chief of Information Technology, F50B04.02 Security, F50B04.03 Application Systems Management, and F50B04.04 Infrastructure, shall be reduced by a total of \$450,000. Funding shall be reduced from within programs in the Executive Branch, Legislative Branch, and Judicial Branch agencies in Section 1 of this Act in accordance with a schedule determined by the Governor, the Presiding Officers, and the Chief Judge. The reduction

shall equal at least the amount indicated for the funds listed:

<u>Fund</u>	<u>Amount</u>
<u>General</u>	\$270,000
Special	\$90,000
<u>Federal</u>	\$90,000

SECTION 42. AND BE IT FURTHER ENACTED, That since three agencies have had repeat findings in the calendar 2019 compliance audit reports issued by the Office of Legislative Audits (OLA) for problems protecting personally identifiable information (PII), \$100,000 of the general fund appropriation for administration in Program E20B01.01 Treasury Management in the State Treasurer's Office, \$100,000 of the general fund appropriation for administration in Program F10A01.01 Executive Direction in the Department of Budget and Management Office of the Secretary, and \$100,000 of the general fund appropriation for administration in Program R00A01.01 Office of the State Superintendent in the State Department of Education Headquarters may not be expended until:

- (1) agency representatives from agencies with repeat PII audit findings in calendar 2019 have met with the State Chief Information Security Officer (SCISO) to identify and document a path for resolution of any outstanding issues and the agency has taken corrective action with respect to PII protection, including articulating any ongoing associated costs and a timeline for resolution if the corrective action is not complete;
- (2) the SCISO submits a report to OLA by February 1, 2021, addressing corrective actions taken to protect PII, a path and timeline for resolution of any outstanding issues, and any ongoing costs associated with corrective actions; and
- (3) a report is submitted to the budget committees and the Joint Audit and Evaluation Committee (JAEC) by OLA listing each repeat audit finding in accordance with (1) above that demonstrates the agencies' commitment to correct each repeat audit finding. The report shall be submitted to the budget committees and JAEC by May 1, 2021, and the committees and JAEC shall have 45 days to review and comment from the date the report is submitted. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise and shall revert to the General Fund if the report is not submitted.

SECTION 43. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation in the State Board of Elections (SBE), and \$100,000 of the general fund appropriation in the Department of Information Technology (DoIT) made for the purpose of general operating expenses may not be expended until the SBE, in consultation with the DoIT, submits a report that outlines how the 2022 pollbook system will be developed for use in the 2022 gubernatorial election. The report should include a development timeline with specific milestones to be achieved, expenditures anticipated to achieve each milestone, and the projected date of completion for each milestone. The report should also include affirmation by DoIT of SBE's proposed backup plan should the system not be ready in 2022. The report shall be submitted by July 1, 2020, 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.

SECTION 44. AND BE IT FURTHER ENACTED, That \$250,000 of the general fund appropriation in the Department of Human Services, \$250,000 of the general fund appropriation in the Maryland Department of Health, and \$250,000 of the general fund appropriation for the Department of Juvenile Services all made for the purpose of general operating expenses may not be expended until the agencies provide 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 by month for fiscal 2019 and 2020 separately by child placing agency;
- (2) the average length of stay in an emergency room for youth in out-of-home placements served in emergency rooms for psychiatric evaluation or crises for fiscal 2019 and 2020 separately by child placing agency;
- (3) the total number of youth in out-of-home placements served in medical hospitals or inpatient psychiatric hospitals separately by type of hospital by each child placing agency for fiscal 2019 and 2020;
- (4) the average length of stay for youth in out-of-home placements served in medical hospitals or inpatient psychiatric hospitals separately by type of hospital by each child placing agency for fiscal 2019 and 2020;
- (5) 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 each child placing agency for fiscal 2019 and 2020;
- (6) the placement type after discharge separately by type of hospital for each child placing agency, including identifying the number of youth placed out-of-state after discharge;
- (7) the number of youth in out-of-state placement by child placing agency in community-based and non-community-based settings due to the lack of available or appropriate in-state placements due to psychiatric or other medical conditions in fiscal 2019 and 2020 separately for each child placing agency; and
- (8) <u>efforts of the child placing agencies to reduce the number of youth in out-of-state placements in community-based and non-community-based settings due to the lack of available or appropriate in-state placements.</u>

The report shall be submitted by September 1, 2020, 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.

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, 2020; October 1, 2020; January 1, 2021; and April 1, 2021, 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
- (b) assess the impact of the role that technology has played on compliance and enforcement responsibilities;
- (2) <u>a comparison of the size, roles, and responsibilities of the departments'</u> 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 2020 actuals; and
  - (b) fiscal 2021 current and fiscal 2022 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.

SECTION 46. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation in the Governor's Office of Performance Improvement (GOPI), \$250,000 of the general fund appropriation in the Department of Commerce (Commerce), \$250,000 of the special fund appropriation in the Maryland Department of Transportation (MDOT), and \$250,000 of the general fund appropriation in the Department of Information Technology (DoIT) made for the purpose of general operating expenses may not be expended until:

- (1) <u>MDOT develops and makes available layered geographic information</u> system (GIS) data and maps that show all MDOT capital projects and State Highway Administration access permits;
- (2) <u>Commerce develops and makes available layered geographic</u> information system (GIS) data and maps that show all tax credits; and
  - (3) GOPI and DoIT have reviewed the GIS data and maps.

GOPI, Commerce, MDOT, and DoIT shall report to the budget committees on the status of this GIS data. The report shall be submitted by January 1, 2021, and the budget committees shall have 45 days from the date of receipt of the report to review and comment. GOPI, Commerce, and DoIT 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 or be canceled if a report is not submitted.

SECTION 21. 44. 47. AND BE IT FURTHER ENACTED, That numerals of this bill showing subtotals and totals are informative only and are not actual appropriations. The actual appropriations are in the numerals for individual items of appropriation. It is the legislative intent that in subsequent printings of the bill the numerals in subtotals and totals shall be administratively corrected or adjusted for continuing purposes of information, in order to be in arithmetic accord with the numerals in the individual items.

SECTION <u>22.</u> <u>45.</u> <u>48.</u> AND BE IT FURTHER ENACTED, That pursuant to the provisions of Article III, Section 52(5a) of the Maryland Constitution, the following total of all proposed appropriations and the total of all estimated revenues available to pay the appropriations for the 2021 fiscal year are submitted.

# **BUDGET SUMMARY (\$)**

# Fiscal Year 2020

General Fund Balance, June 30, 2019 available for 2020 Operations		974,188,580
2020 Estimated Revenues (all funds)		46,502,564,332
Reimbursement from reserve for Tax Credits		27,607,094
Transfer from other funds		158,000,000
2020 Appropriations as amended (all funds) 2020 Deficiencies (all funds) Specific Reversions Estimated Agency Reversions	46,796,959,877 614,409,261 (128,492,745) (35,000,000)	
Subtotal Appropriations (all funds)		47,247,876,393
2020 General Funds Reserved for 2021 Operations		414,483,613
Fiscal Year 2021		
2020 General Funds Reserved for 2021 Operations		414,483,613
2020 General Funds Reserved for 2021 Operations 2021 Estimated Revenues (all funds)		414,483,613 47,609,847,313
-		
2021 Estimated Revenues (all funds)	48,589,512,517 (608,188,382) (35,000,000)	47,609,847,313
2021 Estimated Revenues (all funds)  Reimbursement from reserve for Tax Credits  2021 Appropriations (all funds)  Budget Bill Reductions	(608, 188, 382)	47,609,847,313

#### SUPPLEMENTAL BUDGET NO. 1 – FISCAL YEAR 2021

March 5, 2020

108,475,702

Mr. President, Madam Speaker, Ladies and Gentlemen of the General Assembly:

Estimated general fund unappropriated balance

July 1, 2021 (per Original Budget)

90.404 Election Security

90.404 Election Security

F10501 Various State Agencies

Pursuant to the authority conferred on me by Article III, Section 52, Subsection (5) of the Constitution of Maryland, and in accordance with the consent of the (State Senate) – (House of Delegates), duly granted, I hereby submit a supplement to Senate Bill 190 and/or House Bill 150 in the form of an amendment to the original budget for the Fiscal Year ending June 30, 2021.

Supplemental Budget No. 1 will affect previously estimated funds available for budget operations as shown on the following summary statement.

### SUPPLEMENTAL BUDGET SUMMARY

#### Sources:

outy 1, 2021 (per original budget)		100,470,702
Special Funds		
C90303 Public Utility Regulation Fund	987,155	
C90320 Public Utility Offshore Wind Energy	,	
Fund	1,312,845	
D38301 Local Election Reform Payments	-1,947,990	
F10310 Various State Agencies	472,854	
SWF330 Strategic Energy Investment	·	
Fund–Other	-2,250,000	
J00301 Transportation Trust Fund	100,000	
SWF331 The Blueprint for Maryland's	,	
Future Fund	-23,446	
R62310 Need-Based Student Financial	·	
Assistance Fund	228,693	
S00304 General Bond Reserve Fund	385,363	
S00304 General Bond Reserve Fund	500,000	
SWF316 Strategic Energy Investment	,	
Fund-RGGI	200,000	
SWF317 Maryland Emergency Medical	,	
System Operations Fund	1,200,000	
X00301 Annuity Bond Fund	90,000,000	91,165,474
Federal Funds		

1,075,375

1,947,990

4,297

377 Lawrence J. Hogan, Jr., Governor		Chapter 19
93.778 Medical Assistance Program	500,000	3,527,662
Current Unrestricted Funds St. Mary's College of Maryland University of Maryland, College Park	3,342 500,000	503,342
Total Available		203,672,180
Uses: General Funds Special Funds Federal Funds Current Unrestricted Funds	$\begin{array}{c} -18,187,861 \\ 91,165,474 \\ 3,527,662 \\ 503,342 \end{array}$	77,008,617
Revised estimated general fund unappropriated Balance July 1, 2021		126,663,563
GENERAL ASSEMBLY OF	' MARYLAND	
1. B75A01.03 General Legislative Expenses		
In addition to the appropriation shown on page 2 of the printed bill (first reading file bill) to provide funds for the annual dues to the Council of State Governments.	,	
Object .12 Grants, Subsidies and Contributions	. 195,952	
General Fund Appropriation		195,952

#### OFFICE OF THE ATTORNEY GENERAL

## 2. C81C00.01 Legal Counsel and Advice

In addition to the appropriation shown on page 5 of the printed bill (first reading file bill), to provide funds for a study on crimes involving firearms contingent on enactment of HB 1629 or SB 1047.

Object .08 Contractual Services ...... 200,000

General Fund Appropriation, provided that this additional appropriation shall be contingent on the enactment of HB 1629

or SB 1047		200,000
PUBLIC SERVICE COMMISSION		
3. C90G00.01 General Administration and Hearings		
To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds for project evaluation of offshore wind project applications, and assessments of needed transmission upgrades.		
Object .08 Contractual Services	2,300,000	
Special Fund Appropriation		2,300,000
BOARD OF PUBLIC WORKS		
4. D05E01.15 Payments of Judgements Against the State		
To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds for payments to wrongfully convicted individuals.		
Object .12 Grants, Subsidies and Contributions	205,420	
General Fund Appropriation		205,420
5. D05E01.10 Miscellaneous Grants to Private Nonprofit Groups		
To adjust the appropriation on page 10 of the printed bill (first reading file bill) to reflect the transfer of funds for annual dues for the Council of State Government to the legislative budget.		
Object .12 Grants, Subsidies and Contributions	-166,927	
General Fund Appropriation		-166,927

6. D05E01.15 Payments of Judgements Against the State

In addition to the appropriation shown on page 10 of the printed bill (first reading file bill), to provide funds for payments to wrongfully convicted individuals.

Object .12 Grants, Subsidies and Contributions

1,500,000

General Fund Appropriation .....

1,500,000

#### BOARD OF PUBLIC WORKS - CAPITAL APPROPRIATION

7. D06E02.01 Public Works Capital Appropriation

To add an appropriation on page 10 of the printed bill (first reading file bill), to provide funds to the Cal Ripken, Sr. Foundation to build a turf field in Baltimore City.

Object .12 Grants, Subsidies and Contributions

500,000

General Fund Appropriation .....

500,000

8. D06E02.01 Public Works Capital Appropriation

To add an appropriation on page 10 of the printed bill (first reading file bill), to provide a grant to the Boys and Girls Clubs of Metropolitan Baltimore for capital improvements to Club sites in Baltimore City.

Object .12 Grants, Subsidies and Contributions

250,000

General Fund Appropriation .....

250,000

9. D06E02.01 Public Works Capital Appropriation

To add an appropriation on page 10 of the printed bill (first reading file bill), to

provide a grant to the Maryland Alliance of Boys and Girls Clubs for safety and security at Club sites.		
Object .12 Grants, Subsidies and Contributions	250,000	
General Fund Appropriation	:	250,000
10. D06E02.01 Public Works Capital Appropriation		
To add an appropriation on page 10 of the printed bill (first reading file bill), to provide funds for the End Hunger Kitchen.		
Object .12 Grants, Subsidies and Contributions	500,000	
General Fund Appropriation	ł	500,000
HISTORIC ST. MARY'S CITY COMMISSI	ON	
11. D17B01.51 Administration		
In addition to the appropriation shown on page 14 of the printed bill (first reading file bill), to support archaeological excavation and laboratory analysis of St. Mary's Fort.		
Object .02 Technical and Special Fees Object .09 Supplies and Materials	250,000 30,000	
General Fund Appropriation	2	280,000
12. D17B01.51 Administration		
In addition to the appropriation shown on page 14 of the printed bill (first reading file bill), to support participation in Department of Information Technology's Enterprise Shared Services.		
Object .08 Contractual Services	180,411	
General Fund Appropriation		180,411

#### STATE BOARD OF ELECTIONS

#### 13. D38I01.02 Help America Vote Act

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds to enhance security of the 2020 Primary Election and the 7th Congressional District Special Election.

Object .02 Technical and Special Fees	6,000
Object .08 Contractual Services	896,075
Object .11 Equipment – Additional	173,000

1,075,375

### 14. D38I01.02 Help America Vote Act

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to purchase routers required to allow same day registration on election day at early voting sites and polling places.

Object .11 Equipment – Additiona	1 0
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 Special Fund Appropriation
 -1,947,990

 Federal Fund Appropriation
 1,947,990

#### MILITARY DEPARTMENT

# 15. D50H01.06 Maryland Emergency Management Agency

In addition to the appropriation shown on page 21 of the printed bill (first reading file bill), to provide a grant to the Professional Fire Fighters of Maryland for education and training.

Object .12 Grants, Subsidies and	
Contributions	200,000

General Fund Appropriation	200,000
STATE TREASURER'S OFFICE	
16. E20B01.01 Treasury Management	
To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to pay interest owed pursuant to the federal Cash Management Improvement Act.	
Object .13 Fixed Charges	
General Fund Appropriation	152,291
17. E20B01.01 Treasury Management	
To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide contractual and temporary support to assist with statewide depository conversion.	
Object .08 Contractual Services	
General Fund Appropriation	273,280
DEPARTMENT OF BUDGET AND MANAGEMENT	
18. F10A02.09 SmartWork	
To become available immediately upon passage of this budget to reduce the appropriation for fiscal year 2020 to reflect current year expenditure projections for the SmartWork program.	
Object .12 Grants, Subsidies and Contributions	
General Fund Appropriation	-1,400,000
19. F10A02.08 Statewide Expenses	

In addition to the appropriation shown on

pages 34 and 35 of the printed bill (first reading file bill), to provide funds for the State Law Enforcement Officers Labor Alliance (SLEOLA) Cost of Living Adjustment (COLA) in accordance with the bargaining agreement.

Personnel Detail:		
Regular Earnings	2,778,352	
Object .01 Salaries, Wages and Fringe Benefits	2,778,352	
General Fund Appropriation Special Fund Appropriation Federal Fund Appropriation		2,301,201 472,854 4,297
20. F10A02.08 Statewide Expenses		
To reduce the appropriation shown on page 34 of the printed bill (first reading file bill), to eliminate funds that were over—budgeted for the Annual Salary Review (ASR).		
Personnel Detail: Reclassifications	-228,833	
Object .01 Salaries, Wages and Fringe Benefits	-228,833	
General Fund Appropriation		-228,833
21. F10A02.08 Statewide Expenses		
To reduce the appropriation shown on pages 34 of the printed bill (first reading file bill), to eliminate funds that were double budgeted for electric vehicles.		
Object .07 Motor Vehicle Operation and Maintenance	-2,250,000	
Special Fund Appropriation		-2,250,000

#### DEPARTMENT OF INFORMATION TECHNOLOGY

become available immediately upon

To

passage of this budget to supplement the appropriation for fiscal year 2020 to offset revenue that was not attained in fiscal year 2019.		
Object .08 Contractual Services	118,650	
General Fund Appropriation		118,650
23. F50A01.01 Major Information Technology Development Project Fund		
To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds for the Maryland Department of Health Data Center Migration Major Information Technology Development Project.		
Object .08 Contractual Services	428,000	
General Fund Appropriation		428,000
24. F50A01.01 Major Information Technology Development Project Fund		
In addition to the appropriation shown on pages 35 and 36 of the printed bill (first reading file bill), to provide funds for the Maryland Department of Health Data Center Migration Major Information Technology Development Project.		
Object .08 Contractual Services	7,589,000	
General Fund Appropriation		7,589,000
25. F50A01.01 Major Information Technology		

To reduce the appropriation on pages 35 and 36 of the printed bill (first reading file bill), to accurately reflect spending on the Office of the Comptroller's Integrated Tax System

Development Project Fund

Major Information Technology Development Project.	
Object .08 Contractual Services2,000,000	
General Fund Appropriation	-2,000,000
DEPARTMENT OF TRANSPORTATION	
26. J00A01.01 Executive Direction	
In addition to the appropriation shown on page 42 of the printed bill (first reading file bill), to provide funds to be used for an air traffic noise study.	
Object .08 Contractual Services	
Special Fund Appropriation	100,000
DEPARTMENT OF NATURAL RESOURCES	
27. K00A04.01 Statewide Operations	
To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds for maintenance of the special event zone at the Fair Hill Natural Resource Management Area.	
Object .08 Contractual Services         95,000           Object .11 Equipment – Additional         655,000	
General Fund Appropriation	750,000
28. K00A03.01 Wildlife and Heritage Service	
In addition to the appropriation shown on page 48 of the printed bill (first reading file bill), to provide funds for positions that support wildlife management and conservation activities.	
Personnel Detail: Turnover Expectancy	

0

Object .01 Salaries, Wages and Fringe Benefits	100,000	
General Fund Appropriation		100,000
29. K00A04.01 Statewide Operations		
In addition to the appropriation shown on page 48 of the printed bill (first reading file bill), to provide funds for maintenance of the special event zone at the Fair Hill Natural Resource Management Area.		
Object .08 Contractual Services	350,000	
General Fund Appropriation		350,000
DEPARTMENT OF AGRICULTURE		
30. L00A12.18 Rural Maryland Council		
In addition to the appropriation shown on page 57 of the printed bill (first reading file bill), to provide two positions to allow for contractual conversion.		
Personnel Detail:	47 000	
Administrator I 1.00	45,000	
Office Secy III 1.00 Fringe	35,000 6,344	
Turnover	-28,177	
Object .01 Salaries, Wages and Fringe Benefits Object .02 Technical and Special Fees	58,167 -58,167	

#### MARYLAND DEPARTMENT OF HEALTH

## 31. M00A01.02 Operations

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds for website modernization.

General Fund Appropriation .....

Object .08 Contractual Services	235,000	
General Fund Appropriation		235,000
32. M00F01.01 Executive Direction		
To become available immediately upon the passage of this budget to supplement the appropriation for fiscal year 2020 to support emergency coronavirus (COVID-19) preparedness expenses.		
Object .03 Communications	250,000	
Object .08 Contractual Services	5,750,000	
Object .09 Supplies and Materials Object .12 Grants, Subsidies and	3,500,000	
Contributions	500,000	
General Fund Appropriation, provided that funds may be transferred within this agency and to other state agencies to support the state's emergency coronavirus (COVID-19) preparedness.		
Further provided that the Maryland Department of Health shall submit a report to the budget committees on the use of this general fund appropriation disaggregated by unit of State government. The report shall be submitted by July 15, 2020		10,000,000
33. M00A01.02 Operations		
In addition to the appropriation shown on page 61 of the printed bill (first reading file bill), to provide funds for website modernization.		
Object .08 Contractual Services	1,985,000	
General Fund Appropriation		1,985,000
34. M00L01.01 Program Direction		

In addition to the appropriation shown on page 65 of the printed bill (first reading file bill),

to provide grant funds for the African American Neuroscience Research Initiative at the Lieber Institute for Brain Development.

Object .12 Grants, Subsidies and Contributions

1,250,000

General Fund Appropriation .....

1,250,000

#### 35. M00L01.01 Program Direction

In addition to the appropriation shown on page 65 of the printed bill (first reading file bill), to provide funds to the Easterseals Military Family Clinic to provide behavioral health services to service members, veterans, and their families.

Object .08 Contractual Services .....

500,000

General Fund Appropriation .....

500,000

#### 36. M00L01.01 Program Direction

In addition to the appropriation shown on page 65 of the printed bill (first reading file bill), to provide funds for a study determining the possibility of establishing a new behavioral health crisis center in Southern Maryland.

Object .08 Contractual Services .....

200,000

General Fund Appropriation .....

200,000

# 37. M00Q01.03 Medical Care Provider Reimbursements

To reduce the appropriation shown on page 70 and 71 of the printed bill (first reading file bill), to reflect expected repayments required under the CY 2018 HealthChoice managed care organization program due to failure to meet Medical Loss Ratio requirements.

Chapter 19

Object .08 Contractual Services	-10,900,000	
General Fund Appropriation		-10,900,000
38. M00Q01.03 Medical Care Provider Reimbursements		
In addition to the appropriation shown on pages 70 and 71 of the printed bill (first reading file bill), to provide funds for postpartum dental coverage.		
Object .08 Contractual Services	1,000,000	
General Fund Appropriation Federal Fund Appropriation		500,000 500,000
39. M00Q01.10 Medicaid Behavioral Health Provider Reimbursements		
In addition to the appropriation shown on page 73 of the printed bill (first reading file bill), to provide funds for medical provider reimbursements and contractual services.		
Object .08 Contractual Services	14,500,000	
General Fund Appropriation, 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		14,500,000

#### DEPARTMENT OF HUMAN SERVICES

# 40. N00G00.01 Foster Care Maintenance Payments

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds for foster care maintenance payments.

Object .12 Grants, Subsidies and Contributions	,100,000
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	11,100,000
41. N00G00.08 Assistance Payments	
To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds for the Temporary Disability Assistance Program.	
Object .12 Grants, Subsidies and	
Contributions 2	2,700,000
General Fund Appropriation	2,700,000
42. N00G00.02 Local Family Investment Program	
In addition to the appropriation shown on page 77 of the printed bill (first reading file bill), to provide funding for the Two–Generation model of service delivery.	
Object .12 Grants, Subsidies and	
Contributions	950,000
General Fund Appropriation	950,000
43. N00I00.07 Office of Grants Management	
In addition to the appropriation shown on page 78 of the printed bill (first reading file bill), to provide grant funding for Catholic Charities of Baltimore to support community programs.	
Object .12 Grants, Subsidies and Contributions	350,000

General Fund Appropriation ..... 350,000 DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES 44. Q00S02.01 Jessup Correctional Institution In addition to the appropriation shown on page 90 of the printed bill (first reading file bill), provide funding for Maryland Environmental Service charges at the Jessup Correctional Institution. Object .06 Fuel and Utilities ..... 677,347 General Fund Appropriation ..... 677,347 45. Q00S02.04 Brockbridge Correctional Facility In addition to the appropriation shown on page 91 of the printed bill (first reading file bill), provide funding forMaryland Environmental Service charges at the Brockbridge Correctional Facility. Object .06 Fuel and Utilities ..... 21,627 General Fund Appropriation ..... 21,627 STATE DEPARTMENT OF EDUCATION 46. R00A02.05 Formula Programs for Specific **Populations** To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds for anticipated grant Out-of-County payments for Living Arrangements. Object .12 Grants, Subsidies and Contributions ..... 100,000 General Fund Appropriation ..... 100,000

47. R00A02.07 Students with Disabilities

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds to supplement prior year obligations within the Non–Public Placement Program.		
Object .12 Grants, Subsidies and Contributions	2,000,000	
General Fund Appropriation		2,000,000
48. R00AO6.02 Maryland Center for School Safety – Grants		
To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide additional funding for school safety grant awards.		
Object .12 Grants, Subsidies and Contributions	6,030,295	
General Fund Appropriation		6,030,295
49. R00A02.01 State Share of Foundation Program		
In addition to the appropriation shown on page 98 of the printed bill (first reading file bill), to reflect updated enrollment and wealth data.		
Object .12 Grants, Subsidies and Contributions	419,621	
General Fund Appropriation		419,621
50. R00A02.02 Compensatory Education		
In addition to the appropriation shown on page 98 of the printed bill (first reading file bill), to reflect updated enrollment.		
Object .12 Grants, Subsidies and Contributions	1,530,688	

393	Lawrence J. Hogan, Jr., Gove	rnor	Chapter 19
	General Fund Appropriation		1,530,688
	51. R00A02.24 Limited English Proficient		
	In addition to the appropriation shown on page 100 of the printed bill (first reading file bill), to reflect updated enrollment.		
	Object .12 Grants, Subsidies and Contributions	32	
	General Fund Appropriation		32
	52. R00A02.60 Blueprint for Maryland's Future Grant Program		
	To reduce the appropriation shown on page 100 of the printed bill (first reading file bill), to reflect updated enrollment.		
	Object .12 Grants, Subsidies and Contributions	-23,446	
	Special Fund Appropriation		-23,446
	53. R00A08.01 Office of the Inspector General		
	In addition to the appropriation shown on page 109 of the printed bill (first reading file bill), to provide funds to reclassify one position.		
	Personnel Detail: Reclassifications	98,730	
	Object .01 Salaries, Wages and Fringe Benefits	98,730	

## ST. MARY'S COLLEGE OF MARYLAND

98,730

## 54. R14D00.00 St. Mary's College of Maryland

In addition to the appropriation shown on page 110 of the printed bill (first reading file bill), to provide funds to accurately reflect

General Fund Appropriation .....

the St. Mary's College of Maryland formula.	
Object .02 Technical and Special Fees	
Current Unrestricted Appropriation	3,342
MARYLAND PUBLIC BROADCASTING COMMISSION	
55. R15P00.02 Administration and Support Services	
In addition to the appropriation shown on page 110 of the printed bill, (first reading file bill), to meet the mandate established in Chapter 816 of 2017.	
Object .13 Fixed Objects	
General Fund Appropriation	99,173
UNIVERSITY SYSTEM OF MARYLAND	
56. R30B22.00 University of Maryland, College Park	
In addition to the appropriation shown on page 111 of the printed bill (first reading file bill), to provide funds to the Judge Alexander Williams, Jr. Center for Education, Justice and Ethics for the Prince George's County Justice Reentry Program.	
Object .12 Grants, Subsidies, and Contributions	
Current Unrestricted Fund Appropriation	500,000
MARYLAND HIGHER EDUCATION COMMISSION	
57. R62I00.01 General Administration	
To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds to pay for legal services.	

33,000

Object .08 Contractual Services .....

General Fund Appropriation		33,000
58. R62I00.01 General Administration		
To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds for an Assistant Attorney General position.		
Personnel Detail: Assistant Attorney General 0.40 Fringe	9,961 2,773	
Object .01 Salaries, Wages and Fringe Benefits	12,734	
General Fund Appropriation		12,734
60. R62I00.07 Educational Grants		
To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds for the Save4College State Contribution Program for eligible Maryland College Investment Plans.		
Object .12 Grants, Subsidies, and		
Contributions	98,500	
General Fund Appropriation		98,500
61. R62I00.14 Edward T. and Mary A. Conroy Memorial Scholarship and Jean B. Cryor Memorial Scholarship Program		
To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds for the Edward T. and Mary A. Conroy Memorial Scholarship and Jean B. Cryor Memorial Scholarship program.		
Object .12 Grants, Subsidies, and Contributions	228,693	

228,693		Special Fund Appropriation
		62. R62I00.01 General Administration
		In addition to the appropriation shown on page 113 of the printed bill (first reading file bill), to provide funding for an Assistant Attorney General position.
	39,842 11,092	Personnel Detail: Regular Earnings Fringe
	50,934	Object .01 Salaries, Wages and Fringe Benefits
50,934		General Fund Appropriation
		63. R62I00.07 Educational Grants
		In addition to the appropriation shown on page 114 of the printed bill (first reading file bill), to provide funds for operating costs at the Washington Center for Internships and Academic Seminars.
	100,000	Object .12 Grants, Subsidies, and Contributions
100,000		General Fund Appropriation
		HIGHER EDUCATION
		64. R75T00.01 Support for State Operated Institutions of Higher Education
		In addition to the appropriation shown on page 117 of the printed bill (first reading file bill), to provide funds to accurately reflect the St. Mary's College of Maryland formula.
	3,342	Object .12 Grants, Subsidies, and Contributions
3,342		General Fund Appropriation

## 65. R75T00.01 Support for State Operated Institutions of Higher Education

In addition to the appropriation shown on page 117 of the printed bill (first reading file bill), to provide funds to the Judge Alexander Williams, Jr. Center for Education, Justice and Ethics for the Prince George's County Justice Reentry Program.

Object .12 Grants, Subsidies and

General Fund Appropriation ...... 500,000

### DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

## 66. S00A24.01 Neighborhood Revitalization

In addition to the appropriation shown on page 122 of the printed bill (first reading file bill), to provide funds for the Emergency Solutions Grant Program.

Object .12 Grants, Subsidies and

## 67. S00A24.01 Neighborhood Revitalization

In addition to the appropriation shown on page 122 of the printed bill (first reading file bill), to provide funds for the Circuit Rider Program.

Object .12 Grants, Subsidies and

#### DEPARTMENT OF COMMERCE

68. T00F00.15 Small, Minority, and Women–Owned Business Investment Account In addition to the appropriation shown on page 127 of the printed bill (first reading file bill), to provide funds to be used in accordance with the Clean Energy Jobs Act.

### MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION

## 69. T50T01.09 Maryland Technology Infrastructure Fund

To add an appropriation on page 129 of the printed bill (first reading file bill), to provide financial assistance to eligible recipients under the Maryland Technology Infrastructure Program.

General Fund Appropriation, provided that \$10,000,000 of this appropriation made for the purpose of financial assistance to eligible recipients under the Maryland Technology Infrastructure Program is contingent on HB 343, SB 270, HB 1239, or SB 602 legislation enacted in Calendar 2020 establishing the program

10,000,000

### DEPARTMENT OF JUVENILE SERVICES

## 70. V00I01.01 Western Region Operations

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide positions and funds for contractual position conversions.

## Personnel Detail:

DJS Resident Advisor Trainee	$25.00 \dots$	$248,\!488$
Fringe		69,179

Turnover		
Object .01 Salaries, Wages and Fringe Benefits Object .02 Technical and Special Fees	312,107 -261,714	
	50,393	
General Fund Appropriation		50,393
71. V00I01.01 Western Region Operations		
In addition to the appropriation shown on page 134 of the printed bill (first reading file bill), to provide funds for contractual position conversions.		
Personnel Detail: Regular Earnings Fringe Turnover	993,950 287,649 -89,712	
Object .01 Salaries, Wages and Fringe Benefits Object .02 Technical and Special Fees	1,191,887 -980,146	
	211,741	
General Fund Appropriation		211,741
DEPARTMENT OF STATE PO	LICE	
72. W00A01.03 Criminal Investigation Bureau		
To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2020 to provide funds for contractual overtime.		
Object .02 Technical and Special Fees	400,000	
General Fund Appropriation		400,000
73. W00A01.04 Support Services Bureau		

To become available immediately upon passage of this budget to supplement the

appropriation for fiscal year 2020 to fund				
increased costs associated with: gasoline;				
aviation maintenance; IT support and				
software maintenance; and uniform				
supplies, including bullet proof vests.				

Object .07 Motor Vehicle Operations and Maintenance Object .08 Contractual Services Object .09 Supplies and Materials	2,500,000 300,000 1,000,000	
	3,800,000	
General Fund Appropriation Special Fund Appropriation		2,600,000 1,200,000
74. W00A01.03 Criminal Investigation Bureau		
In addition to the appropriation shown on page 136 of the printed bill (first reading file bill) to provide funding for the build out of the Criminal Enforcement Division's new facility.		
Object .14 Land and Structures	1,974,710	
General Fund Appropriation		1,974,710
75. W00A01.04 Support Services Bureau		
In addition to the appropriation shown on page 136 of the printed bill (first reading file bill) to provide funding for the replacement of vehicles.		
Object .07 Motor Vehicle Operations and Maintenance	1,000,000	
General Fund Appropriation		1,000,000

## PUBLIC DEBT

76. X00A00.01 Redemption and Interest on State Bonds

To adjust the appropriation shown on page 138 of the printed bill (first reading file bill), to

Lawrence J. Hogan, Jr., Governor		Chapter 19
recognize bond premium revenue earned by the State at its March 2020 bond sale.		
Object .13 Fixed Costs	0	
General Fund Appropriation		-90,000,000 90,000,000

## AMENDMENTS TO SENATE BILL 190 / HOUSE BILL 150 (First Reading File Bill)

## Amendment No.1:

On page 10, strike line 29.

Transfers allocation to Council of State Governments.

## Amendment No. 2:

On page 14, in line 23, after "Governor's" strike "Justice" and replace with "Crime Prevention".

Technical correction to accurately reflect the agency's name per the Governor's January 2020 Executive Order.

## Amendment No. 3:

On page 50, in line 19, strike "36,609,558" and substitute "<u>38,339,914</u>", in line 23, strike "15,281,533" and substitute "<u>13,710.657</u>", in line 27, strike "4,159,480" and substitute "<u>4,000,000</u>", and in line 29, strike "20,441,013" and substitute "<u>18,710,657</u>".

Technical adjustment to correct the detailed allocation of transfer tax revenue for land acquisitions and capital development projects.

## Amendment No. 4:

On page 102, in line 21, strike "MdBio Foundation" and substitute "<u>Learning Undefeated</u>".

Technical correction to reflect the appropriate name of the specified grant recipient.

#### Amendment No. 5:

On page 110, in line 25, strike "\$215,561" and replace with "\$314,734" and in line 28, strike "\$13" and replace with "\$16".

Updates the language to reflect corrected mandate funding and correct chapter number.

### Amendment No. 6:

On page 114, in line 20, strike "250,000", and replace with, "350,000".

Adds funding for the Washington Center for Internships and Academic Seminars.

### Amendment No. 7:

On page 117, in line 27, strike "555,171,250", and replace with "<u>555,671,250</u>". On page 118, in line 7 strike, "1,470,785,862", and replace with, "<u>1,471.285.682</u>".

Updates appropriation for University of Maryland, College Park for the Judge Alexander Williams, Jr. Center for Education, Justice and Ethics.

## Amendment No. 8:

On page 118, in line 11, strike "25,677,936", and replace with "25,681,278".

Updates appropriation for St. Mary's College of Maryland to provide funds to accurately reflect formula.

## Amendment No. 9:

On page 144, strike line 30 through 36, and on page 145, strike line 1.

Removes deficiency language for the Maryland Stadium Authority.

## Amendment No. 10:

On page 161, in line 2 and 3, strike "to implement expanded lead prevention activities under Chapter 341 of 2019 and. and"

Technical correction to reflect the activities performed by the Air and Radiation Administration.

## Amendment No. 11:

On page 178, after line 12, insert "Office of the Inspector General", in a new line insert, "Education Inspector General 9909".

Adds the Education Inspector General to the Executive Pay Plan.

## **SUMMARY**

## SUPPLEMENTAL APPROPRIATIONS

	General Funds	Special Funds	Federal Funds	Current Restricted Funds	Current Unrestricted Funds	d Total Funds
Appropriation						
2020 FY	37,287,563	3,728,693	3,023,365	0	0	44,039,621
2021 FY	51,319,509	91,658,217	504,297	0	503,342	143,985,365
Subtotal	88,607,072	95,386,910	3,527,662	0	503,342	188,024,986
Reduction in Appropriation 2020 FY 2021 FY	-3,400,000 -103,394,933	-1,947,990 $-2,273,446$	0	0 0	0	-5,347,990 $-105,668,379$
Subtotal	-106,794,933	-4,221,436	0	0	0	-111,016,369
Net Change in Appropriation	-18,187,861	91,165,474	3,527,662	0	503,342	77,008,617

Sincerely,

Lawrence J. Hogan, Jr. Governor

Enacted under Article III, § 52(6) of the Maryland Constitution, March 18, 2020.

Chapter 20

(House Bill 1)

AN ACT concerning

Built to Learn Act of 2020

FOR the purpose of requiring certain public school construction projects in Prince George's County to comply with a certain memorandum of understanding under certain circumstances; authorizing, on or before a certain date, the Prince George's County government, the Prince George's County Board of Education, and a private entity to enter into a certain public-private partnership agreement; requiring a certain public-private partnership agreement, if entered into by certain parties, to be reviewed by the Maryland Stadium Authority and approved by the Interagency Commission on School Construction in order for certain provisions of law to apply; requiring the Authority to deposit certain amounts into certain funds under certain circumstances during certain fiscal years; requiring the Prince George's County government and the Prince George's County Board to deposit certain amounts required under a certain public-private partnership agreement into a certain fund under certain circumstances during certain fiscal years; requiring the Interagency Commission on School Construction to pay a certain private entity from a certain fund under certain circumstances during certain fiscal years; requiring the Prince George's County government, the Prince George's County Board, and the Interagency Commission on School Construction to submit a certain report on a certain date each year; requiring the Interagency Commission on School Construction to complete a certain evaluation and to submit a report on a certain evaluation on or before a certain date; specifying the administration of and the purpose for which certain funds in the Prince George's County Public-Private Partnership Fund may be used; providing for the investment of money in and expenditures from the Fund; providing that for certain school systems eligible public school construction or capital improvement costs include planning costs under certain circumstances; providing that regulations adopted by the Interagency Commission on School Construction may include certain provisions; requiring the Interagency Commission on School Construction to adopt certain regulations; requiring the Interagency Commission on School Construction to update certain regulations by a certain date; <u>requiring a certain replacement value of certain systems</u> and a certain prioritization of certain systems to be considered during a certain process; requiring a certain reduction to the local cost-share formula and a certain increase to the State cost-share formula for certain counties under certain circumstances; altering the date by which the Interagency Commission on School Construction is required to adopt regulations establishing the use of the results of a certain facility assessment; altering the eligibility requirements and the mandated appropriation for a certain capital grant program; extending the mandated appropriation to the Healthy School Facility Fund for certain fiscal <del>years; years and</del> providing for the allocation of a portion of the funds; exempting the Authority from a certain provision of law; authorizing the use of a combination of State funds for certain projects; requiring grants from the Healthy School Facility Fund to be awarded to schools based on the severity of certain issues in the school; providing that certain plumbing projects be prioritized in the Healthy School Facility Fund application procedures; requiring the Interagency Commission on School Construction or, under certain circumstances, the Authority to conduct a certain evaluation of building life-cycles; authorizing the Interagency Commission on School Construction or the Authority to contract with a third party for a certain purpose; requiring the Interagency Commission to provide certain reimbursements for certain

projects begun on or after a certain date subject to a certain approval; requiring the State Department of Education, the Interagency Commission on School Construction, and the Authority to collaborate with local school systems and community colleges to develop a certain career and technology program or apprenticeship program; providing that contracts to construct a public school facility or for construction on a public school site do not require the prior approval of the Board of Public Works; requiring the Authority to take certain actions related to public school facility projects; prohibiting the power granted to the Authority under this Act from interfering with certain powers of county boards of education; prohibiting certain powers of county boards from limiting the ability of the Authority to carry out certain duties under this Act; authorizing the Authority to issue bonds to finance the construction of or improvements to certain public school facilities subject to certain limitations; specifying that certain expenses incurred by the Authority are payable only from certain funds; specifying that certain bonds issued under this Act are a limited obligation of the Authority payable solely from certain pledged money and are not a debt, liability, moral obligation, or pledge of the faith and credit or taxing power of the State, the Authority, or any other governmental unit; requiring the Authority to obtain approval from the Board of Public Works before each issuance of bonds to finance improvements to public school facilities; authorizing the Authority to issue bonds to finance improvements to a public school facility on or after a certain date; prohibiting the debt service for all outstanding bond issues related to improvements to public school facilities from exceeding a certain amount under certain circumstances; requiring the Comptroller to deposit certain amounts into a certain fund on or before certain dates each year; authorizing the Authority to transfer certain funds under certain circumstances; requiring the Authority and county boards of education to take certain actions in connection with public school facility projects; providing for the payment of certain costs; requiring the Authority to submit a certain report on or before a certain date each year; requiring the Authority to complete a certain evaluation on or before a certain date; requiring the Interagency Commission on School Construction to submit a report on a certain evaluation on or before a certain date; requiring the Interagency Commission on School Construction to approve certain projects to be funded from a certain fund; providing for the allocation of a certain percentage of bond proceeds under certain circumstances; prohibiting the allocation of a certain percentage of bond proceeds for a certain county if a certain condition is met; providing for the reallocation of bond proceeds under certain circumstances; specifying that the allocation of certain bond proceeds represents the State share of eligible public school construction costs under certain circumstances; authorizing certain bond proceeds to be used for certain purposes in a certain jurisdiction; requiring the Authority to take certain actions relating to certain public school facility projects in a certain jurisdiction under certain circumstances; specifying that certain public school facility projects are subject to certain requirements under certain circumstances; requiring the Authority and the Interagency Commission on School Construction to enter into a certain program memorandum of understanding before a public school facility project is approved for funding; requiring the Authority, a county government, and a county board of education to enter into a certain project memorandum of understanding before a public school facility project is approved for funding;

providing that the provisions of a certain project memorandum of understanding prevail in certain circumstances; enabling the Authority to authorize a county board of education to take certain actions related to public school facility projects under certain circumstances after considering the county board's track record of managing public school facility projects; authorizing the Authority to use funds from the Baltimore City Public School Construction Financing Fund and the Baltimore City Public School Construction Facilities Fund for certain purposes; requiring the Authority to produce a certain written assessment before a public school facility project receives certain approval: authorizing a county board to appeal a certain decision by the Authority to the Legislative Policy Committee of the Maryland General Assembly: altering the composition of the Workgroup on the Assessment and Funding of School Facilities; requiring the Senate President and the Speaker of the House of Delegates to appoint the chair of the Workgroup; altering the date of the Workgroup report; establishing the Supplemental Public School Construction Financing Fund, the Supplemental Public School Construction Facilities Fund, and the Public School Facilities Priority Fund as continuing, nonlapsing funds; specifying the contents of the funds and providing for the uses of the funds; requiring the Interagency Commission on School Construction or, under certain circumstances, the Authority to conduct a certain analysis and compare the use of certain energy systems before the Interagency Commission on School Construction may provide funding for a project from the Public School Facilities Priority Fund; exempting from the sales and use tax certain construction material purchased by the Authority for certain projects; exempting the funds from a certain provision of law requiring interest on State money in special funds to accrue to the General Fund of the State; providing that money deposited in certain funds may be used as security for a bond issue; repealing certain provisions requiring funds from the Education Trust Fund to be used for certain capital projects; requiring the Governor, beginning in a certain fiscal year, to include in the annual budget submission certain amounts or percentages of certain revenues as supplemental funding for certain purposes; requiring that certain funding be in addition to certain State funding provided in certain grades in public schools; requiring the Governor, beginning in a certain fiscal year, to identify in the annual budget as introduced how certain revenues are being used to supplement certain spending on education in certain grades in public schools; requiring each county board to complete and submit a certain capacity study on or before a certain date to the Interagency Commission on School Construction and certain legislative committees; stating the intent of the General Assembly; requiring an appropriation of a certain amount to the Authority in a certain fiscal year for certain costs; repealing certain provisions of law; defining certain terms; altering certain definitions; making stylistic changes; providing for a delayed effective date for certain provisions of this Act; making certain provisions of this Act subject to a certain contingency; making this Act contingent on the taking effect of another Act; and generally relating to public school construction projects in the State.

## BY renumbering

Article – Education Section 4–126.1 and 5–206, respectively to be Section 4–126.2 and 5–324, respectively Annotated Code of Maryland (2018 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Education

Section 4–126, 5–303(a) and  $\frac{\text{(d)(3)}}{\text{(d)(2)}}$  and  $\frac{\text{(3)}}{\text{(3)}}$ ,  $\frac{5-310(g)(2)}{5-310(g)}$ , 5–313, and 5–322

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

## BY adding to

Article – Education

Section 4–126.1, <del>5–303(d)(5)</del> <u>5–303(d)(5)</u> and (k), and 5–325, <u>5–326</u>, and <u>21–207</u>

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article - Education

Section 4-126.2

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

(As enacted by Section 1 of this Act)

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 10–601, <u>10–608</u>, 10–618, 10–620(e) and (f), 10–628(c)(1), 10–634, <u>10–656(b)</u>, 10–657(b), and 10–658

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

## BY adding to

Article – Economic Development

Section 10-645(n), 10-649, 10-650, 10-658, and 10-658.1

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

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

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)121. and 122. and 11–203(c)

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

## BY adding to

Article - State Finance and Procurement

Section 6–226(a)(2)(ii)123., 124., and 125.

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

## BY repealing and reenacting, with amendments,

Article – State Government

Section 9-1A-30

Annotated Code of Maryland

(2014 Replacement Volume and 2019 Supplement)

## BY repealing and reenacting, without amendments,

Chapter 14 of the Acts of the General Assembly of 2018 Section 3(a)

## BY repealing and reenacting, with amendments,

Chapter 14 of the Acts of the General Assembly of 2018 Section 3(b)(3), (c), and (g)

## BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6-226(a)(2)(ii)123. and 124.

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

(As enacted by Section 3 of this Act)

### BY adding to

Article - Tax - General

Section 11–236

Annotated Code of Maryland

(2016 Replacement Volume and 2019 Supplement)

### BY repealing

Article – Education

Section 5–317

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

## BY repealing

Article - Education

Section 5–324

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

(As enacted by Section 1 of this Act)

## BY repealing

The Public Local Laws of Baltimore County

<u>Section 9–1–104(d)</u>

<u>Article 3 – Public Local Laws of Maryland</u>

(2015 Edition and October 2019 Supplement, as amended)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 4–126.1 and 5–206, respectively, of Article – Education of the Annotated Code of Maryland be renumbered to be Section(s) 4–126.2 and 5–324, respectively.

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

### Article - Education

4-126.

- (a) (1) In this section the following words have the meanings indicated.
- (2) "Alternative financing methods" includes one or more of the following methods:
- (i) Sale—leaseback arrangements, in which a county board agrees to transfer title to a property, including improvements, to a private entity that simultaneously agrees to lease the property back to the county board and, on a specified date, transfer title back to the county board;
- (ii) Lease-leaseback arrangements, in which a county board leases a property to a private entity that improves the property and leases the property, with the improvements, back to the county board;
- (iii) Public-private partnership agreements, in which a county board contracts with a county revenue authority or a private entity for the acquisition, design, construction, improvement, renovation, expansion, equipping, or financing of a public school, and may include provisions for cooperative use of the school or an adjacent property and generation of revenue to offset the cost of construction or use of the school;
- (iv) Performance—based contracting, in which a county board enters into an energy performance contract to obtain funding for a project with guaranteed energy savings over a specified time period;
- (v) Preference—based arrangements, by which a local governing body gives preference first to business entities located in the county and then to business entities located in other counties in the State for any construction that is not subject to prevailing wage rates under Title 17, Subtitle 2 of the State Finance and Procurement Article;

- (vi) Design—build arrangements, that permit a county board to contract with a design—build business entity for the combined design and construction of qualified education facilities, including financing mechanisms where the business entity assists the local governing body in obtaining project financing; and
- (vii) Design-construct-operate-maintain-finance arrangements that permit a county board to contract with a county revenue authority or a private entity for the design, construction, operation, and maintenance of a public school under terms agreed to by the parties.
- (b) (1) Except when prohibited by local law, in order to finance or to speed delivery of, transfer risks of, or otherwise enhance the delivery of public school construction, a county board, with the approval of the county governing body in accordance with subsection (d) of this section, may:
  - (i) Use alternative financing methods;
- (ii) Engage in competitive negotiation, rather than competitive bidding, in limited circumstances, including construction management at—risk arrangements and other alternative project delivery arrangements, as provided in regulations adopted by the Interagency Commission on School Construction;
- (iii) Accept unsolicited proposals for the development of public schools in limited circumstances, as provided in regulations adopted by the Interagency Commission on School Construction;
  - (iv) Solicit proposals for the development of public schools;
- (v) Lease property from a county revenue authority or a private entity for use as a public school facility; and
- (vi) Use quality—based selection, in which selection is based on a combination of qualifications and cost factors, to select developers and builders, as provided in regulations adopted by the Interagency Commission on School Construction.
- (2) The alternative financing methods described under paragraph (1)(i) of this subsection may include reserves sufficient to cover operation, facility renewal, maintenance, and energy costs as part of a contract.
- (c) Use of alternative financing methods under this section may not be construed to prohibit the allocation of State funds for public school construction to a project under the Public School Construction Program.
- (d) A county board may not use alternative financing methods under this section without the approval of the county governing body.

- (e) (1) Except as provided in paragraphs (2) and (3) of this subsection, § 2–303(f) and Title 5, Subtitle 3 of this article and the regulations that govern the Public School Construction Program do not apply to projects that use alternative financing methods under this section.
- (ii) Nothing in this section may be construed to authorize or require State approval before an alternative financing method may be used by a local school system.
- (2) If a project that receives State funding uses alternative financing methods under this section, the project shall be submitted to the Interagency Commission on School Construction for review.
- (3) (i) Projects that use alternative financing methods under this section and receive State funding shall comply with the following requirements:
- 1. Except as provided in subparagraph (ii) of this paragraph, the State and local cost—share established for each county in regulations;
- 2. Except as provided in subparagraph (ii) of this paragraph, the maximum State construction allocation for each project approved for State funding;
- 3. Except as provided in subparagraph (ii) of this paragraph, the approval of project funding by the Interagency Commission on School Construction;
  - 4. Smart growth requirements;
  - 5. Minority business enterprise requirements;
  - 6. Prevailing wage requirements;
  - 7. Environmental requirements; and
- 8. A requirement for a procurement process that includes public notice and results in the most advantageous proposal.
- (ii) In Prince George's County, projects that use alternative financing methods under this section and receive State funding for a yearly availability payment:
- 1. Do not have to comply with the requirements under subparagraph (i)1 through 3 of this paragraph;
- 2. Shall comply with the requirements under subparagraph (i)4 through 8 of this paragraph; and
- 3. [Shall] **EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH, SHALL** comply with a three–party memorandum of understanding

entered into and signed by the Prince George's County Board, Prince George's County, and the Interagency Commission on School Construction that:

- A. Specifies the roles, rights, terms, and responsibilities of each party with respect to school projects undertaken with a private or public entity using alternative financing methods, including any amounts the parties are required to deposit into the Prince George's County Public–Private Partnership Fund established under § [4–126.1] 4–126.2 of this subtitle;
- B. Specifies that § 2–203(f) and Title 5, Subtitle 3 of this article and regulations governing the Public School Construction Program are not applicable to projects using alternative financing methods;
- C. Requires the Prince George's County Board to submit projects to the Interagency Commission on School Construction for review before commencement of the project;
- D. Specifies the time frames in which the Interagency Commission on School Construction shall complete its review of projects;
- E. Requires the Prince George's County Board to submit annual reports to Prince George's County and the Interagency Commission on School Construction during the term of the alternative financing method contract with the public or private entity; and
- F. Identifies a dedicated source of State funding for an availability payment.
- (III) IN PRINCE GEORGE'S COUNTY, FOR A PROJECT THAT USES ALTERNATIVE FINANCING METHODS UNDER THIS SECTION AND RECEIVES STATE FUNDING FOR A YEARLY AVAILABILITY PAYMENT FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND UNDER § 10–658 OF THE ECONOMIC DEVELOPMENT ARTICLE, THE PROJECT SHALL COMPLY WITH THE PROJECT MEMORANDUM OF UNDERSTANDING UNDER § 10–650 OF THE ECONOMIC DEVELOPMENT ARTICLE.

## 4-126.1.

(A) IN THIS SECTION, "PUBLIC-PRIVATE PARTNERSHIP AGREEMENT" MEANS AN AGREEMENT IN WHICH A COUNTY GOVERNMENT AND A COUNTY BOARD OF EDUCATION CONTRACT WITH A PRIVATE ENTITY FOR THE ACQUISITION, DESIGN, CONSTRUCTION, IMPROVEMENT, RENOVATION, EXPANSION, EQUIPPING, OR FINANCING OF A PUBLIC SCHOOL, AND MAY INCLUDE PROVISIONS FOR OPERATION AND MAINTENANCE OF A SCHOOL, COOPERATIVE USE OF THE SCHOOL OR AN

ADJACENT PROPERTY, AND GENERATION OF REVENUE TO OFFSET THE COST OF CONSTRUCTION OR USE OF THE SCHOOL.

- (B) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, § 4–126 OF THIS SUBTITLE APPLIES TO A PUBLIC–PRIVATE PARTNERSHIP AGREEMENT ENTERED INTO IN ACCORDANCE WITH THIS SECTION.
- (C) (1) This section applies only if, on or before July 1, 2021 2022, the Prince George's County government and the Prince George's County Board enter into a public-private partnership agreement with a private entity to enhance the delivery of public school construction in Prince George's County.
- (2) BEFORE ENTERING INTO A PUBLIC-PRIVATE PARTNERSHIP AGREEMENT UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT SHALL BE REVIEWED BY THE MARYLAND STADIUM AUTHORITY AND APPROVED BY THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION.
- (D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, IN FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER THROUGH NOT LATER THAN FISCAL YEAR 2053, IF THE PRINCE GEORGE'S COUNTY GOVERNMENT, THE PRINCE GEORGE'S COUNTY BOARD, AND THE PRIVATE ENTITY REMAIN IN THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED UNDER SUBSECTION (C) OF THIS SECTION, THE MARYLAND STADIUM AUTHORITY SHALL DEPOSIT THE AMOUNT UNDER § 10–658 OF THE ECONOMIC DEVELOPMENT ARTICLE FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND ESTABLISHED UNDER § 10–658 OF THE ECONOMIC DEVELOPMENT ARTICLE INTO THE PRINCE GEORGE'S COUNTY PUBLIC-PRIVATE PARTNERSHIP FUND ESTABLISHED UNDER § 4–126.2 OF THIS SUBTITLE.
- (2) PARAGRAPH (1) OF THIS SUBSECTION APPLIES ONLY IF THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED UNDER SUBSECTION (C) OF THIS SECTION INCLUDES:
- (I) A MINIMUM OF 10 6 SCHOOLS THAT WILL BE IMPROVED, CONSTRUCTED, OR RENOVATED AND OPERATED AND MAINTAINED UNDER THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT; AND
- (II) A COMMITMENT BY THE PRINCE GEORGE'S COUNTY GOVERNMENT AND THE PRINCE GEORGE'S COUNTY BOARD TO PROVIDE THE LOCAL SHARE OF THE TOTAL AVAILABILITY PAYMENT.

- (3) In fiscal year 2024 and each fiscal year thereafter through not later than fiscal year 2053, if the Prince George's County Government, the Prince George's County Board, and the private entity remain in the public-private partnership agreement described under subsection (c) of this section, the Prince George's County government and the Prince George's County Board each shall deposit the availability payment amount required under the public-private partnership agreement into the Prince George's County Public-Private Partnership Fund established under § 4–126.2 of this subtitle.
- **(E)** IN FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER THROUGH NOT LATER THAN FISCAL YEAR 2053, IF THE PRINCE GEORGE'S COUNTY GOVERNMENT, THE PRINCE GEORGE'S COUNTY BOARD, AND THE PRIVATE ENTITY REMAIN IN THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED UNDER SUBSECTION (C) OF THIS SECTION AND THE PRINCE GEORGE'S COUNTY GOVERNMENT AND THE PRINCE GEORGE'S COUNTY BOARD DEPOSIT THE AVAILABILITY PAYMENT IN THE MANNER DESCRIBED UNDER SUBSECTION (D)(3) OF THIS SECTION, THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL PAY THE PRIVATE ENTITY FROM THE PRINCE GEORGE'S COUNTY PUBLIC-PRIVATE PARTNERSHIP FUND ESTABLISHED UNDER § 4-126.2 OF THIS FOR AVAILABILITY PAYMENT REQUIRED UNDER SUBTITLE  $\mathbf{THE}$ THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT.
- (F) ON JANUARY 15, 2022, AND EACH JANUARY 15 THEREAFTER, THE PRINCE GEORGE'S COUNTY GOVERNMENT, THE PRINCE GEORGE'S COUNTY BOARD, AND THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION JOINTLY SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, THE FISCAL COMMITTEES OF THE GENERAL ASSEMBLY ON THE PROGRESS OF CONSTRUCTION AND RENOVATIONS OF PUBLIC SCHOOL FACILITIES UNDER THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED UNDER SUBSECTION (C) OF THIS SECTION, INCLUDING ACTIONS:
  - (1) TAKEN DURING THE PREVIOUS FISCAL YEAR; AND
  - (2) PLANNED FOR THE CURRENT FISCAL YEAR.
- (G) (1) ON OR BEFORE JULY 1, 2026 2027, THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL COMPLETE A 5-YEAR EVALUATION OF THE EFFECTIVENESS OF THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED UNDER SUBSECTION (C) OF THIS SECTION.
- (2) ON OR BEFORE DECEMBER 31, 2026 2027, THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL SUBMIT A REPORT ON THE

RESULTS OF THE EVALUATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, THE FISCAL COMMITTEES OF THE GENERAL ASSEMBLY.

#### 4-126.2.

- (a) In this section, "Fund" means the Prince George's County Public-Private Partnership Fund.
  - (b) There is a Prince George's County Public-Private Partnership Fund.
- (c) The purpose of the Fund is to provide funds to pay a public or private entity for the availability payment due under the Prince George's County public—private partnership agreement entered into in accordance with [§ 4–126] § 4–126.1 of this subtitle.
- (d) The Interagency Commission on School Construction shall administer the Fund as described in the three–party memorandum of understanding entered into under § 4–126(e)(3)(ii) of this subtitle **OR THE PROJECT MEMORANDUM OF UNDERSTANDING DESCRIBED IN § 10–650(F) OF THE ECONOMIC DEVELOPMENT ARTICLE**.
- (e) (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.
  - (f) The Fund consists of:
- (1) Money deposited into the Fund by Prince George's County [and], the Prince George's County Board, AND THE MARYLAND STADIUM AUTHORITY;
  - (2) Money deposited into the Fund by the State;
  - (3) Any investment earnings of the Fund; and
- (4) Any other money from any other source accepted for the benefit of the Fund.
- (g) (1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE Fund may be used only to provide funding for alternative financing methods under § 4–126 of this subtitle in Prince George's County.
- (2) If Prince George's County receives State funding for an availability payment under 4-126.1 of this subtitle, the funding received under 4-126.1 of this subtitle may be used only to pay an

AVAILABILITY PAYMENT TO A PRIVATE ENTITY UNDER THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT ENTERED INTO AND APPROVED IN ACCORDANCE WITH § 4–126.1 OF THIS SUBTITLE.

- (h) Any appropriation to the Fund shall be used to supplement, but not supplant, money appropriated to Prince George's County for public school construction under the Public School Construction Program established in Title 5, Subtitle 3 of this article.
- (I) (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.
- [(i)] (J) If a memorandum of understanding is entered into under § 4–126 of this subtitle OR § 10–650(F) OF THE ECONOMIC DEVELOPMENT ARTICLE and State funding is provided for an availability payment, the Prince George's County Board and Prince George's County shall deposit into the Fund the amounts required under the memorandum of understanding.
- [(j)] (K) On January 15, 2021, and each January 15 thereafter, the Prince George's County Board, Prince George's County, and the Interagency Commission on School Construction jointly shall report to the Governor and, in accordance with § 2–1257 of the State Government Article, the fiscal committees of the General Assembly, on the progress of construction and renovations of public school facilities using an alternative financing method and that receive State funds, including actions:
  - (1) Taken during the previous fiscal year; and
  - (2) Planned for the current fiscal year.

5–303.

- (a) (1) (i) The Interagency Commission shall define by regulation what constitutes an eligible and ineligible public school construction or capital improvement cost.
- (ii) [In] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, IN order for the cost of an item or a system funded with the proceeds of general obligation bonds to be considered an eligible cost, it must have a median useful life of at least 15 years.
- (2) (i) The Interagency Commission shall include modular construction as an approved public school construction or capital cost.
  - (ii) The Interagency Commission[,] shall adopt regulations that:

- 1. Define modular construction; and
- 2. Establish the minimum specifications required for approval of modular construction as a public school construction or capital improvement cost.
- (3) The cost of acquiring land may not be considered a construction or capital improvement cost and may not be paid by the State.
- (4) THE INTERAGENCY COMMISSION SHALL ADOPT REGULATIONS FOR THE PUBLIC SCHOOL CONSTRUCTION PROGRAM THAT INCLUDE:
- (I) INCLUDE ARCHITECTURAL, ENGINEERING, CONSULTING, AND OTHER PLANNING COSTS AS ELIGIBLE PUBLIC SCHOOL CONSTRUCTION OR CAPITAL IMPROVEMENT COSTS FOR A PROJECT OR IMPROVEMENT THAT:
- (I) IS LOCATED IN A COUNTY THAT HAS LESS THAN 20,000 FULL TIME EQUIVALENT ENROLLMENT AS DEFINED IN § 5–202 OF THIS TITLE; AND
- (H) HAS HAS RECEIVED LOCAL PLANNING APPROVAL FROM THE INTERAGENCY COMMISSION; AND
- (II) DEFINE ELIGIBILITY FOR ALL FURNITURE, FIXTURES, AND EQUIPMENT WITH A MEDIAN USEFUL LIFE OF AT LEAST 15 YEARS.
- (d) (2) The regulations adopted by the Interagency Commission may contain requirements for:
- (i) The submission of other data or information that is relevant to school construction or capital improvement;
- (ii) The approval of sites, plans, and specifications for the construction of new school buildings or the improvement of existing buildings;
  - (iii) Site improvements;
  - (iv) Competitive bidding;
- (v) The hiring of personnel in connection with school construction or capital improvements;
- (vi) The actual construction of school buildings or their improvements;

- (vii) The relative roles of different State and local governmental agencies in the planning and construction of school buildings or school capital improvements;
- (viii) School construction and capital improvements necessary or appropriate for the proper implementation of this section;
- (ix) The establishment of priority public school construction programs;
- (x) <u>Development of cooperative arrangements that permit the</u> sharing of facilities among two or more school systems;
  - (xi) The selection of architects and engineers by school systems;
  - (xii) The award of contracts by school systems; [and]
- (xiii) Methods of payments made by the State under the Public School Construction Program; AND

# (XIV) THE USE OF A STANDARD STATEWIDE COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM FOR A SCHOOL FACILITIES MAINTENANCE WORK ORDER TRACKING AND REPORTING.

- (3) The regulations adopted by the Interagency Commission shall contain provisions:
- (i) <u>Establishing SUBJECT TO SUBSECTION (K) OF THIS SECTION,</u>
  <u>ESTABLISHING</u> a State and local cost—share formula for each county that identifies the factors used in establishing the formulas AND THE ACTUAL STATE AND LOCAL COST—SHARE PERCENTAGES PRODUCED BY THE FORMULA FOR EACH COUNTY;
- (ii) Requiring local education agencies to adopt educational facilities master plans and annual capital improvement programs;
- (iii) Providing a method for establishing a maximum State construction allocation for each project approved for State funding;
- (iv) Referencing the policies stated in § 5–7B–07 of the State Finance and Procurement Article;
- (v) Requiring local school systems to adopt procedures consistent with the minority business enterprise policies of the State as required under the Code of Maryland Regulations;

- (vi) Establishing a process for appeal of Interagency Commission decisions;
- (vii) Requiring local education agencies to adopt, implement, and periodically update comprehensive maintenance plans and preventative maintenance plans;
- (viii) Authorizing the Interagency Commission to withhold State public school construction funds from a local education agency that fails to comply with the requirements of item (vii) of this paragraph;
- (ix) Requiring the development and submission of long-range plans, including a requirement for the annual submission of a 10-Year Educational Facilities Master Plan; and
- (x) Requiring the submission of an annual Capital Improvement Program, which may only be required to include plans for specific projects and requests for planning and construction projects for the upcoming fiscal year.
- (5) THE INTERAGENCY COMMISSION SHALL UPDATE THE REGULATIONS REQUIRED UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION EVERY 2 YEARS.
- (K) (1) A COUNTY IS ELIGIBLE FOR AN ADJUSTMENT TO THE LOCAL COST-SHARE FOR SCHOOL CONSTRUCTION PROJECTS UNDER PARAGRAPH (2) OF THIS SUBSECTION IF:
- (I) A COUNTY'S MEDIAN FAMILY HOUSEHOLD INCOME IS IN THE BOTTOM QUARTILE IN THE STATE; AND
- (II) THE STATE AND LOCAL COST-SHARE FORMULA FOR THE COUNTY IS 50% STATE AND 50% LOCAL.
- (2) (I) THE LOCAL COST-SHARE OF A SCHOOL CONSTRUCTION PROJECT IN A COUNTY THAT IS ELIGIBLE UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE REDUCED TO EQUAL THE LOCAL COST-SHARE OF THE ADJACENT COUNTY THAT IS LESS THAN 50% BUT CLOSEST TO 50%.
- (II) THE STATE COST-SHARE OF A SCHOOL CONSTRUCTION PROJECT IN THE ELIGIBLE COUNTY SHALL BE INCREASED BY A PERCENTAGE THAT IS EQUAL TO THE REDUCTION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

- (g) (1) After completion of the initial facility assessment, the Interagency Commission shall share the data results with the Workgroup on the Assessment and Funding of School Facilities and, with the Workgroup, shall consider:
- (i) How the relative condition of public school facilities within the educational facilities sufficiency standards and the facility condition index should be prioritized, taking into account local priorities and in consultation with local jurisdictions; and
- (ii) If determined to be appropriate, use of the assessment results in funding decisions.
- (2) <u>During the consideration process under paragraph</u> (1)(I) of this subsection, the Interagency Commission and the Workgroup shall:
- (I) EVALUATE EACH SCHOOL'S FACILITIES USING THE REPLACEMENT VALUE OF A MODERN SYSTEM; AND
- (II) PRIORITIZE BUILDING SYSTEMS THAT ARE FURTHEST BEYOND THE USEFUL LIFE OF THE SYSTEM.
- (2) (3) Based on the recommendations of the Workgroup on the Assessment and Funding of School Facilities, and not before May 1, [2020] 2023 2022, for use in funding decisions beginning no sooner than fiscal year [2021] 2024 2023, the Interagency Commission shall adopt regulations establishing the use of the facility assessment results in annual school construction funding decisions.

5-313.

- (a) (1) In this section the following words have the meanings indicated.
- (2) "Program" means the Capital Grant Program for Local School Systems With Significant Enrollment Growth or Relocatable Classrooms.
- (3) "Significant enrollment growth" means full—time equivalent enrollment growth in a local school system that has exceeded 150% of the statewide average over the past 5 years.
- (4) "Significant number of relocatable classrooms" means an average of more than [300] **250** relocatable classrooms in a local school system over the past 5 years.
- (b) (1) There is a Capital Grant Program for Local School Systems With Significant Enrollment Growth or Relocatable Classrooms.

- (2) The purpose of the Program is to provide grants for public school construction in local school systems that are experiencing significant enrollment growth or a significant number of relocatable classrooms.
- (c) (1) The Program shall be implemented and administered by the Interagency Commission on School Construction in accordance with this section.
  - (2) Grants awarded by the Interagency Commission under the Program:
- (i) Shall be matched by local funds equal to the required local cost—share established in accordance with § 5–303(d)(3) of this subtitle; and
  - (ii) Shall be approved by the Board of Public Works.
  - (d) The Interagency Commission shall:
- (1) Provide grants from State funds dedicated for the Program to county boards for public school construction in local school systems that are experiencing significant enrollment growth or a significant number of relocatable classrooms;
- (2) Develop a procedure for a county board to apply for a grant under the Program;
- (3) Develop eligibility requirements for a county board to receive a grant under the Program, including a requirement for a county board to provide funds to match a grant award; and
- (4) Develop FOR THE FIRST \$40,000,000 OF GRANTS, DEVELOP a process to allocate grant awards under the Program that allocate funds based on each eligible county board's proportionate share of the total full—time equivalent enrollment of the county boards that are eligible to participate in the Program; AND
- (5) AFTER THE ALLOCATION OF GRANTS UNDER ITEM (4) OF THIS SUBSECTION, FOR THE REMAINING GRANTS, DEVELOP A PROCESS TO ALLOCATE GRANT AWARDS UNDER THE PROGRAM THAT ALLOCATES FUNDS BASED ON EACH ELIGIBLE COUNTY BOARD'S PROPORTIONATE SHARE OF PERCENTAGE OF ENROLLMENT GROWTH ABOVE THE STATEWIDE AVERAGE PERCENTAGE.
- (e) In addition to the annual amount otherwise provided in the capital improvement program of the Public School Construction Program, the Governor annually shall provide an additional amount as follows in the **OPERATING BUDGET OR** capital improvement program of the Public School Construction Program that may be used only to award grants under the Program:
  - (1) In fiscal year 2016, \$20,000,000; [and]

- (2) In EACH OF fiscal [year] YEARS 2017 [and each fiscal year thereafter,] THROUGH 2026, \$40,000,000; AND
- (3) IN FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER, \$80,000,000.
- (f) The State funding provided under the Program is supplemental to and is not intended to take the place of funding that would otherwise be appropriated for public school construction purposes to a county board from any other source.
- (g) The Interagency Commission shall adopt procedures necessary to implement this section.

5-322.

- (a) In this section, "Fund" means the Healthy School Facility Fund.
- (b) There is a Healthy School Facility Fund.
- (c) The purpose of the Fund is to provide grants to public primary and secondary schools in the State to improve the health of school facilities.
- (d) The Interagency Commission on School Construction shall administer the Fund.
- (e) (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.
  - (f) The Fund consists of:
    - (1) Money appropriated in the State budget to the Fund;
    - (2) Any interest earnings of the Fund; and
- (3) Any other money from any other source accepted for the benefit of the Fund.
- (g) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.
  - (2) Any interest earnings of the Fund shall be credited to the Fund.
- (h) Expenditures from the Fund may be made only in accordance with the State budget.

- (i) Money expended from the Fund is supplemental to and is not intended to take the place of funding that otherwise would be appropriated to primary and secondary schools under this article.
- (j) (1) (I) In each of fiscal years 2020 [and 2021] **THROUGH 2022**, the Governor shall appropriate at least \$30,000,000 to the Fund.

## (II) IN EACH OF FISCAL YEARS 2023 AND 2024, THE GOVERNOR SHALL APPROPRIATE AT LEAST \$40,000,000 TO THE FUND.

# (III) FOR EACH OF FISCAL YEARS 2021 THROUGH 2024, 50% OF THE FUNDS APPROPRIATED UNDER SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH SHALL BE AWARDED TO PUBLIC SCHOOLS IN BALTIMORE CITY.

- (2) (i) Subject to subparagraphs (ii) and (iii) of this paragraph, the Interagency Commission on School Construction shall give priority in awarding grants to schools based on the severity of issues in the school, including:
  - 1. Air conditioning;
  - 2. Heating;
  - 3. Indoor air quality;
  - 4. Mold remediation;
  - 5. Temperature regulation;
- 6. Plumbing, including the presence of lead in drinking water outlets in school buildings; and
  - 7. Windows; AND

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- (ii) No jurisdiction may receive more than a total of \$15,000,000 in a fiscal year.
- (iii) The amount of the grant is not required to cover the full cost of the project.
- (k) (1) Subject to paragraphs (2) and (3) of this subsection, the Interagency Commission on School Construction shall establish application procedures for school systems to request funds under this section.

- (2) The Interagency Commission on School Construction shall establish award procedures to make awards distributed from the Fund not more than 45 days after receiving an application.
- (3) (i) The Interagency Commission on School Construction, in consultation with the Department of the Environment, shall establish application procedures for school systems to request funds under this section to assist with the costs of implementing remedial measures to address the presence of lead in drinking water outlets in school buildings.
- (ii) The application procedures established under subparagraph (i) of this paragraph shall include procedures for prioritizing applications **FOR PLUMBING PROJECTS**, with priority first given to applications requesting funds for water fountains or bubblers, and then to applications requesting funds for:
- 1. Faucets or taps that are used or potentially used for drinking or food preparation;
  - 2. Ice makers; or
  - 3. Hot drink machines.

### *5–325*.

- (A) THE INTERAGENCY COMMISSION OR, IF REQUIRED UNDER SUBSECTION (B) OF THIS SECTION, THE MARYLAND STADIUM AUTHORITY SHALL EVALUATE THE LIFE CYCLE COSTS OF PUBLIC SCHOOL BUILDINGS OVER A 50-YEAR PERIOD, INCLUDING:
- (1) AN EVALUATION, BASED ON A 50-YEAR PERIOD, OF THE COST AND EFFICIENCY OF USING ALTERNATIVE ENERGY SYSTEMS, INCLUDING GEOTHERMAL, SOLAR, WIND, AND ENERGY STORAGE COMPARED TO A TRADITIONAL ENERGY SYSTEM;
- (2) AN ENERGY CONSUMPTION AND SYSTEMS REPLACEMENT ANALYSIS, BASED ON A 50-YEAR PERIOD, OF EACH MAJOR PIECE OF EQUIPMENT IN ANY OF THE FOLLOWING SYSTEMS SERVING THE PUBLIC SCHOOL BUILDING:
  - (I) THE COOLING SYSTEM;
  - (II) THE HEATING SYSTEM;
  - (III) THE HOT WATER SYSTEM;

- (IV) THE LIGHTING SYSTEM;
- (V) THE VENTILATION SYSTEM; OR
- (VI) ANY OTHER MAJOR SYSTEM THAT USES ENERGY; AND
- (3) THE IMPACT OF INNOVATIVE BUILDING DESIGN AND MATERIALS ON ENERGY CONSUMPTION, INCLUDING WHITE ROOFS AND GREEN ROOFS.
- (B) THE INTERAGENCY COMMISSION OR THE MARYLAND STADIUM AUTHORITY, AS APPLICABLE, MAY CONTRACT WITH A THIRD PARTY TO CONDUCT THE EVALUATION UNDER SUBSECTION (A) OF THIS SECTION.
- (C) (1) The evaluation required under subsection (a) of this section shall be conducted and submitted to the General Assembly in accordance with § 2–1257 of the State Government Article on or before October 1, 2023.
- (2) ON OR BEFORE OCTOBER 1, 2020, AND EACH OCTOBER 1 THROUGH 2022, THE INTERAGENCY COMMISSION OR THE MARYLAND STADIUM AUTHORITY SHALL PROVIDE ANNUAL UPDATES ON THE PROGRESS OF THE EVALUATION TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE.

## 21-207.

THE DEPARTMENT, THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION, AND THE MARYLAND STADIUM AUTHORITY SHALL COLLABORATE WITH LOCAL SCHOOL SYSTEMS AND COMMUNITY COLLEGES TO DEVELOP A CAREER AND TECHNICAL EDUCATION PROGRAM OR AN APPRENTICESHIP PATHWAY IN SCHOOL BUILDING MAINTENANCE THAT LEADS TO AN INDUSTRY RECOGNIZED CERTIFICATE OR CREDENTIAL.

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

## Article - Economic Development

10-601.

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Authority" means the Maryland Stadium Authority.

- (c) "Authority affiliate" means a for-profit or nonprofit entity in which the Authority directly or indirectly owns any membership interest or equity interest.
  - (d) "Baltimore City" means, as the context requires:
    - (1) the geographic area of the City of Baltimore; or
    - (2) the Mayor and City Council of Baltimore.
- (e) "Baltimore City Board of School Commissioners" means the Baltimore City Board of School Commissioners of the Baltimore City Public School System established under § 3–108.1 of the Education Article.
- (f) "Baltimore City Public School Construction Facilities Fund" means the Baltimore City Public School Construction Facilities Fund established under § 10–657 of this subtitle.
- (g) "Baltimore City Public School Construction Financing Fund" means the Baltimore City Public School Construction Financing Fund established under § 10–656 of this subtitle.
- (h) "Baltimore City public school facility" means a property primarily used for educational instruction that:
- (1) is held in trust by Baltimore City or the Baltimore City Board of School Commissioners for the benefit of the Baltimore City Public School System; and
- (2) is designated for improvement under the memorandum of understanding between the Authority, Baltimore City, the Baltimore City Board of School Commissioners, and the Interagency Committee on School Construction entered into in accordance with § 10–646 of this subtitle.
- (i) "Baltimore City public school site" means the site of any Baltimore City public school facility.
  - (j) (1) "Baltimore Convention facility" means:
- (i) a convention center, trade show facility, meeting hall, or other structure in Baltimore City used to hold conventions, trade shows, meetings, displays, or similar events; and
- (ii) offices, parking lots or garages, access roads, hotels, restaurants, railroad sidings, and any other structures, improvements, equipment, furnishings, or other property functionally related to the facilities described in item (i) of this paragraph.
- (2) "Baltimore Convention facility" includes the following, if used, useful, or usable in the future as, or in connection with, a Baltimore Convention facility:

- (i) land, structures, equipment, property, property rights, property appurtenances, rights—of—way, franchises, easements, and other interests in land;
- (ii) land and facilities that are functionally related to a Baltimore Convention facility; and
- (iii) patents, licenses, and other rights necessary or useful to construct or operate a Baltimore Convention facility.
- (k) "Baltimore Convention Fund" means the Baltimore Convention Financing Fund established under § 10–651 of this subtitle.
- (l) "Baltimore Convention site" means all properties within the area bounded by the 200 and 300 blocks of South Charles Street on the east, the 100 and 200 blocks of Conway Street on the south, the 200 and 300 blocks of South Howard Street on the west, and the 100 and 200 blocks of West Pratt Street on the north.
- (m) "Bond" includes a note, an interim certificate, refunding bond, and any other evidence of obligation issued under this subtitle.
- (n) "Camden Yards" means the area comprising approximately 85 acres in Baltimore City bounded by Camden Street on the north, Russell Street on the west, Ostend Street on the south, and Howard Street and Interstate 395 on the east.
- (o) "Camden Yards Fund" means the Camden Yards Financing Fund established under  $\S 10-652$  of this subtitle.
- (p) "Convention facility" means the Baltimore Convention facility, the Montgomery County Conference facility, and the Ocean City Convention facility.
  - (Q) (1) "COUNTY" MEANS, AS THE CONTEXT REQUIRES:
    - (I) THE GEOGRAPHIC AREA OF THE COUNTY; OR
    - (II) THE GOVERNING BODY OF THE COUNTY.
    - (2) "COUNTY" INCLUDES BALTIMORE CITY.
- (R) "COUNTY BOARD OF EDUCATION" MEANS THE BOARD OF EDUCATION OF A COUNTY AND INCLUDES THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS.
  - [(q)] (S) "Facility" means:
    - (1) a structure or other improvement developed at Camden Yards;

- (2) a convention facility;
- (3) the Hippodrome Performing Arts facility;
- (4) a sports facility; [or]
- (5) a Baltimore City public school facility; **OR**
- (6) A PUBLIC SCHOOL FACILITY.
- [(r)] (T) "Governmental unit" means a county, a municipal corporation, a unit of State or local government, or any other public body created under State or local law.
- [(s)] (U) (1) "Hippodrome Performing Arts facility" means the performing arts center facility located at the Hippodrome Performing Arts site.
- (2) "Hippodrome Performing Arts facility" includes, at the Hippodrome Performing Arts site:
  - (i) the Hippodrome theater and offices;
  - (ii) food service facilities; and
- (iii) any other functionally related property, structures, improvements, furnishings, or equipment.
- [(t)] (V) "Hippodrome Performing Arts Fund" means the Hippodrome Performing Arts Financing Fund established under § 10–653 of this subtitle.
- [(u)] (W) "Hippodrome Performing Arts site" means the site of the France-Merrick Performing Arts Center located in Baltimore City at the address generally known as:
- (1) 12 North Eutaw Street Building, identified in the State Department of Assessments and Taxation Real Property database as tax identification number Ward 04, Section 08, Block 0631, Lot 001; and
- (2) 401 West Fayette Street, identified in the State Department of Assessments and Taxation Real Property database as tax identification number Ward 04, Section 08, Block 0631, Lot 013.
- [(v)] (X) "Improve" means to add, alter, construct, equip, expand, extend, improve, install, reconstruct, rehabilitate, remodel, or repair.

- [(w)] (Y) "Improvement" means addition, alteration, construction, equipping, expansion, extension, improvement, installation, reconstruction, rehabilitation, remodeling, or repair.
- [(x)] (Z) "Montgomery County" includes the Montgomery County Revenue Authority.
- [(y)] (AA) (1) "Montgomery County Conference facility" means the Conference Center facility located at the Montgomery County Conference site used for conferences, trade shows, meetings, displays, or similar events.
- (2) "Montgomery County Conference facility" includes, at the Montgomery County Conference site, offices, parking lots and garages, access roads, food service facilities, and other functionally related property, structures, improvements, furnishings, or equipment.
- (3) "Montgomery County Conference facility" does not include the privately owned hotel adjacent to the Montgomery County Conference Center.
- [(z)] (BB) "Montgomery County Conference Fund" means the Montgomery County Conference Financing Fund established under § 10–654 of this subtitle.
- [(aa)] (CC) "Montgomery County Conference site" means the site of the Montgomery County Conference Center located in Rockville at the address generally known as 5701 Marinelli Road, identified in the State Department of Assessments and Taxation Real Property database as tax identification number District 04, Account Number 03392987.

## [(bb)] (DD) (1) "Ocean City Convention facility" means:

- (i) a convention center, trade show facility, meeting hall, or other structure in Ocean City used to hold conventions, trade shows, meetings, displays, or similar events; and
- (ii) offices, parking lots or garages, access roads, food service facilities, and any other structures, improvements, equipment, furnishings, or other property functionally related to the facilities described in item (i) of this paragraph.
- (2) "Ocean City Convention facility" includes the following, if used, useful, or usable in the future as, or in connection with, an Ocean City Convention facility:
- (i) land, structures, equipment, property, property rights, property appurtenances, rights-of-way, franchises, easements, and other interests in land;
- (ii) land and facilities that are functionally related to an Ocean City Convention facility; and

- (iii) patents, licenses, and other rights necessary or useful to construct or operate an Ocean City Convention facility.
- [(cc)] (EE) "Ocean City Convention Fund" means the Ocean City Convention Financing Fund established under § 10–655 of this subtitle.
- [(dd)] (FF) "Ocean City Convention site" means the site of the Ocean City Convention Center located in Ocean City at the address generally known as 4001 Coastal Highway, identified in the State Department of Assessments and Taxation Real Property database as tax identification numbers District 10, Account Number 055237; District 10, Account Number 066301; District 10, Account Number 247942; and District 10, Account Number 280346.
- (GG) "PROGRAM MEMORANDUM OF UNDERSTANDING" MEANS THE MEMORANDUM OF UNDERSTANDING BETWEEN THE AUTHORITY AND THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION ENTERED INTO IN ACCORDANCE WITH § 10–650 OF THIS SUBTITLE.
- (HH) "PROJECT MEMORANDUM OF UNDERSTANDING" MEANS THE MEMORANDUM OF UNDERSTANDING BETWEEN THE AUTHORITY, THE COUNTY, <u>AND</u> THE COUNTY BOARD OF EDUCATION<del>, AND THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION</del> ENTERED INTO IN ACCORDANCE WITH § 10–650 OF THIS SUBTITLE.
- (II) "PUBLIC SCHOOL FACILITY" MEANS A BUILDING, AND MAY INCLUDE A PARKING FACILITY, AN ATHLETIC FACILITY, OR ANY OTHER FACILITY RELATED TO EDUCATIONAL INSTRUCTION THAT:
- (1) IS HELD IN TRUST BY A COUNTY BOARD OF EDUCATION, OR THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY, FOR THE BENEFIT OF THE COUNTY PUBLIC SCHOOL SYSTEM; AND
- (2) IS DESIGNATED FOR IMPROVEMENT UNDER A MEMORANDUM OF UNDERSTANDING ENTERED INTO IN ACCORDANCE WITH § 10-650 OF THIS SUBTITLE.
- (JJ) "PUBLIC SCHOOL SITE" MEANS THE SITE OF ANY PUBLIC SCHOOL FACILITY IN THE STATE.
  - [(ee)] (KK) (1) "Sports facility" means:
- (i) a stadium primarily for professional football, major league professional baseball, or both, in the Baltimore metropolitan region, as defined in § 13–301 of this article;

- (ii) practice fields or other areas where professional football or major league professional baseball teams practice or perform; and
- (iii) offices for professional football and major league professional baseball teams or franchises.
- (2) "Sports facility" includes parking lots, garages, and any other property adjacent and directly related to an item listed in paragraph (1) of this subsection.
- [(ff)] (LL) "Supplemental Facilities Fund" means the Supplemental Facilities Fund established under § 10–657.1 of this subtitle.
- [(gg)] (MM) (1) "Supplemental facility" means a structure or other improvement developed in Baltimore City outside Camden Yards.
- (2) "Supplemental facility" does not include the Baltimore Convention facility or the Hippodrome Performing Arts facility.
  - [(hh)] (NN) "Supplemental facility site" means the site of any supplemental facility.
- (00) "SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND" MEANS THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND ESTABLISHED UNDER § 10–658.1 OF THIS SUBTITLE.
- (PP) "SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND" MEANS THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND ESTABLISHED UNDER § 10–658 OF THIS SUBTITLE.
- [(ii)] (QQ) "Tax supported debt" has the meaning stated in § 8–104 of the State Finance and Procurement Article.

### *10–608.*

#### *The Authority is exempt:*

- (1) from taxation by the State and local government;
- (2) except as provided in Title 12, Subtitle 4 and Title 14, Subtitle 3 of the State Finance and Procurement Article, from Division II of the State Finance and Procurement Article;
- (3) FROM § 15–112 OF THE STATE FINANCE AND PROCUREMENT ARTICLE; and

[(3)] (4) from the provisions of Division I of the State Personnel and Pensions Article that govern the State Personnel Management System.

10-618.

- (a) (1) [Contracts] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, CONTRACTS to acquire any facility site, to construct the facility, or for construction on the facility site require the prior approval of the Board of Public Works.
- (2) CONTRACTS TO CONSTRUCT A PUBLIC SCHOOL FACILITY OR FOR CONSTRUCTION ON A PUBLIC SCHOOL SITE DO NOT REQUIRE THE PRIOR APPROVAL OF THE BOARD OF PUBLIC WORKS.
  - (b) The Authority may:
    - (1) acquire by any of the means specified in § 10–620(a) of this subtitle:
      - (i) a site at Camden Yards for a facility;
      - (ii) a Baltimore Convention site or an interest in the site;
      - (iii) an Ocean City Convention site or an interest in the site;
      - (iv) a Montgomery County Conference site or an interest in the site;

and

- (v) a Hippodrome Performing Arts site or an interest in the site; and
- (2) construct or enter into a contract to construct a facility on a site it acquires under this subsection.

10-620.

- (e) (1) This subsection does not apply to the Camden Yards site, Baltimore Convention site, Ocean City Convention site, Hippodrome Performing Arts site, any Baltimore City public school site, [or] any supplemental facility site, OR ANY PUBLIC SCHOOL SITE.
- (2) The Authority and any Authority affiliate is subject to applicable planning, zoning, and development regulations to the same extent as a private commercial or industrial enterprise.
  - (f) The Authority shall:

- (1) in cooperation with Baltimore City, appoint a task force that includes residents and business and institutional representatives from the area adjacent to Camden Yards to review the schematic, preliminary, and final plans for facilities at Camden Yards;
- (2) submit schematic plans for development of Camden Yards and the Baltimore Convention site to Baltimore City for review and comment before acquiring any property;
- (3) with respect to Camden Yards, the Baltimore Convention facility, and the Hippodrome Performing Arts facility, submit preliminary and final plans to Baltimore City for review and comment;
- (4) with respect to Camden Yards, the Baltimore Convention facility, and the Hippodrome Performing Arts facility, participate in the design review processes of Baltimore City; [and]
- (5) with respect to a Baltimore City public school facility, perform the actions required under §§ 10–645, 10–646, 10–656, and 10–657 of this subtitle; **AND**
- (6) WITH RESPECT TO A PUBLIC SCHOOL FACILITY, PERFORM THE ACTIONS REQUIRED UNDER §§ 10–649, 10–650, 10–658, AND 10–658.1 OF THIS SUBTITLE.

10-628.

- (c) (1) Unless authorized by the General Assembly, the Board of Public Works may not approve an issuance by the Authority of bonds, whether taxable or tax exempt, that constitute tax supported debt or nontax supported debt if, after issuance, there would be outstanding and unpaid more than the following face amounts of the bonds for the purpose of financing acquisition, construction, renovation, and related expenses for construction management, professional fees, and contingencies in connection with:
  - (i) the Baltimore Convention facility \$55,000,000;
  - (ii) the Hippodrome Performing Arts facility \$20,250,000;
  - (iii) the Montgomery County Conference facility \$23,185,000;
  - (iv) the Ocean City Convention facility \$24,500,000;
  - (v) Baltimore City public school facilities \$1,100,000,000; [and]
  - (vi) supplemental facilities \$25,000,000; AND
- (VII) PUBLIC SCHOOL FACILITIES IN THE STATE \$2,200,000,000.

10-634.

- (a) A pledge by the Authority of revenues or money deposited in the Baltimore City Public School Construction Financing Fund OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND as security for an issue of bonds is valid and binding from when the pledge is made.
- (b) (1) The revenues or money deposited in the Baltimore City Public School Construction Financing Fund OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND that are pledged are immediately subject to the lien of the pledge without any physical delivery or further act.
- (2) The lien of any pledge is valid and binding against any person having a claim against the Authority in tort, contract, or otherwise, regardless of whether the person has notice of the lien.
- (c) Notwithstanding any other provision of law, in order to perfect a lien on pledged revenues or money deposited in the Baltimore City Public School Construction Financing Fund OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND against a third person, it is not necessary to file or record any document adopted or entered into by the Authority in any public record other than in the records of the Authority.

#### *10–645*.

(N) STATE FUNDS FROM OTHER SOURCES, GRANTS, OR PROGRAMS MAY BE USED IN COMBINATION WITH FUNDS PROVIDED UNDER THIS SECTION FOR A PROJECT.

10-649.

- (A) (1) EXCEPT AS AGREED TO IN THE PROGRAM MEMORANDUM OF UNDERSTANDING UNDER PROVIDED IN § 10–650 OF THIS SUBTITLE, THE AUTHORITY SHALL COMPLY WITH THIS SECTION AND § 5–303 OF THE EDUCATION ARTICLE TO FINANCE IMPROVEMENTS TO A PUBLIC SCHOOL FACILITY.
- (2) The Authority, as agreed to in the project memorandum of understanding under § 10–650 of this subtitle and subject to paragraph (1) of this subsection, shall be responsible for school facilities construction and improvements financed with the proceeds of bonds issued under this subtitle.
- (3) (I) EXCEPT AS AGREED TO IN THE PROJECT MEMORANDUM OF UNDERSTANDING UNDER §  $10{\text -}650$  OF THIS SUBTITLE AND SUBJECT TO

SUBPARAGRAPH (II) OF THIS PARAGRAPH, A POWER GRANTED TO THE AUTHORITY UNDER THIS SUBTITLE MAY NOT IN ANY WAY INTERFERE WITH THE ENUMERATED POWERS OF A COUNTY BOARD OF EDUCATION UNDER TITLE 3 OF THE EDUCATION ARTICLE.

- (II) THE POWERS OF THE COUNTY BOARD OF EDUCATION MAY NOT LIMIT THE ABILITY OF THE AUTHORITY TO CARRY OUT ITS OBLIGATIONS UNDER THIS SUBTITLE WITH RESPECT TO IMPROVEMENTS OF THE PUBLIC SCHOOL FACILITY AND THE FINANCING RELATED TO THE IMPROVEMENTS.
- (B) (1) EXCEPT AS PROVIDED IN SUBSECTION (J)(1) OF THIS SECTION, THE AUTHORITY MAY NOT USE ANY CURRENT SOURCES OF FUNDS, WHETHER APPROPRIATED OR NONBUDGETED, TO PAY FOR ANY COSTS OR EXPENSES RELATED TO FINANCING PUBLIC SCHOOL FACILITIES.
- (2) THE SOLE SOURCE OF PAYMENT FOR ANY COSTS OR EXPENSES RELATED TO FINANCING PUBLIC SCHOOL FACILITIES SHALL BE THE MONEY ON DEPOSIT IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND BOND PROCEEDS HELD UNDER A TRUST AGREEMENT.
- (C) AT LEAST 45 DAYS BEFORE SEEKING APPROVAL OF THE BOARD OF PUBLIC WORKS FOR EACH PUBLIC SCHOOL FACILITIES BOND ISSUE, THE AUTHORITY SHALL PROVIDE TO THE FISCAL COMMITTEES OF THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, WRITTEN NOTICE OF:
- (1) THE AGGREGATE AMOUNT OF FUNDS NEEDED FOR THE PUBLIC SCHOOL FACILITIES TO BE FINANCED WITH THE PROPOSED BONDS;
- (2) THE ANTICIPATED TOTAL DEBT SERVICE FOR THE PROPOSED BOND ISSUE; AND
- (3) THE ANTICIPATED TOTAL DEBT SERVICE WHEN COMBINED WITH THE DEBT SERVICE FOR ALL PRIOR OUTSTANDING BOND ISSUES FOR PUBLIC SCHOOL FACILITIES.
- (D) (1) A BOND ISSUED TO FINANCE IMPROVEMENTS, CONSTRUCTION, OR RENOVATIONS TO A PUBLIC SCHOOL FACILITY:
- (I) IS A LIMITED OBLIGATION OF THE AUTHORITY PAYABLE SOLELY FROM MONEY PLEDGED BY THE AUTHORITY TO THE PAYMENT OF THE PRINCIPAL OF AND THE PREMIUM AND INTEREST ON THE BOND OR MONEY MADE AVAILABLE TO THE AUTHORITY FOR THAT PURPOSE;

- (II) IS NOT A DEBT, LIABILITY, OR PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE STATE, THE AUTHORITY, OR ANY OTHER GOVERNMENTAL UNIT; AND
- (III) MAY NOT GIVE RISE TO ANY PECUNIARY LIABILITY OF THE STATE, THE AUTHORITY, OR ANY OTHER GOVERNMENTAL UNIT.
- (2) THE ISSUANCE OF A BOND TO FINANCE IMPROVEMENTS TO A PUBLIC SCHOOL FACILITY IS NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY A MORAL OR OTHER OBLIGATION OF THE STATE, THE AUTHORITY, OR ANY OTHER GOVERNMENTAL UNIT TO LEVY OR PLEDGE ANY TAX OR TO MAKE AN APPROPRIATION TO PAY THE BOND.
- (3) EACH BOND SHALL STATE ON ITS FACE THE PROVISIONS OF PARAGRAPHS (1) AND (2) OF THIS SUBSECTION.
- (E) (1) BEFORE EACH ISSUANCE OF BONDS TO FINANCE IMPROVEMENTS TO A PUBLIC SCHOOL FACILITY, THE AUTHORITY SHALL OBTAIN THE APPROVAL OF THE BOARD OF PUBLIC WORKS OF THE AGGREGATE AMOUNT OF THE PROPOSED BOND ISSUE.
- (2) THE AUTHORITY MAY ISSUE BONDS TO FINANCE IMPROVEMENTS TO A PUBLIC SCHOOL FACILITY ON OR AFTER JANUARY 1, 2021.
- (F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE TOTAL DEBT SERVICE FOR ANY BOND ISSUE, WHEN ADDED TO ALL PRIOR OUTSTANDING BOND ISSUES RELATED TO IMPROVEMENTS TO PUBLIC SCHOOL FACILITIES, MAY NOT EXCEED THE TOTAL AMOUNT OF THE FUNDS PROVIDED UNDER SUBSECTION (G) OF THIS SECTION.
- (2) IF PRINCE GEORGE'S COUNTY ENTERS INTO A PUBLIC-PRIVATE PARTNERSHIP AGREEMENT UNDER § 4–126.1 OF THE EDUCATION ARTICLE, THE TOTAL DEBT SERVICE FOR ALL BOND ISSUES MAY NOT EXCEED \$100,000,000.
- (G) (1) IN ACCORDANCE WITH § 9–1A–30 OF THE STATE GOVERNMENT ARTICLE, THE COMPTROLLER SHALL DEPOSIT A PORTION OF THE MONEY IN THE EDUCATION TRUST FUND INTO THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.
- (2) THE FUNDS UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE DEPOSITED IN THE FOLLOWING AMOUNTS:
  - (I) IN FISCAL YEAR 2022 \$30,000,000;

- (II) IN FISCAL YEAR 2023 \$60,000,000; AND
- (III) IN FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER  $-\$125{,}000{,}000$ .
- (3) THE COMPTROLLER SHALL DEPOSIT 50% OF THE FUNDS UNDER PARAGRAPH (2) OF THIS SUBSECTION ON OR BEFORE NOVEMBER 1 EACH YEAR AND THE OTHER 50% ON OR BEFORE MAY 1 EACH YEAR.
- (H) (1) IF THE MONEY DEPOSITED INTO THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IN ACCORDANCE WITH SUBSECTION (G) OF THIS SECTION IS NOT NEEDED FOR DEBT SERVICE OR DEBT SERVICE RESERVES, THE AUTHORITY MAY TRANSFER THOSE FUNDS TO THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.
- (2) IF FUNDS ARE NEEDED FOR DEBT SERVICE OR DEBT SERVICE RESERVES, THE AUTHORITY MAY TRANSFER MONEY IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND TO THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.
- (I) EXCEPT AS AGREED TO IN THE PROJECT MEMORANDUM OF UNDERSTANDING UNDER § 10-650 OF THIS SUBTITLE:
- (1) THE AUTHORITY SHALL CONTRACT FOR, MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND; AND
  - (2) THE COUNTY BOARD OF EDUCATION SHALL:
- (I) DELIVER TO THE AUTHORITY BUILDABLE SITES, READY FOR IMPROVEMENT AND FREE FROM ANY RESTRICTIONS, EASEMENTS, IMPEDIMENTS, HAZARDS, OR CONDITIONS THAT WOULD AFFECT THE AUTHORITY'S SCHEDULE OR BUDGET FOR THE IMPROVEMENT TO A PUBLIC SCHOOL FACILITY;
- (II) DELIVER TO THE AUTHORITY A PUBLIC SCHOOL FACILITY WITH TITLE THAT HAS VESTED IN THE COUNTY BOARD OF EDUCATION OR IN AN ENTITY APPROVED BY THE COUNTY BOARD OF EDUCATION OTHER THAN THE AUTHORITY; AND
- (III) ENSURE THAT NO PUBLIC SCHOOL FACILITY IS SOLD, ASSIGNED, MORTGAGED, PLEDGED, OR ENCUMBERED WITHOUT THE CONSENT OF THE AUTHORITY IF THERE ARE PROCEEDS OF BONDS STILL OUTSTANDING OR

UNPAID THAT WERE USED IN THE CONSTRUCTION OF OR RENOVATIONS TO THE PUBLIC SCHOOL FACILITY.

- (J) (1) BEFORE ANY BONDS ARE ISSUED TO FINANCE IMPROVEMENTS TO A PUBLIC SCHOOL FACILITY, THE AUTHORITY MAY PAY FOR ANY COSTS OF START-UP, ADMINISTRATION, OVERHEAD, AND OPERATIONS OF THE AUTHORITY OR COSTS OF ENGINEERING, ARCHITECTURAL, AND OTHER DESIGN PROFESSIONALS.
- (2) BEFORE THE AVAILABILITY OF FUNDS FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND, THE AUTHORITY SHALL BE ENTITLED TO REIMBURSEMENT FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND FOR ANY COSTS DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION.
- (K) ON JANUARY 15, 2021, AND EACH JANUARY 15 THEREAFTER, THE AUTHORITY SHALL REPORT TO THE GOVERNOR, THE BOARD OF PUBLIC WORKS, AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, THE FISCAL COMMITTEES OF THE GENERAL ASSEMBLY ON THE PROGRESS OF CONSTRUCTION AND RENOVATIONS OF PUBLIC SCHOOL FACILITIES, INCLUDING ACTIONS:
  - (1) TAKEN DURING THE PREVIOUS FISCAL YEAR; AND
  - (2) PLANNED FOR THE CURRENT FISCAL YEAR.
- (L) (1) ON OR BEFORE JULY 1, 2030, THE AUTHORITY SHALL COMPLETE A 10-YEAR EVALUATION OF THE EFFECTIVENESS OF THE ISSUANCE OF BONDS TO FINANCE CONSTRUCTION AND RENOVATIONS OF PUBLIC SCHOOL FACILITIES.
- (2) ON OR BEFORE DECEMBER 31, 2030, THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL SUBMIT A REPORT ON THE RESULTS OF THE EVALUATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, THE FISCAL COMMITTEES OF THE GENERAL ASSEMBLY.

#### 10-650.

(A) (1) THE EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3), (3), AND (4) OF THIS SUBSECTION, THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL, IN ACCORDANCE WITH THE PROCESS ESTABLISHED IN § 5–304 OF THE EDUCATION ARTICLE, ON A ROLLING BASIS, APPROVE PUBLIC SCHOOL FACILITY PROJECTS TO BE FUNDED FROM THE SUPPLEMENTAL PUBLIC

SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

- PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND SHALL BE PROJECTS THAT THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION HAS DEEMED ELIGIBLE FOR FUNDING BUT STATE FUNDING FOR THE PROJECTS HAS BEEN DEFERRED DUE TO FISCAL CONSTRAINTS.
- (3) THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION MAY NOT APPROVE A PUBLIC SCHOOL FACILITY PROJECT THAT WOULD REIMBURSE A COUNTY FOR A PUBLIC SCHOOL FACILITY THAT HAS BEEN COMPLETED.
- (4) (I) The Subject to the approval of the Authority, the Interagency Commission on School Construction shall provide funds to public school facility projects from the Supplemental Public School Construction Financing Fund or the Supplemental Public School Construction Facilities Fund to reimburse eligible costs approve expenditures for eligible costs to be reimbursed for a public school facility that begins construction on or after June 1, 2020.
- (II) ELIGIBLE COSTS IN SUBPARAGRAPH (I) OF THIS PARAGRAPH INCLUDE ITEMS ELIGIBLE FOR STATE FUNDING AS PROVIDED IN SUBSECTION (C) OF THIS SECTION.
- (B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AND EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, A PERCENTAGE OF THE PROCEEDS OF THE BONDS AUTHORIZED UNDER § 10–628 OF THIS SUBTITLE SHALL BE ALLOCATED TO PROJECTS APPROVED BY THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION IN THE FOLLOWING AMOUNTS:
  - (I) ANNE ARUNDEL COUNTY 12.5%;
  - (II) BALTIMORE CITY -21.0%;
  - (III) BALTIMORE COUNTY 21.0%;
  - (IV) FREDERICK COUNTY 5.1%;
  - (V) HOWARD COUNTY -6.6%;
  - (VI) MONTGOMERY COUNTY 21.0%; AND

- (VII) ALL OTHER COUNTIES 11.5%.
- (2) (1) A SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, A PERCENTAGE OF THE BOND PROCEEDS SPECIFIED FOR BALTIMORE CITY UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE USED TO PROVIDE AN AMOUNT EQUAL TO NOT MORE THAN 6% OF THE TOTAL ALLOCATION FOR BALTIMORE CITY FOR A PROJECT AT A SCHOOL WITHIN AN AREA DESIGNATED FOR GRANT FUNDING THROUGH THE CHOICE NEIGHBORHOOD PROGRAM ADMINISTERED BY THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND COORDINATED LOCALLY BY THE HOUSING AUTHORITY OF BALTIMORE CITY.
- (II) THE ALLOCATION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BE PROVIDED ONLY IF THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY SECURE AT LEAST \$30,000,000 IN ADDITIONAL REVENUES FOR THE PROJECT.
- (3) FOR PRINCE GEORGE'S COUNTY, THE COUNTY'S SHARE OF THE ADDITIONAL SCHOOL CONSTRUCTION ALLOCATION WILL BE PROVIDED THROUGH THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT ENTERED INTO AND APPROVED IN ACCORDANCE WITH § 4–126.1 OF THE EDUCATION ARTICLE.
- (4) ANY ALLOCATIONS NOT UTILIZED BY A COUNTY OR COUNTY BOARD OF EDUCATION WITHIN 10 YEARS AFTER THE ALLOCATION SHALL BE SUBJECT TO REALLOCATION.
- (5) STATE FUNDS FROM OTHER SOURCES, GRANTS, OR PROGRAMS MAY BE USED IN COMBINATION WITH FUNDS PROVIDED UNDER THIS SECTION FOR A PROJECT.
- (C) (1) THE EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (2) PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, THE ALLOCATION OF BOND PROCEEDS AUTHORIZED IN § 10–628 OF THIS SUBTITLE REPRESENTS THE STATE SHARE OF ELIGIBLE PUBLIC SCHOOL CONSTRUCTION OR CAPITAL IMPROVEMENT COSTS AS ESTABLISHED BY REGULATION IN ACCORDANCE WITH § 5–303 OF THE EDUCATION ARTICLE, WHICH SHALL INCLUDE ARCHITECTURAL, ENGINEERING, CONSULTING, AND OTHER PLANNING COSTS AS ELIGIBLE COSTS.
- (2) FOR A COUNTY THAT RECEIVES THE MINIMUM STATE SHARE OF ELIGIBLE SCHOOL CONSTRUCTION COSTS AND HAS ADVANCED CONSTRUCTION FUNDING FOR PROJECTS IN THE PUBLIC SCHOOL CONSTRUCTION PROGRAM THAT THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION HAS APPROVED FOR PLANNING, THE STATE SHARE OF ELIGIBLE COSTS FOR THE ALLOCATION OF BOND PROCEEDS AUTHORIZED IN § 10–628 OF THIS SUBTITLE SHALL INCLUDE 150% OF

THE APPLICABLE GROSS AREA BASELINE IN GROSS SQUARE FOOT PER STUDENT FOR EACH PROJECT.

- (3) IN BALTIMORE CITY, THE BOND PROCEEDS AUTHORIZED UNDER § 10–628 OF THIS SUBTITLE MAY BE USED FOR FURNITURE, FIXTURES, EQUIPMENT, DESIGN, AND THE STAFF NECESSARY TO MANAGE THE SCHOOL CONSTRUCTION PROJECTS.
- (D) (1) EXCEPT AS AGREED TO IN THE PROJECT MEMORANDUM OF UNDERSTANDING UNDER THIS SECTION, THE AUTHORITY SHALL CONTRACT FOR, MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.
- (2) IN BALTIMORE CITY, THE AUTHORITY SHALL CONTRACT FOR, MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.
- (3) If a county board of education contracts for, manages, and oversees a public school facility project funded from the Supplemental Public School Construction Financing Fund and the Supplemental Public School Construction Facilities Fund, the public school facility project shall be subject to the same requirements and procedures that govern the Public School Construction Program.
- (E) (1) BEFORE A PUBLIC SCHOOL FACILITY PROJECT IS APPROVED FOR FUNDING FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND, THE AUTHORITY AND THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL ENTER INTO A PROGRAM MEMORANDUM OF UNDERSTANDING.
- (2) EXCEPT AS PROVIDED UNDER PARAGRAPH (3) OF THIS SUBSECTION, THE PROGRAM MEMORANDUM OF UNDERSTANDING UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL:
- (I) PROVIDE FOR THE AUTHORITY'S RIGHT TO ASSUME A PROJECT UNDERTAKEN UNDER CERTAIN CIRCUMSTANCES;
- (II) PROVIDE, GENERALLY, FOR THE ORDER AND CONTROL OF ALL FUNDING FOR PUBLIC SCHOOL FACILITY CONSTRUCTION PROJECTS UNDER THIS SUBTITLE;

- (III) AUTHORIZE THE AUTHORITY TO MAKE FINAL DECISIONS INVOLVING DISPUTES THAT MAY IMPACT ANY AUTHORITY OBLIGATIONS UNDER THIS SUBTITLE; AND
- (IV) 1. AUTHORIZE THE AUTHORITY TO REVIEW AND APPROVE PROJECT BUDGETS; OR
- 2. AUTHORIZE THE AUTHORITY TO REVIEW AND COMMENT ON PROJECT BUDGETS, IF A PUBLIC SCHOOL FACILITY PROJECT FUNDED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IS BEING CONTRACTED FOR, MANAGED, OR OVERSEEN BY A COUNTY AND A COUNTY BOARD OF EDUCATION.
- (3) IF THE COUNTY BOARD OF EDUCATION CONTRACTS FOR, MANAGES, AND OVERSEES PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND, THE PROGRAM MEMORANDUM OF UNDERSTANDING MAY NOT INCLUDE THE PROVISIONS UNDER PARAGRAPH (2)(I) AND (IV)1 OF THIS SUBSECTION.
- (F) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, BEFORE A PUBLIC SCHOOL FACILITY PROJECT IS APPROVED FOR FUNDING FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND, THE AUTHORITY, THE COUNTY GOVERNMENT, AND THE COUNTY BOARD OF EDUCATION SHALL ENTER INTO A PROJECT MEMORANDUM OF UNDERSTANDING FOR A PUBLIC SCHOOL FACILITY THAT SHALL BE SUBJECT TO APPROVAL BY THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION.
- (II) THE PROJECT MEMORANDUM OF UNDERSTANDING REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL:
- 1. BE SUBJECT TO THE APPLICABLE TERMS AND CONDITIONS SET FORTH IN THE PROGRAM MEMORANDUM OF UNDERSTANDING UNDER SUBSECTION (E)(2) OF THIS SECTION;
- 2. IDENTIFY SPECIFIC PARAMETERS REGARDING THE ROLES AND RESPONSIBILITIES OF EACH PARTY WITH RESPECT TO BUDGET REVIEW AND APPROVAL, PROCUREMENT, DESIGN, SCHEDULE, CONSTRUCTION ADMINISTRATION, AND CONTRACT COMPLIANCE AND REPORTING;
- 3. RESERVE THE RIGHT OF THE AUTHORITY TO ASSUME A PROJECT UNDER CERTAIN CIRCUMSTANCES;

- 4. INCLUDE A PROVISION THAT THE STATE AND LOCAL COST-SHARE FOR THE COUNTY ESTABLISHED IN REGULATIONS SHALL APPLY TO A COUNTY PUBLIC SCHOOL FACILITY APPROVED FOR FUNDING FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND OR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND; AND
- 5. REQUIRE THE COUNTY AND COUNTY BOARD OF EDUCATION TO GIVE PRIORITY IN FUNDING PROJECTS TO SCHOOLS:
- A. THAT ARE THE OLDEST BUILDINGS IN THE SCHOOL SYSTEM WITH SIGNIFICANT FACILITY DEFICIENCIES;
- B. WITH HIGH CONCENTRATIONS OF STUDENTS ELIGIBLE FOR FREE OR REDUCED PRICE MEALS;
- C. WITH A HIGH NUMBER OF RELOCATABLE CLASSROOMS; OR
- D. WITH A HIGH UTILIZATION BASED ON THE SCHOOL'S STATE RATED CAPACITY;
- E. WITH SPACE NEEDS FOR FULL-DAY PREKINDERGARTEN OR CAREER AND TECHNICAL EDUCATION PROGRAMS; AND
- 6. INCLUDE A COMPREHENSIVE PLAN FOR LOCAL HIRING AND A PLAN TO MAXIMIZE THE UTILIZATION OF STATE-CERTIFIED LOCALLY BASED MINORITY AND WOMEN-OWNED BUSINESSES FOR PROJECTS APPROVED FOR FUNDING.
- (2) FOR BALTIMORE CITY, IF A PROVISION OF THE MEMORANDUM OF UNDERSTANDING ENTERED INTO IN ACCORDANCE WITH § 10–646 OF THIS SUBTITLE CONFLICTS WITH A PROVISION OF THE PROJECT MEMORANDUM OF UNDERSTANDING UNDER THIS SUBSECTION, THE PROVISION OF THE PROJECT MEMORANDUM OF UNDERSTANDING IN § 10–646 OF THIS SUBTITLE SHALL PREVAIL.
- (3) (I) 1. EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE AUTHORITY MAY AUTHORIZE A COUNTY BOARD OF EDUCATION TO CONTRACT FOR, MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IN THE PROJECT MEMORANDUM OF UNDERSTANDING.

- 2. THE AUTHORITY SHALL CONSIDER A COUNTY BOARD OF EDUCATION'S TRACK RECORD OF MANAGING PUBLIC SCHOOL FACILITY PROJECTS WHEN AUTHORIZING A COUNTY UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH.
- <u>2. IN DECIDING WHETHER TO AUTHORIZE A COUNTY BOARD TO TAKE CERTAIN ACTIONS UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, THE AUTHORITY SHALL CONSIDER THE COUNTY BOARD'S:</u>
- A. TRACK RECORD IN MANAGING PUBLIC SCHOOL FACILITY PROJECTS, INCLUDING COMPLETING PROJECTS ON SCHEDULE AND WITHIN BUDGET; AND
- B. EXPERTISE AND CAPACITY TO MANAGE THE PROPOSED PUBLIC SCHOOL PROJECTS.
- 3. IF A COUNTY BOARD DISAGREES WITH THE AUTHORITY'S DECISION UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, THE COUNTY BOARD MAY APPEAL TO THE LEGISLATIVE POLICY COMMITTEE OF THE MARYLAND GENERAL ASSEMBLY.
- (II) IN BALTIMORE CITY, THE AUTHORITY SHALL CONTRACT FOR, MANAGE, AND OVERSEE PUBLIC SCHOOL FACILITY PROJECTS FUNDED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

*10–656*.

- (b) (1) The Baltimore City Public School Construction Financing Fund is a continuing, nonlapsing fund that shall be available in perpetuity to implement this subtitle concerning Baltimore City public school facilities.
  - (2) The Authority shall:
- (i) use the Baltimore City Public School Construction Financing
  Fund as a revolving fund for carrying out this subtitle concerning Baltimore City public
  school facilities; and
- (ii) pay any and all expenses from the Baltimore City Public School Construction Financing Fund that are incurred by the Authority related to any Baltimore City public school facilities.
- (3) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE AUTHORITY MAY USE \$10,000,000 OF AVAILABLE FUNDS HELD IN RESERVE FOR BALTIMORE CITY, IN ACCORDANCE WITH § 10–645(I) OF THIS SUBTITLE, TO

SUPPLEMENT FUNDING FOR ADDITIONAL BALTIMORE CITY PROJECTS IN ACCORDANCE WITH THE MEMORANDUM OF UNDERSTANDING UNDER § 10–646 OF THIS SUBTITLE.

#### *10–657*.

(b) (1) The Baltimore City Public School Construction Facilities Fund is a continuing, nonlapsing fund that shall be available in perpetuity to implement this subtitle concerning Baltimore City public school facilities.

#### (2) The Authority shall:

- (i) <u>use the Baltimore City Public School Construction Facilities</u>
  Fund as a revolving fund for carrying out this subtitle concerning Baltimore City public school facilities; and
- (ii) to the extent authorized by federal tax law, pay any and all expenses from the Baltimore City Public School Construction Facilities Fund that are incurred by the Authority related to any Baltimore City public school facilities.

### (3) THE AUTHORITY MAY:

- (I) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, USE \$10,000,000 OF AVAILABLE FUNDS TO SUPPLEMENT FUNDING FOR ADDITIONAL BALTIMORE CITY PROJECTS IN ACCORDANCE WITH THE MEMORANDUM OF UNDERSTANDING UNDER \$ 10–646 OF THIS SUBTITLE; AND
- (II) ADVANCE UP TO \$1,000,000 OF AVAILABLE FUNDS IN FISCAL YEAR 2021 FOR THE START-UP AND ADMINISTRATION OF CHAPTER (H.B. 1) OF THE ACTS OF THE GENERAL ASSEMBLY OF 2020, WHICH SHALL BE REIMBURSED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND ESTABLISHED UNDER \$ 10–658.1 OF THIS SUBTITLE.

#### 10-658.

- (A) THERE IS A SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.
- (B) (1) THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IS A CONTINUING, NONLAPSING FUND THAT SHALL BE AVAILABLE TO IMPLEMENT THIS SUBTITLE CONCERNING PUBLIC SCHOOL FACILITIES.

#### (2) THE AUTHORITY SHALL:

- (I) USE THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AS A REVOLVING FUND FOR CARRYING OUT THIS SUBTITLE CONCERNING PUBLIC SCHOOL FACILITIES;
- (II) PAY ANY AND ALL EXPENSES FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND THAT ARE INCURRED BY THE AUTHORITY RELATED TO ANY PUBLIC SCHOOL FACILITIES; AND
- (III) AFTER ALL BONDS HAVE BEEN ISSUED, CALCULATE THE TOTAL AMOUNT ALLOCATED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND TO EACH COUNTY THAT RECEIVED A PERCENTAGE OF BOND PROCEEDS UNDER § 10–650(B)(1) OF THIS SUBTITLE.
- (3) (I) Subject to subparagraph (II) of this paragraph, in each fiscal year for which the provisions of § 4–126.1(d) of the Education Article remain applicable, the Authority shall deposit an amount equal to \$25,000,000 from the Supplemental Public School Construction Financing Fund into the Prince George's County Public–Private Partnership Fund established under § 4–126.2 of the Education Article.
- (II) THE TOTAL AMOUNT DISTRIBUTED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND TO THE PRINCE GEORGE'S COUNTY PUBLIC-PRIVATE PARTNERSHIP FUND IN ACCORDANCE WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY NOT EXCEED THE MAXIMUM TOTAL AMOUNT ALLOCATED TO A COUNTY CALCULATED IN ACCORDANCE WITH PARAGRAPH (2)(III) OF THIS SUBSECTION.
- (C) (1) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY, THE MONEY ON DEPOSIT IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND SHALL BE PLEDGED TO AND USED TO PAY THE FOLLOWING RELATED TO PUBLIC SCHOOL FACILITIES:
  - (I) DEBT SERVICE ON AUTHORITY BONDS;
  - (II) DEBT SERVICE RESERVES UNDER A TRUST AGREEMENT;
- (III) ALL REASONABLE CHARGES AND EXPENSES RELATED TO AUTHORITY BORROWING; AND
- (IV) ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE AUTHORITY'S ADMINISTRATION OF THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND MANAGEMENT OF THE AUTHORITY'S OBLIGATIONS.

- (2) (I) This paragraph applies only if a public-private partnership agreement to enhance the delivery of public school construction in Prince George's County has been entered into by the Prince George's County government, the Prince George's County Board of Education, and a private entity and the agreement has been approved by the Interagency Commission on School Construction in accordance with § 4–126.1 of the Education Article.
- (II) IN ADDITION TO THE MONEY ON DEPOSIT IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND, THE MONEY DEPOSITED BY THE AUTHORITY IN ACCORDANCE WITH § 4–126.1(D) OF THE EDUCATION ARTICLE INTO THE PRINCE GEORGE'S COUNTY PUBLIC-PRIVATE PARTNERSHIP FUND ESTABLISHED UNDER § 4–126.2 OF THE EDUCATION ARTICLE SHALL BE PLEDGED TO AND USED TO PAY FOR THE ITEMS LISTED IN PARAGRAPH (1) OF THIS SUBSECTION RELATED TO PUBLIC SCHOOL FACILITIES.
- (3) THE PLEDGE SHALL BE EFFECTIVE AS PROVIDED IN § 10–634 OF THIS SUBTITLE AND ANY APPLICABLE AUTHORITY RESOLUTION.
- (D) THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND CONSISTS OF:
- (1) MONEY DEPOSITED INTO THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND;
- (2) TO THE EXTENT THAT THE PROCEEDS ARE NOT UNDER A TRUST AGREEMENT, PROCEEDS FROM THE SALE OF BONDS CONCERNING PUBLIC SCHOOL FACILITIES;
- (3) REVENUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER THIS SUBTITLE RELATED TO PUBLIC SCHOOL FACILITY PROJECTS;
- (4) ANY INTEREST EARNINGS OF THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND; AND
- (5) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC SOURCE FOR THE PURPOSES ESTABLISHED FOR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.
- (E) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IN THE SAME MANNER AS OTHER STATE FUNDS.

- (2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.
- (3) NO PART OF THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND MAY REVERT OR BE CREDITED TO THE GENERAL FUND OR ANY SPECIAL FUND OF THE STATE.
- (F) THE MONEY IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND SHALL BE USED TO SUPPLEMENT, AND MAY NOT SUPPLANT, MONEY APPROPRIATED TO THE PUBLIC SCHOOL CONSTRUCTION PROGRAM ESTABLISHED UNDER TITLE 5, SUBTITLE 3 OF THE EDUCATION ARTICLE.

#### 10-658.1.

- (A) THERE IS A SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.
- (B) (1) THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IS A CONTINUING, NONLAPSING FUND THAT SHALL BE AVAILABLE TO IMPLEMENT THIS SUBTITLE CONCERNING PUBLIC SCHOOL FACILITIES.

## (2) THE AUTHORITY SHALL:

- (I) USE THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND AS A REVOLVING FUND FOR CARRYING OUT THIS SUBTITLE CONCERNING PUBLIC SCHOOL FACILITIES; AND
- (II) TO THE EXTENT AUTHORIZED BY FEDERAL TAX LAW, PAY ANY AND ALL EXPENSES FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND THAT ARE INCURRED BY THE AUTHORITY RELATED TO ANY PUBLIC SCHOOL FACILITIES.
- (C) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY, THE MONEY ON DEPOSIT IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND SHALL BE USED TO PAY THE FOLLOWING RELATED TO PUBLIC SCHOOL FACILITIES:
  - (1) DEBT SERVICE ON AUTHORITY BONDS;
- (2) DESIGN AND CONSTRUCTION COSTS RELATED TO PUBLIC SCHOOL FACILITIES;
- (3) TO THE EXTENT AUTHORIZED BY FEDERAL TAX LAW, COSTS OF START-UP, ADMINISTRATION, OVERHEAD, AND OPERATIONS RELATED TO THE

MANAGEMENT OF IMPROVEMENTS TO PUBLIC SCHOOL FACILITIES AUTHORIZED UNDER THIS SUBTITLE;

- (4) ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE AUTHORITY'S ADMINISTRATION OF THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND AND THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND MANAGEMENT OF THE AUTHORITY'S OBLIGATIONS; AND
- (5) IF PRINCE GEORGE'S COUNTY SUBMITS A PUBLIC-PRIVATE PARTNERSHIP AGREEMENT TO THE AUTHORITY FOR REVIEW UNDER § 4–126.1 OF THE EDUCATION ARTICLE, ALL REASONABLE EXPENSES RELATED TO THE AUTHORITY'S REVIEW OF THE PUBLIC-PRIVATE PARTNERSHIP AGREEMENT.
- (D) THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND CONSISTS OF:
- (1) FUNDS TRANSFERRED FROM THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND TO THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IN ACCORDANCE WITH § 10–649 OF THIS SUBTITLE;
- (2) ANY INTEREST EARNINGS OF THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND; AND
- (3) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC SOURCE FOR THE PURPOSES ESTABLISHED FOR THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.
- (E) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IN THE SAME MANNER AS OTHER STATE FUNDS.
- (2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.
- (3) NO PART OF THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND MAY REVERT OR BE CREDITED TO THE GENERAL FUND OR ANY SPECIAL FUND OF THE STATE.
- (F) THE MONEY IN THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND SHALL BE USED TO SUPPLEMENT, AND MAY NOT SUPPLANT, MONEY APPROPRIATED TO THE PUBLIC SCHOOL CONSTRUCTION PROGRAM ESTABLISHED IN TITLE 5, SUBTITLE 3 OF THE EDUCATION ARTICLE.

[10-658.] **10-659.** 

This subtitle may be cited as the Maryland Stadium Authority Act.

#### **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:
- 121. the Markell Hendricks Youth Crime Prevention and Diversion Parole Fund; [and]
- 122. the Federal Government Shutdown Employee Assistance Loan Fund;
- 123. THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND; AND
- 124. THE SUPPLEMENTAL PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.

#### Article - State Government

9-1A-30.

- (A) IN THIS SECTION, "SUPPLEMENTAL FUNDING" MEANS FUNDING TO:
- (1) ENSURE ACCESS TO PUBLIC EDUCATION THAT ALLOWS CHILDREN IN THE STATE TO COMPETE IN THE GLOBAL ECONOMY OF THE FUTURE;
- (2) PROVIDE FUNDING FOR HIGH-QUALITY EARLY EDUCATION PROGRAMS;
- (3) PROVIDE OPPORTUNITIES FOR PUBLIC SCHOOL STUDENTS TO PARTICIPATE IN CAREER AND TECHNICAL EDUCATION PROGRAMS THAT LEAD TO AN IDENTIFIED JOB SKILL OR CERTIFICATE;

- (4) ALLOW STUDENTS TO OBTAIN COLLEGE CREDIT AND DEGREES WHILE IN HIGH SCHOOL AT NO COST TO THE STUDENTS;
- (5) SUPPORT THE ADVANCEMENT AND PROFESSIONALIZATION OF EDUCATORS IN PUBLIC EDUCATION; AND
  - (6) MAINTAIN, RENOVATE, OR CONSTRUCT PUBLIC SCHOOLS.
- [(a)] **(B)** There is an Education Trust Fund which is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.
- [(b)] (C) (1) There shall be credited to the Education Trust Fund all proceeds allocated to the Fund under § 9–1A–27 of this subtitle.
- (2) Money in the Education Trust Fund shall be invested and reinvested by the Treasurer, and interest and earnings shall accrue to the Fund.
  - [(c)] **(D)** Money in the Education Trust Fund shall be used to:
- (1) provide funding for public elementary and secondary education, through continuation of the funding and formulas established under the programs commonly known as the Bridge to Excellence in Public Schools Act, first enacted by Chapter 288 of the Acts of the General Assembly of 2002, including the funding for regional differences in the cost of education under § 5–202(f) of the Education Article; AND
- (2) [provide funds to construct public school buildings and provide public school capital improvements in accordance with Title 5, Subtitle 3 of the Education Article;
- (3) provide funds for capital projects at community colleges and public senior higher education institutions; and
- (4) provide funds to expand public early childhood education programs in the State] PROVIDE SUPPLEMENTAL FUNDING FOR EDUCATION AND PUBLIC SCHOOLS.
- [(d) Expenditures from the Education Trust Fund shall be made each fiscal year in accordance with the State budget.]
- (E) (1) THE GOVERNOR'S ANNUAL BUDGET SUBMISSION SHALL INCLUDE NOT LESS THAN THE FOLLOWING AMOUNTS AS SUPPLEMENTAL FUNDING FOR PUBLIC EDUCATION FROM THE EDUCATION TRUST FUND:
  - (I) FOR FISCAL YEAR 2020, \$125,000,000;

- (II) FOR FISCAL YEAR 2021, \$250,000,000;
- (III) FOR FISCAL YEAR 2022, \$375,000,000; AND
- (IV) FOR FISCAL YEAR 2023 AND EACH FISCAL YEAR THEREAFTER, 100% OF THE FUNDS.
- (2) (I) THE SUPPLEMENTAL FUNDING REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE IN ADDITION TO THE STATE FUNDING AND FORMULAS PROVIDED THROUGH THE FUNDING FORMULAS ESTABLISHED IN THE BRIDGE TO EXCELLENCE IN PUBLIC SCHOOLS ACT OF 2002 FOR PREKINDERGARTEN THROUGH GRADE 12 IN PUBLIC SCHOOLS.
- (II) BEGINNING IN FISCAL YEAR 2020 AND IN EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL IDENTIFY IN THE ANNUAL BUDGET AS INTRODUCED HOW THE REVENUE REQUIRED UNDER THIS SUBSECTION IS BEING USED TO SUPPLEMENT AND NOT SUPPLANT THE SPENDING ON PUBLIC EDUCATION FOR PREKINDERGARTEN THROUGH GRADE 12.
- (F) EXPENDITURES FROM THE EDUCATION TRUST FUND SHALL BE MADE EACH FISCAL YEAR IN ACCORDANCE WITH THE STATE BUDGET.

SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

#### Chapter 14 of the Acts of 2018

#### SECTION 3. AND BE IT FURTHER ENACTED, That:

- (a) There is a Workgroup on the Assessment and Funding of School Facilities.
- (b) The Workgroup consists of the following members:
- (3) the [State Superintendent of Schools] CHAIR OF THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION;
- (c) The [State Superintendent of Schools shall] PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF DELEGATES JOINTLY SHALL APPOINT THE chair OF the Workgroup.
- (g) On or before December 1, [2019] **2021**, the Workgroup shall report its findings and recommendations to the Governor and, in accordance with § [2–1246] **2–1257** of the State Government Article, the General Assembly.

SECTION 5. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

#### **Article - Education**

#### <del>5-325.</del> *5-326*.

- (A) IN THIS SECTION, "FUND" MEANS THE PUBLIC SCHOOL FACILITIES PRIORITY FUND.
  - (B) THERE IS A PUBLIC SCHOOL FACILITIES PRIORITY FUND.
- (C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE PURPOSE OF THE FUND IS TO PROVIDE STATE FUNDS TO ADDRESS THE FACILITY NEEDS OF THE HIGHEST PRIORITY SCHOOLS IN THE STATE AS IDENTIFIED BY THE STATEWIDE FACILITIES ASSESSMENT COMPLETED BY THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION UNDER § 5–310(E) OF THIS SUBTITLE, WITH HIGHEST PRIORITY GIVEN TO SCHOOLS WITH A SEVERE FACILITY ISSUE THAT REQUIRED THE SCHOOL TO BE CLOSED IN THE CURRENT SCHOOL YEAR OR THE PREVIOUS SCHOOL YEAR.
- (2) If the statewide facilities assessment is not completed, the purpose of the Fund is to provide State funds to address the severity of issues in a school, including:
  - (I) AIR CONDITIONING;
  - (II) HEATING;
  - (III) INDOOR AIR QUALITY;
  - (IV) MOLD REMEDIATION;
  - (V) TEMPERATURE REGULATION;
- (VI) PLUMBING, INCLUDING THE PRESENCE OF LEAD IN DRINKING WATER OUTLETS IN SCHOOL BUILDINGS;
  - (VII) WINDOWS; AND

(VIII) ANY ADDITIONAL SEVERE ISSUES IN THE SCHOOL THAT REQUIRE THE SCHOOL TO BE CLOSED.

(D) THE INTERAGENCY COMMISSION ON SCHOOL CONSTRUCTION SHALL ADMINISTER THE FUND.

- (E) (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.
  - (F) THE FUND CONSISTS OF:
    - (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;
    - (2) ANY INTEREST EARNINGS OF THE FUND; AND
- (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.
- (G) THE FUND MAY BE USED ONLY FOR THE PURPOSE ESTABLISHED UNDER SUBSECTION (C) OF THIS SECTION.
- (H) (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.
- (I) IN FISCAL YEARS  $\frac{2023 \text{ Through}}{2025 \text{ and}}$  2026, the Governor shall appropriate in the annual State operating or capital budget bill at least \$40,000,000 to the Fund.
- (2) IN FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL APPROPRIATE IN THE ANNUAL STATE OPERATING OR CAPITAL BUDGET BILL AT LEAST \$80,000,000 TO THE FUND.
- (J) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.
- (K) MONEY EXPENDED FROM THE FUND IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED IN THE ANNUAL STATE OPERATING OR CAPITAL BUDGET BILL TO PRIMARY AND SECONDARY SCHOOLS UNDER THIS ARTICLE.

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

- (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:

123. the Supplemental Public School Construction Facilities

Fund; [and]

124. the Supplemental Public School Construction Financing

Fund; AND

125. THE PUBLIC SCHOOL FACILITIES PRIORITY FUND.

*11–203*.

(c) Except as provided in Title 12, Subtitle 4 and Title 14, Subtitle 3 of this article [and except for § 15–112 of this article], this Division II does not apply to the Maryland Stadium Authority.

## <u>Article - Tax -</u> General

*11–236*.

- (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (2) (I) "CONSTRUCTION MATERIAL" MEANS AN ITEM OF TANGIBLE PERSONAL PROPERTY THAT IS USED TO CONSTRUCT OR RENOVATE A BUILDING, A STRUCTURE, OR AN IMPROVEMENT ON LAND AND THAT TYPICALLY LOSES ITS SEPARATE IDENTITY AS PERSONAL PROPERTY ONCE INCORPORATED INTO THE REAL PROPERTY.
- (II) "CONSTRUCTION MATERIAL" INCLUDES BUILDING MATERIALS, BUILDING SYSTEMS EQUIPMENT, LANDSCAPING MATERIALS, AND SUPPLIES.
- (3) "PUBLIC SCHOOL FACILITY" HAS THE MEANING STATED IN § 10–601 OF THE ECONOMIC DEVELOPMENT ARTICLE.

- (B) THE SALES AND USE TAX DOES NOT APPLY TO A SALE OF CONSTRUCTION MATERIAL IF:
- (1) THE CONSTRUCTION MATERIAL IS PURCHASED BY A PERSON SOLELY FOR USE IN FURTHERANCE OF THE PROVISIONS OF TITLE 10, SUBTITLE 6
  OF THE ECONOMIC DEVELOPMENT ARTICLE FOR THE CONSTRUCTION OR REDEVELOPMENT OF A PUBLIC SCHOOL FACILITY THAT IS MANAGED BY THE MARYLAND STADIUM AUTHORITY;
  - (2) THE SALE IS MADE ON OR AFTER JUNE 1, 2020; AND
- (3) THE BUYER PROVIDES THE VENDOR WITH EVIDENCE OF ELIGIBILITY FOR THE EXEMPTION ISSUED BY THE COMPTROLLER.
- (C) THE COMPTROLLER SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

#### SECTION 6. AND BE IT FURTHER ENACTED, That:

- (a) (1) On or before July 1, 2022, each county board shall conduct a capacity study identifying the current capacity of each school in the school system and the demographics of the students in each school compared to the demographics of the overall student population in the school system.
- (2) A county board that has completed a capacity study not more than 3 years prior to the requirement in subsection (a) of this section may submit that study to comply with the requirement.
- (b) The capacity study shall be submitted, on or before December 1, 2022, to the Interagency Commission on School Construction and, in accordance with § 2–1257 of the State Government Article, the General Assembly.
- SECTION 5. 7. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that funding for the Aging Schools Program and the School Safety Grant Program shall be consolidated into the Public School Facilities Priority Fund established in Section 4 6 of this Act beginning in fiscal year 2027.
- SECTION <u>6.</u> <u>8.</u> AND BE IT FURTHER ENACTED, That Section(s) 5–317 and 5–324 of Article Education of the Annotated Code of Maryland be repealed.
- SECTION 7. 9. AND BE IT FURTHER ENACTED, That in fiscal year 2021, \$500,000 from the Education Trust Fund shall be appropriated to the Maryland Stadium Authority for start—up and administrative costs associated with Section 3 of this Act.
- <u>SECTION 10. AND BE IT FURTHER ENACTED, That Section(s) 9–1–104(d) of Article 3 Baltimore County of the Code of Public Local Laws of Maryland be repealed.</u>

SECTION 8. <u>10.</u> 11. AND BE IT FURTHER ENACTED, That, contingent on the consolidation of funding, on or before June 30, 2026, for the Aging Schools Program and the School Safety Grant Program into the Public School Facilities Priority Fund established in Section 4 6 of this Act, Section 6 8 of this Act shall take effect July 1, 2026.

SECTION 9. 11. 12. AND BE IT FURTHER ENACTED, That Section 4 6 of this Act shall take effect July 1, 2022.

Sections 8 10 and 9 11 of this Act, this Act shall take effect July 1, 2020.

SECTION 13. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2020, contingent on the taking effect of Chapter (S.B. 1000/H.B. 1300) of the Acts of the General Assembly of 2020, and if Chapter (S.B. 1000/H.B. 1300) does not become effective, this Act, with no further action required by the General Assembly, shall be null and void.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 21

(House Bill 5)

AN ACT concerning

## Crimes - Hate Crimes - Use of an Item or a Symbol to Threaten or Intimidate

FOR the purpose of prohibiting a person from placing or inscribing a certain item or symbol on certain property, without the express permission of the owner of the property, the owner's agent, or a lawful occupant, with the intent to threaten or intimidate any person or group of persons; establishing that a certain penalty applies to a violation of this Act; and generally relating to the use of an item or a symbol to threaten or intimidate a person or group of persons.

BY adding to

Article – Criminal Law Section 10–305.1 Annotated Code of Maryland (2012 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,

Article – Criminal Law Section 10–306 Annotated Code of Maryland (2012 Replacement Volume and 2019 Supplement)

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

#### Article - Criminal Law

10-305.1.

A PERSON MAY NOT PLACE OR INSCRIBE AN ITEM OR A SYMBOL, INCLUDING AN ACTUAL OR DEPICTED NOOSE OR SWASTIKA, WHETHER TEMPORARY OR PERMANENT, ON ANY REAL OR PERSONAL PROPERTY, PUBLIC OR PRIVATE, WITHOUT THE EXPRESS PERMISSION OF THE OWNER, OWNER'S AGENT, OR LAWFUL OCCUPANT OF THE PROPERTY, WITH THE INTENT TO THREATEN OR INTIMIDATE ANY PERSON OR GROUP OF PERSONS.

10-306.

- (a) Except as provided in subsection (b) of this section, a person who violates this subtitle is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 3 years or a fine not exceeding \$5,000 or both.
- (b) (1) A person who violates § 10–304(2)(i) of this subtitle is guilty of a felony and on conviction is subject to imprisonment not exceeding 10 years or a fine not exceeding \$10,000 or both.
- (2) A person who violates § 10–304(2)(ii) of this subtitle is guilty of a felony and on conviction is subject to imprisonment not exceeding 20 years or a fine not exceeding \$20,000 or both.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 22

(Senate Bill 161)

AN ACT concerning

Crimes - Hate Crimes - Use of an Item or a Symbol to Threaten or Intimidate

FOR the purpose of prohibiting a person from placing or inscribing a certain item or symbol on certain property, without the express permission of the owner of the property, the owner's agent, or a lawful occupant, with the intent to threaten or intimidate any person or group of persons; establishing that a certain penalty applies to a violation of this Act; and generally relating to the use of an item or a symbol to threaten or intimidate a person or group of persons.

#### BY adding to

Article – Criminal Law Section 10–305.1 Annotated Code of Maryland (2012 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,

Article – Criminal Law Section 10–306 Annotated Code of Maryland (2012 Replacement Volume and 2019 Supplement)

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

#### Article - Criminal Law

#### 10-305.1.

A PERSON MAY NOT PLACE OR INSCRIBE AN ITEM OR A SYMBOL, INCLUDING AN ACTUAL OR DEPICTED NOOSE OR SWASTIKA, WHETHER TEMPORARY OR PERMANENT, ON ANY REAL OR PERSONAL PROPERTY, PUBLIC OR PRIVATE, WITHOUT THE EXPRESS PERMISSION OF THE OWNER, OWNER'S AGENT, OR LAWFUL OCCUPANT OF THE PROPERTY, WITH THE INTENT TO THREATEN OR INTIMIDATE ANY PERSON OR GROUP OF PERSONS.

10 - 306.

- (a) Except as provided in subsection (b) of this section, a person who violates this subtitle is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 3 years or a fine not exceeding \$5,000 or both.
- (b) (1) A person who violates § 10–304(2)(i) of this subtitle is guilty of a felony and on conviction is subject to imprisonment not exceeding 10 years or a fine not exceeding \$10,000 or both.
- (2) A person who violates § 10–304(2)(ii) of this subtitle is guilty of a felony and on conviction is subject to imprisonment not exceeding 20 years or a fine not exceeding \$20,000 or both.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

## Chapter 23

(House Bill 12)

AN ACT concerning

## Department of Veterans Affairs – Homes for Veterans – Veterans of Uniformed Service

FOR the purpose of altering the eligibility for a certain veteran to reside at a home for veterans that is supervised by the Department of Veterans Affairs to include a certain veteran of active service with a uniformed service of the United States; making a stylistic change; and generally relating to homes for veterans that are supervised by the Department of Veterans Affairs.

BY repealing and reenacting, with amendments,

Article – State Government

Section 9-901 and 9-911

Annotated Code of Maryland

(2014 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,

Article – State Government

Section 9-909

Annotated Code of Maryland

(2014 Replacement Volume and 2019 Supplement)

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

#### Article - State Government

9-901.

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Department" means the Department of Veterans Affairs.
- (c) "Secretary" means the Secretary of Veterans Affairs.

(d) Except as otherwise provided in [§§ 9–906 and 9–907 of] this subtitle, "veteran" means an individual who served on active duty in the armed forces of the United States, other than for training, and was discharged or released under conditions other than dishonorable.

9-909.

"Home" means the home or homes for veterans that the Department supervises. 9–911.

- (a) In accordance with the regulations of the Department and applicable law, the home shall be open:
  - (1) to a veteran who:
- (i) has an honorable discharge from [the armed forces] ACTIVE SERVICE WITH A UNIFORMED SERVICE OF THE UNITED STATES, INCLUDING THE:
  - 1. ARMY;
  - 2. MARINE CORPS;
  - 3. NAVY:
  - 4. AIR FORCE;
  - 5. COAST GUARD:
  - 6. PUBLIC HEALTH SERVICE COMMISSIONED CORPS;

AND

# 7. NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION COMMISSIONED OFFICER CORPS; and

- (ii) is a resident of the State as defined in regulations adopted by the Secretary; or
  - (2) to a spouse of an eligible veteran.
- (b) (1) The Department may charge an individual a reasonable fee for residence in the home.

- (2) The Department shall set the fee in accordance with the ability of an individual to pay. However, the fee may not exceed the cost of maintaining the resident in the home and shall allow the resident enough money for necessary and incidental expenses.
- (c) A resident may be discharged in accordance with the regulations of the Department and applicable law.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

## Chapter 24

(Senate Bill 341)

AN ACT concerning

## Department of Veterans Affairs – Homes for Veterans – Veterans of Uniformed Service

FOR the purpose of altering the eligibility for a certain veteran to reside at a home for veterans that is supervised by the Department of Veterans Affairs to include a certain veteran of active service with a uniformed service of the United States; making a stylistic change; and generally relating to homes for veterans that are supervised by the Department of Veterans Affairs.

BY repealing and reenacting, with amendments,

Article – State Government

Section 9-901 and 9-911

Annotated Code of Maryland

(2014 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,

Article – State Government

Section 9-909

Annotated Code of Maryland

(2014 Replacement Volume and 2019 Supplement)

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

#### Article - State Government

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Department" means the Department of Veterans Affairs.
- (c) "Secretary" means the Secretary of Veterans Affairs.
- (d) Except as otherwise provided in [§§ 9–906 and 9–907 of] this subtitle, "veteran" means an individual who served on active duty in the armed forces of the United States, other than for training, and was discharged or released under conditions other than dishonorable.

9-909.

"Home" means the home or homes for veterans that the Department supervises. 9–911.

- (a) In accordance with the regulations of the Department and applicable law, the home shall be open:
  - (1) to a veteran who:
- (i) has an honorable discharge from [the armed forces] ACTIVE SERVICE WITH A UNIFORMED SERVICE OF THE UNITED STATES, INCLUDING THE:
  - 1. ARMY:
  - 2. MARINE CORPS;
  - 3. NAVY;
  - 4. AIR FORCE;
  - 5. COAST GUARD;
  - 6. Public Health Service Commissioned Corps;

AND

# 7. NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION COMMISSIONED OFFICER CORPS; and

- (ii) is a resident of the State as defined in regulations adopted by the Secretary; or
  - (2) to a spouse of an eligible veteran.

- (b) (1) The Department may charge an individual a reasonable fee for residence in the home.
- (2) The Department shall set the fee in accordance with the ability of an individual to pay. However, the fee may not exceed the cost of maintaining the resident in the home and shall allow the resident enough money for necessary and incidental expenses.
- (c) A resident may be discharged in accordance with the regulations of the Department and applicable law.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  $1,\,2020.$ 

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 25

(House Bill 14)

AN ACT concerning

# Equal Pay for Equal Work – Inquiring About Wages – Prohibition on Adverse Action

FOR the purpose of prohibiting an employer from taking any adverse employment action against an employee for inquiring about the employee's wages; and generally relating to equal pay for equal work.

BY repealing and reenacting, with amendments,

Article – Labor and Employment

Section 3–304.1(a)

Annotated Code of Maryland

(2016 Replacement Volume and 2019 Supplement)

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

## **Article - Labor and Employment**

3 - 304.1.

- (a) An employer may not:
  - (1) prohibit an employee from:

- (i) inquiring about, discussing, or disclosing the wages of the employee or another employee; or
- (ii) requesting that the employer provide a reason for why the employee's wages are a condition of employment;
- (2) require an employee to sign a waiver or any other document that purports to deny the employee the right to disclose or discuss the employee's wages; or
  - (3) take any adverse employment action against an employee for:
- (i) inquiring about **THE EMPLOYEE'S WAGES OR** another employee's wages;
  - (ii) disclosing the employee's own wages;
- (iii) discussing another employee's wages if those wages have been disclosed voluntarily;
- (iv) asking the employer to provide a reason for the employee's wages; or
- (v) aiding or encouraging another employee's exercise of rights under this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 26

(House Bill 17)

AN ACT concerning

## Maryland Agricultural Land Preservation Foundation - Valuation of Easement

FOR the purpose of authorizing the Maryland Agricultural Land Preservation Foundation to use a fair market value determined in accordance with certain provisions of law for up to a certain number of years after the date on which the Foundation was first requested in writing to purchase the easement; and generally relating to the valuation of easements for purchase by the Maryland Agricultural Land Preservation Foundation.

BY repealing and reenacting, with amendments,

Article – Agriculture

Section 2–511

Annotated Code of Maryland

(2016 Replacement Volume and 2019 Supplement)

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

## Article - Agriculture

2-511.

- (a) Except as provided in subsection (e) of this section, the maximum value of any easement to be purchased shall be the asking price or the difference between the fair market value of the land and the agricultural value of the land, whichever is lower.
- (b) The fair market value of the land is the price as of the valuation date for the highest and best use of the property which a vendor, willing but not obligated to sell, would accept for the property, and which a purchaser, willing but not obligated to buy, would pay for the property if the property was not subject to any restriction imposed under this subtitle.
- (c) The agricultural value of land is the price as of the valuation date which a vendor, willing but not obligated to sell, would accept for the property, and which a purchaser, willing but not obligated to buy, would pay for the property as a farm unit, to be used for agricultural purposes.
- (d) (1) (i) [The] SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE value of the easement is determined at the time the Foundation is requested in writing to purchase the easement.
- (ii) THE FOUNDATION MAY USE A FAIR MARKET VALUE DETERMINED IN ACCORDANCE WITH THIS SECTION FOR UP TO 2 YEARS AFTER THE DATE ON WHICH THE FOUNDATION WAS FIRST REQUESTED IN WRITING TO PURCHASE THE EASEMENT.
- (III) The fair market value shall be determined by the Department of General Services based on one or more appraisals by the State appraisers, and appraisals, if any, of the landowner.
- [(iii)] (IV) The entire contiguous acreage shall be included in the determination of the value of the easement, less 1 acre per single dwelling; however, except as provided in § 2–513(b)(2) of this subtitle, the entire contiguous acreage, including the 1 acre per single dwelling, is subject to the easement restrictions.

- (2) (i) Subject to subparagraph (ii) of this paragraph, the agricultural value of land shall be determined by a formula approved by the Department that measures the farm productivity of the land on which the applicant has applied to sell an easement by taking into consideration weighted factors that may include rents, location, soil types, development pressure, interest rates, and potential agricultural use.
- (ii) The agricultural value determined under subparagraph (i) of this paragraph is subject to the approval of the Department.
- (e) (1) Notwithstanding the provisions of this section, and except as provided in paragraph (2) of this subsection, the Foundation may not purchase an easement for more than 75% or less than 25% of the fair market value of the land.
- (2) The Foundation may purchase an easement for less than 25% of the fair market value of the land if the owner's asking price is less than 25% of the fair market value of the land.
- (f) (1) If the landowner and the Foundation do not agree on the value of the easement as determined by the State, either the landowner or the Foundation may request, no later than September 30 of the year following the determination of the value, that the matter be referred to the property tax assessment appeal board as provided under § 3–107 of the Tax Property Article, for arbitration as to the value of the easement.
- (2) The value determined by that arbitration shall be binding upon the owner and the Foundation in a purchase of the easement made subsequent to the arbitration for a period of 2 years, unless the landowner and the Foundation agree upon a lesser value or the landowner or the Foundation appeals the results of the arbitration to the Maryland Tax Court, and either party may further appeal from the Tax Court as provided in § 13–532 of the Tax General Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 27

(Senate Bill 244)

AN ACT concerning

Maryland Agricultural Land Preservation Foundation - Valuation of Easement

FOR the purpose of authorizing the Maryland Agricultural Land Preservation Foundation to use a fair market value determined in accordance with certain provisions of law for up to a certain number of years after the date on which the Foundation was first requested in writing to purchase the easement; and generally relating to the valuation of easements for purchase by the Maryland Agricultural Land Preservation Foundation.

BY repealing and reenacting, with amendments,

Article – Agriculture

Section 2–511

Annotated Code of Maryland

(2016 Replacement Volume and 2019 Supplement)

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

## Article - Agriculture

2-511.

- (a) Except as provided in subsection (e) of this section, the maximum value of any easement to be purchased shall be the asking price or the difference between the fair market value of the land and the agricultural value of the land, whichever is lower.
- (b) The fair market value of the land is the price as of the valuation date for the highest and best use of the property which a vendor, willing but not obligated to sell, would accept for the property, and which a purchaser, willing but not obligated to buy, would pay for the property if the property was not subject to any restriction imposed under this subtitle.
- (c) The agricultural value of land is the price as of the valuation date which a vendor, willing but not obligated to sell, would accept for the property, and which a purchaser, willing but not obligated to buy, would pay for the property as a farm unit, to be used for agricultural purposes.
- (d) (1) (i) [The] SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE value of the easement is determined at the time the Foundation is requested in writing to purchase the easement.
- (ii) THE FOUNDATION MAY USE A FAIR MARKET VALUE DETERMINED IN ACCORDANCE WITH THIS SECTION FOR UP TO 2 YEARS AFTER THE DATE ON WHICH THE FOUNDATION WAS FIRST REQUESTED IN WRITING TO PURCHASE THE EASEMENT.
- (III) The fair market value shall be determined by the Department of General Services based on one or more appraisals by the State appraisers, and appraisals,

if any, of the landowner.

- [(iii)] (IV) The entire contiguous acreage shall be included in the determination of the value of the easement, less 1 acre per single dwelling; however, except as provided in § 2–513(b)(2) of this subtitle, the entire contiguous acreage, including the 1 acre per single dwelling, is subject to the easement restrictions.
- (2) (i) Subject to subparagraph (ii) of this paragraph, the agricultural value of land shall be determined by a formula approved by the Department that measures the farm productivity of the land on which the applicant has applied to sell an easement by taking into consideration weighted factors that may include rents, location, soil types, development pressure, interest rates, and potential agricultural use.
- (ii) The agricultural value determined under subparagraph (i) of this paragraph is subject to the approval of the Department.
- (e) (1) Notwithstanding the provisions of this section, and except as provided in paragraph (2) of this subsection, the Foundation may not purchase an easement for more than 75% or less than 25% of the fair market value of the land.
- (2) The Foundation may purchase an easement for less than 25% of the fair market value of the land if the owner's asking price is less than 25% of the fair market value of the land.
- (f) (1) If the landowner and the Foundation do not agree on the value of the easement as determined by the State, either the landowner or the Foundation may request, no later than September 30 of the year following the determination of the value, that the matter be referred to the property tax assessment appeal board as provided under § 3–107 of the Tax Property Article, for arbitration as to the value of the easement.
- (2) The value determined by that arbitration shall be binding upon the owner and the Foundation in a purchase of the easement made subsequent to the arbitration for a period of 2 years, unless the landowner and the Foundation agree upon a lesser value or the landowner or the Foundation appeals the results of the arbitration to the Maryland Tax Court, and either party may further appeal from the Tax Court as provided in § 13–532 of the Tax General Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 28

(House Bill 21)

## AN ACT concerning

## Abandoned Property in Possession of a Museum

FOR the purpose of authorizing certain museums located in the State to claim title to certain property in possession of the museum after providing certain notices; requiring a museum, before taking title to certain property, to provide certain notices in a certain manner; requiring the lender or new owner of certain property to notify a museum of certain information; authorizing a museum, under certain circumstances, to provide notice by publication; requiring any notice provided by a museum to contain certain information; requiring a lender to notify a museum of ownership of certain property within a certain number of days after the museum provides a certain notice; providing that after a certain number of years and under certain circumstances certain property is presumed abandoned; authorizing, under certain circumstances, a museum to apply certain conservation measures to property on loan to the museum; providing that a museum, under certain circumstances, acquires a lien on certain property in the amount of conservation measure costs incurred by the museum; providing that a museum, with a certain belief and exercising certain care, is not liable for injury or loss to certain property when taking certain conservation measures; defining certain terms; and generally relating to property in possession of a museum.

## BY adding to

Article – Commercial Law

Section 16–801 and 16–802 to be under the new subtitle "Subtitle 8. Museum's Lien"; and 17–401 through 17–408 to be under the new subtitle "Subtitle 4. Abandoned Property in Possession of a Museum"

Annotated Code of Maryland

(2013 Replacement Volume and 2019 Supplement)

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

#### Article - Commercial Law

#### SUBTITLE 8. MUSEUM'S LIEN.

**16-801.** 

In this subtitle, "conservation measure", "lender", "loan", and "museum" have the meanings stated in § 17-401 of this article.

**16-802.** 

(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A MUSEUM

THAT APPLIES CONSERVATION MEASURES UNDER § 17–405 OF THIS ARTICLE TO PROPERTY ON LOAN TO THE MUSEUM HAS A LIEN ON PROPERTY FOR THE COSTS OF THE CONSERVATION MEASURES.

(B) A MUSEUM MAY NOT ACQUIRE A LIEN UNDER SUBSECTION (A) OF THIS SECTION IF THERE IS AN AGREEMENT BETWEEN THE MUSEUM AND THE LENDER THAT ADDRESSES THE COSTS OF CONSERVATION MEASURES.

SUBTITLE 4. ABANDONED PROPERTY IN POSSESSION OF A MUSEUM.
17–401.

- (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (B) "ADDRESS OF THE LENDER" MEANS THE MOST RECENT ADDRESS OF A LENDER AS SHOWN ON THE MUSEUM'S RECORDS PERTAINING TO PROPERTY ON LOAN FROM THE LENDER.
- (C) (1) "CONSERVATION MEASURE" MEANS ANY ACTION TAKEN TOWARD THE LONG-TERM PRESERVATION OF PROPERTY.
- (2) "CONSERVATION MEASURE" INCLUDES EXAMINATION, DOCUMENTATION, TREATMENT, AND PREVENTIVE CARE OF PROPERTY, SUPPORTED BY RESEARCH AND EDUCATION.
- (D) "LENDER" MEANS A PERSON WHOSE NAME APPEARS ON THE RECORDS OF A MUSEUM AS THE PERSON LEGALLY ENTITLED TO, OR CLAIMING TO BE LEGALLY ENTITLED TO, PROPERTY HELD BY THE MUSEUM.
- (E) "LOAN" MEANS A DEPOSIT OF PROPERTY NOT ACCOMPANIED BY A TRANSFER OF TITLE TO THAT PROPERTY.
  - (F) "MUSEUM" MEANS AN INSTITUTION LOCATED IN THE STATE THAT:
- (1) IS OPERATED BY A PERSON PRIMARILY FOR EDUCATION, SCIENTIFIC, HISTORIC PRESERVATION, OR AESTHETIC PURPOSES; AND
- (2) Owns, Borrows, Cares for, Exhibits, Studies, Archives, or Catalogs Property.
- (G) "PERMANENT LOAN" MEANS A LOAN OF PROPERTY TO A MUSEUM FOR AN INDEFINITE PERIOD.

- (H) "PROPERTY" MEANS A TANGIBLE OBJECT UNDER A MUSEUM'S CARE THAT HAS INTRINSIC HISTORIC, ARTISTIC, SCIENTIFIC, OR CULTURAL VALUE.
- (I) "UNDOCUMENTED PROPERTY" MEANS PROPERTY IN THE POSSESSION OF A MUSEUM FOR WHICH THE MUSEUM CANNOT DETERMINE THE OWNER BY REFERENCE TO THE MUSEUM'S RECORDS.
- (J) "Unsolicited donation" means any property that is left in the control of a museum that is from an unknown source and can be reasonably assumed to have been intended as a gift to the museum.

#### **17–402.**

- (A) (1) A MUSEUM MAY ACQUIRE TITLE TO PROPERTY THAT IS ON PERMANENT LOAN TO THE MUSEUM OR THAT WAS LOANED FOR A SPECIFIED TERM THAT HAS EXPIRED BY GIVING NOTICE THAT THE MUSEUM IS TERMINATING THE LOAN OF THE PROPERTY.
- (2) IN ADDITION TO THE INFORMATION REQUIRED UNDER § 17–408 OF THIS SUBTITLE, THE NOTICE REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL CONTAIN THE FOLLOWING STATEMENT:

"The records at (name of museum) indicate that you have property on loan to it. The museum hereby terminates the loan. If you desire to claim the property, you must contact the museum, establish your ownership of the property, and make arrangements to collect the property. If you do not contact the museum within 60 days, you will be considered to have donated the property to the museum.".

- (3) IF, WITHIN 60 DAYS AFTER RECEIVING THE NOTICE, THE LENDER DOES NOT RESPOND BY FILING A NOTICE OF INTENT TO PRESERVE AN INTEREST IN THE PROPERTY ON LOAN, CLEAR AND UNRESTRICTED TITLE IS TRANSFERRED TO THE MUSEUM.
- (B) IF A LOAN OF PROPERTY TO A MUSEUM IS NOT A PERMANENT LOAN AND DOES NOT HAVE A SPECIFIC EXPIRATION DATE, THE PROPERTY IS PRESUMED ABANDONED IF, FOR AT LEAST 7 YEARS AFTER THE DATE THE MUSEUM TOOK POSSESSION OF THE PROPERTY, THERE HAS NOT BEEN ANY WRITTEN COMMUNICATION BETWEEN THE MUSEUM AND THE LENDER OR LENDER'S DESIGNATED AGENT.

- (A) A MUSEUM MAY ACQUIRE TITLE TO UNDOCUMENTED PROPERTY HELD BY THE MUSEUM FOR AT LEAST 3 YEARS BY GIVING NOTICE THAT THE MUSEUM IS ASSERTING TITLE TO THE UNDOCUMENTED PROPERTY.
- (B) IN ADDITION TO THE INFORMATION REQUIRED UNDER § 17–408 OF THIS SUBTITLE, THE NOTICE REQUIRED UNDER SUBSECTION (A) OF THIS SECTION SHALL CONTAIN THE FOLLOWING STATEMENT:

"The records of (name of museum) fail to indicate the owner of record of certain property in its possession. The museum hereby asserts title to the following property: (general description of property). If you claim ownership or other legal interest in this property, you must contact the museum, establish ownership of the property, and make arrangements to collect the property. If you fail to do so within 60 days, you will be considered to have waived any claim you may have had to the property.".

(C) IF, WITHIN 60 DAYS AFTER NOTICE IS PROVIDED, THE LENDER DOES NOT RESPOND BY GIVING WRITTEN NOTICE OF INTENT TO RETAIN AN INTEREST IN THE PROPERTY ON LOAN, THE MUSEUM'S TITLE TO THE PROPERTY BECOMES ABSOLUTE.

**17–404.** 

- (A) (1) A MUSEUM MAY ACQUIRE TITLE TO AN UNSOLICITED DONATION FOUND ON MUSEUM PROPERTY BY GIVING NOTICE THAT THE MUSEUM IS ASSERTING TITLE TO THE UNSOLICITED DONATION.
- (2) IN ADDITION TO THE INFORMATION REQUIRED UNDER § 17–408 OF THIS SUBTITLE, THE NOTICE REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL CONTAIN THE FOLLOWING STATEMENT:

"The following property was found at (name of museum) and is presumed to be a donation to the museum. The museum hereby asserts title to the following property: (general description of property). Anyone claiming ownership or other legal interest in this property must contact the museum, establish ownership of the property, and make arrangements to collect the property. If you fail to do so within 60 days of this notice you will have waived any claim to this property."

(3) AN UNSOLICITED DONATION IS PRESUMED TO BE A GIFT TO THE MUSEUM IF OWNERSHIP IS NOT CLAIMED WITHIN 60 DAYS AFTER THE NOTICE

**17–405.** 

REQUIRED UNDER THIS SECTION.

- (B) UNDOCUMENTED PROPERTY FOUND IN THE COLLECTION OF A MUSEUM IS NOT AN UNSOLICITED DONATION AND IS SUBJECT TO § 17-403 OF THIS SUBTITLE.
- (A) UNLESS THERE IS AN AGREEMENT OTHERWISE BETWEEN THE MUSEUM AND THE LENDER, A MUSEUM MAY APPLY CONSERVATION MEASURES TO PROPERTY ON LOAN TO THE MUSEUM WITHOUT RECEIVING THE LENDER'S PERMISSION OR GIVING THE LENDER FORMAL NOTICE IF:
- (1) ACTION IS REQUIRED TO PROTECT THE PROPERTY ON LOAN OR OTHER PROPERTY IN THE CUSTODY OF THE MUSEUM; OR
- (2) THE PROPERTY ON LOAN IS A HAZARD TO THE HEALTH AND SAFETY OF THE PUBLIC OR THE MUSEUM STAFF.
- (B) IF A MUSEUM APPLIES CONSERVATION MEASURES TO PROPERTY UNDER THIS SECTION OR WITH THE AGREEMENT OF THE LENDER, UNLESS THE AGREEMENT PROVIDES OTHERWISE, THE MUSEUM:
- (1) ACQUIRES A LIEN ON THE PROPERTY IN THE AMOUNT OF THE COST OF THE CONSERVATION MEASURES INCURRED BY THE MUSEUM; AND
- (2) IS NOT LIABLE FOR INJURY TO OR LOSS OF THE PROPERTY IF THE MUSEUM:
- (I) HAD A REASONABLE BELIEF AT THE TIME THE CONSERVATION MEASURE ACTION WAS TAKEN THAT THE ACTION WAS NECESSARY TO PROTECT THE PROPERTY ON LOAN OR OTHER PROPERTY IN THE CUSTODY OF THE MUSEUM, OR THAT THE PROPERTY ON LOAN WAS A HAZARD TO THE HEALTH AND SAFETY OF THE PUBLIC OR THE MUSEUM STAFF; AND
- (II) EXERCISED REASONABLE CARE IN THE CHOICE AND APPLICATION OF CONSERVATION MEASURES.

17-406.

(A) (1) EXCEPT AS PROVIDED IN § 17–407 OF THIS SUBTITLE, A MUSEUM SHALL PROVIDE THE NOTICE REQUIRED UNDER THIS SUBTITLE BY CERTIFIED MAIL TO THE LAST KNOWN ADDRESS OF THE LENDER.

- (2) THE NOTICE REQUIREMENT IS SATISFIED IF THE MUSEUM RECEIVES PROOF OF RECEIPT OF THE NOTICE WITHIN 30 DAYS AFTER THE NOTICE WAS MAILED.
- (B) A LENDER SHALL PROVIDE WRITTEN NOTICE TO THE MUSEUM OF A CHANGE IN ADDRESS OF:
  - (1) THE LENDER; OR
  - (2) ANY DESIGNATED AGENT OF THE LENDER.
- (C) IF THE OWNERSHIP OF PROPERTY ON LOAN TO A MUSEUM CHANGES WHILE THE MUSEUM IS IN POSSESSION OF THE PROPERTY, THE NEW OWNER OF THE PROPERTY MUST PROVIDE WRITTEN NOTICE TO THE MUSEUM OF:
  - (1) THE CHANGE OF OWNERSHIP OF THE PROPERTY; AND
  - (2) THE NAME AND ADDRESS OF THE NEW OWNER.

17-407.

- (A) A MUSEUM MAY PROVIDE THE NOTICE REQUIRED UNDER THIS SUBTITLE BY PUBLICATION IF THE MUSEUM DOES NOT:
- (1) KNOW THE IDENTITY OF THE LENDER OR A DESIGNATED AGENT OF THE LENDER;
- (2) KNOW THE ADDRESS OF THE LENDER OR A DESIGNATED AGENT OF THE LENDER; OR
- (3) RECEIVE PROOF OF RECEIPT OF A NOTICE THAT WAS SENT BY CERTIFIED MAIL WITHIN 30 DAYS AFTER THE NOTICE WAS MAILED.
- (B) A NOTICE BY PUBLICATION SHALL BE PUBLISHED AT LEAST ONCE A WEEK FOR 2 CONSECUTIVE WEEKS IN A NEWSPAPER OF GENERAL CIRCULATION IN:
  - (1) THE COUNTY IN WHICH THE MUSEUM IS LOCATED; AND
- (2) IF THE IDENTITY OF THE LENDER IS KNOWN, THE COUNTY OF THE LENDER'S LAST KNOWN ADDRESS.

**17-408.** 

IN ADDITION TO ANY OTHER INFORMATION REQUIRED UNDER THIS SUBTITLE, ANY NOTICE GIVEN BY A MUSEUM UNDER THIS SUBTITLE SHALL CONTAIN:

- (1) IF KNOWN, THE NAME OF THE LENDER OR THE DESIGNATED AGENT OF THE LENDER;
- (2) IF KNOWN, THE LAST KNOWN ADDRESS OF THE LENDER OR THE DESIGNATED AGENT OF THE LENDER;
  - (3) A BRIEF DESCRIPTION OF THE PROPERTY ON LOAN;
  - (4) IF KNOWN, THE DATE OF THE LOAN;
  - (5) THE NAME OF THE MUSEUM; AND
- (6) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE PERSON OR OFFICE AT THE MUSEUM TO CONTACT REGARDING THE PROPERTY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 29

(Senate Bill 88)

AN ACT concerning

## Abandoned Property in Possession of a Museum

FOR the purpose of authorizing certain museums located in the State to claim title to certain property in possession of the museum after providing certain notices; requiring a museum, before taking title to certain property, to provide certain notices in a certain manner; requiring the lender or new owner of certain property to notify a museum of certain information; authorizing a museum, under certain circumstances, to provide notice by publication; requiring any notice provided by a museum to contain certain information; requiring a lender to notify a museum of ownership of certain property within a certain number of days after the museum provides a certain notice; providing that after a certain number of years and under certain circumstances certain property is presumed abandoned; authorizing, under certain circumstances, a museum to apply certain conservation measures to property on loan to the museum; providing that a museum, under certain circumstances,

acquires a lien on certain property in the amount of conservation measure costs incurred by the museum; providing that a museum, with a certain belief and exercising certain care, is not liable for injury or loss to certain property when taking certain conservation measures; defining certain terms; and generally relating to property in possession of a museum.

### BY adding to

Article - Commercial Law

Section 16–801 and 16–802 to be under the new subtitle "Subtitle 8. Museum's Lien"; and 17–401 through 17–408 to be under the new subtitle "Subtitle 4. Abandoned Property in Possession of a Museum"

Annotated Code of Maryland

(2013 Replacement Volume and 2019 Supplement)

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

#### Article - Commercial Law

#### SUBTITLE 8. MUSEUM'S LIEN.

16-801.

IN THIS SUBTITLE, "CONSERVATION MEASURE", "LENDER", "LOAN", AND "MUSEUM" HAVE THE MEANINGS STATED IN § 17–401 OF THIS ARTICLE.

#### **16-802.**

- (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A MUSEUM THAT APPLIES CONSERVATION MEASURES UNDER § 17–405 OF THIS ARTICLE TO PROPERTY ON LOAN TO THE MUSEUM HAS A LIEN ON PROPERTY FOR THE COSTS OF THE CONSERVATION MEASURES.
- (B) A MUSEUM MAY NOT ACQUIRE A LIEN UNDER SUBSECTION (A) OF THIS SECTION IF THERE IS AN AGREEMENT BETWEEN THE MUSEUM AND THE LENDER THAT ADDRESSES THE COSTS OF CONSERVATION MEASURES.

SUBTITLE 4. ABANDONED PROPERTY IN POSSESSION OF A MUSEUM.

### **17–401.**

- (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
  - (B) "ADDRESS OF THE LENDER" MEANS THE MOST RECENT ADDRESS OF A

LENDER AS SHOWN ON THE MUSEUM'S RECORDS PERTAINING TO PROPERTY ON LOAN FROM THE LENDER.

- (C) (1) "CONSERVATION MEASURE" MEANS ANY ACTION TAKEN TOWARD THE LONG-TERM PRESERVATION OF PROPERTY.
- (2) "CONSERVATION MEASURE" INCLUDES EXAMINATION, DOCUMENTATION, TREATMENT, AND PREVENTIVE CARE OF PROPERTY, SUPPORTED BY RESEARCH AND EDUCATION.
- (D) "LENDER" MEANS A PERSON WHOSE NAME APPEARS ON THE RECORDS OF A MUSEUM AS THE PERSON LEGALLY ENTITLED TO, OR CLAIMING TO BE LEGALLY ENTITLED TO, PROPERTY HELD BY THE MUSEUM.
- (E) "LOAN" MEANS A DEPOSIT OF PROPERTY NOT ACCOMPANIED BY A TRANSFER OF TITLE TO THAT PROPERTY.
  - (F) "MUSEUM" MEANS AN INSTITUTION LOCATED IN THE STATE THAT:
- (1) IS OPERATED BY A PERSON PRIMARILY FOR EDUCATION, SCIENTIFIC, HISTORIC PRESERVATION, OR AESTHETIC PURPOSES; AND
- (2) OWNS, BORROWS, CARES FOR, EXHIBITS, STUDIES, ARCHIVES, OR CATALOGS PROPERTY.
- (G) "PERMANENT LOAN" MEANS A LOAN OF PROPERTY TO A MUSEUM FOR AN INDEFINITE PERIOD.
- (H) "PROPERTY" MEANS A TANGIBLE OBJECT UNDER A MUSEUM'S CARE THAT HAS INTRINSIC HISTORIC, ARTISTIC, SCIENTIFIC, OR CULTURAL VALUE.
- (I) "UNDOCUMENTED PROPERTY" MEANS PROPERTY IN THE POSSESSION OF A MUSEUM FOR WHICH THE MUSEUM CANNOT DETERMINE THE OWNER BY REFERENCE TO THE MUSEUM'S RECORDS.
- (J) "UNSOLICITED DONATION" MEANS ANY PROPERTY THAT IS LEFT IN THE CONTROL OF A MUSEUM THAT IS FROM AN UNKNOWN SOURCE AND CAN BE REASONABLY ASSUMED TO HAVE BEEN INTENDED AS A GIFT TO THE MUSEUM.

#### **17–402.**

(A) (1) A MUSEUM MAY ACQUIRE TITLE TO PROPERTY THAT IS ON PERMANENT LOAN TO THE MUSEUM OR THAT WAS LOANED FOR A SPECIFIED TERM

THAT HAS EXPIRED BY GIVING NOTICE THAT THE MUSEUM IS TERMINATING THE LOAN OF THE PROPERTY.

(2) IN ADDITION TO THE INFORMATION REQUIRED UNDER § 17–408 OF THIS SUBTITLE, THE NOTICE REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL CONTAIN THE FOLLOWING STATEMENT:

"The records at (name of museum) indicate that you have property on loan to it. The museum hereby terminates the loan. If you desire to claim the property, you must contact the museum, establish your ownership of the property, and make arrangements to collect the property. If you do not contact the museum within 60 days, you will be considered to have donated the property to the museum.".

- (3) IF, WITHIN 60 DAYS AFTER RECEIVING THE NOTICE, THE LENDER DOES NOT RESPOND BY FILING A NOTICE OF INTENT TO PRESERVE AN INTEREST IN THE PROPERTY ON LOAN, CLEAR AND UNRESTRICTED TITLE IS TRANSFERRED TO THE MUSEUM.
- (B) If a loan of property to a museum is not a permanent loan and does not have a specific expiration date, the property is presumed abandoned if, for at least 7 years after the date the museum took possession of the property, there has not been any written communication between the museum and the lender or lender's designated agent.

**17–403.** 

- (A) A MUSEUM MAY ACQUIRE TITLE TO UNDOCUMENTED PROPERTY HELD BY THE MUSEUM FOR AT LEAST 3 YEARS BY GIVING NOTICE THAT THE MUSEUM IS ASSERTING TITLE TO THE UNDOCUMENTED PROPERTY.
- (B) IN ADDITION TO THE INFORMATION REQUIRED UNDER § 17–408 OF THIS SUBTITLE, THE NOTICE REQUIRED UNDER SUBSECTION (A) OF THIS SECTION SHALL CONTAIN THE FOLLOWING STATEMENT:

"The records of (name of museum) fail to indicate the owner of record of certain property in its possession. The museum hereby asserts title to the following property: (general description of property). If you claim ownership or other legal interest in this property, you must contact the museum, establish ownership of the property, and make arrangements to collect the property. If you fail to do so within 60 days, you will be considered to have waived any claim

YOU MAY HAVE HAD TO THE PROPERTY.".

(C) IF, WITHIN 60 DAYS AFTER NOTICE IS PROVIDED, THE LENDER DOES NOT RESPOND BY GIVING WRITTEN NOTICE OF INTENT TO RETAIN AN INTEREST IN THE PROPERTY ON LOAN, THE MUSEUM'S TITLE TO THE PROPERTY BECOMES ABSOLUTE.

17-404.

17-405.

- (A) (1) A MUSEUM MAY ACQUIRE TITLE TO AN UNSOLICITED DONATION FOUND ON MUSEUM PROPERTY BY GIVING NOTICE THAT THE MUSEUM IS ASSERTING TITLE TO THE UNSOLICITED DONATION.
- (2) IN ADDITION TO THE INFORMATION REQUIRED UNDER § 17–408 OF THIS SUBTITLE, THE NOTICE REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL CONTAIN THE FOLLOWING STATEMENT:

"The following property was found at (name of museum) and is presumed to be a donation to the museum. The museum hereby asserts title to the following property: (general description of property). Anyone claiming ownership or other legal interest in this property must contact the museum, establish ownership of the property, and make arrangements to collect the property. If you fail to do so within 60 days of this notice you will have waived any claim to this property.".

- (3) AN UNSOLICITED DONATION IS PRESUMED TO BE A GIFT TO THE MUSEUM IF OWNERSHIP IS NOT CLAIMED WITHIN 60 DAYS AFTER THE NOTICE REQUIRED UNDER THIS SECTION.
- (B) Undocumented property found in the collection of a museum is not an unsolicited donation and is subject to § 17-403 of this subtitle.
- (A) UNLESS THERE IS AN AGREEMENT OTHERWISE BETWEEN THE MUSEUM AND THE LENDER, A MUSEUM MAY APPLY CONSERVATION MEASURES TO PROPERTY ON LOAN TO THE MUSEUM WITHOUT RECEIVING THE LENDER'S PERMISSION OR GIVING THE LENDER FORMAL NOTICE IF:
- (1) ACTION IS REQUIRED TO PROTECT THE PROPERTY ON LOAN OR OTHER PROPERTY IN THE CUSTODY OF THE MUSEUM; OR
  - (2) THE PROPERTY ON LOAN IS A HAZARD TO THE HEALTH AND

SAFETY OF THE PUBLIC OR THE MUSEUM STAFF.

- (B) IF A MUSEUM APPLIES CONSERVATION MEASURES TO PROPERTY UNDER THIS SECTION OR WITH THE AGREEMENT OF THE LENDER, UNLESS THE AGREEMENT PROVIDES OTHERWISE, THE MUSEUM:
- (1) ACQUIRES A LIEN ON THE PROPERTY IN THE AMOUNT OF THE COST OF THE CONSERVATION MEASURES INCURRED BY THE MUSEUM; AND
- (2) IS NOT LIABLE FOR INJURY TO OR LOSS OF THE PROPERTY IF THE MUSEUM:
- (I) HAD A REASONABLE BELIEF AT THE TIME THE CONSERVATION MEASURE ACTION WAS TAKEN THAT THE ACTION WAS NECESSARY TO PROTECT THE PROPERTY ON LOAN OR OTHER PROPERTY IN THE CUSTODY OF THE MUSEUM, OR THAT THE PROPERTY ON LOAN WAS A HAZARD TO THE HEALTH AND SAFETY OF THE PUBLIC OR THE MUSEUM STAFF; AND
- (II) EXERCISED REASONABLE CARE IN THE CHOICE AND APPLICATION OF CONSERVATION MEASURES.

17-406.

- (A) (1) EXCEPT AS PROVIDED IN § 17–407 OF THIS SUBTITLE, A MUSEUM SHALL PROVIDE THE NOTICE REQUIRED UNDER THIS SUBTITLE BY CERTIFIED MAIL TO THE LAST KNOWN ADDRESS OF THE LENDER.
- (2) THE NOTICE REQUIREMENT IS SATISFIED IF THE MUSEUM RECEIVES PROOF OF RECEIPT OF THE NOTICE WITHIN 30 DAYS AFTER THE NOTICE WAS MAILED.
- (B) A LENDER SHALL PROVIDE WRITTEN NOTICE TO THE MUSEUM OF A CHANGE IN ADDRESS OF:
  - (1) THE LENDER; OR
  - (2) ANY DESIGNATED AGENT OF THE LENDER.
- (C) IF THE OWNERSHIP OF PROPERTY ON LOAN TO A MUSEUM CHANGES WHILE THE MUSEUM IS IN POSSESSION OF THE PROPERTY, THE NEW OWNER OF THE PROPERTY MUST PROVIDE WRITTEN NOTICE TO THE MUSEUM OF:
  - (1) THE CHANGE OF OWNERSHIP OF THE PROPERTY; AND

(2) THE NAME AND ADDRESS OF THE NEW OWNER.

#### 17-407.

- (A) A MUSEUM MAY PROVIDE THE NOTICE REQUIRED UNDER THIS SUBTITLE BY PUBLICATION IF THE MUSEUM DOES NOT:
- (1) KNOW THE IDENTITY OF THE LENDER OR A DESIGNATED AGENT OF THE LENDER;
- (2) KNOW THE ADDRESS OF THE LENDER OR A DESIGNATED AGENT OF THE LENDER; OR
- (3) RECEIVE PROOF OF RECEIPT OF A NOTICE THAT WAS SENT BY CERTIFIED MAIL WITHIN 30 DAYS AFTER THE NOTICE WAS MAILED.
- (B) A NOTICE BY PUBLICATION SHALL BE PUBLISHED AT LEAST ONCE A WEEK FOR 2 CONSECUTIVE WEEKS IN A NEWSPAPER OF GENERAL CIRCULATION IN:
  - (1) THE COUNTY IN WHICH THE MUSEUM IS LOCATED; AND
- (2) IF THE IDENTITY OF THE LENDER IS KNOWN, THE COUNTY OF THE LENDER'S LAST KNOWN ADDRESS.

#### **17–408.**

IN ADDITION TO ANY OTHER INFORMATION REQUIRED UNDER THIS SUBTITLE, ANY NOTICE GIVEN BY A MUSEUM UNDER THIS SUBTITLE SHALL CONTAIN:

- (1) IF KNOWN, THE NAME OF THE LENDER OR THE DESIGNATED AGENT OF THE LENDER;
- (2) IF KNOWN, THE LAST KNOWN ADDRESS OF THE LENDER OR THE DESIGNATED AGENT OF THE LENDER;
  - (3) A BRIEF DESCRIPTION OF THE PROPERTY ON LOAN;
  - (4) IF KNOWN, THE DATE OF THE LOAN;
  - (5) THE NAME OF THE MUSEUM; AND
  - (6) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE PERSON

#### OR OFFICE AT THE MUSEUM TO CONTACT REGARDING THE PROPERTY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 30

(House Bill 24)

AN ACT concerning

## Dorchester County - Alcoholic Beverages - Class C Beer, Wine, and Liquor License

FOR the purpose of authorizing the Board of License Commissioners for Dorchester County, rather than the Dorchester County Council, to issue a Class C beer, wine, and liquor license; altering the authorized holders of the license; requiring the Board, rather than the County Council, to remit the license fee under certain circumstances; making conforming changes; and generally relating to Class C beer, wine, and liquor licenses in Dorchester County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages Section 19–102 Annotated Code of Maryland (2016 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages Section 19–903 Annotated Code of Maryland (2016 Volume and 2019 Supplement)

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

## Article - Alcoholic Beverages

19–102.

This title applies only in Dorchester County.

19-903.

- (a) There is a Class C beer, wine, and liquor license.
- (b) The [County Council] **BOARD** may issue the license for use by:
  - (1) a yacht club and country and golf club that:
- (i) has been incorporated for at least 5 years before filing the application for the license;
- (ii) has at least 250 members paying dues of at least \$10 per year per adult member;
- (iii) has facilities for preparing and serving food on the premises to members and guests when accompanied by members; and
- (iv) owns or operates a clubhouse that is on the premises and principally used for its members and guests;
- (2) a local unit of a nationwide nonprofit organization or club composed only of members who served in the armed forces of the United States in a war in which the United States has been engaged that:
- (i) has a charter from a national veterans' organization that was granted at least 5 years before the application for the license was made;
- (ii) has at least 50 members paying dues of at least \$5 per year per member;
- (iii) operates only for the use of its members and guests when accompanied by members; and
- (iv) meets in a clubhouse principally used for its members and guests;
- (3) a lodge or chapter of a nonprofit and nationwide fraternal organization that:
  - (i) is composed of inducted members;
- (ii) has been operating in the county for at least 5 years before the application for the license was made;
- (iii) has at least 125 members paying dues of at least \$5 per year per member; and
  - (iv) owns or operates a home or clubhouse principally for the use of

its members and guests when accompanied by members; or

- (4) [the] A nonprofit organization[, Sailwinds of Cambridge, Inc.,] OPERATING ON THE PREMISES LOCATED AT 200 BYRN STREET, CAMBRIDGE, KNOWN AS GOVERNORS HALL AT SAILWINDS PARK, so long as an individual or group of individuals does not derive personal profits from the operation of the organization.
- (c) The license authorizes the license holder to sell beer, wine, and liquor at a club at the place described in the license, for on–premises consumption.
- (d) When alcoholic beverages are served at an event open to the public at GOVERNORS HALL AT Sailwinds [of Cambridge, Inc.] PARK, the license holder:
- (1) may distribute a wristband at the event to each individual who is at least 21 years old; and
- (2) if wristbands are distributed at the event, may not serve an alcoholic beverage to an individual who is not wearing a wristband.
  - (e) (1) The annual license fee is \$1,000.
    - (2) The [County Council] **BOARD** shall remit the license fee:
- (i) if the licensed premises is in a municipality, to the governing body of the municipality; or
- (ii) if the licensed premises is not in a municipality, to the Finance Department of the county.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 31

(Senate Bill 100)

AN ACT concerning

Dorchester County - Alcoholic Beverages - Class C Beer, Wine, and Liquor License

FOR the purpose of authorizing the Board of License Commissioners for Dorchester County, rather than the Dorchester County Council, to issue a Class C beer, wine, and liquor license; altering the authorized holders of the license; requiring the Board, rather than the County Council, to remit the license fee under certain circumstances; making conforming changes; and generally relating to Class C beer, wine, and liquor licenses in Dorchester County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 19–102

Annotated Code of Maryland

(2016 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 19-903

Annotated Code of Maryland

(2016 Volume and 2019 Supplement)

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

## Article - Alcoholic Beverages

19–102.

This title applies only in Dorchester County.

19-903.

- (a) There is a Class C beer, wine, and liquor license.
- (b) The [County Council] **BOARD** may issue the license for use by:
  - (1) a yacht club and country and golf club that:
- (i) has been incorporated for at least 5 years before filing the application for the license;
- (ii) has at least 250 members paying dues of at least \$10 per year per adult member;
- (iii) has facilities for preparing and serving food on the premises to members and guests when accompanied by members; and
- (iv) owns or operates a clubhouse that is on the premises and principally used for its members and guests;

- (2) a local unit of a nationwide nonprofit organization or club composed only of members who served in the armed forces of the United States in a war in which the United States has been engaged that:
- (i) has a charter from a national veterans' organization that was granted at least 5 years before the application for the license was made;
- (ii) has at least 50 members paying dues of at least \$5 per year per member;
- (iii) operates only for the use of its members and guests when accompanied by members; and
- (iv) meets in a clubhouse principally used for its members and guests;
- (3) a lodge or chapter of a nonprofit and nationwide fraternal organization that:
  - (i) is composed of inducted members;
- (ii) has been operating in the county for at least 5 years before the application for the license was made;
- (iii) has at least 125 members paying dues of at least \$5 per year per member; and
- (iv) owns or operates a home or clubhouse principally for the use of its members and guests when accompanied by members; or
- (4) [the] A nonprofit organization[, Sailwinds of Cambridge, Inc.,] OPERATING ON THE PREMISES LOCATED AT 200 BYRN STREET, CAMBRIDGE, KNOWN AS GOVERNORS HALL AT SAILWINDS PARK, so long as an individual or group of individuals does not derive personal profits from the operation of the organization.
- (c) The license authorizes the license holder to sell beer, wine, and liquor at a club at the place described in the license, for on–premises consumption.
- (d) When alcoholic beverages are served at an event open to the public at GOVERNORS HALL AT Sailwinds [of Cambridge, Inc.] PARK, the license holder:
- (1) may distribute a wristband at the event to each individual who is at least 21 years old; and
- (2) if wristbands are distributed at the event, may not serve an alcoholic beverage to an individual who is not wearing a wristband.

- (e) (1) The annual license fee is \$1,000.
  - (2) The [County Council] **BOARD** shall remit the license fee:
- (i) if the licensed premises is in a municipality, to the governing body of the municipality; or
- (ii) if the licensed premises is not in a municipality, to the Finance Department of the county.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  $1,\,2020.$ 

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 32

(House Bill 25)

AN ACT concerning

# Condominiums and Homeowners Associations – Amendments to Declarations and Governing Documents

FOR the purpose of repealing a certain construction of certain provisions of law concerning the amendment of the declaration of a condominium; establishing that a provision in the declaration of a condominium that requires any action on the part of a holder of a mortgage or deed of trust on a unit in order to amend the declaration shall be deemed satisfied if certain procedures are satisfied under certain circumstances; establishing that a provision in a governing document of a homeowners association that requires any action on the part of a mortgage or deed of trust holder on a lot in order to amend the governing document shall be deemed satisfied if certain procedures are satisfied under certain circumstances; and generally relating to the amendment of the declaration of a condominium or a governing document of a homeowners association.

BY repealing and reenacting, with amendments,

Article – Real Property Section 11–103(c)(1) and 11B–116 Annotated Code of Maryland (2015 Replacement Volume and 2019 Supplement)

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

## **Article - Real Property**

11-103.

- (c) (1) Except for a corrective amendment under § 11–103.1 of this title or as provided in paragraph (2) of this subsection or subsection (d) of this section, the declaration may be amended only with the written consent of 80 percent of the unit owners listed on the current roster. Amendments under this section are subject to the following limitations:
- (i) Except to the extent expressly permitted or expressly required by other provisions of this title, an amendment to the declaration may not change the boundaries of any unit, the undivided percentage interest in the common elements of any unit, the liability for common expenses or rights to common profits of any unit, or the number of votes in the council of unit owners of any unit without the written consent of every unit owner and mortgagee.
- (ii) An amendment to the declaration may not modify in any way rights expressly reserved for the benefit of the developer or provisions required by any governmental authority or for the benefit of any public utility.
- (iii) Except to the extent expressly permitted by the declaration, an amendment to the declaration may not change residential units to nonresidential units or change nonresidential units to residential units without the written consent of every unit owner and mortgagee.
- (iv) Except as otherwise expressly permitted by this title and by the declaration, an amendment to the declaration may not redesignate general common elements as limited common elements without the written consent of every unit owner and mortgagee.
- **[**(v) No provision of this title shall be construed in derogation of any requirement in the declaration or bylaws that all or a specified number of the mortgagees of the condominium units approve specified actions contemplated by the council of unit owners.]
- (V) 1. EXCEPT AS PROVIDED IN SUBPARAGRAPH (VI) OF THIS PARAGRAPH, IF THE DECLARATION CONTAINS A PROVISION REQUIRING ANY ACTION ON THE PART OF THE HOLDER OF A MORTGAGE OR DEED OF TRUST ON A UNIT IN ORDER TO AMEND THE DECLARATION, THAT PROVISION SHALL BE DEEMED SATISFIED IF THE PROCEDURES UNDER THIS SUBPARAGRAPH ARE SATISFIED.
- 2. IF THE DECLARATION CONTAINS A PROVISION DESCRIBED IN SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, THE COUNCIL OF UNIT OWNERS SHALL CAUSE TO BE DELIVERED TO EACH HOLDER OF A MORTGAGE OR DEED OF TRUST ENTITLED TO NOTICE A COPY OF THE PROPOSED AMENDMENT

TO THE DECLARATION.

- 3. If a holder of the mortgage or deed of trust that receives the proposed amendment fails to object, in writing, to the proposed amendment within 60 days after the date of actual receipt of the proposed amendment, the holder shall be deemed to have consented to the adoption of the amendment.
- (VI) SUBPARAGRAPH (V) OF THIS PARAGRAPH DOES NOT APPLY TO AMENDMENTS THAT:
- 1. ALTER THE PRIORITY OF THE LIEN OF THE MORTGAGE OR DEED OF TRUST;
- 2. MATERIALLY IMPAIR OR AFFECT THE UNIT AS COLLATERAL; OR
- 3. MATERIALLY IMPAIR OR AFFECT THE RIGHT OF THE HOLDER OF THE MORTGAGE OR DEED OF TRUST TO EXERCISE ANY RIGHTS UNDER THE MORTGAGE, DEED OF TRUST, OR APPLICABLE LAW.

11B-116.

- (a) (1) In this section the following words have the meanings indicated.
  - (2) "Governing document" includes:
    - (i) A declaration;
    - (ii) Bylaws;
    - (iii) A deed and agreement; and
    - (iv) Recorded covenants and restrictions.
- (3) "In good standing" means not being more than 90 days in arrears in the payment of any assessment or charge due to the homeowners association.
- (b) This section does not apply to a homeowners association that issues bonds or other long—term debt secured in whole or in part by annual charges assessed in accordance with a declaration, or to a village community association affiliated with the homeowners association.
- (c) Notwithstanding the provisions of a governing document, a homeowners association may amend the governing document by the affirmative vote of lot owners in

good standing having at least 60% of the votes in the development, or by a lower percentage if required in the governing document.

- (D) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, IF A GOVERNING DOCUMENT CONTAINS A PROVISION REQUIRING ANY ACTION ON THE PART OF THE HOLDER OF A MORTGAGE OR DEED OF TRUST ON A LOT IN ORDER TO AMEND THE GOVERNING DOCUMENT, THAT PROVISION SHALL BE DEEMED SATISFIED IF THE PROCEDURES UNDER THIS PARAGRAPH ARE SATISFIED.
- (II) IF THE GOVERNING DOCUMENT CONTAINS A PROVISION DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE HOMEOWNERS ASSOCIATION SHALL CAUSE TO BE DELIVERED TO EACH HOLDER OF A MORTGAGE OR DEED OF TRUST ENTITLED TO NOTICE A COPY OF THE PROPOSED AMENDMENT TO THE GOVERNING DOCUMENT.
- (III) IF A HOLDER OF THE MORTGAGE OR DEED OF TRUST THAT RECEIVES THE PROPOSED AMENDMENT FAILS TO OBJECT, IN WRITING, TO THE PROPOSED AMENDMENT WITHIN 60 DAYS AFTER THE DATE OF ACTUAL RECEIPT OF THE PROPOSED AMENDMENT, THE HOLDER SHALL BE DEEMED TO HAVE CONSENTED TO THE ADOPTION OF THE AMENDMENT.
- (2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO AMENDMENTS THAT:
- (I) ALTER THE PRIORITY OF THE LIEN OF THE MORTGAGE OR DEED OF TRUST;
- (II) MATERIALLY IMPAIR OR AFFECT THE LOT AS COLLATERAL; OR
- (III) MATERIALLY IMPAIR OR AFFECT THE RIGHT OF THE HOLDER OF THE MORTGAGE OR DEED OF TRUST TO EXERCISE ANY RIGHTS UNDER THE MORTGAGE, DEED OF TRUST, OR APPLICABLE LAW.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 33

(Senate Bill 293)

## AN ACT concerning

# Condominiums and Homeowners Associations – Amendments to Declarations and Governing Documents

FOR the purpose of repealing a certain construction of certain provisions of law concerning the amendment of the declaration of a condominium; establishing that a provision in the declaration of a condominium that requires any action on the part of a holder of a mortgage or deed of trust on a unit in order to amend the declaration shall be deemed satisfied if certain procedures are satisfied under certain circumstances; establishing that a provision in a governing document of a homeowners association that requires any action on the part of a mortgage or deed of trust holder on a lot in order to amend the governing document shall be deemed satisfied if certain procedures are satisfied under certain circumstances; and generally relating to the amendment of the declaration of a condominium or a governing document of a homeowners association.

BY repealing and reenacting, with amendments,

Article – Real Property Section 11–103(c)(1) and 11B–116 Annotated Code of Maryland (2015 Replacement Volume and 2019 Supplement)

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

## **Article - Real Property**

11 - 103.

- (c) (1) Except for a corrective amendment under § 11–103.1 of this title or as provided in paragraph (2) of this subsection or subsection (d) of this section, the declaration may be amended only with the written consent of 80 percent of the unit owners listed on the current roster. Amendments under this section are subject to the following limitations:
- (i) Except to the extent expressly permitted or expressly required by other provisions of this title, an amendment to the declaration may not change the boundaries of any unit, the undivided percentage interest in the common elements of any unit, the liability for common expenses or rights to common profits of any unit, or the number of votes in the council of unit owners of any unit without the written consent of every unit owner and mortgagee.
- (ii) An amendment to the declaration may not modify in any way rights expressly reserved for the benefit of the developer or provisions required by any governmental authority or for the benefit of any public utility.

- (iii) Except to the extent expressly permitted by the declaration, an amendment to the declaration may not change residential units to nonresidential units or change nonresidential units to residential units without the written consent of every unit owner and mortgagee.
- (iv) Except as otherwise expressly permitted by this title and by the declaration, an amendment to the declaration may not redesignate general common elements as limited common elements without the written consent of every unit owner and mortgagee.
- [(v) No provision of this title shall be construed in derogation of any requirement in the declaration or bylaws that all or a specified number of the mortgagees of the condominium units approve specified actions contemplated by the council of unit owners.]
- (V) 1. EXCEPT AS PROVIDED IN SUBPARAGRAPH (VI) OF THIS PARAGRAPH, IF THE DECLARATION CONTAINS A PROVISION REQUIRING ANY ACTION ON THE PART OF THE HOLDER OF A MORTGAGE OR DEED OF TRUST ON A UNIT IN ORDER TO AMEND THE DECLARATION, THAT PROVISION SHALL BE DEEMED SATISFIED IF THE PROCEDURES UNDER THIS SUBPARAGRAPH ARE SATISFIED.
- 2. If the declaration contains a provision described in subsubparagraph 1 of this subparagraph, the council of unit owners shall cause to be delivered to each holder of a mortgage or deed of trust entitled to notice a copy of the proposed amendment to the declaration.
- 3. If a holder of the mortgage or deed of trust that receives the proposed amendment fails to object, in writing, to the proposed amendment within 60 days after the date of actual receipt of the proposed amendment, the holder shall be deemed to have consented to the adoption of the amendment.
- (VI) SUBPARAGRAPH (V) OF THIS PARAGRAPH DOES NOT APPLY TO AMENDMENTS THAT:
- 1. ALTER THE PRIORITY OF THE LIEN OF THE MORTGAGE OR DEED OF TRUST;
- 2. MATERIALLY IMPAIR OR AFFECT THE UNIT AS COLLATERAL; OR
- 3. MATERIALLY IMPAIR OR AFFECT THE RIGHT OF THE HOLDER OF THE MORTGAGE OR DEED OF TRUST TO EXERCISE ANY RIGHTS UNDER

#### THE MORTGAGE, DEED OF TRUST, OR APPLICABLE LAW.

#### 11B-116.

- (a) (1) In this section the following words have the meanings indicated.
  - (2) "Governing document" includes:
    - (i) A declaration;
    - (ii) Bylaws;
    - (iii) A deed and agreement; and
    - (iv) Recorded covenants and restrictions.
- (3) "In good standing" means not being more than 90 days in arrears in the payment of any assessment or charge due to the homeowners association.
- (b) This section does not apply to a homeowners association that issues bonds or other long—term debt secured in whole or in part by annual charges assessed in accordance with a declaration, or to a village community association affiliated with the homeowners association.
- (c) Notwithstanding the provisions of a governing document, a homeowners association may amend the governing document by the affirmative vote of lot owners in good standing having at least 60% of the votes in the development, or by a lower percentage if required in the governing document.
- (D) (1) (I) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, IF A GOVERNING DOCUMENT CONTAINS A PROVISION REQUIRING ANY ACTION ON THE PART OF THE HOLDER OF A MORTGAGE OR DEED OF TRUST ON A LOT IN ORDER TO AMEND THE GOVERNING DOCUMENT, THAT PROVISION SHALL BE DEEMED SATISFIED IF THE PROCEDURES UNDER THIS PARAGRAPH ARE SATISFIED.
- (II) IF THE GOVERNING DOCUMENT CONTAINS A PROVISION DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE HOMEOWNERS ASSOCIATION SHALL CAUSE TO BE DELIVERED TO EACH HOLDER OF A MORTGAGE OR DEED OF TRUST ENTITLED TO NOTICE A COPY OF THE PROPOSED AMENDMENT TO THE GOVERNING DOCUMENT.
- (III) IF A HOLDER OF THE MORTGAGE OR DEED OF TRUST THAT RECEIVES THE PROPOSED AMENDMENT FAILS TO OBJECT, IN WRITING, TO THE PROPOSED AMENDMENT WITHIN 60 DAYS AFTER THE DATE OF ACTUAL RECEIPT OF THE PROPOSED AMENDMENT, THE HOLDER SHALL BE DEEMED TO HAVE

CONSENTED TO THE ADOPTION OF THE AMENDMENT.

- (2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO AMENDMENTS THAT:
- (I) ALTER THE PRIORITY OF THE LIEN OF THE MORTGAGE OR DEED OF TRUST;
- (II) MATERIALLY IMPAIR OR AFFECT THE LOT AS COLLATERAL; OR
- (III) MATERIALLY IMPAIR OR AFFECT THE RIGHT OF THE HOLDER OF THE MORTGAGE OR DEED OF TRUST TO EXERCISE ANY RIGHTS UNDER THE MORTGAGE, DEED OF TRUST, OR APPLICABLE LAW.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 34

(House Bill 33)

AN ACT concerning

# Criminal Law – Abuse or Neglect of a Vulnerable Adult – Causing Severe Emotional Distress

FOR the purpose of prohibiting a certain person from eausing abuse or neglect of a vulnerable adult that eauses intentionally and maliciously inflicting severe emotional distress to the on a vulnerable adult; altering the definition of "abuse" of a vulnerable adult; and generally relating to the applying certain penalties; and generally relating to the abuse or neglect of vulnerable adults.

BY repealing and reenacting, with amendments,

Article - Criminal Law

Section 3-604

**Annotated Code of Maryland** 

(2012 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without with amendments,

Article – Criminal Law

Section 3-605

Annotated Code of Maryland (2012 Replacement Volume and 2019 Supplement)

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

#### Article - Criminal Law

3 604

- (a) (1) In this section and §§ 3-605 and 3-606 of this subtitle the following words have the meanings indicated.
  - (2) (i) "Abuse" means the sustaining of:
- **1.** physical pain or injury by a vulnerable adult as a result of cruel or inhumane treatment or as a result of a malicious act under circumstances that indicate that the vulnerable adult's health or welfare is harmed or threatened: **OR**
- 2. SEVERE EMOTIONAL DISTRESS RESULTING FROM A COURSE OF CONDUCT BY ANOTHER.
  - (ii) "Abuse" includes:
    - 1. the sexual abuse of a vulnerable adult:
- 2. DECEPTIVE OR MISLEADING STATEMENTS MADE WITH A MALICIOUS INTENT TO AGITATE OR HARM THE VULNERABLE ADULT:
- 3. THE DESTRUCTION OF OR HARM TO AN ANIMAL OWNED BY THE VULNERABLE ADULT; AND
- 4. THE MALICIOUS DISTRIBUTION, DISPLAY, OR TRANSMISSION OF INFORMATION IDENTIFYING AND ABOUT THE VULNERABLE ADULT USING SOCIAL MEDIA IF THE DISTRIBUTION, DISPLAY, OR TRANSMISSION IS MADE WITHOUT THE VULNERABLE ADULT'S PERMISSION.
- (iii) "Abuse" does not include an accepted medical or behavioral procedure ordered by a health care provider authorized to practice under the Health Occupations Article or § 13–516 of the Education Article acting within the scope of the health care provider's practice.
- (3) "Caregiver" means a person under a duty to care for a vulnerable adult because of a contractual undertaking to provide care.

- "Family member" means a relative of a vulnerable adult by blood, marriage, adoption, or the marriage of a child. "Household" means the location: <del>(5)</del> in which the vulnerable adult resides: <del>(i)</del> where the abuse or neglect of a vulnerable adult is alleged to <del>(ii)</del> have taken place; or where the person suspected of abusing or neglecting a vulnerable <del>(iii)</del> adult resides <del>(6)</del> "Household member" means an individual who lives with or is a regular presence in a home of a vulnerable adult at the time of the alleged abuse or neglect. (7)"Neglect" means the intentional failure to provide necessary assistance and resources for the physical needs of a vulnerable adult, including: food: elothing: toileting; essential medical treatment: shelter: or supervision. 6. "Neglect" does not include the provision of nonmedical remedial care and treatment for the healing of injury or disease that is: given with the consent of the vulnerable adult; and 2 recognized by State law in place of medical treatment. "Serious physical injury" means physical injury that: <del>(8)</del> creates a substantial risk of death; or <del>(i)</del> <del>(ii)</del> causes permanent or protracted serious:
  - 2. loss of the function of any bodily member or organ; or

1

disfigurement;

- 3. impairment of the function of any bodily member or organ.
- (9) (i) "Sexual abuse" means an act that involves sexual molestation or exploitation of a vulnerable adult.
  - (ii) "Sexual abuse" includes:
    - 1. incest:
    - <del>2.</del> rape;
    - 3. sexual offense in any degree;
    - 4. sodomy; and
    - 5. unnatural or perverted sexual practices.
- (10) "Vulnerable adult" means an adult who lacks the physical or mental capacity to provide for the adult's daily needs.
- (b) (1) A caregiver, a parent, or other person who has permanent or temporary care or responsibility for the supervision of a vulnerable adult may not cause abuse or neglect of the vulnerable adult that:
  - (i) results in the death of the vulnerable adult:
- (ii) causes serious physical injury OR SEVERE EMOTIONAL DISTRESS to the vulnerable adult: or
  - (iii) involves sexual abuse of the vulnerable adult.
- (2) A household member or family member may not cause abuse or neglect of a vulnerable adult that:
  - (i) results in the death of the vulnerable adult;
- (ii) causes serious physical injury OR SEVERE EMOTIONAL DISTRESS to the vulnerable adult; or
  - (iii) involves sexual abuse of the vulnerable adult.
- (c) A person who violates this section is guilty of the felony of abuse or neglect of a vulnerable adult in the first degree and on conviction is subject to imprisonment not exceeding 10 years or a fine not exceeding \$10,000 or both.

(d) A sentence imposed under this section shall be in addition to any other sentence imposed for a conviction arising from the same facts and circumstances unless the evidence required to prove each crime is substantially identical.

3-605.

- (a) This section does not apply to abuse that involves sexual abuse of a vulnerable adult.
- (b) (1) A caregiver, a parent, or other person who has permanent or temporary care or responsibility for the supervision of a vulnerable adult may not:
  - (I) cause abuse or neglect of the vulnerable adult; OR
- (II) <u>INTENTIONALLY AND MALICIOUSLY INFLICT SEVERE</u> EMOTIONAL DISTRESS ON THE VULNERABLE ADULT.
  - (2) A household member or family member may not:
    - (I) cause abuse or neglect of a vulnerable adult; OR
- (II) <u>INTENTIONALLY AND MALICIOUSLY INFLICT SEVERE</u> <u>EMOTIONAL DISTRESS ON A VULNERABLE ADULT.</u>
- (c) A person who violates this section is guilty of the misdemeanor of abuse or neglect of a vulnerable adult in the second degree and on conviction is subject to imprisonment not exceeding 5 years or a fine not exceeding \$5,000 or both.
- (d) A sentence imposed under this section shall be in addition to any other sentence imposed for a conviction arising from the same facts and circumstances unless the evidence required to prove each crime is substantially identical.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 35

(House Bill 36)

AN ACT concerning

Juvenile Proceedings - Fines, Fees, and Costs

FOR the purpose of repealing certain provisions of law authorizing the juvenile court to impose certain civil fines against a child found to have committed certain violations; repealing a certain provision of law authorizing the juvenile court to impose certain court costs against a juvenile respondent or the respondent's parent, guardian, or custodian under certain circumstances; repealing a provision of law authorizing the juvenile court to assess against any party or a parent of a certain child compensation for the services of an attorney appointed to represent the child in a certain action; repealing a provision of law authorizing a court to order a parent to pay a certain sum to cover the support of a certain child; prohibiting a court from ordering a certain parent, guardian, custodian, or child to pay a certain fine, fee, cost, or sum of money for a certain purpose; prohibiting the assessment of compensation for the services of an attorney against a parent, guardian, custodian, or child in a delinquency proceeding; providing that the balance of certain fines, fees, or costs will become unenforceable and uncollectable on a certain date; requiring a certain portion of a certain judgment to be vacated on a certain date; making conforming changes; and generally relating to fines, fees, and costs in certain juvenile proceedings.

BY repealing and reenacting, with amendments,

Article – Courts and Judicial Proceedings Section 3–8A–19(e), (h), (i), (j), and (k), 3–8A–20, and 3–8A–32 Annotated Code of Maryland (2013 Replacement Volume and 2019 Supplement)

# BY repealing

Article – Courts and Judicial Proceedings Section 3–8A–19(g) and 3–8A–29 Annotated Code of Maryland (2013 Replacement Volume and 2019 Supplement)

# BY adding to

Article – Courts and Judicial Proceedings Section 3–8A–29 Annotated Code of Maryland (2013 Replacement Volume and 2019 Supplement)

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

# **Article - Courts and Judicial Proceedings**

#### 3-8A-19.

(e) (1) Subject to the provisions of subparagraphs (iii) and (iv) of this paragraph, in making a disposition on a finding that the child has committed the violation specified in a citation, the court may order the Motor Vehicle Administration to initiate an action, under the motor vehicle laws, to suspend the driving privilege of a child licensed to

operate a motor vehicle by the Motor Vehicle Administration for a specified period of not less than 30 days nor more than 90 days.

- (ii) In this paragraph, "driver's license" means a license or permit to drive a motor vehicle that is issued under the laws of this State or any other jurisdiction.
- (iii) In making a disposition on a finding that the child has committed a violation of § 10–113 of the Criminal Law Article specified in a citation that involved the use of a driver's license or a document purporting to be a driver's license, the court may order the Motor Vehicle Administration to initiate an action under the Maryland Vehicle Law to suspend the driving privilege of a child licensed to operate a motor vehicle by the Motor Vehicle Administration:
  - 1. For a first offense, for 6 months; and
- 2. For a second or subsequent offense, until the child is 21 years old.
- (iv) In making a disposition on a finding that the child has committed a violation under § 26–103 of the Education Article, the court shall order the Motor Vehicle Administration to initiate an action, under the motor vehicle laws, to suspend the driving privilege of a child licensed to operate a motor vehicle by the Motor Vehicle Administration for a specified period of not less than 30 days nor more than 90 days.
- (v) If a child subject to a suspension under this subsection does not hold a license to operate a motor vehicle on the date of the disposition, the suspension shall commence:
- 1. If the child is at least 16 years of age on the date of the disposition, on the date of the disposition; or
- 2. If the child is younger than 16 years of age on the date of the disposition, on the date the child reaches the child's 16th birthday.
- (2) In addition to the dispositions under paragraph (1) of this subsection, the court also may:
- (i) Counsel the child or the parent or both, or order the child to participate in an alcohol or a substance abuse education or rehabilitation program that is in the best interest of the child; **OR**
- (ii) [Impose a civil fine of not more than \$25 for the first violation and a civil fine of not more than \$100 for the second and subsequent violations; or
- (iii)] Order the child to participate in a supervised work program for not more than 20 hours for the first violation and not more than 40 hours for the second and subsequent violations.

- (3) (i) The provisions of paragraphs (1) and (2) of this subsection do not apply to a child found to have committed a violation of § 10–108 of the Criminal Law Article.
- (ii) In making a disposition on a finding that the child has committed a violation of § 10–108 of the Criminal Law Article, the court may:
- 1. Counsel the child or the parent or both, or order the child to participate in a smoking cessation clinic, or other suitable presentation of the hazards associated with tobacco use that is in the best interest of the child; **OR**
- 2. [Impose a civil fine of not more than \$25 for the first violation and a civil fine of not more than \$100 for a second or subsequent violation; or
- 3.] Order the child to participate in a supervised work program for not more than 20 hours for the first violation and not more than 40 hours for a second or subsequent violation.
- (4) (i) In making a disposition on a finding that the child has committed a violation of Title 4, Subtitle 5 or § 9–504 or § 9–505 of the Criminal Law Article, the court may order the Motor Vehicle Administration to initiate an action, under the Maryland Vehicle Law, to suspend the driving privilege of a child for a specified period not to exceed:
  - 1. For a first offense, 6 months; and
- 2. For a second or subsequent offense, 1 year or until the person is 21 years old, whichever is longer.
- (ii) If a child subject to a suspension under this paragraph does not possess the privilege to drive on the date of the disposition, the suspension shall commence:
- 1. If the child is at an age that is eligible to obtain the privilege to drive on the date of the disposition, on the date of the disposition; or
- 2. If the child is younger than an age that is eligible to obtain the privilege to drive on the date of the disposition, on the date the child is eligible to obtain driving privileges.
- (5) (i) In making a disposition on a finding that the child has committed a violation under § 21–1128 of the Transportation Article, the court shall order the Motor Vehicle Administration to initiate an action, under the motor vehicle laws, to suspend the driving privilege of a child licensed to operate a motor vehicle by the Motor Vehicle Administration for a specified period of not less than 30 days nor more than 90 days.
- (ii) If a child subject to a suspension under this paragraph does not possess the privilege to drive on the date of the disposition, the suspension shall commence:

- 1. If, on the date of the disposition, the child is at an age that makes a child eligible to obtain the privilege to drive, on the date of the disposition; or
- 2. If, on the date of the disposition, the child is younger than an age that makes a child eligible to obtain the privilege to drive, on the date the child is eligible to obtain driving privileges.
- [(g) The court may impose reasonable court costs against a respondent, or the respondent's parent, guardian, or custodian, against whom a finding of delinquency has been entered under the provisions of this section.]
- [(h)] (G) A child may be placed in an emergency facility on an emergency basis under Title 10, Subtitle 6, Part IV of the Health General Article.
- [(i)] (H) The court may not commit a child to the custody of the Maryland Department of Health under this section for inpatient care and treatment in a State mental hospital unless the court finds on the record based upon clear and convincing evidence that:
  - (1) The child has a mental disorder;
- (2) The child needs inpatient medical care or treatment for the protection of himself or others;
- (3) The child is unable or unwilling to be voluntarily admitted to such facility; and
- (4) There is no less restrictive form of intervention available which is consistent with the child's condition and welfare.
- [(j)] (I) The court may not commit a child to the custody of the Maryland Department of Health under this section for inpatient care and treatment in a State mental retardation facility unless the court finds on the record based upon clear and convincing evidence that:
  - (1) The child is mentally retarded;
- (2) The condition is of such a nature that for the adequate care or protection of the child or others, the child needs in–residence care or treatment; and
- (3) There is no less restrictive form of care and treatment available which is consistent with the child's welfare and safety.
- [(k)] (J) (1) Any commitment order issued under subsection [(i) or (j)] (H) OR (I) of this section shall require the Maryland Department of Health to file progress reports with the court at intervals no greater than every 6 months during the life of the order. The Maryland Department of Health shall provide the child's attorney of record with a copy of

each report. The court shall review each report promptly and consider whether the commitment order should be modified or vacated. After the first 6 months of the commitment and at 6-month intervals thereafter upon the request of any party, the Department or facility, the court shall grant a hearing for the purpose of determining if the standards specified in subsection [(i) or (j)] (H) OR (I) of this section continue to be met.

- (2) If, at any time after the commitment of the child to a State mental hospital under this section, the individualized treatment plan developed under § 10–706 of the Health General Article recommends that a child no longer meets the standards specified in subsection [(i)] (H) of this section, then the court shall grant a hearing to review the commitment order. The court may grant a hearing at any other time for the purpose of determining if the standards specified in subsection [(i)] (H) of this section continue to be met.
- (3) If, at any time after the commitment of the child to a State mental retardation facility under this section, the individualized plan of habilitation developed under § 7–1006 of the Health General Article recommends that a child no longer meets the standards specified in subsection [(j)] (I) of this section, then the court shall grant a hearing to review the commitment order. The court may grant a hearing at any other time for the purpose of determining if the standards specified in subsection [(j)] (I) of this section continue to be met.

#### 3-8A-20.

- (a) Except as provided in subsection [(d)] (C) of this section, a party is entitled to the assistance of counsel at every stage of any proceeding under this subtitle.
- (b) (1) Except as provided in paragraph (3) of this subsection, a child may not waive the right to the assistance of counsel in a proceeding under this subtitle.
- (2) A parent, guardian, or custodian of a child may not waive the child's right to the assistance of counsel.
- (3) After a petition or citation has been filed with the court under this subtitle, if a child indicates a desire to waive the right to the assistance of counsel, the court may not accept the waiver unless:
- (i) The child is in the presence of counsel and has consulted with counsel; and
  - (ii) The court determines that the waiver is knowing and voluntary.
- (4) In determining whether the waiver is knowing and voluntary, the court shall consider, after appropriate questioning in open court and on the record, whether the child fully comprehends:

- (i) The nature of the allegations and the proceedings, and the range of allowable dispositions;
- (ii) That counsel may be of assistance in determining and presenting any defenses to the allegations of the petition, or other mitigating circumstances;
- (iii) That the right to the assistance of counsel in a delinquency case, or a child in need of supervision case, includes the right to the prompt assignment of an attorney, without charge to the child if the child is financially unable to obtain private counsel;
- (iv) That even if the child intends not to contest the charge or proceeding, counsel may be of substantial assistance in developing and presenting material that could affect the disposition; and
- (v) That among the child's rights at any hearing are the right to call witnesses on the child's behalf, the right to confront and cross—examine witnesses, the right to obtain witnesses by compulsory process, and the right to require proof of any charges.
- (c) [Compensation for the services of an attorney appointed to represent a child in an action under this subtitle may be assessed by the court against any party or against a parent of the child.
- (d)] (1) A party is not entitled to the assistance of counsel at a peace order proceeding.
- (2) Paragraph (1) of this subsection does not affect the entitlement of a respondent to the assistance of counsel in a contempt proceeding as provided by law.
- [(e)] (D) (1) Unless the case is dismissed, if a child appears in court without counsel for a waiver hearing under § 3–8A–06 of this subtitle, or an adjudicatory hearing under § 3–8A–18 of this subtitle, and the child has not previously waived the right to the assistance of counsel in accordance with subsection (b) of this section, the court shall continue and the clerk shall reschedule the waiver or adjudicatory hearing.
- (2) The clerk shall issue a notice of the date, time, and location of the hearing at least 10 days prior to the date of the hearing.
- (3) (i) The Office of the Public Defender shall enter an appearance for the child.
- (ii) After entry of its appearance, the Office of the Public Defender shall verify eligibility for continued public defender representation in accordance with § 16–210 of the Criminal Procedure Article and the Maryland Rules.
- (4) The continuance of a waiver or adjudicatory hearing under this subsection may not be a basis for detaining the child under § 3–8A–15 of this subtitle.

[3–8A–29.

After giving the parent a reasonable opportunity to be heard, the court may order either parent or both parents to pay a sum in the amount the court directs to cover wholly or partly the support of the child under this subtitle.]

3-8A-29.

A COURT MAY NOT ORDER A PARENT, GUARDIAN, CUSTODIAN, OR CHILD TO PAY:

- (1) A FINE, FEE, OR COST UNDER THIS SUBTITLE; OR
- (2) A SUM OF MONEY TO COVER THE SUPPORT OF A CHILD UNDER THIS SUBTITLE.

3-8A-32.

- (a) In addition to any requirements relating to the appointment of counsel for children, at any time during the pendency of any action under this subtitle, where it appears to the court that the protection of the rights of a child requires independent representation, the court may, upon its own motion, or the motion of any party to the action, appoint an attorney to represent the interest of the child in that particular action. Such actions include but are not limited to those involving a child in need of supervision, delinquent child, or mentally handicapped child.
- (b) (1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, compensation for the services of the attorney under this section may be assessed against any party or parties to the action.
- (2) COMPENSATION FOR THE SERVICES OF AN ATTORNEY UNDER THIS SECTION MAY NOT BE ASSESSED AGAINST A PARENT, GUARDIAN, CUSTODIAN, OR CHILD IN A DELINQUENCY PROCEEDING.

SECTION 2. AND BE IT FURTHER ENACTED, That on the effective date of this Act, the balance of any court—ordered fines, fees, or costs previously assessed under the provisions of law repealed by this Act shall be unenforceable and uncollectable and the portion of any judgment that imposed those fines, fees, or costs shall be vacated.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 36

(House Bill 37)

AN ACT concerning

# Election Law - References to Absentee Voting in Communications - Mail-In Voting Absentee Voting - References in Public Communications and Prepaid Postage for Return of Ballots

FOR the purpose of requiring the State Board of Elections and each local board of elections to refer to absentee ballots as "mail—in ballots" and absentee voting as "mail—in voting" in all communications with voters and the general public; requiring the State Board and each local board to include in public communications regarding "mail—in voting" a statement that "mail—in voting" is referred to as absentee voting in the Maryland Constitution, the Annotated Code of Maryland, and the Code of Maryland Regulations; providing for a delayed effective date; requiring that certain envelopes required to be used by voters voting by absentee ballot to return their ballots include prepaid postage; requiring that absentee ballots be accompanied by instructions for the postage of certain absentee ballot envelopes; requiring the State Board of Elections to reimburse each local board of elections for a certain percentage of the cost of prepaid postage included on absentee ballot envelopes provided to certain voters; making this Act an emergency measure; and generally relating to referring to absentee voting as "mail—in voting" in communications. absentee voting.

BY repealing and reenacting, with amendments,

Article – Election Law Section 9–301 <u>and 9–310</u> Annotated Code of Maryland (2017 Replacement Volume and 2019 Supplement)

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

#### Article - Election Law

9-301.

- (a) This subtitle applies to every election governed by this article.
- (b) The State Board shall prescribe all forms required to comply with:
  - (1) this subtitle; and
  - (2) any requirements of relevant federal law.
- (C) THE STATE BOARD AND EACH LOCAL BOARD SHALL:

- (1) NOTWITHSTANDING THE USE OF THE TERM "ABSENTEE" IN THIS ARTICLE, REFER TO ABSENTEE BALLOTS AS "MAIL—IN BALLOTS" AND ABSENTEE VOTING AS "MAIL—IN VOTING" IN ALL COMMUNICATIONS WITH VOTERS AND THE GENERAL PUBLIC; AND
- (2) INCLUDE IN PUBLIC COMMUNICATIONS REGARDING "MAIL—IN VOTING" A STATEMENT THAT "MAIL—IN VOTING" IS REFERRED TO AS ABSENTEE VOTING IN THE MARYLAND CONSTITUTION, THE ANNOTATED CODE OF MARYLAND, AND THE CODE OF MARYLAND REGULATIONS.

*9–310*.

- (a) (1) This subsection applies only to an absentee ballot that is sent by mail.
- (2) An absentee ballot shall be enclosed in specially printed envelopes, the form and content of which shall be prescribed by the State Board.
  - (3) (i) A local board may use either two envelopes or three envelopes.
- (ii) If two envelopes are used, the inner envelope shall be designated the "ballot/return envelope", and, when issued, it shall fit inside the envelope designated the "outgoing envelope".
- (iii) If three envelopes are used, the innermost envelope shall be designated the "ballot envelope", which shall fit inside the envelope designated the "return envelope", both of which, when issued, shall fit inside the envelope designated the "outgoing envelope".
- (IV) THE BALLOT/RETURN ENVELOPE DESCRIBED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH AND THE RETURN ENVELOPE DESCRIBED UNDER SUBPARAGRAPH (III) OF THIS PARAGRAPH PROVIDED TO A VOTER VOTING BY ABSENTEE BALLOT SHALL INCLUDE PREPAID POSTAGE.
- (4) (I) AN ABSENTEE BALLOT SHALL BE ACCOMPANIED BY INSTRUCTIONS FOR POSTAGE OF THE BALLOT/RETURN ENVELOPE OR THE RETURN ENVELOPE.
  - (II) THE INSTRUCTIONS FOR POSTAGE SHALL INCLUDE:
- 1. A STATEMENT THAT THE BALLOT/RETURN ENVELOPE OR RETURN ENVELOPE INCLUDES PREPAID POSTAGE AND MAY BE MAILED AS IS; AND
- 2. <u>DIRECTIONS FOR HOW A VOTER MAY ATTACH POSTAGE</u> FOR THE PURPOSE OF REDUCING THE COSTS OF THE LOCAL BOARD.

- [(4)] (5) When voted and returned to the local board, an absentee ballot shall be enclosed in a ballot envelope or ballot/return envelope, on which has been printed an oath prescribed by the State Board.
- (B) THE STATE BOARD SHALL REIMBURSE EACH LOCAL BOARD FOR 50% OF THE COST OF PREPAID POSTAGE INCLUDED ON BALLOT/RETURN ENVELOPES OR RETURN ENVELOPES PROVIDED TO A VOTER VOTING BY ABSENTEE BALLOT UNDER SUBSECTION (A)(3)(IV) OF THIS SECTION.
- [(b)] (C) If an absentee ballot is sent by the Internet or facsimile transmission, the local board shall provide the voter with an envelope template, the oath prescribed by the State Board, and instructions for marking and returning the absentee ballot.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 2021 is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea or 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.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 37

(Senate Bill 145)

AN ACT concerning

Election Law - References to Absentee Voting in Communications - Mail-In Voting Absentee Voting - References in Public Communications and Prepaid Postage for Return of Ballots

FOR the purpose of requiring the State Board of Elections and each local board of elections to refer to absentee ballots as "mail—in ballots" and absentee voting as "mail—in voting" in all communications with voters and the general public; requiring the State Board and each local board to include in public communications regarding "mail—in voting" a statement that "mail—in voting" is referred to as absentee voting in the Maryland Constitution, the Annotated Code of Maryland, and the Code of Maryland Regulations; providing for a delayed effective date; requiring that certain envelopes required to be used by voters voting by absentee ballot to return their ballots include prepaid postage; requiring that absentee ballots be accompanied by instructions for the postage of certain absentee ballot envelopes; requiring the State Board of Elections to reimburse each local board of elections for a certain percentage of the cost of prepaid postage included on absentee ballot envelopes provided to certain voters; making this

<u>Act an emergency measure</u>; and generally relating to <del>referring to absentee voting as "mail-in voting" in communications.</del> absentee voting.

BY repealing and reenacting, with amendments,

Article - Election Law

Section 9-301 and 9-310

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

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

#### Article - Election Law

9-301.

- (a) This subtitle applies to every election governed by this article.
- (b) The State Board shall prescribe all forms required to comply with:
  - (1) this subtitle; and
  - (2) any requirements of relevant federal law.
- (C) THE STATE BOARD AND EACH LOCAL BOARD SHALL:
- (1) NOTWITHSTANDING THE USE OF THE TERM "ABSENTEE" IN THIS ARTICLE, REFER TO ABSENTEE BALLOTS AS "MAIL—IN BALLOTS" AND ABSENTEE VOTING AS "MAIL—IN VOTING" IN ALL COMMUNICATIONS WITH VOTERS AND THE GENERAL PUBLIC; AND
- (2) INCLUDE IN PUBLIC COMMUNICATIONS REGARDING "MAIL—IN VOTING" A STATEMENT THAT "MAIL—IN VOTING" IS REFERRED TO AS ABSENTEE VOTING IN <u>THE MARYLAND CONSTITUTION</u>, THE ANNOTATED CODE OF MARYLAND, AND THE CODE OF MARYLAND REGULATIONS.

*9–310*.

- (a) (1) This subsection applies only to an absentee ballot that is sent by mail.
- (2) An absentee ballot shall be enclosed in specially printed envelopes, the form and content of which shall be prescribed by the State Board.
  - (3) (i) A local board may use either two envelopes or three envelopes.

- (ii) If two envelopes are used, the inner envelope shall be designated the "ballot/return envelope", and, when issued, it shall fit inside the envelope designated the "outgoing envelope".
- (iii) If three envelopes are used, the innermost envelope shall be designated the "ballot envelope", which shall fit inside the envelope designated the "return envelope", both of which, when issued, shall fit inside the envelope designated the "outgoing envelope".
- (IV) THE BALLOT/RETURN ENVELOPE DESCRIBED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH AND THE RETURN ENVELOPE DESCRIBED UNDER SUBPARAGRAPH (III) OF THIS PARAGRAPH PROVIDED TO A VOTER VOTING BY ABSENTEE BALLOT SHALL INCLUDE PREPAID POSTAGE.
- (4) (I) AN ABSENTEE BALLOT SHALL BE ACCOMPANIED BY INSTRUCTIONS FOR POSTAGE OF THE BALLOT/RETURN ENVELOPE OR THE RETURN ENVELOPE.
  - (II) THE INSTRUCTIONS FOR POSTAGE SHALL INCLUDE:
- 1. A STATEMENT THAT THE BALLOT/RETURN ENVELOPE OR RETURN ENVELOPE INCLUDES PREPAID POSTAGE AND MAY BE MAILED AS IS; AND
- 2. <u>DIRECTIONS FOR HOW A VOTER MAY ATTACH POSTAGE</u> FOR THE PURPOSE OF REDUCING THE COSTS OF THE LOCAL BOARD.
- (4) (5) When voted and returned to the local board, an absentee ballot shall be enclosed in a ballot envelope or ballot/return envelope, on which has been printed an oath prescribed by the State Board.
- (B) THE STATE BOARD SHALL REIMBURSE EACH LOCAL BOARD FOR 50% OF THE COST OF PREPAID POSTAGE INCLUDED ON BALLOT/RETURN ENVELOPES OR RETURN ENVELOPES PROVIDED TO A VOTER VOTING BY ABSENTEE BALLOT UNDER SUBSECTION (A)(3)(IV) OF THIS SECTION.
- [(b)] (C) If an absentee ballot is sent by the Internet or facsimile transmission, the local board shall provide the voter with an envelope template, the oath prescribed by the State Board, and instructions for marking and returning the absentee ballot.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 2021 is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea or 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.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 38

(House Bill 45)

AN ACT concerning

# Economic Development - Opportunity Zone Incentives - Alteration of the More Jobs for Marylanders and Opportunity Zone Enhancement Programs

FOR the purpose of altering certain terms relating to eligibility for benefits under the More Jobs for Marylanders and Opportunity Zone Enhancement programs; altering the taxable years for which certain enhancements under the Opportunity Zone Enhancement Program are applicable; requiring the Department of Commerce to publish certain information about the Opportunity Zone Enhancement Program and certain qualified opportunity funds on its website in a certain manner; limiting eligibility for certain Opportunity Zone Enhancement Program benefits to certain investments in certain biotechnology and cybersecurity companies that are newly established in or expand into an opportunity zone on or after a certain date; making a technical correction; providing for the application of this Act; and generally relating to opportunity zones and the More Jobs for Marylanders and Opportunity Zone Enhancement programs.

BY repealing and reenacting, without amendments,

Article – Economic Development Section 6–801(a) and 6–1001(a) Annotated Code of Maryland (2018 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development Section 6–801(c), 6–1001(b), 6–1002, 6–1006, and 6–1007 Annotated Code of Maryland (2018 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,

Article – Tax – Property Section 9–110(a)(1) Annotated Code of Maryland (2019 Replacement Volume)

BY repealing

Article - Tax - Property Section 9-110(a)(5) Annotated Code of Maryland (2019 Replacement Volume)

BY repealing and reenacting, with amendments,

Article - Tax - Property

Section 9-110(a)(6) through (8)

Annotated Code of Maryland

(2019 Replacement Volume)

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

#### Article - Economic Development

6-801.

- (a) In this subtitle the following words have the meanings indicated.
- (c) (1) "Business entity" means a person conducting or operating a trade or business that is:
- (i) primarily engaged in activities that, in accordance with the North American Industrial Classification System (NAICS), United States Manual, United States Office of Management and Budget, 2012 Edition, would be included in Sector 31, 32, or 33; or
  - (ii) located in an opportunity zone.
  - (2) "Business entity" does not include:
- (i) a refiner, as defined in § 10–101 of the Business Regulation Article; [or]
  - (ii) a person conducting or operating a trade or business that is:
- 1. providing adult entertainment, as determined by the Department;
- 2. primarily engaged in retail activities, unless the person is operating a grocery store located in an opportunity zone; or
- 3. primarily engaged in the sale or distribution of alcoholic beverages; **OR**

#### (III) THE FOLLOWING ENTITIES:

- 1. A PRIVATE OR COMMERCIAL GOLF COURSE OR COUNTRY CLUB;
  - 2. A TANNING SALON; OR
  - 3. A MASSAGE PARLOR; OR
  - 4. A BAIL BONDSMAN.

6-1001.

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Level 1 opportunity zone enhancement" means an enhanced tax credit under the Program for which a qualified opportunity zone business or qualified opportunity fund is eligible if:
  - (1) the following information is provided to the Department:
- [(1)] (I) the date of the qualified opportunity fund's investment in the qualified opportunity zone business and the amount of the investment;
  - [(2)] (II) the total project or business investment, including any leverage;
- [(3)] (III) the address and census tract of the qualified opportunity zone business and the qualified opportunity fund;
- [(4)] (IV) the North American Industrial Classification System Code for the qualified opportunity zone business;
- [(5)] **(V)** an impact report, including both qualitative and quantitative data on the investment and, **AS APPLICABLE**, its progress **TOWARD**:
  - 1. CREATING AND RETAINING JOBS;
- 2. PROMOTING ENTREPRENEURSHIP, INCLUDING AMONG WOMEN- AND MINORITY-OWNED BUSINESSES;
  - 3. PROVIDING AFFORDABLE HOUSING;
  - 4. CREATING ACCESS TO HEALTHY FOOD;
  - 5. PROMOTING ENVIRONMENTAL SUSTAINABILITY; AND

- 6. BENEFITING THE COMMUNITIES IN THE OPPORTUNITY ZONE IN A MANNER NOT OTHERWISE SPECIFIED IN THIS ITEM; and
- [(6)] (VI) any other information requested by the Department that meets the transparency goals of the Program; AND
- (2) FOR A QUALIFIED OPPORTUNITY ZONE BUSINESS LOCATED IN AN OPPORTUNITY ZONE IN A COUNTY WITH A MINIMUM WAGE THAT EXCEEDS THE STATE MINIMUM WAGE, THE QUALIFIED OPPORTUNITY ZONE BUSINESS PAYS TO EACH EMPLOYEE WAGES THAT EXCEED THE GREATER OF:
  - (I) 120% OF THE STATE MINIMUM WAGE; OR
  - (II) 120% OF THE COUNTY MINIMUM WAGE.

6-1002.

- (a) There is an Opportunity Zone Enhancement Program in the Department.
- (b) (1) The Department shall administer the tax credit enhancements offered under the Program.
- (2) The enhancements offered under the Program shall be applicable to all taxable years beginning after December 31, 2018, but before January 1,  $\frac{2022}{2027}$ .
- (c) (1) The Department shall publish on its website information about the Program and information reported by a qualified opportunity fund receiving enhanced tax credits under the Program.
  - (2) The information published on the website:
- (I) SHALL BE ITEMIZED BY QUALIFIED OPPORTUNITY <del>FUND</del> ZONE;
  - (II) SHALL BE SUMMARIZED IN THE AGGREGATE; AND
  - (III) may not include any proprietary or confidential information.
- (d) The Department, in consultation with the Department of Housing and Community Development, shall adopt regulations to carry out this subtitle, including criteria and procedures for determining eligibility for a Level 1 or Level 2 opportunity zone enhancement.

- (a) In this section, "investment", "qualified investor", and "qualified Maryland biotechnology company" have the meanings stated in § 10–725 of the Tax General Article.
- (b) For a qualified opportunity fund that is a qualified investor in a qualified Maryland biotechnology company under § 10–725 of the Tax General Article, if the qualified Maryland biotechnology company [is located in], ON OR AFTER MARCH 1, 2018, IS <u>NEWLY</u> ESTABLISHED IN OR EXPANDS INTO an opportunity zone:
- (1) the Level 1 opportunity zone enhancement is 65% of the investment in a qualified Maryland biotechnology company in any county, not to exceed \$575,000; and
- (2) the Level 2 opportunity zone enhancement is 75% of the investment in the qualified Maryland biotechnology company in any county, not to exceed \$750,000.
- (c) The enhanced tax credit percentages and maximums authorized under subsection (b) of this section are in substitution for and not in addition to the percentages and maximums under § 10–725(d) of the Tax General Article.

6-1007.

- (a) In this section, "investment", "qualified investor", and "qualified Maryland cybersecurity company" have the meanings stated in § 10–733 of the Tax General Article.
- (b) For a qualified opportunity fund that is a qualified investor in a qualified Maryland cybersecurity company under § 10–733 of the Tax General Article, if the qualified Maryland cybersecurity company [is located in], ON OR AFTER MARCH 1, 2018, IS <u>NEWLY</u> ESTABLISHED IN OR EXPANDS INTO an opportunity zone in a county other than Allegany County, Dorchester County, Garrett County, or Somerset County:
- (1) the Level 1 opportunity zone enhancement is 33% of the investment in a qualified Maryland cybersecurity company, not to exceed \$300,000; and
- (2) the Level 2 opportunity zone enhancement is 50% of the investment in the qualified Maryland cybersecurity company, not to exceed \$500,000.
- (c) The enhanced tax credit percentages and maximums authorized under subsection (b) of this section are in substitution for and not in addition to the percentages and maximums under § 10–733(d) of the Tax General Article.

# Article - Tax - Property

9-110.

(a) (1) In this section the following words have the meanings indicated.

- [(5) "Opportunity zone" has the meaning stated in  $\S$  6–801 of the Economic Development Article.]
- [(6)] (5) "Qualified business entity" means a new business entity operating an eligible project in a Tier I area, as defined under § 6–801 of the Economic Development Article.
- [(7)] **(6)** "Qualified position" has the meaning stated in § 6–801 of the Economic Development Article.
- [(8)] (7) "Qualified property" means real property where an eligible project is located.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020, and shall be applicable to all taxable years beginning after December 31, 2019.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 39

(House Bill 46)

AN ACT concerning

Motor Vehicle Administration – Authority to Suspend Registration for Violations Recorded by Traffic Control Signal Monitoring Systems <u>and Speed</u>
Monitoring Systems – Repeal

FOR the purpose of repealing the Motor Vehicle Administration's authority to suspend the registration of a motor vehicle if the owner or driver of the motor vehicle fails to pay the penalty assessed for a certain violation violations recorded by a traffic control signal monitoring system or a speed monitoring system; and generally relating to the Motor Vehicle Administration and traffic control signal monitoring systems and speed monitoring systems.

BY repealing and reenacting, without amendments,

Article – Transportation

Section 21–202(h) and, 21–202.1(a)(1) and (5), (c), and (d)(1) and (2), 21–801.1(a) and (b), and 21–809(a)(8) and (c)(1) and (2)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation

Section 21–202.1(h) <u>and 21–809(g)</u> Annotated Code of Maryland (2012 Replacement Volume and 2019 Supplement)

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

#### **Article - Transportation**

21-202.

and

- (h) (1) Vehicular traffic facing a steady circular red signal alone:
  - (i) Shall stop at the near side of the intersection:
    - 1. At a clearly marked stop line;
- 2. If there is no clearly marked stop line, before entering any crosswalk; or
  - 3. If there is no crosswalk, before entering the intersection;
- (ii) Except as provided in subsections (i), (j), and (k) of this section, shall remain stopped until a signal to proceed is shown.
  - (2) Vehicular traffic facing a steady red arrow signal:
- (i) May not enter the intersection to make the movement indicated by the arrow;
- (ii) Unless entering the intersection to make a movement permitted by another signal, shall stop at the near side of the intersection:
  - 1. At a clearly marked stop line;
- 2. If there is no clearly marked stop line, before entering any crosswalk; or
  - 3. If there is no crosswalk, before entering the intersection;
- (iii) Except as provided in subsections (i), (j), and (k) of this section, shall remain stopped until a signal permitting the movement is shown.

21-202.1.

and

- (a) (1) In this section the following words have the meanings indicated.
- (5) "Traffic control signal monitoring system" means a device with one or more motor vehicle sensors working in conjunction with a traffic control signal to produce recorded images of motor vehicles entering an intersection against a red signal indication.
- (c) This section applies to a violation of § 21–202(h) of this subtitle at an intersection monitored by a traffic control signal monitoring system.
- (d) (1) Unless the driver of the motor vehicle received a citation from a police officer at the time of the violation, the owner or, in accordance with subsection (g)(5) of this section, the driver of a motor vehicle is subject to a civil penalty if the motor vehicle is recorded by a traffic control signal monitoring system while being operated in violation of § 21–202(h) of this subtitle.
  - (2) A civil penalty under this subsection may not exceed \$100.
- (h) If the civil penalty is not paid and the violation is not contested, the Administration may refuse to register or reregister [or may suspend the registration of] the motor vehicle.

#### 21-801.1.

- (a) Unless there is a special danger that requires a lower speed to comply with § 21–801 of this subtitle, the limits specified in this section or otherwise established under this subtitle are maximum lawful speeds. A person may not drive a vehicle on a highway at a speed that exceeds these limits.
  - (b) Except as otherwise provided in this section, the maximum speed limits are:
    - (1) 15 miles per hour in alleys in Baltimore County;
    - (2) 30 miles per hour on:
      - (i) All highways in a business district; and
      - (ii) Undivided highways in a residential district;
    - (3) 35 miles per hour on divided highways in a residential district;
    - (4) 50 miles per hour on undivided highways in other locations; and
    - (5) 55 miles per hour on divided highways in other locations.

#### 21 - 809.

- (a) (8) "Speed monitoring system" means a device with one or more motor vehicle sensors producing recorded images of motor vehicles traveling at speeds at least 12 miles per hour above the posted speed limit.
- (c) <u>Unless the driver of the motor vehicle received a citation from a police officer at the time of the violation, the owner or, in accordance with subsection (f)(4) of this section, the driver of a motor vehicle is subject to a civil penalty if the motor vehicle is recorded by a speed monitoring system while being operated in violation of this subtitle.</u>
  - (2) A civil penalty under this subsection may not exceed \$40.
- (g) If a person liable under this section does not pay the civil penalty or contest the violation, the Administration[:
- (1) May MAY refuse to register or reregister the motor vehicle cited for the violation [; or
- (2) May suspend the registration of the motor vehicle cited for the violation].

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 40

(Senate Bill 177)

AN ACT concerning

Motor Vehicle Administration – Authority to Suspend Registration for Violations Recorded by Traffic Control Signal Monitoring Systems <u>and Speed Monitoring Systems</u> – Repeal

FOR the purpose of repealing the Motor Vehicle Administration's authority to suspend the registration of a motor vehicle if the owner or driver of the motor vehicle fails to pay the penalty assessed for a certain violation violations recorded by a traffic control signal monitoring system or a speed monitoring system; and generally relating to the Motor Vehicle Administration and traffic control signal monitoring systems and speed monitoring systems.

BY repealing and reenacting, without amendments, Article – Transportation Section 21–202(h) and, 21–202.1(a)(1) and (5), (c), and (d)(1) and (2), 21–801.1(a) and (b), and 21–809(a)(8) and (c)(1) and (2)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation

Section 21–202.1(h) and 21–809(g)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

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

# **Article – Transportation**

21-202.

and

- (h) (1) Vehicular traffic facing a steady circular red signal alone:
  - (i) Shall stop at the near side of the intersection:
    - 1. At a clearly marked stop line;
- 2. If there is no clearly marked stop line, before entering any crosswalk; or
  - 3. If there is no crosswalk, before entering the intersection;
- (ii) Except as provided in subsections (i), (j), and (k) of this section, shall remain stopped until a signal to proceed is shown.
  - (2) Vehicular traffic facing a steady red arrow signal:
- (i) May not enter the intersection to make the movement indicated by the arrow;
- (ii) Unless entering the intersection to make a movement permitted by another signal, shall stop at the near side of the intersection:
  - 1. At a clearly marked stop line;
- 2. If there is no clearly marked stop line, before entering any crosswalk; or

and

- 3. If there is no crosswalk, before entering the intersection;
- (iii) Except as provided in subsections (i), (j), and (k) of this section, shall remain stopped until a signal permitting the movement is shown.

#### 21-202.1.

- (a) (1) In this section the following words have the meanings indicated.
- (5) "Traffic control signal monitoring system" means a device with one or more motor vehicle sensors working in conjunction with a traffic control signal to produce recorded images of motor vehicles entering an intersection against a red signal indication.
- (c) This section applies to a violation of § 21–202(h) of this subtitle at an intersection monitored by a traffic control signal monitoring system.
- (d) (1) Unless the driver of the motor vehicle received a citation from a police officer at the time of the violation, the owner or, in accordance with subsection (g)(5) of this section, the driver of a motor vehicle is subject to a civil penalty if the motor vehicle is recorded by a traffic control signal monitoring system while being operated in violation of § 21–202(h) of this subtitle.
  - (2) A civil penalty under this subsection may not exceed \$100.
- (h) If the civil penalty is not paid and the violation is not contested, the Administration may refuse to register or reregister [or may suspend the registration of] the motor vehicle.

#### 21-801.1.

- (a) Unless there is a special danger that requires a lower speed to comply with § 21–801 of this subtitle, the limits specified in this section or otherwise established under this subtitle are maximum lawful speeds. A person may not drive a vehicle on a highway at a speed that exceeds these limits.
  - (b) Except as otherwise provided in this section, the maximum speed limits are:
    - (1) 15 miles per hour in alleys in Baltimore County;
    - (2) 30 miles per hour on:
      - (i) All highways in a business district; and
      - (ii) Undivided highways in a residential district;
    - (3) 35 miles per hour on divided highways in a residential district;

- (4) 50 miles per hour on undivided highways in other locations; and
- (5) 55 miles per hour on divided highways in other locations.

#### 21 - 809.

- (a) (8) "Speed monitoring system" means a device with one or more motor vehicle sensors producing recorded images of motor vehicles traveling at speeds at least 12 miles per hour above the posted speed limit.
- (c) (1) Unless the driver of the motor vehicle received a citation from a police officer at the time of the violation, the owner or, in accordance with subsection (f)(4) of this section, the driver of a motor vehicle is subject to a civil penalty if the motor vehicle is recorded by a speed monitoring system while being operated in violation of this subtitle.
  - (2) A civil penalty under this subsection may not exceed \$40.
- (g) If a person liable under this section does not pay the civil penalty or contest the violation, the Administration:
- (1) May MAY refuse to register or reregister the motor vehicle cited for the violation [; or
- (2) May suspend the registration of the motor vehicle cited for the violation].

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 41

(House Bill 49)

AN ACT concerning

# Criminal Procedure – Pretrial Release – Pretrial Risk Assessment Scoring Instruments

FOR the purpose of requiring a jurisdiction that uses a certain instrument to aid assist in determining the eligibility for pretrial release of an individual charged with a crime to have an independent validation study of the instrument conducted within a

certain time period; <u>making an independent validation study conducted in accordance with this Act for a certain instrument used in a certain pretrial services program eligible for certain grant funding;</u> defining a certain terms; providing for a delayed effective date; and generally relating to pretrial release.

#### BY adding to

Article – Criminal Procedure Section 5–103

Annotated Code of Maryland (2018 Replacement Volume and 2019 Supplement)

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

Article – Public Safety

Section 4–1101, 4–1102(b), 4–1103(b), and 4–1104

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

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

<u>Article – Public Safety</u>

Section 4–1102(a)

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

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

#### Article - Criminal Procedure

5-103.

- (A) IN THIS SECTION, "PRETRIAL RISK ASSESSMENT SCORING INSTRUMENT" MEANS A TOOL, A METRIC, AN ALGORITHM, OR SOFTWARE THAT IS USED TO DETERMINE ASSIST IN DETERMINING THE ELIGIBILITY OF A DEFENDANT FOR PRETRIAL RELEASE IN A PRETRIAL PROCEEDING BASED ON THE DEFENDANT'S FLIGHT RISK AND THREAT TO COMMUNITY SAFETY.
- (B) A JURISDICTION THAT USES A PRETRIAL RISK ASSESSMENT SCORING INSTRUMENT TO DETERMINE THE ELIGIBILITY OF A DEFENDANT FOR PRETRIAL RELEASE SHALL HAVE AN INDEPENDENT VALIDATION STUDY OF THE PRETRIAL RISK ASSESSMENT SCORING INSTRUMENT CONDUCTED AT LEAST ONCE EVERY \$5 YEARS.

#### Article - Public Safety

#### 4–1101.

(a) In this subtitle the following words have the meanings indicated.

- (b) "Eligible county" means:
  - (1) a county that does not provide defendants with pretrial services; or
- (2) a county that does provide defendants with pretrial services, but seeks to improve the pretrial services to comply with § 4–1104 of this subtitle.
- (c) <u>"Executive Director" means the Executive Director of the Governor's Office of Crime Control and Prevention.</u>
  - (d) "Fund" means the Pretrial Services Program Grant Fund.
- (e) "PRETRIAL RISK SCORING INSTRUMENT VALIDATION" MEANS AN INDEPENDENT VALIDATION STUDY OF A PRETRIAL RISK SCORING TOOL UNDER § 5–103 OF THE CRIMINAL PROCEDURE ARTICLE.
- **(F)** <u>"Pretrial services program" means a program established in accordance with § 4–1104 of this subtitle.</u>

#### 4-1102.

- (a) There is a Pretrial Services Program Grant Fund.
- (b) The purpose of the Fund is to provide grants to eligible counties to:
  - (1) establish pretrial services programs; [or]
- (2) improve existing pretrial services programs to comply with § 4–1104 of this subtitle; **OR**
- (3) CONDUCT PRETRIAL RISK SCORING INSTRUMENT VALIDATIONS IN COMPLIANCE WITH § 5–103 OF THE CRIMINAL PROCEDURE ARTICLE.

# 4–<u>1103.</u>

- (b) An eligible county that applies for a grant from the Fund shall provide the Executive Director with:
  - (1) a description of how:
- (I) the proposed pretrial services program or proposed pretrial services program improvements will meet the requirements of § 4–1104 of this subtitle; OR

- (II) THE PRETRIAL SERVICES PROGRAM FOR WHICH THE PRETRIAL RISK SCORING INSTRUMENT VALIDATION IS PROPOSED MEETS THE REQUIREMENTS OF § 4–1104 OF THIS SUBTITLE; and
- (2) any other information that the Executive Director considers necessary.

  4–1104.

A pretrial services program established [or], improved, OR FOR WHICH A PRETRIAL RISK SCORING INSTRUMENT VALIDATION IS CONDUCTED using a grant distributed in accordance with § 4–1103 of this subtitle shall:

- (1) <u>use a validated, evidence—based, race—neutral risk scoring instrument</u> that is consistent with the Maryland Rules to make recommendations to a judicial officer to determine whether a defendant:
  - (i) is eligible for release:
    - 1. on personal recognizance; or
    - 2. with appropriate pretrial supervision; or
  - (ii) should be held without bail;
  - (2) apply best practices shown to be effective in other jurisdictions; and
- (3) incorporate multiple levels of supervision based on defendant risk scores with features that include:
  - (i) cellular telephone reminders of a defendant's hearing date;
  - (ii) drug and alcohol testing;
  - (iii) global positioning satellite monitoring, if applicable; and
- (iv) substance abuse, mental health, or mediation referrals, if approved by the judicial officer and available in the eligible county.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020 July 1, 2021.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 42

#### (House Bill 77)

# AN ACT concerning

# Anne Arundel County - Illegal Dumping and Litter Control Law - Adoption of Local Ordinance

FOR the purpose of authorizing the governing body of Anne Arundel County to adopt a certain ordinance to prohibit littering and to impose certain criminal and civil penalties; and generally relating to the Illegal Dumping and Litter Control Law.

BY repealing and reenacting, without amendments,

Article - Criminal Law

Section 10-110(f)(1), (2), and (3) and (j)(1)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Criminal Law

Section 10-110(j)(2)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

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

#### Article - Criminal Law

10-110.

- (f) (1) A person who violates this section is subject to the penalties provided in this subsection.
- (2) (i) A person who disposes of litter in violation of this section in an amount not exceeding 100 pounds or 27 cubic feet and not for commercial gain is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 30 days or a fine not exceeding \$1,500 or both.
- (ii) A person who disposes of litter in violation of this section in an amount exceeding 100 pounds or 27 cubic feet, but not exceeding 500 pounds or 216 cubic feet, and not for commercial gain is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 1 year or a fine not exceeding \$12,500 or both.
- (iii) A person who disposes of litter in violation of this section in an amount exceeding 500 pounds or 216 cubic feet or in any amount for commercial gain is

guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 5 years or a fine not exceeding \$30,000 or both.

- (3) In addition to the penalties provided under paragraph (2) of this subsection, a court may order the violator to:
- (i) remove or render harmless the litter disposed of in violation of this section;
- (ii) repair or restore any property damaged by, or pay damages for, the disposal of the litter in violation of this section;
- (iii) perform public service relating to the removal of litter disposed of in violation of this section or to the restoration of an area polluted by litter disposed of in violation of this section; or
- (iv) reimburse the State, county, municipal corporation, or bi-county unit for its costs incurred in removing the litter disposed of in violation of this section.
  - (j) (1) The legislative body of a municipal corporation may:
    - (i) prohibit littering; and
- (ii) classify littering as a municipal infraction under Title 6 of the Local Government Article.
- (2) The governing bodies of **ANNE ARUNDEL COUNTY,** Prince George's County, Calvert County, and Montgomery County may each adopt an ordinance to prohibit littering under this section and, for violations of the ordinance, may impose criminal penalties and civil penalties that do not exceed the criminal penalties and civil penalties specified in subsection (f)(1) through (3) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 43

(Senate Bill 60)

AN ACT concerning

Anne Arundel County – Illegal Dumping and Litter Control Law – Adoption of Local Ordinance

FOR the purpose of authorizing the governing body of Anne Arundel County to adopt a certain ordinance to prohibit littering and to impose certain criminal and civil penalties; and generally relating to the Illegal Dumping and Litter Control Law.

BY repealing and reenacting, without amendments,

Article – Criminal Law

Section 10-110(f)(1), (2), and (3) and (j)(1)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article - Criminal Law

Section 10-110(i)(2)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

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

#### Article - Criminal Law

10-110.

- (f) (1) A person who violates this section is subject to the penalties provided in this subsection.
- (2) (i) A person who disposes of litter in violation of this section in an amount not exceeding 100 pounds or 27 cubic feet and not for commercial gain is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 30 days or a fine not exceeding \$1,500 or both.
- (ii) A person who disposes of litter in violation of this section in an amount exceeding 100 pounds or 27 cubic feet, but not exceeding 500 pounds or 216 cubic feet, and not for commercial gain is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 1 year or a fine not exceeding \$12,500 or both.
- (iii) A person who disposes of litter in violation of this section in an amount exceeding 500 pounds or 216 cubic feet or in any amount for commercial gain is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 5 years or a fine not exceeding \$30,000 or both.
- (3) In addition to the penalties provided under paragraph (2) of this subsection, a court may order the violator to:
- (i) remove or render harmless the litter disposed of in violation of this section;

- (ii) repair or restore any property damaged by, or pay damages for, the disposal of the litter in violation of this section;
- (iii) perform public service relating to the removal of litter disposed of in violation of this section or to the restoration of an area polluted by litter disposed of in violation of this section; or
- (iv) reimburse the State, county, municipal corporation, or bi—county unit for its costs incurred in removing the litter disposed of in violation of this section.
  - (j) (1) The legislative body of a municipal corporation may:
    - (i) prohibit littering; and
- (ii) classify littering as a municipal infraction under Title 6 of the Local Government Article.
- (2) The governing bodies of **ANNE ARUNDEL COUNTY,** Prince George's County, Calvert County, and Montgomery County may each adopt an ordinance to prohibit littering under this section and, for violations of the ordinance, may impose criminal penalties and civil penalties that do not exceed the criminal penalties and civil penalties specified in subsection (f)(1) through (3) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 44

(House Bill 78)

AN ACT concerning

# **Bay Restoration Fund - Authorized Uses**

FOR the purpose of altering the criteria for determining the use of funds in the Bay Restoration Fund for certain purposes in certain fiscal years; specifying that certain grants to certain local governments may be used for stormwater management measures that include volume or quality control stormwater measures relating to water quality, climate resiliency, or flood control; and generally relating to the authorized uses of the Bay Restoration Fund.

BY repealing and reenacting, with amendments,

Article – Environment Section 9–1605.2(i)(2) Annotated Code of Maryland (2014 Replacement Volume and 2019 Supplement)

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

#### Article - Environment

9-1605.2.

- (i) (2) Funds in the Bay Restoration Fund shall be used only:
- (i) To award grants for up to 100% of eligible costs of projects relating to planning, design, construction, and upgrade of a wastewater facility for flows up to the design capacity of the wastewater facility, as approved by the Department, to achieve enhanced nutrient removal in accordance with paragraph (3) of this subsection;
- (ii) In fiscal years 2016 and thereafter, for up to 87.5% of the total cost of projects, as approved by the Department, relating to combined sewer overflows abatement, rehabilitation of existing sewers, and upgrading conveyance systems, including pumping stations;
- (iii) In fiscal years 2010 and thereafter, for a portion of the operation and maintenance costs related to the enhanced nutrient removal technology, which may not exceed 10% of the total restoration fee collected from users of wastewater facilities under this section by the Comptroller annually;
- (iv) In fiscal years 2018 and thereafter, after payment of outstanding bonds and the allocation of funds to other required uses of the Bay Restoration Fund for funding in the following order of priority:
- 1. For funding the eligible costs to upgrade a wastewater facility to enhanced nutrient removal at wastewater facilities with a design capacity of 500,000 gallons or more per day;
- 2. For funding the eligible costs of the most cost–effective enhanced nutrient removal upgrades at wastewater facilities with a design capacity of less than 500,000 gallons per day; and
- 3. As determined by the Department and based on water quality, **CLIMATE RESILIENCY**, **FLOOD CONTROL**, and public health benefits, for the following:
  - A. For costs identified under item (ii) of this paragraph;

- B. For costs identified under subsection (h)(2)(i)1 of this section; and
- C. With respect to a local government that has enacted and implemented a system of charges to fully fund the implementation of a stormwater management program, for grants to the local government for a portion of the costs of the most cost—effective and efficient stormwater control measures, INCLUDING VOLUME OR QUALITY CONTROL, STORMWATER MEASURES RELATING TO WATER QUALITY, CLIMATE RESILIENCY, OR FLOOD CONTROL, as determined and approved by the Department, from the restoration fees collected annually by the Comptroller from users of wastewater facilities under this section;
- (v) As a source of revenue or security for the payment of principal and interest on bonds issued by the Administration if the proceeds of the sale of the bonds will be deposited in the Bay Restoration Fund;
  - (vi) To earn interest on Bay Restoration Fund accounts;
- (vii) For the reasonable costs of administering the Bay Restoration Fund, which may not exceed 1.5% of the total restoration fees imposed on users of wastewater facilities that are collected by the Comptroller annually;
- (viii) For the reasonable administrative costs incurred by a local government or a billing authority for a water or wastewater facility collecting the restoration fees, in an amount not to exceed 5% of the total restoration fees collected by that local government or billing authority;
- (ix) For future upgrades of wastewater facilities to achieve additional nutrient removal or water quality improvement, in accordance with paragraphs (6) and (7) of this subsection:
  - (x) For costs associated with the issuance of bonds:
- (xi) Subject to the allocation of funds and the conditions under subsection (h) of this section, for projects related to the removal of nitrogen from on—site sewage disposal systems and cover crop activities;
- (xii) For costs associated with the implementation of alternate compliance plans authorized in § 4–202.1(k)(3) of this article; and
- (xiii) After funding any eligible costs identified under item (iv)1 and 2 of this paragraph, for costs associated with the purchase of cost—effective nitrogen, phosphorus, or sediment load reductions in support of the State's efforts to restore the health of the Chesapeake Bay, not to exceed \$4,000,000 in fiscal year 2018, \$6,000,000 in fiscal year 2019, and \$10,000,000 per year in fiscal years 2020 and 2021.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 45

(House Bill 81)

AN ACT concerning

# Criminal Law - Sodomy and Unnatural or Perverted Sexual Practice - Repeal

FOR the purpose of repealing the <u>crimes crime</u> of sodomy <u>and unnatural or perverted sexual</u> <u>practice</u>; <u>making conforming changes</u>; <u>clarifying that certain evidence is not admissible as an infamous crime</u>; <u>providing that a certain conviction may not be expunged under certain circumstances</u>; and generally relating to sexual crimes.

# BY repealing and reenacting, with amendments,

<u>Article – Courts and Judicial Proceedings</u>

Section 3–801(aa) and 10–905(a)(1)

Annotated Code of Maryland

(2013 Replacement Volume and 2019 Supplement)

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

Article - Criminal Law

Section  $\frac{3-321}{3-321}$  and  $\frac{3-322}{3-322}$  2-201(a)(4), 3-602(a)(4)(ii), 3-604(a)(9)(ii), and 3-809(a)(5)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

#### BY repealing

Article – Criminal Law

Section 3-321 and 3-322

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

#### BY adding to

Article – Criminal Law

Section 3–321

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

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

<u>Article – Criminal Procedure</u>

Section 10-105(a)(11) and (a-1), 11-701(g)(1), and 11-1007(a)(6)(ii)

Annotated Code of Maryland
(2018 Replacement Volume and 2019 Supplement)

#### BY adding to

Article – Criminal Procedure

Section 10–105(a–1)

Annotated Code of Maryland

(2018 Replacement Volume and 2019 Supplement)

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

Article – Family Law

Section 5–701(z)

Annotated Code of Maryland

(2019 Replacement Volume)

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

# <u>Article - Courts and Judicial Proceedings</u>

# <u>3–801.</u>

- (aa) "Sexual molestation or exploitation" includes:
  - (1) Allowing or encouraging a child to engage in:
    - (i) Obscene photography, films, poses, or similar activity;
    - (ii) Pornographic photography, films, poses, or similar activity; or
    - (iii) Prostitution;
  - (2) Incest;
  - (3) <u>Rape</u>;
  - (4) Sexual offense in any degree; AND
  - (5) <del>[Sodomy; and</del>
- (6) Unnatural or perverted sexual practices ANY OTHER SEXUAL CONDUCT THAT IS CRIMINALLY PROHIBITED.

10 - 905.

(a) (1) Evidence is admissible to prove the interest of a witness in any proceeding, or the fact of the witness's conviction of an infamous crime OTHER THAN THE COMMON LAW OFFENSE OF SODOMY AS IT EXISTED BEFORE OCTOBER 1, 2020.

#### Article - Criminal Law

#### <u>2–201.</u>

- (a) A murder is in the first degree if it is:
  - (4) committed in the perpetration of or an attempt to perpetrate:
    - (i) arson in the first degree;
- (ii) <u>burning a barn, stable, tobacco house, warehouse, or other</u> outbuilding that:
  - 1. is not parcel to a dwelling; and
  - 2. contains cattle, goods, wares, merchandise, horses, grain,

# hay, or tobacco;

- (iii) burglary in the first, second, or third degree;
- (iv) carjacking or armed carjacking;
- (v) escape in the first degree from a State correctional facility or a local correctional facility;
  - (vi) kidnapping under § 3–502 or § 3–503(a)(2) of this article;
  - (vii) mayhem;
  - (viii) rape;
  - (ix) robbery under § 3–402 or § 3–403 of this article;
  - (x) sexual offense in the first or second degree;
  - (xi) sodomy AS THAT CRIME EXISTED BEFORE OCTOBER 1, 2020;

or

(xii) a violation of § 4–503 of this article concerning destructive

#### devices.

[3-321.

A person who is convicted of sodomy is guilty of a felony and is subject to imprisonment not exceeding 10 years.]

## 3-321.

## THE COMMON LAW CRIME OF SODOMY HAS BEEN REPEALED.

## <del>3 322.</del>

- (a) A person may not:
  - (1) take the sexual organ of another or of an animal in the person's mouth;
- (2) place the person's sexual organ in the mouth of another or of an animal;
- (3) commit another unnatural or perverted sexual practice with another or with an animal.
- (b) A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 10 years or a fine not exceeding \$1,000 or both.
  - (c) A person who violates this section is subject to § 5–106(b) of the Courts Article.
  - (d) An indictment for a violation of this section:
- (1) is sufficient if it states that the defendant committed an unnatural and perverted sexual practice with a person or animal as applicable; but
  - (2) need not state the particular:
- (i) unnatural or perverted sexual practice with which the defendant is charged; or
- (ii) manner in which the defendant committed the unnatural or perverted sexual practice.]

## 3-602.

- (a) (4) (ii) "Sexual abuse" includes:
  - 1. incest:
  - 2. rape;
  - <u>3.</u> <u>sexual offense in any degree; AND</u>

- 4. <del>[sodomy; and</del>
- 5. unnatural or perverted sexual practices ANY OTHER SEXUAL CONDUCT THAT IS CRIMINALLY PROHIBITED.

<u>3–604.</u>

- (a) (9) (ii) "Sexual abuse" includes:
  - <u>1.</u> incest;
  - <u>2.</u> <u>rape;</u>
  - 3. sexual offense in any degree; AND
  - 4. <del>sodomy; and</del>
- 5. unnatural or perverted sexual practices ANY OTHER SEXUAL CONDUCT THAT IS CRIMINALLY PROHIBITED.

<u>3–809.</u>

- (a) (5) "Sexual activity" means:
- (i) sexual intercourse, including genital—genital, oral—genital, anal—genital, or oral—anal, whether between persons of the same or opposite sex;
- f(ii) sedomy under § 3–321 of this title or an unnatural or perverted sexual practice under § 3–322 of this title;

<u>f(iii)</u> <u>masturbation; or</u>

**<u>f(iv)</u>** sadomasochistic abuse.

## **Article - Criminal Procedure**

<u>10–105.</u>

(a) A person who has been charged with the commission of a crime, including a violation of the Transportation Article for which a term of imprisonment may be imposed, or who has been charged with a civil offense or infraction, except a juvenile offense, may file a petition listing relevant facts for expungement of a police record, court record, or other record maintained by the State or a political subdivision of the State if:

- (11) EXCEPT AS PROVIDED IN SUBSECTION (A–1) OF THIS SECTION, the person was convicted of a crime and the act on which the conviction was based is no longer a crime; or
- (A-1) AN EXPUNGEMENT MAY NOT BE OBTAINED UNDER SUBSECTION (A)(11) OF THIS SECTION FOR A CONVICTION FOR SODOMY OR UNNATURAL OR PERVERTED PRACTICE, AS THOSE OFFENSES AS THAT OFFENSE EXISTED BEFORE OCTOBER 1, 2020, WHERE THE OFFENSE WAS COMMITTED:
  - (1) WITHOUT CONSENT;
  - (2) WITH A MINOR UNDER THE AGE OF 16;
- (3) WITH ANYONE THE INDIVIDUAL COULD NOT MARRY UNDER § 2–202 OF THE FAMILY LAW ARTICLE;
- (4) WITH A MENTALLY INCAPACITATED INDIVIDUAL, AS DEFINED IN § 3–301 OF THE CRIMINAL LAW ARTICLE;
- (5) WITH A PHYSICALLY HELPLESS INDIVIDUAL, AS DEFINED IN § 3–301 OF THE CRIMINAL LAW ARTICLE; OR
- (6) WITH A SUBSTANTIALLY COGNITIVELY IMPAIRED INDIVIDUAL, AS DEFINED IN § 3–301 OF THE CRIMINAL LAW ARTICLE.
- [(a-1)] (A-2) A person's attorney or personal representative may file a petition, on behalf of the person, for expungement under this section if the person died before disposition of the charge by nolle prosequi or dismissal.

### 11–701.

- (q) "Tier III sex offender" means a person who has been convicted of:
- (1) conspiring to commit, attempting to commit, or committing a violation of:
  - (i) § 2–201(a)(4)(viii), (x), or (xi) of the Criminal Law Article;
- (ii) § 3–303, § 3–304, § 3–307(a)(1) or (2), § 3–309, § 3–310, § 3–311, § 3–312, § 3–315, § 3–323, or § 3–602 of the Criminal Law Article;
  - (iii) § 3–502 of the Criminal Law Article, if the victim is a minor;
- (iv) § 3–502 of the Criminal Law Article, if the victim is an adult, and the person has been ordered by the court to register under this subtitle;

- (v) the common law offense of sodomy, AS THAT OFFENSE EXISTED BEFORE OCTOBER 1, 2020, or § 3–322 of the Criminal Law Article AS THOSE OFFENSES EXISTED BEFORE OCTOBER 1, 2020, if the offense was committed with force or threat of force; or
- (vi) § 3–305 or § 3–306 of the Criminal Law Article as the sections existed before October 1, 2017;

## 11–1007.

- (a) (6) (ii) "Sexual abuse" includes 4:
  - 1.\(\frac{1}{2}\) incest, rape, or sexual offense in any degree\(\frac{1}{2}\); AND
  - 2. sodomy; and
  - <u>3.</u> unnatural or perverted sexual practices.

## Article - Family Law

## <u>5–701.</u>

- (z) "Sexual molestation or exploitation" includes:
  - (1) allowing or encouraging a child to engage in:
    - (i) obscene photography, films, poses, or similar activity;
    - (ii) pornographic photography, films, poses, or similar activity; or
    - (iii) prostitution;
  - (2) incest;
  - (3) rape;
  - (4) sexual offense in any degree; AND
  - (5) <del>[sodomy; and</del>
- (6) unnatural or perverted sexual practices ANY OTHER SEXUAL CONDUCT THAT IS CRIMINALLY PROHIBITED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

## Chapter 46

(House Bill 89)

AN ACT concerning

## St. Mary's County - Emergency Snow Routes - Authority

FOR the purpose of authorizing the County Commissioners of St. Mary's County to designate an emergency snow route and to regulate travel and the presence of vehicles on an emergency snow route during a snow emergency; and generally relating to emergency snow routes.

BY repealing and reenacting, with amendments,

Article – Local Government
Section 12–535
Annotated Code of Maryland
(2013 Volume and 2019 Supplement)

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

## Article - Local Government

12 - 535.

In accordance with § 21–1119 of the Transportation Article, the County Commissioners of Garrett County AND THE COUNTY COMMISSIONERS OF ST. MARY'S COUNTY may:

- (1) designate a county road to be an "emergency snow route";
- (2) regulate travel on an emergency snow route;
- (3) provide for a method of declaring a snow emergency;
- (4) prohibit the parking or abandoning of a vehicle on an emergency snow route during a snow emergency; and
- (5) authorize the removal of a vehicle parked or abandoned on an emergency snow route during a snow emergency.

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

October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 47

(House Bill 90)

AN ACT concerning

## St. Mary's County - Agricultural Land Preservation Program - Installment Purchase Agreements - Repeal

FOR the purpose of repealing certain provisions of law relating to the authority of the County Commissioners of St. Mary's County to enter into certain installment purchase agreements and create debt to acquire certain development rights for agricultural or forestry land as part of the St. Mary's County Agricultural Land Preservation Program; and generally relating to the St. Mary's County Agricultural Land Preservation Program.

BY repealing

Chapter 526 of the Acts of the General Assembly of 2005 Section 1 through 8

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

## Chapter 526 of the Acts of 2005

[SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, as used herein, the term "County" means the body politic and corporate of the State of Maryland known as the County Commissioners of St. Mary's County; and the term "Installment Purchase Agreement" means an agreement pursuant to which the County will acquire development rights in one or more tracts or parcels of agricultural or forestry land located in St. Mary's County, Maryland from the owners thereof, will pay the purchase price either in installments or at the maturity of the Installment Purchase Agreement and will pay interest on the unpaid balance of that purchase price.]

[SECTION 2. AND BE IT FURTHER ENACTED, That the County is hereby authorized and empowered to enter into Installment Purchase Agreements for an aggregate purchase price of not more than \$20,000,000, plus interest thereon, to acquire development rights in tracts or parcels of agricultural and forestry land located in St. Mary's County, Maryland as part of the County's Agricultural Land Preservation Program. The County's obligation to make payments of the purchase price under each Installment

Purchase Agreement and to pay interest on the unpaid balance of the purchase price under each Installment Purchase Agreement shall be a general obligation of the County and shall be made upon its full faith and credit, and shall be evidenced by the Installment Purchase Agreement.]

[SECTION 3. AND BE IT FURTHER ENACTED, That the County shall select the tracts or parcels of agricultural or forestry land for which development rights are to be acquired and shall negotiate the purchase price for such development rights and all other terms and conditions of the Installment Purchase Agreement with the owner or owners of such property, all in accordance with the County's Agricultural Land Preservation Program as in effect from time to time.]

SECTION 4. AND BE IT FURTHER ENACTED, That each Installment Purchase Agreement shall be entered into in accordance with a resolution of the County, which shall provide for the acquisition of the development rights in one or more specified particular tracts or parcels of agricultural or forestry land located in St. Mary's County, Maryland which is to be the subject of the Installment Purchase Agreement. The County shall have and is hereby granted full and complete authority and discretion in the resolution to specify the tracts or parcels of agricultural or forestry land the development rights of which are to be acquired and to provide and approve the form, tenor and content of the Installment Purchase Agreement described in the resolution, including, without limitation, (a) the designation, (b) the date, (c) the purchase price thereunder (or the maximum purchase price and the method of determining the final purchase price subject to such limitation), (d) the maturity date of the Installment Purchase Agreement (not exceeding 30 years from the date of execution and delivery of the Installment Purchase Agreement) on which the final balance of the purchase price is payable, (e) whether any portion of the purchase price will be payable prior to the maturity date of the Installment Purchase Agreement, and, if so, the dates of payments of any installments of the purchase price and the amounts of such installments (or the methods or formula for determining such installment dates and amounts), (f) the interest rate per annum (or the method of determining such rate) payable on the Installment Purchase Agreement from time to time and the dates for payment of such interest, (g) the terms and conditions, if any, under which the Installment Purchase Agreement may or shall be redeemed prior to its maturity date, (h) provisions relating to the registration and transfer of the Installment Purchase Agreement, (i) the required signatures on the Installment Purchase Agreement and all related documents, (i) the appointment of a paying agent and registrar for the Installment Purchase Agreement, which may be the Director of Administration and Finance of the County, any other employee of the County, any department of the County government or any bank or trust company within or without the State of Maryland having corporate trust powers, (k) covenants relating to compliance with applicable requirements of federal income tax law, including (without limitation) covenants regarding the payment of rebate or penalties in lieu of rebate, and (l) generally all matters incident to the acquisition of the transfer development rights and the terms, conditions, execution and delivery of the Installment Purchase Agreement.

Each Installment Purchase Agreement may be made redeemable before maturity, at the option of the County, at such price or prices and under such terms and conditions as may be fixed by the County prior to the execution and delivery of the Installment Purchase Agreement. The Installment Purchase Agreement shall be in registered form. In case any officer whose signature appears on any bond or on any coupon attached thereto ceases to be such officer before the delivery thereof, such signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until such delivery. Any Installment Purchase Agreements entered into from time to time under the authority of this Act shall be specifically exempt from the provisions of Article 31, §§ 9, 10, and 11 of the Annotated Code of Maryland.]

SECTION 5. AND BE IT FURTHER ENACTED, That the Installment Purchase Agreements hereby authorized shall constitute, and they shall be so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing purchase price under the Installment Purchase Agreements and the interest on the unpaid balance of that purchase price as and when they become payable. In each and every year until all of the purchase price payable under the Installment Purchase Agreements and the interest thereon are paid in full, the County shall levy or cause to be levied ad valorem taxes on all the assessable property within the corporate limits of the County in rate and amount sufficient, together with any recordation tax revenues designated for such payments and other available funds, to provide for or assure the payment, when due, of the purchase price of all outstanding Installment Purchase Agreements and the interest thereon maturing in each such fiscal year and, in the event the proceeds from the taxes so levied in any such fiscal year shall prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency. The County may apply to the payment of the purchase price of the outstanding Installment Purchase Agreements and interest payable thereon any funds received by it from the State of Maryland, the United States of America, or any agency or instrumentality thereof, or from any other source, if such funds are granted for the purpose of assisting the County in financing the acquisition of development rights in agricultural or forestry land located in St. Mary's County, Maryland and to the extent of any such funds received or receivable in any fiscal year, the taxes that are required to be levied may be reduced accordingly.

[SECTION 6. AND BE IT FURTHER ENACTED, That the County is authorized and empowered to purchase and set aside in a segregated fund or account U.S. Treasury STRIPs or other obligations allowed under Article 95, §§ 22, 22F, and 22G of the Annotated Code of Maryland (or any successor provision of law) and the County's guidelines, as in effect from time to time. It is intended that investments in that segregated fund or account will be applied to the payment of the balance of the purchase price of the Installment Purchase Agreements on their respective maturity dates; but the investments shall not be pledged to the payment of the purchase price of any of the Installment Purchase Agreements or the interest thereon, and no person other than the County shall have any interest therein.]

[SECTION 7. AND BE IT FURTHER ENACTED, That any and all Installment Purchase Agreements entered into by the County pursuant to the authority of this Act, their transfer, the interest payable thereon, and any income derived therefrom in the hands of the registered owners thereof from time to time (including any profit made in the sale

thereof) shall be and are hereby declared to be at all times exempt from State, county, municipal, or other taxation of every kind and nature whatsoever within the State of Maryland.]

[SECTION 8. AND BE IT FURTHER ENACTED, That the authority conferred on the County by this Act to enter into Installment Purchase Agreements and create debt of the County shall be deemed to provide an additional and alternative authority for borrowing money and creating debt and shall be regarded as supplemental and additional to powers conferred on the County by other laws and shall not be regarded as in derogation of any power now existing; and all Acts of the General Assembly of Maryland heretofore passed authorizing the County to borrow money and incur debt are hereby continued to the extent that the powers contained in those prior Acts have not been exercised, and nothing contained in this Act may be construed to impair, in any way, the validity of any bonds or other obligations that may have been entered into by the County under the authority of any of said Acts, and the validity of the bonds or other obligations is hereby ratified, confirmed, and approved. This Act, being necessary for the welfare of the inhabitants of St. Mary's County, shall be liberally construed to effect the purposes hereof. All Acts and parts of Acts inconsistent with the provisions of this Act are hereby repealed to the extent of such inconsistency.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 48

(House Bill 93)

AN ACT concerning

## Consumer Protection - Mobile Home Purchasers

FOR the purpose of requiring, except under certain circumstances, certain lenders to serve on the borrower within a certain time period a written notice of the lender's intention to repossess a certain mobile home; providing that a mobile home retailer has a duty of good faith and fair dealing in providing financial information to a prospective consumer borrower; prohibiting a mobile home retailer from steering a prospective consumer borrower to certain financing products; requiring a mobile home retailer to provide a certain written statement to a prospective consumer borrower at a certain time and by posting the statement in certain locations and on the mobile home retailer's website, if any; requiring that the statement be on a certain form and include certain information; providing that the failure of a mobile home retailer to comply with certain provisions of this Act does not affect the validity of an otherwise

valid financing transaction; authorizing the Commissioner of Financial Regulation to enforce certain provisions of this Act by exercising certain powers; defining certain terms; altering certain definitions; altering the purpose of the Nondepository Special Fund to include covering the direct and indirect costs of fulfilling the statutory and regulatory duties of the Commissioner related to certain provisions of this Act; making stylistic changes; making a technical correction; and generally relating to consumer protection for mobile home purchasers.

BY repealing and reenacting, without amendments,

Article - Commercial Law

Section 12–101(a), 12–901(a), and 12–1001(a) and (f)

Annotated Code of Maryland

(2013 Replacement Volume and 2019 Supplement)

## BY adding to

Article - Commercial Law

Section 12–101(h–1), 12–901(g–1), and 12–1001(k–1); and 14–4201 through 14–4205 to be under the new subtitle "Subtitle 42. Mobile Home Retail Sales"

Annotated Code of Maryland

(2013 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Commercial Law

Section 12–115(c) and (d), 12–921(c) and (d), and 12–1021(c) and (d)

Annotated Code of Maryland

(2013 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,

Article – Financial Institutions

Section 11–501(a), 11–601(a), and 11–610(a)

Annotated Code of Maryland

(2011 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Financial Institutions

Section 11–501(c), (p), (q), and (r), 11–601(q) and (t) through (y), and 11–610(c)(13)

Annotated Code of Maryland

(2011 Replacement Volume and 2019 Supplement)

## BY adding to

Article - Financial Institutions

Section 11–501(h–1) and 11–601(m–1)

Annotated Code of Maryland

(2011 Replacement Volume and 2019 Supplement)

## BY repealing

Article - Financial Institutions

Section 11–501(o) and 11–601(s) Annotated Code of Maryland (2011 Replacement Volume and 2019 Supplement)

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

## Article - Commercial Law

12-101.

- (a) In this subtitle the following words have the meanings indicated.
- (H-1) "MOBILE HOME" HAS THE MEANING STATED IN § 11-501 OF THE FINANCIAL INSTITUTIONS ARTICLE.

12-115.

- (c) (1) [At] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AT least 10 days before [he] A LENDER repossesses any goods, a lender may serve a written notice on the borrower of [his] THE LENDER'S intention to repossess the goods.
- (2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AT LEAST 30 DAYS BEFORE A LENDER REPOSSESSES A MOBILE HOME THAT IS PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD USE, THE LENDER SHALL SERVE ON THE BORROWER A WRITTEN NOTICE OF THE LENDER'S INTENTION TO REPOSSESS THE MOBILE HOME.
- (II) THE NOTICE REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BE SERVED BY THE LENDER LESS THAN 30 DAYS BEFORE REPOSSESSION IF:

## 1. THE MOBILE HOME:

- A. IS VACANT AND ABANDONED, BASED ON A DETERMINATION BY THE LENDER THAT AT LEAST THREE OF THE CIRCUMSTANCES LISTED IN § 7–105.18(D) OF THE REAL PROPERTY ARTICLE HAVE BEEN MET; OR
- B. HAS BEEN VOLUNTARILY SURRENDERED BY THE BORROWER TO THE LENDER; AND
- 2. THE NOTICE IS ACCOMPANIED BY A CERTIFICATION FROM THE LENDER IDENTIFYING THE CIRCUMSTANCES DEMONSTRATING THAT THE

MOBILE HOME IS VACANT AND ABANDONED OR THAT THE MOBILE HOME HAS BEEN SURRENDERED.

## [(2)] (3) The notice shall:

- (i) State the default and any period at the end of which the goods will be repossessed; and
- (ii) Briefly state the rights of the borrower in case the goods are repossessed.
- (d) The notice may be delivered to the borrower personally or sent to [him at his] THE BORROWER'S last known address by registered or certified mail.

12-901.

- (a) In this subtitle the following words have the meanings indicated.
- (G–1) "Mobile home" has the meaning stated in § 11-501 of the Financial Institutions Article.

12 - 921.

- (c) (1) [At] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AT least 10 days before a credit grantor repossesses any tangible personal property, the credit grantor may serve a written notice on the consumer borrower of the intention OF THE CREDIT GRANTOR to repossess the tangible personal property.
- (2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AT LEAST 30 DAYS BEFORE A CREDIT GRANTOR REPOSSESSES A MOBILE HOME THAT IS PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD USE, THE CREDIT GRANTOR SHALL SERVE ON THE BORROWER A WRITTEN NOTICE OF THE CREDIT GRANTOR'S INTENTION TO REPOSSESS THE MOBILE HOME.
- (II) THE NOTICE REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BE SERVED BY THE CREDIT GRANTOR LESS THAN 30 DAYS BEFORE REPOSSESSION IF:

### 1. THE MOBILE HOME:

A. IS VACANT AND ABANDONED, BASED ON A DETERMINATION BY THE CREDIT GRANTOR THAT AT LEAST THREE OF THE CIRCUMSTANCES LISTED IN § 7–105.18(D) OF THE REAL PROPERTY ARTICLE HAVE BEEN MET; OR

- B. HAS BEEN VOLUNTARILY SURRENDERED BY THE BORROWER TO THE CREDIT GRANTOR; AND
- 2. THE NOTICE IS ACCOMPANIED BY A CERTIFICATION FROM THE CREDIT GRANTOR IDENTIFYING THE CIRCUMSTANCES DEMONSTRATING THAT THE MOBILE HOME IS VACANT AND ABANDONED OR THAT THE MOBILE HOME HAS BEEN SURRENDERED.

## [(2)] (3) The notice shall:

- (i) State the default and any period at the end of which the tangible personal property will be repossessed; and
- (ii) Briefly state the rights of the consumer borrower in case the tangible personal property is repossessed.
- (d) The notice may be delivered to the consumer borrower personally or sent to [him at his] THE BORROWER'S last known address by registered or certified mail.

12–1001.

- (a) In this subtitle the following words have the meanings indicated.
- (f) "Consumer borrower" means an individual receiving a loan or other extension of credit under this subtitle for personal, household, or family purposes or an individual receiving a commercial loan or other extension of credit for any commercial purpose not in excess of \$75,000, secured by residential real property.
- (K-1) "MOBILE HOME" HAS THE MEANING STATED IN § 11-501 OF THE FINANCIAL INSTITUTIONS ARTICLE.

12–1021.

- (c) (1) [At] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AT least 10 days before a credit grantor repossesses any tangible personal property, the credit grantor may serve a written notice on the consumer borrower of the intention OF THE CREDIT GRANTOR to repossess the tangible personal property.
- (2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AT LEAST 30 DAYS BEFORE A CREDIT GRANTOR REPOSSESSES A MOBILE HOME THAT IS PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD USE, THE CREDIT GRANTOR SHALL SERVE ON THE BORROWER A WRITTEN NOTICE OF THE CREDIT GRANTOR'S INTENTION TO REPOSSESS THE MOBILE HOME.

(II) THE NOTICE REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BE SERVED BY THE CREDIT GRANTOR LESS THAN 30 DAYS BEFORE REPOSSESSION IF:

### 1. THE MOBILE HOME:

A. IS VACANT AND ABANDONED, BASED ON A DETERMINATION BY THE CREDIT GRANTOR THAT AT LEAST THREE OF THE CIRCUMSTANCES LISTED IN § 7–105.18(D) OF THE REAL PROPERTY ARTICLE HAVE BEEN MET; OR

B. HAS BEEN VOLUNTARILY SURRENDERED BY THE BORROWER TO THE CREDIT GRANTOR; AND

2. THE NOTICE IS ACCOMPANIED BY A CERTIFICATION FROM THE CREDIT GRANTOR IDENTIFYING THE CIRCUMSTANCES DEMONSTRATING THAT THE MOBILE HOME IS VACANT AND ABANDONED OR THAT THE MOBILE HOME HAS BEEN SURRENDERED.

## [(2)] (3) The notice shall:

- (i) State the default and any period at the end of which the tangible personal property will be repossessed; and
- (ii) Briefly state the rights of the consumer borrower in case the tangible personal property is repossessed.
- (d) The notice may be delivered to the consumer borrower personally or sent to [him at his] THE CONSUMER BORROWER'S last known address by registered or certified mail.

### SUBTITLE 42. MOBILE HOME RETAIL SALES.

### 14-4201.

- (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (B) "COMMISSIONER" MEANS THE COMMISSIONER OF FINANCIAL REGULATION IN THE MARYLAND DEPARTMENT OF LABOR.
- (C) "CONSUMER BORROWER" MEANS AN INDIVIDUAL RECEIVING A LOAN OR OTHER EXTENSION OF CREDIT FOR PERSONAL, HOUSEHOLD, OR FAMILY PURPOSES.

- (D) "MOBILE HOME" HAS THE MEANING STATED IN § 11–501 OF THE FINANCIAL INSTITUTIONS ARTICLE.
  - (E) "MOBILE HOME RETAILER" MEANS A PERSON THAT:
    - (1) SELLS MOBILE HOMES AT RETAIL;
- (2) PROVIDES INFORMATION REGARDING FINANCING PRODUCTS TO A BORROWER FOR THE PURCHASE OF A MOBILE HOME; AND
  - **(3)IS NOT:**
- (I) A MORTGAGE LENDER, AS DEFINED IN § 11–501 OF THE FINANCIAL INSTITUTIONS ARTICLE; OR
- (II) A MORTGAGE ORIGINATOR, AS DEFINED IN § 11–601 OF THE FINANCIAL INSTITUTIONS ARTICLE.

## 14-4202.

(A) IN THIS SECTION, "STEER" MEANS, IN CONNECTION WITH A CONSUMER CREDIT TRANSACTION SECURED BY A MOBILE HOME, TO DIRECT A PROSPECTIVE CONSUMER BORROWER TO COMPLETE A TRANSACTION IN ANY WAY BASED ON THE FACT THAT A MOBILE HOME RETAILER WILL RECEIVE COMPENSATION, DIRECTLY OR INDIRECTLY, FROM A LENDER OR CREDIT GRANTOR THAT IS IN EXCESS OF ANY COMPENSATION OR GAIN RECEIVED IN A COMPARABLE CASH TRANSACTION.

### (B) A MOBILE HOME RETAILER:

- (1) HAS A DUTY OF GOOD FAITH AND FAIR DEALING IN PROVIDING FINANCIAL INFORMATION TO A PROSPECTIVE CONSUMER BORROWER, INCLUDING PROVIDING FINANCIAL INFORMATION IN A MANNER THAT IS NOT MISLEADING OR DECEPTIVE AND THAT DISCLOSES ALL MATERIAL FACTS;
- (2) MAY NOT STEER A PROSPECTIVE CONSUMER BORROWER TO FINANCING PRODUCTS THAT OFFER LESS FAVORABLE TERMS THAT ARE LESS FAVORABLE THAN A-COMPARABLE CASH TRANSACTION; AND
- (3) SHALL PROVIDE A WRITTEN STATEMENT TO A PROSPECTIVE CONSUMER BORROWER IN ACCORDANCE WITH § 14–4203 OF THIS SUBTITLE.

14-4203.

- (A) (1) THE STATEMENT REQUIRED UNDER § 14–4202(B)(3) OF THIS SUBTITLE SHALL BE ON A FORM PRESCRIBED BY THE COMMISSIONER BY REGULATION.
- (2) IF THE FORM PRESCRIBED BY THE COMMISSIONER IS INCLUDED IN OTHER DOCUMENTS PROVIDED BY THE MOBILE HOME RETAILER TO A PROSPECTIVE CONSUMER BORROWER, THE FORM SHALL BE CONSPICUOUS, SUCH AS THROUGH THE USE OF A DIFFERENT FONT OR SEPARATED WITH A BOX AROUND IT.
- (B) THE STATEMENT REQUIRED UNDER § 14–4202(B)(3) OF THIS SUBTITLE SHALL INCLUDE:
- (1) A DISCLOSURE THAT DESCRIBES ANY CORPORATE AFFILIATION BETWEEN THE MOBILE HOME RETAILER AND A FINANCING SOURCE ABOUT WHICH THE MOBILE HOME RETAILER PROVIDES INFORMATION TO THE PROSPECTIVE CONSUMER BORROWER;
- (2) A DISCLOSURE THAT THE PROSPECTIVE CONSUMER BORROWER MAY OBTAIN FINANCING FROM ANY LENDER AND IS NOT REQUIRED TO OBTAIN FINANCING FROM A LENDER SUGGESTED BY THE MOBILE HOME RETAILER; AND
- (3) Information regarding the rights of a prospective consumer borrower under this subtitle and the procedure for filing a complaint with the Commissioner.
- (C) THE MOBILE HOME RETAILER SHALL PROVIDE THE STATEMENT REQUIRED UNDER § 14–4202(B)(3) OF THIS SUBTITLE:
- (1) TO A PROSPECTIVE CONSUMER BORROWER AT THE TIME THE MOBILE HOME RETAILER PROVIDES INFORMATION TO THE PROSPECTIVE CONSUMER BORROWER REGARDING FINANCING OR POTENTIALLY AVAILABLE LENDERS; AND
- (2) BY POSTING THE STATEMENT IN A PROMINENT LOCATION AT ALL OF THE MOBILE HOME RETAILER'S PLACES OF BUSINESS AND ON THE MOBILE HOME RETAILER'S WEBSITE, IF ANY.

### **14-4204.**

FAILURE OF A MOBILE HOME RETAILER TO COMPLY WITH THIS SUBTITLE DOES NOT AFFECT THE VALIDITY OF AN OTHERWISE VALID FINANCING TRANSACTION.

14-4205.

THE COMMISSIONER MAY ENFORCE THIS SUBTITLE BY EXERCISING ANY OF THE POWERS AUTHORIZED UNDER §§ 2–113 THROUGH 2–116 OF THE FINANCIAL INSTITUTIONS ARTICLE.

## **Article - Financial Institutions**

11-501.

- (a) In this subtitle the following words have the meanings indicated.
- (c) (1) "Dwelling" [has the meaning stated in 15 U.S.C. § 1602(w)] MEANS A RESIDENTIAL STRUCTURE OR MOBILE HOME THAT CONTAINS ONE TO FOUR FAMILY HOUSING UNITS OR INDIVIDUAL UNITS OF CONDOMINIUMS OR COOPERATIVES.
- (2) "Dwelling" does not include a residential structure or mobile home unless the residential structure or mobile home, or at least one unit contained in the residential structure or mobile home, is owner-occupied.
- (H-1) "MOBILE HOME" MEANS A TRAILER, HOUSE TRAILER, TRAILER COACH, OR ANY OTHER STRUCTURE THAT IS TRANSPORTABLE IN ONE OR MORE-SECTIONS THAT IS:
  - (1) USED OR CAN BE USED FOR RESIDENTIAL PURPOSES; AND
- (2) PERMANENTLY ATTACHED TO LAND OR CONNECTED TO UTILITY, WATER, OR SEWAGE FACILITIES.
- (H-1) "MOBILE HOME" MEANS A STRUCTURE, INCLUDING THE PLUMBING, HEATING, AIR CONDITIONING, AND ELECTRICAL SYSTEMS CONTAINED IN THE STRUCTURE, THAT IS:
  - (1) TRANSPORTABLE IN ONE OR MORE SECTIONS;
- (2) <u>EIGHT OR MORE BODY FEET IN WIDTH AND 30 OR MORE BODY</u> FEET IN LENGTH;
  - (3) BUILT ON A PERMANENT CHASSIS; AND
- (4) PERMANENTLY ATTACHED TO LAND OR CONNECTED TO UTILITY, WATER, OR SEWAGE FACILITIES.
- [(o) "Nationwide Mortgage Licensing System and Registry" or "NMLS" has the meaning stated in § 1–101 of this article.]

- [(p)] (O) "Person" means a natural person, corporation, limited liability company, partnership, business trust, statutory trust, or association.
- [(q)] **(P)** "Residential real estate" means any owner–occupied real property located in Maryland on which a dwelling is constructed or intended to be constructed.
  - [(r)] (Q) "State" means the State of Maryland.

11-601.

(a) In this subtitle the following words have the meanings indicated.

# (M-1) "MOBILE HOME" HAS THE MEANING STATED IN § 11-501 OF THIS TITLE.

- (q) (1) "Mortgage loan originator" means an individual who for compensation or gain, or in the expectation of compensation or gain:
  - (i) Takes a loan application; or
  - (ii) Offers or negotiates terms of a mortgage loan.
  - (2) "Mortgage loan originator" does not include an individual who:
    - (i) Acts solely as a mortgage loan processor or underwriter;
- (ii) Performs only real estate brokerage activities and is licensed in accordance with Title 17 of the Business Occupations and Professions Article, unless the individual is compensated by a mortgage lender, mortgage broker, or other mortgage loan originator or by any agent of a mortgage lender, mortgage broker, or other mortgage loan originator; [or]
- (iii) Is involved solely in extensions of credit relating to timeshare plans, as that term is defined in 11 U.S.C. § [101(53d)] 101(53D); OR
- (IV) IS A RETAILER OF MOBILE HOMES OR AN EMPLOYEE OF THE RETAILER IF THE RETAILER OR EMPLOYEE, AS APPLICABLE, DOES NOT RECEIVE, DIRECTLY OR INDIRECTLY, COMPENSATION OR GAIN FOR ENGAGING IN ACTIVITIES DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION THAT IS IN EXCESS OF COMPENSATION OR GAIN RECEIVED IN A COMPARABLE CASH TRANSACTION.
- [(s) "Nationwide Mortgage Licensing System and Registry" or "NMLS" has the meaning stated in  $\S 1-101$  of this article.]
- [(t)] (S) "Nontraditional mortgage product" means any mortgage product other than a 30-year fixed rate mortgage loan.

- [(u)] (T) "Person" has the meaning stated in § 11–501 of this title.
- [(v)] (U) "Real estate brokerage activity" means any activity for which a license is required under Title 17 of the Business Occupations and Professions Article.
  - [(w)] (V) "Registered mortgage loan originator" means any individual who:
    - (1) Is a mortgage loan originator;
    - (2) Is an employee of:
      - (i) A depository institution;
      - (ii) A subsidiary that is:
        - 1. Owned and controlled by a depository institution; and
        - 2. Regulated by a federal banking agency; or
      - (iii) An institution regulated by the Farm Credit Administration; and
- (3) Is registered with, and maintains a unique identifier through, [the Nationwide Mortgage Licensing System and Registry] **NMLS**.
- [(x)] (W) "Residential real estate" has the meaning stated in § 11–501 of this title.
- [(y)] (X) "Unique identifier" means a number or other identifier assigned by [the Nationwide Mortgage Licensing System and Registry] NMLS.

  11–610.
  - (a) There is a Nondepository Special Fund that consists of:
    - (1) Revenue received for the licensing of individuals under this subtitle;
- (2) Revenue received for the licensing of persons under Subtitle 2 of this title:
- (3) Revenue received for the licensing of persons under Subtitle 3 of this title;
- (4) Revenue received for the licensing of persons under Subtitle 4 of this title;

- (5) Revenue received for the licensing of persons under Subtitle 5 of this title;
- (6) Revenue received for the licensing of persons under Title 12, Subtitle 1 of this article;
- (7) Revenue received for the licensing of persons under Title 12, Subtitle 4 of this article;
- (8) Revenue received for the licensing of persons under Title 12, Subtitle 9 of this article;
- (9) Revenue received for the registration of persons under Title 12, Subtitle 10 of this article;
- (10) Revenue received for the licensing of persons under Title 7 of the Business Regulation Article;
- (11) Revenue received for the licensing of persons under Title 14, Subtitle 19 of the Commercial Law Article;
- (12) Income from the investments that the State Treasurer makes for the Fund; and
- (13) (i) Any other fee, examination or investigation fee or assessment, or revenue received by the Commissioner under this subtitle, Subtitles 2, 3, 4, and 5 of this title, Title 12, Subtitles 1, 4, 9, and 10 of this article, and Title 14, Subtitles 12 and 19 of the Commercial Law Article; and
- (ii) Any other fee or revenue received by the State Collection Agency Licensing Board under Title 7 of the Business Regulation Article.
- (c) The purpose of the Fund is to cover the direct and indirect costs of fulfilling the statutory and regulatory duties of the Commissioner and the State Collection Agency Licensing Board related to:
  - (13) Title 14, Subtitles 12 [and], 19, AND 42 of the Commercial Law Article;

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

## (Senate Bill 155)

## AN ACT concerning

#### Consumer Protection - Mobile Home Purchasers

FOR the purpose of requiring, except under certain circumstances, certain lenders to serve on the borrower within a certain time period a written notice of the lender's intention to repossess a certain mobile home; providing that a mobile home retailer has a duty of good faith and fair dealing in providing financial information to a prospective consumer borrower; prohibiting a mobile home retailer from steering a prospective consumer borrower to certain financing products; requiring a mobile home retailer to provide a certain written statement to a prospective consumer borrower at a certain time and by posting the statement in certain locations and on the mobile home retailer's website, if any; requiring that the statement be on a certain form and include certain information; providing that the failure of a mobile home retailer to comply with certain provisions of this Act does not affect the validity of an otherwise valid financing transaction; authorizing the Commissioner of Financial Regulation to enforce certain provisions of this Act by exercising certain powers; defining certain terms; altering certain definitions; altering the purpose of the Nondepository Special Fund to include covering the direct and indirect costs of fulfilling the statutory and regulatory duties of the Commissioner related to certain provisions of this Act; making stylistic changes; making a technical correction; and generally relating to consumer protection for mobile home purchasers.

BY repealing and reenacting, without amendments,

Article – Commercial Law Section 12–101(a), 12–901(a), and 12–1001(a) and (f) Annotated Code of Maryland (2013 Replacement Volume and 2019 Supplement)

## BY adding to

Article – Commercial Law

Section 12–101(h–1), 12–901(g–1), and 12–1001(k–1); and 14–4201 through 14–4205 to be under the new subtitle "Subtitle 42. Mobile Home Retail Sales"

Annotated Code of Maryland

(2013 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments.

Article – Commercial Law

Section 12–115(c) and (d), 12–921(c) and (d), and 12–1021(c) and (d)

Annotated Code of Maryland

(2013 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,

Article – Financial Institutions

Section 11–501(a), 11–601(a), and 11–610(a)

Annotated Code of Maryland (2011 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Financial Institutions

Section 11–501(c), (p), (q), and (r), 11–601(q) and (t) through (y), and 11–610(c)(13)

Annotated Code of Maryland

(2011 Replacement Volume and 2019 Supplement)

## BY adding to

Article – Financial Institutions

Section 11–501(h–1) and 11–601(m–1)

Annotated Code of Maryland

(2011 Replacement Volume and 2019 Supplement)

## BY repealing

Article – Financial Institutions

Section 11–501(o) and 11–601(s)

Annotated Code of Maryland

(2011 Replacement Volume and 2019 Supplement)

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

### Article - Commercial Law

12-101.

- (a) In this subtitle the following words have the meanings indicated.
- (H-1) "MOBILE HOME" HAS THE MEANING STATED IN § 11-501 OF THE FINANCIAL INSTITUTIONS ARTICLE.

12–115.

- (c) (1) [At] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AT least 10 days before [he] A LENDER repossesses any goods, a lender may serve a written notice on the borrower of [his] THE LENDER'S intention to repossess the goods.
- (2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AT LEAST 30 DAYS BEFORE A LENDER REPOSSESSES A MOBILE HOME THAT IS PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD USE, THE LENDER SHALL SERVE ON THE BORROWER A WRITTEN NOTICE OF THE LENDER'S INTENTION TO REPOSSESS THE MOBILE HOME.

(II) THE NOTICE REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BE SERVED BY THE LENDER LESS THAN 30 DAYS BEFORE REPOSSESSION IF:

#### 1. THE MOBILE HOME:

A. IS VACANT AND ABANDONED, BASED ON A DETERMINATION BY THE LENDER THAT AT LEAST THREE OF THE CIRCUMSTANCES LISTED IN § 7–105.18(D) OF THE REAL PROPERTY ARTICLE HAVE BEEN MET; OR

B. HAS BEEN VOLUNTARILY SURRENDERED BY THE BORROWER TO THE LENDER; AND

2. THE NOTICE IS ACCOMPANIED BY A CERTIFICATION FROM THE LENDER IDENTIFYING THE CIRCUMSTANCES DEMONSTRATING THAT THE MOBILE HOME IS VACANT AND ABANDONED OR THAT THE MOBILE HOME HAS BEEN SURRENDERED.

## [(2)] (3) The notice shall:

- (i) State the default and any period at the end of which the goods will be repossessed; and
- (ii) Briefly state the rights of the borrower in case the goods are repossessed.
- (d) The notice may be delivered to the borrower personally or sent to [him at his] **THE BORROWER'S** last known address by registered or certified mail. 12–901.
  - (a) In this subtitle the following words have the meanings indicated.
- (G–1) "Mobile home" has the meaning stated in § 11–501 of the Financial Institutions Article.

12 - 921.

- (c) (1) [At] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AT least 10 days before a credit grantor repossesses any tangible personal property, the credit grantor may serve a written notice on the consumer borrower of the intention OF THE CREDIT GRANTOR to repossess the tangible personal property.
- (2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AT LEAST 30 DAYS BEFORE A CREDIT GRANTOR REPOSSESSES A

MOBILE HOME THAT IS PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD USE, THE CREDIT GRANTOR SHALL SERVE ON THE BORROWER A WRITTEN NOTICE OF THE CREDIT GRANTOR'S INTENTION TO REPOSSESS THE MOBILE HOME.

(II) THE NOTICE REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BE SERVED BY THE CREDIT GRANTOR LESS THAN 30 DAYS BEFORE REPOSSESSION IF:

### 1. THE MOBILE HOME:

A. IS VACANT AND ABANDONED, BASED ON A DETERMINATION BY THE CREDIT GRANTOR THAT AT LEAST THREE OF THE CIRCUMSTANCES LISTED IN § 7–105.18(D) OF THE REAL PROPERTY ARTICLE HAVE BEEN MET; OR

- B. HAS BEEN VOLUNTARILY SURRENDERED BY THE BORROWER TO THE CREDIT GRANTOR; AND
- 2. THE NOTICE IS ACCOMPANIED BY A CERTIFICATION FROM THE CREDIT GRANTOR IDENTIFYING THE CIRCUMSTANCES DEMONSTRATING THAT THE MOBILE HOME IS VACANT AND ABANDONED OR THAT THE MOBILE HOME HAS BEEN SURRENDERED.

## [(2)] (3) The notice shall:

- (i) State the default and any period at the end of which the tangible personal property will be repossessed; and
- (ii) Briefly state the rights of the consumer borrower in case the tangible personal property is repossessed.
- (d) The notice may be delivered to the consumer borrower personally or sent to [him at his] **THE BORROWER'S** last known address by registered or certified mail.

12-1001.

- (a) In this subtitle the following words have the meanings indicated.
- (f) "Consumer borrower" means an individual receiving a loan or other extension of credit under this subtitle for personal, household, or family purposes or an individual receiving a commercial loan or other extension of credit for any commercial purpose not in excess of \$75,000, secured by residential real property.
- (K-1) "MOBILE HOME" HAS THE MEANING STATED IN § 11-501 OF THE FINANCIAL INSTITUTIONS ARTICLE.

12–1021.

- (c) (1) [At] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AT least 10 days before a credit grantor repossesses any tangible personal property, the credit grantor may serve a written notice on the consumer borrower of the intention OF THE CREDIT GRANTOR to repossess the tangible personal property.
- (2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AT LEAST 30 DAYS BEFORE A CREDIT GRANTOR REPOSSESSES A MOBILE HOME THAT IS PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD USE, THE CREDIT GRANTOR SHALL SERVE ON THE BORROWER A WRITTEN NOTICE OF THE CREDIT GRANTOR'S INTENTION TO REPOSSESS THE MOBILE HOME.
- (II) THE NOTICE REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BE SERVED BY THE CREDIT GRANTOR LESS THAN 30 DAYS BEFORE REPOSSESSION IF:

## 1. THE MOBILE HOME:

- A. IS VACANT AND ABANDONED, BASED ON A DETERMINATION BY THE CREDIT GRANTOR THAT AT LEAST THREE OF THE CIRCUMSTANCES LISTED IN § 7–105.18(D) OF THE REAL PROPERTY ARTICLE HAVE BEEN MET; OR
- B. HAS BEEN VOLUNTARILY SURRENDERED BY THE BORROWER TO THE CREDIT GRANTOR; AND
- 2. THE NOTICE IS ACCOMPANIED BY A CERTIFICATION FROM THE CREDIT GRANTOR IDENTIFYING THE CIRCUMSTANCES DEMONSTRATING THAT THE MOBILE HOME IS VACANT AND ABANDONED OR THAT THE MOBILE HOME HAS BEEN SURRENDERED.

## [(2)] (3) The notice shall:

- (i) State the default and any period at the end of which the tangible personal property will be repossessed; and
- (ii) Briefly state the rights of the consumer borrower in case the tangible personal property is repossessed.
- (d) The notice may be delivered to the consumer borrower personally or sent to [him at his] THE CONSUMER BORROWER'S last known address by registered or certified mail.

### SUBTITLE 42. MOBILE HOME RETAIL SALES.

14-4201.

- (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (B) "COMMISSIONER" MEANS THE COMMISSIONER OF FINANCIAL REGULATION IN THE MARYLAND DEPARTMENT OF LABOR.
- (C) "CONSUMER BORROWER" MEANS AN INDIVIDUAL RECEIVING A LOAN OR OTHER EXTENSION OF CREDIT FOR PERSONAL, HOUSEHOLD, OR FAMILY PURPOSES.
- (D) "MOBILE HOME" HAS THE MEANING STATED IN § 11–501 OF THE FINANCIAL INSTITUTIONS ARTICLE.
  - (E) "MOBILE HOME RETAILER" MEANS A PERSON THAT:
    - (1) SELLS MOBILE HOMES AT RETAIL;
- (2) PROVIDES INFORMATION REGARDING FINANCING PRODUCTS TO A BORROWER FOR THE PURCHASE OF A MOBILE HOME; AND
  - (3) Is not:
- (I) A MORTGAGE LENDER, AS DEFINED IN § 11-501 OF THE FINANCIAL INSTITUTIONS ARTICLE; OR
- (II) A MORTGAGE ORIGINATOR, AS DEFINED IN § 11-601 OF THE FINANCIAL INSTITUTIONS ARTICLE.

### 14-4202.

- (A) IN THIS SECTION, "STEER" MEANS, IN CONNECTION WITH A CONSUMER CREDIT TRANSACTION SECURED BY A MOBILE HOME, TO DIRECT A PROSPECTIVE CONSUMER BORROWER TO COMPLETE A TRANSACTION IN ANY WAY BASED ON THE FACT THAT A MOBILE HOME RETAILER WILL RECEIVE COMPENSATION, DIRECTLY OR INDIRECTLY, FROM A LENDER OR CREDIT GRANTOR THAT IS IN EXCESS OF ANY COMPENSATION OR GAIN RECEIVED IN A COMPARABLE CASH TRANSACTION.
  - (B) A MOBILE HOME RETAILER:
- (1) HAS A DUTY OF GOOD FAITH AND FAIR DEALING IN PROVIDING FINANCIAL INFORMATION TO A PROSPECTIVE CONSUMER BORROWER, INCLUDING

PROVIDING FINANCIAL INFORMATION IN A MANNER THAT IS NOT MISLEADING OR DECEPTIVE AND THAT DISCLOSES ALL MATERIAL FACTS;

- (2) MAY NOT STEER A PROSPECTIVE CONSUMER BORROWER TO FINANCING PRODUCTS THAT OFFER LESS FAVORABLE TERMS THAT ARE LESS FAVORABLE THAN A COMPARABLE CASH TRANSACTION; AND
- (3) SHALL PROVIDE A WRITTEN STATEMENT TO A PROSPECTIVE CONSUMER BORROWER IN ACCORDANCE WITH § 14–4203 OF THIS SUBTITLE.

  14–4203.
- (A) (1) THE STATEMENT REQUIRED UNDER § 14–4202(B)(3) OF THIS SUBTITLE SHALL BE ON A FORM PRESCRIBED BY THE COMMISSIONER BY REGULATION.
- (2) IF THE FORM PRESCRIBED BY THE COMMISSIONER IS INCLUDED IN OTHER DOCUMENTS PROVIDED BY THE MOBILE HOME RETAILER TO A PROSPECTIVE CONSUMER BORROWER, THE FORM SHALL BE CONSPICUOUS, SUCH AS THROUGH THE USE OF A DIFFERENT FONT OR SEPARATED WITH A BOX AROUND IT.
- (B) THE STATEMENT REQUIRED UNDER § 14–4202(B)(3) OF THIS SUBTITLE SHALL INCLUDE:
- (1) A DISCLOSURE THAT DESCRIBES ANY CORPORATE AFFILIATION BETWEEN THE MOBILE HOME RETAILER AND A FINANCING SOURCE ABOUT WHICH THE MOBILE HOME RETAILER PROVIDES INFORMATION TO THE PROSPECTIVE CONSUMER BORROWER;
- (2) A DISCLOSURE THAT THE PROSPECTIVE CONSUMER BORROWER MAY OBTAIN FINANCING FROM ANY LENDER AND IS NOT REQUIRED TO OBTAIN FINANCING FROM A LENDER SUGGESTED BY THE MOBILE HOME RETAILER; AND
- (3) Information regarding the rights of a prospective consumer borrower under this subtitle and the procedure for filing a complaint with the Commissioner.
- (C) THE MOBILE HOME RETAILER SHALL PROVIDE THE STATEMENT REQUIRED UNDER § 14–4202(B)(3) OF THIS SUBTITLE:
- (1) TO A PROSPECTIVE CONSUMER BORROWER AT THE TIME THE MOBILE HOME RETAILER PROVIDES INFORMATION TO THE PROSPECTIVE CONSUMER BORROWER REGARDING FINANCING OR POTENTIALLY AVAILABLE LENDERS; AND

(2) BY POSTING THE STATEMENT IN A PROMINENT LOCATION AT ALL OF THE MOBILE HOME RETAILER'S PLACES OF BUSINESS AND ON THE MOBILE HOME RETAILER'S WEBSITE, IF ANY.

14-4204.

FAILURE OF A MOBILE HOME RETAILER TO COMPLY WITH THIS SUBTITLE DOES NOT AFFECT THE VALIDITY OF AN OTHERWISE VALID FINANCING TRANSACTION.

14-4205.

THE COMMISSIONER MAY ENFORCE THIS SUBTITLE BY EXERCISING ANY OF THE POWERS AUTHORIZED UNDER §§ 2–113 THROUGH 2–116 OF THE FINANCIAL INSTITUTIONS ARTICLE.

## **Article - Financial Institutions**

11-501.

- (a) In this subtitle the following words have the meanings indicated.
- (c) (1) "Dwelling" [has the meaning stated in 15 U.S.C. § 1602(w)] MEANS A RESIDENTIAL STRUCTURE OR MOBILE HOME THAT CONTAINS ONE TO FOUR FAMILY HOUSING UNITS OR INDIVIDUAL UNITS OF CONDOMINIUMS OR COOPERATIVES.
- (2) "Dwelling" does not include a residential structure or mobile home unless the residential structure or mobile home, or at least one unit contained in the residential structure or mobile home, is owner—occupied.
- (H-1) "MOBILE HOME" MEANS A TRAILER, HOUSE TRAILER, TRAILER-COACH, OR ANY OTHER STRUCTURE THAT IS TRANSPORTABLE IN ONE OR MORE SECTIONS THAT IS:
  - (1) USED OR CAN BE USED FOR RESIDENTIAL PURPOSES; AND
- (2) PERMANENTLY ATTACHED TO LAND OR CONNECTED TO UTILITY, WATER, OR SEWAGE FACILITIES.
- (H-1) "MOBILE HOME" MEANS A STRUCTURE, INCLUDING THE PLUMBING, HEATING, AIR CONDITIONING, AND ELECTRICAL SYSTEMS CONTAINED IN THE STRUCTURE, THAT IS:
  - (1) TRANSPORTABLE IN ONE OR MORE SECTIONS;

# (2) EIGHT OR MORE BODY FEET IN WIDTH AND 30 OR MORE BODY FEET IN LENGTH;

## (3) BUILT ON A PERMANENT CHASSIS; AND

# (4) PERMANENTLY ATTACHED TO LAND OR CONNECTED TO UTILITY, WATER, OR SEWAGE FACILITIES.

- [(o) "Nationwide Mortgage Licensing System and Registry" or "NMLS" has the meaning stated in  $\S 1-101$  of this article.]
- [(p)] (O) "Person" means a natural person, corporation, limited liability company, partnership, business trust, statutory trust, or association.
- [(q)] **(P)** "Residential real estate" means any owner–occupied real property located in Maryland on which a dwelling is constructed or intended to be constructed.
  - [(r)] (Q) "State" means the State of Maryland.

11-601.

(a) In this subtitle the following words have the meanings indicated.

## (M-1) "MOBILE HOME" HAS THE MEANING STATED IN § 11-501 OF THIS TITLE.

- (q) (1) "Mortgage loan originator" means an individual who for compensation or gain, or in the expectation of compensation or gain:
  - (i) Takes a loan application; or
  - (ii) Offers or negotiates terms of a mortgage loan.
  - (2) "Mortgage loan originator" does not include an individual who:
    - (i) Acts solely as a mortgage loan processor or underwriter;
- (ii) Performs only real estate brokerage activities and is licensed in accordance with Title 17 of the Business Occupations and Professions Article, unless the individual is compensated by a mortgage lender, mortgage broker, or other mortgage loan originator or by any agent of a mortgage lender, mortgage broker, or other mortgage loan originator; [or]
- (iii) Is involved solely in extensions of credit relating to timeshare plans, as that term is defined in 11 U.S.C. § [101(53d)] **101(53D)**; OR

- (IV) IS A RETAILER OF MOBILE HOMES OR AN EMPLOYEE OF THE RETAILER IF THE RETAILER OR EMPLOYEE, AS APPLICABLE, DOES NOT RECEIVE, DIRECTLY OR INDIRECTLY, COMPENSATION OR GAIN FOR ENGAGING IN ACTIVITIES DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION THAT IS IN EXCESS OF COMPENSATION OR GAIN RECEIVED IN A COMPARABLE CASH TRANSACTION.
- [(s) "Nationwide Mortgage Licensing System and Registry" or "NMLS" has the meaning stated in § 1–101 of this article.]
- [(t)] (S) "Nontraditional mortgage product" means any mortgage product other than a 30-year fixed rate mortgage loan.
  - [(u)] (T) "Person" has the meaning stated in § 11–501 of this title.
- [(v)] (U) "Real estate brokerage activity" means any activity for which a license is required under Title 17 of the Business Occupations and Professions Article.
  - [(w)] (V) "Registered mortgage loan originator" means any individual who:
    - (1) Is a mortgage loan originator;
    - (2) Is an employee of:
      - (i) A depository institution:
      - (ii) A subsidiary that is:
        - 1. Owned and controlled by a depository institution; and
        - 2. Regulated by a federal banking agency; or
      - (iii) An institution regulated by the Farm Credit Administration; and
- (3) Is registered with, and maintains a unique identifier through, [the Nationwide Mortgage Licensing System and Registry] **NMLS**.
- [(x)] (W) "Residential real estate" has the meaning stated in § 11–501 of this title.
- [(y)] (X) "Unique identifier" means a number or other identifier assigned by [the Nationwide Mortgage Licensing System and Registry] NMLS.

11-610.

(a) There is a Nondepository Special Fund that consists of:

- (1) Revenue received for the licensing of individuals under this subtitle;
- (2) Revenue received for the licensing of persons under Subtitle 2 of this title:
- (3) Revenue received for the licensing of persons under Subtitle 3 of this title:
- (4) Revenue received for the licensing of persons under Subtitle 4 of this title;
- (5) Revenue received for the licensing of persons under Subtitle 5 of this title;
- (6) Revenue received for the licensing of persons under Title 12, Subtitle 1 of this article:
- (7) Revenue received for the licensing of persons under Title 12, Subtitle 4 of this article:
- (8) Revenue received for the licensing of persons under Title 12, Subtitle 9 of this article;
- (9) Revenue received for the registration of persons under Title 12, Subtitle 10 of this article:
- (10) Revenue received for the licensing of persons under Title 7 of the Business Regulation Article;
- (11) Revenue received for the licensing of persons under Title 14, Subtitle 19 of the Commercial Law Article;
- (12) Income from the investments that the State Treasurer makes for the Fund; and
- (13) (i) Any other fee, examination or investigation fee or assessment, or revenue received by the Commissioner under this subtitle, Subtitles 2, 3, 4, and 5 of this title, Title 12, Subtitles 1, 4, 9, and 10 of this article, and Title 14, Subtitles 12 and 19 of the Commercial Law Article; and
- (ii) Any other fee or revenue received by the State Collection Agency Licensing Board under Title 7 of the Business Regulation Article.
- (c) The purpose of the Fund is to cover the direct and indirect costs of fulfilling the statutory and regulatory duties of the Commissioner and the State Collection Agency Licensing Board related to:

(13) Title 14, Subtitles 12 [and], 19, AND 42 of the Commercial Law Article;

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 50

(House Bill 94)

AN ACT concerning

## Estates and Trusts - Rule Against Perpetuities

FOR the purpose of limiting a statutory exception to the common—law rule against perpetuities that provides that the rule does not apply to an option of a tenant to purchase all or part of the premises leased by the tenant to an option that is exercisable only during the term of the lease; providing for the application of this Act; and generally relating to the rule against perpetuities.

BY repealing and reenacting, with amendments,

Article – Estates and Trusts

Section 11-102(b)(7)

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

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

## **Article - Estates and Trusts**

11-102.

- (b) Subject to §§ 4–409 of this article and 11–103 of this subtitle, the common—law rule against perpetuities as now recognized in the State is preserved, but the rule does not apply to the following:
- (7) An option of a tenant to purchase all or part of the premises leased by the tenant **THAT IS EXERCISABLE ONLY DURING THE TERM OF THE LEASE**;

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any option to purchase leased premises granted before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 51

(Senate Bill 152)

AN ACT concerning

## Estates and Trusts - Rule Against Perpetuities

FOR the purpose of limiting a statutory exception to the common—law rule against perpetuities that provides that the rule does not apply to an option of a tenant to purchase all or part of the premises leased by the tenant to an option that is exercisable only during the term of the lease; providing for the application of this Act; and generally relating to the rule against perpetuities.

BY repealing and reenacting, with amendments,

Article – Estates and Trusts

Section 11-102(b)(7)

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

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

### **Article - Estates and Trusts**

11-102.

- (b) Subject to §§ 4–409 of this article and 11–103 of this subtitle, the common—law rule against perpetuities as now recognized in the State is preserved, but the rule does not apply to the following:
- (7) An option of a tenant to purchase all or part of the premises leased by the tenant **THAT IS EXERCISABLE ONLY DURING THE TERM OF THE LEASE**;

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any option to purchase leased premises granted before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 52

(House Bill 99)

AN ACT concerning

## Labor and Employment - Injured Workers' Insurance Fund - Revisions

FOR the purpose of requiring, rather than authorizing, the Injured Workers' Insurance Fund to be the third-party administrator for the State's Self-Insured Workers' Compensation Program for State Employees under a contract with the State; authorizing the Fund to use nonsupervisory employees of the Chesapeake Employers' Insurance Company; authorizing nonsupervisory employees of the Company to be assigned to perform certain functions under a certain contract; requiring the Company and the Fund annually to execute a certain agreement; altering the membership of the Board for the Fund; providing that the terms of certain members of the Board for the Fund are the same as the members' terms on the Board for the Company; requiring the Board for the Fund to adopt certain rules, bylaws, policies, and procedures; requiring the President of the Fund to be an employee of the Fund, rather than the President of the Company; making stylistic and conforming changes; and generally relating to the Injured Workers' Insurance Fund.

BY repealing and reenacting, without amendments,

Article – Labor and Employment Section 10–101 Annotated Code of Maryland

(2016 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article - Labor and Employment

Section 10-102, 10-105, and 10-106(a)

Annotated Code of Maryland

(2016 Replacement Volume and 2019 Supplement)

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

10-101.

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Administration" means the Maryland Insurance Administration.
- (c) "Board" means the Board for the Injured Workers' Insurance Fund.
- (d) "Commissioner" means the Maryland Insurance Commissioner.
- (e) "Company" means the Chesapeake Employers' Insurance Company established under Title 24, Subtitle 3 of the Insurance Article.
- (f) "Fund" means the Injured Workers' Insurance Fund.
  10–102.
  - (a) (1) There is an Injured Workers' Insurance Fund.
    - (2) The Fund is an instrumentality of the State.
- (b) On and after October 1, 2013, the Company, and not the Fund, shall serve as the workers' compensation insurer of last resort for workers' compensation insurance.
  - (c) On and after October 1, 2013, the Fund:
    - (1) shall continue to exist; but
- (2) may not issue new policies or otherwise engage in the business of insurance.
- (d) (1) On and after October 1, 2013, the Fund [may continue to] SHALL be the third party administrator for the State's Self–Insured Workers' Compensation Program for State Employees under a contract with the State.
  - (2) At least once every 5 years, the Commissioner shall:
- (i) review the State's Self–Insured Workers' Compensation Program for State Employees, as administered by the Fund, to determine whether the State is receiving effective administrative services at a reasonable cost; and
- (ii) submit a report to the State Treasurer on the findings of the review.
- (e) (1) Subject to subsection (f) of this section, in the operation of the Company, the Company shall **[utilize] USE** employees of the Company.

- (2) [In] SUBJECT TO SUBSECTION (F) OF THIS SECTION, IN the operation of the Fund, the Fund:
  - (I) shall [utilize] USE employees of the Fund; AND
  - (II) MAY USE NONSUPERVISORY EMPLOYEES OF THE COMPANY.
  - (3) The Fund shall:
    - (i) maintain a payroll and human resources system; and
    - (ii) be responsible for paying:
- 1. the employer portion of any payroll or other taxes and retirement or pension contributions for employees of the Fund; and
- 2. for any health or other employee benefits that are available to employees of the Fund.
- (f) (1) Employees of the Fund may be assigned to perform functions of the Company under a contract between the Fund and the Company.
- (2) NONSUPERVISORY EMPLOYEES OF THE COMPANY MAY BE ASSIGNED TO PERFORM FUNCTIONS OF THE FUND UNDER A CONTRACT BETWEEN THE FUND AND THE COMPANY.
- (3) The Company and the Fund shall annually execute an agreement that lists:
- (I) the employees of the Fund who have been assigned to perform duties on behalf of the Company; AND
- (II) THE NONSUPERVISORY EMPLOYEES OF THE COMPANY WHO HAVE BEEN ASSIGNED TO PERFORM DUTIES ON BEHALF OF THE FUND.
  - [(3)] (4) The agreement shall:
- (i) specify the employees who will be utilized by the Company and the Fund;
- (ii) provide that, except with respect to assets necessary for the Fund to perform its duties under this subtitle, all assets and liabilities of the Fund are the assets and liabilities of the Company; and
  - (iii) be filed with the Administration.

- [(4)] (5) Notwithstanding § 15–703(f)(3)(i) of the State Government Article, an employee of the Fund may register and maintain registration as a regulated lobbyist if the employee:
- (i) is assigned to perform functions of the Company under paragraph (1) of this subsection for which an employee of the Company would be required to register; and
  - (ii) registers on behalf of the Company.

10-105.

- (a) (1) There is a Board for the Injured Workers' Insurance Fund.
- (2) The Board shall manage the business and affairs of the Fund as an instrumentality of the State in accordance with State law.
- (b) **(1)** The Board [is the Board for the Company established under Title 24, Subtitle 3 of the Insurance Article] **CONSISTS OF THE FOLLOWING MEMBERS:**
- (I) THE STATE TREASURER, OR THE STATE TREASURER'S DESIGNEE; AND
- (II) THE TWO MEMBERS APPOINTED TO THE BOARD FOR THE COMPANY BY THE GOVERNOR IN ACCORDANCE WITH § 24–307(B)(1)(I) OF THE INSURANCE ARTICLE.
- (2) THE TERMS OF THE MEMBERS OF THE BOARD DESCRIBED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION ARE THE SAME AS THE MEMBERS' TERMS ON THE BOARD FOR THE COMPANY.
- (c) [Members of the Board that were appointed to the Board as of October 1, 2012, shall:
  - (1) continue to serve their current terms on the Board; and
- (2) serve on the Board for the Company under the same terms and conditions as if they were appointed to the Board for the Company under Title 24, Subtitle 3 of the Insurance Article.
  - (d)] The Board SHALL ADOPT RULES, BYLAWS, POLICIES, AND PROCEDURES[:
- (1) shall be subject to the rules, bylaws, and procedures that the Board for the Company adopts under Title 24, Subtitle 3 of the Insurance Article; and

(2) may adopt any policy] to carry out this subtitle.

10-106.

- (a) (1) The Board shall appoint a President of the Fund.
- (2) The President of the Fund shall be [the President] AN EMPLOYEE of the [Company] FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 53

(Senate Bill 616)

AN ACT concerning

# Labor and Employment - Injured Workers' Insurance Fund - Revisions

FOR the purpose of requiring, rather than authorizing, the Injured Workers' Insurance Fund to be the third-party administrator for the State's Self-Insured Workers' Compensation Program for State Employees under a contract with the State; authorizing the Fund to use nonsupervisory employees of the Chesapeake Employers' Insurance Company; authorizing nonsupervisory employees of the Company to be assigned to perform certain functions under a certain contract; requiring the Company and the Fund annually to execute a certain agreement; altering the membership of the Board for the Fund; providing that the terms of certain members of the Board for the Fund are the same as the members' terms on the Board for the Company; requiring the Board for the Fund to adopt certain rules, bylaws, policies, and procedures; requiring the President of the Fund to be an employee of the Fund, rather than the President of the Company; making stylistic and conforming changes; and generally relating to the Injured Workers' Insurance Fund.

BY repealing and reenacting, without amendments,

Article – Labor and Employment Section 10–101 Annotated Code of Maryland (2016 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Labor and Employment Section 10–102, 10–105, and 10–106(a) Annotated Code of Maryland (2016 Replacement Volume and 2019 Supplement)

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

#### **Article - Labor and Employment**

10-101.

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Administration" means the Maryland Insurance Administration.
- (c) "Board" means the Board for the Injured Workers' Insurance Fund.
- (d) "Commissioner" means the Maryland Insurance Commissioner.
- (e) "Company" means the Chesapeake Employers' Insurance Company established under Title 24, Subtitle 3 of the Insurance Article.
  - (f) "Fund" means the Injured Workers' Insurance Fund.

10-102.

- (a) (1) There is an Injured Workers' Insurance Fund.
  - (2) The Fund is an instrumentality of the State.
- (b) On and after October 1, 2013, the Company, and not the Fund, shall serve as the workers' compensation insurer of last resort for workers' compensation insurance.
  - (c) On and after October 1, 2013, the Fund:
    - (1) shall continue to exist; but
- (2) may not issue new policies or otherwise engage in the business of insurance.
- (d) (1) On and after October 1, 2013, the Fund [may continue to] SHALL be the third party administrator for the State's Self–Insured Workers' Compensation Program for State Employees under a contract with the State.
  - (2) At least once every 5 years, the Commissioner shall:

- (i) review the State's Self–Insured Workers' Compensation Program for State Employees, as administered by the Fund, to determine whether the State is receiving effective administrative services at a reasonable cost; and
- (ii) submit a report to the State Treasurer on the findings of the review.
- (e) (1) Subject to subsection (f) of this section, in the operation of the Company, the Company shall [utilize] USE employees of the Company.
- (2) [In] SUBJECT TO SUBSECTION (F) OF THIS SECTION, IN the operation of the Fund, the Fund:
  - (I) shall [utilize] USE employees of the Fund; AND
  - (II) MAY USE NONSUPERVISORY EMPLOYEES OF THE COMPANY.
  - (3) The Fund shall:
    - (i) maintain a payroll and human resources system; and
    - (ii) be responsible for paying:
- 1. the employer portion of any payroll or other taxes and retirement or pension contributions for employees of the Fund; and
- 2. for any health or other employee benefits that are available to employees of the Fund.
- (f) (1) Employees of the Fund may be assigned to perform functions of the Company under a contract between the Fund and the Company.
- (2) NONSUPERVISORY EMPLOYEES OF THE COMPANY MAY BE ASSIGNED TO PERFORM FUNCTIONS OF THE FUND UNDER A CONTRACT BETWEEN THE FUND AND THE COMPANY.
- (3) The Company and the Fund shall annually execute an agreement that lists:
- (I) the employees of the Fund who have been assigned to perform duties on behalf of the Company; AND
- (II) THE NONSUPERVISORY EMPLOYEES OF THE COMPANY WHO HAVE BEEN ASSIGNED TO PERFORM DUTIES ON BEHALF OF THE FUND.

- [(3)] **(4)** The agreement shall:
- (i) specify the employees who will be utilized by the Company and the Fund;
- (ii) provide that, except with respect to assets necessary for the Fund to perform its duties under this subtitle, all assets and liabilities of the Fund are the assets and liabilities of the Company; and
  - (iii) be filed with the Administration.
- [(4)] (5) Notwithstanding § 15–703(f)(3)(i) of the State Government Article, an employee of the Fund may register and maintain registration as a regulated lobbyist if the employee:
- (i) is assigned to perform functions of the Company under paragraph (1) of this subsection for which an employee of the Company would be required to register; and
  - (ii) registers on behalf of the Company.

10-105.

- (a) (1) There is a Board for the Injured Workers' Insurance Fund.
- (2) The Board shall manage the business and affairs of the Fund as an instrumentality of the State in accordance with State law.
- (b) **(1)** The Board [is the Board for the Company established under Title 24, Subtitle 3 of the Insurance Article] **CONSISTS OF THE FOLLOWING MEMBERS:**
- (I) THE STATE TREASURER, OR THE STATE TREASURER'S DESIGNEE; AND
- (II) THE TWO MEMBERS APPOINTED TO THE BOARD FOR THE COMPANY BY THE GOVERNOR IN ACCORDANCE WITH § 24–307(B)(1)(I) OF THE INSURANCE ARTICLE.
- (2) THE TERMS OF THE MEMBERS OF THE BOARD DESCRIBED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION ARE THE SAME AS THE MEMBERS' TERMS ON THE BOARD FOR THE COMPANY.
- (c) [Members of the Board that were appointed to the Board as of October 1, 2012, shall:
  - (1) continue to serve their current terms on the Board; and

- (2) serve on the Board for the Company under the same terms and conditions as if they were appointed to the Board for the Company under Title 24, Subtitle 3 of the Insurance Article.
  - (d)] The Board SHALL ADOPT RULES, BYLAWS, POLICIES, AND PROCEDURES[:
- (1) shall be subject to the rules, bylaws, and procedures that the Board for the Company adopts under Title 24, Subtitle 3 of the Insurance Article; and
  - (2) may adopt any policy] to carry out this subtitle.

10-106.

- (a) (1) The Board shall appoint a President of the Fund.
- (2) The President of the Fund shall be [the President] AN EMPLOYEE of the [Company] FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 54

(House Bill 102)

AN ACT concerning

## Public Service Commission - Public Utility Regulation Fund - Cap

FOR the purpose of increasing the maximum that may be charged to certain public service companies for a State fiscal year to reimburse the Public Service Commission for certain costs and expenses; and generally relating to public service companies and the Public Utility Regulation Fund.

BY repealing and reenacting, without amendments,

Article – Public Utilities

Section 2–110(a) and (b)

Annotated Code of Maryland

(2010 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Public Utilities Section 2–110(c)(12) Annotated Code of Maryland (2010 Replacement Volume and 2019 Supplement)

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

#### Article - Public Utilities

2-110.

- (a) In this section, "public service company" includes an electricity supplier and a gas supplier as those terms are defined in § 1–101 of this article.
- (b) (1) The costs and expenses of the Commission and the Office of People's Counsel shall be borne by the public service companies that are subject to the Commission's jurisdiction.
  - (2) The costs and expenses shall be assessed as provided in this section.
- (3) The Commission shall pay the money that it collects for the assessment under this section into the Public Utility Regulation Fund in the State Treasury established under § 2–110.1 of this subtitle to reimburse the State for the expenses of the Commission and the Office of People's Counsel.
- (c) (12) The total amount that may be charged to a public service company under this section for a State fiscal year may not exceed:
- (i) **[**0.17%**] 0.25**% of the public service company's gross operating revenues derived from intrastate utility and electricity supplier operations in the preceding calendar year, or other 12–month period that the Chairman determines, for the costs and expenses of the Commission other than that of the Office of People's Counsel; plus
- $$\rm (ii)$$  0.05% of those revenues for the costs and expenses of the Office of People's Counsel.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October June 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 55

(Senate Bill 676)

## AN ACT concerning

## Public Service Commission - Public Utility Regulation Fund - Cap

FOR the purpose of increasing the maximum that may be charged to certain public service companies for a State fiscal year to reimburse the Public Service Commission for certain costs and expenses; and generally relating to public service companies and the Public Utility Regulation Fund.

BY repealing and reenacting, without amendments,

Article – Public Utilities

Section 2–110(a) and (b)

Annotated Code of Maryland

(2010 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Public Utilities

Section 2-110(c)(12)

Annotated Code of Maryland

(2010 Replacement Volume and 2019 Supplement)

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

#### Article - Public Utilities

#### 2-110.

- (a) In this section, "public service company" includes an electricity supplier and a gas supplier as those terms are defined in § 1–101 of this article.
- (b) (1) The costs and expenses of the Commission and the Office of People's Counsel shall be borne by the public service companies that are subject to the Commission's jurisdiction.
  - (2) The costs and expenses shall be assessed as provided in this section.
- (3) The Commission shall pay the money that it collects for the assessment under this section into the Public Utility Regulation Fund in the State Treasury established under § 2–110.1 of this subtitle to reimburse the State for the expenses of the Commission and the Office of People's Counsel.
- (c) (12) The total amount that may be charged to a public service company under this section for a State fiscal year may not exceed:
  - (i) [0.17%] **0.25**% of the public service company's gross operating

revenues derived from intrastate utility and electricity supplier operations in the preceding calendar year, or other 12—month period that the Chairman determines, for the costs and expenses of the Commission other than that of the Office of People's Counsel; plus

 $\,$  (ii)  $\,$  0.05% of those revenues for the costs and expenses of the Office of People's Counsel.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 56

(House Bill 108)

AN ACT concerning

## Condominiums - Responsibility for Property Insurance Deductibles

FOR the purpose of altering, in the case of a council of unit owners' responsibility to repair damage to or replace certain portions of a condominium, the circumstances under which the council of unit owners' property insurance deductible is a common expense; increasing the maximum amount of the council of unit owners' property insurance deductible for which a unit owner is responsible under certain circumstances; making a conforming change; providing for the application of this Act; and generally relating to the responsibility for property insurance deductibles in condominiums.

BY repealing and reenacting, with amendments,

Article – Real Property

Section 11–114(g)

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

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

# **Article - Real Property**

11-114.

(g) (1) Any portion of the common elements and the units, exclusive of improvements and betterments installed in the units by unit owners other than the developer, damaged or destroyed shall be repaired or replaced promptly by the council of unit owners unless:

- (i) The condominium is terminated;
- (ii) Repair or replacement would be illegal under any State or local health or safety statute or ordinance; or
- (iii) 80 percent of the unit owners, including every owner of a unit or assigned limited common element which will not be rebuilt, vote not to rebuild.
- (2) (i) 1. The cost of repair or replacement in excess of insurance proceeds and reserves is a common expense.
- 2. A property insurance deductible is not a cost of repair or replacement in excess of insurance proceeds.
- (ii) If the cause of any damage to or destruction of any portion of the condominium originates from the common elements **OR AN EVENT OUTSIDE OF THE CONDOMINIUM UNITS AND COMMON ELEMENTS**, the council of unit owners' property insurance deductible is a common expense.
- (iii) 1. If the cause of any damage to or destruction of any portion of the condominium originates from a unit, the owner of the unit where the cause of the damage or destruction originated is responsible for the council of unit owners' property insurance deductible not to exceed [\$5,000] **\$10,000**.
- 2. The council of unit owners shall inform each unit owner annually in writing of:
- A. The unit owner's responsibility for the council of unit owners' property insurance deductible; and
  - B. The amount of the deductible.
- 3. The council of unit owners' property insurance deductible amount exceeding the [\$5,000] **\$10,000** responsibility of the unit owner is a common expense.
- (iv) In the same manner as provided under § 11–110 of this title, the council of unit owners may make an annual assessment against the unit owner responsible under subparagraph (iii) of this paragraph.
- (3) If the damaged or destroyed portion of the condominium is not repaired or replaced:
- (i) The insurance proceeds attributable to the damaged common elements shall be used to restore the damaged area to a condition compatible with the remainder of the condominium;

- (ii) The insurance proceeds attributable to units and limited common elements which are not rebuilt shall be distributed to the owners of those units and the owners of the units to which those limited common elements were assigned; and
- (iii) The remainder of the proceeds shall be distributed to all the unit owners in proportion to their percentage interest in the common elements.
- (4) If the unit owners vote not to rebuild any unit, that unit's entire common element interest, votes in the council of unit owners, and common expense liability are automatically reallocated upon the vote as if the unit had been condemned under § 11–112 of this title, and the council of unit owners promptly shall prepare, execute, and record an amendment to the declaration reflecting the reallocations. Notwithstanding the provisions of this subsection, § 11–123 of this title governs the distribution of insurance proceeds if the condominium is terminated.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies of property and casualty insurance issued, delivered, or renewed in the State to a condominium council of unit owners as required under § 1–114 of the Real Property Article on or after October 1, 2020.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 57

(Senate Bill 175)

AN ACT concerning

#### Condominiums - Responsibility for Property Insurance Deductibles

FOR the purpose of altering, in the case of a council of unit owners' responsibility to repair damage to or replace certain portions of a condominium, the circumstances under which the council of unit owners' property insurance deductible is a common expense; increasing the maximum amount of the council of unit owners' property insurance deductible for which a unit owner is responsible under certain circumstances; making a conforming change; providing for the application of this Act; and generally relating to the responsibility for property insurance deductibles in condominiums.

BY repealing and reenacting, with amendments, Article – Real Property Section 11–114(g) Annotated Code of Maryland (2015 Replacement Volume and 2019 Supplement)

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

# **Article - Real Property**

#### 11-114.

- (g) (1) Any portion of the common elements and the units, exclusive of improvements and betterments installed in the units by unit owners other than the developer, damaged or destroyed shall be repaired or replaced promptly by the council of unit owners unless:
  - (i) The condominium is terminated;
- (ii) Repair or replacement would be illegal under any State or local health or safety statute or ordinance; or
- (iii) 80 percent of the unit owners, including every owner of a unit or assigned limited common element which will not be rebuilt, vote not to rebuild.
- (2) (i) 1. The cost of repair or replacement in excess of insurance proceeds and reserves is a common expense.
- 2. A property insurance deductible is not a cost of repair or replacement in excess of insurance proceeds.
- (ii) If the cause of any damage to or destruction of any portion of the condominium originates from the common elements **OR AN EVENT OUTSIDE OF THE CONDOMINIUM UNITS AND COMMON ELEMENTS**, the council of unit owners' property insurance deductible is a common expense.
- (iii) 1. If the cause of any damage to or destruction of any portion of the condominium originates from a unit, the owner of the unit where the cause of the damage or destruction originated is responsible for the council of unit owners' property insurance deductible not to exceed [\$5,000] \$10,000.
- 2. The council of unit owners shall inform each unit owner annually in writing of:
- A. The unit owner's responsibility for the council of unit owners' property insurance deductible; and
  - B. The amount of the deductible.

- 3. The council of unit owners' property insurance deductible amount exceeding the [\$5,000] **\$10,000** responsibility of the unit owner is a common expense.
- (iv) In the same manner as provided under § 11–110 of this title, the council of unit owners may make an annual assessment against the unit owner responsible under subparagraph (iii) of this paragraph.
- (3) If the damaged or destroyed portion of the condominium is not repaired or replaced:
- (i) The insurance proceeds attributable to the damaged common elements shall be used to restore the damaged area to a condition compatible with the remainder of the condominium;
- (ii) The insurance proceeds attributable to units and limited common elements which are not rebuilt shall be distributed to the owners of those units and the owners of the units to which those limited common elements were assigned; and
- (iii) The remainder of the proceeds shall be distributed to all the unit owners in proportion to their percentage interest in the common elements.
- (4) If the unit owners vote not to rebuild any unit, that unit's entire common element interest, votes in the council of unit owners, and common expense liability are automatically reallocated upon the vote as if the unit had been condemned under § 11–112 of this title, and the council of unit owners promptly shall prepare, execute, and record an amendment to the declaration reflecting the reallocations. Notwithstanding the provisions of this subsection, § 11–123 of this title governs the distribution of insurance proceeds if the condominium is terminated.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies of property and casualty insurance issued, delivered, or renewed in the State to a condominium council of unit owners as required under § 1–114 of the Real Property Article on or after October 1, 2020.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 58

(House Bill 116)

## Home Builder Guaranty Fund - Award Limitations - Revisions

FOR the purpose of altering the total amount of awards the Consumer Protection Division of the Office of the Attorney General is authorized to pay to all claimants for acts or omissions of a certain registered home builder from the Home Builder Guaranty Fund; making conforming changes; and generally relating to the Home Builder Guaranty Fund.

BY repealing and reenacting, without amendments,

Article – Business Regulation

Section 4.5–703(a) and 4.5–705(a)

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Business Regulation

Section 4.5–705(e) and 4.5–710

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

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

## **Article - Business Regulation**

4.5 - 703.

- (a) The Division shall:
  - (1) establish a Home Builder Guaranty Fund; and
  - (2) maintain the Guaranty Fund at a level of at least \$1,000,000.

4.5 - 705.

- (a) Subject to this subtitle a claimant may recover compensation from the Guaranty Fund for an actual loss that results from an act or omission by a registrant as found by the Division or a court of competent jurisdiction.
  - (e) The Division may not award from the Guaranty Fund:
- (1) more than \$50,000 to one claimant for acts or omissions of one registrant;
- (2) more than [\$300,000] **\$500,000** to all claimants for acts or omissions of one registrant unless, after the Division has paid out [\$300,000] **\$500,000** on account

of acts or omissions of the registrant, the registrant reimburses [\$300,000] **\$500,000** to the Guaranty Fund; or

(3) an amount for attorney's fees, consequential damages, court costs, interest, personal injury damages, or punitive damages.

#### 4.5 - 710.

- (a) The Division may order payment of a claim against the Guaranty Fund only if:
- (1) the decision or order of the Division is final in accordance with Title 10, Subtitle 2 of the State Government Article and all rights of appeal are exhausted; or
- (2) the claimant provides the Division with a certified copy of a final judgment of a court of competent jurisdiction or a final award in arbitration, with all rights of appeal exhausted, in which the court or arbitrator:
- (i) expressly made findings of fact that support the claimant's right to recover under  $\S 4.5-705(a)$  of this subtitle; and
  - (ii) has found the value of the actual loss.
- (b) (1) Except as otherwise provided in this subsection, the Division shall pay approved claims in the order submitted.
- (2) If approved claims submitted to the Division against a registrant exceed [\$300,000] **\$500,000**, less the amount of unreimbursed claim payments previously made for the registrant, the Division may pay the approved claims proportionately so that each claimant receives the same percentage payment of the claims.
- (3) After the Guaranty Fund is reimbursed, the Division shall pay unsatisfied approved claims.
- (c) If there is not enough money in the Guaranty Fund to pay an approved claim wholly or partially, the Division shall pay the unpaid claim:
  - (1) when enough money is deposited in the Guaranty Fund; and
- (2) in the order that each claim originally was filed with a court of competent jurisdiction or submitted to the Division.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 59

### (Senate Bill 164)

## AN ACT concerning

## Home Builder Guaranty Fund - Award Limitations - Revisions

FOR the purpose of altering the total amount of awards the Consumer Protection Division of the Office of the Attorney General is authorized to pay to all claimants for acts or omissions of a certain registered home builder from the Home Builder Guaranty Fund; making conforming changes; and generally relating to the Home Builder Guaranty Fund.

BY repealing and reenacting, without amendments,

Article – Business Regulation Section 4.5–703(a) and 4.5–705(a) Annotated Code of Maryland (2015 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Business Regulation Section 4.5–705(e) and 4.5–710 Annotated Code of Maryland (2015 Replacement Volume and 2019 Supplement)

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

# **Article – Business Regulation**

#### 4.5 - 703.

- (a) The Division shall:
  - (1) establish a Home Builder Guaranty Fund; and
  - (2) maintain the Guaranty Fund at a level of at least \$1,000,000.

#### 4.5 - 705.

(a) Subject to this subtitle a claimant may recover compensation from the Guaranty Fund for an actual loss that results from an act or omission by a registrant as found by the Division or a court of competent jurisdiction.

- (e) The Division may not award from the Guaranty Fund:
- (1) more than \$50,000 to one claimant for acts or omissions of one registrant;
- (2) more than [\$300,000] **\$500,000** to all claimants for acts or omissions of one registrant unless, after the Division has paid out [\$300,000] **\$500,000** on account of acts or omissions of the registrant, the registrant reimburses [\$300,000] **\$500,000** to the Guaranty Fund; or
- (3) an amount for attorney's fees, consequential damages, court costs, interest, personal injury damages, or punitive damages.

#### 4.5 - 710.

- (a) The Division may order payment of a claim against the Guaranty Fund only if:
- (1) the decision or order of the Division is final in accordance with Title 10, Subtitle 2 of the State Government Article and all rights of appeal are exhausted; or
- (2) the claimant provides the Division with a certified copy of a final judgment of a court of competent jurisdiction or a final award in arbitration, with all rights of appeal exhausted, in which the court or arbitrator:
- (i) expressly made findings of fact that support the claimant's right to recover under  $\S 4.5-705(a)$  of this subtitle; and
  - (ii) has found the value of the actual loss.
- (b) (1) Except as otherwise provided in this subsection, the Division shall pay approved claims in the order submitted.
- (2) If approved claims submitted to the Division against a registrant exceed [\$300,000] **\$500,000**, less the amount of unreimbursed claim payments previously made for the registrant, the Division may pay the approved claims proportionately so that each claimant receives the same percentage payment of the claims.
- (3) After the Guaranty Fund is reimbursed, the Division shall pay unsatisfied approved claims.
- (c) If there is not enough money in the Guaranty Fund to pay an approved claim wholly or partially, the Division shall pay the unpaid claim:
  - (1) when enough money is deposited in the Guaranty Fund; and
  - (2) in the order that each claim originally was filed with a court of

competent jurisdiction or submitted to the Division.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 60

(House Bill 117)

AN ACT concerning

## Insurance - Industry Automobile Insurance Association - Board of Directors

FOR the purpose of altering the nominating entity for certain Industry Automobile Insurance Association board members; making conforming changes; and generally relating to the Industry Automobile Insurance Association.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 20–403

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

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

#### Article - Insurance

20-403.

- (a) There is a Board of Directors to administer the Association.
- (b) (1) The Board of Directors consists of nine members elected by Association members.
  - (2) Of the nine members of the Board of Directors:
    - (i) [two shall be nominated by the American Insurance Association;
- (ii) two] FOUR shall be nominated by the AMERICAN Property Casualty Insurers INSURANCE Association [of America];

[(iii)] (II) one shall be associated with a domestic insurer that is not affiliated with [a group listed in item (i) or (ii) of this paragraph] THE AMERICAN PROPERTY CASUALTY INSURERS INSURANCE ASSOCIATION:

[(iv)] (III) two may not be affiliated with a member company of [a group listed in item (i) or (ii) of this paragraph] THE AMERICAN PROPERTY CASUALTY INSURERS INSURANCE ASSOCIATION or with a domestic insurer that is otherwise represented on the Board of Directors; and

[(v)] (IV) two shall be nominated by the members of the Board of Directors selected under items (i) through [(iv)] (III) of this paragraph.

- (3) The term of a member of the Board of Directors is 1 year.
- (4) If [a group listed in paragraph (2)(i) or (ii) of this subsection] THE AMERICAN PROPERTY CASUALTY INSURERS INSURANCE ASSOCIATION fails to submit the name of a nominee at least 10 days before the election, the requirement that [two] FOUR directors be from among nominees of that group need not be met for that year.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 61

(Senate Bill 165)

AN ACT concerning

#### Insurance – Industry Automobile Insurance Association – Board of Directors

FOR the purpose of altering the nominating entity for certain Industry Automobile Insurance Association board members; making conforming changes; and generally relating to the Industry Automobile Insurance Association.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 20–403

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

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

#### Article - Insurance

20-403.

- (a) There is a Board of Directors to administer the Association.
- (b) (1) The Board of Directors consists of nine members elected by Association members.
  - (2) Of the nine members of the Board of Directors:
    - (i) [two shall be nominated by the American Insurance Association;
- (ii) two] FOUR shall be nominated by the AMERICAN Property Casualty Insurers INSURANCE Association [of America];
- [(iii)] (II) one shall be associated with a domestic insurer that is not affiliated with [a group listed in item (i) or (ii) of this paragraph] THE AMERICAN PROPERTY CASUALTY INSURANCE ASSOCIATION;
- [(iv)] (III) two may not be affiliated with a member company of [a group listed in item (i) or (ii) of this paragraph] THE AMERICAN PROPERTY CASUALTY INSURERS INSURANCE ASSOCIATION or with a domestic insurer that is otherwise represented on the Board of Directors; and
- [(v)] (IV) two shall be nominated by the members of the Board of Directors selected under items (i) through [(iv)] (III) of this paragraph.
  - (3) The term of a member of the Board of Directors is 1 year.
- (4) If [a group listed in paragraph (2)(i) or (ii) of this subsection] THE AMERICAN PROPERTY CASUALTY INSURERS INSURANCE ASSOCIATION fails to submit the name of a nominee at least 10 days before the election, the requirement that [two] FOUR directors be from among nominees of that group need not be met for that year.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 62

(House Bill 118)

## AN ACT concerning

# Private Passenger Motor Vehicle Insurance – Prohibition on Cancellation Due to Towing or Emergency Roadside Coverage Claims

FOR the purpose of prohibiting an insurer from canceling, refusing to renew, or otherwise terminating coverage for a private passenger motor vehicle insurance policy based on claims made under the policy's towing or emergency roadside coverage; authorizing an insurer to remove towing or emergency roadside service coverage from a certain policy at renewal based on certain claims; authorizing an insurer to increase a premium of a private passenger motor vehicle insurance policy as a result of certain claims; and generally relating to private passenger motor vehicle insurance and roadside coverage.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 27–501(d)

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

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

#### Article - Insurance

27-501.

- (d) (1) With respect to automobile liability insurance, an insurer may not:
- [(i)] 1. cancel, refuse to renew, or otherwise terminate coverage for an automobile insurance risk because of a claim, traffic violation, or traffic accident that occurred more than 3 years before the effective date of the policy or renewal; [or]
- [(ii)] 2. refuse to underwrite an automobile insurance risk because of a claim, traffic violation, or traffic accident that occurred more than 3 years before the date of application; **OR**
- 3. SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, CANCEL, REFUSE TO RENEW, OR OTHERWISE TERMINATE COVERAGE FOR A PRIVATE PASSENGER MOTOR VEHICLE INSURANCE POLICY BECAUSE OF A CLAIM UNDER THE TOWING OR EMERGENCY ROADSIDE SERVICE COVERAGE IN THE POLICY.

#### (II) AN INSURER MAY:

- 1. REMOVE THE TOWING OR EMERGENCY ROADSIDE SERVICE COVERAGE AT RENEWAL FROM A PRIVATE PASSENGER MOTOR VEHICLE INSURANCE POLICY BASED ON THE NUMBER OF CLAIMS MADE UNDER THE TOWING OR EMERGENCY ROADSIDE SERVICE COVERAGE IN A MANNER THAT COMPLIES WITH § 27–613 OF THIS TITLE; AND
- 2. INCREASE THE PREMIUM OF THE PRIVATE PASSENGER MOTOR VEHICLE INSURANCE POLICY AS A RESULT OF A TOWING OR EMERGENCY ROADSIDE SERVICE CLAIM IN ACCORDANCE WITH ITS FILED RATES IN A MANNER THAT COMPLIES WITH § 11–317 OF THIS ARTICLE AND § 27–614 OF THIS TITLE.
  - (2) With respect to homeowner's insurance, an insurer may not:
- (i) cancel, refuse to renew, or otherwise terminate coverage for a homeowner's insurance risk because of a claim that occurred more than 3 years before the effective date of the policy or renewal; or
- (ii) refuse to underwrite a homeowner's insurance risk because of a claim that occurred more than 3 years before the date of application.
- (3) An insurer may cancel a policy of homeowner's insurance under which a onetime guaranteed fully refundable deposit is required for a stated amount of coverage, if the cancellation:
  - (i) takes effect on the anniversary date of the inception of the policy;
- (ii) is not based on a claim that occurred more than 3 years before the anniversary date of the policy on which the proposed cancellation would take effect; and
  - (iii) is otherwise in accordance with this subtitle.
- (4) This subsection does not apply to a claim involving conviction of the insured or applicant for fraud or arson.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 63

(Senate Bill 125)

## AN ACT concerning

# Private Passenger Motor Vehicle Insurance – Prohibition on Cancellation Due to Towing or Emergency Roadside Coverage Claims

FOR the purpose of prohibiting an insurer from canceling, refusing to renew, or otherwise terminating coverage for a private passenger motor vehicle insurance policy based on claims made under the policy's towing or emergency roadside coverage; authorizing an insurer to remove towing or emergency roadside service coverage from a certain policy at renewal based on certain claims; authorizing an insurer to increase a premium of a private passenger motor vehicle insurance policy as a result of certain claims; and generally relating to private passenger motor vehicle insurance and roadside coverage.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 27–501(d)

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

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

#### Article - Insurance

27-501.

- (d) (1) (I) With respect to automobile liability insurance, an insurer may not:
- [(i)] 1. cancel, refuse to renew, or otherwise terminate coverage for an automobile insurance risk because of a claim, traffic violation, or traffic accident that occurred more than 3 years before the effective date of the policy or renewal; [or]
- [(ii)] 2. refuse to underwrite an automobile insurance risk because of a claim, traffic violation, or traffic accident that occurred more than 3 years before the date of application; **OR**
- 3. SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, CANCEL, REFUSE TO RENEW, OR OTHERWISE TERMINATE COVERAGE FOR A PRIVATE PASSENGER MOTOR VEHICLE INSURANCE POLICY BECAUSE OF A CLAIM UNDER THE TOWING OR EMERGENCY ROADSIDE SERVICE COVERAGE IN THE POLICY.

#### (II) AN INSURER MAY:

- 1. REMOVE THE TOWING OR EMERGENCY ROADSIDE SERVICE COVERAGE AT RENEWAL FROM A PRIVATE PASSENGER MOTOR VEHICLE INSURANCE POLICY BASED ON THE NUMBER OF CLAIMS MADE UNDER THE TOWING OR EMERGENCY ROADSIDE SERVICE COVERAGE IN A MANNER THAT COMPLIES WITH § 27–613 OF THIS TITLE; AND
- 2. INCREASE THE PREMIUM OF THE PRIVATE PASSENGER MOTOR VEHICLE INSURANCE POLICY AS A RESULT OF A TOWING OR EMERGENCY ROADSIDE SERVICE CLAIM IN ACCORDANCE WITH ITS FILED RATES IN A MANNER THAT COMPLIES WITH § 11-317 OF THIS ARTICLE AND § 27-614 OF THIS TITLE.
  - (2) With respect to homeowner's insurance, an insurer may not:
- (i) cancel, refuse to renew, or otherwise terminate coverage for a homeowner's insurance risk because of a claim that occurred more than 3 years before the effective date of the policy or renewal; or
- (ii) refuse to underwrite a homeowner's insurance risk because of a claim that occurred more than 3 years before the date of application.
- (3) An insurer may cancel a policy of homeowner's insurance under which a onetime guaranteed fully refundable deposit is required for a stated amount of coverage, if the cancellation:
  - (i) takes effect on the anniversary date of the inception of the policy;
- (ii) is not based on a claim that occurred more than 3 years before the anniversary date of the policy on which the proposed cancellation would take effect; and
  - (iii) is otherwise in accordance with this subtitle.
- (4) This subsection does not apply to a claim involving conviction of the insured or applicant for fraud or arson.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 64

(House Bill 120)

# AN ACT concerning

# Motor Carriers and For-Hire Driving Services - Nonprofit Organizations and Volunteer Drivers

FOR the purpose of providing that a motor carrier permit is not required for transportation services that a nonprofit organization provides under certain circumstances; altering the definition of "transportation network services"; providing that a nonprofit organization that provides transportation for remuneration to clients of certain services may not be required to obtain a motor carrier permit; and generally relating to motor carriers and for—hire driving services.

BY repealing and reenacting, with amendments,

Article - Public Utilities

Section 9–201, 10–101(n), and 10–102

Annotated Code of Maryland

(2010 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,

Article – Public Utilities

Section 10–101(a), (l), and (m)

Annotated Code of Maryland

(2010 Replacement Volume and 2019 Supplement)

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

#### Article - Public Utilities

9-201.

- (a) Except as provided in subsection (b) of this section, a motor carrier permit is required for a passenger motor vehicle used in the transportation of persons for hire.
  - (b) A motor carrier permit is not required for:
- (1) a motor vehicle used exclusively for the transportation of pupils to and from public or private schools;
- (2) a motor vehicle operated for a period of not more than 3 months in any registration year in the transportation of persons employed at a cannery located in a county;
  - (3) taxicabs;
- (4) public transportation for hire authorized to operate on the boardwalk in Ocean City;

- (5) a vanpool operation as defined in § 11–175.1 of the Transportation Article;
- (6) a local public transportation system established under a law enacted by the local governing body of a county or municipal corporation;
- (7) subject to subsection (c) of this section, a motor vehicle used by a privately owned transportation company exclusively to provide transportation system services under a contract with the governing body of a county or municipal corporation or with a unit of State government; [or]
- (8) shuttle bus service operated by the University of Maryland, College Park Campus for students enrolled at the University of Maryland, College Park Campus and, in exchange for payment by a municipal corporation in which the University of Maryland, College Park Campus operates shuttle bus service, transportation service on the shuttle bus to residents of the municipal corporation; **OR**
- (9) TRANSPORTATION SERVICES THAT A NONPROFIT ORGANIZATION PROVIDES THROUGH THE USE OF A VOLUNTEER DRIVER AND THE VOLUNTEER DRIVER'S PERSONAL VEHICLE.
- (c) A privately owned transportation company that provides transportation system services under a contract with the governing body of a county or municipal corporation or with a unit of State government shall obtain a motor carrier permit for motor vehicles that the company does not use exclusively to provide transportation system services under a contract with the governing body of a county or municipal corporation or with a unit of State government.
- (d) The public duties of a common carrier may not be imposed on a person with respect to a vehicle for which a motor carrier permit is required under this section, if the vehicle is not actually engaged in public transportation.

10–101.

- (a) In this title the following words have the meanings indicated.
- (l) "Transportation network company" means a company that operates in the State using a digital network to connect passengers to transportation network operators or transportation network partners for transportation network services.
- (m) "Transportation network operator", "transportation network partner", or "transportation network driver" means an individual who:
- (1) has been issued a transportation network operator's license, or is otherwise authorized, by the Commission to provide transportation network services;

- (2) receives, through a transportation network company's digital network application, a connection to a potential passenger to transport the passenger between points chosen by the passenger in exchange for the payment of a fee to the transportation network company; and
- (3) uses a motor vehicle that is owned, leased, or otherwise authorized for use by the individual and is approved for use in providing transportation network services by the Commission.
- (n) (1) "Transportation network services" means the activities of an operator during:
- (i) transportation network coverage period one, during which the operator is logged onto and ready to accept a prearranged ride request made through a transportation network company's digital network application;
- (ii) transportation network coverage period two, during which the operator accepts a ride request from a passenger that is prearranged through a transportation network company's digital network application, and is traveling to a predetermined location to pick up the passenger; and
- (iii) transportation network coverage period three, during which the operator transports the passenger and continuing until the passenger departs the motor vehicle.
  - (2) "Transportation network services" does not include:
- (i) providing taxicab services, sedan services, or limousine services; [or]
- (ii) any shared expense carpool arrangement or service or other type of arrangement or service in which a driver receives a fee that does not exceed the driver's costs associated with providing a ride; **OR**
- (III) TRANSPORTATION SERVICES THAT A NONPROFIT ORGANIZATION PROVIDES THROUGH THE USE OF A VOLUNTEER DRIVER AND THE VOLUNTEER DRIVER'S PERSONAL VEHICLE.

10-102.

- (a) This subtitle supplements other law relating to the operation and licensing of motor vehicles.
- (b) This title applies to any motor vehicle used in the transportation of persons in exchange for remuneration except:

- (1) motor vehicles designed to transport more than 15 persons; and
- (2) transportation solely provided by or on behalf of a unit of federal, State, or local government, or a nonprofit organization as identified in § 501(c)(3) and (4) of the Internal Revenue Code, that requires a criminal history records check and driving record check for its drivers, for clients of services including:
  - (i) aging support;
  - (ii) developmental and other disabilities;
  - (iii) kidney dialysis;
  - (iv) Medical Assistance Program;
  - (v) Head Start;
  - (vi) Welfare-to-Work;
  - (vii) mental health; and
  - (viii) job training.
- (c) Subsection (b)(2) of this section may not be construed to limit the application of this title or Title 9 of this article to a for—hire driver or other person who operates a motor vehicle for hire or provides transportation of persons for hire in addition to providing transportation services to clients of services listed in subsection (b)(2) of this section.
  - (d) Notwithstanding subsection (b)(2) of this section:
- (1) a nonprofit organization that provides transportation for remuneration to clients of services listed in subsection (b)(2) of this section may **NOT** be required to obtain a motor carrier permit under Title 9 of this article; [but] **AND**
- (2) a driver employed by the nonprofit organization may not be required to obtain a for—hire driver's license or other authorization from the Commission to perform transportation services solely under subsection (b)(2) of this section.
- (e) (1) A driver employed or offered employment by a governmental unit or nonprofit organization under subsection (b)(2) of this section shall apply to the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services for a State criminal history records check on or before the first day of the driver's actual employment.
- (2) As part of the application for a State criminal history records check, the driver employed or offered employment by the governmental unit or nonprofit organization

shall submit to the Central Repository:

- (i) one complete set of the driver's legible fingerprints taken on a form approved by the Secretary of Public Safety and Correctional Services; and
- (ii) the fee authorized under § 10–221(b)(7) of the Criminal Procedure Article for access to State criminal history records.
- (3) (i) In accordance with Title 10, Subtitle 2 of the Criminal Procedure Article, the Central Repository shall provide a printed statement listing the driver's criminal convictions to:
  - 1. the governmental unit or nonprofit organization; and
  - 2. the driver.
- (ii) If criminal history record information is reported to the Central Repository after the date of the initial criminal history records check, the Central Repository shall provide a revised printed statement listing the driver's criminal convictions to:
  - 1. the governmental unit or nonprofit organization; and
  - 2. the driver.
- (4) In accordance with regulations adopted by the Department of Public Safety and Correctional Services, the governmental unit or nonprofit organization shall verify periodically a list of its drivers.
- (5) Information the governmental unit or nonprofit organization obtains from the Central Repository under this subsection shall be:
  - (i) confidential and may not be redisseminated; and
  - (ii) used only for the employment purpose authorized by this section.
- (6) In accordance with § 10–223 of the Criminal Procedure Article, a driver employed by a governmental unit or nonprofit organization may challenge the contents of a printed statement or revised printed statement issued by the Central Repository.
- (f) This subtitle does not limit the power of a political subdivision of the State to adopt reasonable traffic regulations such as:
  - (1) the designation of taxicab stands; and
- (2) the restriction or prohibition of cruising along a public street when the cruising would menace the public safety or unduly congest traffic.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 65

(Senate Bill 171)

AN ACT concerning

# Motor Carriers and For-Hire Driving Services - Nonprofit Organizations and Volunteer Drivers

FOR the purpose of providing that a motor carrier permit is not required for transportation services that a nonprofit organization provides under certain circumstances; altering the definition of "transportation network services"; providing that a nonprofit organization that provides transportation for remuneration to clients of certain services may not be required to obtain a motor carrier permit; and generally relating to motor carriers and for—hire driving services.

BY repealing and reenacting, with amendments,

Article – Public Utilities Section 9–201, 10–101(n), and 10–102 Annotated Code of Maryland (2010 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,

Article – Public Utilities Section 10–101(a), (l), and (m) Annotated Code of Maryland (2010 Replacement Volume and 2019 Supplement)

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

#### Article - Public Utilities

9-201.

- (a) Except as provided in subsection (b) of this section, a motor carrier permit is required for a passenger motor vehicle used in the transportation of persons for hire.
  - (b) A motor carrier permit is not required for:

- (1) a motor vehicle used exclusively for the transportation of pupils to and from public or private schools;
- (2) a motor vehicle operated for a period of not more than 3 months in any registration year in the transportation of persons employed at a cannery located in a county;
  - (3) taxicabs;
- (4) public transportation for hire authorized to operate on the boardwalk in Ocean City;
- (5) a vanpool operation as defined in § 11–175.1 of the Transportation Article;
- (6) a local public transportation system established under a law enacted by the local governing body of a county or municipal corporation;
- (7) subject to subsection (c) of this section, a motor vehicle used by a privately owned transportation company exclusively to provide transportation system services under a contract with the governing body of a county or municipal corporation or with a unit of State government; [or]
- (8) shuttle bus service operated by the University of Maryland, College Park Campus for students enrolled at the University of Maryland, College Park Campus and, in exchange for payment by a municipal corporation in which the University of Maryland, College Park Campus operates shuttle bus service, transportation service on the shuttle bus to residents of the municipal corporation; **OR**
- (9) TRANSPORTATION SERVICES THAT A NONPROFIT ORGANIZATION PROVIDES THROUGH THE USE OF A VOLUNTEER DRIVER AND THE VOLUNTEER DRIVER'S PERSONAL VEHICLE.
- (c) A privately owned transportation company that provides transportation system services under a contract with the governing body of a county or municipal corporation or with a unit of State government shall obtain a motor carrier permit for motor vehicles that the company does not use exclusively to provide transportation system services under a contract with the governing body of a county or municipal corporation or with a unit of State government.
- (d) The public duties of a common carrier may not be imposed on a person with respect to a vehicle for which a motor carrier permit is required under this section, if the vehicle is not actually engaged in public transportation.

- (a) In this title the following words have the meanings indicated.
- (l) "Transportation network company" means a company that operates in the State using a digital network to connect passengers to transportation network operators or transportation network partners for transportation network services.
- (m) "Transportation network operator", "transportation network partner", or "transportation network driver" means an individual who:
- (1) has been issued a transportation network operator's license, or is otherwise authorized, by the Commission to provide transportation network services;
- (2) receives, through a transportation network company's digital network application, a connection to a potential passenger to transport the passenger between points chosen by the passenger in exchange for the payment of a fee to the transportation network company; and
- (3) uses a motor vehicle that is owned, leased, or otherwise authorized for use by the individual and is approved for use in providing transportation network services by the Commission.
- (n) (1) "Transportation network services" means the activities of an operator during:
- (i) transportation network coverage period one, during which the operator is logged onto and ready to accept a prearranged ride request made through a transportation network company's digital network application;
- (ii) transportation network coverage period two, during which the operator accepts a ride request from a passenger that is prearranged through a transportation network company's digital network application, and is traveling to a predetermined location to pick up the passenger; and
- (iii) transportation network coverage period three, during which the operator transports the passenger and continuing until the passenger departs the motor vehicle.
  - (2) "Transportation network services" does not include:
- (i) providing taxicab services, sedan services, or limousine services; [or]
- (ii) any shared expense carpool arrangement or service or other type of arrangement or service in which a driver receives a fee that does not exceed the driver's costs associated with providing a ride; **OR** 
  - (III) TRANSPORTATION SERVICES THAT A NONPROFIT

# ORGANIZATION PROVIDES THROUGH THE USE OF A VOLUNTEER DRIVER AND THE VOLUNTEER DRIVER'S PERSONAL VEHICLE.

10-102.

- (a) This subtitle supplements other law relating to the operation and licensing of motor vehicles.
- (b) This title applies to any motor vehicle used in the transportation of persons in exchange for remuneration except:
  - (1) motor vehicles designed to transport more than 15 persons; and
- (2) transportation solely provided by or on behalf of a unit of federal, State, or local government, or a nonprofit organization as identified in § 501(c)(3) and (4) of the Internal Revenue Code, that requires a criminal history records check and driving record check for its drivers, for clients of services including:
  - (i) aging support;
  - (ii) developmental and other disabilities;
  - (iii) kidney dialysis;
  - (iv) Medical Assistance Program;
  - (v) Head Start;
  - (vi) Welfare-to-Work:
  - (vii) mental health; and
  - (viii) job training.
- (c) Subsection (b)(2) of this section may not be construed to limit the application of this title or Title 9 of this article to a for—hire driver or other person who operates a motor vehicle for hire or provides transportation of persons for hire in addition to providing transportation services to clients of services listed in subsection (b)(2) of this section.
  - (d) Notwithstanding subsection (b)(2) of this section:
- (1) a nonprofit organization that provides transportation for remuneration to clients of services listed in subsection (b)(2) of this section may **NOT** be required to obtain a motor carrier permit under Title 9 of this article; [but] **AND**
- (2) a driver employed by the nonprofit organization may not be required to obtain a for—hire driver's license or other authorization from the Commission to perform

transportation services solely under subsection (b)(2) of this section.

- (e) (1) A driver employed or offered employment by a governmental unit or nonprofit organization under subsection (b)(2) of this section shall apply to the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services for a State criminal history records check on or before the first day of the driver's actual employment.
- (2) As part of the application for a State criminal history records check, the driver employed or offered employment by the governmental unit or nonprofit organization shall submit to the Central Repository:
- (i) one complete set of the driver's legible fingerprints taken on a form approved by the Secretary of Public Safety and Correctional Services; and
- (ii) the fee authorized under § 10–221(b)(7) of the Criminal Procedure Article for access to State criminal history records.
- (3) (i) In accordance with Title 10, Subtitle 2 of the Criminal Procedure Article, the Central Repository shall provide a printed statement listing the driver's criminal convictions to:
  - 1. the governmental unit or nonprofit organization; and
  - 2. the driver.
- (ii) If criminal history record information is reported to the Central Repository after the date of the initial criminal history records check, the Central Repository shall provide a revised printed statement listing the driver's criminal convictions to:
  - 1. the governmental unit or nonprofit organization; and
  - 2. the driver.
- (4) In accordance with regulations adopted by the Department of Public Safety and Correctional Services, the governmental unit or nonprofit organization shall verify periodically a list of its drivers.
- (5) Information the governmental unit or nonprofit organization obtains from the Central Repository under this subsection shall be:
  - (i) confidential and may not be redisseminated; and
  - (ii) used only for the employment purpose authorized by this section.
  - (6) In accordance with § 10–223 of the Criminal Procedure Article, a driver

employed by a governmental unit or nonprofit organization may challenge the contents of a printed statement or revised printed statement issued by the Central Repository.

- (f) This subtitle does not limit the power of a political subdivision of the State to adopt reasonable traffic regulations such as:
  - (1) the designation of taxicab stands; and
- (2) the restriction or prohibition of cruising along a public street when the cruising would menace the public safety or unduly congest traffic.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 66

(House Bill 121)

AN ACT concerning

# St. Mary's County - Metropolitan Commission - <u>Collection of Fees, Assessments</u>, <u>and Nonsubstantive and Clarifying Revisions</u>

FOR the purpose of revising, restating, and recodifying certain terms; updating the plans, regulations, and ordinances of St. Mary's County in accordance with which a connection to a completed water main or sewer of the St. Mary's County Metropolitan Commission shall be made under certain circumstances; clarifying that the Metropolitan Commission shall have full and complete jurisdiction over certain appurtenances with certain systems of the Metropolitan Commission; updating the plans and budgets in which certain projects are identified and on which certain calculations are based with regard to certain charges imposed by the Metropolitan Commission; clarifying that the Metropolitan Commission may commence a certain <del>court</del> third-party action before a property is sold for purposes of collecting certain unpaid connection charges under certain circumstances; revising, restating, and recodifying certain waiver, additional sewer charge, and exemption provisions; updating a certain approval process for the incorporation of a certain plan and certain budget into the St. Mary's County Comprehensive Water and Sewerage Plan; defining certain terms; making stylistic changes; making conforming changes; and generally relating to the St. Mary's County Metropolitan Commission.

BY adding to

The Public Local Laws of St. Mary's County Section 113–1

Article 19 – Public Local Laws of Maryland (2007 Edition and March 2015 Supplement, as amended)

BY repealing and reenacting, with amendments,

The Public Local Laws of St. Mary's County

Section 113–1A., B., D., E., and F., 113–3, 113–4, 113–5, 113–11, 113–12D., 113–13, 113–14, 113–15, 113–16A., B., and D., 113–17, 113–18, 113–19, 113–20, 113–21, 113–22, 113–23, 113–24, 113–25, 113–27, and 113–29A. through K. and M. through O.

Article 19 – Public Local Laws of Maryland

(2007 Edition and March 2015 Supplement, as amended)

BY repealing and reenacting, with amendments,

The Public Local Laws of St. Mary's County

Section 113-1C.

Article 19 – Public Local Laws of Maryland

(2007 Edition and March 2015 Supplement, as amended)

(As enacted by Chapters 296 and 297 of the Acts of the General Assembly of 2017, as amended by Chapter 108 of the Acts of 2018)

BY repealing and reenacting, with amendments,

The Public Local Laws of St. Mary's County

Section 113–2

Article 19 – Public Local Laws of Maryland

(2007 Edition and March 2015 Supplement, as amended)

(As enacted by Chapter 426 of the Acts of the General Assembly of 2017)

BY repealing and reenacting, with amendments,

The Public Local Laws of St. Mary's County

Section 113–6

Article 19 - Public Local Laws of Maryland

(2007 Edition and March 2015 Supplement, as amended)

(As enacted by Chapter 284 of the Acts of the General Assembly of 2016, as amended by Chapter 424 of the Acts of the General Assembly of 2017 and Chapter 108 of the Acts of the General Assembly of 2018)

BY repealing and reenacting, with amendments,

The Public Local Laws of St. Mary's County

Section 113–7, 113–8, 113–9, 113–10, 113–12A., B., and C., 113–16C., 113–26, 113–29L., and 113–30

Article 19 – Public Local Laws of Maryland

(2007 Edition and March 2015 Supplement, as amended)

(As enacted by Chapter 108 of the Acts of the General Assembly of 2018)

BY repealing and reenacting, without amendments,

The Public Local Laws of St. Mary's County

Section 113–28

Article 19 – Public Local Laws of Maryland (2007 Edition and March 2015 Supplement, as amended)

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

# Article 19 - St. Mary's County

#### 113–1. DEFINITIONS.

FOR THE PURPOSES OF THIS CHAPTER THE FOLLOWING DEFINITIONS SHALL APPLY:

- A. CAPITAL CONTRIBUTION CHARGE. THE TERM "CAPITAL CONTRIBUTION CHARGE" SHALL MEAN AN AMOUNT BASED ON CAPITAL COSTS THAT IS IMPOSED AND COLLECTED ON A NEW CONNECTION TO A WATER SUPPLY OR SEWERAGE SYSTEM UNDER THIS CHAPTER.
- B. CONNECTION CHARGE. THE TERM "CONNECTION CHARGE" SHALL MEAN A CAPITAL CONTRIBUTION CHARGE OR CONNECTION FEE.
- C. CONNECTION FEE. THE TERM "CONNECTION FEE" SHALL MEAN AN AMOUNT BASED ON THE COST OF CONNECTION THAT IS IMPOSED ON A NEW CONNECTION TO A WATER SUPPLY OR SEWERAGE SYSTEM UNDER THIS CHAPTER.
- D. COUNTY. THE TERM "COUNTY" SHALL MEAN THE COMMISSIONERS OF ST. MARY'S COUNTY.
- E. DWELLING. THE TERM "DWELLING" SHALL MEAN A PRINCIPAL RESIDENCE OF A HOMEOWNER AND INCLUDES THE LOT ON WHICH A HOUSE IS SITUATED.
- F. EDU. THE TERM "EDU" SHALL MEAN EQUIVALENT DWELLING UNIT AND SHALL EQUATE TO THE GENERALLY ACCEPTED AVERAGE VOLUME IN GALLONS PER DAY, OF WASTEWATER GENERATED BY ONE (1) RESIDENTIAL DWELLING UNIT, AS DETERMINED AND ALLOCATED BY THE ST. MARY'S COUNTY DEPARTMENT OF LAND USE AND GROWTH MANAGEMENT.
- G. FACILITIES PLAN. THE TERM "FACILITIES PLAN" SHALL MEAN A PLAN PREPARED PERIODICALLY BY THE METROPOLITAN COMMISSION, IN CONJUNCTION WITH THE ST. MARY'S COUNTY DEPARTMENT OF LAND USE AND GROWTH MANAGEMENT TO EVALUATE, IDENTIFY AND PRIORITIZE RECOMMENDED CAPITAL IMPROVEMENTS TO PUBLIC WATER AND SEWER SYSTEMS IN ST. MARY'S COUNTY, OVER A SPECIFIED TIME PERIOD.

- H. HOMEOWNER. THE TERM "HOMEOWNER" SHALL MEAN A PERSON WHO RESIDES IN A DWELLING AND HAS AN OWNERSHIP INTEREST IN THE DWELLING, INCLUDING A LIFE ESTATE, JOINT TENANCY, TENANCY IN COMMON, TENANCY BY THE ENTIRETY, OR FEE SIMPLE INTEREST.
- I. METROPOLITAN COMMISSION. THE TERM "METROPOLITAN COMMISSION" SHALL MEAN THE ORGANIZATION KNOWN AS THE ST. MARY'S COUNTY METROPOLITAN COMMISSION, TO INCLUDE THE STAFF OF THE METROPOLITAN COMMISSION.
- J. PRINCIPAL RESIDENCE. THE TERM "PRINCIPAL RESIDENCE" SHALL MEAN A HOUSE THAT IS OCCUPIED BY A HOMEOWNER FOR MORE THAN SIX (6) MONTHS OF A CONSECUTIVE TWELVE (12) MONTH PERIOD, UNLESS THE REASON FOR NON-OCCUPANCY IS THE RESULT OF HOSPITALIZATION OR RESIDENCY IN A LONG-TERM HEALTH CARE INSTITUTION.
- K. PUBLICATION. THE TERM "PUBLICATION" SHALL MEAN NOTICE TO ALL PERSONS HAVING ANY INTEREST IN A PROPERTY.
- L. READY-TO-SERVE CHARGE. THE TERM "READY-TO-SERVE CHARGE" SHALL MEAN THE MINIMUM CHARGE FOR WATER SERVICE.
- M. REMOTE AREA. THE TERM "REMOTE AREA" SHALL MEAN AN AREA IN WHICH IT IS ECONOMICALLY NOT FEASIBLE TO PROVIDE SERVICE AT THE UNIFORM RATE BECAUSE OF THE DISTANCE OF THE AREA FROM THE PRINCIPAL FACILITIES OF THE METROPOLITAN COMMISSION.
- N. REMOTE AREA CHARGE. THE TERM "REMOTE AREA CHARGE" SHALL MEAN AN ADDITIONAL SERVICE CHARGE TO MEET THE ADDITIONAL COST OF PROVIDING SERVICE TO A REMOTE AREA PROPERTY.
- O. SERVICE AREA. THE TERM "SERVICE AREA" SHALL MEAN ANY AREA OF ST. MARY'S COUNTY IDENTIFIED AS A GROWTH AREA IN THE ST. MARY'S COUNTY COMPREHENSIVE LAND USE PLAN.
- P. SERVICE CHARGE. THE TERM "SERVICE CHARGE" SHALL MEAN THOSE CHARGES AND FEES PRESCRIBED IN THIS CHAPTER WHICH ARE ASSESSED AND COLLECTED TO PAY THE OPERATIONAL COSTS OF THE METROPOLITAN COMMISSION.
- Q. SPECIAL SERVICE AREA. THE TERM "SPECIAL SERVICE AREA" SHALL MEAN AN AREA TO WHICH THE METROPOLITAN COMMISSION HAS DETERMINED IT TO BE ECONOMICALLY INFEASIBLE TO EXTEND OR CONSTRUCT A PUBLIC WATER OR SEWER SYSTEM.

- R. SPECIAL SERVICE AREA FEE. THE TERM "SPECIAL SERVICE AREA FEE" SHALL MEAN THE FEE ASSESSED AND COLLECTED BY THE METROPOLITAN COMMISSION TO OFFSET THE COSTS OF CONSTRUCTING A WATER OR SEWER SYSTEM TO SERVE A SPECIAL SERVICE AREA.
- S. STAFF. THE TERM "STAFF" SHALL MEAN ANY AND ALL EMPLOYEES OF THE METROPOLITAN COMMISSION TO INCLUDE THE DIRECTOR AND ANY SUCH ASSISTANT DIRECTOR(S), GENERAL COUNSEL, DEPARTMENT HEADS AND SUPPORTING STAFF AS SHALL BE DEEMED NECESSARY AND APPROPRIATE, FROM TIME TO TIME, TO FULFILL THE REQUIREMENTS OF THIS CHAPTER.
- T. SYSTEM IMPROVEMENT CHARGE. THE TERM "SYSTEM IMPROVEMENT CHARGE" SHALL MEAN THE MONTHLY PER EDU CHARGE, COLLECTED BY THE METROPOLITAN COMMISSION TO PAY FOR THE COSTS OF CAPITAL PROJECTS FOR THE COMPREHENSIVE IMPROVEMENT OR REPLACEMENT OF EXISTING WATER OR SEWERAGE SYSTEMS AND CENTRAL TREATMENT AND PROCESSING FACILITY EXPANSIONS AND UPGRADES.
- [113–1.] **113–2.** Commission; appointment; tenure; staff.
- A. **(1)** For the purpose of carrying out the provisions of this chapter, the sanitary districts created are under the jurisdiction of the **METROPOLITAN** Commission **BOARD** of seven (7) voting members and one (1) nonvoting member.
- (2) (A) Each voting member of the METROPOLITAN Commission BOARD shall be appointed by the [Board of County] Commissioners of St. Mary's County as follows:
- (I) one (1) member from each of the first, third, sixth, seventh and eighth districts,
- (II) one (1) member from the second and ninth election districts, and
  - (III) one (1) member from the fourth and fifth election districts.
- (B) Each voting member shall reside in the election district [he] THE MEMBER represents, be a resident taxpayer of [the] ST. MARY'S County and be a qualified voter.
- (C) The voting members of the METROPOLITAN Commission BOARD shall be appointed and shall serve at least one (1) three—year term and shall serve until their successors are appointed and have qualified.

- (3) The nonvoting member of the [commission] METROPOLITAN COMMISSION BOARD shall be the commanding officer of the Patuxent River Naval Air Station or a designated representative of the commanding officer. The nonvoting member shall represent the interests of the United States Navy with respect to the water and sewer services provided by the METROPOLITAN Commission to the Patuxent River Naval Air Station and the Webster Field Annex. The nonvoting member shall serve until the succeeding commanding officer is appointed. If the commanding officer designates a representative, the representative shall serve at the pleasure of the commanding officer and may be replaced at any time.
- (4) Those persons serving as members of the METROPOLITAN Commission BOARD immediately prior to June 1, 1976, shall continue to serve in their respective positions until the expiration of their terms. As the term of each voting member expires, [his] THE MEMBER'S successor shall be appointed by the [Board of County] Commissioners of St. Mary's County.
- (5) Except for a nonvoting member, any vacancy in the membership of the **METROPOLITAN** Commission **BOARD** shall be filled by appointment by the [Board of County] Commissioners of St. Mary's County for the unexpired term.
- B. [Representative of Board of County] OFFICERS. THE METROPOLITAN COMMISSION BOARD SHALL ELECT ONE (1) OF ITS VOTING MEMBERS AS CHAIRMAN AND ONE (1) OF ITS VOTING MEMBERS AS VICE CHAIRMAN, WHO SHALL SERVE IN THE ABSENCE OR DISABILITY OF THE CHAIRMAN. EACH VOTING MEMBER SHALL SERVE AS A REPRESENTATIVE OF THE Commissioners OF St. Mary's County and as A liaison with THE METROPOLITAN Commission.
- C. [Officers and personnel. The Commission shall elect one (1) of its voting members as Chairman and one (1) of its voting members as Vice Chairman, who shall serve in the absence or disability of the Chairman.] **STAFF.**
- (1) The **METROPOLITAN** Commission shall appoint and fix the compensation of a Director, a Secretary, and engineering, legal, clerical and other personnel which the **METROPOLITAN** Commission deems necessary to carry out the provisions of this chapter.
- (2) The METROPOLITAN Commission may offer a contract to the Director and Assistant Director. The METROPOLITAN Commission may, by contract, appoint and fix the compensation of a General Counsel, Treasurer or Chief Financial Officer, Chief Engineer, and any other department director.
- (3) The Director may not serve concurrently as the Director and as General Counsel to the **METROPOLITAN** Commission. The Director shall be the immediate

supervisor of the General Counsel, Treasurer or Chief Financial Officer, Chief Engineer, and any other department director.

- D. (1) The annual compensation of each voting member of the [St. Mary's County] Metropolitan Commission shall be determined by the [Board of County] Commissioners of St. Mary's County. The annual compensation shall be payable quarterly, or more frequently as may be prescribed by the [Board of County] Commissioners OF ST. MARY'S COUNTY.
  - (2) A nonvoting member may not receive compensation.
- E. (1) The Treasurer appointed by the METROPOLITAN Commission shall be the collector of all charges and assessments made by the METROPOLITAN Commission and shall receive and account for all moneys which shall be due and payable to the METROPOLITAN Commission from any source. The METROPOLITAN Commission may appoint the same person Secretary and Treasurer, in which case the official title of that person shall be Secretary—Treasurer. The METROPOLITAN Commission may appoint also a Deputy Treasurer to act in the absence of the Treasurer.
- securities approved by the METROPOLITAN Commission. The Treasurer and any Deputy Treasurer appointed by the METROPOLITAN Commission shall give bond to the State of Maryland, the METROPOLITAN Commission and the [Board of County] Commissioners of St. Mary's County to the amount of twenty—five thousand dollars (\$25,000.00) or a greater amount that the [County] Commissioners OF St. Mary's County prescribe, with a good and sufficient surety, to be approved by the [County] Commissioners OF St. Mary's County. The bond shall provide, in a form approved by the Maryland Insurance Administration and the County Attorney, that if the individual giving the bond shall well and faithfully execute that individual's office and account to the METROPOLITAN Commission for all moneys received on behalf of the METROPOLITAN Commission without fraud or delay, the required bond obligation shall be null and void, but shall otherwise remain in full force and effect. The bond, when approved, shall be recorded in the Office of the Clerk of the Circuit Court for St. Mary's County.
- (3) The person so appointed, before entering upon the duties of his office, shall take an oath before the Clerk of the Circuit Court for [the] ST. MARY'S County, in form similar to that taken by Collectors of Taxes, except for the title of the office.
  - (4) The **METROPOLITAN** Commission may pay the premiums on all bonds.
- (5) All checks issued by the **METROPOLITAN** Commission shall be countersigned by the Chairman or other member of the **METROPOLITAN** Commission authorized by the **METROPOLITAN** Commission to sign checks in place of the Chairman.

- (6) The METROPOLITAN Commission shall publish annually a statement of its revenue and expenditures in a newspaper published in [the] ST. MARY'S County.
- F. Audits. An audit of the official financial affairs of the METROPOLITAN Commission shall be performed annually by a certified public accounting firm in the State appointed by the [Board of County] Commissioners OF ST. MARY'S COUNTY. The METROPOLITAN Commission shall recommend a qualified accounting firm to the [Board of County] Commissioners OF ST. MARY'S COUNTY on or before June 1 of each year. The audit shall be submitted to the [Board of County] Commissioners OF ST. MARY'S COUNTY on or before November 1 of each year. The costs of the audit shall be paid by the METROPOLITAN Commission.

# [113–2.] **113–3.** Same; powers and duties.

- The members of the METROPOLITAN Commission are a body politic and corporate, by the name of the "St. Mary's County Metropolitan Commission" [(referred to elsewhere in this chapter as the "Commission"), with the right to use a common seal, to sue and be sued and to do any and all other corporate acts for the purpose of carrying out the provisions of this chapter, including, without limiting the generality of the foregoing, the right and power to make and enter into all contracts or agreements as the **METROPOLITAN** Commission determines with the Federal government, the State of Maryland or any agency or instrumentality of either thereof or with any municipal corporation, county, private corporation, copartnership, association or individual, on terms and conditions which the METROPOLITAN Commission approves, relating to the performance of the METROPOLITAN Commission's duties, the execution of its rights and powers, the use by the Federal government, the State government or any Federal or State agency, municipal corporation, county or private entity or individual of any water supply or sewerage system constructed or acquired by the METROPOLITAN Commission under this chapter or the services therefrom or the facilities thereof or the use by the METROPOLITAN Commission of any water supply or sewerage systems owned or operated other than by the METROPOLITAN Commission.
- B. (1) Whenever it is deemed necessary by the METROPOLITAN Commission to take or acquire any land, structure or buildings, or any streambed, waterway, water rights or watershed, either in fee or as an easement, within or outside of St. Mary's County, for the construction, extension or maintenance of any water main, sewer or appurtenance thereof, or any sewage treatment plant, reservoir, water treatment plant, storage tank or pumping station, or for the execution by the METROPOLITAN Commission of any other power or function vested in it by this chapter, the METROPOLITAN Commission may purchase it from the owners or, failing to agree with the owner or owners thereof, may condemn it by proceedings in the Circuit Court for the county in which the land, structures or buildings, streambed, waterway, water rights or watershed is located, as are provided for condemnation of land by public service corporations in the Public General Laws of Maryland.

- (2) The METROPOLITAN Commission may likewise condemn the interest of any tenant, lessee or other person having any right or interest in the land, structures or buildings, streambed, waterway, water rights or watershed. At any time after ten (10) days after the return and recordation of the verdict or award in the proceedings, the METROPOLITAN Commission may enter and take possession of the property so condemned, upon first paying to the Clerk of the Court the amount of the award and all costs taxed to that date, notwithstanding any appeal or further proceedings upon the part of the defendant. At the time of payment, however, the METROPOLITAN Commission shall give its corporate undertaking to abide by and fulfill any judgment in such appeal or further proceedings.
- C. When the **METROPOLITAN** Commission plans to borrow any money, the [Board of County] Commissioners of St. Mary's County shall review and approve any loan application before the **METROPOLITAN** Commission submits the loan application to a lender.

# [113–3.] **113–4.** Sanitary districts.

- A. St. Mary's County is divided into the following ten (10) sanitary districts in accordance with the resolution adopted by the [Board of County] Commissioners of St. Mary's County on September 14, 1972, recorded in Liber No. 1, page 189, entitled "County Commissioner Resolutions," as set forth on a plat of St. Mary's County showing the sanitary district lines, which plat was recorded among the land records of St. Mary's County, Maryland, in Plat Book D.B.K. No. 10, Folio 43, on April 26, 1973. The resolution of the [Board of County] Commissioners OF ST. MARY'S COUNTY adopted and approved a resolution of the [St. Mary's County] Metropolitan Commission duly adopted on August 16, 1972. The sanitary districts are also set forth on a plat of St. Mary's County showing the same sanitary district lines and recorded among the land records of St. Mary's County, Maryland, in Plat Book D.B.K. No. 10, Folio 42A, on February 4, 1976. The plat recorded on April 26, 1973, identifies the sanitary districts by reference to the sewage treatment plants (S.T.P.) serving the sanitary districts (e.g., Luckland S.T.P.); the plat recorded on February 4, 1976, and other plats recorded from time to time in connection with the St. Mary's County Water and Sewerage Plan identify the sanitary districts by the names set forth in this section.
  - (1) Luckland Run Sanitary District No. 1.
  - (2) Dukehart Creek Sanitary District No. 2.
  - (3) Leonardtown Sanitary District No. 3.
  - (4) Flood Creek Sanitary District No. 4.
  - (5) Piney Point Sanitary District No. 5.
  - (6) Lake Conoy Sanitary District No. 6.

- (7) Carroll Pond Sanitary District No. 7.
- (8) Pine Hill Run Sanitary District No. 8.
- (9) Manor Run Sanitary District No. 9.
- (10) Indian Creek Sanitary District No. 10.
- B. The creation of the sanitary districts is adopted, approved, ratified and confirmed. The sanitary districts are designated and constituted for the purpose of this chapter to be separate sanitary districts and are subject to all of the provisions of this chapter.
- C. The Mattapany Sanitary District, previously created and described in Chapter 342 of the Laws of 1967, was enlarged to include all that portion of St. Mary's County designated as the Pine Hill Run Sanitary District No. 8 and was and is now to be known as the "Pine Hill Run Sanitary District No. 8."
- D. If the service conditions of any system in a sanitary district are substantially different than conditions of other systems in the district, the [St. Mary's County] Metropolitan Commission, by resolution, may divide the district into subdistricts. Service conditions include financial aspects of instituting and maintaining service.

# [113–4. Sanitary district boundary lines.]

Ε. The sanitary district boundary lines of any sanitary district may be changed by the adoption by the METROPOLITAN Commission of a resolution which shall refer to a plat of St. Mary's County upon which the revised sanitary district lines are shown clearly and which sets forth findings that the change in the boundary lines of any sanitary district is necessary or desirable for the public health, safety and welfare of the residents within the revised sanitary districts and the revised sanitary districts are feasible from an engineering and financial standpoint. The resolution is not legally effective until it is approved by the [County] Commissioners of St. Mary's County after public hearing held following not less than ten (10) days' notice in one (1) or more newspapers having a general circulation in St. Mary's County and until a copy of the resolution and plat is recorded among the land records of St. Mary's County. Upon approval by the [County] Commissioners of St. Mary's County and filing of the plat and resolution as provided in this subsection, the revised sanitary districts are designated and constituted for the purpose of this chapter to be separate sanitary districts, and are subject to all the provisions of this chapter. The filing of the plat and resolution constitutes legal notice to the public of the action of the METROPOLITAN Commission and the [County] Commissioners OF ST. MARY'S COUNTY.

## 113–5. New facilities; studies; plans.

- A. (1) The METROPOLITAN Commission shall cause studies, plans and estimates to be made for water supply and sewerage systems in those portions of St. Mary's County in which the METROPOLITAN Commission determines that the facilities are necessary and may divide each sanitary district into water and sewerage districts in such a way as shall, in its judgment, best serve the needs of the various communities and shall promote convenience and economy of installation and operation.
- (2) (A) Whenever, and as, the studies and plans are completed, the **METROPOLITAN** Commission shall give notice by publication in one (1) newspaper published within [the] **ST. MARY'S** County for three (3) weeks.
- **(B)** The **METROPOLITAN** Commission shall state in the notice the probable cost of the contemplated improvements and shall further state in it that plans of the improvements may be inspected at the **METROPOLITAN** Commission's Office and that any person interested in the improvements will be heard by the **METROPOLITAN** Commission at a time to be specified in the notice, but not less than ten (10) days after first publication of it.
- (3) (A) If ten (10) residents and landowners in the sanitary district in which the improvements are contemplated, within ten (10) days after the last of the publications of the notice, file a petition with the METROPOLITAN Commission protesting against the proposed improvements, the METROPOLITAN Commission shall grant them a hearing within fifteen (15) days after the petition is filed in the office of the METROPOLITAN Commission and after not less than five (5) days' notice of the time and place of the hearing by advertisement published in one (1) newspaper published within [the] ST. MARY'S County and by personal notices addressed to any one (1) or more persons whose names are signed to the petition.
- **(B)** After due hearing, the **METROPOLITAN** Commission shall decide upon the reasonableness of the objections stated in the petition and shall dispose of them by written order concurred in by a majority of the [Commissioners] **MEMBERS OF THE METROPOLITAN COMMISSION BOARD**. The order shall be published in the same manner as notices are required to be published, and a copy of which shall be mailed to any one (1) or more of the petitioners.
- (C) If the petitioners are not satisfied with the METROPOLITAN Commission's decision, they have the right to take and enter, within ten (10) days after the last publication of the order, an appeal to the [County] Commissioners of St. Mary's County, who shall review the METROPOLITAN Commission's decision and decide on the necessity and propriety of the improvements contemplated. The decision of the [County] Commissioners OF St. MARY'S COUNTY is final.
- B. For the purpose of providing for the studies, plans, organization and any other expenses or costs of any water or sewerage facilities, the [County] Commissioners OF ST. MARY'S COUNTY may furnish the METROPOLITAN Commission from time to time any

sum that the [County] Commissioners OF ST. MARY'S COUNTY deem proper, all of which shall be repaid out of the next bond issue, if any. If the [County] Commissioners OF ST. MARY'S COUNTY do not expect bonds to be issued within two (2) years of the date on which the sum is furnished to the METROPOLITAN Commission, the [County] Commissioners OF ST. MARY'S COUNTY may waive repayment of the advances. The authority for advances granted by this subsection is in addition to other advances authorized by this chapter.

- C. (1) For the purposes of carrying out the provisions of subsection A. of this section, after bona fide efforts to notify the owner and occupant, an agent or employee of the **METROPOLITAN** Commission may enter on any private land to make test borings and soil tests and obtain information related to the tests for the purpose of determining soil characteristics and suitability of the surface and subsurface of the land for the installation of public water supply or sewerage systems.
- (2) If an agent or employee is refused permission to enter or remain on private land for the purposes authorized by subsection C.(1), the **METROPOLITAN** Commission may apply to the St. Mary's County Circuit Court for an order directing that its agent or employee be permitted to enter and remain on the land to the extent necessary to carry out the purposes authorized by this subsection. The court may require that the **METROPOLITAN** Commission post a bond in an amount sufficient to reimburse any person for damages reasonably estimated to be caused by test borings, soil tests and related activities.
- (3) If any person enters on any private land under the authority of this subsection or of any court order passed pursuant to it and damages or destroys any land or personal property on it, the owner of the property has a cause of action for damages against the **METROPOLITAN** Commission.
- (4) Any person who knows of an order issued under this subsection and who obstructs any agent or employee acting under the authority of the order may be punished for contempt of court.
- 113–6. Bonds; authorized, restriction, issue.
- A. (1) For the purpose of providing funds for the design, construction, establishment, purchase or condemnation of water supply and sewerage systems in any of the sanitary districts, the METROPOLITAN Commission, upon the approval of the Commissioners of St. Mary's County and in accordance with § 27–11 of the Code of St. Mary's County, Maryland, is authorized and empowered to incur debt, from time to time, upon the full faith and credit of St. Mary's County, in such amounts as it may deem to be necessary to carry on its work, but at no time shall the total debt outstanding for all purposes under this chapter exceed twenty–five (25) percent of the total value of the property assessed for County taxation purposes within all of the sanitary districts in which public water or sewer facilities are located.

- (2) Subject to the conditions contained herein, the form, tenor, manner and all other matters relating to the incurrence of debt, including but not limited to the issuance of bonds under this chapter, shall be prescribed in a resolution to be adopted by the [St. Mary's County] Metropolitan Commission prior to incurring additional debt.
- (3) Except as provided in § 27–11 of the Code of St. Mary's County, Maryland, the issuance of bonds may not be subject to any limitations or conditions contained in any other law, and the **METROPOLITAN** Commission may incur debt in such manner and for such price as it may determine to be for the best interests of the **METROPOLITAN** Commission as approved by the Commissioners of St. Mary's County.
- (4) Any bonds issued shall be serial bonds issued upon the serial maturing plan and in such denominations as shall be determined by the **METROPOLITAN** Commission.
- (5) (A) Any debt incurred by the METROPOLITAN Commission may be prepaid or redeemable before maturity, as permitted by the debt instrument, at the option of the METROPOLITAN Commission at such price and under such terms and conditions as may be fixed by the METROPOLITAN Commission prior to the incurrence of debt. Any related interest owed shall be at such rate or rates payable not less than semiannually, as shall be determined by a resolution of the [St. Mary's County] Metropolitan Commission adopted prior to the incurrence of debt.
- **(B)** All debt incurred by the **METROPOLITAN** Commission shall mature in not more than forty (40) years after date of issue and shall be forever exempt from State, City and County taxation as hereinafter provided.
- (C) All debt instruments and related documentation to evidence any indebtedness shall be issued under the signature and seal of the METROPOLITAN Commission and shall be unconditionally guaranteed as to payment of both principal and interest by the Commissioners of St. Mary's County, a political subdivision of the State of Maryland, which guaranty shall be endorsed on any such debt as may be issued in the following language: "The payment of interest when due and the principal at maturity is guaranteed by the Commissioners of St. Mary's County, Maryland." Such endorsement shall be signed on any bonds issued by the Commissioners of St. Mary's County within ten (10) days after any bonds are presented by the METROPOLITAN Commission for such endorsement.
- B. The principal amount of any **METROPOLITAN** Commission debt as permitted hereunder, the interest payable thereon, and any income derived therefrom, including any profit made by the **METROPOLITAN** Commission in the sale or transfer thereof, shall be and remain exempt from taxation by the State of Maryland and by the several counties and municipal corporations of this State.
- 113–7. Same; levy of taxes; penalty.

- A. (1) For the purpose of retiring the debt authorized by this chapter and paying the interest thereon, the METROPOLITAN Commission, by and through the Commissioners of St. Mary's County, shall cause to be levied, against all assessable property within the sanitary districts in which public water or sewer facilities are located, so long as any of the debt is outstanding and not paid, an annual tax sufficient to provide the sum which the METROPOLITAN Commission may deem sufficient and necessary, in conjunction with any amounts as the METROPOLITAN Commission may estimate that it will be able to collect out of the System Improvement Charges, Capital Contribution Charges, and charges levied by it but not yet paid and any further funds then available for the purpose, to meet the periodic principal and interest payments on the debt as they become due.
- (2) The tax shall be determined, levied, collected and paid over in the manner following, that is to say: the METROPOLITAN Commission shall determine the amount which it deems necessary to be raised during the ensuing year for the payment of principal and interest on all outstanding debt, after deducting all amounts in hand, or reasonably expected to be received, applicable to payments of the principal and interest on the debt outstanding; as hereinbefore and hereinafter in the chapter provided, it shall determine the number of cents per one hundred dollars (\$100.00) necessary to raise the amount needed and shall certify same to the Commissioners of St. Mary's County.
- (3) The Commissioners of St. Mary's County in their next annual levy shall levy the tax on all land and improvements and all other property assessed for County tax purposes within the sanitary districts in which public water or sewer facilities are located, which tax shall be levied and collected and have the same priority rights, bear the same interest and penalties and in every respect be treated the same as County taxes. The tax so levied for the ensuing year shall be collected by the tax collecting authorities, and every one hundred twenty (120) days they shall remit the whole amount of the tax so collected to the **METROPOLITAN** Commission.
- (4) From the money so received, together with the amount in hand to the credit of fund or funds for the payment of the principal and interest on the outstanding debt, the **METROPOLITAN** Commission shall first pay all of the principal and interest on the outstanding debt as it becomes due and shall then deposit the residue of the monies in some insured banks or other financial institutions to the joint credit of the Commissioners of St. Mary's County and the **METROPOLITAN** Commission.
- (5) Nothing contained in this section or in this chapter shall be construed as in any manner relieving the Commissioners of St. Mary's County of its unconditional pledge of its full faith and credit and unlimited taxing power to the payment of principal and interest on any outstanding debt of the **METROPOLITAN** Commission pursuant to Section 161 Section 161.
- B. In each year in which any debt is outstanding and unpaid, the Commissioners of St. Mary's County shall levy and collect a tax upon all property subject to assessment for

taxation by St. Mary's County in rate and amount sufficient to provide an amount, if any be necessary, which, together with any other amounts lawfully available and applied for the purpose, shall be sufficient to provide for the payment of the principal and interest on all such outstanding debt when the debt becomes due and payable.

C. Penalty. In order that the prompt payment of principal and interest on all outstanding debt shall be assured, the prompt and proper performance of the respective acts and duties heretofore defined is specifically enjoined, and any failure upon the part of any person, persons, body corporate or agent to perform the necessary acts and duties hereafter set forth to pay over the funds as required, or to use the funds for the payment of the principal and interest on the outstanding debt, is hereby declared a misdemeanor and punishable as other misdemeanors are punishable by Section 176.

#### 113–8. Bids and contracts.

- A. Whenever the studies and plans for water supply or sewerage systems for any sanitary district shall have been completed and the **METROPOLITAN** Commission shall have decided, after opportunity for a hearing has been given, to proceed with the construction thereof, it shall advertise, by notice in one (1) newspaper of general circulation published in St. Mary's County or such newspapers or other forms of print or electronic media or press as it may deem proper, for bids for the construction of said system or systems, in part or as a whole, as in its judgment may appear advisable.
- **B.** The contract shall be let to the lowest responsible, responsive bidder providing the best value to the **METROPOLITAN** Commission or the **METROPOLITAN** Commission may reject any and all bids, and if, in its discretion, the prices quoted are unreasonable or unbalanced, it may readvertise the work or any part of it, or may do or cause to be done any part or all of the work by the competitive procurement of goods, materials, or services in accordance with a procurement policy as duly adopted and amended from time to time by the **METROPOLITAN** Commission.
- **C.** All such contracts shall be protected by such bonds, penalties and conditions as the **METROPOLITAN** Commission may require, all of which shall be enforced in any court having jurisdiction.

### 113–9. Water and sewer connections financing.

- A. The **METROPOLITAN** Commission may offer connection incentive programs and other financing mechanisms to assist owners of existing residential properties currently served by septic and/or well systems, with all or a portion of the costs of connecting to available public sewer and water systems within planned service areas as designated and defined by the St. Mary's County Comprehensive Water and Sewerage Plan.
- B. (1) For extensions, expansions and upgrades of water or sewerage systems to existing residential properties IN ANY OF THE SANITARY DISTRICTS, the

METROPOLITAN Commission may, upon a voluntary petition from the property owners to be benefited AND SUBJECT TO THE APPROVAL OF THE COMMISSIONERS OF ST. MARY'S COUNTY, approve special benefit assessment charges or service extension fees for the repayment of costs associated with the:

- [(i)] **(A)** design,
- [(ii)] **(B)** permitting,
- [(iii)] **(C)** land acquisition,
- [(iv)] **(D)** materials testing,
- [(v)] (E) inspections, or
- [(vi)] **(F)** construction of such extension, expansion or upgrade[, in any of the sanitary districts, subject to the approval of the Commissioners of St. Mary's County].
- (2) (A) In the exercise of the powers granted by this subsection, the METROPOLITAN Commission, by proper procedure, may adopt all necessary rules and conditions for the acceptance, construction and maintenance of the proposed improvements.
- **(B)** The procedure shall provide for the method of determination of the special benefit assessment charges or service extension fees levied against the properties benefitting from the improvements for the purpose of reimbursing the **METROPOLITAN** Commission for the costs of the improvements and the time and manner of payment, but not to exceed twenty (20) years.
- (3) Special benefit assessment charges or service extension fees are a first lien upon the property against which they are assessed, until paid, subject only to prior State and county taxes, and if any property is sold for State and county taxes and there remains a surplus, the **METROPOLITAN** Commission may petition the circuit court to secure payment of the lien.
- C. Any financing programs, incentives or mechanisms shall be subject to the availability of funds and may vary based upon location, financial eligibility or other qualifying criteria, as established and approved by the **METROPOLITAN** Commission.

#### 113–10. Connections required.

A. (1) The **METROPOLITAN** Commission may provide, for property abutting upon a street or right—of—way in which under this chapter a water main or sewer is laid, a water service pipe or sewer connection. The water service pipe or sewer connection shall be extended as required, from the water main or sewer to the property line of the abutting lot.

- (2) The service pipe or connection with sewer shall be constructed by and at the sole expense of the METROPOLITAN Commission, but subject to a reasonable charge for the connection as provided in § 113–12 of this chapter. This charge shall be paid by all property owners at the office of the METROPOLITAN Commission before the actual connection with any pipe or private property is made or by the property owner under such reasonable conditions and charges as are deemed appropriate by the METROPOLITAN Commission. The method of construction and payment shall be determined by the METROPOLITAN Commission.
- When any water main or sewer is declared by the METROPOLITAN Commission complete and ready for the delivery of water or the reception of sewage, every abutting property owner for whom a water or sewer connection has been provided may make an application for connection of all spigots or hydrants, toilets and waste drains with the water main or sewer IN ACCORDANCE WITH THE ST. MARY'S COUNTY COMPREHENSIVE WATER AND SEWERAGE PLAN. ST. Mary's COUNTY SUBDIVISION REGULATIONS, AND THE ST. MARY'S COUNTY COMPREHENSIVE **ZONING ORDINANCE**. Where connections are proposed, those fixtures which do not exist or are of a nature which, in the judgment of the METROPOLITAN Commission, is improper or inadequate, satisfactory equipment shall be installed by the owner on the premises. The premises shall include at least one (1) water closet and one (1) sink or washbasin, both of which shall be properly connected with the sewer of the METROPOLITAN Commission. Where connections are proposed, all cesspools/septic systems, sink drains and privies located on properties connected to sewers provided by the METROPOLITAN Commission shall be abandoned, closed and left in a sanitary condition so that no odor or nuisance shall arise from them.
- B. If the private water or sewage disposal system of a property abutting upon a street or right-of-way in which a water main or sewer is laid fails to comply with State regulations, as determined by the appropriate federal, State or county regulatory authority, connection to the water main or sewer shall be immediately required, subject to the availability of equivalent dwelling units.

## 113–11. Permits and regulations of use.

A. Permits. Before any plumbing, waterworks or sewer construction is done upon any property within any area served by a public water or sewer system in any sanitary district, whether or not owned or operated by the METROPOLITAN Commission, the person, firm or corporation doing the construction shall first obtain a permit from the METROPOLITAN Commission and pay whatever reasonable sum the METROPOLITAN Commission prescribes. The work shall be done under and pursuant to the rules, regulations and requirements, if any, that the METROPOLITAN Commission formulates and subject to any inspections which it deems necessary. Connection of any kind may not be made with any public water main or sewer without a permit. Any connection permitted

by the **METROPOLITAN** Commission shall be done under conditions that the **METROPOLITAN** Commission authorizes.

- B. Control of usage. To eliminate leakage, loss of water or improper use of waterlines or sewers the METROPOLITAN Commission or its agents or employees may require changes in all plumbing, waterworks or water or sewer connections which it deems necessary. The METROPOLITAN Commission shall exercise control of the water supply at all times. In case of a shortage of water or if, for any other reason, the METROPOLITAN Commission, in the exercise of its discretion, determines that the water supply should be conserved, the consumers, upon notice from the METROPOLITAN Commission, its agents or employees, or upon notice published in one (1) newspaper published in the county for one (1) insertion, shall comply with any order passed by the METROPOLITAN Commission to conserve the water supply. Any violation of the order is a misdemeanor punishable under § 113–21 of this chapter. In addition to the penalty prescribed, the METROPOLITAN Commission may turn off the water supply of any person violating the order at any time without further notice.
- C. Private installations. A private or semipublic water supply or sewerage installation, intended for use of two (2) or more buildings or premises, may not be constructed in any sanitary district without the person, firm or corporation doing the work having first obtained a permit from the **METROPOLITAN** Commission and paid a reasonable charge for it. The plant shall then be installed, maintained and operated under rules and regulations, if any, which the **METROPOLITAN** Commission requires or devises. Private systems and additions to existing private systems constructed after May 31, 1976, as a condition of the permit may be required to be dedicated to the **METROPOLITAN** Commission at a time as, in the judgment of the **METROPOLITAN** Commission, public ownership of the systems and the additions is deemed to be in the best interest of the county.
- D. Hydrants. The **METROPOLITAN** Commission shall have full and complete jurisdiction over all fire hydrants connected with any of its water systems, and a person, firm or corporation may not operate, use or make connection with them without the written authority of the **METROPOLITAN** Commission. These restrictions do not apply to any bona fide fire department in the discharge of its duties. A person, firm or corporation may not tamper with, deface, damage or obstruct any fire hydrant.
- E. Meters and valves. The **METROPOLITAN** Commission shall have full and complete jurisdiction over all meters and valves connected with any of its systems, and a person, firm, or corporation may not tamper with, attempt to bypass, or modify them without the written authority of the **METROPOLITAN** Commission. A person, firm, or corporation may not deface, damage or obstruct any sewer or water meter.
- F. OTHER APPURTENANCES. THE METROPOLITAN COMMISSION SHALL HAVE FULL AND COMPLETE JURISDICTION OVER ALL OTHER APPURTENANCES WITH

# ANY OF ITS SYSTEMS, INCLUDING BUT NOT LIMITED TO GRINDER PUMPS, GRAVITY SEWERS, FORCE MAINS, MANHOLES, AND CLEANOUTS.

- **G.** Penalties. Any violation of any of the provisions of this section is a misdemeanor punishable under Section 176.
- 113–12. Connection charges.
  - A. **[**(1) In this section, the following words have the meanings indicated:
- (2) CAPITAL CONTRIBUTION CHARGE means an amount based on capital costs that is imposed and collected on a new connection to a water supply or sewerage system under this chapter.
- (3) CONNECTION CHARGE means a Capital Contribution Charge or connection fee.
- (4) CONNECTION FEE means an amount based on the cost of connection that is imposed on a new connection to a water supply or sewerage system under this chapter.
  - (5) EDU means an equivalent dwelling unit.
- (6) PUBLICATION means notice to all persons having any interest in the property.
- B.] (1) For every new water or sewer connection made under this chapter, the **METROPOLITAN** Commission may, in its sole discretion, impose and collect a reasonable connection fee, that is not less than the actual cost of connection.
- (2) The connection fee shall be uniform for connections of those sizes and classes for which average costs reasonably may be ascertainable, and for all other connections, the connection fee shall be an amount not less than the actual cost of the connection.
- (3) The **METROPOLITAN** Commission may revise the connection fee annually.
- (4) Connection fees collected by the **METROPOLITAN** Commission shall be applied to paying the actual cost of the connections.
- (5) The connection fee shall be due and payable to the **METROPOLITAN** Commission at the time the property owner makes an application or is otherwise required to connect to a water main or sewer.

- (6) If the property owner fails to make the connection by the time required by the **METROPOLITAN** Commission as set forth in section 113–10 of this chapter, the connection fee shall become due and payable on the connection deadline date, shall be assessed immediately, and shall be subject to the rules of collection provided in subsection [D.] **C.** of this section.
- [C.] **B.** (1) In addition to the connection fee, the **METROPOLITAN** Commission shall impose and collect a Capital Contribution Charge for each new connection to a water supply or sewerage system under this chapter.
- (2) The Capital Contribution Charges collected shall be used by the **METROPOLITAN** Commission to pay:
- (A) The capital costs of construction of new water supply or sewer collection systems, to the extent that the projects are identified in the METROPOLITAN Commission's [six-year capital improvement plan] 5-YEAR CAPITAL IMPROVEMENT PLAN AND ANNUAL CAPITAL IMPROVEMENT BUDGET;
- (B) The capital cost of central treatment facility capacity expansion, as the projects are identified in the METROPOLITAN Commission's [six-year capital improvement plan] 5-YEAR CAPITAL IMPROVEMENT PLAN AND ANNUAL CAPITAL IMPROVEMENT BUDGET;
- (C) Existing bonds issued as of October 1, 2007, to fund the costs of central treatment facility capacity expansions, but limited to, that portion of existing debt corresponding to any unallocated capacity that exists on October 1, 2007; and
- (D) Existing bonds issued as of October 1, 2007, to fund the costs of constructing water supply or sewer collection systems, but limited to, that portion of existing debt corresponding to any unallocated capacity that exists on October 1, 2007.
- (3) (A) The Capital Contribution Charge shall be a uniform charge assessed equally to properties of similar classification throughout all sanitary districts. There shall be a uniform rate applicable to residential properties and a uniform rate applicable to commercial properties. The **METROPOLITAN** Commission may create additional uniform rates for other property classifications that the **METROPOLITAN** Commission considers necessary and appropriate.
- (B) The **METROPOLITAN** Commission may revise the Capital Contribution Charge annually.
- (C) The Capital Contribution Charge shall be due and payable in full to the **METROPOLITAN** Commission:
- (i) At the time a property owner makes an application for connection;

- (ii) At the time a property is connected to a water main or sewer; or
- (iii) As of the date the property is sold or transferred if the Capital Contribution Charge is subject to section 113–9 of this chapter.
- (D) If a Capital Contribution Charge is not paid in full at the time of application for connection and is not subject to section 113–9 of this chapter:
- (i) The property owner must pay the **METROPOLITAN** Commission an amount equal to not less than 50% of the total Capital Contribution Charge at the time of application for connection; and
- (ii) The property owner must pay the **METROPOLITAN** Commission the total remaining portion of the Capital Contribution Charge upon connection to a water main or sewer or upon sale or transfer of the property.
- [(e)] **(E)** If a connection is not made to a water main or sewer within six (6) years of the date of application for connection, the property owners shall pay the **METROPOLITAN** Commission, at the time of connection, an amount equal to the difference between:
- [(a)] (I) the amount which the property owner has paid toward the Capital Contribution Charge and
- [(b)] (II) the Capital Contribution Charge rate in effect at the time of connection.
- (4) For purposes of determining the Capital Contribution Charge, the capital costs referred to in [paragraphs] PARAGRAPH (2)(A) and (B) of this subsection shall include the principal of, interest on, and any redemption premium or other costs with respect to any bonds of the METROPOLITAN Commission issued after October 1, 2007.
- (5) (A) When bonds have not been issued at the time the Capital Contribution Charge is calculated, the **METROPOLITAN** Commission may, in calculating the Capital Contribution Charge, establish a schedule for the principal of, interest on, and other costs of bonds the **METROPOLITAN** Commission plans to issue.
- (B) The schedule and related Capital Contribution Charge provided in subparagraph (A) of this paragraph may be adjusted by the **METROPOLITAN** Commission when planned future bonds are issued.
- [D.] C. (1) The connection charges set forth in subsections [B.] A. and [C.] B. of this section shall be payable at the Office of the METROPOLITAN Commission at a time that is determined by the METROPOLITAN Commission.

- (2) If any connection charges remain unpaid for a period of thirty (30) days after the payment is due, in addition to any other charges, the **METROPOLITAN** Commission may impose a late charge not to exceed one and one-half (11) percent per month until all delinquent charges are paid.
- (3) If all or any part of a connection charge remains unpaid after thirty (30) days after the due date of payment, the entire unpaid connection charge shall be overdue and in default, at which time the **METROPOLITAN** Commission may proceed to enforce payment.
- (4) Any statute of limitations to the contrary notwithstanding, and subject only to prior State and County taxes, the connection charge shall be a first lien on the property against which it is assessed until paid.

## (5) For purposes of collection:

- (A) The connection charges shall be treated as County taxes and be advertised in the same manner as and with County taxes;
- (B) [All] UNLESS THE METROPOLITAN COMMISSION COMMENCES A THIRD-PARTY COURT ACTION SEEKING TO RECOVER THE CONNECTION CHARGES, ALL property subject to the connection charges shall be sold for the connection charges at the same time and in the same manner as the properties are sold for County taxes; and
- (C) Applicable laws relating to the collection of County taxes shall relate to the collection of the connection charges.
- (6) Property redeemed from a County tax sale and property sold by the [County] Commissioners **OF ST. MARY'S COUNTY** after a final tax sale may not be redeemed or sold until the connection charges due on it are paid.
- (7) To give notice to the general public of existing liens and charges against any property within any sanitary district abutting on any water or sewer main, the **METROPOLITAN** Commission shall keep a public record of all names of owners of property, locations of the property, lot numbers when of record, and the amount of the connection charges or other charges that may become liens.
- (8) The records shall be kept in the land records of St. Mary's County, and the Clerk of the Circuit Court for [the] ST. MARY'S County shall furnish space necessary to keep and preserve the records, that, when recorded in the public record, are legal notice of all existing liens within any sanitary district.
- (9) If any liens, connection charges, or other charges remain unpaid for thirty (30) days after becoming overdue, they may be collected by an action to enforce the

liens, and any judgment or decree obtained shall have the force and effect of a judgment in personam.

- (10) The **METROPOLITAN** Commission may file an action to enforce the liens against the owner of record at the time the levy was made, or the owner of record at the time the suit is filed, or any owner of record between these dates.
- [(11) Notwithstanding any other law, the Commission shall establish a procedure by which the owner of a residential property, that is also the primary residence of the owner subject to the connection charges, may apply for a waiver or an extension of time to pay the charges because of the financial hardship of the owner, including a method by which the owner may appeal the decision of the Commission to the Board of County Commissioners, or an entity designated by the Board of County Commissioners.]

#### 113–13. Discontinuance of service.

In addition to any other powers and penalties contained in this chapter, the **METROPOLITAN** Commission may discontinue water and sewer service for nonpayment of any service, connection, inspection, benefit or any other charge if not paid within thirty (30) days of the due date. In addition to payment of the bill, the **METROPOLITAN** Commission shall collect a turn-off and turn-on charge before resuming service.

#### 113–14. Service rates.

For the purpose of providing funds for maintaining, repairing and operating its water supply and sewerage systems, for line extensions of them, for its administrative and other expenses, including proper depreciation allowances, if any, and for interest on and the retirement of bonds as specified in this chapter, the METROPOLITAN Commission may make service rates, as it deems necessary, on water lines and sewers chargeable against all properties having a connection with any water pipe or sewer pipe under its supervision or ownership. The service rates may include any State or Federally mandated fees or charges. The rate for both water and sewer service shall be uniform throughout a sanitary district, subject to changes that the METROPOLITAN Commission considers necessary. Beginning on July 1, 1993, the rate for both water and sewer service shall be uniform throughout all sanitary districts, subject to changes that the METROPOLITAN Commission considers necessary. [However, where the Commission provides service to property in an area in which it is economically not feasible to provide service at the uniform rate because of the distance of the area from the principal facilities of the Commission, the Commission may classify the property as a remote area and may impose an additional service charge to meet the additional cost of providing service to the property.] The **METROPOLITAN** Commission may collect a reasonable deposit in advance of furnishing water or sewerage service. The METROPOLITAN Commission shall begin the assessment of water and sewer service rates either at the time of the connection of all spigots or hydrants, toilets, and waste drains to a water main or sewer or on the expiration of the deadline for connection as required by the METROPOLITAN Commission in accordance with section 113–10 of this article, whichever occurs first.

- B. WHERE THE METROPOLITAN COMMISSION PROVIDES SERVICE TO PROPERTY IN AN AREA IN WHICH IT IS ECONOMICALLY NOT FEASIBLE TO PROVIDE SERVICE AT THE UNIFORM RATE BECAUSE OF THE DISTANCE OF THE AREA FROM THE PRINCIPAL FACILITIES OF THE METROPOLITAN COMMISSION, THE METROPOLITAN COMMISSION MAY CLASSIFY THE PROPERTY AS A REMOTE AREA AND MAY IMPOSE AN ADDITIONAL SERVICE CHARGE TO MEET THE ADDITIONAL COST OF PROVIDING SERVICE TO THE PROPERTY.
- [B.] C. The sewer service rates shall be reasonable and shall be charged to all properties being served in a given sanitary district.
- [C.] **D.** WATER SERVICE CHARGES. The water service charge shall consist of:
- (1) a [minimum or ready-to-serve] READY-TO-SERVE charge, which shall be THE MINIMUM CHARGE ASSESSED FOR WATER SERVICE AND CALCULATED based upon the size of the meter on the water connection leading to the property[,]; and [of]
- (2) a charge for water used, which shall be CALCULATED based upon the amount of water passing through the meter in excess of any water included in the [minimum or ready—to—serve] READY—TO—SERVE charge during the period between the last two (2) readings. The meter shall be placed on water connections as determined by the METROPOLITAN Commission. If the METROPOLITAN Commission at any time determines not to have meters installed in all the properties in a given sanitary district that are connected to the system, then a reasonable flat rate, as determined by the METROPOLITAN Commission, shall be charged to all properties in which meters have not been installed. This rate shall be uniform within a sanitary district.
- [D. Notwithstanding subsections B and C of this Section, any property owned by either a regularly organized volunteer Fire Department or a volunteer Rescue Squad is exempt from the imposition of a water or sewer service charge while used for public purposes.]
- E. **BILLING.** Bills for the amount of the charges shall be sent monthly, quarterly or semiannually, as the **METROPOLITAN** Commission determines, to the owner of each property served and are then payable at the Office of the **METROPOLITAN** Commission. If any bill remains unpaid after thirty (30) days from the due date or dates specified in it, the bill is overdue and the **METROPOLITAN** Commission may begin collection proceedings. At the request of the owner, bills for services may be sent, at the discretion of the **METROPOLITAN** Commission, to persons or entities other than the owner, provided that the owner states in his request that any bill so mailed will be considered as notice to him as if it were mailed to the owner in accordance with above.

- F. PAST DUE BILLS. When a bill is overdue and after written notice is left upon the premises or mailed to the last known address of the owner, the METROPOLITAN Commission shall turn off the water or sewer, if possible, from the property in question. The water or sewer service may not be resumed until the bill or bills, and a charge as determined by the METROPOLITAN Commission to cover costs incurred to turn off and to turn on the water or sewer service, have been paid.
- G. If any charges remain unpaid for a period of thirty (30) days after the due date for payment, a late charge at a rate not to exceed one and five—tenths (1 5/10) percent per month may be made by the **METROPOLITAN** Commission until all delinquent charges are paid, the late charge to be in addition to all other charges.
- H. **[**(1)**]** If any bill shall remain unpaid for thirty (30) days after the due date, it shall be collectible from the owner of the property served in the same manner as other debts are collectible in the County. The service charges and all penalties and late charges shall be a first lien against the property, and the same procedures as set forth in section **[**113–12.D.**] 113–12.C.** of this chapter shall be followed by the **METROPOLITAN** Commission in collecting those debts.
- [(2) Notwithstanding any other law, the Commission shall establish a procedure by which the owner of a residential property, that is also the primary residence of the owner subject to the connection charges, may apply for a waiver or an extension of time to pay the charges because of the financial hardship of the owner, including a method by which the owner may appeal the decision of the Commission to the Board of County Commissioners, or an entity designated by the Board of County Commissioners.]

#### 113–15. Connections with other systems.

The **METROPOLITAN** Commission shall have full power and, authority to enter into any contract for the connection of its water supply or sewerage system or any part thereof with any publicly or privately owned system for the purchase or sale of water and for the collection, treatment and disposal of sewerage, and to enter into any other agreement concerning any other matter and on such terms deemed by the **METROPOLITAN** Commission to be necessary, advisable or expedient for the proper construction, maintenance and operation of the water supply or sewerage systems under its control or those under the control of any public or private body.

#### 113–16. Other systems; acquisition, general.

A. Purchase. Whenever the **METROPOLITAN** Commission considers it advisable and proper for the adequate provision of water or sewer service in any sanitary district to assume ownership of privately owned water or sewerage systems, it may purchase them upon such terms and conditions as may be agreed upon but shall have no right of condemnation with respect thereto, but before any part of the purchase price is paid, other than a nominal sum of money to bind the agreement, it shall be the duty of the vendor or agent to furnish a statement to the **METROPOLITAN** Commission setting forth all names

and addresses of persons having any interest or claims against the property whatsoever, which shall be verified by an oath in writing. Thereupon it shall be the duty of the METROPOLITAN Commission to notify personally or by registered or certified mail, return receipt requested, all persons having any interest whatsoever in the property, and in addition thereto the METROPOLITAN Commission shall give three (3) weeks' notice of its intention to purchase the property in a newspaper or newspapers published within the county in which the property is located, and each person having any claim whatsoever against the property shall file his, her or its claim with the METROPOLITAN Commission on or before the expiration date mentioned in the notice, at which time any and all persons will be heard and their rights determined by the METROPOLITAN Commission, which hearing shall be final.

B. Effect of sale. From and after payment to the proper parties of the agreed purchase price, or other amounts found to be due by the **METROPOLITAN** Commission, the **METROPOLITAN** Commission may take possession of, maintain and operate the system, whether private or municipal, as part of its general system. From the date of the payment, all properties along the line of any water main or sewer of the system as acquired shall stand in the same relation, bear the same System Improvement Charge and be subject to the same regulations and penalties as though the system so acquired had been constructed and put into operation by the **METROPOLITAN** Commission under the provisions of this chapter. However, a building or premises actually connected in an adequate manner with the acquired system at the time of its purchase may not be required to pay any connection charge.

## C. Unfit systems.

- (1) Whenever there is in existence a privately owned shared or community water supply or sewerage system which, in the judgment of the appropriate federal, State or local regulatory authority, is unfit, as a whole or in part, the system shall be rehabilitated and brought into compliance with all applicable federal, State and local regulations by the system owner(s) or, if rehabilitation is determined to be unfeasible, a new system may be constructed by the system owner(s) to serve the area previously served by the unfit system, or the system may be abandoned in accordance with all applicable federal, State and local regulations.
- (2) Should the system owner(s) request that the METROPOLITAN Commission take ownership of or controlling authority in the system in accordance with Section 9–1110 of the Environment Article of the Annotated Code of Maryland, the system owner(s) shall present the METROPOLITAN Commission with a comprehensive plan of action which provides any items as may be required by the METROPOLITAN Commission, the procedures, policies and processes necessary to bring the system into compliance with the St. Mary's County Comprehensive Water and Sewerage Plan, all appropriate federal, State and local laws, rules and regulations, as well as with all METROPOLITAN Commission standards, prior to any consideration of the request by the METROPOLITAN Commission. The METROPOLITAN Commission shall take into consideration whether the action requested is necessary to ensure the health, safety and welfare of the general public,

is economically feasible, as well as other criteria as the **METROPOLITAN** Commission may deem necessary.

D. Municipal systems. Any municipal corporation whose system is acquired by the **METROPOLITAN** Commission may use the amount paid to it for the system for the purchase or redemption of any bonds or debt which may be outstanding against it, or the **METROPOLITAN** Commission may, as part of the purchase price of the system, assume the payment of any such outstanding bonds.

# 113–17. [Private systems] **PRIVATELY CONSTRUCTED SYSTEMS**; new.

- A. [After June 1, 1957, whenever] WHENEVER the property owners or residents of any locality [in a district] desire a SHARED OR COMMUNITY water supply or sewerage system[, or part of them,] to be constructed in that locality and the METROPOLITAN Commission decides that it is inexpedient or impracticable at that time, owing to the remoteness of the locality from one of its systems or other causes, to build such system, the owners or residents may build the system at their own expense.
- **B.** However, it shall be constructed under plans and specifications approved by the **METROPOLITAN** Commission and under its supervision, and its maintenance and operation shall be under the general control of the **METROPOLITAN** Commission. All cost incurred by the **METROPOLITAN** Commission for the services, i.e., to supervise, maintain or control the construction project, shall be paid for in advance by the property owners or individuals concerned.
- **C.** The system, or part of it, the water main, sewer, water purification or sewerage treatment plant and a connection with any of them may not be constructed or installed except as provided in this section.
- **D.** Any violation of this provision is a misdemeanor punishable under Section 176.
- E. All construction records, including cost records, shall be filed with the METROPOLITAN Commission.

## 113–18. Entry upon roadways.

The METROPOLITAN Commission may enter upon and excavate any State, County or municipal street, road or alley or any other public highway for the purpose of installing, maintaining and operating the water supply or sewerage systems provided for under this chapter, and it may construct in any such street, road, alley or public highway a water main or sewer, or any appurtenance thereof, without the payment of a charge. However, whenever any State, County or municipal highway is to be disturbed, the public authority having control of it shall be duly notified. The highway shall be repaired and left by the METROPOLITAN Commission in the same condition as, or in a condition not inferior to,

that existing before the highway was **[**torn up**] EXCAVATED**. All costs incident thereto shall be borne by the **METROPOLITAN** Commission.

# 113–19. Entry into buildings.

- A. Any employee or agent of the **METROPOLITAN** Commission shall have the right of entry, at all reasonable hours, upon any private premises and into any building in any sanitary district while in pursuit of his official duties, upon first presenting proper credentials from the **METROPOLITAN** Commission.
- B. While in pursuit of official duties, any employee or agent of the **METROPOLITAN** Commission shall have a right of entry including reasonable vehicular ingress to and egress from any **METROPOLITAN** Commission pumping station, elevated water storage tank, well, or other related or appurtenant equipment.
- C. Any restraint or hindrance offered to the entry, access, ingress or egress by any owner or tenant of any affected property, or agent of the owner or tenant, or any other person is a misdemeanor punishable under Section 176.

#### 113–20. Obstructions.

- **A.** All individuals, firms or corporations having buildings, conduits, pipes, tracks, poles or other structures or obstructions in, on, over, under or through any public road, street or alley of any sanitary district which blocks or impedes the construction and establishment of the **METROPOLITAN** Commission's water supply or sewerage systems or other works shall, upon reasonable notice from the **METROPOLITAN** Commission, promptly so shift, adjust, accommodate or remove the structures or obstructions as to fully meet the exigencies occasioning the action.
- **B.** The costs of such changes shall be borne and paid for by the **METROPOLITAN** Commission.
- C. Every public service corporation, company or individual, before it or they shall begin any excavation or construction in any street, road, alley or public highway within any sanitary district, shall file with the **METROPOLITAN** Commission plans of such work and construction showing the location and depth in such street, road, alley or public highway of the proposed main, conduit, pole, pipe or other structure, and the construction or work may not be begun until the plans have been approved by the **METROPOLITAN** Commission, nor shall any change be made in the approved plans or in the work or construction as shown upon the plans except on further approval of the **METROPOLITAN** Commission.
- **D.** Whenever any main, conduit, pole, pipe or other structure is put in without the filing of plans with the **METROPOLITAN** Commission and the approval thereof by it, or when any change is made in the location of such main, conduit, pipe, pole or other structure as shown upon the plans approved by the **METROPOLITAN** Commission, or any

approved change therein, the **METROPOLITAN** Commission, if and when such conduit, main, pipe or pole, or other structure interferes with the construction of or operation of its water or sewerage system or other works, may remove such conduit, main, pipe, pole or other structures or change the location thereof at the cost and expense of the party so putting them in, or their heirs, assigns or successors, and without any liability upon the part of the **METROPOLITAN** Commission for damage that might be done to same by reason of the **METROPOLITAN** Commission's operations in constructing or maintaining its systems or works.

**E.** Any violation of the provisions of this section is a misdemeanor punishable under Section 176.

#### 113–21. Penalties.

A. Unless otherwise provided, any act or omission designated as a misdemeanor in the chapter is punishable by a fine of not more than one hundred dollars (\$100.00) or [to] confinement for not more than thirty (30) days in the county jail, or both. Where this act or omission is of a continuing nature and persists in violation of the provisions of this chapter or of any rule or regulation promulgated under this chapter, a conviction for one (1) offense is not a bar to a conviction for a continuation of the offense subsequent to the first or any succeeding conviction.

#### B. Civil infractions.

- (1) The [St. Mary's County] Metropolitan Commission may designate any violation of this chapter as a civil infraction, which shall be enforced as provided in this subsection.
- (2) A Metropolitan Commission employee with the duty of enforcing this chapter may deliver a citation to a person believed to be committing a violation. A copy of the citation shall be retained by the Metropolitan Commission employee and shall bear a certification attesting to the truth of the matters set forth. The citation shall contain:
  - [(a)] **(A)** The name and address of the person charged;
  - [(b)] **(B)** The nature of the violation;
  - [(c)] **(C)** The place and time of the violation;
  - **[**(d)**] (D)** The amount of the fine assessed;
  - [(e)] (E) The manner, location, and time in which the fine may be

paid; and

[(f)] **(F)** The person's right to elect to stand trial for the violation.

- (3) Except as provided in paragraph (4) of this subsection, a preset fine, not to exceed one hundred dollars (\$100.00), may be imposed for each violation. The Metropolitan Commission may establish a schedule of fines for each violation and may adopt procedures for collection of these fines.
- (4) **[**(a)**] (A)** A person may not remove water from a public system under the jurisdiction of the Metropolitan Commission without the prior authorization of the Metropolitan Commission.
- [(b)] **(B)** The Metropolitan Commission may impose a fine not exceeding one thousand dollars (\$1,000.00) for each violation of this paragraph.
- [(c)] **(C)** The Metropolitan Commission may establish a schedule of fines for each violation of this paragraph based on the amount of water removed and the number of prior violations by a person.
- (5) A person who receives a citation may elect to stand trial for the offense by filing with the Metropolitan Commission a notice of intention to stand trial. The notice shall be given at least five (5) days before the date of payment as set forth in the citation. On receipt of the notice of intention to stand trial, the **METROPOLITAN** Commission shall forward to the district court having venue a copy of the citation and the notice of intention to stand trial. On receipt of the citation, the district court shall schedule the case for trial and notify the defendant of the trial date. All fines, penalties, or forfeitures collected by the district court for violation shall be remitted to [St. Mary's County] **THE** Metropolitan Commission.
  - C. Administrative enforcement remedies; judicial enforcement remedies.
- (1) The [St. Mary's County] Metropolitan Commission may utilize administrative enforcement remedies or seek judicial enforcement remedies for a violation of any rules and regulations the METROPOLITAN Commission may adopt under this chapter concerning public sewer use, including public sewer drains, the installation of building sewer connections, and the discharge of waters and wastes into the public sewer systems. The METROPOLITAN Commission shall establish procedures for implementing the enforcement remedies authorized under this subsection.
- (2) The **METROPOLITAN** Commission may utilize administrative enforcement remedies that may include:
  - **[**(a)**] (A)** A notification of a violation;
  - [(b)] (B) A consent order;
  - [(c)] (C) A show cause hearing;
  - [(d)] **(D)** A compliance order;

- [(e)] **(E)** A cease and desist order;
- [(f)] **(F)** An administrative fine not to exceed one thousand dollars (\$1,000.00) per violation, per day; [or]
- (G) AN ASSESSMENT FOR THE REIMBURSEMENT OF ACTUAL COSTS INCURRED BY THE METROPOLITAN COMMISSION, INCLUDING BUT NOT LIMITED TO TIME AND MATERIALS, IF SUCH COSTS ARE LESS THAN ONE THOUSAND DOLLARS (\$1,000.00); OR
  - **[(g)] (H)** An emergency suspension.
- (3) The **METROPOLITAN** Commission may seek the following judicial enforcement remedies:
- [(a)] (A) Petitioning the District Court of St. Mary's County for injunctive relief;
- [(b)] **(B)** For a conviction of a violation, requesting civil penalties up to one thousand dollars (\$1,000.00) per violation, per day; or
- [(c)] **(C)** For a conviction of a violation, requesting criminal penalties of not more than one thousand dollars (\$1,000.00) per violation, or imprisonment for not more than one (1) year per violation, or both.
- 113–22. [Church property] **EXEMPTIONS AND WAIVERS**.
- A. NOTWITHSTANDING ANY OTHER LAW, THE METROPOLITAN COMMISSION SHALL ESTABLISH A PROCEDURE BY WHICH THE OWNER OF A RESIDENTIAL PROPERTY THAT IS ALSO THE PRINCIPAL RESIDENCE OF THE OWNER, SUBJECT TO THE CONNECTION CHARGES, MAY APPLY FOR A WAIVER OR AN EXTENSION OF TIME TO PAY THE CHARGES BECAUSE OF THE FINANCIAL HARDSHIP OF THE OWNER, INCLUDING A METHOD BY WHICH THE OWNER MAY APPEAL THE DECISION OF THE METROPOLITAN COMMISSION TO THE COMMISSIONERS OF ST. MARY'S COUNTY OR AN ENTITY DESIGNATED BY THE COMMISSIONERS OF ST. MARY'S COUNTY.
- **B.** Any land owned by a church and constituting the premises occupied by a church or its parsonage and used exclusively for public worship or for other religious or customary purposes of a church or parsonage and not for investment, gain or other secular purposes shall be exempt from the equivalent of three (3) EDUs of System Improvement Charges provided for by this chapter. The **METROPOLITAN** Commission, in its discretion to be exercised in each individual case, may grant or withhold a further exemption.

- C. NOTWITHSTANDING ANY OTHER LAW, ANY PROPERTY OWNED BY EITHER A REGULARLY ORGANIZED VOLUNTEER FIRE DEPARTMENT OR A VOLUNTEER RESCUE SQUAD IS EXEMPT FROM THE IMPOSITION OF A WATER OR SEWER SERVICE CHARGE WHILE USED FOR PUBLIC PURPOSES.
- D. PUBLIC PARKS OR PLAYGROUNDS OWNED BY A MUNICIPAL CORPORATION AND ANY PROPERTY OR BUILDING OWNED BY EITHER A REGULARLY ORGANIZED VOLUNTEER FIRE DEPARTMENT OR A VOLUNTEER RESCUE SQUAD ARE EXEMPT FROM THE IMPOSITION OF A SYSTEM IMPROVEMENT CHARGE WHILE USED FOR PUBLIC PURPOSES.

# 113–23. Rules and regulations.

The **METROPOLITAN** Commission may prescribe all needful rules, regulations and specifications for the administration and enforcement of this chapter.

#### 113–24. Inconsistent laws.

All Acts and parts of Acts inconsistent with the provisions of this chapter are hereby repealed to the extent of their inconsistency, provided that nothing herein contained shall be taken as restricting any control which the [State] MARYLAND Department of Health [and Mental Hygiene] and the [State Water Resources Administration] MARYLAND DEPARTMENT OF THE ENVIRONMENT are empowered to exercise within any sanitary districts.

## 113–25. Condemnation of municipal facilities.

This chapter may not be construed or interpreted to authorize the **METROPOLITAN** Commission to acquire by condemnation any municipally owned or operated water or sewage treatment facilities.

# 113–26. Reimbursable work.

For any services rendered or work to be provided by the METROPOLITAN Commission or the METROPOLITAN Commission's consultants or contractors at the request of the Commissioners of St. Mary's County which would not be provided by the METROPOLITAN Commission in the METROPOLITAN Commission's ordinary course of business, the METROPOLITAN Commission and the Commissioners of St. Mary's County shall, in advance of the services or work being provided, enter into a written agreement for the scope of services or work to be provided and the cost for such work or services. Upon completion of the work or services, or intermittently during the work or services, as mutually agreed, the METROPOLITAN Commission shall request reimbursement from the Commissioners of St. Mary's County for the cost of the work or services provided and the Commissioners of St. Mary's County shall pay such costs as agreed.

#### 113–27. Construction.

- A. Liberal construction. This chapter constitutes full and complete authority, without regard to the provisions of any law, for the doing of the acts and things authorized in this chapter, and it shall be liberally construed to effect the purposes of it. However, nothing contained in this chapter shall be taken as restricting any control which the [State] MARYLAND Department of Health [and Mental Hygiene] or the [State Water Resources Administration] MARYLAND DEPARTMENT OF THE ENVIRONMENT is empowered to exercise over or within St. Mary's County or any sanitary district.
- B. Validation of prior proceedings. Nothing contained in any amendment to this chapter effective June 1, 1976, shall be construed as impairing the validity of any proceedings or action taken under the provisions of this chapter prior to that date. All such proceedings taken under this chapter, including, without limitation, the creation and enlargement of any sanitary districts and the establishment and imposition of System Improvement Charges and charges (whether pursuant to this chapter alone or pursuant to Article 43 of the Annotated Code of Maryland as authorized by § 427A of Article 43) are ratified, validated and confirmed. The authorization, sale and issuance of all bonds and bond anticipation notes issued prior to that date by the [St. Mary's County] Metropolitan Commission are ratified and confirmed, and all such bonds and bond anticipation notes are validated as being validly authorized, sold and issued.
- C. Validation of assessments and other charges. The determination and imposition of System Improvement Charges and other charges by the [St. Mary's County] Metropolitan Commission since its creation are expressly ratified, validated and confirmed, including, without limitation, those schedules of System Improvement Charges and charges determined, imposed and placed in effect on the following dates:
- (1) Mattapany Sanitary District: January 9, 1969; October 1, 1970; July 1, 1971.
  - (2) Pine Hill Run Sanitary District No. 8: October 1, 1973; July 1, 1975.
  - (3) Leonardtown Sanitary District No. 3: July 1, 1975.
  - (4) Indian Creek Sanitary District No. 10: July 1, 1975.
  - (5) Luckland Run Sanitary District No. 1: January 1, 1976.
- D. Transition. In the event that the [St. Mary's County] Metropolitan Commission has decided to exercise powers granted by § 9–727 of the [Health–Environmental] **ENVIRONMENT** Article of the Annotated Code of Maryland, the **METROPOLITAN** Commission may, nevertheless, exercise any and all powers granted by this chapter on and after June 1, 1976, without any further action on the part of the **METROPOLITAN** Commission, except those actions required by this chapter. In the event that the **METROPOLITAN** Commission decides that any modification of an existing rate,

charge or assessment previously established by it is necessary or desirable or that the creation of a new rate, charge or assessment is necessary or desirable, the METROPOLITAN Commission shall promptly give notice of the proposed rates, charges and assessments in at least one (1) newspaper of general circulation in St. Mary's County. The METROPOLITAN Commission shall thereafter conduct a public hearing on the necessity or advisability of the proposed rates, charges or assessments. If the METROPOLITAN Commission acquires an existing water or sewer system, either public or private, the rates, charges or assessments to be imposed by the METROPOLITAN Commission on the persons served by the acquired system shall be treated as the establishment of a rate, charge or assessment within the meaning of this section.

## 113–28. Severability.

The provisions of this chapter are severable, and it is the intention to confer the whole or any part of the powers herein provided for, and if any of the provisions of this chapter shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions of this chapter. It is hereby declared to be the legislative intent that this chapter would have been adopted had such unconstitutional provision not been included therein.

- 113–29. [[] System Improvement Charges.[]]
  - A. **[**(1) In this section, the following words have the meanings indicated:
    - (2) EDU means an equivalent dwelling unit.
- (3) PUBLICATION means notice to all persons having any interest in the property.
- B.] (1) For every property, whether improved or unimproved, to which an EDU has been allocated for public water or sewer service by the St. Mary's County Office of Land Use and Growth Management, the **METROPOLITAN** Commission shall impose and collect on a per EDU basis, a System Improvement Charge.
  - (2) System Improvement Charges shall:
    - (A) Be assessed and payable on a monthly basis; and
    - (B) Be uniform and apply to every EDU equally.
- (3) System Improvement Charges shall be used by the **METROPOLITAN** Commission to pay the costs associated with:
- (A) The capital costs of central treatment facility performance upgrades, if the projects are identified in the METROPOLITAN Commission's [six-year

capital improvement plan] 5-YEAR CAPITAL IMPROVEMENT PLAN AND ANNUAL CAPITAL IMPROVEMENT BUDGET;

- (B) The capital costs of the repair and replacement of existing water supply and/or sewer collection systems, if the projects are identified in the METROPOLITAN Commission's [six-year capital improvement plan] 5-YEAR CAPITAL IMPROVEMENT PLAN AND ANNUAL CAPITAL IMPROVEMENT BUDGET; and
- (C) That portion of existing bonds, as of October 1, 2007, that was issued to fund the costs of repair, replacement and, where appropriate, construction of existing water supply or sewer collection systems and bonds issued to fund the costs of capital treatment facility capacity allocated to existing system users as of October 1, 2007.
- (4) In determining the System Improvement Charge, the capital costs referred to in subsection [B.(3)] **A.(3)** of this section shall include the principal of, interest on, and any redemption premium or other costs with respect to any bonds of the **METROPOLITAN** Commission issued after October 1, 2007.
- (5) (A) When bonds have not been issued at the time the System Improvement Charge is calculated, in calculating the System Improvement Charge, the **METROPOLITAN** Commission may establish a schedule for the principal of, interest on, and other costs of bonds the **METROPOLITAN** Commission plans to issue in accordance with paragraph (3) of subsection [H.] **G.** of this section.
- (B) The **METROPOLITAN** Commission may adjust the schedule and related System Improvement Charge provided in subparagraph (A) of this paragraph when planned future bonds are issued.
- [C.] **B.** (1) When collected, the System Improvement Charges shall be placed, by the **METROPOLITAN** Commission, into an interest—bearing account containing all of the System Improvement Charges collected, notwithstanding the sanitary district from which the Charge was collected.
- (2) The System Improvement Charges, together with any interest accrued on the charges, shall remain in the general account, to be assessed and used by the **METROPOLITAN** Commission on an as-needed basis to fund the costs of any extensive system repair and replacement and central facility upgrade, as described in subsection [B.] **A.** of this section, in any sanitary district within which a system repair or replacement may be needed.
- [D.] C. (1) When the **METROPOLITAN** Commission determines the appropriate System Improvement Charge for a given property, the **METROPOLITAN** Commission shall classify each property into one (1) of the following seven (7) classes:
  - (A) Agricultural;

- (B) Small acreage; (C) Industrial or business; (D) Subdivision residential; (E) Multi-unit residential; (F) Multi-unit business; or (G) Institutional. (2)The METROPOLITAN Commission may subdivide each of the classes in any manner it considers to be in the public interest. Immediately after an EDU is allocated for water or sewer service, the (3)METROPOLITAN Commission shall initiate collection of the System Improvement Charge in accordance with the property classification. The METROPOLITAN Commission shall notify, in writing, all owners **(4)** of the properties as to: (A) Under which class their respective properties fall; (B) The amount of the System Improvement Charge imposed on the property; and (C) A time and place for a public hearing on the classification. (5)The notice shall: Be mailed to the last known address of the owner; (A) (B) Be served in person on any adult occupying the premises; or (C) In the case of vacant or unimproved property be posted on the premises.
- (6) The classification of any property made by the **METROPOLITAN** Commission is final, and may only be changed:
  - (A) At the public hearing held in accordance with this subsection; or
  - (B) If the use of the property changes.

- (7) The System Improvement Charge shall be imposed for both water supply and sewerage facilities, whether constructed, purchased, established or otherwise acquired, and shall be assessed as a uniform per EDU charge for each class of property.
- [E.] **D.** (1) Whenever, through error, inadvertence or oversight or by reason of any judgment or decree, any property subject to a System Improvement Charge under this chapter has not had the System Improvement Charge imposed against it, or where it has been imposed by an erroneous description or in the wrong name, or where service on the owner has not been had, or where it has been set aside by judgment or decree, the **METROPOLITAN** Commission, on the discovery of the error, inadvertence or oversight, or within a reasonable time after the rendition of the judgment or decree, the **METROPOLITAN** Commission[,] may impose and collect the System Improvement Charge at the uniform rate and in the applicable property classification.
- (2) The subsection applies to all errors, omissions, or mistakes made previously by the **METROPOLITAN** Commission or to any judgment or decree rendered previously.
- (3) Appropriate adjustments for any payments shall be made in respect to that property.
- [F.] E. (1) When there is more than one (1) contiguous lot in the same block under one (1) ownership appurtenant to a single residence, the **METROPOLITAN** Commission shall impose the System Improvement Charge based on the number of EDUs assigned to each property in accordance with all applicable zoning and land use regulations.
- (2) (A) Land classified as agricultural by the **METROPOLITAN** Commission, when in actual use for farming or trucking purposes, may not be subject to the System Improvement Charge when the agricultural land has constructed through it or in front of it a sewer or water main, if a water or sewer connection is not made.
- (B) When a water or sewer connection is made and is for every EDU connected the land shall become subjected to the System Improvement Charge.
- (3) Public parks or playgrounds owned by a municipal corporation and any property or building owned by either a regularly organized volunteer fire department or a volunteer rescue squad are exempt from the imposition of a System Improvement Charge while used for public purposes.
- (4) (3) If property in the sanitary district is, at the time of construction of a METROPOLITAN Commission water line or sanitary sewer line, connected to a public water system or public sewer system operated either by a municipal corporation or by a water or sewer company subject to the requirements of the [State] MARYLAND Department of Health [and Mental Hygiene], or if following construction of the METROPOLITAN Commission line the property is connected to the other specified public system in accordance with the METROPOLITAN Commission, the property is exempt from the

imposition and collection of a System Improvement Charge until it is served by or connected to the **METROPOLITAN** Commission's water supply or sanitary sewerage system, as the case may be.

- (5) (4) When a property that has been exempted from a System Improvement Charge under this subsection is no longer exempted from the charge, the property shall be classified in its then–current class and become subject to the System Improvement Charge.
- [G.] **F.** (1) Except as otherwise provided, System Improvement Charges for water supply and sewer construction and acquisition shall be uniform for each EDU within each class of property throughout the County for any one (1) year.
- (2) The **METROPOLITAN** Commission shall determine the amount of the System Improvement Charge per EDU within each class of property for both water and sewer service as costs and conditions require, but a System Improvement Charge for any class of property for any given year once levied by the **METROPOLITAN** Commission may not be increased.
- [H.] G. (1) The rate of the System Improvement Charge shall be based on the METROPOLITAN Commission's [six-year capital improvement plan, as revised annually] 5-YEAR CAPITAL IMPROVEMENT PLAN AND ANNUAL CAPITAL IMPROVEMENT BUDGET.
- (2) The [capital improvement plan] CAPITAL IMPROVEMENT PLAN shall identify those capital projects which will be undertaken by the METROPOLITAN Commission during the most immediate [six-year] FIVE-YEAR period, including any comprehensive improvement or replacement of existing water or wastewater systems and central treatment and processing facility expansions and upgrades.
- (3) To calculate the System Improvement Charge, the total of all debt service on bonds and the total of amortized costs of all projects in the [capital improvement budget] CAPITAL IMPROVEMENT BUDGET for the given year, both totals excluding any costs included in the [capital improvement charge] CAPITAL IMPROVEMENT CHARGE under section 113–12 of this chapter, shall be combined and divided by the total of the number of allocated EDUs and the number of EDUs expected to be allocated by the St. Mary's Office of Land Use and Growth Management for a given year.
- (4) Where amortized costs are included in the calculation of the charge, the **METROPOLITAN** Commission shall establish the period of amortization and the interest rate.
- (5) The System Improvement Charge may not be revised more than once each year, together with the annual revision to the [capital improvement plan] CAPITAL IMPROVEMENT PLAN AND CAPITAL IMPROVEMENT BUDGET.

# [I.] **H.** [(1) [Definitions.]

- (A) In this subsection the following words have the meaning indicated:
- (B) DWELLING means a principal residence of a homeowner and includes the lot on which the house is situated.
  - (C) HOMEOWNER means a person who:
    - (I) Resides in a dwelling; and
- (II) Has an ownership interest in the dwelling, including a life estate, joint tenancy, tenancy in common, tenancy by the entirety, or fee simple interest.
- (D) PRINCIPAL RESIDENCE means a house that is occupied by a homeowner:
- (I) For more than six (6) months of a consecutive 12-month period that includes the date of application for a deferral of a System Improvement Charge; or
- (II) For less than six (6) months of a consecutive 12-month period that includes the date of application for a deferral of a System Improvement Charge due to illness or the need of special care, if the homeowner is otherwise qualified under the provisions of this subsection.]
- [(2)] (1) The METROPOLITAN Commission may establish financial criteria to determine the eligibility of a [homeowner] HOMEOWNER whose [dwelling] **DWELLING** is subject to a System Improvement Charge under this section for a deferral of the monthly payment of that charge.
- [(3)] (2) The METROPOLITAN Commission may defer the monthly payment of a System Improvement Charge on the [dwelling] **DWELLING** of a [homeowner] **HOMEOWNER** who:
  - (A) Files an application with the **METROPOLITAN** Commission; and
- (B) Meets the financial eligibility criteria that the **METROPOLITAN** Commission establishes.
- [(4)] (3) A [homeowner] HOMEOWNER who applies for a deferral of payment of a monthly System Improvement Charge levied on a [dwelling] DWELLING shall submit to the METROPOLITAN Commission an application of the form that the METROPOLITAN Commission provides.

- [(5)] **(4)** A [homeowner] **HOMEOWNER** may apply for deferral on only one (1) [dwelling] **DWELLING**.
- [(6)] (5) A [homeowner] **HOMEOWNER** who applies for deferral of payment of a System Improvement Charge shall apply at the time of payment of monthly service charges.
- [(7)] (6) Subject to paragraph [(3)] (2) of this subsection, the **METROPOLITAN** Commission shall terminate the deferral of payment of a monthly System Improvement Charge if a [homeowner] **HOMEOWNER** dies, sells, or alienates the [dwelling] **DWELLING** subject to the deferral.
- [(8)] (7) The METROPOLITAN Commission may defer the monthly payment of a System Improvement Charge by an unmarried, surviving spouse on the death of a [homeowner] HOMEOWNER or the unmarried, former spouse on the divorce of a [homeowner] HOMEOWNER if the succeeding spouse qualifies under the provisions of paragraph [(3)] (2) of this subsection.
- [(9)] **(8)** When the **METROPOLITAN** Commission terminates the deferral of payment of a monthly System Improvement Charge under the provisions of paragraph [(7)] **(6)** of this subsection:
- (A) All deferred charges, with interest calculated on the cumulative annual payments for the deferral period, shall become due and payable immediately; and
  - (B) The annual levy of System Improvement Charges shall resume.
- [(10)] (9) (A) A deferred System Improvement Charge that is due and payable on termination of a deferral by the **METROPOLITAN** Commission is a lien against the [dwelling] **DWELLING** in accordance with subsection [L.] **K.** of this section.
- (B) After the **METROPOLITAN** Commission terminates the deferral of payment of a System Improvement Charge under paragraph [(7)] (6) of this subsection, the provisions of this subsection do not impair in any way the ability of the **METROPOLITAN** Commission to collect a System Improvement Charge that is overdue and in default from a [homeowner] **HOMEOWNER** in accordance with subsection [L.] **K.** of this section.
- [(11)] (10) The METROPOLITAN Commission may require a [homeowner] HOMEOWNER who qualifies for deferral under this section to requalify at times and under circumstances that the METROPOLITAN Commission determines are reasonable and necessary.

- [(12)] (11) (A) The METROPOLITAN Commission may only implement the provisions of this subsection by adoption of a resolution of the METROPOLITAN Commission.
- (B) The **METROPOLITAN** Commission shall hold a public hearing at least ten (10) days prior to any action on the proposed resolution under this paragraph.
- (C) The **METROPOLITAN** Commission shall publish notice of the public hearing, together with a synopsis of the proposed resolution, in at least one (1) newspaper of general circulation in St. Mary's County once each week for two (2) successive weeks prior to the public hearing.
- [J.] I. (1) On the allocation of an EDU, the METROPOLITAN Commission may permit a connection with a water main or sewer by a property owner whose property does not abut on the water main or sewer and who has not previously paid a System Improvement Charge for the construction of the water main or sewer.
- (2) If the **METROPOLITAN** Commission permits a connection with a water main or sewer under this subsection, the **METROPOLITAN** Commission shall classify the property and determine the System Improvement Charge to be paid by the property owner.
- (3) If a connection is made under this subsection, the property owner and property, for all charges, rates and benefits, shall stand in every respect in the same position as if the property abutted on a water main or sewer.
- [K.] J. (1) When an applicant applies for water or sewer lines in an area in which the METROPOLITAN Commission determines that it is economically not feasible to serve unless the applicant makes a substantial contribution to the cost of construction of the water and sewer lines, including the cost of connecting them with the METROPOLITAN Commission's system, the METROPOLITAN Commission may classify the applicant's property, together with other adjacent or adjoining properties that could be readily served from the construction required by the applicant, as a "remote area."
- (2) If the **METROPOLITAN** Commission approves an application for water and sewer lines and the applicant makes a contribution to the cost of construction in accordance with this subsection, the **METROPOLITAN** Commission may construct the water or sewer lines required by the applicant.
- (3) If the **METROPOLITAN** Commission constructs the water or sewer lines, it shall impose a System Improvement Charge in accordance with this section.
- [L.] **K.** When the **METROPOLITAN** Commission improves a water system or sanitary sewerage system by replacing, augmenting, upgrading, or expanding it in order to provide increased or improved water or sewer service and the necessity for the improvement arises from changes, whether individually or cumulatively, in use of the property, those properties shall derive a benefit from the improved facility and the

**METROPOLITAN** Commission may impose an additional System Improvement Charge on each benefited property for the construction as part of the water or sewer system services.

- [M.] L. (1) The System Improvement Charge shall be payable at the Office of the METROPOLITAN Commission at a time that the METROPOLITAN Commission determines.
- (2) If any charges remain unpaid for a period of thirty (30) days after the payment is due, in addition to any other charges, the **METROPOLITAN** Commission may impose a late charge not to exceed one and one-half (11) percent per month until all delinquent charges are paid.
- (3) The entire unpaid System Improvement Charge shall be overdue and in default after thirty (30) days after the payment is due for all or any part of the System Improvement Charge required by the **METROPOLITAN** Commission, at which time the **METROPOLITAN** Commission may proceed to enforce payment.
- (4) Any statute of limitations to the contrary notwithstanding and subject only to prior State and County taxes, the System Improvement Charge shall be a first lien on the property against which it is assessed until paid.

## (5) For purposes of collection:

- (A) The System Improvement Charge shall be treated as County taxes and be advertised in the same manner as and with County taxes;
- (B) All property subject to the System Improvement Charges shall be sold for System Improvement Charges at the same time and in the same manner as the properties are sold for County taxes; and
- (C) Applicable laws relating to the collection of County taxes shall relate to the collection of the System Improvement Charges.
- (6) Property redeemed from a County tax sale and property sold by the [County] Commissioners **OF ST. MARY'S COUNTY** after a final tax sale may not be redeemed or sold until the System Improvement Charges are paid.
- (7) To give notice to the general public of existing liens and charges against any property within any sanitary district abutting on any water or sewer main, the **METROPOLITAN** Commission shall keep a public record of all names of owners or property, locations of the property, lot numbers when of record, and the amount of the System Improvement Charges, water service charges, or **[**[charges]**] OTHER CHARGES** that may become liens.
- (8) If any liens, System Improvement Charges or other charges remain unpaid for thirty (30) days after becoming overdue, they may be collected by an action to

enforce the liens, and any judgment or decree obtained shall have the force and effect of a judgment in personam.

- (9) The **METROPOLITAN** Commission may file an action to enforce the liens against the owner of record at the time the levy was made, or the owner of record at the time the suit is filed, or any owner of record between these dates.
- (10) Notwithstanding any other law, the **METROPOLITAN** Commission shall establish a procedure by which the owner of a residential property, that is also the **[primary] PRINCIPAL** residence of the owner subject to the connection charges, may apply for a waiver or an extension of time to pay the charges because of the financial hardship of the owner, including a method by which the owner may appeal the decision of the **METROPOLITAN** Commission to the **[Board of County] Commissioners OF ST. MARY'S COUNTY[,]** or an entity designated by the **[Board of County] Commissioners OF ST. MARY'S COUNTY**.
- [N.] M. (1) All System Improvement Charges collected by the **METROPOLITAN** Commission shall be set aside in a separate fund [to be known and designated as the "Metropolitan District Account."] **OR FUNDS.**
- (2) In order to determine the amount which it considers necessary to be imposed under section 113–7 of this chapter, the **METROPOLITAN** Commission shall deduct the amount it estimates that it will be able to collect from the System Improvement Charges and other charges previously imposed by it, but not yet paid and to be set aside for the interest and principal payments and the amount of funds then available for the purpose of paying the principal of and interest on outstanding bonds, from the whole amount necessary to be raised in any one (1) year for interest and principal payments on outstanding bonds.
- (3) The balance then remaining to be raised shall be the amount to be certified to the [County] Commissioners of St. Mary's County for collection by taxation as provided by section 113–7 of this chapter.
- [O.] N. (1) If the State, County, or any municipal corporation, commission, board, or agency of the State or County acquires for public use property that is subject to a System Improvement Charge levied by the [St. Mary's] Metropolitan Commission, the System Improvement Charge shall continue to be paid in perpetuity.
- (2) If any property subject to a System Improvement Charge is acquired as provided in this section without eminent domain proceedings, the System Improvement Charge shall continue to be paid in perpetuity.
- (3) If any property subject to a System Improvement Charge is acquired through eminent domain proceedings, the **METROPOLITAN** Commission shall be named a party to the proceeding, if necessary, and the final order shall require that the System

Improvement Charge be paid concurrent through the date of conveyance and shall require the continued payment of the System Improvement Charge in perpetuity.

- (4) If, by oversight or mistake, the **METROPOLITAN** Commission is not named a party to the eminent domain proceedings, the condemning authority shall pay to the **METROPOLITAN** Commission the amount required to pay the System Improvement Charge through the date of conveyance at the same time the condemning authority pays the amount awarded to the property owner in the proceedings.
- 113–30. [[]Additional requirements of **METROPOLITAN** Commission.[]]

Notwithstanding any provision of this chapter:

- A. The **METROPOLITAN** Commission shall adopt or approve, with the prior approval of the [County] Commissioners **OF ST. MARY'S COUNTY**, facilities plans, a 5-year Capital Improvement Plan, and an annual Capital **IMPROVEMENT** Budget; and
- B. Upon adoption by the METROPOLITAN Commission, REVIEW BY THE ST. MARY'S COUNTY PLANNING COMMISSION AND WITH PRIOR APPROVAL OF THE COMMISSIONERS OF ST. MARY'S COUNTY, the 5—year Capital Improvement Plan AND ANNUAL CAPITAL IMPROVEMENT BUDGET shall be [deemed approved by the Commissioners of St. Mary's County and] incorporated into the St. Mary's County Comprehensive Water and Sewerage Plan. The incorporation shall constitute an amendment of the St. Mary's County Comprehensive Water and Sewerage Plan by operation of law and shall be submitted to the Department of the Environment. Section 9–503 of the Environment Article of the Annotated Code of Maryland shall not apply to the amendment by incorporation.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 67

(House Bill 123)

AN ACT concerning

# Labor and Employment - Wage History and Wage Range

FOR the purpose of requiring an employer, on request, to provide to an applicant for employment the wage range for the position for which the applicant applied; prohibiting an employer from taking certain actions against an applicant for

employment under certain circumstances; prohibiting an employer from relying on wage history, except under certain circumstances, for certain purposes, and from seeking the wage history by certain methods and from certain persons; authorizing an employer to seek to confirm the wage history of an applicant for employment under certain circumstances; authorizing an affected applicant for employment to bring a certain action against an employer if the employer's action violates certain provisions of this Act: authorizing an applicant for employment to bring a certain action against an employer with certain other employees or applicants for employment: prohibiting an employer from discharging or otherwise discriminating against an applicant for employment under certain circumstances; prohibiting an employer from violating certain provisions of this Act; specifying that an employer is not subject to a certain criminal penalty for a violation of certain provisions of this Act; requiring the Commissioner of Labor and Industry to issue a certain order under certain circumstances; authorizing the Commissioner to bring a certain action against a person who violates a certain provision of this Act issue a letter ordering compliance and assess a certain penalty not exceeding a certain amount under certain circumstances; requiring the Commissioner to consider certain factors when determining the amount of a certain penalty; specifying that, if the Commissioner assesses a certain penalty, the penalty shall be subject to certain hearing and notice provisions of law; prohibiting an applicant for employment from taking certain actions related to a certain action or proceeding; providing for the construction of certain provisions of this Act; making conforming changes; and generally relating to wage ranges and wage history.

BY repealing and reenacting, without amendments,

Article – Labor and Employment Section 3–101(a) and (b) Annotated Code of Maryland (2016 Replacement Volume and 2019 Supplement)

# BY adding to

Article – Labor and Employment Section 3–304.2 Annotated Code of Maryland (2016 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Labor and Employment Section <del>3–307(a) and</del> 3–308 Annotated Code of Maryland (2016 Replacement Volume and 2019 Supplement)

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

3–101.

- (a) In this title the following words have the meanings indicated.
- (b) "Commissioner" means the Commissioner of Labor and Industry.

#### 3-304.2.

- (A) ON REQUEST, AN EMPLOYER SHALL PROVIDE TO AN APPLICANT FOR EMPLOYMENT THE WAGE RANGE FOR THE POSITION FOR WHICH THE APPLICANT APPLIED.
  - (B) (1) AN EMPLOYER MAY NOT:
- (I) RETALIATE AGAINST OR REFUSE TO INTERVIEW, HIRE, OR EMPLOY AN APPLICANT FOR EMPLOYMENT BECAUSE THE APPLICANT:
  - 1. DID NOT PROVIDE WAGE HISTORY; OR
- 2. REQUESTED THE WAGE RANGE IN ACCORDANCE WITH THIS SECTION FOR THE POSITION FOR WHICH THE APPLICANT APPLIED; AND
- (II) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION:
- 1. RELY ON THE WAGE HISTORY OF AN APPLICANT FOR EMPLOYMENT IN SCREENING OR CONSIDERING THE APPLICANT FOR EMPLOYMENT OR IN DETERMINING THE WAGES FOR THE APPLICANT; OR
- 2. SEEK THE WAGE HISTORY FOR AN APPLICANT FOR EMPLOYMENT ORALLY, IN WRITING, OR THROUGH AN EMPLOYEE OR AN AGENT OR FROM A CURRENT OR FORMER EMPLOYER.
- (2) AFTER AN EMPLOYER MAKES AN INITIAL OFFER OF EMPLOYMENT WITH AN OFFER OF COMPENSATION TO AN APPLICANT FOR EMPLOYMENT, AN EMPLOYER MAY:
- (I) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, RELY ON THE WAGE HISTORY VOLUNTARILY PROVIDED BY THE APPLICANT FOR EMPLOYMENT WITHOUT PROMPTING FROM THE EMPLOYER TO SUPPORT A WAGE OFFER HIGHER THAN THE INITIAL WAGE OFFERED BY THE EMPLOYER; OR
- (II) SEEK TO CONFIRM THE WAGE HISTORY VOLUNTARILY PROVIDED BY THE APPLICANT FOR EMPLOYMENT TO SUPPORT A WAGE OFFER HIGHER THAN THE INITIAL WAGE OFFERED BY THE EMPLOYER.

- (3) AN EMPLOYER MAY RELY ON WAGE HISTORY UNDER PARAGRAPH (2) OF THIS SUBSECTION ONLY IF THE HIGHER WAGE DOES NOT CREATE AN UNLAWFUL PAY DIFFERENTIAL BASED ON PROTECTED CHARACTERISTICS UNDER § 3–304 OF THIS SUBTITLE.
- (C) THIS SECTION MAY NOT BE CONSTRUED TO PROHIBIT AN APPLICANT FOR EMPLOYMENT FROM SHARING WAGE HISTORY WITH AN EMPLOYER VOLUNTARILY AND WITHOUT PROMPTING FROM THE EMPLOYER.

3 307

- (a) (1) If an employer knew or reasonably should have known that the employer's action violates § 3–304 of this subtitle, an affected employee may bring an action against the employer for injunctive relief and to recover the difference between the wages paid to employees of one sex or gender identity and the wages paid to employees of another sex or gender identity who do the same type work and an additional equal amount as liquidated damages.
- (2) If an employer knew or reasonably should have known that the employer's action violates § 3–304.1 of this subtitle, an affected employee may bring an action against the employer for injunctive relief and to recover actual damages and an additional equal amount as liquidated damages.
- (3) IF AN EMPLOYER VIOLATES § 3-304.2(A) OR (B)(1)(I) OF THIS SUBTITLE, AN AFFECTED APPLICANT FOR EMPLOYMENT MAY BRING AN ACTION AGAINST THE EMPLOYER FOR INJUNCTIVE RELIEF AND TO RECOVER ACTUAL DAMAGES.
- (4) IF AN EMPLOYER VIOLATES § 3–304.2(B)(1)(II) OF THIS SUBTITLE, AN AFFECTED APPLICANT FOR EMPLOYMENT MAY BRING AN ACTION AGAINST THE EMPLOYER:
  - (I) FOR INJUNCTIVE RELIEF; AND
  - (H) TO RECOVER, WHICHEVER IS GREATER:
    - 1. ACTUAL DAMAGES; OR
    - 2. STATUTORY DAMAGES, NOT TO EXCEED \$10,000.
- [(3)] (5) An employee OR APPLICANT FOR EMPLOYMENT may bring an action on behalf of the employee OR APPLICANT FOR EMPLOYMENT and other employees OR APPLICANTS FOR EMPLOYMENT similarly affected.

3 - 308.

- (a) An employer may not:
  - (1) willfully violate any provision of this subtitle;
- (2) hinder, delay, or otherwise interfere with the Commissioner or an authorized representative of the Commissioner in the enforcement of this subtitle;
- (3) refuse entry to the Commissioner or an authorized representative of the Commissioner into a place of employment that the Commissioner is authorized under this subtitle to inspect; [or]
- (4) discharge or otherwise discriminate against an employee **OR APPLICANT FOR EMPLOYMENT** because the employee **OR APPLICANT FOR EMPLOYMENT**:
- (i) makes a complaint to the employer, the Commissioner, or another person;
- (ii) brings an action under this subtitle or a proceeding that relates to the subject of this subtitle or causes the action or proceeding to be brought; or
- (iii) has testified or will testify in an action under this subtitle or a proceeding that relates to the subject of this subtitle; **OR** 
  - (5) VIOLATE § 3–304.2 OF THIS SUBTITLE.
  - (b) An employee **OR AN APPLICANT FOR EMPLOYMENT** may not:
- (1) make a groundless or malicious complaint to the Commissioner or an authorized representative of the Commissioner;
  - (2) in bad faith, bring an action under this subtitle;
- (3) in bad faith, bring a proceeding that relates to the subject of this subtitle; or
- (4) in bad faith, testify in an action under this subtitle or a proceeding that relates to the subject of this subtitle.
- (c) The Commissioner may bring an action for injunctive relief and damages against a person who violates subsection (a)(1)  $\{or\}$ , (4), or (4) of this section.

- (d) (1) [An] **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AN** employer who violates any provision of subsection (a)(2) or (3) of this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$300.
- (2) (i) This paragraph does not apply to a violation of § 3-304.2.
- (II) If an employer is found to have violated this subtitle two or more times within a 3-year period, the Commissioner or a court may require the employee to pay a civil penalty equal to 10% of the amount of damages owed by the employer.
- [(ii)] (III) Each civil penalty assessed under this paragraph shall be paid to the General Fund of the State to offset the cost of enforcing this subtitle.
- (E) (1) IF THE COMMISSIONER DETERMINES THAT AN EMPLOYER HAS VIOLATED § 3–304.2 OF THIS SUBTITLE, THE COMMISSIONER:
  - (I) SHALL ISSUE AN ORDER COMPELLING COMPLIANCE; AND
- (II) MAY, IN THE COMMISSIONER'S DISCRETION<del>, ASSESS A CIVIL PENALTY OF</del>:
- 1. FOR A FIRST VIOLATION, UP TO \$500 FOR EACH APPLICANT FOR EMPLOYMENT FOR WHOM THE EMPLOYER IS NOT IN ISSUE A LETTER TO THE EMPLOYER COMPELLING COMPLIANCE;
- 2. FOR A SECOND VIOLATION, <u>ASSESS A CIVIL PENALTY</u> OF UP TO \$1,000 \$300 FOR EACH APPLICANT FOR EMPLOYMENT FOR WHOM THE EMPLOYER IS NOT IN COMPLIANCE; OR
- 3. FOR EACH SUBSEQUENT VIOLATION, ASSESS A CIVIL PENALTY OF UP TO \$5,000 \$600 FOR EACH APPLICANT FOR EMPLOYMENT FOR WHOM THE EMPLOYER IS NOT IN COMPLIANCE IF THE VIOLATION OCCURRED WITHIN 3 YEARS AFTER A PREVIOUS DETERMINATION THAT A VIOLATION HAD OCCURRED.
- (2) IN DETERMINING THE AMOUNT OF THE PENALTY, IF ASSESSED, THE COMMISSIONER SHALL CONSIDER:
  - (I) THE GRAVITY OF THE VIOLATION;
  - (II) THE SIZE OF THE EMPLOYER'S BUSINESS;
  - (III) THE EMPLOYER'S GOOD FAITH; AND

- (IV) THE EMPLOYER'S HISTORY OF VIOLATIONS UNDER THIS SUBTITLE.
- (3) IF THE COMMISSIONER ASSESSES A PENALTY UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION, THE PENALTY SHALL BE SUBJECT TO THE NOTICE AND HEARING REQUIREMENTS OF TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 68

(House Bill 133)

AN ACT concerning

# Vehicle Emissions Inspection Program – Deployed Military Personnel – Exemption

FOR the purpose of exempting certain active duty members of the armed services of the United States who are subject to certain deployments from certain mandatory vehicle emissions inspections; requiring all owners of a motor vehicle for which an exemption is sought under this Act to certify in a certain manner that a certain individual is subject to certain deployment; and generally relating to exemptions from the vehicle emissions inspection program.

BY repealing and reenacting, with amendments,

Article – Transportation

Section 23–206.2

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

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

# **Article - Transportation**

23 - 206.2.

(a) (1) A motor vehicle for which special registration plates have been issued under § 13–616 of this article is exempt from the mandatory inspections required by this

subtitle if:

- (i) All of the owners of the motor vehicle meet the disability requirements of § 13–616(b)(1) of this article;
  - (ii) The motor vehicle is driven 5,000 miles or less annually; and
  - (iii) The exemption is not otherwise prohibited by federal law.
- (2) In order to qualify for an exemption under paragraph (1) of this subsection, all owners of the motor vehicle shall certify the following:
- (i) That the owner of the motor vehicle meets the disability requirements of § 13–616(b)(1) of this article;
- (ii) That the motor vehicle has been issued a special disabled person's registration number and special registration plates under § 13–616 of this article;
  - (iii) That the motor vehicle is driven 5,000 miles or less annually; and
- (iv) The motor vehicle's odometer reading at the time of the certification.
- (3) The certification required in paragraph (2) of this subsection shall be made on a form provided by the Administration.
- (b) (1) A motor vehicle owned by an individual who is at least 70 years of age at the time of a scheduled mandatory inspection under this subtitle is exempt from the mandatory inspections required by this subtitle if:
- (i) All of the owners of the motor vehicle are at least 70 years of age at the time of the scheduled mandatory inspection under this subtitle;
- (ii) The motor vehicle is being driven 5,000 miles or less annually; and
  - (iii) The exemption is not otherwise prohibited by federal law.
- (2) In order to qualify for an exemption under paragraph (1) of this subsection, all owners of the motor vehicle shall certify the following:
- (i) That all of the owners of the motor vehicle are at least 70 years of age at the time of a scheduled mandatory inspection under this subtitle;
- (ii) That the motor vehicle is being driven 5,000 miles or less annually; and

- (iii) The motor vehicle's odometer reading at the time of the certification.
- (3) The certification required in paragraph (2) of this subsection shall be made on a form provided by the Administration.
- (C) (1) A MOTOR VEHICLE OWNED BY AT LEAST ONE ACTIVE DUTY MEMBER OF THE ARMED SERVICES OF THE UNITED STATES AT THE TIME OF A SCHEDULED MANDATORY INSPECTION UNDER THIS SUBTITLE IS EXEMPT FROM THE MANDATORY INSPECTIONS REQUIRED BY THIS SUBTITLE IF:
- (I) AN OWNER OF THE MOTOR VEHICLE WHO IS A MEMBER OF THE ARMED SERVICES OF THE UNITED STATES HAS RECEIVED MILITARY ORDERS:
  - 1. FOR DEPLOYMENT OUTSIDE THE UNITED STATES; OR
- 2. TO A DUTY STATION IN A JURISDICTION THAT IS NOT SUBJECT TO A VEHICLE EMISSIONS CONTROL INSPECTION AND MAINTENANCE PROGRAM; AND
- (II) THE EXEMPTION IS NOT OTHERWISE PROHIBITED BY FEDERAL LAW.
- (2) IN ORDER TO QUALIFY FOR AN EXEMPTION UNDER PARAGRAPH (1) OF THIS SUBSECTION, ALL OWNERS OF THE MOTOR VEHICLE SHALL CERTIFY THAT AT LEAST ONE OWNER OF THE MOTOR VEHICLE HAS RECEIVED MILITARY ORDERS FOR DEPLOYMENT OUTSIDE THE UNITED STATES OR TO A DUTY STATION IN A JURISDICTION THAT IS NOT SUBJECT TO A VEHICLE EMISSIONS CONTROL INSPECTION AND MAINTENANCE PROGRAM.
- (3) THE CERTIFICATION REQUIRED IN PARAGRAPH (2) OF THIS SUBSECTION SHALL BE MADE ON A FORM PROVIDED BY THE ADMINISTRATION.
- [(c)] **(D)** The Administrator may adopt regulations as necessary to administer or enforce the provisions of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 69

#### (House Bill 138)

# AN ACT concerning

# Anne Arundel County - Alcoholic Beverages - Off-Sale Licenses - Assessment Districts

FOR the purpose of defining the term "assessment district" in a provision relating to the issuance of certain off—sale alcoholic beverages licenses in Anne Arundel County; and generally relating to alcoholic beverages licenses in Anne Arundel County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 11–102

Annotated Code of Maryland

(2016 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 11-1602

Annotated Code of Maryland

(2016 Volume and 2019 Supplement)

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

## Article - Alcoholic Beverages

11-102.

This title applies only in Anne Arundel County.

11-1602.

- (a) IN THIS SECTION, "ASSESSMENT DISTRICT" MEANS A TAX ASSESSMENT DISTRICT ESTABLISHED BY THE COUNTY THROUGH LOCAL LAW.
- **(B)** The Board may issue a Class A (off-sale), Class B (off-sale), or Class D (off-sale) license based on its determination of whether the license is necessary to accommodate the public.
- [(b)] (C) In making its determination, the Board may consider whether the establishment for which the license would be issued is in:

- (1) [a] AN ASSESSMENT district in which the ratio of off–sale licenses per individual is more than one per 4,000 individuals; or
- (2) [a] AN ASSESSMENT district in which the ratio of off—sale licenses per individual is less than one per 4,000 individuals.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 70

(Senate Bill 52)

AN ACT concerning

# Anne Arundel County - Alcoholic Beverages - Off-Sale Licenses - Assessment Districts

FOR the purpose of defining the term "assessment district" in a provision relating to the issuance of certain off—sale alcoholic beverages licenses in Anne Arundel County; and generally relating to alcoholic beverages licenses in Anne Arundel County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages Section 11–102

Annotated Code of Maryland

(2016 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 11-1602

Annotated Code of Maryland

(2016 Volume and 2019 Supplement)

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

## **Article - Alcoholic Beverages**

11-102.

This title applies only in Anne Arundel County.

11-1602.

- (a) IN THIS SECTION, "ASSESSMENT DISTRICT" MEANS A TAX ASSESSMENT DISTRICT ESTABLISHED BY THE COUNTY THROUGH LOCAL LAW.
- **(B)** The Board may issue a Class A (off-sale), Class B (off-sale), or Class D (off-sale) license based on its determination of whether the license is necessary to accommodate the public.
- [(b)] (C) In making its determination, the Board may consider whether the establishment for which the license would be issued is in:
- (1) [a] AN ASSESSMENT district in which the ratio of off—sale licenses per individual is more than one per 4,000 individuals; or
- (2) [a] AN ASSESSMENT district in which the ratio of off—sale licenses per individual is less than one per 4,000 individuals.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  $1,\,2020.$ 

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 71

(House Bill 139)

AN ACT concerning

Consumer Protection - Electronic Transactions - Sale and Lease of Vehicles

FOR the purpose of providing that only a dealer may contract for the sale and delivery of a vehicle by electronic means except under certain circumstances; providing that a consumer shall be deemed not to have agreed to enter into a centract transaction for the sale or lease of a vehicle with a dealer by electronic means except under certain circumstances; requiring, under certain circumstances, that a vehicle be delivered to a consumer at a certain location and, except under certain circumstances, within a certain time period after the execution of the vehicle contract by electronic means; defining certain terms; providing for the application of this Act; and generally relating to electronic transactions for the sale and leases of vehicles.

BY repealing and reenacting, without amendments,

 $Article-Commercial\ Law$ 

Section 21–101(a) and (e)

Annotated Code of Maryland (2013 Replacement Volume and 2019 Supplement)

## BY adding to

Article – Commercial Law Section 21–101(d–1), (e–1), and (r) Annotated Code of Maryland (2013 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Commercial Law Section 21–104 Annotated Code of Maryland (2013 Replacement Volume and 2019 Supplement)

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

#### Article - Commercial Law

21-101.

(a) In this title the following words have the meanings indicated.

# (D-1) "CONSUMER" HAS THE MEANING STATED IN § 13-101 OF THIS ARTICLE.

- (e) "Contract" means the total legal obligation resulting from the parties' agreement as affected by this title and other applicable law.
- (E-1) "DEALER" HAS THE MEANING STATED IN § 15-101 OF THE TRANSPORTATION ARTICLE.
- (R) "VEHICLE" HAS THE MEANING STATED IN § 11–176 OF THE TRANSPORTATION ARTICLE.

21 - 104.

- (a) This title does not require a record or signature to be created, generated, sent, communicated, received, stored, or otherwise processed or used by electronic means or in electronic form.
- (b) (1) This title applies only to transactions between parties, each of which has agreed to conduct transactions by electronic means.

- (2) Whether the parties have agreed to conduct a transaction by electronic means is determined from the context and surrounding circumstances, including the parties' conduct.
- (3) Except for a separate and optional agreement the primary purpose of which is to authorize a transaction to be conducted by electronic means, a provision to conduct a transaction electronically may not be contained in a standard form contract unless that provision is conspicuously displayed and separately consented to.
- (4) An agreement to conduct a transaction electronically may not be inferred solely from the fact that a party has used electronic means to pay an account or register a purchase warranty.
- (5) (I) ONLY EXCEPT AS PROVIDED IN PARAGRAPH (6) OF THIS SUBSECTION, ONLY A DEALER MAY CONTRACT FOR THE SALE AND DELIVERY OF A VEHICLE BY ELECTRONIC MEANS.
- (II) A CONSUMER SHALL BE DEEMED NOT TO HAVE AGREED TO ENTER INTO A CONTRACT TRANSACTION FOR THE SALE OR LEASE OF A VEHICLE WITH A DEALER BY ELECTRONIC MEANS UNLESS THE DEALER PROVIDES ♣ THE CONSUMER WITH:
- (1) 1. A CLEAR AND READABLE COPY OF THE COMPLETE CONTRACT EACH DOCUMENT SIGNED BY THE CONSUMER AND THE DEALER IN AN ELECTRONIC OR WRITTEN FORMAT; AND
- (H) <u>2.</u> REASONABLE OPPORTUNITY FOR THE CONSUMER TO REVIEW THE <del>COPY OF THE CONTRACT</del> <u>DOCUMENTS</u> BEFORE PROVIDING AN ELECTRONIC SIGNATURE.
- (III) IF THE VEHICLE IS NOT DELIVERED TO THE CONSUMER AT THE DEALERSHIP ON EXECUTION BY THE DEALER AND CONSUMER OF A VEHICLE CONTRACT BY ELECTRONIC MEANS, THE DEALER SHALL DELIVER THE VEHICLE FROM THE DEALER'S PRIMARY BUSINESS LOCATION TO A PHYSICAL ADDRESS PROVIDED BY THE CONSUMER AND AT A DATE AND TIME:
  - 1. AGREED ON BY THE BUYER AND THE DEALER; AND
- 2. That is within 7 business days after the execution of the vehicle contract unless the consumer agrees in writing to a different delivery date.
- (6) (I) A PERSON DESCRIBED UNDER § 15–101(C)(3)(I), (II), (III), (IV), (V), (VI), (VII), (VIII), OR (IX) OF THE TRANSPORTATION ARTICLE MAY CONTRACT FOR THE SALE OF A VEHICLE BY ELECTRONIC MEANS.

- (II) A CONSUMER SHALL BE DEEMED NOT TO HAVE AGREED TO ENTER INTO A TRANSACTION FOR THE SALE OR LEASE OF A VEHICLE WITH A PERSON DESCRIBED UNDER § 15–101(C)(3)(I), (II), (III), (IV), (V), (VI), (VII), (VIII), OR (IX) OF THE TRANSPORTATION ARTICLE UNLESS THE CONSUMER IS PROVIDED WITH:
- 1. A CLEAR AND READABLE COPY OF EACH DOCUMENT SIGNED BY THE CONSUMER AND THE SELLER IN AN ELECTRONIC OR A WRITTEN FORMAT; AND

# 2. REASONABLE OPPORTUNITY FOR THE CONSUMER TO REVIEW THE DOCUMENTS BEFORE PROVIDING AN ELECTRONIC SIGNATURE.

- (7) This subsection may not be varied by agreement.
- (c) (1) A party that agrees to conduct a transaction by electronic means may refuse to conduct other transactions by electronic means.
  - (2) The right granted by this subsection may not be waived by agreement.
- (d) (1) Except as otherwise provided in this title, the effect of any of its provisions may be varied by agreement.
- (2) The presence in provisions of this title of the words "unless otherwise agreed", or words of similar import, does not imply that the effect of other provisions may not be varied by agreement.
- (e) Whether an electronic record or electronic signature has legal consequences is determined by this title and other applicable law.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any electronic transactions for the sale of a vehicle that were entered into before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 72

(Senate Bill 134)

## AN ACT concerning

## Consumer Protection - Electronic Transactions - Sale and Lease of Vehicles

FOR the purpose of <u>providing that only a dealer may contract for the sale and delivery of a vehicle by electronic means except under certain circumstances</u>; providing that a consumer shall be deemed not to have agreed to enter into a <u>contract transaction</u> for the sale <u>or lease</u> of a vehicle with a dealer by electronic means except under certain circumstances; <u>requiring, under certain circumstances</u>, that a vehicle be delivered to a consumer at a certain location and, except under certain circumstances, within a <u>certain time period after the execution of the vehicle contract by electronic means</u>; defining certain terms; providing for the application of this Act; and generally relating to electronic transactions for the sale and leases of vehicles.

BY repealing and reenacting, without amendments,

Article – Commercial Law Section 21–101(a) and (e) Annotated Code of Maryland (2013 Replacement Volume and 2019 Supplement)

## BY adding to

Article – Commercial Law Section 21–101(d–1), (e–1), and (r) Annotated Code of Maryland (2013 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Commercial Law
Section 21–104
Annotated Code of Maryland
(2013 Replacement Volume and 2019 Supplement)

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

#### Article - Commercial Law

21-101.

(a) In this title the following words have the meanings indicated.

# (D-1) "CONSUMER" HAS THE MEANING STATED IN § 13-101 OF THIS ARTICLE.

(e) "Contract" means the total legal obligation resulting from the parties' agreement as affected by this title and other applicable law.

- (E–1) "Dealer" has the meaning stated in § 15-101 of the Transportation Article.
- (R) "VEHICLE" HAS THE MEANING STATED IN § 11–176 OF THE TRANSPORTATION ARTICLE.

21 - 104.

- (a) This title does not require a record or signature to be created, generated, sent, communicated, received, stored, or otherwise processed or used by electronic means or in electronic form.
- (b) (1) This title applies only to transactions between parties, each of which has agreed to conduct transactions by electronic means.
- (2) Whether the parties have agreed to conduct a transaction by electronic means is determined from the context and surrounding circumstances, including the parties' conduct.
- (3) Except for a separate and optional agreement the primary purpose of which is to authorize a transaction to be conducted by electronic means, a provision to conduct a transaction electronically may not be contained in a standard form contract unless that provision is conspicuously displayed and separately consented to.
- (4) An agreement to conduct a transaction electronically may not be inferred solely from the fact that a party has used electronic means to pay an account or register a purchase warranty.
- (5) (I) ONLY EXCEPT AS PROVIDED IN PARAGRAPH (6) OF THIS SUBSECTION, ONLY A DEALER MAY CONTRACT FOR THE SALE AND DELIVERY OF A VEHICLE BY ELECTRONIC MEANS.
- (II) A CONSUMER SHALL BE DEEMED NOT TO HAVE AGREED TO ENTER INTO A CONTRACT TRANSACTION FOR THE SALE OR LEASE OF A VEHICLE WITH A DEALER BY ELECTRONIC MEANS UNLESS THE DEALER PROVIDES  $\bigstar$  THE CONSUMER WITH:
- (1) 1. A CLEAR AND READABLE COPY OF THE COMPLETE CONTRACT EACH DOCUMENT SIGNED BY THE CONSUMER AND THE DEALER IN AN ELECTRONIC OR WRITTEN FORMAT; AND
- (H) <u>2.</u> Reasonable opportunity for the consumer to review the <del>copy of the contract</del> <u>documents</u> before providing an electronic signature.

- (III) IF THE VEHICLE IS NOT DELIVERED TO THE CONSUMER AT THE DEALERSHIP ON EXECUTION BY THE DEALER AND CONSUMER OF A VEHICLE CONTRACT BY ELECTRONIC MEANS, THE DEALER SHALL DELIVER THE VEHICLE FROM THE DEALER'S PRIMARY BUSINESS LOCATION TO A PHYSICAL ADDRESS PROVIDED BY THE CONSUMER AND AT A DATE AND TIME:
  - 1. AGREED ON BY THE BUYER AND THE DEALER; AND
- 2. That is within 7 business days after the execution of the vehicle contract unless the consumer agrees in writing to a different delivery date.
- (6) (I) A PERSON DESCRIBED UNDER § 15–101(C)(3)(I), (II), (III), (IV), (V), (VI), (VII), OR (IX) OF THE TRANSPORTATION ARTICLE MAY CONTRACT FOR THE SALE OF A VEHICLE BY ELECTRONIC MEANS.
- (II) A CONSUMER SHALL BE DEEMED NOT TO HAVE AGREED TO ENTER INTO A TRANSACTION FOR THE SALE OR LEASE OF A VEHICLE WITH A PERSON DESCRIBED UNDER § 15–101(C)(3)(I), (II), (III), (IV), (V), (VI), (VII), (VIII), OR (IX) OF THE TRANSPORTATION ARTICLE UNLESS THE CONSUMER IS PROVIDED WITH:
- 1. A CLEAR AND READABLE COPY OF EACH DOCUMENT SIGNED BY THE CONSUMER AND THE SELLER IN AN ELECTRONIC OR A WRITTEN FORMAT; AND
- 2. REASONABLE OPPORTUNITY FOR THE CONSUMER TO REVIEW THE DOCUMENTS BEFORE PROVIDING AN ELECTRONIC SIGNATURE.
  - (7) This subsection may not be varied by agreement.
- (c) (1) A party that agrees to conduct a transaction by electronic means may refuse to conduct other transactions by electronic means.
  - (2) The right granted by this subsection may not be waived by agreement.
- (d) (1) Except as otherwise provided in this title, the effect of any of its provisions may be varied by agreement.
- (2) The presence in provisions of this title of the words "unless otherwise agreed", or words of similar import, does not imply that the effect of other provisions may not be varied by agreement.
- (e) Whether an electronic record or electronic signature has legal consequences is determined by this title and other applicable law.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any electronic transactions for the sale of a vehicle that were entered into before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 73

(House Bill 141)

AN ACT concerning

## Life and Health Insurance Guaranty Corporation Act – Revisions

FOR the purpose of revising the Life and Health Insurance Guaranty Corporation Act; altering the purpose of the Act; altering the persons to whom and circumstances under which the Life and Health Insurance Guaranty Corporation is required to provide certain coverage; providing that the Act does not provide coverage to persons who acquire the right to receive certain payments; altering the policies and contracts issued by member insurers that may not be provided coverage under the Act; prohibiting coverage from being provided under the Act for certain structured settlement annuity benefits; requiring member insurers to be and remain members of the Corporation as a condition of their authority to transact certain business in the State; altering the minimum and maximum number of members of the Board of Directors of the Corporation; authorizing the Corporation to take certain action for member insurers that are impaired insurers; authorizing the Corporation to take certain action for member insurers that are insolvent insurers; requiring that certain premiums belong to and be payable at the direction of the Corporation; requiring the Corporation to provide a certain report to a certain liquidator if requested by the liquidator; providing that the Corporation is liable for certain premiums under certain circumstances; altering the matters for which the Corporation has standing to appear or intervene in certain matters; authorizing the Corporation to require a certain enrollee to assign certain rights to the Corporation; authorizing the Corporation, subject to approval of the Maryland Insurance Commissioner, to issue substitute coverage for certain policies and contracts in carrying out its duties in connection with assuming or reissuing certain policies and contracts; altering the circumstances under which the Corporation is not liable for certain care; altering the maximum amount of certain benefits for which the Corporation may become liable; altering certain contractual obligations of certain impaired or insolvent insurers for which the Corporation may become liable under certain circumstances; providing that certain benefits shall be considered as benefits from a certain contract or policy;

altering the rights and obligations of a ceding member insurer to which the Corporation is authorized to elect to succeed; applying certain rights and obligations of the Corporation to certain reinsurance contracts assumed by the Corporation under certain circumstances; applying a certain calculation requirement to certain contracts assumed by the Corporation; prohibiting certain reinsurers from taking certain actions relating to reinsurance contracts under certain circumstances; authorizing reinsurance on certain contracts to be transferred by the Corporation under certain circumstances; altering the circumstances under which reinsurance on certain policies and annuities can be transferred by the Corporation; providing that certain provisions of law do not give contract owners, enrollees, or certificate holders a certain cause of action; altering the powers of the Corporation; exempting assessments related to long-term care insurance from the requirement that the amount of certain assessments be allocated for certain purposes; requiring that a certain assessment be allocated according to a certain methodology approved by the Commissioner; authorizing a member insurer to consider certain information in determining certain rates and dividends for certain health maintenance organization business; requiring that a certain plan submitted by the Corporation be deemed approved on a certain day except under certain circumstances; altering certain duties and powers of the Commissioner; applying certain rights and obligations of the Commissioner and the Board with respect to member insurer impairments to member insurer insolvencies; altering the contributions that a court may consider before taking certain actions; altering the list of persons whose welfare a court is required to consider when making a certain determination; establishing that it is a prohibited unfair method of competition, subject to certain provisions of law, for a person to use certain protection in the sale of health maintenance organization coverage; altering the circumstances under which a member insurer or insurance producer is prohibited from delivering a certain policy or contract; providing that certain provisions of State insurance law apply to health maintenance organizations; making certain technical corrections; defining certain terms and altering certain definitions; making stylistic and conforming changes; and generally relating to the Life and Health Insurance Guaranty Corporation Act.

# BY adding to

Article – Health – General Section 19–706(o) Annotated Code of Maryland (2019 Replacement Volume)

BY repealing and reenacting, without amendments, Article – Insurance

Article – Insurance Section 1–101(a) and (dd) Annotated Code of Maryland (2017 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments, Article – Insurance

Section 9–401 through 9–403, 9–405 through 9–407, 9–407.1, 9–408 through 9–412, and 9–414

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

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

## Article - Health - General

<u>19-706.</u>

# (O) THE PROVISIONS OF TITLE 9, SUBTITLE 4 OF THE INSURANCE ARTICLE APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

#### Article - Insurance

1-101.

- (a) In this article the following words have the meanings indicated.
- (dd) "Person" means an individual, receiver, trustee, guardian, personal representative, fiduciary, representative of any kind, partnership, firm, association, corporation, or other entity.

9-401.

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Account" means:
  - (1) the health [insurance] account;
  - (2) the life insurance account; or
  - (3) the annuity account.
- (c) "Association" means the Corporation or any similar organization that has been formed in another state that serves the same purpose as the Corporation for the other state.
- (d) "Contractual obligation" means an obligation under a policy or contract or certificate under a group policy or contract for which coverage is provided under  $\S$  9–403 of this subtitle.
  - (e) "Corporation" means the Life and Health Insurance Guaranty Corporation.

- (f) "Covered policy" <u>OR "COVERED CONTRACT"</u> means a policy or contract to which this subtitle applies.
  - (G) (1) "HEALTH BENEFIT PLAN" MEANS:
- (I) A HOSPITAL OR MEDICAL EXPENSE POLICY OR CERTIFICATE;
- (II) A HEALTH MAINTENANCE ORGANIZATION SUBSCRIBER CONTRACT OR GROUP MASTER CERTIFICATE; OR
  - (III) ANY OTHER SIMILAR HEALTH CONTRACT.
  - (2) "HEALTH BENEFIT PLAN" DOES NOT INCLUDE:
    - (I) ACCIDENT-ONLY INSURANCE;
    - (II) CREDIT INSURANCE;
    - (III) DENTAL-ONLY INSURANCE;
    - (IV) VISION-ONLY INSURANCE;
    - (V) MEDICARE SUPPLEMENT INSURANCE;
- (VI) BENEFITS FOR LONG-TERM CARE, HOME HEALTH CARE, COMMUNITY-BASED CARE, OR ANY COMBINATION OF THESE BENEFITS;
  - (VII) DISABILITY INSURANCE;
  - (VIII) COVERAGE FOR ON-SITE MEDICAL CLINICS; OR
- (IX) SPECIFIED DISEASE, HOSPITAL CONFINEMENT INDEMNITY, OR LIMITED BENEFIT HEALTH INSURANCE IF THE TYPES OF COVERAGE:
  - 1. DO NOT PROVIDE COORDINATION OF BENEFITS; AND
- 2. ARE PROVIDED UNDER SEPARATE POLICIES OR CERTIFICATES.
  - [(g)] (H) "Impaired insurer" means [an] A MEMBER insurer that:
- (1) after July 1, 1971, is not an insolvent insurer and is placed under an order of rehabilitation or conservation by a court of competent jurisdiction; or

- (2) is determined by the Commissioner after July 1, 1971, to be unable or potentially unable to fulfill its contractual obligations.
- [(h)] (I) "Individual" means a natural person covered under an individual policy OR CONTRACT or covered as a member OR AN ENROLLEE under a group policy OR CONTRACT.
- [(i)] (J) "Insolvent insurer" means a member insurer that, after July 1, 1971, is placed under an order of liquidation by a court of competent jurisdiction with a finding of insolvency.
- [(j)] (K) (1) "Member insurer" means an authorized insurer [that writes a] OR A HEALTH MAINTENANCE ORGANIZATION THAT IS LICENSED OR THAT HOLDS A CERTIFICATE OF AUTHORITY TO TRANSACT IN THE STATE ANY kind of insurance OR HEALTH MAINTENANCE ORGANIZATION BUSINESS to which this subtitle applies.
- (2) "Member insurer" includes an insurer **OR A HEALTH MAINTENANCE ORGANIZATION** whose license or certificate of authority in the State may have been suspended, revoked, not renewed, or voluntarily withdrawn.
  - (3) "Member insurer" does not include:
    - (i) **[**a health maintenance organization;
    - (ii) a fraternal benefit society;
    - [(iii)] (II) a mandatory State pooling plan;
- [(iv)] (III) a mutual assessment company or other entity that operates on an assessment basis; or
  - [(v)] (IV) an insurance exchange.
- [(k)] (L) "Moody's corporate bond yield average" means the monthly average yield on corporate bonds as published by Moody's Investors Service, Inc.
- (M) (1) "OWNER" MEANS THE OWNER OR HOLDER OF A POLICY OR CONTRACT WHO IS:
- (I) IDENTIFIED AS THE LEGAL OWNER UNDER THE TERMS OF THE POLICY OR CONTRACT OR WHO IS OTHERWISE VESTED WITH LEGAL TITLE TO THE POLICY OR CONTRACT THROUGH A VALID ASSIGNMENT COMPLETED IN ACCORDANCE WITH THE TERMS OF THE POLICY OR CONTRACT; AND

- (II) PROPERLY RECORDED AS THE OWNER OF THE POLICY OR CONTRACT ON THE BOOKS OF THE MEMBER INSURER.
- (2) "OWNER" DOES NOT INCLUDE A PERSON WHO HAS ONLY A BENEFICIAL INTEREST IN A POLICY OR CONTRACT.
- (N) "PERSON" INCLUDES ★ AN INDIVIDUAL, A CORPORATION, A LIMITED LIABILITY COMPANY, A PARTNERSHIP, AN ASSOCIATION, A GOVERNMENTAL BODY OR ENTITY, OR A VOLUNTARY ORGANIZATION.
- [(1)] (O) (1) "Premiums" means amounts received on covered policies or contracts, less premiums, considerations, and deposits returned, and less dividends and experience credits.
- (2) "Premiums" does not include amounts for policies or contracts, or for parts of policies or contracts, for which coverage is not provided under § 9–403(g) of this subtitle.
- [(m)] (P) "Resident" means a person that resides in the State on the date of entry of a court order that determines a member insurer to be an impaired insurer or a court order that determines a member insurer to be an insolvent insurer and to whom a contractual obligation is owed.
- [(n)] (Q) "Structured settlement annuity" means an annuity purchased in order to fund periodic payments for a plaintiff or any other claimant in payment for or with respect to personal injury suffered by the plaintiff or other claimant.
- [(o)] (R) "Supplemental contract" means an agreement entered into for the distribution of policy or contract proceeds.

9-402.

Subject to certain limitations, the purpose of this subtitle is to protect persons specified in § 9–403(a) through (f) of this subtitle who are policy owners, contract owners, certificate holders, beneficiaries, **ENROLLEES**, payees, and assignees of life insurance policies, health insurance policies, annuity contracts, and supplemental **POLICIES**, **PLANS**, **OR** contracts specified in § 9–403(g) of this subtitle against failure in the performance of contractual obligations due to the impairment or insolvency of the **MEMBER** insurer that issued the policies, **PLANS**, or contracts.

9-403.

(a) This subtitle is intended to provide coverage to a person who is a resident of this State and, in special circumstances, to a nonresident.

- (b) (1) For contracts other than structured settlement annuities, subject to paragraph (2) of this subsection, coverage shall be provided under this subtitle for the policies or contracts specified in subsection (g) of this section to a person who is:
- (i) a resident and an owner of or certificate holder **OR ENROLLEE** under the policy or contract; or
- (ii) a nonresident and an owner of or certificate holder **OR ENROLLEE** under the policy or contract, if:
- 1. the **MEMBER** insurer that issued the policy or contract is domiciled in this State;
- 2. the state in which the nonresident resides has an insurance guaranty corporation or its equivalent similar to the Corporation established by  $\S 9-405$  of this subtitle; and
- 3. the nonresident is not eligible for coverage by the insurance guaranty corporation or its equivalent in the state in which the nonresident resides because the insurer **OR HEALTH MAINTENANCE ORGANIZATION** was not licensed in that state at the time specified in that state's guaranty corporation or association law.
- (2) Coverage shall be provided under this subtitle for the policies or contracts specified in paragraph (1) of this subsection to a beneficiary, assignee, or payee, INCLUDING A HEALTH CARE PROVIDER RENDERING SERVICES COVERED UNDER HEALTH CARE INSURANCE POLICIES, CONTRACTS, OR CERTIFICATES, of a person covered under paragraph (1) of this subsection, regardless of the person's residence.
- (c) Except as provided in subsections (a), (d), and (e) of this section, this subtitle shall provide coverage to a person who is a payee under a structured settlement annuity or beneficiary of a payee if the payee is deceased, if:
- (1) (i) the payee is a resident, regardless of where the contract owner resides; or
  - (ii) the payee is not a resident and:
- 1. the contract owner of the structured settlement annuity is a resident; or
- 2. A. the contract owner of the structured settlement annuity is not a resident;
- B. the insurer that issued the structured settlement annuity is domiciled in this State; and

- C. the state in which the contract owner resides has an association similar to the Corporation; and
- (2) the payee or beneficiary, and the contract owner are not eligible for coverage by the association of the state in which the payee or contract owner resides.
  - (d) This subtitle does not provide coverage to:
- (1) a person who is a payee or beneficiary of a contract owner who is a resident of this State, if the payee or beneficiary is provided any coverage by the association of another state; [or]
- (2) a person who otherwise would receive coverage under this subtitle, if the person is provided coverage under the laws of another state; **OR**
- (3) A PERSON WHO ACQUIRES THE RIGHT TO RECEIVE PAYMENTS THROUGH A STRUCTURED SETTLEMENT FACTORING TRANSACTION, AS DEFINED IN 26 U.S.C. § 5891(C)(3)(A), REGARDLESS OF WHETHER THE TRANSACTION OCCURRED BEFORE OR AFTER THE EFFECTIVE DATE OF 26 U.S.C. § 5891(C)(3)(A).
- (e) To determine coverage under this section under circumstances in which a person could be covered by the association of more than one state, whether as an owner, a payee, **AN ENROLLEE**, a beneficiary, or an assignee, this subtitle shall be construed in conjunction with other state laws to result in coverage by only one association.
- (f) (1) To determine coverage under this section, a person may be a resident of only one state.
- (2) To determine coverage under this section, a person shall be treated as a resident of the state of domicile of the insurer **OR HEALTH MAINTENANCE ORGANIZATION** that issued the relevant policy or contract if:
- (i) the person is a citizen of the United States and is a resident of a foreign country; or
- (ii) the person is a resident of a United States possession, territory, or protectorate that does not have an association similar to the Corporation.
- (g) (1) Except as provided in paragraph (2) of this subsection or otherwise limited by this subtitle, coverage shall be provided under this subtitle to persons specified in subsections (b) and (c) of this section for the following policies and contracts issued by member insurers:
- (i) direct, nongroup life <u>INSURANCE</u>, health <u>INSURANCE</u>, <u>WHICH</u>
  <u>FOR THE PURPOSES OF THIS SUBTITLE INCLUDES HEALTH MAINTENANCE</u>
  ORGANIZATION SUBSCRIBER CONTRACTS AND GROUP MASTER CERTIFICATES,

annuity ANNUITIES, including structured settlement annuities, and supplemental policies or contracts to any of these; or

- (ii) certificates under direct, group policies or contracts, and supplemental policies or contracts to any of these.
  - (2) Coverage may not be provided under this subtitle for:
- (i) any part of a policy or contract that is not guaranteed by the **MEMBER** insurer, or under which the risk is borne by the policyholder or contract holder;
- (ii) a policy or contract of reinsurance, unless assumption certificates have been issued;
- (iii) EXCEPT FOR A PART OF A POLICY OR CONTRACT, INCLUDING A RIDER, THAT PROVIDES LONG—TERM CARE OR ANY OTHER HEALTH INSURANCE BENEFITS, any part of a policy or contract to the extent that the rate of interest on which it is based or the interest rate, crediting rate, or similar factor determined by use of an index or other external reference stated in the policy or contract employed in calculating returns or changes in value:
- 1. averaged over the period of 4 years before the date on which the Corporation becomes obligated with respect to the policy or contract, exceeds a rate of interest determined by subtracting 2 percentage points from Moody's corporate bond yield average for the 4-year period before the date on which the Corporation became obligated or, if the policy or contract was issued less than 4 years before the Corporation became obligated, for that period; or
- 2. on or after the date on which the Corporation becomes obligated with respect to the policy or contract, exceeds the rate of interest determined by subtracting 3 percentage points from the most recent published Moody's corporate bond yield average;
- (iv) a plan or program of an employer, association, or similar entity to provide life, health, or annuity benefits to its employees or members to the extent that the plan or program is self—funded or uninsured, including benefits payable by an employer, association, or similar entity under:
- 1. a multiple employer welfare arrangement, as defined in 29 U.S.C. § 1002(40);
  - 2. a minimum premium group insurance plan;
  - 3. a stop-loss group insurance plan; or
  - 4. an administrative services only contract;

- (v) any part of a policy or contract to the extent that it provides dividends or experience rating credits or provides that a fee or allowances be paid to any person, including the policy or contract holder, in connection with the service to or administration of the policy or contract;
- (vi) a policy or contract issued in the State by a member insurer at a time when it was not licensed or did not have a certificate of authority to issue the policy or contract in the State;
- (vii) an annuity contract or group annuity certificate that is not issued to and owned by an individual, except to the extent of annuity benefits guaranteed to an individual by an insurer under the annuity contract or group certificate, including the following contracts:
  - 1. unallocated funding agreements;
  - 2. unallocated annuity contract benefits;
  - 3. deposit administration contracts; or
  - 4. guaranteed investment contract accounts;
- (viii) a policy issued by an organization as provided in  $\S 1-202(3)$  of this article;
  - (ix) an annuity agreement issued under § 16–114 of this article;
- (x) a portion of a policy or contract to the extent that the assessments required by § 9–409 of this subtitle with respect to the policy or contract are preempted by federal or state law;
- (xi) an obligation that does not arise under the express written terms of the policy or contract issued by the **MEMBER** insurer to the **ENROLLEE**, **CERTIFICATE HOLDER**, contract owner, or policy owner, including without limitation:
  - 1. claims made on marketing materials;
- 2. claims based on side letters, riders, or other documents that were issued by the **MEMBER** insurer without meeting applicable policy form **OR CONTRACT** filing or approval requirements;
- 3. misrepresentations of or regarding policy **OR CONTRACT** benefits:
  - 4. extra-contractual claims; and

5. a claim for penalties or consequential or incidental damages;

(xii) subject to paragraph (3) of this subsection, a portion of a policy or contract to the extent that it provides for interest or other changes in value to be determined by the use of an index or other external reference stated in the policy or contract, but which have not been credited to the policy or contract, or as to which the policy or contract owner's rights are subject to forfeiture, as of the date the member insurer becomes an impaired insurer or insolvent insurer under this subtitle, whichever is earlier; [or]

(xiii) a policy or contract providing any hospital, medical, prescription drug, or other health care benefits under ANY OF THE FOLLOWING PROVISIONS OR REGULATIONS ADOPTED UNDER ONE OF THE FOLLOWING PROVISIONS:

1. TITLE 42, CHAPTER 7, SUBCHAPTER XVIII, Part C or Part D [of Subchapter XVIII, Chapter 7 of Title 42] of the United States Code[, commonly known as Medicare Part C & D, or any regulations adopted under it] ("MEDICARE PART C & D");

2. TITLE 42, CHAPTER 7, SUBCHAPTER XIX OF THE UNITED STATES CODE ("MEDICAID"); OR

3. TITLE 15, SUBTITLE 3 OF THE HEALTH – GENERAL ARTICLE; OR

(XIV) A STRUCTURED SETTLEMENT ANNUITY BENEFIT TO WHICH A PAYEE, OR BENEFICIARY OF A PAYEE IF THE PAYEE IS DECEASED, HAS TRANSFERRED THE RIGHTS IN A STRUCTURED SETTLEMENT FACTORING TRANSACTION, AS DEFINED IN 26 U.S.C. § 5891(C)(3)(A), REGARDLESS OF WHETHER THE TRANSACTION OCCURRED BEFORE OR AFTER THE EFFECTIVE DATE OF 26 U.S.C. § 5891(C)(3)(A).

(3) If a policy's or contract's interest or changes in value are credited less frequently than annually, then to determine the values that have been credited and are not subject to forfeiture under this subsection, the interest or change in value determined by using the procedures defined in the policy or contract will be credited as if the contractual date of crediting interest or changing values was the date of impairment or insolvency, whichever is earlier, and will not be subject to forfeiture.

9-405.

(a) (1) There is a Life and Health Insurance Guaranty Corporation.

- (2) The Corporation is a private, nonprofit, nonstock corporation.
- (3) The Corporation is established to enable the guaranty of payment of benefits and continuation of coverages.
- (b) As a condition of its authority to transact insurance **OR HEALTH MAINTENANCE ORGANIZATION** business in the State, each member insurer must be and remain a member of the Corporation.
  - (c) The Corporation shall:
- (1) perform its functions in accordance with the plan of operation established and approved under § 9–410 of this subtitle; and
- (2) exercise its powers through the Board of Directors established under § 9–406 of this subtitle.
  - (d) For administration and assessment purposes, the Corporation shall maintain:
    - (1) the health [insurance] account;
    - (2) the life insurance account; and
    - (3) the annuity account.
- (e) The Corporation is under the immediate supervision of the Commissioner and subject to the applicable insurance laws of the State.
- (f) Except as otherwise provided in this subtitle, the Corporation has perpetual existence and the powers, privileges, and immunities granted by the applicable provisions of the Corporations and Associations Article.
- (g) (1) The Corporation is not and may not be deemed a department, unit, agency, or instrumentality of the State for any purpose.
- (2) All debts, claims, obligations, and liabilities of the Corporation, whenever incurred, shall be the debts, claims, obligations, and liabilities of the Corporation only and not of the State or the State's agencies, instrumentalities, officers, or employees.
- (h) (1) The money of the Corporation is not part of the General Fund of the State.
- (2) The State may not budget for or provide General Fund appropriations to the Corporation.
- (3) The debts, claims, obligations, and liabilities of the Corporation are not a debt of the State or a pledge of the credit of the State.

9-406.

- (a) (1) The Board of Directors of the Corporation consists of at least [five] 7 members but not more than [nine] 11 members.
- (2) The members of the Board shall be elected from among the member insurers.
- (3) The terms of the members of the Board shall be as set by the plan of operation.
- (4) A vacancy on the Board shall be filled for the remainder of the term by a majority vote of the remaining members of the Board.
- (b) (1) The Board of Directors shall elect a chairman and appoint an executive committee.
  - (2) The Board may elect other officers.
- (c) When electing members of the Board of Directors or filling vacancies on the Board, consideration shall be given to, among other things, whether all member insurers are fairly represented.
  - (d) A member of the Board of Directors:
- (1) may be reimbursed by the Corporation for expenses incurred in carrying out duties as a member of the Board; but
- (2) may not otherwise receive compensation from the Corporation for the member's service.
- (e) (1) The Board of Directors has general oversight authority over funds provided under this subtitle to the Board of Directors or Corporation.
- (2) At any time or in any manner as the Board may direct, a receiver, liquidator, rehabilitator, or conservator appointed under this subtitle shall make a detailed accounting of expenditures to the Board.

9-407.

(a) For a member insurer that is an impaired insurer, the Corporation, subject to any conditions imposed by the Corporation that do not impair the contractual obligations of the impaired insurer and that are approved by the Commissioner, may:

- (1) guarantee, **ASSUME**, **REISSUE**, or reinsure, or cause to be guaranteed, assumed, **REISSUED**, or reinsured, any or all of the covered policies or contracts of the impaired insurer; and
- (2) provide money, pledges, loans, notes, guarantees, or other appropriate means to:
  - (i) carry out item (1) of this subsection; and
- (ii) ensure payment of the contractual obligations of the impaired insurer, pending action under item (1) of this subsection.
  - (b) For a member insurer that is an insolvent insurer, the Corporation may:
- (1) (i) guarantee, ASSUME, REISSUE, or reinsure, or cause to be guaranteed, assumed, REISSUED, or reinsured, any or all of the covered policies or contracts of the insolvent insurer; or
- (ii) ensure payment of the contractual obligations of the insolvent insurer; and
- (2) provide money, pledges, loans, notes, guarantees, or other appropriate means to discharge the Corporation's duties under item (1) of this subsection.
- (c) If the Corporation fails to act within a reasonable period of time with respect to the impaired **INSURER** or insolvent insurer, the Commissioner shall have the powers and duties of the Corporation under this subtitle.
- (D) (1) PREMIUMS DUE FOR COVERAGE AFTER ENTRY OF AN ORDER OF LIQUIDATION OF AN INSOLVENT INSURER SHALL BELONG TO AND BE PAYABLE AT THE DIRECTION OF THE CORPORATION.
- (2) IF THE LIQUIDATOR OF AN INSOLVENT INSURER REQUESTS, THE CORPORATION SHALL PROVIDE A REPORT TO THE LIQUIDATOR REGARDING PREMIUM COLLECTION BY THE CORPORATION.
- (3) THE CORPORATION SHALL BE LIABLE FOR UNEARNED PREMIUMS DUE TO POLICY OR CONTRACT OWNERS ARISING AFTER THE ENTRY OF THE ORDER.
- [(d)] (E) (1) In carrying out its duties under subsection (b) of this section, the Corporation may request that policy liens, contract liens, moratoriums on payments, or other similar means be imposed.
- (2) Policy liens, contract liens, moratoriums on payments, or other similar means may be imposed if the Commissioner approves the specific policy liens, contract liens, moratoriums on payments, or other similar means after finding that:

- (i) the amounts that can be assessed under this subtitle are less than the amounts needed to ensure full and prompt performance of the impaired insurer's contractual obligations; or
- (ii) the economic or financial conditions, as they affect member insurers, are sufficiently adverse to render the imposition of policy liens, contract liens, moratoriums on payments, or other similar means to be in the public interest.
- (3) (i) Before being obligated under subsection (b) of this section, the Corporation may request that temporary moratoriums or liens on payments of cash values and policy loans be imposed.
- (ii) If the Commissioner approves, the temporary moratoriums or liens requested by the Corporation under this paragraph may be imposed.
- [(e)] **(F)** The Corporation is not liable under this section for a covered policy of a foreign insurer or alien insurer whose domiciliary jurisdiction or state of entry provides, by statute or regulation, protection for residents of this State substantially similar to that provided under this subtitle for residents of other states.
- [(f)] (G) On request of the Commissioner, the Corporation may give help and advice to the Commissioner about rehabilitation, payment of claims, continuations of coverage, or the performance of other contractual obligations of an impaired insurer.
- [(g)] **(H)** (1) The Corporation has standing to appear or intervene before any court or agency with jurisdiction over an impaired **INSURER** or insolvent insurer as to which the Corporation is or may become obligated under this subtitle.
- (2) The standing extends to all matters germane to the powers and duties of the Corporation, including proposals for reinsuring, REISSUING, MODIFYING, or guaranteeing the covered policies of the impaired INSURER or insolvent insurer and the determination of the covered policies and contractual obligations.
- [(h)] (I) A person receiving benefits under this subtitle, whether the benefits are payments of contractual obligations or continuation of coverage, is deemed to have assigned all rights under or causes of action relating to the covered policy to the Corporation to the extent of the benefits received because of this subtitle.
- (2) The Corporation may require a payee, **ENROLLEE**, policy or contract owner, beneficiary, insured, or annuitant to assign to the Corporation all rights to the extent of benefits received under the covered policy as a condition precedent to the receipt of any rights or benefits under this subtitle.
- (3) The Corporation is subrogated to the rights assigned under this subsection against the assets of the impaired **INSURER** or insolvent insurer.

- (4) The subrogation rights of the Corporation under this subsection have the same priority against the assets of the impaired **INSURER** or insolvent insurer as those of the person entitled to receive benefits under this subtitle.
- [(i)] (J) In carrying out its duties in connection with guaranteeing, ASSUMING, REISSUING, or reinsuring policies or contracts under subsections (a) and (b) of this section, the Corporation may, subject to approval of the Commissioner, issue substitute coverage for a policy or contract that provides an interest rate, a crediting rate, or a similar factor determined by use of an index or other external reference stated in the policy or contract employed in calculating returns or changes in value by issuing an alternative policy or contract, if:
- (1) in lieu of the index or other external reference provided for in the original policy or contract, the alternative policy or contract provides for:
  - (i) a fixed interest rate;
  - (ii) payment of dividends with minimum guarantees; or
  - (iii) a different method for calculating interest or changes in value;
- (2) there is no requirement for evidence of insurability, waiting period, or other exclusion that would not have applied under the original policy or contract; and
- (3) the alternative policy or contract is substantially similar to the original policy or contract in all other material terms.
- [(j)] (K) (1) Subject to paragraphs (2) and (3) of this subsection and unless the contractual obligations of the impaired insurer or insolvent insurer are reduced or excluded under subsection [(d)] (E) of this section or § 9–403(g)(2) of this subtitle, the contractual obligations of the impaired insurer or insolvent insurer for which the Corporation is or may become liable shall be as great as, but no greater than, the contractual obligations that the impaired insurer or insolvent insurer would have had in the absence of the impairment or insolvency.
- (2) The Corporation is not liable for health care received after the date of the impairment or insolvency unless the health care was in progress on the date of the impairment or insolvency or unless other health care coverage is not available from another insurer, **HEALTH MAINTENANCE ORGANIZATION**, or nonprofit health service plan.
- (3) Benefits for which the Corporation may become liable may not exceed the lesser of:
- (i) the contractual obligations for which the **MEMBER** insurer is or would have been liable if it were not an impaired insurer or insolvent insurer; or

- (ii) with respect to any one life, regardless of the number of policies or contracts:
- 1. \$300,000 in life insurance death benefits, but not more than \$100,000 in net cash surrender and net cash withdrawal values for life insurance;
  - 2. **[in] FOR** health insurance benefits:
- A. \$500,000 for [basic hospital, medical, and surgical insurance or major medical insurance provided by health benefit plans, as defined in § 15–1301 of this article] **HEALTH BENEFIT PLANS**;
- B. \$300,000 for disability insurance and \$300,000 for long–term care insurance, as defined in \$18-101 of this article; and
- C. \$100,000 for coverages not included as [basic hospital, medical, and surgical insurance, or major medical insurance, or] disability insurance, **HEALTH BENEFIT PLANS**, or long—term care insurance, including any net cash surrender and net cash withdrawal values under items A and B of this item; and
- 3. A. \$250,000 in the present value of annuity benefits, including net cash surrender and net cash withdrawal values; and
- B. with respect to each payee under a structured settlement annuity, or beneficiary of the payee if the payee is deceased, \$250,000 in present value annuity benefits, in the aggregate, including any net cash surrender and net cash withdrawal values.
- (4) (i) Except as provided in subparagraph (ii) of this paragraph, the Corporation may not, with respect to any one life, be liable for coverage greater than an aggregate of \$300,000 for the benefits described in paragraph (3)(ii)1, 2, and 3 of this subsection.
- (ii) The Corporation may not, with respect to any one life, be liable for coverage greater than an aggregate of \$500,000 [in basic hospital, medical, and surgical insurance or major medical insurance] FOR HEALTH BENEFIT PLANS under paragraph (3)(ii)2A of this subsection.
- [(k)] (L) The Corporation may join an organization of one or more other state associations of similar purposes, to further the purposes and administer the powers and duties of the Corporation.
- (M) IN THIS SUBTITLE, BENEFITS PROVIDED BY A LONG-TERM CARE RIDER TO A LIFE INSURANCE POLICY OR ANNUITY CONTRACT SHALL BE CONSIDERED THE

# SAME TYPE OF BENEFITS AS THE BASE LIFE INSURANCE POLICY OR ANNUITY CONTRACT TO WHICH THE RIDER RELATES.

9-407.1.

- (a) At any time within 180 days after the date of an order of liquidation, the Corporation may elect to succeed to the rights and obligations of the ceding member insurer that relate to policies, **CONTRACTS**, or annuities covered, in whole or in part, by the Corporation, in each case under any one or more reinsurance contracts entered into by the insolvent insurer and its reinsurers and selected by the Corporation.
- (b) Any assumption under subsection (a) of this section is effective as of the date of the order of liquidation.
- (c) The election shall be effected by the Corporation or the National Organization of Life and Health Insurance Guaranty Associations on its behalf sending written notice, return receipt requested, to the affected reinsurers.
- (d) To facilitate the earliest practicable decision about whether to assume any of the contracts of reinsurance, and in order to protect the financial position of the estate, the receiver and each reinsurer of the ceding member insurer shall make available on request to the Corporation or to the National Organization of Life and Health Insurance Guaranty Associations on its behalf as soon as possible after commencement of formal delinquency proceedings:
- (1) copies of in–force contracts of reinsurance and all related files and records relevant to the determination of whether the contracts should be assumed; and
- (2) notices of any defaults under the reinsurance contracts or any known event or condition that, with the passage of time, could become a default under the reinsurance contracts.
- (e) (1) This subsection applies to reinsurance contracts assumed by the Corporation.
- (2) The Corporation is responsible for all unpaid premiums due under a reinsurance contract assumed by the Corporation for periods both before and after the date of the order of liquidation, and is responsible for the performance of all other obligations to be performed after the date of the order of liquidation, in each case which relate to policies, **CONTRACTS**, or annuities covered, in whole or in part, by the Corporation.
- (3) The Corporation may charge policies, **CONTRACTS**, or annuities covered in part by the Corporation, through reasonable allocation methods, the costs for reinsurance in excess of the obligations of the Corporation and shall provide notice and an accounting of these charges to the liquidator.

- (4) The Corporation is entitled to any amounts payable by the reinsurer under the reinsurance contracts with respect to losses or events that occur in periods after the date of the order of liquidation and that relate to policies, **CONTRACTS**, or annuities covered, in whole or in part, by the Corporation, if on receipt of any amounts payable, the Corporation is obliged to pay to the beneficiary under the policy, **CONTRACT**, or annuity on account of which the amounts were paid a portion of the amount equal to the lesser of:
  - (i) the amount received by the Corporation; and
- (ii) the excess of the amount received by the Corporation over the amount equal to the benefits paid by the Corporation on account of the policy, CONTRACT, or annuity less the retention of the insurer applicable to the loss or event.
- (f) (1) (i) Within 30 days after the Corporation's election, the Corporation and each reinsurer under contracts assumed by the Corporation shall calculate the net balance due to or from the Corporation under each reinsurance contract as of the election date with respect to policies, **CONTRACTS**, or annuities covered, in whole or in part, by the Corporation.
- (ii) The calculation under subparagraph (i) of this paragraph shall give full credit to all items paid by either the **MEMBER** insurer or its receiver or the reinsurer prior to the election date.
- (2) Within 5 days after the completion of the calculation under paragraph (1) of this subsection, the reinsurer shall pay the receiver any amounts due for losses or events before the date of the order of liquidation, subject to any setoff for premiums unpaid for periods before the date, and the Corporation or reinsurer shall pay any remaining balance due the other, in each case.
- (3) Any disputes over the amounts due to either the Corporation or the reinsurer shall be resolved by arbitration under the terms of the affected reinsurance contracts or, if the contract contains no arbitration clause, as otherwise provided by law.
- (4) If the receiver has received any amounts due to the Corporation under subsection (e)(4) of this section, the receiver shall remit those amounts to the Corporation as promptly as practicable.
- (g) If the Corporation or receiver, on the Corporation's behalf, within 60 days after the election date, pays the unpaid premiums due for periods both before and after the election date that relate to policies, **CONTRACTS**, or annuities covered, in whole or in part, by the Corporation, the reinsurer is not entitled to:
- (1) terminate the reinsurance contracts for failure to pay premiums for the reinsurance contracts that relate to policies, **CONTRACTS**, or annuities covered, in whole or in part, by the Corporation; or

- (2) set off any unpaid amounts due under other contracts, or unpaid amounts due from parties other than the Corporation, against amounts due the Corporation.
- (h) During the period from the date of the order of liquidation until the election date or, if the election date does not occur, until 180 days after the date of the order of liquidation:
- (1) (i) neither the Corporation nor the reinsurer shall have any rights or obligations under reinsurance contracts that the Corporation has the right to assume under subsections (a) through (g) of this section, whether for periods before or after the date of the order of liquidation; and
- (ii) the reinsurer, the receiver, and the Corporation shall, to the extent practicable, provide each other data and records reasonably requested; and
- (2) if the Corporation has elected to assume a reinsurance contract, the parties' rights and obligations shall be governed by subsections (a) through (g) of this section.
- (i) If the Corporation does not elect to assume a reinsurance contract by the election date under subsections (a) through (g) of this section, the Corporation shall have no rights or obligations, in each case for periods both before and after the date of the order of liquidation, with respect to the reinsurance contract.
- (j) When policies, **CONTRACTS**, or annuities, or covered obligations with respect to policies, **CONTRACTS**, or annuities, are transferred to an assuming insurer, reinsurance on the policies, **CONTRACTS**, or annuities may also be transferred by the Corporation, in the case of contracts assumed under subsections (a) through (g) of this section, if:
- (1) unless the reinsurer and the assuming insurer agree otherwise, the reinsurance contract transferred does not cover any new policies of insurance, **HEALTH MAINTENANCE ORGANIZATION SUBSCRIBER CONTRACTS AND GROUP MASTER CERTIFICATES**, or annuities in addition to those transferred;
- (2) the obligations described in subsections (a) through (g) of this section no longer apply with respect to matters arising after the effective date of the transfer; and
- (3) notice is given in writing, return receipt requested, by the transferring party to the affected reinsurer at least 30 days before the effective date of the transfer.
- (k) (1) The provisions of this section supersede the provisions of any state law or of any affected reinsurance contract that provides for or requires any payment of reinsurance proceeds, on account of losses or events that occur in periods after the date of the order of liquidation, to the receiver of the insolvent insurer or any other person.

- (2) The receiver remains entitled to any amounts payable by the reinsurer under the reinsurance contracts with respect to losses or events that occur in periods before the date of the order of liquidation, subject to applicable setoff provisions.
- (l) (1) Except as otherwise provided in this section, this section does not alter or modify the terms and conditions of any reinsurance contract.

# (2) This section does not:

- (i) abrogate or limit any rights of any reinsurer to claim that the reinsurer is entitled to rescind a reinsurance contract;
- (ii) give a policyholder, CONTRACT OWNER, ENROLLEE, CERTIFICATE HOLDER, or beneficiary an independent cause of action against a reinsurer that is not otherwise set forth in the reinsurance contract;
- (iii) limit or affect the Corporation's rights as a creditor of the estate against the assets of the estate; or
- (iv) apply to reinsurance agreements covering property or casualty risks.

9-408.

# The Corporation may:

- (1) enter into contracts that are necessary or proper to carry out the provisions and purposes of this subtitle;
- (2) sue or be sued and take any other legal actions necessary or proper for the recovery of unpaid assessments under § 9–409 of this subtitle;
- (3) borrow money to carry out the purposes of this subtitle, provided that any notes or other evidences of indebtedness of the Corporation not in default are legal investments for domestic insurers and may be carried as admitted assets;
- (4) employ or retain persons as necessary to handle the financial transactions of the Corporation and perform other functions that are necessary or proper under this subtitle;
- (5) negotiate and contract with liquidators, rehabilitators, conservators, or ancillary receivers to carry out the powers and duties of the Corporation;
  - (6) take any legal action necessary to avoid payment of improper claims;
- (7) for the purposes of this subtitle and to the extent approved by the Commissioner, exercise the powers of a domestic life insurer [or], health insurer, **OR**

**HEALTH MAINTENANCE ORGANIZATION,** except that the Corporation may not issue policies or [annuity] contracts other than those issued to perform the contractual obligation of an impaired **INSURER** or insolvent insurer; [and]

- (8) IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE POLICY OR CONTRACT, FILE FOR ACTUARIALLY JUSTIFIED RATE OR PREMIUM INCREASES FOR ANY POLICY OR CONTRACT FOR WHICH THE CORPORATION PROVIDES COVERAGE UNDER THIS SUBTITLE; AND
- [(8)] (9) perform any other act necessary or proper to carry out [the purposes of] this subtitle.

9-409.

- (a) Members of the Corporation are subject to assessment as provided in this section.
- (b) (1) To provide the funds necessary to carry out the powers and duties of the Corporation, the Board of Directors shall assess member insurers, separately for each account, at the times and for the amounts that the Board finds necessary.
- (2) The Board shall give 30 days' written notice to a member insurer before payment of an assessment is due.
  - (3) The Board shall collect the assessments when due.
  - (c) There are two classes of assessments to be made for the following purposes:
- (1) Class A assessments, to be used to meet administrative costs and other general expenses not related to a particular impaired insurer or insolvent insurer; and
- (2) Class B assessments, to be used to carry out the powers and duties of the Corporation with respect to an impaired insurer or insolvent insurer.
  - (d) (1) (i) The Board shall determine the amount of a Class A assessment.
- (ii) The Board may make a Class A assessment on a pro rata or nonpro rata basis.
- (iii) If made on a pro rata basis, the Board may provide that the assessment be credited against future Class B assessments.
- (iv) [A nonpro rata assessment may not exceed the amount provided in the Corporation's plan of operation per member insurer in 1 calendar year.

- (v)] [The] EXCEPT FOR ASSESSMENTS RELATED TO LONG-TERM CARE INSURANCE, THE amount of a Class B assessment shall be allocated for assessment purposes among the accounts according to an allocation formula that is based on:
- 1. the premiums or reserves of the impaired insurer or insolvent insurer; or
- 2. on another standard that the Board considers in its sole discretion to be fair and reasonable under the circumstances.
- (2) (I) THE AMOUNT OF A CLASS B ASSESSMENT FOR LONG—TERM CARE INSURANCE WRITTEN BY THE IMPAIRED INSURER OR INSOLVENT INSURER SHALL BE ALLOCATED ACCORDING TO A METHODOLOGY INCLUDED IN THE PLAN OF OPERATION AND APPROVED BY THE COMMISSIONER.
- (II) THE METHODOLOGY USED TO ALLOCATE THE AMOUNT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL PROVIDE FOR 50% OF THE ASSESSMENT TO BE ALLOCATED TO ACCIDENT AND HEALTH MEMBER INSURERS AND 50% TO BE ALLOCATED TO LIFE AND ANNUITY MEMBER INSURERS.
- (3) The Board shall make Class B assessments against member insurers for each account in the proportion that the amount of premiums received on business in the State by each assessed member insurer on policies or contracts covered by each account for the most recent calendar year for which information is available preceding the year in which the MEMBER insurer became impaired or insolvent, bears to the amount of premiums received on business in the State for those calendar years by all assessed member insurers.
- [(3)] (4) The Board may assess member insurers on a nonpro rata basis without regard to paragraph [(2)] (3) of this subsection if the amount of a Class B assessment representing the aggregate liability of the Corporation for a single impairment or insolvency is not greater than the Class A assessment in the same calendar year against authorized insurers in the same line of business as the liability for the impaired insurer or insolvent insurer.
- [(4)] (5) (i) The Board may not make assessments for funds to meet the requirements of the Corporation with respect to an impaired insurer or insolvent insurer until necessary to carry out the purposes of this subtitle.
- (ii) Because exact determinations may not always be possible, the Board shall make classifications of assessments and computation of assessments under this subsection with a reasonable degree of accuracy.
- (e) (1) If, in the opinion of the Board, payment of an assessment would endanger the ability of a member insurer to meet its contractual obligations, the Corporation may abate or defer, wholly or partly, the assessment of the member insurer.

- (2) If an assessment against a member insurer is wholly or partly abated or deferred, the amount by which the assessment is abated or deferred shall be assessed against the other member insurers in a manner consistent with the basis for assessments set forth in this section.
- (f) (1) In a calendar year, the total of all assessments against a member insurer for each account may not exceed 2% of the member insurer's premiums in the State on policies covered by the account.
- (2) If an assessment against a member insurer is reduced because of paragraph (1) of this subsection, the Board shall assess the amount of the reduction against the other member insurers in a manner consistent with the basis for assessments set forth in this section.
- (3) If the maximum assessments in a calendar year against all MEMBER insurers plus the other assets of the Corporation in any account are insufficient to provide in the account the amount necessary to carry out the responsibilities of the Corporation, the Board shall make additional assessments as necessary against member insurers as soon as allowed by this subtitle.
- (g) (1) If approved by the Commissioner, the Board may refund to member insurers, by an equitable method set by the plan of operation, in proportion to the contribution of each member insurer to that account, the amount by which the assets of the account exceed the amount that the Board finds necessary to carry out the obligations of the Corporation during the coming year.
- (2) For the purpose of this subsection, assets include assets accruing from net realized gains and income from investments.
- (3) If refunds are impracticable, the Board may retain a reasonable amount in an account for the continuing expenses of the Corporation and for future losses.
- (h) In determining premium rates and policy owner dividends for any kind of insurance **OR HEALTH MAINTENANCE ORGANIZATION BUSINESS** within the scope of this subtitle, a member insurer may consider the amount reasonably necessary to meet its assessment obligations under this subtitle.
- (i) (1) The Corporation shall issue to each member insurer that pays an assessment under this subtitle a certificate of contribution for the amount of the assessment.
- (2) The certificate of contribution shall be in the form that the Commissioner requires.
- (3) All outstanding certificates of contribution are of equal dignity and priority without reference to amounts or dates of issue.

(4) The member insurer may show a certificate of contribution in the member insurer's financial statement as an asset in the form and for the amount, if any, and the period of time that the Commissioner approves.

9-410.

- (a) (1) (i) The Corporation shall submit to the Commissioner a plan of operation and any amendments necessary or suitable to it to ensure the fair, reasonable, and equitable administration of the Corporation.
- (ii) **1.** The plan of operation and any amendments to it take effect when approved in writing by the Commissioner.
- 2. UNLESS DISAPPROVED BY THE COMMISSIONER WITHIN 30 DAYS AFTER SUBMISSION, A PLAN OF OPERATION AND ANY AMENDMENTS TO THE PLAN SHALL BE DEEMED APPROVED ON THE 31ST DAY AFTER THE DATE ON WHICH THE PLAN WAS SUBMITTED.
- (2) (i) If the Corporation fails to submit suitable amendments to the plan of operation, the Commissioner, after notice and hearing, shall adopt reasonable regulations as necessary or advisable to carry out this subtitle.
- (ii) Regulations adopted under this paragraph shall continue in effect until modified by the Commissioner or superseded by an amendment to the plan of operation submitted by the Corporation and approved by the Commissioner.
  - (b) Each member insurer shall comply with the plan of operation.
  - (c) The plan of operation shall:
    - (1) establish procedures for handling the assets of the Corporation;
- (2) establish the amounts to be reimbursed and the method of reimbursing members of the Board of Directors under § 9–406 of this subtitle;
- (3) establish regular places and times for meetings of the Board of Directors;
- (4) establish procedures for keeping records of the financial transactions of the Corporation, its agents, and the Board of Directors;
- (5) establish procedures for choosing the Board of Directors and submitting the choices to the Commissioner:

- (6) establish any additional procedures for assessments under  $\S 9-409$  of this subtitle; and
- (7) contain any additional provisions necessary or proper to perform the powers and duties of the Corporation.
- (d) (1) The plan of operation may provide that any or all of the powers and duties of the Corporation, except those under §§ 9–408(3) and 9–409 of this subtitle, may be delegated to a person that performs or will perform functions similar to those of the Corporation or its equivalent in two or more states.
- (2) A person to which powers and duties are delegated under the plan of operation shall be:
- (i) reimbursed for any payments made on behalf of the Corporation; and
  - (ii) paid for its performance of the functions of the Corporation.
  - (3) A delegation under this subsection may:
- (i) take effect only with the approval of the Board of Directors and Commissioner; and
- (ii) be made only to a person that extends protection not substantially less favorable and effective than that provided by this subtitle.

#### 9-411.

#### (a) (1) The Commissioner:

- (i) shall notify the Board of Directors of the existence of an impaired insurer not later than 3 days after a determination of impairment is made or the Commissioner receives notice of impairment;
- (ii) on request of the Board of Directors, shall provide the Corporation with a statement of the premiums in the **STATE AND OTHER** appropriate states for each member insurer;
- (iii) when an impairment is declared and the amount of the impairment is determined, shall serve a demand on the impaired insurer to make good the impairment within a reasonable time; and

# (iv) shall be appointed as:

1. the liquidator or rehabilitator in a liquidation or rehabilitation proceeding involving a domestic **MEMBER** insurer; or

- 2. the conservator or ancillary receiver in a liquidation proceeding involving a member insurer that is a foreign insurer in its domiciliary jurisdiction or an alien insurer in its state of entry.
- (2) (i) Notice to the impaired insurer under paragraph (1)(iii) of this subsection is deemed notice to its shareholders.
- (ii) Failure of the **IMPAIRED** insurer to comply promptly with a demand to make good the impairment does not excuse the Corporation from the performance of its duties and powers under this subtitle.

# (b) (1) The Commissioner:

- (i) after notice and hearing, may suspend or revoke the LICENSE OR certificate of authority TO TRANSACT BUSINESS IN THE STATE of  $\frac{1}{2}$  ANY member insurer that fails to pay an assessment when due or fails to comply with the plan of operation; or
- (ii) on behalf of the Corporation, may impose a penalty on a member insurer that fails to pay an assessment when due.
- (2) A penalty imposed under paragraph (1)(ii) of this subsection may not exceed 5% of the unpaid assessment per month and may not be less than \$100 per month.
- (c) (1) Within 30 days after an action of the Board of Directors or Corporation, a member insurer may appeal the action to the Commissioner.
- (2) A final action or order of the Commissioner under this subtitle is subject to judicial review.
- (d) The liquidator, rehabilitator, or conservator of an impaired insurer may notify all interested persons of the effect of this subtitle.

#### 9-412.

- (a) (1) The Commissioner and Board of Directors have the powers and duties described in this section to help in the detection and prevention of **MEMBER** insurer impairments **OR INSOLVENCIES**.
- (2) The Corporation may help the Commissioner in detecting and preventing **MEMBER** insurer impairments **OR INSOLVENCIES** as provided in this section.
- (b) (1) The Commissioner shall examine a member insurer if the Commissioner has reasonable cause to believe that the member insurer may be unable or potentially unable to fulfill its contractual obligations.

- (2) On a majority vote, the Board of Directors shall notify the Commissioner of any information that indicates that a member insurer may be unable or potentially unable to fulfill its contractual obligations.
- (c) (1) On a majority vote, the Board of Directors may request that the Commissioner order an examination of a member insurer that the Board in good faith believes may be unable or potentially unable to fulfill its contractual obligations.
  - (2) The Commissioner may conduct the examination.
- (3) The examination may be conducted as a National Association of Insurance Commissioners examination or may be conducted by a person that the Commissioner designates.
  - (4) The cost of an examination shall be paid by the Corporation.
- (5) The examination report shall be treated as are other examination reports.
- (6) An examination report may not be released to the Board of Directors before its release to the public, but this does not excuse the Commissioner from the duty to comply with subsection (d) of this section.
- (7) The Commissioner shall notify the Board of Directors when the examination is completed.
- (8) (i) The request for an examination shall be kept on file by the Commissioner.
- (ii) A request for examination may not be open to public inspection before the release of the examination report to the public, and shall be released at that time only if the examination discloses that the examined member insurer is unable or potentially unable to meet its contractual obligations.
- (d) The Commissioner shall report to the Board of Directors when the Commissioner has reasonable cause to believe that a member insurer, examined at the request of the Board of Directors, may be unable or potentially unable to fulfill its contractual obligations.
- (e) (1) On a majority vote, the Board of Directors may make reports and recommendations to the Commissioner on any matter germane to the solvency, liquidation, rehabilitation, or conservation of a member insurer.
- (2) A report or recommendation made under this subsection is not a public document.

- (f) On a majority vote, the Board of Directors may make recommendations to the Commissioner for the detection and prevention of MEMBER insurer impairments OR INSOLVENCIES.
- (g) At the conclusion of [an] A MEMBER insurer impairment OR INSOLVENCY in which the Corporation carried out its duties or exercised its powers under this subtitle, the Board of Directors shall prepare and submit to the Commissioner a report on the history and causes of the impairment OR INSOLVENCY, based on the information available to the Corporation.

#### 9-414.

- (a) This subtitle may not be construed to reduce the liability for unpaid assessments of the insureds of an impaired **INSURER** or insolvent insurer operating under a plan with assessment liability.
- (b) Assessable premiums may not be reduced because of § 9–403(g)(2)(iii) of this subtitle relating to interest limitations and because of [§ 9–407(j)] § 9–407(K) of this subtitle relating to limitations with respect to an individual policyholder.
- (c) (1) The Corporation shall keep records of all negotiations and meetings in which the Corporation or its representatives are involved to discuss the activities of the Corporation in carrying out its powers and duties under §§ 9–407 and 9–408 of this subtitle.
- (2) Records of the negotiations or meetings described in paragraph (1) of this subsection shall be made public only:
- (i) after the termination of a liquidation, rehabilitation, or conservation proceeding involving an impaired INSURER or insolvent insurer;
- (ii) after the termination of the impairment or insolvency of [an] A MEMBER insurer; or
  - (iii) by court order.
- (3) This subsection does not limit the duty of the Corporation to submit a report of its activities under § 9–415 of this subtitle.
- (d) (1) In this subsection, "assets attributable to covered policies" means that proportion of the impaired **INSURER'S** or insolvent insurer's assets that the amount of the reserves that should have been established for the covered policies bears to the amount of the reserves that should have been established for all policies written by the impaired **INSURER** or insolvent insurer.
- (2) For the purpose of carrying out its obligations under this subtitle, the Corporation is considered a creditor of the impaired **INSURER** or insolvent insurer to the

extent of the impaired **INSURER'S** or insolvent insurer's assets attributable to covered policies reduced by any amounts to which the Corporation is entitled as subrogee under [§ 9–407(h)] § 9–407(I) of this subtitle.

- (3) The assets attributable to covered policies of the impaired **INSURER** or insolvent insurer shall be used to continue the covered policies and pay the contractual obligations of the impaired **INSURER** or insolvent insurer as required by this subtitle.
- (e) (1) (i) Before the termination of a liquidation, rehabilitation, or conservation proceeding, the court may consider the contributions of the respective parties, including the Corporation, the stockholders, CONTRACT OWNERS, CERTIFICATE HOLDERS, ENROLLEES, and policy owners of the impaired INSURER or insolvent insurer, and any other party with a bona fide interest, in making an equitable distribution of the ownership rights of the impaired INSURER or insolvent insurer.
- (ii) In making a determination under subparagraph (i) of this paragraph, the court shall consider the welfare of the policyholders, CONTRACT OWNERS, CERTIFICATE HOLDERS, AND ENROLLEES of the continuing or successor MEMBER insurer.
- (2) A distribution to any stockholders of an impaired **INSURER** or insolvent insurer may not be made until all of the assessments levied by the Corporation with respect to the impaired **INSURER** or insolvent insurer have been fully recovered by the Corporation.
- (f) It is a prohibited unfair method of competition, subject to Title 27 of this article (Unfair Trade Practices), for a person to make use in any manner of the protection afforded by this subtitle in the sale of insurance **OR HEALTH MAINTENANCE ORGANIZATION COVERAGE**.
- (g) (1) Subject to the limitations of paragraphs (2) and (4) of this subsection, if an order for liquidation or rehabilitation of [an] A MEMBER insurer domiciled in the State has been entered, the receiver appointed under the order shall have a right to recover on behalf of the MEMBER insurer, from any affiliate that controlled the MEMBER insurer, the amount of distribution, other than stock dividends paid by the MEMBER insurer on its capital stock, made at any time during the 5 years preceding the petition for liquidation or rehabilitation.
- (2) A dividend described in paragraph (1) of this subsection is not recoverable if the **MEMBER** insurer shows that:
  - (i) the distribution was lawful and reasonable when paid; and
- (ii) the **MEMBER** insurer did not know and could not reasonably have known that the distribution might adversely affect the ability of the **MEMBER** insurer to fulfill its contractual obligations.

- (3) (i) A person that was an affiliate that controlled the **MEMBER** insurer when the distributions described in paragraph (1) of this subsection were paid is liable up to the amount of distributions the person received.
- (ii) A person that was an affiliate that controlled the **MEMBER** insurer when the distributions described under paragraph (1) of this subsection were declared is liable up to the amount of distributions the person would have received if the distributions had been paid immediately.
- (iii) Two or more persons that are liable with respect to the same distributions are jointly and severally liable.
- (4) The maximum amount recoverable under this subsection is the amount needed in excess of all other available assets of the impaired **INSURER** or insolvent insurer to pay the contractual obligations of the impaired **INSURER** or insolvent insurer.
- (5) If a person liable under paragraph (3) of this subsection is insolvent, all of its affiliates that controlled it when the dividend was paid are jointly and severally liable for any resulting deficiency in the amount recovered from the insolvent affiliate.
- (h) [An] A MEMBER insurer or insurance producer may not deliver a policy or contract that at the time of delivery exceeds the limitations imposed by [§ 9–407(j)(3)] § 9–407(K)(3) of this subtitle, or that is not subject to coverage under § 9–403 of this subtitle, unless the MEMBER insurer or insurance producer, before or at the time of delivery, provides the policyholder, CERTIFICATE HOLDER, ENROLLEE, or contract holder with a separate written notice as provided in paragraph (2) of this subsection.
- (2) The notice required under this subsection shall disclose clearly and conspicuously that:
- (i) the policy or contract is not covered by, or exceeds the limitations of liability applicable to, the Corporation; and
- (ii) the Corporation is not a department or unit of the State, and the liabilities or debts of the Corporation are not liabilities or debts of the State.
- (3) The Commissioner shall adopt regulations establishing a standard form to be used by insurance producers and **MEMBER** insurers to conform with the provisions of this subsection.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 74

(Senate Bill 186)

AN ACT concerning

# Life and Health Insurance Guaranty Corporation Act - Revisions

FOR the purpose of revising the Life and Health Insurance Guaranty Corporation Act; altering the purpose of the Act; altering the persons to whom and circumstances under which the Life and Health Insurance Guaranty Corporation is required to provide certain coverage; providing that the Act does not provide coverage to persons who acquire the right to receive certain payments; altering the policies and contracts issued by member insurers that may not be provided coverage under the Act; prohibiting coverage from being provided under the Act for certain structured settlement annuity benefits; requiring member insurers to be and remain members of the Corporation as a condition of their authority to transact certain business in the State; altering the minimum and maximum number of members of the Board of Directors of the Corporation; authorizing the Corporation to take certain action for member insurers that are impaired insurers; authorizing the Corporation to take certain action for member insurers that are insolvent insurers; requiring that certain premiums belong to and be payable at the direction of the Corporation; requiring the Corporation to provide a certain report to a certain liquidator if requested by the liquidator; providing that the Corporation is liable for certain premiums under certain circumstances; altering the matters for which the Corporation has standing to appear or intervene in certain matters; authorizing the Corporation to require a certain enrollee to assign certain rights to the Corporation; authorizing the Corporation, subject to approval of the Maryland Insurance Commissioner, to issue substitute coverage for certain policies and contracts in carrying out its duties in connection with assuming or reissuing certain policies and contracts; altering the circumstances under which the Corporation is not liable for certain care; altering the maximum amount of certain benefits for which the Corporation may become liable; altering certain contractual obligations of certain impaired or insolvent insurers for which the Corporation may become liable under certain circumstances; providing that certain benefits shall be considered as benefits from a certain contract or policy; altering the rights and obligations of a ceding member insurer to which the Corporation is authorized to elect to succeed; applying certain rights and obligations of the Corporation to certain reinsurance contracts assumed by the Corporation under certain circumstances; applying a certain calculation requirement to certain contracts assumed by the Corporation; prohibiting certain reinsurers from taking certain actions relating to reinsurance contracts under certain circumstances; authorizing reinsurance on certain contracts to be transferred by the Corporation under certain circumstances; altering the circumstances under which reinsurance on certain policies and annuities can be transferred by the Corporation; providing that certain provisions of law do not give contract owners, enrollees, or certificate holders a certain cause of action; altering the powers of the Corporation; exempting assessments related to long-term care insurance from the requirement that the

amount of certain assessments be allocated for certain purposes; requiring that a certain assessment be allocated according to a certain methodology approved by the Commissioner; authorizing a member insurer to consider certain information in determining certain rates and dividends for certain health maintenance organization business; requiring that a certain plan submitted by the Corporation be deemed approved on a certain day except under certain circumstances; altering certain duties and powers of the Commissioner; applying certain rights and obligations of the Commissioner and the Board with respect to member insurer impairments to member insurer insolvencies; altering the contributions that a court may consider before taking certain actions; altering the list of persons whose welfare a court is required to consider when making a certain determination; establishing that it is a prohibited unfair method of competition, subject to certain provisions of law, for a person to use certain protection in the sale of health maintenance organization coverage; altering the circumstances under which a member insurer or insurance producer is prohibited from delivering a certain policy or contract; providing that certain provisions of State insurance law apply to health maintenance organizations; making certain technical corrections; defining certain terms and altering certain definitions; making stylistic and conforming changes; and generally relating to the Life and Health Insurance Guaranty Corporation Act.

### BY adding to

Article – Health – General
Section 19–706(o)
Annotated Code of Maryland
(2019 Replacement Volume)

BY repealing and reenacting, without amendments,

Article – Insurance Section 1–101(a) and (dd) Annotated Code of Maryland (2017 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Insurance Section 9–401 through 9–403, 9–405 through 9–407, 9–407.1, 9–408 through 9–412, and 9–414

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

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

# Article - Health - General

<u>19–706.</u>

# (O) THE PROVISIONS OF TITLE 9, SUBTITLE 4 OF THE INSURANCE ARTICLE APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

#### Article - Insurance

1-101.

- (a) In this article the following words have the meanings indicated.
- (dd) "Person" means an individual, receiver, trustee, guardian, personal representative, fiduciary, representative of any kind, partnership, firm, association, corporation, or other entity.

9-401.

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Account" means:
  - (1) the health [insurance] account;
  - (2) the life insurance account; or
  - (3) the annuity account.
- (c) "Association" means the Corporation or any similar organization that has been formed in another state that serves the same purpose as the Corporation for the other state.
- (d) "Contractual obligation" means an obligation under a policy or contract or certificate under a group policy or contract for which coverage is provided under  $\S$  9–403 of this subtitle.
  - (e) "Corporation" means the Life and Health Insurance Guaranty Corporation.
- (f) "Covered policy" <u>OR "COVERED CONTRACT"</u> means a policy or contract to which this subtitle applies.
  - (G) (1) "HEALTH BENEFIT PLAN" MEANS:
- (I) A HOSPITAL OR MEDICAL EXPENSE POLICY OR CERTIFICATE;
- (II) A HEALTH MAINTENANCE ORGANIZATION SUBSCRIBER CONTRACT OR GROUP MASTER CERTIFICATE; OR

- (III) ANY OTHER SIMILAR HEALTH CONTRACT.
- (2) "HEALTH BENEFIT PLAN" DOES NOT INCLUDE:
  - (I) ACCIDENT-ONLY INSURANCE;
  - (II) CREDIT INSURANCE;
  - (III) DENTAL-ONLY INSURANCE;
  - (IV) VISION-ONLY INSURANCE;
  - (V) MEDICARE SUPPLEMENT INSURANCE;
- (VI) BENEFITS FOR LONG-TERM CARE, HOME HEALTH CARE, COMMUNITY-BASED CARE, OR ANY COMBINATION OF THESE BENEFITS;
  - (VII) DISABILITY INSURANCE;
  - (VIII) COVERAGE FOR ON-SITE MEDICAL CLINICS; OR
- (IX) SPECIFIED DISEASE, HOSPITAL CONFINEMENT INDEMNITY, OR LIMITED BENEFIT HEALTH INSURANCE IF THE TYPES OF COVERAGE:
  - 1. DO NOT PROVIDE COORDINATION OF BENEFITS; AND
- 2. ARE PROVIDED UNDER SEPARATE POLICIES OR CERTIFICATES.
  - [(g)] (H) "Impaired insurer" means [an] A MEMBER insurer that:
- (1) after July 1, 1971, is not an insolvent insurer and is placed under an order of rehabilitation or conservation by a court of competent jurisdiction; or
- (2) is determined by the Commissioner after July 1, 1971, to be unable or potentially unable to fulfill its contractual obligations.
- [(h)] (I) "Individual" means a natural person covered under an individual policy OR CONTRACT or covered as a member OR AN ENROLLEE under a group policy OR CONTRACT.
- [(i)] (J) "Insolvent insurer" means a member insurer that, after July 1, 1971, is placed under an order of liquidation by a court of competent jurisdiction with a finding of insolvency.

- [(j)] (K) (1) "Member insurer" means an authorized insurer [that writes a] OR A HEALTH MAINTENANCE ORGANIZATION THAT IS LICENSED OR THAT HOLDS A CERTIFICATE OF AUTHORITY TO TRANSACT IN THE STATE ANY kind of insurance OR HEALTH MAINTENANCE ORGANIZATION BUSINESS to which this subtitle applies.
- (2) "Member insurer" includes an insurer **OR A HEALTH MAINTENANCE ORGANIZATION** whose license or certificate of authority in the State may have been suspended, revoked, not renewed, or voluntarily withdrawn.
  - (3) "Member insurer" does not include:
    - (i) **[**a health maintenance organization;
    - (ii) a fraternal benefit society;
    - [(iii)] (II) a mandatory State pooling plan;
- [(iv)] (III) a mutual assessment company or other entity that operates on an assessment basis; or
  - [(v)] (IV) an insurance exchange.
- [(k)] (L) "Moody's corporate bond yield average" means the monthly average yield on corporate bonds as published by Moody's Investors Service, Inc.
- (M) (1) "OWNER" MEANS THE OWNER OR HOLDER OF A POLICY OR CONTRACT WHO IS:
- (I) IDENTIFIED AS THE LEGAL OWNER UNDER THE TERMS OF THE POLICY OR CONTRACT OR WHO IS OTHERWISE VESTED WITH LEGAL TITLE TO THE POLICY OR CONTRACT THROUGH A VALID ASSIGNMENT COMPLETED IN ACCORDANCE WITH THE TERMS OF THE POLICY OR CONTRACT; AND
- (II) PROPERLY RECORDED AS THE OWNER OF THE POLICY OR CONTRACT ON THE BOOKS OF THE MEMBER INSURER.
- (2) "OWNER" DOES NOT INCLUDE A PERSON WHO HAS ONLY A BENEFICIAL INTEREST IN A POLICY OR CONTRACT.
- (N) "PERSON" INCLUDES ★ AN INDIVIDUAL, A CORPORATION, A LIMITED LIABILITY COMPANY, A PARTNERSHIP, AN ASSOCIATION, A GOVERNMENTAL BODY OR ENTITY, OR A VOLUNTARY ORGANIZATION.

- [(l)] (O) (1) "Premiums" means amounts received on covered policies or contracts, less premiums, considerations, and deposits returned, and less dividends and experience credits.
- (2) "Premiums" does not include amounts for policies or contracts, or for parts of policies or contracts, for which coverage is not provided under § 9–403(g) of this subtitle.
- [(m)] (P) "Resident" means a person that resides in the State on the date of entry of a court order that determines a member insurer to be an impaired insurer or a court order that determines a member insurer to be an insolvent insurer and to whom a contractual obligation is owed.
- [(n)] (Q) "Structured settlement annuity" means an annuity purchased in order to fund periodic payments for a plaintiff or any other claimant in payment for or with respect to personal injury suffered by the plaintiff or other claimant.
- [(o)] (R) "Supplemental contract" means an agreement entered into for the distribution of policy or contract proceeds.

9-402.

Subject to certain limitations, the purpose of this subtitle is to protect persons specified in § 9–403(a) through (f) of this subtitle who are policy owners, contract owners, certificate holders, beneficiaries, **ENROLLEES**, payees, and assignees of life insurance policies, health insurance policies, annuity contracts, and supplemental **POLICIES**, **PLANS**, **OR** contracts specified in § 9–403(g) of this subtitle against failure in the performance of contractual obligations due to the impairment or insolvency of the **MEMBER** insurer that issued the policies, **PLANS**, or contracts.

9-403.

- (a) This subtitle is intended to provide coverage to a person who is a resident of this State and, in special circumstances, to a nonresident.
- (b) (1) For contracts other than structured settlement annuities, subject to paragraph (2) of this subsection, coverage shall be provided under this subtitle for the policies or contracts specified in subsection (g) of this section to a person who is:
- (i) a resident and an owner of or certificate holder **OR ENROLLEE** under the policy or contract; or
- (ii) a nonresident and an owner of or certificate holder **OR ENROLLEE** under the policy or contract, if:

- 1. the **MEMBER** insurer that issued the policy or contract is domiciled in this State:
- 2. the state in which the nonresident resides has an insurance guaranty corporation or its equivalent similar to the Corporation established by  $\S 9-405$  of this subtitle; and
- 3. the nonresident is not eligible for coverage by the insurance guaranty corporation or its equivalent in the state in which the nonresident resides because the insurer **OR HEALTH MAINTENANCE ORGANIZATION** was not licensed in that state at the time specified in that state's guaranty corporation or association law.
- (2) Coverage shall be provided under this subtitle for the policies or contracts specified in paragraph (1) of this subsection to a beneficiary, assignee, or payee, INCLUDING A HEALTH CARE PROVIDER RENDERING SERVICES COVERED UNDER HEALTH CARE INSURANCE POLICIES, CONTRACTS, OR CERTIFICATES, of a person covered under paragraph (1) of this subsection, regardless of the person's residence.
- (c) Except as provided in subsections (a), (d), and (e) of this section, this subtitle shall provide coverage to a person who is a payee under a structured settlement annuity or beneficiary of a payee if the payee is deceased, if:
- (1) (i) the payee is a resident, regardless of where the contract owner resides; or
  - (ii) the payee is not a resident and:
- 1. the contract owner of the structured settlement annuity is a resident; or
- 2. A. the contract owner of the structured settlement annuity is not a resident;
- B. the insurer that issued the structured settlement annuity is domiciled in this State; and
- C. the state in which the contract owner resides has an association similar to the Corporation; and
- (2) the payee or beneficiary, and the contract owner are not eligible for coverage by the association of the state in which the payee or contract owner resides.
  - (d) This subtitle does not provide coverage to:

- (1) a person who is a payee or beneficiary of a contract owner who is a resident of this State, if the payee or beneficiary is provided any coverage by the association of another state; [or]
- (2) a person who otherwise would receive coverage under this subtitle, if the person is provided coverage under the laws of another state; **OR**
- (3) A PERSON WHO ACQUIRES THE RIGHT TO RECEIVE PAYMENTS THROUGH A STRUCTURED SETTLEMENT FACTORING TRANSACTION, AS DEFINED IN 26 U.S.C. § 5891(C)(3)(A), REGARDLESS OF WHETHER THE TRANSACTION OCCURRED BEFORE OR AFTER THE EFFECTIVE DATE OF 26 U.S.C. § 5891(C)(3)(A).
- (e) To determine coverage under this section under circumstances in which a person could be covered by the association of more than one state, whether as an owner, a payee, **AN ENROLLEE**, a beneficiary, or an assignee, this subtitle shall be construed in conjunction with other state laws to result in coverage by only one association.
- (f) (1) To determine coverage under this section, a person may be a resident of only one state.
- (2) To determine coverage under this section, a person shall be treated as a resident of the state of domicile of the insurer **OR HEALTH MAINTENANCE ORGANIZATION** that issued the relevant policy or contract if:
- (i) the person is a citizen of the United States and is a resident of a foreign country; or
- (ii) the person is a resident of a United States possession, territory, or protectorate that does not have an association similar to the Corporation.
- (g) (1) Except as provided in paragraph (2) of this subsection or otherwise limited by this subtitle, coverage shall be provided under this subtitle to persons specified in subsections (b) and (c) of this section for the following policies and contracts issued by member insurers:
- (i) direct, nongroup life <u>INSURANCE</u>, health <u>INSURANCE</u>, <u>WHICH</u>
  FOR THE PURPOSES OF THIS SUBTITLE INCLUDES HEALTH MAINTENANCE
  ORGANIZATION SUBSCRIBER CONTRACTS AND GROUP MASTER CERTIFICATES,
  annuity <u>ANNUITIES</u>, including structured settlement annuities, and supplemental policies or contracts to any of these; or
- (ii) certificates under direct, group policies or contracts, and supplemental policies or contracts to any of these.
  - (2) Coverage may not be provided under this subtitle for:

- (i) any part of a policy or contract that is not guaranteed by the **MEMBER** insurer, or under which the risk is borne by the policyholder or contract holder;
- (ii) a policy or contract of reinsurance, unless assumption certificates have been issued;
- (iii) EXCEPT FOR A PART OF A POLICY OR CONTRACT, INCLUDING A RIDER, THAT PROVIDES LONG—TERM CARE OR ANY OTHER HEALTH INSURANCE BENEFITS, any part of a policy or contract to the extent that the rate of interest on which it is based or the interest rate, crediting rate, or similar factor determined by use of an index or other external reference stated in the policy or contract employed in calculating returns or changes in value:
- 1. averaged over the period of 4 years before the date on which the Corporation becomes obligated with respect to the policy or contract, exceeds a rate of interest determined by subtracting 2 percentage points from Moody's corporate bond yield average for the 4-year period before the date on which the Corporation became obligated or, if the policy or contract was issued less than 4 years before the Corporation became obligated, for that period; or
- 2. on or after the date on which the Corporation becomes obligated with respect to the policy or contract, exceeds the rate of interest determined by subtracting 3 percentage points from the most recent published Moody's corporate bond yield average;
- (iv) a plan or program of an employer, association, or similar entity to provide life, health, or annuity benefits to its employees or members to the extent that the plan or program is self—funded or uninsured, including benefits payable by an employer, association, or similar entity under:
- 1. a multiple employer welfare arrangement, as defined in 29 U.S.C. § 1002(40);
  - 2. a minimum premium group insurance plan;
  - 3. a stop-loss group insurance plan; or
  - 4. an administrative services only contract;
- (v) any part of a policy or contract to the extent that it provides dividends or experience rating credits or provides that a fee or allowances be paid to any person, including the policy or contract holder, in connection with the service to or administration of the policy or contract;
- (vi) a policy or contract issued in the State by a member insurer at a time when it was not licensed or did not have a certificate of authority to issue the policy or contract in the State;

benefits;

- (vii) an annuity contract or group annuity certificate that is not issued to and owned by an individual, except to the extent of annuity benefits guaranteed to an individual by an insurer under the annuity contract or group certificate, including the following contracts:
  - 1. unallocated funding agreements;
  - 2. unallocated annuity contract benefits;
  - 3. deposit administration contracts; or
  - 4. guaranteed investment contract accounts;
- (viii) a policy issued by an organization as provided in  $\S 1-202(3)$  of this article;
  - (ix) an annuity agreement issued under § 16–114 of this article;
- (x) a portion of a policy or contract to the extent that the assessments required by § 9–409 of this subtitle with respect to the policy or contract are preempted by federal or state law;
- (xi) an obligation that does not arise under the express written terms of the policy or contract issued by the MEMBER insurer to the ENROLLEE, CERTIFICATE HOLDER, contract owner, or policy owner, including without limitation:
  - 1. claims made on marketing materials;
- 2. claims based on side letters, riders, or other documents that were issued by the **MEMBER** insurer without meeting applicable policy form **OR CONTRACT** filing or approval requirements;
  - 3. misrepresentations of or regarding policy **OR CONTRACT** 
    - 4. extra-contractual claims; and
- 5. a claim for penalties or consequential or incidental damages;
- (xii) subject to paragraph (3) of this subsection, a portion of a policy or contract to the extent that it provides for interest or other changes in value to be determined by the use of an index or other external reference stated in the policy or contract, but which have not been credited to the policy or contract, or as to which the policy or contract owner's rights are subject to forfeiture, as of the date the member insurer

becomes an impaired insurer or insolvent insurer under this subtitle, whichever is earlier; [or]

(xiii) a policy or contract providing any hospital, medical, prescription drug, or other health care benefits under ANY OF THE FOLLOWING PROVISIONS OR REGULATIONS ADOPTED UNDER ONE OF THE FOLLOWING PROVISIONS:

- 1. TITLE 42, CHAPTER 7, SUBCHAPTER XVIII, Part C or Part D [of Subchapter XVIII, Chapter 7 of Title 42] of the United States Code[, commonly known as Medicare Part C & D, or any regulations adopted under it] ("MEDICARE PART C & D");
- 2. TITLE 42, CHAPTER 7, SUBCHAPTER XIX OF THE UNITED STATES CODE ("MEDICAID"); OR
- 3. TITLE 15, SUBTITLE 3 OF THE HEALTH GENERAL ARTICLE; OR

(XIV) A STRUCTURED SETTLEMENT ANNUITY BENEFIT TO WHICH A PAYEE, OR BENEFICIARY OF A PAYEE IF THE PAYEE IS DECEASED, HAS TRANSFERRED THE RIGHTS IN A STRUCTURED SETTLEMENT FACTORING TRANSACTION, AS DEFINED IN 26 U.S.C. § 5891(c)(3)(A), REGARDLESS OF WHETHER THE TRANSACTION OCCURRED BEFORE OR AFTER THE EFFECTIVE DATE OF 26 U.S.C. § 5891(c)(3)(A).

(3) If a policy's or contract's interest or changes in value are credited less frequently than annually, then to determine the values that have been credited and are not subject to forfeiture under this subsection, the interest or change in value determined by using the procedures defined in the policy or contract will be credited as if the contractual date of crediting interest or changing values was the date of impairment or insolvency, whichever is earlier, and will not be subject to forfeiture.

9-405.

- (a) (1) There is a Life and Health Insurance Guaranty Corporation.
  - (2) The Corporation is a private, nonprofit, nonstock corporation.
- (3) The Corporation is established to enable the guaranty of payment of benefits and continuation of coverages.
- (b) As a condition of its authority to transact insurance **OR HEALTH MAINTENANCE ORGANIZATION** business in the State, each member insurer must be and remain a member of the Corporation.

- (c) The Corporation shall:
- (1) perform its functions in accordance with the plan of operation established and approved under  $\S 9-410$  of this subtitle; and
- (2) exercise its powers through the Board of Directors established under § 9–406 of this subtitle.
  - (d) For administration and assessment purposes, the Corporation shall maintain:
    - (1) the health [insurance] account;
    - (2) the life insurance account; and
    - (3) the annuity account.
- (e) The Corporation is under the immediate supervision of the Commissioner and subject to the applicable insurance laws of the State.
- (f) Except as otherwise provided in this subtitle, the Corporation has perpetual existence and the powers, privileges, and immunities granted by the applicable provisions of the Corporations and Associations Article.
- (g) (1) The Corporation is not and may not be deemed a department, unit, agency, or instrumentality of the State for any purpose.
- (2) All debts, claims, obligations, and liabilities of the Corporation, whenever incurred, shall be the debts, claims, obligations, and liabilities of the Corporation only and not of the State or the State's agencies, instrumentalities, officers, or employees.
- (h) (1) The money of the Corporation is not part of the General Fund of the State.
- (2) The State may not budget for or provide General Fund appropriations to the Corporation.
- (3) The debts, claims, obligations, and liabilities of the Corporation are not a debt of the State or a pledge of the credit of the State.

9-406.

- (a) (1) The Board of Directors of the Corporation consists of at least [five] 7 members but not more than [nine] 11 members.
- (2) The members of the Board shall be elected from among the member insurers.

- (3) The terms of the members of the Board shall be as set by the plan of operation.
- (4) A vacancy on the Board shall be filled for the remainder of the term by a majority vote of the remaining members of the Board.
- (b) (1) The Board of Directors shall elect a chairman and appoint an executive committee.
  - (2) The Board may elect other officers.
- (c) When electing members of the Board of Directors or filling vacancies on the Board, consideration shall be given to, among other things, whether all member insurers are fairly represented.
  - (d) A member of the Board of Directors:
- (1) may be reimbursed by the Corporation for expenses incurred in carrying out duties as a member of the Board; but
- (2) may not otherwise receive compensation from the Corporation for the member's service.
- (e) (1) The Board of Directors has general oversight authority over funds provided under this subtitle to the Board of Directors or Corporation.
- (2) At any time or in any manner as the Board may direct, a receiver, liquidator, rehabilitator, or conservator appointed under this subtitle shall make a detailed accounting of expenditures to the Board.

9-407.

- (a) For a member insurer that is an impaired insurer, the Corporation, subject to any conditions imposed by the Corporation that do not impair the contractual obligations of the impaired insurer and that are approved by the Commissioner, may:
- (1) guarantee, **ASSUME**, **REISSUE**, or reinsure, or cause to be guaranteed, assumed, **REISSUED**, or reinsured, any or all of the covered policies or contracts of the impaired insurer; and
- (2) provide money, pledges, loans, notes, guarantees, or other appropriate means to:
  - (i) carry out item (1) of this subsection; and
- (ii) ensure payment of the contractual obligations of the impaired insurer, pending action under item (1) of this subsection.

- (b) For a member insurer that is an insolvent insurer, the Corporation may:
- (1) (i) guarantee, ASSUME, REISSUE, or reinsure, or cause to be guaranteed, assumed, REISSUED, or reinsured, any or all of the covered policies or contracts of the insolvent insurer; or
- (ii) ensure payment of the contractual obligations of the insolvent insurer; and
- (2) provide money, pledges, loans, notes, guarantees, or other appropriate means to discharge the Corporation's duties under item (1) of this subsection.
- (c) If the Corporation fails to act within a reasonable period of time with respect to the impaired **INSURER** or insolvent insurer, the Commissioner shall have the powers and duties of the Corporation under this subtitle.
- (D) (1) PREMIUMS DUE FOR COVERAGE AFTER ENTRY OF AN ORDER OF LIQUIDATION OF AN INSOLVENT INSURER SHALL BELONG TO AND BE PAYABLE AT THE DIRECTION OF THE CORPORATION.
- (2) IF THE LIQUIDATOR OF AN INSOLVENT INSURER REQUESTS, THE CORPORATION SHALL PROVIDE A REPORT TO THE LIQUIDATOR REGARDING PREMIUM COLLECTION BY THE CORPORATION.
- (3) THE CORPORATION SHALL BE LIABLE FOR UNEARNED PREMIUMS DUE TO POLICY OR CONTRACT OWNERS ARISING AFTER THE ENTRY OF THE ORDER.
- [(d)] (E) (1) In carrying out its duties under subsection (b) of this section, the Corporation may request that policy liens, contract liens, moratoriums on payments, or other similar means be imposed.
- (2) Policy liens, contract liens, moratoriums on payments, or other similar means may be imposed if the Commissioner approves the specific policy liens, contract liens, moratoriums on payments, or other similar means after finding that:
- (i) the amounts that can be assessed under this subtitle are less than the amounts needed to ensure full and prompt performance of the impaired insurer's contractual obligations; or
- (ii) the economic or financial conditions, as they affect member insurers, are sufficiently adverse to render the imposition of policy liens, contract liens, moratoriums on payments, or other similar means to be in the public interest.

- (3) (i) Before being obligated under subsection (b) of this section, the Corporation may request that temporary moratoriums or liens on payments of cash values and policy loans be imposed.
- (ii) If the Commissioner approves, the temporary moratoriums or liens requested by the Corporation under this paragraph may be imposed.
- [(e)] **(F)** The Corporation is not liable under this section for a covered policy of a foreign insurer or alien insurer whose domiciliary jurisdiction or state of entry provides, by statute or regulation, protection for residents of this State substantially similar to that provided under this subtitle for residents of other states.
- [(f)] (G) On request of the Commissioner, the Corporation may give help and advice to the Commissioner about rehabilitation, payment of claims, continuations of coverage, or the performance of other contractual obligations of an impaired insurer.
- [(g)] **(H)** (1) The Corporation has standing to appear or intervene before any court or agency with jurisdiction over an impaired **INSURER** or insolvent insurer as to which the Corporation is or may become obligated under this subtitle.
- (2) The standing extends to all matters germane to the powers and duties of the Corporation, including proposals for reinsuring, REISSUING, MODIFYING, or guaranteeing the covered policies of the impaired INSURER or insolvent insurer and the determination of the covered policies and contractual obligations.
- [(h)] (I) A person receiving benefits under this subtitle, whether the benefits are payments of contractual obligations or continuation of coverage, is deemed to have assigned all rights under or causes of action relating to the covered policy to the Corporation to the extent of the benefits received because of this subtitle.
- (2) The Corporation may require a payee, **ENROLLEE**, policy or contract owner, beneficiary, insured, or annuitant to assign to the Corporation all rights to the extent of benefits received under the covered policy as a condition precedent to the receipt of any rights or benefits under this subtitle.
- (3) The Corporation is subrogated to the rights assigned under this subsection against the assets of the impaired **INSURER** or insolvent insurer.
- (4) The subrogation rights of the Corporation under this subsection have the same priority against the assets of the impaired **INSURER** or insolvent insurer as those of the person entitled to receive benefits under this subtitle.
- [(i)] (J) In carrying out its duties in connection with guaranteeing, ASSUMING, REISSUING, or reinsuring policies or contracts under subsections (a) and (b) of this section, the Corporation may, subject to approval of the Commissioner, issue substitute coverage for a policy or contract that provides an interest rate, a crediting rate, or a similar factor

determined by use of an index or other external reference stated in the policy or contract employed in calculating returns or changes in value by issuing an alternative policy or contract, if:

- (1) in lieu of the index or other external reference provided for in the original policy or contract, the alternative policy or contract provides for:
  - (i) a fixed interest rate;
  - (ii) payment of dividends with minimum guarantees; or
  - (iii) a different method for calculating interest or changes in value;
- (2) there is no requirement for evidence of insurability, waiting period, or other exclusion that would not have applied under the original policy or contract; and
- (3) the alternative policy or contract is substantially similar to the original policy or contract in all other material terms.
- [(j)] (K) (1) Subject to paragraphs (2) and (3) of this subsection and unless the contractual obligations of the impaired insurer or insolvent insurer are reduced or excluded under subsection [(d)] (E) of this section or § 9–403(g)(2) of this subtitle, the contractual obligations of the impaired insurer or insolvent insurer for which the Corporation is or may become liable shall be as great as, but no greater than, the contractual obligations that the impaired insurer or insolvent insurer would have had in the absence of the impairment or insolvency.
- (2) The Corporation is not liable for health care received after the date of the impairment or insolvency unless the health care was in progress on the date of the impairment or insolvency or unless other health care coverage is not available from another insurer, **HEALTH MAINTENANCE ORGANIZATION**, or nonprofit health service plan.
- (3) Benefits for which the Corporation may become liable may not exceed the lesser of:
- (i) the contractual obligations for which the **MEMBER** insurer is or would have been liable if it were not an impaired insurer or insolvent insurer; or
- (ii) with respect to any one life, regardless of the number of policies or contracts:
- 1. \$300,000 in life insurance death benefits, but not more than \$100,000 in net cash surrender and net cash withdrawal values for life insurance;
  - 2. [in] **FOR** health insurance benefits:

- A. \$500,000 for [basic hospital, medical, and surgical insurance or major medical insurance provided by health benefit plans, as defined in \$ 15–1301 of this article] **HEALTH BENEFIT PLANS**;
- B. \$300,000 for disability insurance and \$300,000 for long-term care insurance, as defined in § 18–101 of this article; and
- C. \$100,000 for coverages not included as [basic hospital, medical, and surgical insurance, or major medical insurance, or] disability insurance, **HEALTH BENEFIT PLANS**, or long—term care insurance, including any net cash surrender and net cash withdrawal values under items A and B of this item; and
- 3. A. \$250,000 in the present value of annuity benefits, including net cash surrender and net cash withdrawal values; and
- B. with respect to each payee under a structured settlement annuity, or beneficiary of the payee if the payee is deceased, \$250,000 in present value annuity benefits, in the aggregate, including any net cash surrender and net cash withdrawal values.
- (4) (i) Except as provided in subparagraph (ii) of this paragraph, the Corporation may not, with respect to any one life, be liable for coverage greater than an aggregate of \$300,000 for the benefits described in paragraph (3)(ii)1, 2, and 3 of this subsection.
- (ii) The Corporation may not, with respect to any one life, be liable for coverage greater than an aggregate of \$500,000 [in basic hospital, medical, and surgical insurance or major medical insurance] FOR HEALTH BENEFIT PLANS under paragraph (3)(ii)2A of this subsection.
- [(k)] **(L)** The Corporation may join an organization of one or more other state associations of similar purposes, to further the purposes and administer the powers and duties of the Corporation.
- (M) IN THIS SUBTITLE, BENEFITS PROVIDED BY A LONG-TERM CARE RIDER TO A LIFE INSURANCE POLICY OR ANNUITY CONTRACT SHALL BE CONSIDERED THE SAME TYPE OF BENEFITS AS THE BASE LIFE INSURANCE POLICY OR ANNUITY CONTRACT TO WHICH THE RIDER RELATES.

9-407.1.

(a) At any time within 180 days after the date of an order of liquidation, the Corporation may elect to succeed to the rights and obligations of the ceding member insurer that relate to policies, **CONTRACTS**, or annuities covered, in whole or in part, by the Corporation, in each case under any one or more reinsurance contracts entered into by the insolvent insurer and its reinsurers and selected by the Corporation.

- (b) Any assumption under subsection (a) of this section is effective as of the date of the order of liquidation.
- (c) The election shall be effected by the Corporation or the National Organization of Life and Health Insurance Guaranty Associations on its behalf sending written notice, return receipt requested, to the affected reinsurers.
- (d) To facilitate the earliest practicable decision about whether to assume any of the contracts of reinsurance, and in order to protect the financial position of the estate, the receiver and each reinsurer of the ceding member insurer shall make available on request to the Corporation or to the National Organization of Life and Health Insurance Guaranty Associations on its behalf as soon as possible after commencement of formal delinquency proceedings:
- (1) copies of in–force contracts of reinsurance and all related files and records relevant to the determination of whether the contracts should be assumed; and
- (2) notices of any defaults under the reinsurance contracts or any known event or condition that, with the passage of time, could become a default under the reinsurance contracts.
- (e) (1) This subsection applies to reinsurance contracts assumed by the Corporation.
- (2) The Corporation is responsible for all unpaid premiums due under a reinsurance contract assumed by the Corporation for periods both before and after the date of the order of liquidation, and is responsible for the performance of all other obligations to be performed after the date of the order of liquidation, in each case which relate to policies, **CONTRACTS**, or annuities covered, in whole or in part, by the Corporation.
- (3) The Corporation may charge policies, **CONTRACTS**, or annuities covered in part by the Corporation, through reasonable allocation methods, the costs for reinsurance in excess of the obligations of the Corporation and shall provide notice and an accounting of these charges to the liquidator.
- (4) The Corporation is entitled to any amounts payable by the reinsurer under the reinsurance contracts with respect to losses or events that occur in periods after the date of the order of liquidation and that relate to policies, **CONTRACTS**, or annuities covered, in whole or in part, by the Corporation, if on receipt of any amounts payable, the Corporation is obliged to pay to the beneficiary under the policy, **CONTRACT**, or annuity on account of which the amounts were paid a portion of the amount equal to the lesser of:
  - (i) the amount received by the Corporation; and

- (ii) the excess of the amount received by the Corporation over the amount equal to the benefits paid by the Corporation on account of the policy, **CONTRACT**, or annuity less the retention of the insurer applicable to the loss or event.
- (f) (1) Within 30 days after the Corporation's election, the Corporation and each reinsurer under contracts assumed by the Corporation shall calculate the net balance due to or from the Corporation under each reinsurance contract as of the election date with respect to policies, CONTRACTS, or annuities covered, in whole or in part, by the Corporation.
- (ii) The calculation under subparagraph (i) of this paragraph shall give full credit to all items paid by either the **MEMBER** insurer or its receiver or the reinsurer prior to the election date.
- (2) Within 5 days after the completion of the calculation under paragraph (1) of this subsection, the reinsurer shall pay the receiver any amounts due for losses or events before the date of the order of liquidation, subject to any setoff for premiums unpaid for periods before the date, and the Corporation or reinsurer shall pay any remaining balance due the other, in each case.
- (3) Any disputes over the amounts due to either the Corporation or the reinsurer shall be resolved by arbitration under the terms of the affected reinsurance contracts or, if the contract contains no arbitration clause, as otherwise provided by law.
- (4) If the receiver has received any amounts due to the Corporation under subsection (e)(4) of this section, the receiver shall remit those amounts to the Corporation as promptly as practicable.
- (g) If the Corporation or receiver, on the Corporation's behalf, within 60 days after the election date, pays the unpaid premiums due for periods both before and after the election date that relate to policies, **CONTRACTS**, or annuities covered, in whole or in part, by the Corporation, the reinsurer is not entitled to:
- (1) terminate the reinsurance contracts for failure to pay premiums for the reinsurance contracts that relate to policies, **CONTRACTS**, or annuities covered, in whole or in part, by the Corporation; or
- (2) set off any unpaid amounts due under other contracts, or unpaid amounts due from parties other than the Corporation, against amounts due the Corporation.
- (h) During the period from the date of the order of liquidation until the election date or, if the election date does not occur, until 180 days after the date of the order of liquidation:

- (1) (i) neither the Corporation nor the reinsurer shall have any rights or obligations under reinsurance contracts that the Corporation has the right to assume under subsections (a) through (g) of this section, whether for periods before or after the date of the order of liquidation; and
- (ii) the reinsurer, the receiver, and the Corporation shall, to the extent practicable, provide each other data and records reasonably requested; and
- (2) if the Corporation has elected to assume a reinsurance contract, the parties' rights and obligations shall be governed by subsections (a) through (g) of this section.
- (i) If the Corporation does not elect to assume a reinsurance contract by the election date under subsections (a) through (g) of this section, the Corporation shall have no rights or obligations, in each case for periods both before and after the date of the order of liquidation, with respect to the reinsurance contract.
- (j) When policies, **CONTRACTS**, or annuities, or covered obligations with respect to policies, **CONTRACTS**, or annuities, are transferred to an assuming insurer, reinsurance on the policies, **CONTRACTS**, or annuities may also be transferred by the Corporation, in the case of contracts assumed under subsections (a) through (g) of this section, if:
- (1) unless the reinsurer and the assuming insurer agree otherwise, the reinsurance contract transferred does not cover any new policies of insurance, **HEALTH MAINTENANCE ORGANIZATION SUBSCRIBER CONTRACTS AND GROUP MASTER CERTIFICATES**, or annuities in addition to those transferred;
- (2) the obligations described in subsections (a) through (g) of this section no longer apply with respect to matters arising after the effective date of the transfer; and
- (3) notice is given in writing, return receipt requested, by the transferring party to the affected reinsurer at least 30 days before the effective date of the transfer.
- (k) (1) The provisions of this section supersede the provisions of any state law or of any affected reinsurance contract that provides for or requires any payment of reinsurance proceeds, on account of losses or events that occur in periods after the date of the order of liquidation, to the receiver of the insolvent insurer or any other person.
- (2) The receiver remains entitled to any amounts payable by the reinsurer under the reinsurance contracts with respect to losses or events that occur in periods before the date of the order of liquidation, subject to applicable setoff provisions.
- (l) (1) Except as otherwise provided in this section, this section does not alter or modify the terms and conditions of any reinsurance contract.
  - (2) This section does not:

- (i) abrogate or limit any rights of any reinsurer to claim that the reinsurer is entitled to rescind a reinsurance contract;
- (ii) give a policyholder, CONTRACT OWNER, ENROLLEE, CERTIFICATE HOLDER, or beneficiary an independent cause of action against a reinsurer that is not otherwise set forth in the reinsurance contract;
- (iii) limit or affect the Corporation's rights as a creditor of the estate against the assets of the estate; or
- (iv) apply to reinsurance agreements covering property or casualty risks.

9-408.

# The Corporation may:

- (1) enter into contracts that are necessary or proper to carry out the provisions and purposes of this subtitle;
- (2) sue or be sued and take any other legal actions necessary or proper for the recovery of unpaid assessments under § 9–409 of this subtitle;
- (3) borrow money to carry out the purposes of this subtitle, provided that any notes or other evidences of indebtedness of the Corporation not in default are legal investments for domestic insurers and may be carried as admitted assets;
- (4) employ or retain persons as necessary to handle the financial transactions of the Corporation and perform other functions that are necessary or proper under this subtitle;
- (5) negotiate and contract with liquidators, rehabilitators, conservators, or ancillary receivers to carry out the powers and duties of the Corporation;
  - (6) take any legal action necessary to avoid payment of improper claims;
- (7) for the purposes of this subtitle and to the extent approved by the Commissioner, exercise the powers of a domestic life insurer [or], health insurer, **OR HEALTH MAINTENANCE ORGANIZATION**, except that the Corporation may not issue policies or [annuity] contracts other than those issued to perform the contractual obligation of an impaired **INSURER** or insolvent insurer; [and]
- (8) IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE POLICY OR CONTRACT, FILE FOR ACTUARIALLY JUSTIFIED RATE OR PREMIUM

# INCREASES FOR ANY POLICY OR CONTRACT FOR WHICH THE CORPORATION PROVIDES COVERAGE UNDER THIS SUBTITLE; AND

[(8)] (9) perform any other act necessary or proper to carry out [the purposes of] this subtitle.

9-409.

- (a) Members of the Corporation are subject to assessment as provided in this section.
- (b) (1) To provide the funds necessary to carry out the powers and duties of the Corporation, the Board of Directors shall assess member insurers, separately for each account, at the times and for the amounts that the Board finds necessary.
- (2) The Board shall give 30 days' written notice to a member insurer before payment of an assessment is due.
  - (3) The Board shall collect the assessments when due.
  - (c) There are two classes of assessments to be made for the following purposes:
- (1) Class A assessments, to be used to meet administrative costs and other general expenses not related to a particular impaired insurer or insolvent insurer; and
- (2) Class B assessments, to be used to carry out the powers and duties of the Corporation with respect to an impaired insurer or insolvent insurer.
  - (d)  $\,$  (i) The Board shall determine the amount of a Class A assessment.
- (ii) The Board may make a Class A assessment on a pro rata or nonpro rata basis.
- (iii) If made on a pro rata basis, the Board may provide that the assessment be credited against future Class B assessments.
- (iv) [A nonpro rata assessment may not exceed the amount provided in the Corporation's plan of operation per member insurer in 1 calendar year.
- (v)] [The] EXCEPT FOR ASSESSMENTS RELATED TO LONG-TERM CARE INSURANCE, THE amount of a Class B assessment shall be allocated for assessment purposes among the accounts according to an allocation formula that is based on:
- 1. the premiums or reserves of the impaired insurer or insolvent insurer; or

- 2. on another standard that the Board considers in its sole discretion to be fair and reasonable under the circumstances.
- (2) (I) THE AMOUNT OF A CLASS B ASSESSMENT FOR LONG—TERM CARE INSURANCE WRITTEN BY THE IMPAIRED INSURER OR INSOLVENT INSURER SHALL BE ALLOCATED ACCORDING TO A METHODOLOGY INCLUDED IN THE PLAN OF OPERATION AND APPROVED BY THE COMMISSIONER.
- (II) THE METHODOLOGY USED TO ALLOCATE THE AMOUNT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL PROVIDE FOR 50% OF THE ASSESSMENT TO BE ALLOCATED TO ACCIDENT AND HEALTH MEMBER INSURERS AND 50% TO BE ALLOCATED TO LIFE AND ANNUITY MEMBER INSURERS.
- (3) The Board shall make Class B assessments against member insurers for each account in the proportion that the amount of premiums received on business in the State by each assessed member insurer on policies or contracts covered by each account for the most recent calendar year for which information is available preceding the year in which the MEMBER insurer became impaired or insolvent, bears to the amount of premiums received on business in the State for those calendar years by all assessed member insurers.
- [(3)] (4) The Board may assess member insurers on a nonpro rata basis without regard to paragraph [(2)] (3) of this subsection if the amount of a Class B assessment representing the aggregate liability of the Corporation for a single impairment or insolvency is not greater than the Class A assessment in the same calendar year against authorized insurers in the same line of business as the liability for the impaired insurer or insolvent insurer.
- [(4)] (5) (i) The Board may not make assessments for funds to meet the requirements of the Corporation with respect to an impaired insurer or insolvent insurer until necessary to carry out the purposes of this subtitle.
- (ii) Because exact determinations may not always be possible, the Board shall make classifications of assessments and computation of assessments under this subsection with a reasonable degree of accuracy.
- (e) (1) If, in the opinion of the Board, payment of an assessment would endanger the ability of a member insurer to meet its contractual obligations, the Corporation may abate or defer, wholly or partly, the assessment of the member insurer.
- (2) If an assessment against a member insurer is wholly or partly abated or deferred, the amount by which the assessment is abated or deferred shall be assessed against the other member insurers in a manner consistent with the basis for assessments set forth in this section.

- (f) (1) In a calendar year, the total of all assessments against a member insurer for each account may not exceed 2% of the member insurer's premiums in the State on policies covered by the account.
- (2) If an assessment against a member insurer is reduced because of paragraph (1) of this subsection, the Board shall assess the amount of the reduction against the other member insurers in a manner consistent with the basis for assessments set forth in this section.
- (3) If the maximum assessments in a calendar year against all MEMBER insurers plus the other assets of the Corporation in any account are insufficient to provide in the account the amount necessary to carry out the responsibilities of the Corporation, the Board shall make additional assessments as necessary against member insurers as soon as allowed by this subtitle.
- (g) (1) If approved by the Commissioner, the Board may refund to member insurers, by an equitable method set by the plan of operation, in proportion to the contribution of each member insurer to that account, the amount by which the assets of the account exceed the amount that the Board finds necessary to carry out the obligations of the Corporation during the coming year.
- (2) For the purpose of this subsection, assets include assets accruing from net realized gains and income from investments.
- (3) If refunds are impracticable, the Board may retain a reasonable amount in an account for the continuing expenses of the Corporation and for future losses.
- (h) In determining premium rates and policy owner dividends for any kind of insurance **OR HEALTH MAINTENANCE ORGANIZATION BUSINESS** within the scope of this subtitle, a member insurer may consider the amount reasonably necessary to meet its assessment obligations under this subtitle.
- (i) (1) The Corporation shall issue to each member insurer that pays an assessment under this subtitle a certificate of contribution for the amount of the assessment.
- (2) The certificate of contribution shall be in the form that the Commissioner requires.
- (3) All outstanding certificates of contribution are of equal dignity and priority without reference to amounts or dates of issue.
- (4) The member insurer may show a certificate of contribution in the member insurer's financial statement as an asset in the form and for the amount, if any, and the period of time that the Commissioner approves.

- (a) (1) (i) The Corporation shall submit to the Commissioner a plan of operation and any amendments necessary or suitable to it to ensure the fair, reasonable, and equitable administration of the Corporation.
- (ii) **1.** The plan of operation and any amendments to it take effect when approved in writing by the Commissioner.
- 2. UNLESS DISAPPROVED BY THE COMMISSIONER WITHIN 30 DAYS AFTER SUBMISSION, A PLAN OF OPERATION AND ANY AMENDMENTS TO THE PLAN SHALL BE DEEMED APPROVED ON THE 31ST DAY AFTER THE DATE ON WHICH THE PLAN WAS SUBMITTED.
- (2) (i) If the Corporation fails to submit suitable amendments to the plan of operation, the Commissioner, after notice and hearing, shall adopt reasonable regulations as necessary or advisable to carry out this subtitle.
- (ii) Regulations adopted under this paragraph shall continue in effect until modified by the Commissioner or superseded by an amendment to the plan of operation submitted by the Corporation and approved by the Commissioner.
  - (b) Each member insurer shall comply with the plan of operation.
  - (c) The plan of operation shall:
    - (1) establish procedures for handling the assets of the Corporation;
- (2) establish the amounts to be reimbursed and the method of reimbursing members of the Board of Directors under § 9–406 of this subtitle;
- (3) establish regular places and times for meetings of the Board of Directors;
- (4) establish procedures for keeping records of the financial transactions of the Corporation, its agents, and the Board of Directors;
- (5) establish procedures for choosing the Board of Directors and submitting the choices to the Commissioner;
- (6) establish any additional procedures for assessments under  $\S$  9–409 of this subtitle; and
- (7) contain any additional provisions necessary or proper to perform the powers and duties of the Corporation.

- (d) (1) The plan of operation may provide that any or all of the powers and duties of the Corporation, except those under §§ 9–408(3) and 9–409 of this subtitle, may be delegated to a person that performs or will perform functions similar to those of the Corporation or its equivalent in two or more states.
- (2) A person to which powers and duties are delegated under the plan of operation shall be:
- (i) reimbursed for any payments made on behalf of the Corporation; and
  - (ii) paid for its performance of the functions of the Corporation.
  - (3) A delegation under this subsection may:
- (i) take effect only with the approval of the Board of Directors and Commissioner; and
- (ii) be made only to a person that extends protection not substantially less favorable and effective than that provided by this subtitle.

#### 9–411.

#### (a) (1) The Commissioner:

- (i) shall notify the Board of Directors of the existence of an impaired insurer not later than 3 days after a determination of impairment is made or the Commissioner receives notice of impairment;
- (ii) on request of the Board of Directors, shall provide the Corporation with a statement of the premiums in the **STATE AND OTHER** appropriate states for each member insurer;
- (iii) when an impairment is declared and the amount of the impairment is determined, shall serve a demand on the impaired insurer to make good the impairment within a reasonable time; and
  - (iv) shall be appointed as:
- 1. the liquidator or rehabilitator in a liquidation or rehabilitation proceeding involving a domestic **MEMBER** insurer; or
- 2. the conservator or ancillary receiver in a liquidation proceeding involving a member insurer that is a foreign insurer in its domiciliary jurisdiction or an alien insurer in its state of entry.

- (2) (i) Notice to the impaired insurer under paragraph (1)(iii) of this subsection is deemed notice to its shareholders.
- (ii) Failure of the **IMPAIRED** insurer to comply promptly with a demand to make good the impairment does not excuse the Corporation from the performance of its duties and powers under this subtitle.

### (b) (1) The Commissioner:

- (i) after notice and hearing, may suspend or revoke the LICENSE OR certificate of authority TO TRANSACT BUSINESS IN THE STATE of  $\frac{1}{2}$  ANY member insurer that fails to pay an assessment when due or fails to comply with the plan of operation; or
- (ii) on behalf of the Corporation, may impose a penalty on a member insurer that fails to pay an assessment when due.
- (2) A penalty imposed under paragraph (1)(ii) of this subsection may not exceed 5% of the unpaid assessment per month and may not be less than \$100 per month.
- (c) (1) Within 30 days after an action of the Board of Directors or Corporation, a member insurer may appeal the action to the Commissioner.
- (2) A final action or order of the Commissioner under this subtitle is subject to judicial review.
- (d) The liquidator, rehabilitator, or conservator of an impaired insurer may notify all interested persons of the effect of this subtitle.

#### 9-412.

- (a) (1) The Commissioner and Board of Directors have the powers and duties described in this section to help in the detection and prevention of **MEMBER** insurer impairments **OR INSOLVENCIES**.
- (2) The Corporation may help the Commissioner in detecting and preventing **MEMBER** insurer impairments **OR INSOLVENCIES** as provided in this section.
- (b) (1) The Commissioner shall examine a member insurer if the Commissioner has reasonable cause to believe that the member insurer may be unable or potentially unable to fulfill its contractual obligations.
- (2) On a majority vote, the Board of Directors shall notify the Commissioner of any information that indicates that a member insurer may be unable or potentially unable to fulfill its contractual obligations.

- (c) (1) On a majority vote, the Board of Directors may request that the Commissioner order an examination of a member insurer that the Board in good faith believes may be unable or potentially unable to fulfill its contractual obligations.
  - (2) The Commissioner may conduct the examination.
- (3) The examination may be conducted as a National Association of Insurance Commissioners examination or may be conducted by a person that the Commissioner designates.
  - (4) The cost of an examination shall be paid by the Corporation.
- (5) The examination report shall be treated as are other examination reports.
- (6) An examination report may not be released to the Board of Directors before its release to the public, but this does not excuse the Commissioner from the duty to comply with subsection (d) of this section.
- (7) The Commissioner shall notify the Board of Directors when the examination is completed.
- (8) (i) The request for an examination shall be kept on file by the Commissioner.
- (ii) A request for examination may not be open to public inspection before the release of the examination report to the public, and shall be released at that time only if the examination discloses that the examined member insurer is unable or potentially unable to meet its contractual obligations.
- (d) The Commissioner shall report to the Board of Directors when the Commissioner has reasonable cause to believe that a member insurer, examined at the request of the Board of Directors, may be unable or potentially unable to fulfill its contractual obligations.
- (e) (1) On a majority vote, the Board of Directors may make reports and recommendations to the Commissioner on any matter germane to the solvency, liquidation, rehabilitation, or conservation of a member insurer.
- (2) A report or recommendation made under this subsection is not a public document.
- (f) On a majority vote, the Board of Directors may make recommendations to the Commissioner for the detection and prevention of **MEMBER** insurer impairments **OR INSOLVENCIES**.

(g) At the conclusion of [an] A MEMBER insurer impairment OR INSOLVENCY in which the Corporation carried out its duties or exercised its powers under this subtitle, the Board of Directors shall prepare and submit to the Commissioner a report on the history and causes of the impairment OR INSOLVENCY, based on the information available to the Corporation.

9-414.

- (a) This subtitle may not be construed to reduce the liability for unpaid assessments of the insureds of an impaired **INSURER** or insolvent insurer operating under a plan with assessment liability.
- (b) Assessable premiums may not be reduced because of § 9–403(g)(2)(iii) of this subtitle relating to interest limitations and because of [§ 9–407(j)] § 9–407(K) of this subtitle relating to limitations with respect to an individual policyholder.
- (c) (1) The Corporation shall keep records of all negotiations and meetings in which the Corporation or its representatives are involved to discuss the activities of the Corporation in carrying out its powers and duties under §§ 9–407 and 9–408 of this subtitle.
- (2) Records of the negotiations or meetings described in paragraph (1) of this subsection shall be made public only:
- (i) after the termination of a liquidation, rehabilitation, or conservation proceeding involving an impaired INSURER or insolvent insurer;
- (ii) after the termination of the impairment or insolvency of [an] A MEMBER insurer; or
  - (iii) by court order.
- (3) This subsection does not limit the duty of the Corporation to submit a report of its activities under § 9–415 of this subtitle.
- (d) (1) In this subsection, "assets attributable to covered policies" means that proportion of the impaired **INSURER'S** or insolvent insurer's assets that the amount of the reserves that should have been established for the covered policies bears to the amount of the reserves that should have been established for all policies written by the impaired **INSURER** or insolvent insurer.
- (2) For the purpose of carrying out its obligations under this subtitle, the Corporation is considered a creditor of the impaired **INSURER** or insolvent insurer to the extent of the impaired **INSURER'S** or insolvent insurer's assets attributable to covered policies reduced by any amounts to which the Corporation is entitled as subrogee under [§ 9–407(h)] § 9–407(I) of this subtitle.

- (3) The assets attributable to covered policies of the impaired **INSURER** or insolvent insurer shall be used to continue the covered policies and pay the contractual obligations of the impaired **INSURER** or insolvent insurer as required by this subtitle.
- (e) (1) (i) Before the termination of a liquidation, rehabilitation, or conservation proceeding, the court may consider the contributions of the respective parties, including the Corporation, the stockholders, CONTRACT OWNERS, CERTIFICATE HOLDERS, ENROLLEES, and policy owners of the impaired INSURER or insolvent insurer, and any other party with a bona fide interest, in making an equitable distribution of the ownership rights of the impaired INSURER or insolvent insurer.
- (ii) In making a determination under subparagraph (i) of this paragraph, the court shall consider the welfare of the policyholders, CONTRACT OWNERS, CERTIFICATE HOLDERS, AND ENROLLEES of the continuing or successor MEMBER insurer.
- (2) A distribution to any stockholders of an impaired **INSURER** or insolvent insurer may not be made until all of the assessments levied by the Corporation with respect to the impaired **INSURER** or insolvent insurer have been fully recovered by the Corporation.
- (f) It is a prohibited unfair method of competition, subject to Title 27 of this article (Unfair Trade Practices), for a person to make use in any manner of the protection afforded by this subtitle in the sale of insurance **OR HEALTH MAINTENANCE ORGANIZATION COVERAGE**.
- (g) (1) Subject to the limitations of paragraphs (2) and (4) of this subsection, if an order for liquidation or rehabilitation of [an] A MEMBER insurer domiciled in the State has been entered, the receiver appointed under the order shall have a right to recover on behalf of the MEMBER insurer, from any affiliate that controlled the MEMBER insurer, the amount of distribution, other than stock dividends paid by the MEMBER insurer on its capital stock, made at any time during the 5 years preceding the petition for liquidation or rehabilitation.
- (2) A dividend described in paragraph (1) of this subsection is not recoverable if the **MEMBER** insurer shows that:
  - (i) the distribution was lawful and reasonable when paid; and
- (ii) the **MEMBER** insurer did not know and could not reasonably have known that the distribution might adversely affect the ability of the **MEMBER** insurer to fulfill its contractual obligations.
- (3) (i) A person that was an affiliate that controlled the **MEMBER** insurer when the distributions described in paragraph (1) of this subsection were paid is liable up to the amount of distributions the person received.

- (ii) A person that was an affiliate that controlled the **MEMBER** insurer when the distributions described under paragraph (1) of this subsection were declared is liable up to the amount of distributions the person would have received if the distributions had been paid immediately.
- (iii) Two or more persons that are liable with respect to the same distributions are jointly and severally liable.
- (4) The maximum amount recoverable under this subsection is the amount needed in excess of all other available assets of the impaired **INSURER** or insolvent insurer to pay the contractual obligations of the impaired **INSURER** or insolvent insurer.
- (5) If a person liable under paragraph (3) of this subsection is insolvent, all of its affiliates that controlled it when the dividend was paid are jointly and severally liable for any resulting deficiency in the amount recovered from the insolvent affiliate.
- (h) (1) [An] A MEMBER insurer or insurance producer may not deliver a policy or contract that at the time of delivery exceeds the limitations imposed by [§ 9–407(j)(3)] § 9–407(K)(3) of this subtitle, or that is not subject to coverage under § 9–403 of this subtitle, unless the MEMBER insurer or insurance producer, before or at the time of delivery, provides the policyholder, CERTIFICATE HOLDER, ENROLLEE, or contract holder with a separate written notice as provided in paragraph (2) of this subsection.
- (2) The notice required under this subsection shall disclose clearly and conspicuously that:
- (i) the policy or contract is not covered by, or exceeds the limitations of liability applicable to, the Corporation; and
- (ii) the Corporation is not a department or unit of the State, and the liabilities or debts of the Corporation are not liabilities or debts of the State.
- (3) The Commissioner shall adopt regulations establishing a standard form to be used by insurance producers and **MEMBER** insurers to conform with the provisions of this subsection.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

## (House Bill 143)

AN ACT concerning

# State Boat Act - Abandoned or Sunken Vessels - Removal

FOR the purpose of altering the definition of an "abandoned or sunken vessel" for purposes of certain provisions of law; requiring the Department of Natural Resources to take a certain abandoned or sunken vessel into custody without providing a certain notice if the Department determines that the vessel poses a certain hazard: authorizing the Department to take a certain abandoned or sunken vessel into custody without providing a certain notice if the Governor declares a state of emergency due to a natural disaster; requiring the Department to keep a certain record of a certain determination; altering a certain notice requirement to apply to each known secured party rather than each secured party; requiring the Department to send a certain notice to each known secured party and the last known registered owner of an abandoned or sunken vessel taken into custody under certain provisions of this Act in a certain manner and within a certain time frame; requiring a certain notice to include certain information if a vessel was taken into custody in accordance with certain provisions of this Act; requiring the Department or a certain local jurisdiction to take reasonable measures to ensure that a vessel is not damaged when it is taken into custody under certain provisions of this Act; providing for the interpretation of certain provisions of this Act; prohibiting certain funds from being used for certain purposes; and generally relating to the removal of abandoned or sunken vessels.

BY repealing and reenacting, with amendments,

Article – Natural Resources

Section 8-721

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

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

#### Article - Natural Resources

8 - 721.

- (a) In this section, "abandoned or sunken vessel" means any vessel that:
- (1) Is left illegally or has remained without permission for more than 30 days on public property, including public marinas, docks, or boatyards;
- (2) Has remained at the following locations for more than [90] **30** days without the consent of the owner or person in control of the property:
  - (i) A private marina or property operated by a private marina; or

- (ii) A private boatyard or property operated by a private boatyard;
- (3) Has remained at the following locations for more than 30 days without the consent of the owner or person in control of the property:
  - (i) A private dock; or
  - (ii) At or near waters' edge on private property;
- (4) Has remained on private property other than the private property described in items (2) and (3) of this subsection for more than 180 days without the consent of the owner or person in control of the property; or
- (5) (i) Has been found adrift or unattended in or upon the waters of the State[,] and [is]:
  - 1. IS found in a condition of disrepair [as to constitute];
- 2. PRESENTS a hazard or obstruction to the use of the waters of the State; or
- 3. [presents] PRESENTS a potential health or environmental hazard; and
  - (ii) Is not:
- 1. Historic property as defined in § 5A-301 of the State Finance and Procurement Article; or
- 2. Submerged archaeological historic property as defined in § 5A–333 of the State Finance and Procurement Article.
- (b) (1) The Department may seize, remove, and take into custody any abandoned or sunken vessel.
- (2) For this purpose, the Department may use its own personnel, equipment, and facilities or use other persons, equipment, and facilities for removing, preserving, or storing abandoned or sunken vessels.
- (3) The Department, or a person removing, preserving, or storing an abandoned or sunken vessel on behalf of the Department, may not be held liable for any damage to an abandoned or sunken vessel which may occur during removal, storage, or custody of the vessel.

- (c) [No] EXCEPT AS PROVIDED IN SUBSECTION (G)(2) AND (3) OF THIS SECTION, NOT later than 15 days before an abandoned or sunken vessel is seized, removed, or taken into custody under subsection (b) of this section, the Department shall send a notice, by certified mail, return receipt requested, bearing a postmark from the United States Postal Service to the last known registered owner of the vessel, as shown on the records of the Department.
- (2) (I) [As] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AS soon as reasonably possible but not later than 15 days after the Department takes an abandoned or sunken vessel into custody, the Department shall send a notice, by certified mail, return receipt requested, bearing a postmark from the United States Postal Service to the last known registered owner of the vessel and to each <u>KNOWN</u> secured party, as shown on the records of the Department.
- (II) AS SOON AS REASONABLY POSSIBLE BUT NOT LATER THAN \$\frac{15}{15}\$ DAYS AFTER THE DEPARTMENT TAKES AN ABANDONED OR SUNKEN VESSEL INTO CUSTODY IN ACCORDANCE WITH SUBSECTION (G)(2) OR (3) OF THIS SECTION, THE DEPARTMENT SHALL SEND A NOTICE, BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, BEARING A POSTMARK FROM THE UNITED STATES POSTAL SERVICE TO THE LAST KNOWN REGISTERED OWNER OF THE VESSEL AND TO EACH KNOWN SECURED PARTY, AS SHOWN ON THE RECORDS OF THE DEPARTMENT.
  - (d) The notices required by subsection (c) of this section shall:
    - (1) Describe the vessel;
- (2) IF THE VESSEL WAS TAKEN INTO CUSTODY IN ACCORDANCE WITH SUBSECTION (G)(2) OF THIS SECTION, DESCRIBE THE ACTUAL OR POTENTIAL HAZARD MITIGATED BY REMOVAL OF THE VESSEL;
  - **(3)** Give the location where the vessel is being held;
- [(3)] (4) Inform the owner and secured party of a right to reclaim the vessel within 3 weeks of receipt of the notice required in subsection (c)(2) of this section upon payment to the Department of any expenses incurred during removal and custody of the vessel; and
  - [(4)] **(5)** State that failure to claim the vessel will constitute:
    - (i) A waiver of all right, title, and interest in the vessel; and
    - (ii) A consent to the Department's disposition of the vessel.
- (e) (1) If the Department is unable to determine the last registered owner or the identity of any secured party of the abandoned or sunken vessel, or if the certified mail

notice required under subsection (c) of this section is returned as undeliverable, the Department shall give the required notice by publication in at least 1 newspaper of general circulation in the area where the abandoned or sunken vessel was found.

- (2) The notice by publication shall contain the information required under subsection (d) of this section and shall be published within 30 days of the seizure of the abandoned or sunken vessel, or within 15 days of the return of the certified mail notice as undeliverable.
- (f) If the owner or secured party fails to claim the abandoned or sunken vessel within 3 weeks after the certified mail notice or after the notice by publication is given, the Department may sell the vessel at public auction, proceed to receive title to the vessel pursuant to § 8–722 of this subtitle, or otherwise dispose of the vessel.
- (g) (1) If the abandoned or sunken vessel is in such a condition of disrepair that the Department cannot remove the vessel intact, the Department may dispose of the vessel in whatever manner is reasonable without providing the notice required under subsections (c) through (e) of this section.
- (2) (I) IF THE DEPARTMENT DETERMINES THAT AN ABANDONED OR SUNKEN VESSEL POSES AN IMMEDIATE HAZARD OR OBSTRUCTION TO NAVIGATION, A POTENTIAL HEALTH HAZARD, OR A POTENTIAL ENVIRONMENTAL HAZARD, THE DEPARTMENT SHALL TAKE THE VESSEL INTO CUSTODY WITHOUT PROVIDING THE NOTICE REQUIRED UNDER SUBSECTION (C)(1) OF THIS SECTION.
- (II) THE DEPARTMENT SHALL KEEP A WRITTEN RECORD OF A DETERMINATION MADE UNDER THIS PARAGRAPH, INCLUDING THE ACTUAL OR POTENTIAL HAZARDS MITIGATED BY REMOVAL OF THE VESSEL.
- (3) IF THE GOVERNOR DECLARES A STATE OF EMERGENCY DUE TO A NATURAL DISASTER, THE DEPARTMENT MAY TAKE INTO CUSTODY ANY ABANDONED OR SUNKEN VESSEL DAMAGED BY THE NATURAL DISASTER WITHOUT PROVIDING THE NOTICE REQUIRED UNDER SUBSECTION (C)(1) OF THIS SECTION.
- (4) (1) IN TAKING A VESSEL INTO CUSTODY UNDER PARAGRAPHS (2) OR (3) OF THIS SUBSECTION, THE DEPARTMENT OR A LOCAL JURISDICTION EXERCISING THE DEPARTMENT'S AUTHORITY UNDER SUBSECTION (II) OF THIS SECTION SHALL TAKE REASONABLE MEASURES TO ENSURE THAT THE VESSEL IS NOT DAMAGED.
- (H) THIS PARAGRAPH MAY NOT BE INTERPRETED TO WAIVE THE PROTECTION FROM LIABILITY PROVIDED BY SUBSECTION (B)(3) OF THIS SECTION.

- (h) The Department may delegate the Department's authority to remove and dispose of abandoned or sunken vessels under this section to any local jurisdiction that consents to the delegation.
- (i) The Department, in consultation with the Director of the Maryland Historical Trust, may adopt regulations to implement this section.
- (J) THE DEPARTMENT MAY NOT USE FUNDS BUDGETED FOR THE ADMINISTRATIVE COSTS OF THE NATURAL RESOURCES POLICE FOR THE PURPOSE OF REMOVING OR STORING ABANDONED OR SUNKEN VESSELS UNDER THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 76

(Senate Bill 219)

AN ACT concerning

#### State Boat Act - Abandoned or Sunken Vessels - Removal

FOR the purpose of altering the definition of an "abandoned or sunken vessel" for purposes of certain provisions of law; requiring the Department of Natural Resources to take a certain abandoned or sunken vessel into custody without providing a certain notice if the Department determines that the vessel poses a certain hazard; authorizing the Department to take a certain abandoned or sunken vessel into custody without providing a certain notice if the Governor declares a state of emergency due to a natural disaster; requiring the Department to keep a certain record of a certain determination; altering a certain notice requirement to apply to each known secured party rather than each secured party; requiring the Department to send a certain notice to each known secured party and the last known registered owner of an abandoned or sunken vessel taken into custody under certain provisions of this Act in a certain manner and within a certain time frame; requiring a certain notice to include certain information if a vessel was taken into custody in accordance with certain provisions of this Act; requiring the Department or a certain local jurisdiction to take reasonable measures to ensure that a vessel is not damaged when it is taken into custody under certain provisions of this Act; providing for the interpretation of certain provisions of this Act; prohibiting certain funds from being used for certain purposes; and generally relating to the removal of abandoned or sunken vessels.

BY repealing and reenacting, with amendments,

Article – Natural Resources Section 8–721 Annotated Code of Maryland (2012 Replacement Volume and 2019 Supplement)

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

#### Article - Natural Resources

8-721.

- (a) In this section, "abandoned or sunken vessel" means any vessel that:
- (1) Is left illegally or has remained without permission for more than 30 days on public property, including public marinas, docks, or boatyards;
- (2) Has remained at the following locations for more than [90]  $\frac{30}{60}$  days without the consent of the owner or person in control of the property:
  - (i) A private marina or property operated by a private marina; or
  - (ii) A private boatyard or property operated by a private boatyard;
- (3) Has remained at the following locations for more than 30 days without the consent of the owner or person in control of the property:
  - (i) A private dock; or
  - (ii) At or near waters' edge on private property;
- (4) Has remained on private property other than the private property described in items (2) and (3) of this subsection for more than 180 days without the consent of the owner or person in control of the property; or
- (5) (i) Has been found adrift or unattended in or upon the waters of the State[,] and [is]:
  - 1. IS found in a condition of disrepair [as to constitute];
- **2. PRESENTS** a hazard or obstruction to the use of the waters of the State; or
- 3. [presents] PRESENTS a potential health or environmental hazard; and

- (ii) Is not:
- 1. Historic property as defined in  $\S 5A-301$  of the State Finance and Procurement Article; or
- 2. Submerged archaeological historic property as defined in § 5A–333 of the State Finance and Procurement Article.
- (b) (1) The Department may seize, remove, and take into custody any abandoned or sunken vessel.
- (2) For this purpose, the Department may use its own personnel, equipment, and facilities or use other persons, equipment, and facilities for removing, preserving, or storing abandoned or sunken vessels.
- (3) The Department, or a person removing, preserving, or storing an abandoned or sunken vessel on behalf of the Department, may not be held liable for any damage to an abandoned or sunken vessel which may occur during removal, storage, or custody of the vessel.
- (c) (1) [No] EXCEPT AS PROVIDED IN SUBSECTION (G)(2) AND (3) OF THIS SECTION, NOT later than 15 days before an abandoned or sunken vessel is seized, removed, or taken into custody under subsection (b) of this section, the Department shall send a notice, by certified mail, return receipt requested, bearing a postmark from the United States Postal Service to the last known registered owner of the vessel, as shown on the records of the Department.
- (2) (I) [As] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AS soon as reasonably possible but not later than 15 days after the Department takes an abandoned or sunken vessel into custody, the Department shall send a notice, by certified mail, return receipt requested, bearing a postmark from the United States Postal Service to the last known registered owner of the vessel and to each <u>KNOWN</u> secured party, as shown on the records of the Department.
- (II) AS SOON AS REASONABLY POSSIBLE BUT NOT LATER THAN \$\frac{15}{15}\$ DAYS AFTER THE DEPARTMENT TAKES AN ABANDONED OR SUNKEN VESSEL INTO CUSTODY IN ACCORDANCE WITH SUBSECTION (G)(2) OR (3) OF THIS SECTION, THE DEPARTMENT SHALL SEND A NOTICE, BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, BEARING A POSTMARK FROM THE UNITED STATES POSTAL SERVICE TO THE LAST KNOWN REGISTERED OWNER OF THE VESSEL AND TO EACH KNOWN SECURED PARTY, AS SHOWN ON THE RECORDS OF THE DEPARTMENT.
  - (d) The notices required by subsection (c) of this section shall:
    - (1) Describe the vessel;

- (2) IF THE VESSEL WAS TAKEN INTO CUSTODY IN ACCORDANCE WITH SUBSECTION (G)(2) OF THIS SECTION, DESCRIBE THE ACTUAL OR POTENTIAL HAZARD MITIGATED BY REMOVAL OF THE VESSEL;
  - (3) Give the location where the vessel is being held;
- [(3)] (4) Inform the owner and secured party of a right to reclaim the vessel within 3 weeks of receipt of the notice required in subsection (c)(2) of this section upon payment to the Department of any expenses incurred during removal and custody of the vessel; and
  - [(4)] **(5)** State that failure to claim the vessel will constitute:
    - (i) A waiver of all right, title, and interest in the vessel; and
    - (ii) A consent to the Department's disposition of the vessel.
- (e) (1) If the Department is unable to determine the last registered owner or the identity of any secured party of the abandoned or sunken vessel, or if the certified mail notice required under subsection (c) of this section is returned as undeliverable, the Department shall give the required notice by publication in at least 1 newspaper of general circulation in the area where the abandoned or sunken vessel was found.
- (2) The notice by publication shall contain the information required under subsection (d) of this section and shall be published within 30 days of the seizure of the abandoned or sunken vessel, or within 15 days of the return of the certified mail notice as undeliverable.
- (f) If the owner or secured party fails to claim the abandoned or sunken vessel within 3 weeks after the certified mail notice or after the notice by publication is given, the Department may sell the vessel at public auction, proceed to receive title to the vessel pursuant to § 8–722 of this subtitle, or otherwise dispose of the vessel.
- (g) (1) If the abandoned or sunken vessel is in such a condition of disrepair that the Department cannot remove the vessel intact, the Department may dispose of the vessel in whatever manner is reasonable without providing the notice required under subsections (c) through (e) of this section.
- (2) (I) IF THE DEPARTMENT DETERMINES THAT AN ABANDONED OR SUNKEN VESSEL POSES AN IMMEDIATE HAZARD OR OBSTRUCTION TO NAVIGATION, A POTENTIAL HEALTH HAZARD, OR A POTENTIAL ENVIRONMENTAL HAZARD, THE DEPARTMENT SHALL TAKE THE VESSEL INTO CUSTODY WITHOUT PROVIDING THE NOTICE REQUIRED UNDER SUBSECTION (C)(1) OF THIS SECTION.

- (II) THE DEPARTMENT SHALL KEEP A WRITTEN RECORD OF A DETERMINATION MADE UNDER THIS PARAGRAPH, INCLUDING THE ACTUAL OR POTENTIAL HAZARDS MITIGATED BY REMOVAL OF THE VESSEL.
- (3) IF THE GOVERNOR DECLARES A STATE OF EMERGENCY DUE TO A NATURAL DISASTER, THE DEPARTMENT MAY TAKE INTO CUSTODY ANY ABANDONED OR SUNKEN VESSEL DAMAGED BY THE NATURAL DISASTER WITHOUT PROVIDING THE NOTICE REQUIRED UNDER SUBSECTION (C)(1) OF THIS SECTION.
- (4) (I) IN TAKING A VESSEL INTO CUSTODY UNDER PARAGRAPHS (2) OR (3) OF THIS SUBSECTION, THE DEPARTMENT OR A LOCAL JURISDICTION EXERCISING THE DEPARTMENT'S AUTHORITY UNDER SUBSECTION (H) OF THIS SECTION SHALL TAKE REASONABLE MEASURES TO ENSURE THAT THE VESSEL IS NOT DAMAGED.
- (II) THIS PARAGRAPH MAY NOT BE INTERPRETED TO WAIVE THE PROTECTION FROM LIABILITY PROVIDED BY SUBSECTION (B)(3) OF THIS SECTION.
- (h) The Department may delegate the Department's authority to remove and dispose of abandoned or sunken vessels under this section to any local jurisdiction that consents to the delegation.
- (i) The Department, in consultation with the Director of the Maryland Historical Trust, may adopt regulations to implement this section.
- (J) THE DEPARTMENT MAY NOT USE FUNDS BUDGETED FOR THE ADMINISTRATIVE COSTS OF THE NATURAL RESOURCES POLICE FOR THE PURPOSE OF REMOVING OR STORING ABANDONED OR SUNKEN VESSELS UNDER THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 77

(House Bill 144)

AN ACT concerning

Insurance – Uninsured or Enhanced Underinsured Motorist Coverage – Property Damage

FOR the purpose of clarifying that certain motor vehicle liability insurance policies must contain coverage for damages, subject to the policy limits, that the insured is entitled to recover from the owner or operator of certain motor vehicles because of property damage, including the loss of the insured vehicle; altering the amounts to which certain motorist coverage in certain policies must be equal; and generally relating to motor vehicle liability insurance.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 19-509 and 19-509.1

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

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

#### Article - Insurance

19-509.

- (a) In this section, "uninsured motor vehicle" means a motor vehicle:
- (1) the ownership, maintenance, or use of which has resulted in the bodily injury or death of an insured; and
- (2) for which the sum of the limits of liability under all valid and collectible liability insurance policies, bonds, and securities applicable to bodily injury or death:
- (i) is less than the amount of coverage provided under this section; or
- (ii) has been reduced by payment to other persons of claims arising from the same occurrence to an amount less than the amount of coverage provided under this section.
- (b) The uninsured motorist coverage required by this section does not apply to a motor vehicle liability insurance policy:
  - (1) that insures a motor vehicle that:
- (i) is not subject to registration under  $\S 13-402$  of the Transportation Article because it is not driven on a highway; or
- (ii) is exempt from registration under  $\ 13-402(c)(10)$  of the Transportation Article; or
  - (2) if the first named insured under a policy or binder of private passenger

motor vehicle liability insurance has elected to obtain enhanced underinsured motorist coverage under § 19–509.1 of this subtitle instead of the uninsured motorist coverage required under this section.

- (c) In addition to any other coverage required by this subtitle, each motor vehicle liability insurance policy issued, sold, or delivered in the State after July 1, 1975, shall contain coverage for damages, subject to the policy limits, that:
- (1) the insured is entitled to recover from the owner or operator of an uninsured motor vehicle because of bodily injuries sustained in a motor vehicle accident arising out of the ownership, maintenance, or use of the uninsured motor vehicle; [and]
- (2) THE INSURED IS ENTITLED TO RECOVER FROM THE OWNER OR OPERATOR OF AN UNINSURED MOTOR VEHICLE BECAUSE OF PROPERTY DAMAGE, INCLUDING LOSS OF USE OF THE INSURED VEHICLE; AND
- [(2)] (3) a surviving relative of the insured, who is described in § 3–904 of the Courts Article, is entitled to recover from the owner or operator of an uninsured motor vehicle because the insured died as the result of a motor vehicle accident arising out of the ownership, maintenance, or use of the uninsured motor vehicle.
- (d) The uninsured motorist coverage required by this section shall be in the form and subject to the conditions that the Commissioner approves.
- (e) (1) The uninsured motorist coverage contained in a motor vehicle liability insurance policy:
  - (i) shall at least equal:
- 1. the amounts required by Title 17 of the Transportation Article FOR BODILY INJURY AND PROPERTY DAMAGE, INCLUDING LOSS OF USE OF THE INSURED VEHICLE; and
- 2. the coverage provided to a qualified person under Title 20, Subtitle 6 of this article; and
- (ii) may not exceed the amount of liability coverage provided under the policy.
- (2) Unless waived in accordance with § 19–510 of this subtitle, the amount of uninsured motorist coverage provided under a private passenger motor vehicle liability insurance policy shall equal the amount of liability coverage provided under the policy.
- (f) An insurer may exclude from the uninsured motorist coverage required by this section benefits for:

- (1) the named insured or a family member of the named insured who resides in the named insured's household for an injury that occurs when the named insured or family member is occupying or is struck as a pedestrian by an uninsured motor vehicle that is owned by the named insured or an immediate family member of the named insured who resides in the named insured's household; and
- (2) the named insured, a family member of the named insured who resides in the named insured's household, and any other individual who has other applicable motor vehicle insurance for an injury that occurs when the named insured, family member, or other individual is occupying or is struck as a pedestrian by the insured motor vehicle while the motor vehicle is operated or used by an individual who is excluded from coverage under § 27–609 of this article.
- (g) The limit of liability for an insurer that provides uninsured motorist coverage under this section is the amount of that coverage less the amount paid to the insured, that exhausts any applicable liability insurance policies, bonds, and securities, on behalf of any person that may be held liable for the bodily injuries or death of the insured.
- (h) (1) A policy that, as its primary purpose, provides coverage in excess of other valid and collectible insurance or qualified self–insurance may include the uninsured motorist coverage provided for in this section.
- (2) The uninsured motorist coverage required by this section is primary to any right to recovery from the Maryland Automobile Insurance Fund under Title 20, Subtitle 6 of this article.
- (i) An endorsement or provision that protects the insured against damages caused by an uninsured motor vehicle that is contained in a policy issued and delivered in the State is deemed to cover damages caused by a motor vehicle insured by a liability insurer that is insolvent or otherwise unable to pay claims to the same extent and in the same manner as if the damages were caused by an uninsured motor vehicle.
- (j) A provision in a motor vehicle liability insurance policy issued after July 1, 1975, about coverage for damages sustained by the insured as a result of the operation of an uninsured motor vehicle that requires a dispute between the insured and the insurer to be submitted to binding arbitration is prohibited and is of no legal effect.

### 19-509.1.

- (a) In this section, "underinsured motor vehicle" means a motor vehicle that has liability coverage in an amount less than, more than, or equal to the uninsured motorist coverage provided under the insured party's motor vehicle liability insurance policy.
- (b) The enhanced underinsured motorist coverage required by this section does not apply to a motor vehicle liability insurance policy:
  - (1) that insures a motor vehicle that:

- (i) is not subject to registration under § 13–402 of the Transportation Article because it is not driven on a highway; or
- (ii) is exempt from registration under § 13–402(c)(10) of the Transportation Article; or
- (2) when a first named insured under a policy or binder of private passenger motor vehicle liability insurance has not elected to obtain enhanced underinsured motorist coverage under this section instead of the uninsured motorist coverage required under § 19–509 of this subtitle.
- (c) (1) An insurer shall offer enhanced underinsured motorist coverage at the time of purchase of a private passenger motor vehicle liability insurance policy.
- (2) The first named insured under a policy or binder of private passenger motor vehicle liability insurance may elect to obtain enhanced underinsured motorist coverage instead of the uninsured motorist coverage required under § 19–509 of this subtitle.
- (3) Unless the first named insured affirmatively makes a change in writing, the election to obtain enhanced underinsured motorist coverage applies to all subsequent renewals of coverage and to all other policies or endorsements that extend, change, supersede, or replace an existing private passenger motor vehicle insurance policy issued to the first named insured.
- (d) In addition to any other coverage required by this subtitle, each private passenger motor vehicle liability insurance policy issued, sold, or delivered in the State on or after July 1, 2018, to an insured that elects to obtain enhanced underinsured motorist coverage instead of the uninsured motorist coverage required under § 19–509 of this subtitle, shall contain coverage for damages, subject to the policy limits, that:
- (1) the insured is entitled to recover from the owner or operator of an underinsured motor vehicle because of bodily injuries sustained in a motor vehicle accident arising out of the ownership, maintenance, or use of the underinsured motor vehicle; [and]
- (2) THE INSURED IS ENTITLED TO RECOVER FROM THE OWNER OR OPERATOR OF AN UNDERINSURED MOTOR VEHICLE BECAUSE OF PROPERTY DAMAGE, INCLUDING LOSS OF USE OF THE INSURED VEHICLE; AND
- [(2)] (3) a surviving relative of the insured, who is described in § 3–904 of the Courts Article, is entitled to recover from the owner or operator of an underinsured motor vehicle because the insured died as the result of a motor vehicle accident arising out of the ownership, maintenance, or use of the underinsured motor vehicle.
  - (e) The offer of enhanced underinsured motorist coverage required by this section

shall be on the form that the Commissioner requires.

- (f) (1) The enhanced underinsured motorist coverage contained in a private passenger motor vehicle liability insurance policy:
  - (i) shall at least equal:
- 1. the amounts required by Title 17 of the Transportation Article FOR BODILY INJURY AND PROPERTY DAMAGE, INCLUDING LOSS OF USE OF THE INSURED VEHICLE; and
- 2. the coverage provided to a qualified person under Title 20, Subtitle 6 of this article; and
- (ii) may not exceed the amount of liability coverage provided under the policy.
- (2) The amount of enhanced underinsured motorist coverage provided under a private passenger motor vehicle liability insurance policy shall equal the amount of liability coverage provided under the policy.
- (g) An insurer may exclude from the enhanced underinsured motorist coverage required by this section benefits for:
- (1) the named insured or a family member of the named insured who resides in the named insured's household for an injury that occurs when the named insured or family member is occupying or is struck as a pedestrian by an underinsured motor vehicle that is owned by the named insured or an immediate family member of the named insured who resides in the named insured's household; and
- (2) the named insured, a family member of the named insured who resides in the named insured's household, and any other individual who has other applicable motor vehicle insurance for an injury that occurs when the named insured, family member, or other individual is occupying or is struck as a pedestrian by the insured motor vehicle while the motor vehicle is operated or used by an individual who is excluded from coverage under § 27–609 of this article.
- (h) The limit of liability for an insurer that provides enhanced underinsured motorist coverage under this section:
  - (1) is subject to § 19–511.1 of this subtitle; and
- (2) is the amount of that coverage without any reduction for the amount paid to the insured, that exhausts any applicable liability insurance policies, bonds, and securities, on behalf of any person that may be held liable for the bodily injuries or death of the insured.

- (i) (1) A policy that, as its primary purpose, provides coverage in excess of other valid and collectible insurance or qualified self–insurance may include the enhanced underinsured motorist coverage provided for in this section.
- (2) The enhanced underinsured motorist coverage required by this section is primary to any right to recovery from the Maryland Automobile Insurance Fund under Title 20, Subtitle 6 of this article.
- (j) An endorsement or a provision that protects the insured against damages caused by an underinsured motor vehicle that is contained in a policy issued and delivered in the State is deemed to cover damages caused by a motor vehicle insured by a liability insurer that is insolvent or otherwise unable to pay claims to the same extent and in the same manner as if the damages were caused by an underinsured motor vehicle.
- (k) A provision in a private passenger motor vehicle liability insurance policy issued on or after July 1, 2018, about coverage for damages sustained by the insured as a result of the operation of an underinsured motor vehicle that requires a dispute between the insured and the insurer to be submitted to binding arbitration is prohibited and is of no legal effect.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 78

(House Bill 145)

AN ACT concerning

# Frederick County - Alcoholic Beverages - Repeal of Quota for Class B Licenses

FOR the purpose of repealing in Frederick County a license quota for certain Class B alcoholic beverages licenses; and generally relating to the issuance of alcoholic beverages licenses in Frederick County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 20–102
Appeteted Code of Maryland

Annotated Code of Maryland (2016 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments, Article – Alcoholic Beverages Section 20–1601 Annotated Code of Maryland (2016 Volume and 2019 Supplement)

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

## Article - Alcoholic Beverages

20-102.

This title applies only in Frederick County.

20 - 1601.

- (a) (1) For every 4,000 individuals or major fraction in an election district, the Board may not issue more than one license in each of the following classes:
  - (i) Class A (off–sale) beer license;
  - (ii) [Class B (on–sale) beer license;
  - (iii) Class A (off-sale) beer and wine license; AND
  - (iv) Class B (on-sale) beer and wine license; and
  - (v)] (III) Class A (off-sale) beer, wine, and liquor license.
- (2) The population of each election district is to be determined by the most recent federal census.
- (b) (1) Subject to paragraph (2) of this subsection, in an election district in which the number of licenses in a class that were issued as of June 1, 1949, exceeds the quota specified in subsection (a) of this section, the Board may not issue new licenses in that class.
- (2) The Board may issue new licenses in a class when the number of licenses in that class falls below the quota specified in subsection (a) of this section.
  - (c) This section does not apply to the transfer or renewal of a license.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 79

## (Senate Bill 215)

## AN ACT concerning

# Frederick County - Alcoholic Beverages - Repeal of Quota for Class B Licenses

FOR the purpose of repealing in Frederick County a license quota for certain Class B alcoholic beverages licenses; and generally relating to the issuance of alcoholic beverages licenses in Frederick County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 20-102

Annotated Code of Maryland

(2016 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 20-1601

Annotated Code of Maryland

(2016 Volume and 2019 Supplement)

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

# Article - Alcoholic Beverages

20-102.

This title applies only in Frederick County.

20-1601.

- (a) (1) For every 4,000 individuals or major fraction in an election district, the Board may not issue more than one license in each of the following classes:
  - (i) Class A (off-sale) beer license;
  - (ii) [Class B (on–sale) beer license;
  - (iii) Class A (off-sale) beer and wine license; AND
  - (iv) Class B (on-sale) beer and wine license; and

- (v)] (III) Class A (off-sale) beer, wine, and liquor license.
- (2) The population of each election district is to be determined by the most recent federal census.
- (b) (1) Subject to paragraph (2) of this subsection, in an election district in which the number of licenses in a class that were issued as of June 1, 1949, exceeds the quota specified in subsection (a) of this section, the Board may not issue new licenses in that class.
- (2) The Board may issue new licenses in a class when the number of licenses in that class falls below the quota specified in subsection (a) of this section.
  - (c) This section does not apply to the transfer or renewal of a license.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 80

(House Bill 146)

AN ACT concerning

# Frederick County - Alcoholic Beverages - Weinberg Center License

FOR the purpose of altering in Frederick County the area in which alcoholic beverages may be consumed in the Weinberg Center for the Arts; and generally relating to alcoholic beverages licenses in Frederick County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages Section 20–102 Annotated Code of Maryland (2016 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages
Section 20–1015
Annotated Code of Maryland
(2016 Volume and 2019 Supplement)

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

## **Article - Alcoholic Beverages**

20-102.

This title applies only in Frederick County.

20-1015.

- (a) There is a Class C (Weinberg Center) beer, wine, and liquor license.
- (b) (1) The president and two other officers of the Weinberg Center for the Arts shall sign the application for the license.
  - (2) At least two of the officers shall be residents of the county.
- (c) The Board may issue the license for use by the nonprofit Weinberg Center for the Arts.
- (d) (1) The license authorizes the license holder to sell beer, wine, and liquor at retail to a customer on the licensed premises.
- (2) Beer, wine, and liquor may be consumed [only in the central rotunda or the lobby] ANYWHERE ON THE LICENSED PREMISES.
- (e) The license holder may sell beer, wine, and liquor from 1 hour before to 1 hour after:
  - (1) a performance; or
  - (2) a fund-raiser that benefits the Weinberg Center for the Arts.
  - (f) The annual license fee is \$325.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  $1,\,2020.$ 

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 81

(Senate Bill 214)

## AN ACT concerning

# Frederick County - Alcoholic Beverages - Weinberg Center License

FOR the purpose of altering in Frederick County the area in which alcoholic beverages may be consumed in the Weinberg Center for the Arts; and generally relating to alcoholic beverages licenses in Frederick County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages Section 20–102 Annotated Code of Maryland (2016 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages Section 20–1015 Annotated Code of Maryland (2016 Volume and 2019 Supplement)

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

# Article - Alcoholic Beverages

20-102.

This title applies only in Frederick County.

20-1015.

- (a) There is a Class C (Weinberg Center) beer, wine, and liquor license.
- (b) (1) The president and two other officers of the Weinberg Center for the Arts shall sign the application for the license.
  - (2) At least two of the officers shall be residents of the county.
- (c) The Board may issue the license for use by the nonprofit Weinberg Center for the Arts.
- (d) (1) The license authorizes the license holder to sell beer, wine, and liquor at retail to a customer on the licensed premises.
- (2) Beer, wine, and liquor may be consumed [only in the central rotunda or the lobby] **ANYWHERE ON THE LICENSED PREMISES**.

- (e) The license holder may sell beer, wine, and liquor from 1 hour before to 1 hour after:
  - (1) a performance; or
  - (2) a fund–raiser that benefits the Weinberg Center for the Arts.
  - (f) The annual license fee is \$325.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 82

(House Bill 149)

AN ACT concerning

# Real Property – Ground Leases – Required Notifications – Private Transaction Redemptions

FOR the purpose of altering the requirement that a ground lease holder notify the State Department of Assessments and Taxation of certain changes concerning a ground lease; authorizing a leasehold tenant or an interested party to submit to the Department certain documentation of the redemption of a ground lease if the ground lease is redeemed in a private transaction under certain circumstances; requiring the Department to update a certain online registry after accepting documentation of a redemption under certain circumstances; and generally relating to ground leases.

BY repealing and reenacting, with amendments,

Article – Real Property

Section 8-706

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

BY adding to

Article – Real Property

Section 8–707.1

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

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

# **Article - Real Property**

8-706.

After a ground lease is registered, the ground lease holder shall promptly notify the Department of:

- (1) A change in the name or address of the ground lease holder[, leasehold tenant,] or person to whom the ground rent payment is sent;
  - (2) A redemption of the ground lease; and
  - (3) Any other information the Department requires.

## 8-707.1.

- (A) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A LEASEHOLD TENANT OR AN INTERESTED PARTY MAY SUBMIT TO THE DEPARTMENT DOCUMENTATION SATISFACTORY TO THE DEPARTMENT OF THE REDEMPTION OF A GROUND LEASE IF:
- (I) THE GROUND LEASE IS REDEEMED IN A PRIVATE TRANSACTION BETWEEN THE GROUND LEASE HOLDER AND THE LEASEHOLD TENANT; AND
- (II) THE GROUND LEASE HOLDER HAS FAILED TO NOTIFY THE DEPARTMENT OF THE REDEMPTION AS REQUIRED UNDER § 8–706(2) OF THIS SUBTITLE.
- (2) THE DOCUMENTATION SUBMITTED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE A CERTIFIED COPY OF THE GROUND LEASE REDEMPTION DEED THAT HAS BEEN FILED IN THE LAND RECORDS OF THE COUNTY IN WHICH THE PROPERTY THAT WAS SUBJECT TO THE GROUND LEASE IS LOCATED.
- (B) AFTER ACCEPTING DOCUMENTATION UNDER SUBSECTION (A) OF THIS SECTION, THE DEPARTMENT SHALL UPDATE THE ONLINE REGISTRY AS REQUIRED UNDER § 8–703 OF THIS SUBTITLE TO INDICATE THAT A GROUND LEASE HAS BEEN REDEEMED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 83

## (House Bill 154)

# AN ACT concerning

# Motor Vehicles – Electronic Inspection Certificates for Used Vehicles <del>- Sunset</del> <del>Extension</del>

FOR the purpose of extending repealing the termination date for certain provisions of the used vehicle inspection law applicable to the electronic submission of an inspection certificate; authorizing the Automotive Safety Enforcement Division of the Department of State Police to require electronic submission of an inspection certificate for a used motor vehicle; repealing the requirement that the Division authorize the use of inspection certificate forms for the submission of an inspection certificate; and generally relating to electronic submission of inspection certificates.

BY repealing and reenacting, without amendments,

Article – Transportation

Section 23–101(a), (b), and (e) and 23–108.1

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

## BY repealing and reenacting, with amendments,

<u>Article – Transportation</u>

Section 23–108.1

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Chapter 91 of the Acts of the General Assembly of 2014, as amended by Chapter 670 of the Acts of the General Assembly of 2017

Section 3

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

### **Article – Transportation**

23-101.

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Division" means the Automotive Safety Enforcement Division of the Department of State Police.

- (e) "Inspection certificate" means a certification by an inspection station, in a format established by the Division, that:
- (1) Certifies that, as of its date, a specified vehicle meets or exceeds the standards for equipment established under this title; and
- (2) Identifies the inspection station and the registered individual who personally inspected the vehicle.

23-108.1.

For vehicle titling and registration purposes, the Division:

- (1) Shall establish the manner and format for the submission of an inspection certificate for the transfer of a used motor vehicle; <u>AND</u>
- (2) May authorize REQUIRE electronic submission of the inspection certificate; and
- (3) Shall authorize the use of an inspection certificate form for the submission of the inspection certificate.

# Chapter 91 of the Acts of 2014, as amended by Chapter 670 of the Acts of 2017

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2014. It shall remain effective for a period of [6] 9 years and, at the end of June 30, [2020] 2023, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 84

(House Bill 155)

AN ACT concerning

St. Mary's County - Emergency Services Tax Revenue - Authorized Use

FOR the purpose of authorizing, instead of requiring, certain emergency services tax revenue in St. Mary's County to be used for a certain purpose under certain circumstances; and generally relating to the St. Mary's County emergency services tax.

BY repealing and reenacting, without amendments,

The Public Local Laws of St. Mary's County

Section 49–1B.(1)(A)

Article 19 - Public Local Laws of Maryland

(2007 Edition and March 2015 Supplement, as amended)

BY repealing and reenacting, with amendments,

The Public Local Laws of St. Mary's County

Section 49–1E.

Article 19 - Public Local Laws of Maryland

(2007 Edition and March 2015 Supplement, as amended)

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

### Article 19 – St. Mary's County

49-1.

- B. (1) (A) The Board of County Commissioners for St. Mary's County is authorized to impose annually an emergency services tax on all real and personal property located in the election districts of St. Mary's County.
- E. Any emergency services tax revenue that exceeds the budgetary needs of the emergency services providers [shall] MAY be used to reduce the emergency services tax for the next fiscal year.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 85

(House Bill 157)

AN ACT concerning

Vehicle Laws - Business or Occupational Licenses - Administrative Penalties

FOR the purpose of authorizing the Motor Vehicle Administration to suspend a business or occupational license before holding an administrative hearing if the Administration determines that the license holder is in violation of certain used vehicle safety inspection requirements and that there is a danger of immediate, substantial, and continuing harm to the public if the license is continued pending a hearing; requiring the Administration to grant a hearing request on the license suspension within a certain time period; requiring the Administration to render a decision on the license suspension immediately after the hearing; providing for the construction of this Act in the event of a certain conflict of laws; and generally relating to administrative penalties for vehicle business or occupational license holders.

BY repealing and reenacting, with amendments,

Article – Transportation Section 15–110

Annotated Code of Maryland (2012 Replacement Volume and 2019 Supplement)

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

### **Article - Transportation**

15-110.

- (a) If the Administration refuses an application for a license or for the renewal of a license under this title, the applicant may request a hearing under Title 12, Subtitle 2 of this article.
- (b) [The] EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, THE Administration may suspend or revoke a license issued under this title only after a hearing under Title 12, Subtitle 2 of this article.
- (C) (1) IF THE ADMINISTRATION DETERMINES THAT A PERSON LICENSED UNDER THIS TITLE IS VIOLATING THE USED VEHICLE SAFETY INSPECTION REQUIREMENTS UNDER § 23–106 OF THIS ARTICLE AND THAT THERE IS A DANGER OF IMMEDIATE, SUBSTANTIAL, AND CONTINUING HARM TO THE PUBLIC IF THE LICENSE IS CONTINUED PENDING A HEARING, THE ADMINISTRATION:
  - (I) MAY IMMEDIATELY SUSPEND THE LICENSE;
- (II) SHALL, WITHIN 7 DAYS OF A REQUEST FOR A HEARING ON THE LICENSE SUSPENSION, GRANT THE HEARING IN ACCORDANCE WITH TITLE 12, SUBTITLE 2 OF THIS ARTICLE; AND
  - (III) AFTER THE HEARING, RENDER AN IMMEDIATE DECISION

- 1. CONTINUE THE LICENSE SUSPENSION;
- 2. REVOKE THE LICENSE; OR
- 3. REINSTATE THE LICENSE.
- (2) TO THE EXTENT OF A CONFLICT BETWEEN THIS SUBSECTION AND TITLE 12, SUBTITLE 2 OF THIS ARTICLE, THIS SUBSECTION SHALL TAKE PRECEDENCE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 86

(House Bill 158)

AN ACT concerning

# Vehicle Laws - Equipment and Inspections - Standards and Requirements

FOR the purpose of altering for vehicle operation and inspection purposes the standards for the authorized placement of certain materials on certain windows of certain vehicles; prohibiting the use of certain equipment on a highway under certain circumstances; altering certain standards and requirements governing headlamps, stop lamps, turn signal lamps, light or signal devices, backup lamps, brakes, and windshield washers on certain vehicles; establishing a certain maximum period of validity for a medical certification that authorizes enhanced window tinting on a vehicle; providing for the construction of a certain provision of law that authorizes enhanced window tinting on a vehicle; altering the standards and requirements for applications, testing, and administrative enforcement for inspection mechanic licenses; repealing certain obsolete or redundant provisions of law governing vehicle equipment; making certain stylistic changes and technical corrections; and generally relating to standards and requirements for vehicle equipment and inspections.

BY repealing and reenacting, with amendments,

Article – Transportation

Section 21–1104(d), 22–101(b), 22–203, 22–206(a) and (b), 22–219(a), 22–222, 22–227(f), 22–302, 22–404, 22–406(i), 23–101(e) and (h), 23–103.1, and 23–104

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,

Article – Transportation Section 22–101(a), 22–218(c)(1), and 23–101(a) and (b) Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

#### BY adding to

Article – Transportation Section 22–218(h) Annotated Code of Maryland (2012 Replacement Volume and 2019 Supplement)

### BY repealing

Article – Transportation Section 22–224 and 22–224.1 Annotated Code of Maryland (2012 Replacement Volume and 2019 Supplement)

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

# **Article – Transportation**

21-1104.

- (d) (1) Except as provided in [paragraphs (2) and (3)] PARAGRAPH (2) of this subsection, a person may not drive a vehicle with any sign, poster, card, sticker, or other nontransparent material on the windshield, side wings, or side or rear windows of the vehicle.
  - (2) This subsection does not apply to:
- (i) NONTRANSPARENT MATERIAL PLACED ON THE WINDSHIELD OF A MOTOR VEHICLE ABOVE THE AS1 LINE OR NOT LOWER THAN 5 INCHES FROM THE TOP OF THE WINDSHIELD, WHICHEVER IS LESS, IF THE MATERIALS ARE PLACED SO AS NOT TO INTERFERE WITH THE DRIVER'S CLEAR VIEW OF TRAFFIC;
- (II) Materials placed on the windshield or rear window, within a 7 inch square area in the lower corner, [or on the side windows of the vehicle to the rear of the driver,] if the materials are placed so as not to interfere with the driver's clear view of traffic;

- (III) MATERIALS PLACED ON THE SIDE WINDOWS OF A CLASS A (PASSENGER) VEHICLE TO THE REAR OF THE DRIVER, IF THE MATERIALS ARE PLACED SO AS NOT TO INTERFERE WITH THE DRIVER'S CLEAR VIEW OF TRAFFIC;
- (IV) MATERIALS PLACED ON THE SIDE OR REAR WINDOWS OF A CLASS M (MULTIPURPOSE) VEHICLE OR CLASS E (TRUCK) VEHICLE PROVIDED THAT THE VEHICLE IS EQUIPPED WITH TWO OUTSIDE REARVIEW MIRRORS, ONE EACH ATTACHED TO THE RIGHT AND LEFT SIDE OF THE VEHICLE;
- (V) MATERIALS PLACED ON THE WINDSHIELD IN COMPLIANCE WITH SECURITY MEASURES REQUIRED BY A FEDERAL OR STATE GOVERNMENT AGENCY, PROVIDED THAT THE DECAL IS AFFIXED TO THE VEHICLE IN ACCORDANCE WITH THE ISSUING AGENCY'S GUIDELINES;
- [(ii)] (VI) Direction, destination, or termini signs on any passenger common carrier motor vehicle; or
- [(iii)] (VII) [Electronic] AN ELECTRONIC toll collection [tags] DEVICE placed [in] ON the windshield of a vehicle in accordance with the [regulations of] GUIDELINES ESTABLISHED BY the Maryland Transportation Authority.
- [(3) The Administration shall adopt regulations to exempt from the provisions of paragraph (1) of this subsection materials placed on the windshield of a vehicle in compliance with security measures required by a federal or State government agency and approved by the Administration.]

22 - 101.

- (a) (1) A person may not drive and the owner may not cause or knowingly permit to be driven on any highway any vehicle or combination of vehicles that:
  - (i) Is in such unsafe condition as to endanger any person;
- (ii) Does not contain those parts or is not at all times equipped with lamps and other equipment in proper condition and adjustment as required in this title; or
  - (iii) Is equipped in any manner in violation of this title.
- (2) A person may not do any act forbidden or fail to do any act required under this title.
- (b) **(1)** Nothing contained in this title shall be construed to prohibit the use of additional parts and accessories on any vehicle not inconsistent with the provisions of this title.

- (2) A PERSON MAY NOT OPERATE WORK EQUIPMENT THAT IS ADDED TO A VEHICLE FOR A DESIGNATED PURPOSE OTHER THAN DRIVING THE VEHICLE ON A HIGHWAY WHILE THE VEHICLE IS BEING DRIVEN ON A HIGHWAY UNLESS THE VEHICLE IS BEING USED TO CONDUCT AUTHORIZED WORK ON THE HIGHWAY.
- (3) A PERSON MAY NOT OPERATE ON A VEHICLE EQUIPMENT THAT IS INTENDED FOR OFF-ROAD USE WHILE THE VEHICLE IS BEING DRIVEN ON A HIGHWAY.

22-203.

- (a) In this section, the term "motorcycle" includes Class M (multipurpose) vehicles that are designated by the Administrator.
- (b) Every motor vehicle, other than a motorcycle, shall be equipped with at least two headlamps with at least one on each side of the front of the motor vehicle, which headlamps shall emit white light and comply with the requirements and limitations set forth in this title.
- (c) (1) Every motorcycle shall be equipped with at least one and not more than two headlamps that comply with the requirements and limitations of this title.
- (2) A HEADLAMP ON A MOTORCYCLE MAY MODULATE EITHER THE UPPER BEAM OR THE LOWER BEAM FROM ITS MAXIMUM INTENSITY TO A LESSER INTENSITY, CONSISTENT WITH FEDERAL MOTOR VEHICLE SAFETY STANDARDS.
- (d) Every headlamp on every motor vehicle, including every motorcycle, shall be located at a height of not more than 54 inches nor less than [24] **22** inches.

22 - 206.

- (a) Every motor vehicle, trailer, semitrailer, and pole trailer shall be equipped with at least one stop lamp meeting the requirements of § 22–219(a) of this subtitle, and the following vehicles shall meet the following additional requirements:
- (1) **(I)** Every motor vehicle, **OTHER THAN A MOTORCYCLE**, registered in this State and sold as a new vehicle after June 1, 1967, shall be equipped with at least two stop lamps; [and]
- (II) EVERY PASSENGER VEHICLE MANUFACTURED ON OR AFTER SEPTEMBER 1, 1985, SHALL BE EQUIPPED WITH A RED CENTER HIGH MOUNT STOP LAMP, WHICH MAY PULSATE UP TO 3 SECONDS BEFORE REMAINING HALLUMINATED, MOUNTED WITH ITS CENTER ON THE VERTICAL CENTERLINE OF THE VEHICLE AS THE VEHICLE IS VIEWED FROM THE REAR; AND

- (III) EVERY PICKUP TRUCK, VAN, AND SPORT UTILITY VEHICLE MANUFACTURED ON OR AFTER SEPTEMBER 1, 1993, SHALL BE EQUIPPED WITH A RED CENTER HIGH MOUNT STOP LAMP<del>, WHICH MAY PULSATE UP TO 3 SECONDS BEFORE REMAINING ILLUMINATED,</del> MOUNTED WITH ITS CENTER ON THE VERTICAL CENTERLINE OF THE VEHICLE AS THE VEHICLE IS VIEWED FROM THE REAR; AND
- (2) After July 1, 1971, every trailer, semitrailer, and pole trailer shall be equipped with at least two stop lamps<del>; AND</del>

# (3) MOTORCYCLE STOP LAMPS MAY PULSATE FOR UP TO 3 SECONDS BEFORE REMAINING ILLUMINATED.

- (b) Every motor vehicle, trailer, semitrailer, and pole trailer registered in this State and sold as a new vehicle after June 1, 1961, shall be equipped with electric turn signal lamps meeting the requirements of § 22–219(b) through (h) of this subtitle, except that:
- (1) Motorcycles MANUFACTURED BEFORE JANUARY 1, 1973, need not be equipped with electric turn signal lamps; and
- (2) The requirements of this section apply only to those trailers, semitrailers, and pole trailers that are registered in this State and sold as new vehicles on or after July 1, 1971.

22-218.

- (c) (1) A person may not drive or move on any highway any vehicle or equipment that is equipped with or displays any light or signal device designed to emit an oscillating, rotating, blinking, or other type of emission of light, unless designated and authorized by the Administrator as indicated in paragraphs (2) through (13) of this subsection. The provisions of this section do not prohibit the display and use of any lighting device that may be permitted or required elsewhere in the Maryland Vehicle Law.
- (H) A VEHICLE USED TO PROVIDE RIDE SHARE SERVICES WHILE PROVIDING TRANSPORTATION NETWORK SERVICES, AS DEFINED IN § 10–101 OF THE PUBLIC UTILITIES ARTICLE, A TRANSPORTATION NETWORK OPERATOR'S VEHICLE MAY BE EQUIPPED WITH AND DISPLAY A STATIC RED, BLUE, OR OTHER COLOR LIGHTED SIGN IDENTIFYING THE OPERATOR AND VEHICLE AS A RIDE SHARE PROVIDER OF TRANSPORTATION NETWORK SERVICES.

22-219.

(a) Any vehicle may be equipped with and, when required under the Maryland Vehicle Law, shall be equipped with a stop lamp or lamps on the rear of the vehicle, which:

- (1) Shall display a red [or amber] light, [or any shade of color between red and amber,] visible from a distance of not less than 300 feet to the rear in normal sunlight;
  - (2) Shall be actuated on application of the service [(foot)] brake; and
  - (3) May, but need not, be incorporated with one or more other rear lamps.

22 - 222.

- (a) Except as otherwise provided in the Maryland Vehicle Law, the headlamps or the auxiliary driving lamp or combination thereof on motor vehicles[, other than motorcycles,] shall be so arranged that the driver may select at will between distributions of light projected to different elevations, and the lamps, in addition, may be so arranged that the selection can be made automatically, subject to the following limitations:
- (1) There shall be an uppermost distribution of light, or composite beam, so aimed and of intensity to reveal persons and vehicles at a distance of at least 450 feet ahead for all conditions of loading;
- (2) There shall be a lowermost distribution of light, or composite beam, so aimed and of sufficient intensity to reveal persons and vehicles at a distance of at least 150 feet ahead; [and]
- (3) On a straight level road under any condition of loading, none of the high-intensity portion of the beam may be directed to strike the eyes of an approaching driver; AND
- (4) NOT MORE THAN FOUR LAMPS THAT PROJECT A BEAM OF LIGHT OF AN INTENSITY GREATER THAN 300 CANDLEPOWER MAY BE ILLUMINATED SIMULTANEOUSLY.
- (b) Every new motor vehicle [, other than a motorcycle, registered in this State after January 1, 1955, which has multiple—beam road—lighting equipment] shall be equipped with a beam indicator, which shall be lighted whenever the uppermost distribution of light from the headlamps is in use, and may not otherwise be lighted.
- (c) The indicator shall be so designed and located that, when lighted, it will be readily visible without glare to the driver of the vehicle so equipped.

# [22-224.

Headlamp systems that provide only a single distribution of light shall be permitted on motor vehicles manufactured and sold before June 1, 1944, instead of the specified multiple—beam road—lighting equipment, if the single distribution of light complies with the following requirements and limitations:

- (1) The headlamps are so aimed that, when the vehicle is not loaded, none of the high–intensity portion of the light at a distance of 25 feet ahead projects higher than a level of 5 inches below the level of the center of the lamp from which it comes and, in no case, higher than 42 inches above the level on which the vehicle stands at a distance of 75 feet ahead; and
- (2) The intensity shall be sufficient to reveal persons and vehicles at a distance of at least 200 feet.]

### [22–224.1.

- (a) In this section, "motorcycle" includes Class M (multipurpose) vehicles that are designated by the Administrator.
- (b) The headlamp or headlamps on a motorcycle may be of the single—beam or multiple—beam type, but in either event shall comply with the following requirements and limitations:
- (1) The headlamp or headlamps on a motorcycle shall be of sufficient intensity to reveal a person or a vehicle at a distance of:
- (i) Not less than 100 feet, when the motorcycle is operated at any speed of less than 25 miles per hour;
- (ii) Not less than 200 feet, when the motorcycle is operated at a speed of 25 to 34 miles per hour; and
- (iii) Not less than 300 feet, when the motorcycle is operated at a speed of 35 miles per hour or more;
- (2) If the motorcycle is equipped with a multiple—beam headlamp or headlamps, the upper beam shall meet the minimum requirements set forth above and may not exceed the limitations set forth in § 22–222(a)(1) of this subtitle, and the lowermost beam shall meet the requirements applicable to a lowermost distribution of light as set forth in § 22–222(a)(2) of this subtitle; and
- (3) If the motorcycle is equipped with a single-beam lamp or lamps, the lamp or lamps shall be so aimed that, when the vehicle is loaded, none of the high-intensity portion of light, at a distance of 25 feet ahead, projects higher than the level of the center of the lamp from which it comes.]

#### 22-227.

(f) All lighting devices and reflectors mounted on the rear of any vehicle shall display or reflect a red color, except the [stoplight or other] TURN signal [device] AND HAZARD WARNING LAMPS, which may be red, amber, or yellow, and except that the light

illuminating the registration plate shall be white and the light emitted by a backup lamp shall be white [or amber].

22 - 302.

- (a) Every motor vehicle and combination of vehicles, at all times and under all conditions of loading, on application of the service brake, shall be capable of:
- (1) Developing a braking force that is not less than the percentage of its gross weight tabulated in subsection (c) of this section for its classification;
- (2) Decelerating to a stop from not more than 20 miles per hour at not less than the feet per second tabulated in subsection (c) of this section for its classification; and
- (3) Stopping from a speed of 20 miles per hour in not more than the distance tabulated in subsection (c) of this section for its classification, this distance to be measured from the point at which movement of the service brake pedal or control begins.
- (b) Tests for deceleration and stopping distance shall be made on a substantially level (not to exceed plus or minus 1 percent grade), dry, smooth, hard surface that is free from loose material.
- (c) The following table sets forth the tabulations referred to in subsection (a) of this section:

	1	2	3	4
A	Classification of vehicle Passenger vehicles with a seating capacity of 10 people or less including driver, not having a manufacturer's gross	Braking force as a percentage of gross vehicle or combination weight	Deceleration in feet per second	Brake system application and braking distance in feet from an initial speed of 20 m.p.h.
	vehicle weight rating	52.8%	17	25
B-1	All motorcycles	43.5%	14	30
B-2	Single unit vehicles with a manufacturer's gross vehicle weight rating of 10,000 pounds or less	[43.5%] <b>31%</b>	[14] <b>10</b>	[30] <b>20</b>
C-1	Single unit vehicles			

	with a manufacturer's			
	gross weight rating of			
	more than 10,000			
	pounds	43.5%	14	40
C-2	-			
	two-axle towing vehicle			
	and a trailer with a			
	gross weight of 3,000			
	pounds or less	43.5%	14	40
C-3	-	10.070	<b>11</b>	10
0 0	number of axles, not			
	having a			
	manufacturer's weight			
	rating	43.5%	14	40
C-4	All combinations of	40.070	14	40
0 4	vehicles in			
	driveaway-towaway			
	combinations	43.5%	14	40
D		40.070	14	40
D	All other vehicles and			
	combinations of	40 <b>=</b> 0/	1.4	<b>F</b> 0
	vehicles	43.5%	14	50

22-404.

(a) (1) [A] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A person may not drive any motor vehicle with any sign, poster, CARD, STICKER, or other nontransparent material on the front windshield [or], sidewings, OR SIDE OR REAR WINDOWS of the vehicle other than a certificate or other paper either required to be so displayed by law or authorized by the Administrator.

#### (B) THIS SECTION DOES NOT APPLY TO:

- (1) NONTRANSPARENT MATERIAL PLACED ON THE WINDSHIELD OF A MOTOR VEHICLE ABOVE THE AS1 LINE OR NOT LOWER THAN 5 INCHES FROM THE TOP OF THE WINDSHIELD, WHICHEVER IS LESS, IF THE MATERIALS ARE PLACED SO AS NOT TO INTERFERE WITH THE DRIVER'S CLEAR VIEW OF TRAFFIC;
- (2) MATERIALS PLACED ON THE WINDSHIELD OR REAR WINDOW, WITHIN A 7 INCH SQUARE AREA IN THE LOWER CORNER, IF THE MATERIALS ARE PLACED SO AS NOT TO INTERFERE WITH THE DRIVER'S CLEAR VIEW OF TRAFFIC;
- (3) MATERIALS PLACED ON THE SIDE WINDOWS OF A CLASS A (PASSENGER) VEHICLE TO THE REAR OF THE DRIVER, IF THE MATERIALS ARE PLACED SO AS NOT TO INTERFERE WITH THE DRIVER'S CLEAR VIEW OF TRAFFIC;

- (4) MATERIALS PLACED ON THE SIDE OR REAR WINDOWS OF A CLASS M (MULTIPURPOSE) VEHICLE OR CLASS E (TRUCK) VEHICLE PROVIDED THAT THE VEHICLE IS EQUIPPED WITH TWO OUTSIDE REARVIEW MIRRORS, ONE EACH ATTACHED TO THE RIGHT AND LEFT SIDE OF THE VEHICLE;
- (5) MATERIALS PLACED ON THE WINDSHIELD IN COMPLIANCE WITH SECURITY MEASURES REQUIRED BY A FEDERAL OR STATE GOVERNMENT AGENCY, PROVIDED THAT THE DECAL IS AFFIXED TO THE VEHICLE IN ACCORDANCE WITH THE ISSUING AGENCY'S GUIDELINES;
- (6) DIRECTION, DESTINATION, OR TERMINI SIGNS ON ANY PASSENGER COMMON CARRIER MOTOR VEHICLE; OR
- (7) AN ELECTRONIC TOLL COLLECTION DEVICE PLACED ON THE WINDSHIELD OF A VEHICLE IN ACCORDANCE WITH THE GUIDELINES ESTABLISHED BY THE MARYLAND TRANSPORTATION AUTHORITY.
- [(b)] **(C)** The windshield on every motor vehicle, except motorcycles, shall be equipped with a device for **CLEARING AND** cleaning rain, snow, or other moisture from the windshield, which device shall be constructed to be controlled or operated by the driver of the vehicle.
- [(c)] **(D)** Every windshield wiper on a motor vehicle shall be maintained in good working order.
- (E) (1) IF A MOTOR VEHICLE WAS ORIGINALLY EQUIPPED WITH WINDSHIELD WASHERS, THE WASHERS SHALL BE OPERATIONAL AND CAPABLE OF CONTAINING WASHER FLUID AND DISTRIBUTING WASHER FLUID ONTO THE WINDSHIELD.
- (2) A WINDSHIELD WASHER SHALL BE CONSTRUCTED TO BE CONTROLLED OR OPERATED BY THE DRIVER OF THE VEHICLE.

22-406.

- (i) (1) Except as provided in paragraph (4) of this subsection, a person may not operate a vehicle registered under § 13–912, § 13–913, § 13–917, or § 13–937 of this article on a highway in this State if:
- (i) In the case of a vehicle registered under § 13–912 of this article, there is affixed to any window of the vehicle any tinting materials added to the window after manufacture of the vehicle that do not allow a light transmittance through the window of at least 35%; and

and

- (ii) In the case of a vehicle registered under § 13–913, § 13–917, or § 13–937 of this article, there is affixed to any window to the immediate right or left of the driver any window tinting materials added after manufacture of the vehicle that do not allow a light transmittance through the window of at least 35%.
- (2) If a police officer observes that a vehicle is being operated in violation of paragraph (1) of this subsection, the officer may stop the driver of the vehicle and, in addition to a citation charging the driver with the offense, issue to the driver a safety equipment repair order in accordance with the provisions of § 23–105 of this article.
- (3) A person may not install on a window of a vehicle any window tinting material that does not comply with the light transmittance requirements specified in paragraph (1) of this subsection.
- (4) (i) A person who must be protected from the sun for medical reasons is exempt from the provisions of paragraph (1) of this subsection if the owner has, in the vehicle at the time the vehicle is stopped by a police officer, a written certification IN THE MANNER AND FORMAT REQUIRED BY THE AUTOMOTIVE SAFETY ENFORCEMENT DIVISION OF THE DEPARTMENT OF STATE POLICE that details the owner's medical need for tinted windows WITH A LIGHT TRANSMITTANCE OF LESS THAN THE ALLOWED 35%, from a physician licensed to practice medicine in the State.
- (II) A WRITTEN CERTIFICATION UNDER THIS PARAGRAPH SHALL BE VALID FOR A PERIOD OF TIME THAT THE LICENSED PHYSICIAN DETERMINES THE OWNER NEEDS THE ENHANCED TINTED WINDOWS, NOT TO EXCEED 2 YEARS.
  - [(ii)] (III) This subsection does not apply to tinting materials that:
    - 1. Are affixed in such a manner so as to be easily removed;
- 2. Are being used to protect a child less than 10 years of age from the sun.
  - [(iii)] (IV) Nothing in this subsection may be construed to:
- 1. Allow any tinting materials to be added to the windshield of a vehicle below the AS1 line or below 5 inches from the top of the windshield; [or]
- 2. PROHIBIT A PERSON FROM OPERATING THE VEHICLE WHILE THE PERSON FOR WHOM THE WRITTEN CERTIFICATION IS REQUIRED IS NOT PRESENT IN THE VEHICLE, PROVIDED THAT THE WRITTEN CERTIFICATION IS IN THE VEHICLE; OR

[2.] **3.** Alter or restrict the authority of the Administrator to adopt regulations regarding vehicle windows, except with respect to the light transmittance requirements specified in this section.

23–101.

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Division" means the Automotive Safety Enforcement Division of the Department of State Police.
- (e) "Inspection certificate" means a certification by an inspection station, in a format established by the Division, that:
- (1) Certifies that, as of its date, a specified vehicle meets or exceeds the standards for equipment established under this title; and
- (2) Identifies the inspection station and the [registered] LICENSED individual who personally inspected the vehicle.
- (h) "Repair order certification" means a written certification by an inspection station or police department that:
- (1) Certifies that, as of its date, the equipment specified in a safety equipment repair order meets or exceeds the standards established under this subtitle; and
  - (2) Is signed and dated:
- (i) On behalf of the inspection station by the [registered] LICENSED individual who personally inspected the vehicle; or
- (ii) On behalf of the police department by the authorized police officer who personally inspected the vehicle.

23-103.1.

- [(a) On receipt of an application and a \$15 nonrefundable fee to take the inspection mechanic exam. the Division shall:
  - (1) Administer an exam to each mechanic applicant; and
- (2) If the applicant is determined to be qualified, register the mechanic to conduct vehicle inspections.]
- (A) AN APPLICANT FOR AN INSPECTION MECHANIC LICENSE SHALL SUBMIT TO THE DIVISION:

- (1) AN APPLICATION IN THE MANNER AND FORMAT DESIGNATED BY THE DIVISION; AND
- (2) A NONREFUNDABLE APPLICATION FEE OF \$15 TO TAKE THE EXAMINATION.

### (B) (1) THE DIVISION SHALL:

- (I) ADMINISTER AN EXAMINATION TO EACH INSPECTION MECHANIC APPLICANT; AND
- (II) IF THE DIVISION DETERMINES THE APPLICANT IS QUALIFIED, LICENSE THE INSPECTION MECHANIC APPLICANT TO CONDUCT VEHICLE INSPECTIONS.
- (2) THE EXAMINATION SHALL INCLUDE A WRITTEN TEST AND A PRACTICAL TEST.
- [(b)] (C) The Division may establish standards by [rule or] regulation for the testing, qualifying, and [registering] LICENSING of inspection station mechanics.
  - [(c)] **(D)** The Division may:
- (1) FOR CAUSE, REQUIRE A REEXAMINATION OF A LICENSED INSPECTION MECHANIC FOR QUALIFICATION TO CONTINUE OR RESUME CONDUCTING VEHICLE INSPECTIONS;
- [(1)] (2) For cause, suspend or revoke the mechanic's [registration] LICENSE; [and] OR
- [(2)] (3) On suspension or revocation of the mechanic's [registration] LICENSE, rescind the authorization to conduct vehicle inspections in accordance with this title.

23-104.

[(a) Every vehicle driven on the highways in this State shall, where applicable, have the following equipment, meeting or exceeding the standards established jointly by the Administration and the Division: brakes, steering, suspension, horn, door handles, mirrors, tires, exhaust system, lights, glazing, windshield wipers, odometer, speedometer, bumpers, properly aligned wheels, wheels and wheel lugs, fenders, floor pans, hood, hood catches, emissions equipment, fuel system, front seat, motor mounts, gear selection indicator for automatic transmissions, universal joints, and seat belts or combination seat

belt-shoulder harness if required as original equipment under § 22–412 or § 22–412.1 of this article.

- (b) (1) The Administration and the Division jointly may establish standards by rule or regulation for this equipment.
- (2)] The Administration and the Division **JOINTLY** shall adopt, consistent with federal law, regulations establishing equipment, performance, and other technical standards for:

## (1) MOTOR VEHICLES;

- [(i)] (2) Autocycles; and
- [(ii)] (3) Low speed vehicles.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 87

(House Bill 159)

AN ACT concerning

# State Ethics Commission – Determination of Public Official in an Executive Unit – Information From Units of State Government

FOR the purpose of requiring certain entities to provide certain information to the State Ethics Commission in a certain manner for the Ethics Commission to make a certain determination; and generally relating to public ethics and public official determinations.

BY repealing and reenacting, with amendments,

Article – General Provisions

Section 5–208

Annotated Code of Maryland

(2014 Volume and 2019 Supplement)

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

#### **Article - General Provisions**

5-208.

- (a) With advice from the Secretary of Budget and Management and in accordance with § 5–103 of this title, the Ethics Commission shall determine whether an individual in an executive unit is a public official for the purposes of this title.
- (b) The Secretary of Budget and Management shall provide advice under subsection (a) of this section to the Ethics Commission:
  - (1) annually; and
  - (2) at any other time on request of the Ethics Commission.
- (C) ON REQUEST OF THE ETHICS COMMISSION, THE FOLLOWING ENTITIES SHALL PROVIDE TO THE ETHICS COMMISSION IN A TIMELY MANNER ANY INFORMATION NECESSARY FOR THE ETHICS COMMISSION TO MAKE A DETERMINATION UNDER SUBSECTION (A) OF THIS SECTION:
- (1) THE SECRETARY OF A PRINCIPAL DEPARTMENT IN THE EXECUTIVE BRANCH;
- (2) THE PRESIDENT OF A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION, AS DEFINED IN § 10–101 OF THE EDUCATION ARTICLE; AND
  - (3) A UNIT OF STATE GOVERNMENT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 88

(House Bill 161)

AN ACT concerning

Nutrient Management – Professional Fertilizer Applicators Nonagricultural Fertilizer Application – Requirements and Penalties

FOR the purpose of prohibiting a person from commercially applying fertilizer to certain property unless the person is a professional fertilizer applicator or employs a

professional fertilizer applicator; requiring a person that employs a certain professional fertilizer applicator to obtain a certain license for each place of business for which the professional fertilizer applicator provides certain services requiring each place of business at which a person is employed to apply fertilizer to certain property used for nonagricultural purposes to have a certain certified professional fertilizer applicator on staff and be licensed annually by the Department of Agriculture; requiring an applicant for a certain license to submit a certain application and pay a certain fee to the Department; altering the application of a certain civil penalty to include the employer of a person who violates certain provisions of law; providing for the application of this Act; and generally relating to professional fertilizer applicators nonagricultural fertilizer application.

BY repealing and reenacting, without amendments,

Article – Agriculture Section 8–801(a) and (i) Annotated Code of Maryland (2016 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Agriculture Section 8–803.4 Annotated Code of Maryland (2016 Replacement Volume and 2019 Supplement)

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

# Article - Agriculture

8-801.

- (a) In this subtitle the following words have the meanings indicated.
- (i) (1) "Professional fertilizer applicator" means any person who:
- (i) Is certified to apply fertilizer in accordance with  $\S$  8–803.4 of this subtitle; and
  - (ii) Applies fertilizer for hire.
- (2) "Professional fertilizer applicator" includes the owner or manager of property, or an employee of a government entity who applies fertilizer within the scope of employment.

8-803.4.

- (a) In this section, "fertilizer" means a commercial fertilizer and specialty fertilizer.
- (b) (1) This section applies to a professional fertilizer applicator who applies fertilizer to:
  - (i) Property that is not used for agricultural purposes; or
  - (ii) State property that is not used for agricultural purposes.
- (2) This section does not apply to the application of fertilizer on commercial farms.
- (C) (1) A PERSON MAY NOT COMMERCIALLY APPLY FERTILIZER TO PROPERTY SPECIFIED UNDER SUBSECTION (B)(1) OF THIS SECTION UNLESS THE PERSON:
  - (I) IS A PROFESSIONAL FERTILIZER APPLICATOR; OR
  - (II) EMPLOYS A PROFESSIONAL FERTILIZER APPLICATOR.
- (2) A PERSON THAT EMPLOYS A PROFESSIONAL FERTILIZER APPLICATOR WHO IS REGULATED UNDER THIS SECTION SHALL OBTAIN AN ANNUAL LICENSE FROM THE DEPARTMENT IN ACCORDANCE WITH COMAR 15.20.10.07 FOR EACH PLACE OF BUSINESS FOR WHICH THE PROFESSIONAL FERTILIZER APPLICATOR PROVIDES THE SERVICES REGULATED UNDER THIS SECTION.
- (C) (1) EACH PLACE OF BUSINESS AT WHICH A PERSON IS EMPLOYED TO APPLY FERTILIZER TO PROPERTY SPECIFIED UNDER SUBSECTION (B)(1) OF THIS SECTION SHALL:
- (I) HAVE A PROFESSIONAL FERTILIZER APPLICATOR ON STAFF WHO HAS OBTAINED A FERTILIZER APPLICATION CERTIFICATION IN ACCORDANCE WITH § 8–803.6 OF THIS SUBTITLE; AND
  - (II) BE LICENSED ANNUALLY BY THE DEPARTMENT.
  - (2) AN APPLICANT FOR A LICENSE UNDER THIS SUBSECTION SHALL:
- (I) SUBMIT TO THE DEPARTMENT AN APPLICATION ON THE FORM THE DEPARTMENT REQUIRES; AND
- (II) PAY TO THE DEPARTMENT AN APPLICATION FEE SET BY THE DEPARTMENT.

- [(c)] **(D)** A professional fertilizer applicator may not:
- (1) Apply fertilizer to turf without first obtaining a fertilizer application certification, unless the person is under the direct supervision of a certified professional fertilizer applicator, in accordance with § 8–803.6 of this subtitle; or
  - (2) Apply fertilizer intended for use on turf on an impervious surface.
- [(d)] (E) (1) Except as provided in paragraph (2) of this subsection, a professional fertilizer applicator may not apply fertilizer containing phosphorus or nitrogen to turf:
  - (i) Before March 1 or after November 15 of any calendar year;
  - (ii) Any time the ground is frozen; or
- (iii) In an amount that is inconsistent with the annual recommended rate established by the University of Maryland.
- (2) From November 16 through December 1 of each calendar year, a professional fertilizer applicator may apply fertilizer containing nitrogen to turf at an application rate of no more than 0.5 pounds of nitrogen per 1,000 square feet of turf.
- [(e)] **(F)** (1) Except as provided in paragraph (2) of this subsection, a professional fertilizer applicator may not apply fertilizer containing phosphorus or nitrogen to turf that is within 15 feet of:
  - (i) Surface water subject to the jurisdiction of the State;
  - (ii) The Chesapeake Bay and its tributaries;
  - (iii) A pond within the State;
  - (iv) A lake within the State;
  - (v) A river within the State;
  - (vi) A stream within the State;
  - (vii) A public ditch within the State;
  - (viii) A tax ditch within the State; or
- (ix) A public drainage system within the State, other than those designed and used to collect, convey, or dispose of sanitary sewage.

- (2) When a drop spreader, rotary spreader with a deflector, or targeted spray liquid is used for fertilizer application, the setback required under paragraph (1) of this subsection may be reduced to 10 feet.
- (3) The establishment of setbacks for fertilizer application under this subsection does not preclude the establishment or applicability of, or compliance with, any other environmental standards established under any other State or federal law, rule, or regulation.
- [(f)] (G) (1) Except as provided in paragraph (2) of this subsection, a professional fertilizer applicator may not apply fertilizer containing nitrogen to turf:
- (i) At an application rate of more than 0.7 pounds of water–soluble nitrogen per 1,000 square feet of turf; and
- (ii) At an application rate of more than 0.9 pounds of nitrogen per 1,000 square feet of turf.
- (2) (i) Subject to subparagraphs (ii) and (iii) of this paragraph, a professional fertilizer applicator may apply an enhanced efficiency fertilizer:
- 1. At an annual application rate of no more than 2.5 pounds of nitrogen per 1,000 square feet of turf; and
- 2. That has a release rate of no more than 0.7 pounds of total nitrogen per 1,000 square feet of turf per month.
- (ii) The annual total application rate of an enhanced efficiency fertilizer may not exceed 80% of the annual recommended rate for total nitrogen established by the University of Maryland.
- (iii) An enhanced efficiency fertilizer may not be applied after November 15 or before March 1 of each calendar year.
- [(g)] **(H)** (1) Except as provided in paragraphs (2) and (4) of this subsection, a professional fertilizer applicator may not apply fertilizer containing phosphorus to turf.
- (2) A professional fertilizer applicator may apply organic or natural organic fertilizer containing phosphorus to turf when:
- (i) A soil test performed no more than 3 years before the fertilizer application indicates a low or medium level of phosphorus; and
- (ii) The fertilizer is applied at a rate recommended by the University of Maryland.

- (3) Paragraph (2) of this subsection does not authorize a professional fertilizer applicator to apply fertilizer containing phosphorus when a soil test indicates an optimum or excessive level of phosphorus.
- (4) A professional fertilizer applicator may apply fertilizer to turf containing phosphorus if the professional fertilizer applicator:
- (i) Determines that the fertilizer is necessary for the specific soils and target vegetation in accordance with a soil test performed no more than 3 years before the fertilizer application, provided the application complies with the recommendations established by the University of Maryland;
- (ii) Is establishing vegetation for the first time, such as after land disturbance, provided the application complies with the recommendations established by the University of Maryland; or
  - (iii) Is reestablishing or repairing a turf area.
- [(h)] (I) A person who violates any provision of this section **OR EMPLOYS A PERSON WHO VIOLATES ANY PROVISION OF THIS SECTION** is subject to a civil penalty of not more than \$1,000 for a first violation.
- (2) A person who violates any provision of this section **OR EMPLOYS A PERSON WHO VIOLATES ANY PROVISION OF THIS SECTION** is subject to a civil penalty of not more than \$2,000 for each subsequent violation.
  - (3) Each day a violation occurs under this section is a separate violation.
- (4) The total penalties imposed on a person for violations of this section that result from the same set of facts and circumstances may not exceed \$10,000.
- [(i)] (J) The penalty imposed on a person under this section shall be assessed with consideration given to:
- (1) The willfulness of the violation, the extent to which the existence of the violation was known to the violator but uncorrected by the violator, and the extent to which the violator exercised reasonable care;
- (2) Any actual harm to human health or to the environment including injury to or impairment of the use of the waters of the State or the natural resources of the State:
  - (3) The cost of control;
- (4) The nature and degree of injury to or interference with general welfare, health, and property;

- (5) The extent to which the location of the violation, including location near areas of human population, creates the potential for harm to the environment or to human health or safety; and
- (6) The extent to which the current violation is part of a recurrent pattern of the same or similar type of violation committed by the violator.
- [(j)] **(K)** Penalties collected by the Secretary under this section shall be paid into the General Fund of the State.
  - [(k)] (L) The Department may adopt regulations to implement this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 89

(House Bill 162)

AN ACT concerning

# Transportation – Potomac River Bridges Towing Compact – Inclusion of Additional Bridges

FOR the purpose of making certain bridges subject to the provisions of the Potomac River Bridges Towing Compact; making this Act subject to a certain contingency certain contingencies; and generally relating to the Potomac River Bridges Towing Compact.

BY repealing and reenacting, with amendments,

Article – Transportation

Section 25–301

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

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

#### **Article – Transportation**

25 - 301.

#### Parties and Title

This agreement shall be known as the Potomac River Bridges Towing Compact and the parties to this agreement are the Commonwealth of Virginia, the State of Maryland, and the District of Columbia.

#### Article II

# Findings and Purpose

The Woodrow Wilson Memorial Bridge, Rochambeau Memorial Bridge, George Mason Memorial Bridge, Theodore Roosevelt Memorial Bridge, Francis Scott Key Bridge, Chain Bridge, GOVERNOR HARRY W. NICE/SENATOR THOMAS "MAC" MIDDLETON BRIDGE, SANDY HOOK BRIDGE, BRUNSWICK BRIDGE, POINT OF ROCKS BRIDGE, and American Legion Bridge all pass through the territorial jurisdiction of two or more of the three parties. Experience has shown that traffic back ups often prevent state troopers, state police officers, or police officers of the appropriate jurisdiction from arriving at the scene of a disabled or abandoned vehicle to take corrective action. The purpose of this Compact is to facilitate the prompt and orderly removal of disabled and abandoned vehicles from the bridges by giving all three parties jurisdiction to exercise appropriate authority anywhere on the bridges.

#### Article III

#### Authority to Direct Traffic and Authorize Removal of Vehicle

The parties hereby give one another all necessary power and authority to have their respective state troopers, state police officers, or local law enforcement officers direct traffic and authorize the removal of disabled or abandoned vehicles, trailers, semitrailers, or the parts or contents thereof, from any part of the Potomac River bridges, to the same extent and in the same manner that such state troopers, state police officers, and law enforcement officers may exercise such authority in their own jurisdictions. However, no party, acting through its state troopers, state police officers, or local law enforcement officers, shall have the authority to direct or authorize the towing or removal of any vehicle or other thing to a destination outside its own jurisdiction, unless the consent of a state trooper, state police officer, or law enforcement officer of the destination jurisdiction has been first obtained.

#### Article IV

#### Disposition of Towed Vehicles

All vehicles and their contents towed or removed from the Potomac River bridges pursuant to this Compact shall be subject to the exclusive jurisdiction of the place to which such vehicle and its contents are taken, and the handling and disposition of such vehicle and its contents shall be governed by the laws and procedures of that jurisdiction.

#### Article V

### No Agency Relationship

Each of the parties shall act solely on its own authority within the jurisdiction granted. This Compact shall not be construed as creating any agency relationship between the parties.

#### Article VI

#### Effective Date

The provisions of this Compact shall take effect thirty days after the legislative bodies of parties having jurisdiction over one or several of the bridges identified in Article II have enacted compacts substantially identical to this Compact.

#### Article VII

#### Termination

The Governor of the Commonwealth of Virginia or the State of Maryland, or the Mayor of the District of Columbia may withdraw from this Compact at any time upon thirty days written notice to the other parties.

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

# <u>Article - Transportation</u>

25–301.

#### Article I

#### Parties and Title

This agreement shall be known as the Potomac River Bridges Towing Compact and the parties to this agreement are the Commonwealth of Virginia, the State of Maryland, and the District of Columbia.

#### Article II

#### Findings and Purpose

The Woodrow Wilson Memorial Bridge, Rochambeau Memorial Bridge, George Mason Memorial Bridge, Theodore Roosevelt Memorial Bridge, Francis Scott Key Bridge, Chain Bridge, ARLAND D. WILLIAMS, JR. MEMORIAL BRIDGE, and American Legion Bridge all pass through the territorial jurisdiction of two or more of the three parties.

Experience has shown that traffic back ups often prevent state troopers, state police officers, or police officers of the appropriate jurisdiction from arriving at the scene of a disabled or abandoned vehicle to take corrective action. The purpose of this Compact is to facilitate the prompt and orderly removal of disabled and abandoned vehicles from the bridges by giving all three parties jurisdiction to exercise appropriate authority anywhere on the bridges.

### Article III

#### Authority to Direct Traffic and Authorize Removal of Vehicle

The parties hereby give one another all necessary power and authority to have their respective state troopers, state police officers, or local law enforcement officers direct traffic and authorize the removal of disabled or abandoned vehicles, trailers, semitrailers, or the parts or contents thereof, from any part of the Potomac River bridges, to the same extent and in the same manner that such state troopers, state police officers, and law enforcement officers may exercise such authority in their own jurisdictions. However, no party, acting through its state troopers, state police officers, or local law enforcement officers, shall have the authority to direct or authorize the towing or removal of any vehicle or other thing to a destination outside its own jurisdiction, unless the consent of a state trooper, state police officer, or law enforcement officer of the destination jurisdiction has been first obtained.

## Article IV

#### Disposition of Towed Vehicles

All vehicles and their contents towed or removed from the Potomac River bridges pursuant to this Compact shall be subject to the exclusive jurisdiction of the place to which such vehicle and its contents are taken, and the handling and disposition of such vehicle and its contents shall be governed by the laws and procedures of that jurisdiction.

#### Article V

## No Agency Relationship

Each of the parties shall act solely on its own authority within the jurisdiction granted. This Compact shall not be construed as creating any agency relationship between the parties.

#### Article VI

#### Effective Date

The provisions of this Compact shall take effect thirty days after the legislative bodies of parties having jurisdiction over one or several of the bridges identified in Article II have enacted compacts substantially identical to this Compact.

#### Article VII

### **Termination**

The Governor of the Commonwealth of Virginia or the State of Maryland, or the Mayor of the District of Columbia may withdraw from this Compact at any time upon thirty days written notice to the other parties.

### SECTION $\frac{2}{3}$ . AND BE IT FURTHER ENACTED, That:

- (a) This Section 1 of this Act may not take effect until a similar Act is enacted by the District of Columbia and the Commonwealth of Virginia.
- (b) The District of Columbia and the Commonwealth of Virginia are requested to concur in <u>Section 1 of</u> this Act of the General Assembly of Maryland by the enactment of a similar Act.
- (c) The Department of Legislative Services shall notify the appropriate officials of the District of Columbia and the Commonwealth of Virginia of the enactment of <u>Section</u> 1 of this Act.
- (d) On the concurrence in <u>Section 1 of</u> this Act by the District of Columbia and the Commonwealth of Virginia, the Governor of the State of Maryland shall issue a proclamation declaring <u>Section 1 of</u> this Act valid and effective and shall forward a copy of the proclamation to the Executive Director of the Department of Legislative Services.

#### SECTION 4. AND BE IT FURTHER ENACTED, That:

- (a) Section 2 of this Act may not take effect until a similar Act is enacted by the District of Columbia and the Commonwealth of Virginia.
- (b) The District of Columbia and the Commonwealth of Virginia are requested to concur in Section 2 of this Act of the General Assembly of Maryland by the enactment of a similar Act.
- (c) The Department of Legislative Services shall notify the appropriate officials of the District of Columbia and the Commonwealth of Virginia of the enactment of Section 2 of this Act.
- (d) On the concurrence in Section 2 of this Act by the District of Columbia and the Commonwealth of Virginia, the Governor of the State of Maryland shall issue a proclamation declaring Section 2 of this Act valid and effective and shall forward a copy of the proclamation to the Executive Director of the Department of Legislative Services.
- SECTION 3. 5. AND BE IT FURTHER ENACTED, That, subject to Section 2 Sections 3 and 4 of this Act, this Act shall take effect June 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 90

(House Bill 164)

AN ACT concerning

# Harford County - Motorcycles - Sunday Sales

FOR the purpose of authorizing a dealer in Harford County to sell, barter, deliver, give away, show, or offer for sale a motorcycle or certificate of title for a motorcycle on Sunday; and generally relating to Sunday motorcycle sales in Harford County.

BY repealing and reenacting, without amendments,

Article – Business Regulation

Section 18–101(d)

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Business Regulation

Section 18–101(g)

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

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

## **Article - Business Regulation**

18–101.

- (d) Except in Howard, Montgomery, and Prince George's counties, and except as provided in subsections (g), (h), and (i) of this section, a new or used car dealer may not sell, barter, deliver, give away, show, or offer for sale a motor vehicle or certificate of title for a motor vehicle on Sunday.
- (g) In Anne Arundel County, **HARFORD COUNTY**, and Worcester County, a dealer may sell, barter, deliver, give away, show, or offer for sale a motorcycle, as defined in § 11–136 of the Transportation Article, or certificate of title for a motorcycle on Sunday.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 91

(House Bill 168)

AN ACT concerning

# Baltimore City - Alcoholic Beverages - Class B-D-7 License

FOR the purpose of clarifying certain provisions on the hours of sale, in Baltimore City, for Class B–D–7 beer, wine, and liquor license holders within a certain geographic area; making conforming changes; and generally relating to alcoholic beverages in Baltimore City.

BY repealing and reenacting, without amendments,

 $Article-Alcoholic\ Beverages$ 

Section 12–102 and 12–905(a)

Annotated Code of Maryland

(2016 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 12–905(d), 12–2004(c), and 12–2005(c)

Annotated Code of Maryland

(2016 Volume and 2019 Supplement)

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

## **Article - Alcoholic Beverages**

12-102.

This title applies only in Baltimore City.

12-905.

- (a) There is a Class B–D–7 beer, wine, and liquor license.
- (d) **[**(1) Except as provided in paragraph (2) of this subsection, the **] A** license holder may sell beer, wine, and liquor during the hours and days set out under § 12–2004(c) of this title.
  - **(**(2) The hours of sale for a license holder in an area bounded by Liberty

Heights Avenue, Northern Parkway, Druid Park Drive, and Wabash Avenue are from 9 a.m. to 9 p.m.]

12-2004.

- (c) [Except as provided in § 12–2005 of this subtitle, a] **A** holder of a Class B–D–7 beer, wine, and liquor license may sell beer, wine, and liquor:
- (1) FROM 9 A.M. TO 9 P.M. IN THE AREA BOUNDED BY LIBERTY HEIGHTS AVENUE, NORTHERN PARKWAY, DRUID PARK DRIVE, AND WABASH AVENUE;
- (2) from 9 a.m. to 10 p.m. in the area specified in the Park Heights Master Plan adopted by the City in 2006; and
- [(2)] (3) from 6 a.m. to 2 a.m. the following day in all other locations in the City.

12 - 2005.

- (c) (1) This subsection does not apply to:
  - (i) a Class B beer and light wine license;
  - (ii) a Class B beer, wine, and liquor license;
  - (III) A CLASS B-D-7 BEER, WINE, AND LIQUOR LICENSE;
  - [(iii)] (IV) a Class C beer and light wine license; and
  - [(iv)] (V) a Class C beer, wine, and liquor license.
- (2) For a license holder in an area bounded by Liberty Heights Avenue, Northern Parkway, Druid Park Drive, and Wabash Avenue, the hours of sale:
  - (i) may not begin before 9 a.m. or end after 10 p.m.; and
- (ii) may not be extended if they begin later than 9 a.m. or end before 10 p.m.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  $1,\,2020.$ 

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 92

## (Senate Bill 181)

### AN ACT concerning

# Baltimore City - Alcoholic Beverages - Class B-D-7 License

FOR the purpose of clarifying certain provisions on the hours of sale, in Baltimore City, for Class B–D–7 beer, wine, and liquor license holders within a certain geographic area; making conforming changes; and generally relating to alcoholic beverages in Baltimore City.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages Section 12–102 and 12–905(a) Annotated Code of Maryland (2016 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages Section 12–905(d), 12–2004(c), and 12–2005(c) Annotated Code of Maryland (2016 Volume and 2019 Supplement)

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

# Article - Alcoholic Beverages

12-102.

This title applies only in Baltimore City.

12 - 905.

- (a) There is a Class B–D–7 beer, wine, and liquor license.
- (d) **[**(1) Except as provided in paragraph (2) of this subsection, the **] A** license holder may sell beer, wine, and liquor during the hours and days set out under § 12–2004(c) of this title.
- [(2) The hours of sale for a license holder in an area bounded by Liberty Heights Avenue, Northern Parkway, Druid Park Drive, and Wabash Avenue are from 9 a.m. to 9 p.m.]

12-2004.

- (c) [Except as provided in § 12–2005 of this subtitle, a] A holder of a Class B–D–7 beer, wine, and liquor license may sell beer, wine, and liquor:
- (1) FROM 9 A.M. TO 9 P.M. IN THE AREA BOUNDED BY LIBERTY HEIGHTS AVENUE, NORTHERN PARKWAY, DRUID PARK DRIVE, AND WABASH AVENUE;
- (2) from 9 a.m. to 10 p.m. in the area specified in the Park Heights Master Plan adopted by the City in 2006; and
- [(2)] (3) from 6 a.m. to 2 a.m. the following day in all other locations in the City.

12-2005.

- (c) (1) This subsection does not apply to:
  - (i) a Class B beer and light wine license;
  - (ii) a Class B beer, wine, and liquor license;
  - (III) A CLASS B-D-7 BEER, WINE, AND LIQUOR LICENSE;
  - [(iii)] (IV) a Class C beer and light wine license; and
  - (iv) (V) a Class C beer, wine, and liquor license.
- (2) For a license holder in an area bounded by Liberty Heights Avenue, Northern Parkway, Druid Park Drive, and Wabash Avenue, the hours of sale:
  - (i) may not begin before 9 a.m. or end after 10 p.m.; and
- (ii) may not be extended if they begin later than 9 a.m. or end before 10 p.m.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

#### (House Bill 171)

## AN ACT concerning

# Crimes Against Animals - Interference With Livestock Equines

FOR the purpose of expanding the scope of a certain prohibition against interfering with, injuring, tampering with, or destroying a horse used for a certain purpose to prohibit a person from interfering with, injuring, tampering with, or destroying livestock used for a certain purpose or for any other lawful activity altering a certain prohibition against interfering with, injuring, tampering with, or destroying a horse used for a certain purpose to prohibit a person from interfering with, injuring, tampering with, or destroying an equine used for a certain purpose or for any other lawful activity; changing the crime from a felony to a misdemeanor; altering the maximum penalty to include a certain fine or certain prison sentence; providing for the application of this Act; defining a certain term; and generally relating to crimes against animals.

BY repealing and reenacting, without amendments,

Article - Agriculture
Section 3-301(a) and (b)
Annotated Code of Maryland
(2016 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Criminal Law Section 10–620 Annotated Code of Maryland (2012 Replacement Volume and 2019 Supplement)

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

#### Article - Agriculture

3 301.

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Livestock" means cattle, swine, sheep, horses, asses, mules, or goats notwithstanding any other provision of this article.

#### Article - Criminal Law

10-620.

(a) In this section, "Livestock" has the meaning stated in § 3–301 of the Agriculture Article.

### (B) A person may not:

- (1) willfully and maliciously interfere with, injure, destroy, or tamper with [a horse] LIVESTOCK used for:
  - (1) racing or breeding for for !:
  - (H) a competitive exhibition of skill, breed, or stamina; OR
  - (HI) ANY OTHER LAWFUL ACTIVITY;
- (2) willfully start, instigate, engage in, or further an act that interferes with, injures, destroys, or tampers with [a horse] LIVESTOCK used for:
  - (I) racing or breeding [or for];
  - (H) a competitive exhibition of skill, breed, or stamina; OR
  - (HI) ANY OTHER LAWFUL ACTIVITY; or
- (3) commit an act that tends to interfere with, injure, destroy, or tamper with la horsel LIVESTOCK used for:
  - (I) racing or breeding for for
  - (H) a competitive exhibition of skill, breed, or stamina; OR
  - (HI) ANY OTHER LAWFUL ACTIVITY.
- <del>[(b)] (C)</del> A person who violates this section is guilty of a felony and on conviction is subject to imprisonment of not less than 1 year and not exceeding 3 years.</del>
- (a) IN THIS SECTION, "EQUINE" INCLUDES HORSES, DONKEYS, MULES, AND PONIES.
- (B) THIS SECTION DOES NOT APPLY TO THE OWNER OF THE EQUINE OR A PERSON ACTING ON BEHALF OF OR AT THE DIRECTION OF THE OWNER OF THE EQUINE.
  - (C) A person may not:
- (1) willfully and maliciously interfere with, injure, destroy, or tamper with [a horse] AN EQUINE used for:

- <u>(I)</u> racing or breeding [or for];
- (II) a competitive exhibition of skill, breed, or stamina; OR
- (III) ANY OTHER LAWFUL ACTIVITY;
- (2) willfully start, instigate, engage in, or further an act that interferes with, injures, destroys, or tampers with [a horse] AN EQUINE used for:
  - (I) racing or breeding [or for];
  - (II) a competitive exhibition of skill, breed, or stamina; OR
  - (III) ANY OTHER LAWFUL ACTIVITY; or
- (3) commit an act that tends to interfere with, injure, destroy, or tamper with [a horse] AN EQUINE used for:
  - <u>(I)</u> racing or breeding [or for];
  - (II) a competitive exhibition of skill, breed, or stamina; OR
  - (III) ANY OTHER LAWFUL ACTIVITY.
- [(b)] (D) A person who violates this section is guilty of a [felony] MISDEMEANOR and on conviction is subject to A FINE NOT EXCEEDING \$1,000 OR imprisonment [of not less than 1 year and] not exceeding [3 years] 1 YEAR OR BOTH.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 94

(House Bill 172)

AN ACT concerning

# Real Property - Ground Leases - Repeal of Registration Fees

FOR the purpose of repealing certain fees for the registration of ground leases with the State Department of Assessments and Taxation; altering the circumstances under which the Department shall register a ground lease; <u>making conforming changes</u>; and generally relating to the registration of ground leases.

BY repealing and reenacting, with amendments,

Article – Real Property

Section 8-704 and 8-705

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

### BY repealing

<u>Article – Real Property</u>

Section 8–709

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

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

## **Article – Real Property**

8-704.

- (a) A ground lease holder shall register a ground lease with the Department by submitting[:
  - (1) A] A registration form that the Department requires[; and
- (2) The registration fee for each ground lease as provided under subsection (d) of this section].
  - (b) The registration form shall include:
- (1) The premise address and tax identification number of the property for which the ground lease was created;
  - (2) (i) The name and address of the ground lease holder; and
- (ii) A section that provides the ground lease holder the option to include the ground lease holder's telephone number and e-mail address;
  - (3) The name and address of the leasehold tenant;
- (4) The name and address of the person to whom the ground rent payment is sent;
  - (5) The amount and payment dates of the ground rent installments;

- (6) To the best of the ground lease holder's knowledge, a statement of the range of years in which the ground lease was created; and
- (7) The liber and folio information for the current ground rent deed of record.
- (c) The reporting form for changes or corrections to a ground lease registration shall include a section that provides the ground lease holder the option to include the ground lease holder's telephone number and e-mail address.
  - [(d) The registration fee for a ground lease per ground lease holder is:
    - (1) \$10 for the first ground lease; and
    - (2) \$5 for each additional ground lease.]

8-705.

- (a) The Department shall register a ground lease when the Department receives [:
  - (1) A A registration form [; and
  - (2) The appropriate registration fee for each ground lease].
- (b) If for any reason the Department is unable to register a ground lease for which a registration form [and appropriate fee] has been submitted, the Department shall notify the ground lease holder of that ground lease, within 30 days of processing the registration form, of any information needed by the Department so as to complete the registration.

## <u>[8–709.</u>

- (a) The Department shall credit all fees collected under this subtitle to the fund established under § 1–203.3 of the Corporations and Associations Article.
- (b) Fees received shall be held in a ground lease registry account in that fund and shall help defray the costs of the registry created under this subtitle.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

### (House Bill 173)

## AN ACT concerning

### Natural Resources - Sunday Hunting

FOR the purpose of clarifying certain provisions of law governing Sunday hunting in the State; establishing the authority of the Department of Natural Resources to allow Sunday hunting under certain circumstances; authorizing Sunday hunting on certain public land; altering the application of authorized Sunday hunting to junior hunts and holders of a deer management permit; prohibiting the hunting of migratory game birds on Sunday; prohibiting hunting on certain public land on Sunday; repealing a certain termination provision governing authorized Sunday hunting in Montgomery County; providing for a delayed effective date for certain provisions of this Act; and generally relating to Sunday hunting in the State.

## BY repealing

Article – Natural Resources Section 10–410(a) Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

## BY adding to

Article – Natural Resources

Section 10–410(a)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

## BY repealing and reenacting, with amendments,

Chapter 459 of the Acts of the General Assembly of 2017

Section 2

### BY repealing and reenacting, with amendments,

Article – Natural Resources

Section 10-410(a)(3) through (5)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

(As enacted by Section 1 of this Act)

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

#### Article - Natural Resources

- [(a) (1) Except as otherwise provided in this subsection, a person may not hunt any game bird or mammal on Sundays.
- (2) The following persons may hunt the specified game birds and mammals on Sundays:
- (i) A person using State certified raptors to hunt game birds or mammals during open season;
- (ii) An unarmed person participating in an organized fox chase to chase foxes;
- (iii) Provided that the provisions of 10-906(b)(3) of this title are met, a person:
- 1. Using a regulated shooting ground under § 10–906 of this title to hunt the following pen–reared game birds:
  - A. Pheasants;
  - B. Bobwhite quail;
  - C. Chukar partridge;
  - D. Hungarian partridge;
  - E. Tower released flighted mallard ducks; and
- F. Turkey on a regulated shooting ground that was permitted to release turkey before September 1, 1992; and
- 2. Having the written permission of the owner of the land or other person designated by the owner of the land, if the land is owned or leased by a person other than the person hunting on Sundays;
- (iv) Subject to the provisions of § 10–411 of this subtitle, in Calvert, Caroline, Carroll, Charles, Harford, Queen Anne's, Somerset, Talbot, Wicomico, and Worcester counties, a person hunting deer on private property with a bow and arrow or crossbow during open season on the last three Sundays in October and the second Sunday in November;
- (v) In Calvert County, Caroline County, Carroll County, Charles County, Dorchester County, and Kent County, a person hunting turkey on private property on any Sunday during the spring turkey hunting season;

- (vi) In Dorchester County, a person hunting turkey on public land that is designated for hunting by the Department on any Sunday during the spring turkey hunting season; and
- (vii) A person hunting deer under a Deer Management Permit on any Sunday throughout the year, including all deer hunting seasons.
- (3) Subject to the provisions of § 10–415 of this subtitle, in Calvert County, Caroline County, Charles County, Harford County, Queen Anne's County, Somerset County, and Worcester County, a person may hunt deer on private property on:
  - (i) The first Sunday of the bow hunting season in November; and
  - (ii) Each Sunday in the deer firearms season.
- (4) Provided that the provisions of § 10–415 of this subtitle are met and subject to paragraph (5) of this subsection, the Department may allow a person to hunt deer on private property on the first Sunday of:
  - (i) The bow hunting season in November; and
  - (ii) The deer firearms season.
- (5) Subject to paragraphs (10) and (11) of this subsection, the Sunday deer hunting provisions under paragraph (4) of this subsection do not apply:
- (i) In Baltimore, Howard, Kent, Montgomery, and Prince George's counties; and
  - (ii) In Baltimore City.
  - (6) (i) This paragraph applies only in Carroll County.
- (ii) Subject to §§ 10–411 and 10–415 of this subtitle, the Department may allow a person to hunt deer on a Sunday on private property from the first Sunday in October through the second Sunday in January of the following year, inclusive.
- (7) A person who is 16 years of age or younger may hunt deer with a firearm on a Sunday through participation in the junior deer hunt established under  $\S 10-405(a)$  of this subtitle.
- (8) (i) This paragraph applies only in Allegany County, Cecil County, Garrett County, and Washington County.
- (ii) The Department may allow a person to hunt any game bird or game mammal, except migratory game birds, on a Sunday during the open season for that game bird or game mammal on:

- 1. Private property, subject to § 10–411 of this subtitle; and
- 2. Public land that is designated for Sunday hunting by the Department.
  - (9) (i) This paragraph applies only in Frederick County.
- (ii) Subject to § 10–415 of this subtitle, the Department may allow a person to hunt deer on a Sunday from the first Sunday in October through the second Sunday in January of the following year, inclusive, on:
  - 1. Private property, subject to § 10–411 of this subtitle; and
- 2. Public land that is designated for Sunday hunting by the Department.
  - (10) (i) This paragraph applies only in Kent County.
- (ii) Subject to §§ 10-411 and 10-415 of this subtitle and subparagraph (iii) of this paragraph, the Department may allow a person to hunt deer on a Sunday on private property throughout all deer hunting seasons.
- (iii) 1. Except as provided in subsubparagraph 2 of this subparagraph, during firearms season, the Department may allow a person to hunt deer on a Sunday only from 30 minutes before sunrise until 10:30 a.m.
- 2. The time restrictions under this subparagraph do not apply:
- A. To a participant in the junior deer hunt under  $\S 10-405(a)$  of this subtitle; and
- B. On private land only on one Sunday designated by the Department during the firearms season.
  - (11) (i) This paragraph applies only in Montgomery County.
- (ii) Subject to  $\S$  10–415 of this subtitle, the Department may allow a person to hunt deer on a Sunday throughout the deer hunting season on private property, subject to  $\S$  10–411 of this subtitle.
- (iii) 1. Except as provided in subsubparagraph 2 of this subparagraph, the Department may allow a person to hunt deer on a Sunday under this paragraph only from 30 minutes before sunrise until 10:30 a.m.

- 2. The time restrictions under this subparagraph do not apply:
- A. To a participant in the junior deer hunt under  $\S 10-405(a)$  of this subtitle:
- B. On private land only on one Sunday designated by the Department during deer bow hunting season; and
- C. On private land only on one Sunday designated by the Department during the firearms season.
  - (12) (i) This paragraph applies only in Dorchester County.
- (ii) Subject to §§ 10–411 and 10–415 of this subtitle, the Department may allow a person to hunt deer on private property on the second and third Sunday of the deer firearms season.
- (iii) Subject to §§ 10–411 and 10–415 of this subtitle, the Department may allow a person to hunt deer on private property on a Sunday during the bow hunting season from the first Sunday in October through the second Sunday in January the following year, inclusive.
- (iv) Subject to  $\S 10-411$  and 10-415 of this subtitle, the Department may allow a person to hunt deer on private property on a Sunday during the deer muzzle loader season.
  - (13) (i) This paragraph applies only in St. Mary's County.
- (ii) The Department may allow a person to hunt any game bird or game mammal, except migratory game birds, on a Sunday during the open season for that game bird or game mammal on:
- 1. Except in State parks, public land designated by the Department; or
  - 2. Private property, subject to § 10–411 of this subtitle.
  - (14) (i) This paragraph applies only in Wicomico County.
- (ii) Subject to  $\S$  10–415 of this subtitle, the Department may allow a person to hunt deer on private property on the second Sunday in deer firearms season from 30 minutes before sunrise until 10:30 a.m.]
- (A) (1) THE DEPARTMENT MAY ALLOW A PERSON TO HUNT ON EACH SUNDAY OF THE GAME BIRD AND GAME MAMMAL SEASONS IN:

- (I) ALLEGANY COUNTY;
- (II) CECIL COUNTY;
- (III) GARRETT COUNTY;
- (IV) ST. MARY'S COUNTY; AND
- (V) WASHINGTON COUNTY.
- (2) THE DEPARTMENT MAY ALLOW A PERSON TO HUNT DEER ON EACH SUNDAY OF THE DEER HUNTING SEASONS FROM THE FIRST SUNDAY IN OCTOBER THROUGH THE SECOND SUNDAY IN JANUARY, INCLUSIVE, IN:
  - (I) CARROLL COUNTY;
  - (II) DORCHESTER COUNTY; AND
  - (III) FREDERICK COUNTY.
- (3) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE DEPARTMENT MAY ALLOW A PERSON TO HUNT DEER ON EACH SUNDAY OF THE DEER HUNTING SEASONS FROM 30 MINUTES BEFORE SUNRISE UNTIL 10:30 A.M. IN:
  - 1. KENT COUNTY; AND
  - 2. MONTGOMERY COUNTY.
- (II) THE TIME RESTRICTIONS UNDER THIS PARAGRAPH DO NOT APPLY:
- 1. TO A PARTICIPANT IN A JUNIOR DEER HUNT AUTHORIZED UNDER THIS SUBTITLE;
- 2. ON ONE SUNDAY DESIGNATED BY THE DEPARTMENT DURING THE DEER FIREARMS SEASON;
- 3. IN KENT COUNTY, ON EACH SUNDAY DURING THE DEER BOW HUNTING SEASON AND THE DEER MUZZLE LOADER SEASON; AND
- 4. IN MONTGOMERY COUNTY, ON ONE SUNDAY DESIGNATED BY THE DEPARTMENT DURING THE DEER BOW HUNTING SEASON.
- (4) THE DEPARTMENT MAY ALLOW A PERSON TO HUNT DEER DURING THE DEER FIREARMS SEASON:

- (I) ON EACH SUNDAY IN:
  - 1. CALVERT COUNTY;
  - 2. CAROLINE COUNTY;
  - 3. CHARLES COUNTY;
  - 4. HARFORD COUNTY;
  - 5. QUEEN ANNE'S COUNTY;
  - 6. SOMERSET COUNTY; AND
  - 7. WORCESTER COUNTY;
- (II) ON THE FIRST SUNDAY IN:
  - 1. ANNE ARUNDEL COUNTY; AND
  - 2. TALBOT COUNTY; AND
- (III) IN WICOMICO COUNTY, ON:
  - 1. THE FIRST SUNDAY; AND
- 2. The second Sunday from 30 minutes before sunrise until 10:30 a.m.
- (5) THE DEPARTMENT MAY ALLOW A PERSON TO HUNT DEER DURING THE DEER BOW HUNTING SEASON ON:
- (I) THE LAST THREE SUNDAYS IN OCTOBER AND THE FIRST TWO SUNDAYS IN NOVEMBER IN:
  - 1. CALVERT COUNTY;
  - 2. CAROLINE COUNTY;
  - 3. CHARLES COUNTY;
  - 4. HARFORD COUNTY;
  - 5. QUEEN ANNE'S COUNTY;

- 6. SOMERSET COUNTY;
- 7. TALBOT COUNTY;
- 8. WICOMICO COUNTY; AND
- 9. WORCESTER COUNTY; AND
- (II) THE FIRST SUNDAY IN NOVEMBER IN ANNE ARUNDEL COUNTY.
- (6) THE DEPARTMENT MAY ALLOW A PERSON TO HUNT TURKEY ON EACH SUNDAY OF THE SPRING TURKEY HUNTING SEASON IN:
  - (I) CALVERT COUNTY;
  - (II) CAROLINE COUNTY;
  - (III) CARROLL COUNTY;
  - (IV) CHARLES COUNTY;
  - (V) DORCHESTER COUNTY; AND
  - (VI) KENT COUNTY.
- (7) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, THE DEPARTMENT MAY ALLOW A PERSON WITH A DEER MANAGEMENT PERMIT TO SHOOT DEER ON ANY SUNDAY THROUGHOUT THE YEAR IN ACCORDANCE WITH THE TERMS OF THE PERMIT.
- (8) THE DEPARTMENT MAY ALLOW A PERSON USING A STATE CERTIFIED RAPTOR TO HUNT GAME BIRDS OR MAMMALS ON EACH SUNDAY DURING THE OPEN SEASON FOR THE GAME BIRDS OR MAMMALS.
- (9) THE DEPARTMENT MAY ALLOW AN UNARMED PERSON PARTICIPATING IN AN ORGANIZED FOX CHASE TO CHASE FOXES ON SUNDAY.
- (10) THE DEPARTMENT MAY ALLOW A PERSON SHOOTING PEN-REARED GAME BIRDS OR TOWER-RELEASED FLIGHTED MALLARD DUCKS TO HUNT ON SUNDAY AT A REGULATED SHOOTING GROUND IN ACCORDANCE WITH § 10–906 OF THIS TITLE.

- (11) THE DEPARTMENT MAY ALLOW A PERSON WHO IS 16 YEARS OLD OR YOUNGER TO HUNT ON SUNDAY IF PARTICIPATING IN A JUNIOR HUNT ESTABLISHED BY THE DEPARTMENT IN ACCORDANCE WITH THIS SUBTITLE.
- (12) EXCEPT AS PROVIDED IN PARAGRAPHS (8) THROUGH (10) OF THIS SUBSECTION AND SUBJECT TO PARAGRAPH (7) OF THIS SUBSECTION, A PERSON MAY NOT HUNT ON SUNDAY IN:
  - (I) BALTIMORE CITY;
  - (II) BALTIMORE COUNTY;
  - (III) HOWARD COUNTY; OR
  - (IV) PRINCE GEORGE'S COUNTY.
  - (13) A PERSON MAY NOT HUNT MIGRATORY GAME BIRDS ON SUNDAY.
- (14) A PERSON MAY NOT HUNT ON PUBLIC LAND WITHIN THE STATE PARK SYSTEM ON SUNDAY.
- (15) THE DEPARTMENT MAY NOT ALLOW A PERSON TO HUNT ON PUBLIC LAND DESIGNATED FOR HUNTING BY THE DEPARTMENT ON SUNDAY EXCEPT IN:
  - (I) ALLEGANY COUNTY;
  - (II) CECIL COUNTY;
  - (III) GARRETT COUNTY;
  - (IV) St. Mary's County;
  - (V) WASHINGTON COUNTY;
- (VI) DORCHESTER COUNTY, FOR TURKEY DURING THE SPRING TURKEY HUNTING SEASON; AND
- (VII) FREDERICK COUNTY, FOR DEER FROM THE FIRST SUNDAY IN OCTOBER THROUGH THE SECOND SUNDAY IN JANUARY OF THE FOLLOWING YEAR, INCLUSIVE.

Chapter 459 of the Acts of 2017

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017. [It shall remain effective for a period of 5 years and, at the end of June 30, 2022, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.]

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

### **Article - Natural Resources**

## <u>10–410.</u>

this subtitle:

- (a) (3) (i) Subject to subparagraph (ii) of this paragraph, the Department may allow a person to hunt deer on each Sunday of the deer hunting seasons from 30 minutes before sunrise until 10:30 a.m. in:
  - 1.] Kent County[; and
  - 2. Montgomery County].
  - (ii) The time restrictions [in] UNDER this paragraph do not apply:
    - 1. To a participant in a junior deer hunt authorized under
- <u>2.</u> <u>On one Sunday designated by the Department during the</u> deer firearms season; **AND**
- 3. <u>[In Kent County, on] **ON** each Sunday during the deer bow</u> hunting season and the deer muzzle loader season[; and
- 4. <u>In Montgomery County, on one Sunday designated by the Department during the deer bow hunting season</u>].
- (4) The Department may allow a person to hunt deer during the deer firearms season:
  - (i) On each Sunday in:
    - 1. <u>Calvert County</u>;
    - 2. Caroline County;
    - 3. Charles County;
    - 4. Harford County;

- 5. Queen Anne's County;
- <u>6.</u> Somerset County; and
- 7. Worcester County; [and]
- (ii) On the first Sunday in:
  - 1. Anne Arundel County; [and]
  - 2. MONTGOMERY COUNTY; AND
  - 3. Talbot County; and
- (iii) In Wicomico County, on:
  - 1. The first Sunday; and
  - <u>2.</u> The second Sunday from 30 minutes before sunrise until

### <u>10:30 a.m.</u>

- (5) The Department may allow a person to hunt deer during the deer bow hunting season on:
- (i) The last three Sundays in October and the first two Sundays in November in:
  - 1. <u>Calvert County</u>;
  - 2. Caroline County;
  - 3. Charles County;
  - 4. Harford County;
  - <u>5.</u> Queen Anne's County;
  - <u>6.</u> Somerset County;
  - 7. Talbot County;
  - 8. Wicomico County; and
  - 9. Worcester County; and

- (ii) The first Sunday in November in:
  - 1. Anne Arundel County; AND
  - 2. MONTGOMERY COUNTY.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, 2022.

SECTION 2. 4. AND BE IT FURTHER ENACTED, That, except as provided in Section 3 of this Act, this Act shall take effect June 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

## Chapter 96

(House Bill 176)

AN ACT concerning

## St. Mary's County Open Meetings Act - Closed Sessions

FOR the purpose of authorizing a public agency in St. Mary's County to meet in a closed session to consider the investment of public funds, to consult with counsel for legal advice, and, under certain circumstances, to discuss cybersecurity; and generally relating to the St. Mary's County Open Meetings Act.

BY repealing and reenacting, without amendments,

Article – Local Government Section 9–501 Annotated Code of Maryland (2013 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Local Government Section 9–512 Annotated Code of Maryland (2013 Volume and 2019 Supplement)

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

### Article - Local Government

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Official action" means a phase of the process in which a public agency in St. Mary's County makes a decision or recommendation, including receipt of information and deliberation.
  - (c) (1) "Public agency" means:
- (i) a governmental unit of St. Mary's County, including an advisory or quasi-judicial agency, that is:
  - 1. supported in any part by public money; or
  - 2. authorized to spend public money; and
  - (ii) the St. Mary's County Board of Education.
- (2) "Public agency" includes a subcommittee or other subordinate unit of a governmental unit listed in paragraph (1) of this subsection.
  - (3) "Public agency" does not include:
    - (i) a grand jury;
    - (ii) a petit jury;
    - (iii) a law enforcement agency; or
    - (iv) the judicial branch.
- (d) "Public agency meeting" means the convening of a quorum of the constituent membership of a public agency to deliberate or act on a matter under the supervision, control, jurisdiction, or advisory power of the public agency.
- (e) "Quorum", unless otherwise defined by applicable law, means a simple majority of the constituent membership of a public agency.
- (f) "Staff meeting" means a meeting of three or more staff members of one or more public agencies.

### 9-512.

- (a) A public agency meeting or a staff meeting may be conducted in a closed session only:
  - (1) to consider or discuss the assignment, promotion, resignation, salary,

demotion, dismissal, reprimand, or appointment of a member of a public agency or employee, unless the individual, as a matter of public record, makes a written request for an open session;

- (2) to discuss strategy in collective bargaining or litigation;
- (3) to engage in collective bargaining;
- (4) to discuss the distribution of police forces to cope with public safety emergencies;
- (5) to discuss cost estimates for capital projects to be subsequently placed through the bidding process;
- (6) to hold preliminary discussions concerning the purchase or disposition of real property;
- (7) when State law or federal regulation prohibits a meeting open to the public;
- (8) to meet a condition for anonymity of a donor contained in a gift or bequest to the public agency;
- (9) when secrecy is necessary to prevent the premature disclosure of the format or content of examinations or the disclosure of results of examinations as related to individual students; [or]
- (10) if the meeting is conducted by the County Board of Education or its staff to:
- (i) consider the discipline of a student, unless the parent, guardian, or student requests an open session of the County Board of Education; or
- (ii) discuss specific students, families, or personnel and the disclosure of the discussions could prove detrimental or harmful to those individuals;
  - (11) TO CONSIDER THE INVESTMENT OF PUBLIC FUNDS;
  - (12) TO CONSULT WITH COUNSEL TO OBTAIN LEGAL ADVICE; OR
- (13) TO DISCUSS CYBERSECURITY, IF THE PUBLIC BODY DETERMINES THAT PUBLIC DISCUSSION WOULD CONSTITUTE A RISK TO:
- (I) SECURITY ASSESSMENTS OR DEPLOYMENTS RELATING TO INFORMATION RESOURCES TECHNOLOGY;

- (II) NETWORK SECURITY INFORMATION, INCLUDING INFORMATION THAT IS:
- 1. RELATED TO PASSWORDS, PERSONAL IDENTIFICATION NUMBERS, ACCESS CODES, ENCRYPTION, OR OTHER COMPONENTS OF THE SECURITY SYSTEM OF A GOVERNMENTAL ENTITY;
- 2. COLLECTED, ASSEMBLED, OR MAINTAINED BY OR FOR A GOVERNMENTAL ENTITY TO PREVENT, DETECT, OR INVESTIGATE CRIMINAL ACTIVITY; OR
- 3. RELATED TO AN ASSESSMENT, MADE BY OR FOR A GOVERNMENTAL ENTITY OR MAINTAINED BY A GOVERNMENTAL ENTITY, OF THE VULNERABILITY OF A NETWORK TO CRIMINAL ACTIVITY; OR
- (III) DEPLOYMENTS OR IMPLEMENTATION OF SECURITY PERSONNEL, CRITICAL INFRASTRUCTURE, OR SECURITY DEVICES.
- (b) (1) A closed session shall be announced in advance at a meeting that is open to the public.
- (2) An announcement of a closed session shall include the nature of the business of the closed session.
- (3) The closed session shall be limited to the matters described in subsection (a) of this section.
- (c) The minutes of the next open session shall include the justification for holding the closed session, the names of those in attendance, and the times the meeting begins and ends.
- (d) An ordinance, resolution, rule, regulation, or decision may not be finally adopted at a closed session.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 97

(House Bill 177)

AN ACT concerning

# Environment – Water Infrastructure Assets – Authorization of Emergency Actions and Establishment of Emergency Reserve

FOR the purpose of authorizing the Department of the Environment to take certain emergency actions to protect life, property, or the environment against risks arising from dams, reservoirs, and similar waterway constructions that are in imminent danger of failure; authorizing the Department or its agents to enter certain property without prior notice to the owner of the property under certain circumstances; requiring the Department to remain in charge and control of a certain water infrastructure asset until a certain occurrence; authorizing the Department to obtain certain resources for emergency actions taken under this Act through certain means; requiring the Department to charge a certain asset owner for certain costs incurred by the Department, regardless of the asset owner's ability to pay; providing for the reimbursement of certain costs incurred by the Department; authorizing the establishment and enforcement of a lien on a certain water infrastructure asset in a certain manner and under certain circumstances; providing for the priority of the lien; prohibiting a certain legal action from being brought against the State, the Department, or their respective agents or employees on certain grounds; establishing a separate account in the Bay Restoration Fund designated as the Water Infrastructure Emergency Reserve; requiring the Comptroller to deposit a certain portion of Bay Restoration Fund revenues into the Water Infrastructure Emergency Reserve; requiring funds in the Water Infrastructure Emergency Reserve to be used for certain purposes: defining certain terms; providing for the construction of certain provisions of this Act; making eertain clarifying, conforming, and stylistic and technical changes; and generally relating to emergency actions related to water infrastructure assets and the establishment of the Water Infrastructure Emergency Reserve.

BY repealing and reenacting, with amendments, Article – Environment

Section 5–509

Section 5–509

Annotated Code of Maryland

(2013 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article - Environment

Section 9-1605.2(a), (h), and (i)(2)

Annotated Code of Maryland

(2014 Replacement Volume and 2019 Supplement)

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

5-509.

- (a) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (2) "ASSET OWNER" MEANS THE OWNER OR PERSON HAVING CONTROL OF A WATER INFRASTRUCTURE ASSET.
  - (3) "ASSOCIATION" MEANS:
- (I) A HOMEOWNERS ASSOCIATION, AS DEFINED IN § 11B–101 OF THE REAL PROPERTY ARTICLE;
- (II) A COUNCIL OF UNIT OWNERS, AS DEFINED IN § 11–101 OF THE REAL PROPERTY ARTICLE; OR
- (III) ANY OTHER ENTITY OWNING OR CONTROLLING A WATER INFRASTRUCTURE ASSET, THE OWNERS OR MEMBERS OF WHICH ARE OWNERS OF PROPERTY ADJACENT TO OR BENEFITED BY THE WATER INFRASTRUCTURE ASSET.
- (4) "ASSOCIATION MEMBER" MEANS AN OWNER OR A MEMBER OF AN ASSOCIATION.
- (5) "WATER INFRASTRUCTURE ASSET" MEANS A RESERVOIR, A DAM, OR ANY OTHER WATERWAY CONSTRUCTION.
- (B) (1) On complaint or the Department's own initiative, the Department may investigate or examine any [reservoir, dam, or similar waterway construction] WATER INFRASTRUCTURE ASSET.
- (2) If the Department determines that the [reservoir, dam, or similar waterway construction] WATER INFRASTRUCTURE ASSET is unsafe, needs repair, or should be removed because the [reservoir, dam, or similar waterway construction] WATER INFRASTRUCTURE ASSET is unsafe and not repairable, the Department shall notify the ASSET owner in writing to repair or remove the [object] WATER INFRASTRUCTURE ASSET, as the situation warrants.
- (3) The repair or removal work shall be completed within a reasonable time, which time shall be prescribed in the Department's notice.
  - [(b)] (C) If the work is not completed in the time prescribed in the notice:
- (1) The Department may have the work completed at the expense of the **ASSET** owner;

- (2) [Unless the owner demonstrates an inability to pay, as determined by the Department, the] **THE** Department shall charge the **ASSET** owner for the [expense] **COSTS** to complete the work; and
- (3) If repayment is not made within 30 days after written demand, the Department may bring an action in the proper court to recover the [expense] COSTS to complete the work.
- (D) (1) THE DEPARTMENT MAY TAKE EMERGENCY ACTIONS NECESSARY TO PROTECT LIFE, PROPERTY, OR THE ENVIRONMENT IF:
- (I) 1. THE DEPARTMENT DETERMINES THAT A WATER INFRASTRUCTURE ASSET IS IN IMMINENT DANGER OF FAILURE; AND
- 2. THE ASSET OWNER HAS BEEN ISSUED A NOTICE BY THE DEPARTMENT UNDER SUBSECTION (B) OF THIS SECTION AND HAS NOT COMPLETED THE WORK IN ACCORDANCE WITH THE TIME PRESCRIBED IN THE NOTICE; OR
  - (II) THE DEPARTMENT DETERMINES THAT:
    - 1. A WATER INFRASTRUCTURE ASSET IS FAILING; AND
- 2. THE ASSET OWNER IS NOT TAKING ADEQUATE ACTIONS TO PROTECT LIFE, PROPERTY, OR THE ENVIRONMENT.
- (2) EMERGENCY ACTIONS TAKEN BY THE DEPARTMENT UNDER THIS SUBSECTION MAY INCLUDE:
  - (I) TAKING CONTROL OF THE WATER INFRASTRUCTURE ASSET;
- (II) LOWERING THE LEVEL OF WATER IMPOUNDED BY THE WATER INFRASTRUCTURE ASSET BY RELEASING THE IMPOUNDED WATER OR BY OTHER MEANS;
- (III) COMPLETELY RELEASING ALL WATER IMPOUNDED BY THE WATER INFRASTRUCTURE ASSET;
- (IV) PERFORMING ANY NECESSARY REMEDIAL OR PROTECTIVE WORK AT THE SITE OF THE WATER INFRASTRUCTURE ASSET, INCLUDING BREACHING THE WATER INFRASTRUCTURE ASSET; AND
- (V) TAKING ANY OTHER STEPS THE DEPARTMENT DEEMS NECESSARY TO SAFEGUARD LIFE, PROPERTY, OR THE ENVIRONMENT.

- (3) THE DEPARTMENT OR ITS AGENTS MAY ENTER ANY PROPERTY, WITHOUT PRIOR NOTICE TO THE OWNER OF THE PROPERTY, IF THE ENTRY IS NECESSARY TO CARRY OUT EMERGENCY ACTIONS UNDER THIS SUBSECTION.
- (4) IF THE DEPARTMENT TAKES CONTROL OF A WATER INFRASTRUCTURE ASSET UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION, THE DEPARTMENT SHALL REMAIN IN CHARGE AND CONTROL OF THE WATER INFRASTRUCTURE ASSET UNTIL THE DEPARTMENT HAS DETERMINED THAT THE WATER INFRASTRUCTURE ASSET HAS BEEN RENDERED SAFE OR THE CIRCUMSTANCES REQUIRING THE EMERGENCY ACTIONS HAVE CEASED.
- (5) THE DEPARTMENT MAY OBTAIN EQUIPMENT, PERSONNEL, AND OTHER RESOURCES FOR EMERGENCY ACTIONS TAKEN UNDER THIS SUBSECTION THROUGH ANY APPROPRIATE MEANS, INCLUDING EMERGENCY PROCUREMENTS UNDER § 13–108 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.
- (E) (1) COSTS INCURRED BY THE DEPARTMENT UNDER THIS SECTION SHALL BE PAID OUT OF THE WATER INFRASTRUCTURE EMERGENCY RESERVE.
- (2) THE DEPARTMENT SHALL REMIT TO THE WATER INFRASTRUCTURE EMERGENCY RESERVE ALL REIMBURSEMENTS OF COSTS RECEIVED BY THE DEPARTMENT.
- (F) (E) (1) COSTS INCURRED BY THE DEPARTMENT UNDER THIS SECTION SHALL:
  - (I) CONSTITUTE A DEBT OWED TO THE STATE; AND
- (II) BE REIMBURSED TO THE DEPARTMENT BY THE ASSET OWNER.
- (2) If any such cost remains unreimbursed 30 days after the Department makes a demand for reimbursement from the asset owner, the water infrastructure asset shall be subject to the establishment of a lien in accordance with this section for the payment of the unreimbursed amount.
- (G) (F) (1) WITH RESPECT TO COSTS INCURRED BY THE DEPARTMENT UNDER THIS SECTION RELATING TO A WATER INFRASTRUCTURE ASSET FOR WHICH AN ASSOCIATION IS THE ASSET OWNER, IF ANY SUCH COST REMAINS UNREIMBURSED 30 DAYS AFTER THE DEPARTMENT MAKES A DEMAND FOR REIMBURSEMENT FROM THE ASSOCIATION, SUCH COSTS SHALL BE A DEBT TO THE STATE OWED, AND SHALL BE REIMBURSED TO THE DEPARTMENT, BY THE ASSOCIATION MEMBERS, JOINTLY

AND SEVERALLY, NOTWITHSTANDING ANY PROVISION OF LAW THAT WOULD OTHERWISE RELIEVE THE ASSOCIATION MEMBERS OF SUCH LIABILITY.

- (2) If any such cost remains unreimbursed 30 days after the Department makes a demand for reimbursement from the association members, the lots, condominium units, or other property owned by the association members that is adjacent to or benefited by the water infrastructure asset shall be subject to the establishment of a lien in accordance with this section for the payment of the unreimbursed amount.
- (H) (G) (1) ANY LIEN ARISING UNDER SUBSECTION (F) OR (G) SUBSECTIONS (E) AND (F) OF THIS SECTION SHALL, TO THE EXTENT NOT OTHERWISE EXPRESSLY PROHIBITED BY LAW, HAVE PRIORITY OVER ALL OTHER LIENS AND ENCUMBRANCES PERFECTED AFTER JULY 1, 2020, ON THE WATER INFRASTRUCTURE ASSET, OR THE LOTS, CONDOMINIUM UNITS, OR OTHER PROPERTY OWNED BY THE ASSOCIATION MEMBERS THAT IS ADJACENT TO OR BENEFITED BY THE WATER INFRASTRUCTURE ASSET.
- (2) THE ESTABLISHMENT AND ENFORCEMENT OF LIENS ARISING UNDER SUBSECTION (F) OR (G) SUBSECTIONS (E) AND (F) OF THIS SECTION SHALL BE GOVERNED BY THE RULES SET FORTH IN TITLE 12, CHAPTER 300 OF THE MARYLAND RULES.
- (H) NO ACTION MAY BE BROUGHT AGAINST THE STATE, THE DEPARTMENT, OR THEIR RESPECTIVE AGENTS OR EMPLOYEES FOR THE RECOVERY OF DAMAGES CAUSED BY THE PARTIAL OR TOTAL FAILURE OF ANY WATER INFRASTRUCTURE ASSET, OR THE CONTROL OR OPERATION OF ANY WATER INFRASTRUCTURE ASSET, ON THE GROUND THAT THE STATE, THE DEPARTMENT, OR THEIR RESPECTIVE AGENTS OR EMPLOYEES ARE LIABLE BY VIRTUE OF ANY OF THE FOLLOWING:
- (1) THE APPROVAL OR PERMITTING OF THE WATER INFRASTRUCTURE ASSET;
- (2) THE ISSUANCE OR ENFORCEMENT OF ORDERS RELATIVE TO MAINTENANCE OR OPERATION OF THE WATER INFRASTRUCTURE ASSET;
- (3) CONTROL OR REGULATION OF THE WATER INFRASTRUCTURE ASSET;
- (4) ACTIONS TAKEN TO PROTECT AGAINST FAILURE DURING AN EMERGENCY, INCLUDING ANY ACTIONS TAKEN UNDER THIS SUBSECTION;

- (5) THE USE OF DESIGN AND CONSTRUCTION CRITERIA PREPARED, APPROVED, OR PROMULGATED BY THE DEPARTMENT; OR
- (6) THE FAILURE TO ISSUE OR ENFORCE ORDERS, TO CONTROL OR REGULATE WATER INFRASTRUCTURE ASSETS, TO TAKE MEASURES TO PROTECT AGAINST ANY FAILURE THEREOF, OR TO TAKE ANY EMERGENCY ACTIONS CONTEMPLATED BY THIS SUBSECTION.
- (J) (I) NOTHING IN THIS SECTION, AND NO ACT OR OMISSION OF THE DEPARTMENT UNDER THIS SECTION, SHALL BE CONSTRUED TO RELIEVE AN ASSET OWNER OF:
- (1) THE LEGAL DUTIES, OBLIGATIONS, OR LIABILITIES INCIDENT TO THE OWNERSHIP OR OPERATION OF A WATER INFRASTRUCTURE ASSET; OR
- (2) ANY LIABILITY FOR ACTS OR OMISSIONS OF THE ASSET OWNER THAT CAUSE INJURY OR DEATH TO ANY PERSON, DAMAGE TO ANY PROPERTY OR THE ENVIRONMENT, OR VIOLATION OF ANY LAW, REGULATION, OR PERMIT, EVEN IF ACTS OR OMISSIONS OF THE DEPARTMENT UNDER THIS SECTION COULD BE DEEMED AN INTERVENING CAUSE OF SUCH INJURY, DEATH, DAMAGE, OR VIOLATION.
- [(c)] ( $\underline{K}$ ) ( $\underline{J}$ ) This section does not apply to farm ponds used for agricultural purposes.

### 9 - 1605.2

- (a) (1) There is a Bay Restoration Fund.
- (2) It is the intent of the General Assembly that the Bay Restoration Fund
- (i) Used, in part, to provide the funding necessary to upgrade any of the wastewater treatment facilities that are located in the State or used by citizens of the State in order to achieve enhanced nutrient removal where it is cost-effective to do so; [and]
- (ii) Available for treatment facilities discharging into the Atlantic Coastal Bays or other waters of the State, but that priority be given to treatment facilities discharging into the Chesapeake Bay: AND
- (HI) USED, IN PART, TO ESTABLISH AN EMERGENCY RESERVE ACCOUNT TO PROVIDE A SOURCE OF FUNDS FOR PREVENTING AND RESPONDING TO EMERGENCIES RELATED TO DAMS, RESERVOIRS, AND SIMILAR WATERWAY CONSTRUCTIONS IN THE STATE.

- (3) The Bay Restoration Fund shall be maintained and administered by the Administration in accordance with the provisions of this section and any rules or program directives as the Secretary or the Board may prescribe.
- (4) There is established a Bay Restoration Fee to be paid by any user of a wastewater facility, an on-site sewage disposal system, or a holding tank that:
  - (i) Is located in the State; or
- (ii) Serves a Maryland user and is eligible for funding under this subtitle.
  - (h) (1) (I) THE COMPTROLLER SHALL:
- 1. ESTABLISH A SEPARATE ACCOUNT WITHIN THE BAY
  RESTORATION FUND, WHICH SHALL BE DESIGNATED AS THE WATER
  INFRASTRUCTURE EMERGENCY RESERVE; AND
- 2. Subject to subparagraph (iv) of this paragraph, deposit the first 1% of all funds collected under subsection (b) of this section into the Water Infrastructure Emergency Reserve, up to the maximum balance established under subparagraph (ii) of this paragraph.
- (II) 1. THE INITIAL MAXIMUM BALANCE OF THE WATER INFRASTRUCTURE EMERGENCY RESERVE SHALL BE \$10,000,000.
- 2. THE SECRETARY MAY NOTIFY THE COMPTROLLER AS
  TO THE AMOUNT OF FUNDS THE SECRETARY HAS DETERMINED, IN CONSULTATION
  WITH THE BAY RESTORATION FUND ADVISORY COMMITTEE, THAT IS NEEDED IN
  THE WATER INFRASTRUCTURE EMERGENCY RESERVE, WHICH AMOUNT SHALL
  BECOME THE NEW MAXIMUM BALANCE OF THE WATER INFRASTRUCTURE
  EMERGENCY RESERVE ON THE DELIVERY OF SUCH NOTICE TO THE COMPTROLLER.
- (III) IF AT ANY TIME THE BALANCE IN THE WATER INFRASTRUCTURE EMERGENCY RESERVE EXCEEDS THE MAXIMUM BALANCE ESTABLISHED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE COMPTROLLER SHALL TRANSFER THE EXCESS FUNDS TO THE BAY RESTORATION FUND.

### (IV) THE COMPTROLLER:

1. Shall, before depositing any funds collected under subsection (b) of this section into the Water Infrastructure Emergency Reserve, first set aside any funds that are required to be

SET ASIDE BY THE TERMS AND CONDITIONS GOVERNING ANY BONDS ISSUED BY THE ADMINISTRATION: AND

- 2. MAY NOT DEPOSIT FUNDS INTO THE WATER INFRASTRUCTURE EMERGENCY RESERVE TO THE EXTENT THAT DOING SO WOULD REASONABLY BE EXPECTED TO CAUSE AN EVENT OF DEFAULT UNDER ANY BONDS ISSUED BY THE ADMINISTRATION.
- (V) NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, FUNDS IN THE WATER INFRASTRUCTURE EMERGENCY RESERVE SHALL BE USED ONLY FOR:
- 1. Costs incurred by the Department under § 5-509 of this article:
- 2. COSTS ASSOCIATED WITH DETERMINING THE MAXIMUM BALANCE OF THE WATER INFRASTRUCTURE EMERGENCY RESERVE UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, INCLUDING THE COST OF ACTUARIAL AND OTHER APPROPRIATE CONSULTANTS: AND
- 3. THE PAYMENT OF PRINCIPAL AND INTEREST ON BONDS ISSUED BY THE ADMINISTRATION, TO AVOID AN EVENT OF DEFAULT UNDER ANY BONDS ISSUED BY THE ADMINISTRATION, IF NO OTHER FUNDS ARE AVAILABLE IN THE BAY RESTORATION FUND.
- [(1)] (2) [With] AFTER DEPOSITING THE FUNDS REQUIRED TO BE DEPOSITED INTO THE WATER INFRASTRUCTURE EMERGENCY RESERVE UNDER PARAGRAPH (1)(1)2 OF THIS SUBSECTION, WITH regard to the funds collected under subsection (b)(1)(i)1 of this section from users of an on-site sewage disposal system or holding tank that receive a water bill and subsection (b)(1)(i)2 and 3 of this section, beginning in fiscal year 2006, the Comptroller shall:
- (i) Establish a separate account within the Bay Restoration Fund; and
- (ii) Disburse the funds as provided under paragraph [(2)] (3) of this subsection.
  - <del>[(2)] (3)</del> The Comptroller shall:
    - (i) Deposit 60% of the funds in the separate account to be used for:
- 1. Subject to paragraphs [(3),] (4), (5), (6), and [(6)] (7) of this subsection, with priority first given to failing systems and holding tanks located in the Chesapeake and Atlantic Coastal Bays Critical Area and then to failing systems that the

Department determines are a threat to public health or water quality, grants or loans for up to 100% of:

- A. The costs attributable to upgrading an on-site sewage disposal system to the best available technology for the removal of nitrogen:
- B. The cost difference between a conventional on-site sewage disposal system and a system that utilizes the best available technology for the removal of nitrogen;
- C. The cost of repairing or replacing a failing on-site sewage disposal system with a system that uses the best available technology for nitrogen removal;
- D. The cost, up to the sum of the costs authorized under item B of this item for each individual system, of replacing multiple on-site sewage disposal systems located in the same community with a new community sewerage system that is owned by a local government and that meets enhanced nutrient removal standards; or
- E. The cost, up to the sum of the costs authorized under item C of this item for each individual system, of connecting a property using an on-site sewage disposal system to an existing municipal wastewater facility that is achieving enhanced nutrient removal or biological nutrient removal level treatment, including payment of the principal, but not interest, of debt issued by a local government for such connection costs;
- 2. The reasonable costs of the Department, not to exceed 8% of the funds deposited into the separate account, to:
- A. Implement an education, outreach, and upgrade program to advise owners of on-site sewage disposal systems and holding tanks on the proper maintenance of the systems and tanks and the availability of grants and loans under item 1 of this item:
- B. Review and approve the design and construction of on-site sewage disposal system or holding tank upgrades;
- C. Issue grants or loans as provided under item 1 of this item;
- D. Provide technical support for owners of upgraded on-site sewage disposal systems or holding tanks to operate and maintain the upgraded systems:
- 3. A portion of the reasonable costs of a local public entity that has been delegated by the Department under § 1–301(b) of this article to administer and enforce environmental laws, not to exceed 10% of the funds deposited into the separate account, to implement regulations adopted by the Department for on–site sewage disposal systems that utilize the best available technology for the removal of nitrogen:

- 4. Subject to paragraph [(7)] (8) of this subsection, financial assistance to low-income homeowners, as defined by the Department, for up to 50% of the cost of an operation and maintenance contract of up to 5 years for an on-site sewage disposal system that utilizes nitrogen removal technology:
- 5. Subject to paragraph [(8)] (9) of this subsection, a local jurisdiction to provide financial assistance to eligible homeowners for the reasonable cost of pumping out an on-site sewage disposal system, at least once every 5 years, unless a more frequent pump out schedule is recommended during an inspection, not to exceed 10% of the funds allocated to the local jurisdiction; and
- 6. In fiscal years 2020 and 2021, financial assistance to a local jurisdiction for the development of a septic stewardship plan that meets the requirements under paragraph [(8)(iii)2] (9)(III)2 of this subsection; and
- (ii) Transfer 40% of the funds to the Maryland Agriculture Water Quality Cost Share Program in the Department of Agriculture in order to fund cover crop activities.
- [(3)] (4) Funding for the costs identified in paragraph [(2)(i)1] (3)(I)1 of this subsection shall be provided in the following order of priority:
- (i) For owners of all levels of income, the costs identified in paragraph (2)(i)1A (3)(I)1A and B of this subsection; and
- (ii) For low-income owners, as defined by the Department, the costs identified in paragraph [(2)(i)1C] (3)(I)1C of this subsection:
- 1. First, for best available technologies for nitrogen removal;
  - 2. Second, for other wastewater treatment systems.
- [(4)] (5) Funding for the costs identified in paragraph [(2)(i)1D] (3)(I)1D of this subsection may be provided if:
- (i) The environmental impact of the on-site sewage disposal system is documented by the local government and confirmed by the Department;
  - (ii) It can be demonstrated that:
- 1. The replacement of the on-site sewage disposal system with a new community sewerage system is more cost effective for nitrogen removal than upgrading each individual on-site sewage disposal system; or

- 2. The individual replacement of the on-site sewage disposal system is not feasible; and
- (iii) The new community sewerage system will only serve lots that have received a certificate of occupancy, or equivalent certificate, on or before October 1, 2008.
- **[(5)] (6)** Funding for the costs identified in paragraph **[(2)(i)1E] (3)(I)1E** of this subsection may be provided only if all of the following conditions are met:
- (i) The environmental impact of the on-site sewage disposal system is documented by the local government and confirmed by the Department:

### (ii) It can be demonstrated that:

- 1. The replacement of the on-site sewage disposal system with service to an existing municipal wastewater facility that is achieving enhanced nutrient removal or biological nutrient removal level treatment is more cost-effective for nitrogen removal than upgrading the individual on-site sewage disposal system; or
- 2. The individual replacement of the on-site sewage disposal system is not feasible;
- (iii) The project is consistent with the county's comprehensive plan and water and sewer master plan;
- (iv) 1. The on-site sewage disposal system was installed as of October 1, 2008, and the property the system serves is located in a priority funding area, in accordance with § 5-7B-02 of the State Finance and Procurement Article; or
- 2. The on-site sewage disposal system was installed as of October 1, 2008, the property the system serves is not located in a priority funding area, and the project meets the requirements under § 5–7B–06 of the State Finance and Procurement Article and is consistent with a public health area of concern:

### A. Identified in the county water and sewer plan; or

- B. Certified by a county environmental health director with concurrence by the Department and, if funding is approved, subsequently added to the county water and sewer plan within a time frame jointly agreed on by the Department and the county that takes into consideration the county's water and sewer plan update and amendment process; and
- (v) The funding agreement for a project that meets the conditions for funding under subparagraph (iv)2 of this paragraph includes provisions to ensure:

- 1. Denial of access for any future connections that are not included in the project's proposed service area; and
- 2. That the project will not unduly impede access to funding for upgrading individual on–site sewage disposal systems in the county with best available technology for nitrogen removal.
- [(6)] (7) The Comptroller, in consultation with the Administration, may establish any other accounts and subaccounts within the Bay Restoration Fund as necessary to:
  - (i) Effectuate the purposes of this subtitle;
  - (ii) Comply with the provisions of any bond resolution;
- (iii) Meet the requirements of any federal or State law or of any grant or award to the Bay Restoration Fund; and
- (iv) Meet any rules or program directives established by the Secretary or the Board.
  - [(7)] (8) The Department or a local government shall determine:
- (i) Whether an applicant is eligible for financial assistance under paragraph (2)(i)4 (3)(I)4-of this subsection; and
- (ii) The amount of financial assistance to be provided for each applicant based on the average cost of an operation and maintenance contract of up to 5 years provided by vendors, as defined in § 9–1108.1 of this title, in the applicant's area.
- [(8)] (9) (i) The amount of financial assistance under paragraph [(2)(i)5] (3)(1)5 of this subsection shall be based on homeowner income, with priority given to low income homeowners.
- (ii) Financial assistance under paragraph [(2)(i)5] (3)(I)5 of this subsection may be provided through grants, rebates, or low- or no-interest loans.
- (iii) Financial assistance under paragraph [(2)(i)5] (3)(I)5 of this subsection may be provided only if:
  - 1. The homeowner verifies the pump out has occurred; and
- 2. The homeowner resides in a local jurisdiction that has developed and implemented a septic stewardship plan that:

- A. Has been adopted by the local governing body of the iurisdiction, after consultation with the jurisdiction's local health department:
- B. States specific goals consistent with the nitrogen load reduction identified in the local jurisdiction's watershed implementation plan;
- C. Specifies public education and outreach measures that will be taken, including education and outreach on best management practices, legal requirements, and existing support and financial assistance;
- D. Provides technical guidance for the siting, design, evaluation, and construction of an on-site sewage disposal system;
- E. Requires an on-site sewage disposal system located on residential property to be pumped out and inspected at least once every 5 years, unless a more frequent pump out schedule is recommended during an inspection;
- F. Requires an on-site sewage disposal system located on commercial property to be pumped out and inspected at least once every 5 years, unless a more frequent pump out schedule is recommended during an inspection:
- G. Specifies certification and licensing procedures for a person that pumps out and inspects on-site sewage disposal systems;
- H. Specifies enforcement mechanisms, compliance incentives, and penalties;
- I. Outlines funding mechanisms to support the plan and expand education, demonstration projects, and inspections;
  - J. Specifies requirements for record keeping; and
- K. Establishes a process for periodically evaluating and revising the plan.
  - (i) (2) Funds in the Bay Restoration Fund shall be used only:
- (i) To award grants for up to 100% of eligible costs of projects relating to planning, design, construction, and upgrade of a wastewater facility for flows up to the design capacity of the wastewater facility, as approved by the Department, to achieve enhanced nutrient removal in accordance with paragraph (3) of this subsection;
- (ii) In fiscal years 2016 and thereafter, for up to 87.5% of the total cost of projects, as approved by the Department, relating to combined sewer overflows abatement, rehabilitation of existing sewers, and upgrading conveyance systems, including pumping stations;

- (iii) In fiscal years 2010 and thereafter, for a portion of the operation and maintenance costs related to the enhanced nutrient removal technology, which may not exceed 10% of the total restoration fee collected from users of wastewater facilities under this section by the Comptroller annually:
- (iv) In fiscal years 2018 and thereafter, after payment of outstanding bonds and the allocation of funds to other required uses of the Bay Restoration Fund for funding in the following order of priority:
- 1. For funding the eligible costs to upgrade a wastewater facility to enhanced nutrient removal at wastewater facilities with a design capacity of 500,000 gallons or more per day:
- 2. For funding the eligible costs of the most cost-effective enhanced nutrient removal upgrades at wastewater facilities with a design capacity of less than 500,000 gallons per day; and
- 3. As determined by the Department and based on water quality and public health benefits, for the following:
  - A. For costs identified under item (ii) of this paragraph;
- B. For costs identified under subsection—{(h)(2)(i)1} (H)(3)(I)1-of this section; and
- C. With respect to a local government that has enacted and implemented a system of charges to fully fund the implementation of a stormwater management program, for grants to the local government for a portion of the costs of the most cost-effective and efficient stormwater control measures, as determined and approved by the Department, from the restoration fees collected annually by the Comptroller from users of wastewater facilities under this section:
- (v) As a source of revenue or security for the payment of principal and interest on bonds issued by the Administration if the proceeds of the sale of the bonds will be deposited in the Bay Restoration Fund:
  - (vi) To earn interest on Bay Restoration Fund accounts:
- (vii) For the reasonable costs of administering the Bay Restoration Fund, which may not exceed 1.5% of the total restoration fees imposed on users of wastewater facilities that are collected by the Comptroller annually;
- (viii) For the reasonable administrative costs incurred by a local government or a billing authority for a water or wastewater facility collecting the restoration fees, in an amount not to exceed 5% of the total restoration fees collected by that local government or billing authority;

- (ix) For future upgrades of wastewater facilities to achieve additional nutrient removal or water quality improvement, in accordance with paragraphs (6) and (7) of this subsection:
  - (x) For costs associated with the issuance of bonds;
- (xi) Subject to the allocation of funds and the conditions under subsection (h) of this section, for projects related to the removal of nitrogen from on-site sewage disposal systems and cover crop activities;
- (xii) For costs associated with the implementation of alternate compliance plans authorized in § 4-202.1(k)(3) of this article: and
- (xiii) After funding any eligible costs identified under item (iv)1 and 2 of this paragraph, for costs associated with the purchase of cost-effective nitrogen, phosphorus, or sediment load reductions in support of the State's efforts to restore the health of the Chesapeake Bay, not to exceed \$4,000,000 in fiscal year 2018, \$6,000,000 in fiscal year 2019, and \$10,000,000 per year in fiscal years 2020 and 2021.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 98

(House Bill 187)

AN ACT concerning

# Public Institutions of Higher Education – Outbreak Response Plan (Olivia's Law)

FOR the purpose of requiring a public institution of higher education to submit an outbreak response plan to the Maryland Department of Health on or before a certain date each year; requiring a public institution of higher education to implement the outbreak response plan under certain circumstances; requiring the outbreak response plan to include certain protocols and processes and the provision of certain staff; requiring the Department, in consultation with the Maryland Higher Education Commission, to adopt certain regulations; defining a certain term; and generally relating to public institutions of higher education and outbreak response plans.

BY adding to
Article – Health – General
Section 18–214.2

Annotated Code of Maryland (2019 Replacement Volume)

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

### Article - Health - General

#### 18-214.2.

- (A) (1) IN THIS SECTION, "PUBLIC INSTITUTION OF HIGHER EDUCATION" MEANS:
- (1) (I) A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION, AS DEFINED IN § 10–101 OF THE EDUCATION ARTICLE; AND
  - (11) A COMMUNITY COLLEGE.
- (2) A PUBLIC INSTITUTION OF HIGHER EDUCATION DOES NOT INCLUDE AN INSTITUTION WITHOUT RESIDENTIAL HOUSING OR A HEALTH CENTER.
- (B) (1) ON OR BEFORE AUGUST 1 EACH YEAR, BEGINNING IN 2021, EACH PUBLIC INSTITUTION OF HIGHER EDUCATION SHALL SUBMIT AN OUTBREAK RESPONSE PLAN TO THE DEPARTMENT.
- (2) IF THERE IS AN OUTBREAK OF A LIFE THREATENING CONTAGIOUS DISEASE OR SIMILAR HEALTH EMERGENCY AT A PUBLIC INSTITUTION OF HIGHER EDUCATION, THE PUBLIC INSTITUTION OF HIGHER EDUCATION SHALL IMPLEMENT THE OUTBREAK RESPONSE PLAN REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION.
- (C) THE OUTBREAK RESPONSE PLAN REQUIRED UNDER SUBSECTION (B) OF THIS SECTION SHALL BE CUSTOMIZED TO THE PUBLIC INSTITUTION OF HIGHER EDUCATION AND INCLUDE:
- (1) A PROTOCOL FOR ISOLATING AND COHORTING INFECTED INDIVIDUALS UNTIL A HEALTH CARE PROVIDER DETERMINES THAT THE ISOLATED INDIVIDUAL IS NO LONGER A THREAT TO THE STUDENTS, FACULTY, AND STAFF OF THE PUBLIC INSTITUTION OF HIGHER EDUCATION:
- (2) (1) A PROCESS FOR EXPEDIENTLY NOTIFYING STUDENTS, FAMILIES OF STUDENTS, FACULTY, AND STAFF OF:
- (I) THE OUTBREAK OF A LIFE-THREATENING CONTAGIOUS DISEASE OR SIMILAR HEALTH EMERGENCY;

- (II) SUBPOPULATIONS THAT ARE AT HIGH RISK OF SEVERE COMPLICATIONS FROM THE <del>LIFE-THREATENING</del> CONTAGIOUS DISEASE <del>OR SIMILAR</del> HEALTH EMERGENCY;
- (III) GUIDANCE ON HOW STUDENTS, FAMILIES OF STUDENTS, FACULTY, AND STAFF CAN TAKE REASONABLE PROTECTIVE MEASURES; AND
- (IV) INFORMATION ON THE AVAILABILITY OF LABORATORY TESTING FOR STUDENTS, FACULTY, AND STAFF;
- (3) (2) PROCESSES FOR IMPLEMENTING EVIDENCE-BASED OUTBREAK RESPONSE MEASURES;
- (4) (3) THE PROVISION OF STAFF TO SUCCESSFULLY IMPLEMENT THE OUTBREAK RESPONSE PLAN DURING AN OUTBREAK OF A LIFE-THREATENING CONTAGIOUS DISEASE OR A SIMILAR HEALTH EMERGENCY AT THE PUBLIC INSTITUTION OF HIGHER EDUCATION;
- (5) (4) A PROCESS FOR REPORTING AN OUTBREAK OF A LIFE-THREATENING CONTAGIOUS DISEASE OR SIMILAR HEALTH EMERGENCY AT THE PUBLIC INSTITUTION OF HIGHER EDUCATION TO:
  - (I) THE DEPARTMENT;
- (II) FEDERAL AND STATE SURVEILLANCE NETWORKS THE LOCAL HEALTH DEPARTMENT;
  - (III) CAMPUS HEALTH PROVIDERS;
  - (IV) LOCAL COMMUNITY HEALTH PROVIDERS; AND
  - (V) REGIONAL HOSPITALS; AND
  - (6) (5) ANY OTHER MEASURE REQUIRED BY THE DEPARTMENT.
- (D) THE DEPARTMENT, IN CONSULTATION WITH THE MARYLAND HIGHER EDUCATION COMMISSION, SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

## Chapter 99

## (Senate Bill 329)

## AN ACT concerning

## Public Institutions of Higher Education – Outbreak Response Plan (Olivia's Law)

FOR the purpose of requiring a public institution of higher education to submit an outbreak response plan to the Maryland Department of Health on or before a certain date each year; requiring a public institution of higher education to implement the outbreak response plan under certain circumstances; requiring the outbreak response plan to include certain protocols and processes and the provision of certain staff; requiring the Department, in consultation with the Maryland Higher Education Commission, to adopt certain regulations; defining a certain term; and generally relating to public institutions of higher education and outbreak response plans.

### BY adding to

Article – Health – General Section 18–214.2 Annotated Code of Maryland (2019 Replacement Volume)

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

### Article - Health - General

### 18-214.2.

- (A) (1) IN THIS SECTION, "PUBLIC INSTITUTION OF HIGHER EDUCATION" MEANS:
- (1) (I) A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION, AS DEFINED IN § 10–101 OF THE EDUCATION ARTICLE; AND
  - (2) (II) A COMMUNITY COLLEGE.
- (2) A PUBLIC INSTITUTION OF HIGHER EDUCATION DOES NOT INCLUDE AN INSTITUTION WITHOUT RESIDENTIAL HOUSING OR A HEALTH CENTER.
- (B) (1) ON OR BEFORE AUGUST 1 EACH YEAR, BEGINNING IN 2021, EACH PUBLIC INSTITUTION OF HIGHER EDUCATION SHALL SUBMIT AN OUTBREAK RESPONSE PLAN TO THE DEPARTMENT.

- (2) IF THERE IS AN OUTBREAK OF A LIFE-THREATENING CONTAGIOUS DISEASE OR SIMILAR HEALTH EMERGENCY AT A PUBLIC INSTITUTION OF HIGHER EDUCATION, THE PUBLIC INSTITUTION OF HIGHER EDUCATION SHALL IMPLEMENT THE OUTBREAK RESPONSE PLAN REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION.
- (C) THE OUTBREAK RESPONSE PLAN REQUIRED UNDER SUBSECTION (B) OF THIS SECTION SHALL BE CUSTOMIZED TO THE PUBLIC INSTITUTION OF HIGHER EDUCATION AND INCLUDE:
- (1) A PROTOCOL FOR ISOLATING AND COHORTING INFECTED INDIVIDUALS UNTIL A HEALTH CARE PROVIDER DETERMINES THAT THE ISOLATED INDIVIDUAL IS NO LONGER A THREAT TO THE STUDENTS, FACULTY, AND STAFF OF THE PUBLIC INSTITUTION OF HIGHER EDUCATION:
- (2) (1) A PROCESS FOR EXPEDIENTLY NOTIFYING STUDENTS, FAMILIES OF STUDENTS, FACULTY, AND STAFF OF:
- (I) THE OUTBREAK OF A LIFE-THREATENING CONTAGIOUS DISEASE OR SIMILAR HEALTH EMERGENCY;
- (II) SUBPOPULATIONS THAT ARE AT HIGH RISK OF SEVERE COMPLICATIONS FROM THE LIFE-THREATENING CONTAGIOUS DISEASE OR SIMILAR HEALTH EMERGENCY:
- (III) GUIDANCE ON HOW STUDENTS, FAMILIES OF STUDENTS, FACULTY, AND STAFF CAN TAKE REASONABLE PROTECTIVE MEASURES; AND
- (IV) INFORMATION ON THE AVAILABILITY OF LABORATORY TESTING FOR STUDENTS, FACULTY, AND STAFF;
- (3) (2) PROCESSES FOR IMPLEMENTING EVIDENCE-BASED OUTBREAK RESPONSE MEASURES;
- (4) (3) THE PROVISION OF STAFF TO SUCCESSFULLY IMPLEMENT THE OUTBREAK RESPONSE PLAN DURING AN OUTBREAK OF A LIFE-THREATENING CONTAGIOUS DISEASE OR A SIMILAR HEALTH EMERGENCY AT THE PUBLIC INSTITUTION OF HIGHER EDUCATION;
- (5) (4) A PROCESS FOR REPORTING AN OUTBREAK OF A LIFE-THREATENING CONTAGIOUS DISEASE OR SIMILAR HEALTH EMERGENCY AT THE PUBLIC INSTITUTION OF HIGHER EDUCATION TO:
  - (I) THE DEPARTMENT;

- (II) FEDERAL AND STATE SURVEILLANCE NETWORKS THE LOCAL HEALTH DEPARTMENT;
  - (III) CAMPUS HEALTH PROVIDERS;
  - (IV) LOCAL COMMUNITY HEALTH PROVIDERS; AND
  - (V) REGIONAL HOSPITALS; AND
  - (6) (5) ANY OTHER MEASURE REQUIRED BY THE DEPARTMENT.
- (D) THE DEPARTMENT, IN CONSULTATION WITH THE MARYLAND HIGHER EDUCATION COMMISSION, SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 100

(House Bill 189)

AN ACT concerning

## Insurance - Credit for Reinsurance Model Law - Revisions

FOR the purpose of authorizing the Maryland Insurance Commissioner to defer to, rather than use information provided by, the insurance regulatory agency of a state or the National Association of Insurance Commissioners committee process in the certification or rating of an assuming insurer under certain circumstances; requiring that certain credit be allowed when certain reinsurance is ceded to certain assuming insurers that have their head offices or are domiciled in and licensed in a reciprocal jurisdiction; requiring the Commissioner to timely create and publish a certain list of reciprocal jurisdictions; authorizing the Commissioner to take certain actions relating to the list of reciprocal jurisdictions under certain circumstances; prohibiting the Commissioner from removing a certain jurisdiction from the list of reciprocal jurisdictions; requiring that, on removal of a jurisdiction from the list of reciprocal jurisdictions, credit for reinsurance ceded to a certain assuming insurer be allowed under certain circumstances; requiring the Commissioner to timely create and publish a list of assuming insurers that satisfy certain conditions; authorizing the Commissioner to add an assuming insurer to the list under certain

circumstances; authorizing the Commissioner to revoke or suspend the eligibility of certain assuming insurers for certain recognition under certain circumstances and in accordance with certain procedures; prohibiting the granting of credit for reinsurance while an assuming insurer's eligibility is suspended or revoked except under certain circumstances; authorizing a ceding insurer or its representative to seek or obtain an order requiring an assuming insurer to post certain security under certain circumstances; providing that credit for reinsurance may be taken only after certain requirements have been met; providing for the construction of this Act; defining certain terms; and generally relating to insurance and reinsurance.

BY repealing and reenacting, with amendments,

Article – Insurance Section 5–901 and 5–910 Annotated Code of Maryland (2017 Replacement Volume and 2019 Supplement)

BY adding to

Article – Insurance Section 5–917 Annotated Code of Maryland (2017 Replacement Volume and 2019 Supplement)

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

## Article - Insurance

5-901.

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Ceding insurer" means an insurer that procures insurance for itself from another insurer for all or part of an insurance risk.
- (C) "COVERED AGREEMENT" MEANS AN AGREEMENT ENTERED INTO UNDER THE FEDERAL DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT, 31 U.S.C. §§ 313 AND 314, THAT:
- (1) IS CURRENTLY IN EFFECT OR IN A PERIOD OF PROVISIONAL APPLICATION; AND
- (2) ADDRESSES THE ELIMINATION, UNDER SPECIFIED CONDITIONS, OF COLLATERAL REQUIREMENTS AS A CONDITION FOR:
- (I) ENTERING INTO A REINSURANCE AGREEMENT WITH A CEDING INSURER DOMICILED IN THE STATE; OR

# (II) ALLOWING THE CEDING INSURER TO RECOGNIZE CREDIT FOR REINSURANCE.

- [(c)] **(D)** "Primary certifying state" means a state other than Maryland:
- (1) in which the insurance regulatory agency or its equivalent has designated and assigned a rating to an assuming insurer as a certified reinsurer; and
- (2) the designation or rating from which the Commissioner has used to designate or assign a rating to the assuming insurer in this State under § 5–910(b) of this subtitle.
- [(d)] (E) "Qualified jurisdiction" means a jurisdiction that the Commissioner determines meets the requirements of § 5–909 of this subtitle.
  - [(e)] **(F)** "Qualified United States financial institution" means:
- (1) for purposes of issuance or confirmation of a letter of credit under § 5–914(c)(3) of this subtitle, an institution that:
- (i) is organized or, in the case of a United States office of a foreign banking organization, licensed under the laws of the United States or any state;
- (ii) is regulated, supervised, and examined by federal or state authorities having regulatory authority over banks and trust companies; and
- (iii) has been determined by either the Commissioner or the securities valuation office of the National Association of Insurance Commissioners to meet the standards of financial condition and standing that are considered necessary and appropriate to regulate the quality of financial institutions whose letters of credit will be acceptable to the Commissioner; or
- (2) for purposes of eligibility to act as a fiduciary of a trust under this subtitle, an institution that:
- (i) is organized or, in the case of a United States branch or agency office of a foreign banking organization, licensed under the laws of the United States or any state and has been granted authority to operate with fiduciary powers; and
- (ii) is regulated, supervised, and examined by federal or state authorities having regulatory authority over banks and trust companies.

# (G) "RECIPROCAL JURISDICTION" MEANS A JURISDICTION THAT IS:

(1) A JURISDICTION OUTSIDE THE UNITED STATES THAT:

- (I) IS SUBJECT TO AN IN-FORCE COVERED AGREEMENT WITH THE UNITED STATES, EACH WITHIN ITS LEGAL AUTHORITY; OR
- (II) IN THE CASE OF A COVERED AGREEMENT BETWEEN THE UNITED STATES AND THE EUROPEAN UNION, IS A MEMBER STATE OF THE EUROPEAN UNION;
- (2) A JURISDICTION IN THE UNITED STATES THAT MEETS THE REQUIREMENTS FOR ACCREDITATION UNDER THE NAIC FINANCIAL STANDARDS AND ACCREDITATION PROGRAM; OR
- (3) A QUALIFIED JURISDICTION, AS DETERMINED BY THE COMMISSIONER UNDER § 5–909 OF THIS ARTICLE, THAT:
- (I) IS NOT OTHERWISE DESCRIBED IN ITEM (1) OR (2) OF THIS SUBSECTION; AND
- (II) MEETS ADDITIONAL REQUIREMENTS, CONSISTENT WITH THE TERMS AND CONDITIONS OF THE IN-FORCE COVERED AGREEMENT, AS THE COMMISSIONER SPECIFIES BY REGULATION.
- [(f)] (H) "Reinsurer" means an insurer from which a ceding insurer procures insurance for itself for all or part of an insurance risk.
- [(g)] (I) "Trusteed surplus" means funds held in a trust account in excess of the reinsurer's liabilities attributable to reinsurance ceded to the reinsurer by United States ceding insurers in accordance with this subtitle.

5-910.

- (a) (1) The Commissioner shall assign a rating to each certified reinsurer based on factors the Commissioner considers relevant, giving due consideration to the financial strength ratings that have been assigned by rating agencies in accordance with regulations the Commissioner adopts.
- (2) The Commissioner shall publish a list of all certified reinsurers and their ratings.
- (b) If an applicant for certification has been certified as a reinsurer by the insurance regulatory agency of a state accredited by the National Association of Insurance Commissioners, the Commissioner may [use information provided by] **DEFER TO** that insurance regulatory agency or the National Association of Insurance Commissioners committee process to:

- (1) designate the assuming insurer as a certified reinsurer in this State;
- (2) assign a rating to the assuming insurer; or
- (3) both.
- (c) (1) A certified reinsurer that ceases to assume new business in this State may request to maintain its certification in inactive status in order to continue to qualify for a reduction in security for its in–force business.
- (2) An inactive certified reinsurer shall continue to comply with all applicable requirements of § 5–911 of this subtitle.
- (3) The Commissioner shall assign a rating that takes into account, if relevant, the reasons why the reinsurer is not assuming new business.

## 5-917.

- (A) CREDIT SHALL BE ALLOWED WHEN REINSURANCE IS CEDED TO AN ASSUMING INSURER THAT:
- (1) HAS ITS HEAD OFFICE OR IS DOMICILED IN AND LICENSED IN A RECIPROCAL JURISDICTION;
  - (2) HAS AND MAINTAINS ON AN ONGOING BASIS:
- (I) MINIMUM CAPITAL AND SURPLUS, OR ITS EQUIVALENT, CALCULATED ACCORDING TO THE METHODOLOGY OF ITS DOMICILIARY JURISDICTION, IN AN AMOUNT TO BE SET FORTH IN REGULATION; OR
- (II) IF THE ASSUMING INSURER IS AN ASSOCIATION, INCLUDING INCORPORATED AND INDIVIDUAL UNINCORPORATED UNDERWRITERS:
- 1. MINIMUM CAPITAL AND SURPLUS EQUIVALENTS, NET OF LIABILITIES, CALCULATED ACCORDING TO THE METHODOLOGY APPLICABLE IN ITS DOMICILIARY JURISDICTION; AND
- 2. A CENTRAL FUND CONTAINING A BALANCE IN AN AMOUNT THE COMMISSIONER REQUIRES BY REGULATION;
- (3) MAINTAINS A MINIMUM SOLVENCY OR CAPITAL RATIO, AS THE COMMISSIONER REQUIRES BY REGULATION;

- (4) IF THE ASSUMING INSURER IS AN ASSOCIATION, INCLUDING INCORPORATED AND INDIVIDUAL UNINCORPORATED UNDERWRITERS, MAINTAINS A MINIMUM SOLVENCY OR CAPITAL RATIO:
- (I) IN THE RECIPROCAL JURISDICTION WHERE THE ASSUMING INSURER HAS ITS HEAD OFFICE OR IS DOMICILED; AND
  - (II) WHERE IT IS ALSO LICENSED;
- (5) AGREES AND PROVIDES ADEQUATE ASSURANCE TO THE COMMISSIONER, IN A FORM THE COMMISSIONER SPECIFIES BY REGULATION, TO PROVIDE PROMPT WRITTEN NOTICE AND EXPLANATION TO THE COMMISSIONER:
- (I) IF THE ASSUMING INSURER FALLS BELOW ANY MINIMUM REQUIREMENT SET FORTH IN ITEM (2), (3), OR, IF APPLICABLE, (4) OF THIS SUBSECTION; OR
- (II) IF ANY REGULATORY ACTION IS TAKEN AGAINST THE ASSUMING INSURER FOR SERIOUS NONCOMPLIANCE WITH APPLICABLE LAW;
  - (6) CONSENTS IN WRITING TO:
    - (I) THE JURISDICTION OF THE COURTS OF THE STATE;
- (II) THE APPOINTMENT OF THE COMMISSIONER AS AGENT FOR SERVICE OF PROCESS; AND
- (III) IF THE COMMISSIONER REQUIRES, INCLUDE IN THE REINSURANCE AGREEMENT THE APPOINTMENT OF THE COMMISSIONER AS AGENT FOR SERVICE OF PROCESS;
- (7) CONSENTS IN WRITING TO PAY ALL FINAL JUDGMENTS, WHEREVER ENFORCEMENT IS SOUGHT, OBTAINED BY A CEDING INSURER OR ITS LEGAL SUCCESSOR, THAT HAVE BEEN DECLARED ENFORCEABLE IN THE JURISDICTION WHERE THE JUDGMENT WAS OBTAINED;
- (8) AGREES TO INCLUDE IN EACH REINSURANCE AGREEMENT A PROVISION REQUIRING THE ASSUMING INSURER TO PROVIDE SECURITY IN AN AMOUNT EQUAL TO 100% OF THE ASSUMING INSURER'S LIABILITIES ATTRIBUTABLE TO REINSURANCE CEDED UNDER THAT AGREEMENT IF THE ASSUMING INSURER RESISTS:

- (I) ENFORCEMENT OF A FINAL JUDGMENT THAT IS ENFORCEABLE UNDER THE LAW OF THE JURISDICTION WHERE THE JUDGMENT WAS OBTAINED; OR
- (II) A PROPERLY ENFORCEABLE ARBITRATION AWARD, WHETHER OBTAINED BY THE CEDING INSURER OR BY ITS LEGAL SUCCESSOR ON BEHALF OF THE CEDING INSURER'S RESOLUTION ESTATE;

## (9) CONFIRMS THAT:

- (I) THE ASSUMING INSURER IS NOT PARTICIPATING IN ANY SOLVENT SCHEME OF ARRANGEMENT THAT INVOLVES THE STATE'S CEDING INSURERS; OR
- (II) IF THE ASSUMING INSURER ENTERS INTO A SOLVENT SCHEME OF ARRANGEMENT:
- 1. THE ASSUMING INSURER AGREES TO NOTIFY THE CEDING INSURER AND THE COMMISSIONER; AND
- 2. THE ASSUMING INSURER WILL PROVIDE SECURITY IN AN AMOUNT EQUAL TO 100% OF THE ASSUMING INSURER'S LIABILITIES TO THE CEDING INSURER, IN A FORM CONSISTENT WITH THE REQUIREMENTS OF §§ 5–908 THROUGH 5–911 AND 5–914 OF THIS SUBTITLE AND AS THE COMMISSIONER SPECIFIES BY REGULATION;
- (10) ON REQUEST BY THE COMMISSIONER, PROVIDES, ON BEHALF OF THE ASSUMING INSURER AND ANY LEGAL PREDECESSORS, DOCUMENTATION TO THE COMMISSIONER REQUIRED UNDER REGULATIONS THE COMMISSIONER ADOPTS;
- (11) MAINTAINS A PRACTICE OF PROMPT PAYMENT OF CLAIMS UNDER REINSURANCE AGREEMENTS, IN ACCORDANCE WITH REGULATIONS THE COMMISSIONER ADOPTS; AND
- (12) HAS A SUPERVISORY AUTHORITY THAT CONFIRMS TO THE COMMISSIONER ON AN ANNUAL BASIS THAT THE ASSUMING INSURER COMPLIES WITH THE REQUIREMENTS OF ITEMS (2), (3), AND, IF APPLICABLE, (4) OF THIS SUBSECTION:
  - (I) AS OF THE IMMEDIATELY PRECEDING DECEMBER 31; OR
- (II) AT THE ANNUAL DATE OTHERWISE STATUTORILY REPORTED TO THE RECIPROCAL JURISDICTION.

- (B) (1) THE COMMISSIONER SHALL TIMELY CREATE AND PUBLISH A LIST OF RECIPROCAL JURISDICTIONS.
  - (2) THE COMMISSIONER'S LIST SHALL:
- (I) INCLUDE ANY RECIPROCAL JURISDICTION AS DEFINED IN § 5–901(G)(1) AND (2) OF THIS SUBTITLE; AND
- (II) CONSIDER ANY OTHER RECIPROCAL JURISDICTION INCLUDED ON THE NAIC LIST OF RECIPROCAL JURISDICTIONS PUBLISHED THROUGH THE NAIC COMMITTEE PROCESS.
- (3) THE COMMISSIONER MAY APPROVE A JURISDICTION THAT DOES NOT APPEAR ON THE NAIC LIST OF RECIPROCAL JURISDICTIONS IN ACCORDANCE WITH REGULATIONS THE COMMISSIONER ADOPTS.
- (4) (I) THE COMMISSIONER MAY NOT REMOVE A JURISDICTION THAT MEETS THE REQUIREMENTS OF A RECIPROCAL JURISDICTION FROM THE LIST OF RECIPROCAL JURISDICTIONS.
- (II) THE COMMISSIONER MAY REMOVE A JURISDICTION FROM THE LIST OF RECIPROCAL JURISDICTIONS ON A DETERMINATION THAT THE JURISDICTION NO LONGER MEETS THE REQUIREMENTS OF A RECIPROCAL JURISDICTION IN ACCORDANCE WITH A PROCESS SET FORTH IN REGULATIONS THE COMMISSIONER ADOPTS.
- (5) ON REMOVAL OF A JURISDICTION FROM THE LIST OF RECIPROCAL JURISDICTIONS, CREDIT FOR REINSURANCE CEDED TO AN ASSUMING INSURER THAT HAS ITS HOME OFFICE OR IS DOMICILED IN THAT JURISDICTION SHALL BE ALLOWED, IF OTHERWISE ALLOWED UNDER THIS SUBTITLE.
- (C) (1) THE COMMISSIONER SHALL TIMELY CREATE AND PUBLISH A LIST OF ASSUMING INSURERS THAT HAVE SATISFIED THE CONDITIONS SET FORTH IN THIS SECTION AND TO WHICH CESSIONS SHALL BE GRANTED CREDIT IN ACCORDANCE WITH THIS SECTION.
- (2) THE COMMISSIONER MAY ADD AN ASSUMING INSURER TO THE LIST UNDER PARAGRAPH (1) OF THIS SUBSECTION:
- (I) IF AN NAIC-ACCREDITED JURISDICTION HAS ADDED THE ASSUMING INSURER TO A LIST OF ASSUMING INSURERS; OR
- (II) IF, ON INITIAL ELIGIBILITY, THE ASSUMING INSURER SUBMITS INFORMATION TO THE COMMISSIONER:

- 1. AS REQUIRED UNDER SUBSECTION (A)(5) THROUGH (9) OF THIS SECTION; AND
- 2. COMPLIES WITH ANY ADDITIONAL REQUIREMENTS THAT THE COMMISSIONER MAY IMPOSE BY REGULATION, EXCEPT TO THE EXTENT THAT THE REQUIREMENTS CONFLICT WITH AN APPLICABLE COVERED AGREEMENT.
- (D) (1) IF THE COMMISSIONER DETERMINES THAT AN ASSUMING INSURER NO LONGER MEETS ONE OR MORE OF THE REQUIREMENTS UNDER THIS SECTION, THE COMMISSIONER MAY REVOKE OR SUSPEND THE ELIGIBILITY OF THE ASSUMING INSURER FOR RECOGNITION UNDER THIS SUBSECTION IN ACCORDANCE WITH PROCEDURES SET FORTH IN REGULATION.
  - (2) WHILE AN ASSUMING INSURER'S ELIGIBILITY IS SUSPENDED:
- (I) A REINSURANCE AGREEMENT ISSUED, AMENDED, OR RENEWED AFTER THE EFFECTIVE DATE OF THE SUSPENSION MAY NOT QUALIFY FOR CREDIT; BUT
- (II) CREDIT MAY BE ALLOWED ONLY TO THE EXTENT THAT THE ASSUMING INSURER'S OBLIGATIONS UNDER THE CONTRACT ARE SECURED IN ACCORDANCE WITH § 5-914 OF THIS SUBTITLE.
  - (3) IF AN ASSUMING INSURER'S ELIGIBILITY IS REVOKED:
- (I) CREDIT FOR REINSURANCE MAY NOT BE GRANTED AFTER THE EFFECTIVE DATE OF THE REVOCATION WITH RESPECT TO:
- 1. ANY REINSURANCE AGREEMENTS ENTERED INTO BY THE ASSUMING INSURER AFTER THE DATE OF REVOCATION; OR
- 2. ANY REINSURANCE AGREEMENTS ENTERED INTO PRIOR TO THE DATE OF REVOCATION; BUT
- (II) CREDIT FOR REINSURANCE MAY BE GRANTED TO THE EXTENT THAT THE ASSUMING INSURER'S OBLIGATIONS UNDER THE CONTRACT ARE SECURED IN A FORM ACCEPTABLE TO THE COMMISSIONER AND CONSISTENT WITH § 5–914 OF THIS SUBTITLE.
- (E) SUBJECT TO A LEGAL PROCESS OF REHABILITATION, LIQUIDATION, OR CONSERVATION, THE CEDING INSURER OR ITS REPRESENTATIVE MAY SEEK OR OBTAIN AN ORDER REQUIRING THE ASSUMING INSURER TO POST SECURITY FOR ALL

OUTSTANDING LIABILITIES IF THE COURT IN WHICH PROCEEDINGS ARE PENDING DETERMINES THE ORDER APPROPRIATE.

- EXCEPT AS EXPRESSLY PROHIBITED BY THIS SUBTITLE OR OTHER LAW, THIS SECTION DOES NOT LIMIT OR ALTER THE CAPACITY OF PARTIES TO A REINSURANCE AGREEMENT TO AGREE ON REQUIREMENTS FOR SECURITY OR OTHER TERMS IN THAT REINSURANCE AGREEMENT.
  - (G) **(1)** CREDIT MAY BE TAKEN UNDER THIS SECTION:
- ONLY FOR REINSURANCE AGREEMENTS ENTERED INTO, **(I)** AMENDED, OR RENEWED ON OR AFTER THE DATE WHEN THE ASSUMING INSURER HAS SATISFIED THE REQUIREMENTS TO ASSUME REINSURANCE UNDER THIS SECTION; AND
- (II) ONLY WITH RESPECT TO LOSSES INCURRED AND RESERVES REPORTED ON OR AFTER THE LATER OF:
- 1. THE DATE WHEN THE ASSUMING INSURER HAS MET ALL ELIGIBILITY REQUIREMENTS UNDER SUBSECTION (A) OF THIS SECTION; OR
- 2. THE EFFECTIVE DATE OF THE NEW REINSURANCE AGREEMENT, AMENDMENT, OR RENEWAL.
- IF CREDIT IS NOT AVAILABLE UNDER THIS SECTION, THIS SECTION DOES NOT ALTER OR IMPAIR A CEDING INSURER'S RIGHT TO TAKE CREDIT FOR REINSURANCE IF THE REINSURANCE QUALIFIES FOR CREDIT UNDER ANOTHER PROVISION OF THIS SUBTITLE.
- EXCEPT AS ALLOWED BY THE TERMS OF THE AGREEMENT, THIS SECTION DOES NOT AUTHORIZE AN ASSUMING INSURER TO WITHDRAW OR REDUCE THE SECURITY PROVIDED UNDER ANY REINSURANCE AGREEMENT.
- THIS SECTION DOES NOT LIMIT OR IN ANY WAY ALTER THE CAPACITY OF PARTIES TO ANY REINSURANCE AGREEMENT TO RENEGOTIATE THE AGREEMENT.
- THIS SECTION DOES NOT PRECLUDE AN ASSUMING INSURER FROM PROVIDING THE COMMISSIONER WITH INFORMATION ON A VOLUNTARY BASIS.
- SUBSECTION (A)(6) OF THIS SECTION DOES NOT LIMIT OR ALTER THE CAPACITY OF PARTIES TO A REINSURANCE AGREEMENT TO AGREE TO

ALTERNATIVE DISPUTE RESOLUTION MECHANISMS, EXCEPT TO THE EXTENT THOSE AGREEMENTS ARE UNENFORCEABLE UNDER INSOLVENCY OR DELINQUENCY LAWS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 101

(Senate Bill 167)

AN ACT concerning

## Insurance - Credit for Reinsurance Model Law - Revisions

FOR the purpose of authorizing the Maryland Insurance Commissioner to defer to, rather than use information provided by, the insurance regulatory agency of a state or the National Association of Insurance Commissioners committee process in the certification or rating of an assuming insurer under certain circumstances; requiring that certain credit be allowed when certain reinsurance is ceded to certain assuming insurers that have their head offices or are domiciled in and licensed in a reciprocal jurisdiction; requiring the Commissioner to timely create and publish a certain list of reciprocal jurisdictions; authorizing the Commissioner to take certain actions relating to the list of reciprocal jurisdictions under certain circumstances; prohibiting the Commissioner from removing a certain jurisdiction from the list of reciprocal jurisdictions; requiring that, on removal of a jurisdiction from the list of reciprocal jurisdictions, credit for reinsurance ceded to a certain assuming insurer be allowed under certain circumstances; requiring the Commissioner to timely create and publish a list of assuming insurers that satisfy certain conditions; authorizing the Commissioner to add an assuming insurer to the list under certain circumstances; authorizing the Commissioner to revoke or suspend the eligibility of certain assuming insurers for certain recognition under certain circumstances and in accordance with certain procedures; prohibiting the granting of credit for reinsurance while an assuming insurer's eligibility is suspended or revoked except under certain circumstances; authorizing a ceding insurer or its representative to seek or obtain an order requiring an assuming insurer to post certain security under certain circumstances; providing that credit for reinsurance may be taken only after certain requirements have been met; providing for the construction of this Act; defining certain terms; and generally relating to insurance and reinsurance.

BY repealing and reenacting, with amendments, Article – Insurance Section 5–901 and 5–910 Annotated Code of Maryland (2017 Replacement Volume and 2019 Supplement)

BY adding to

Article – Insurance

Section 5–917

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

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

## Article - Insurance

5-901.

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Ceding insurer" means an insurer that procures insurance for itself from another insurer for all or part of an insurance risk.
- (C) "COVERED AGREEMENT" MEANS AN AGREEMENT ENTERED INTO UNDER THE FEDERAL DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT, 31 U.S.C. §§ 313 AND 314, THAT:
- (1) IS CURRENTLY IN EFFECT OR IN A PERIOD OF PROVISIONAL APPLICATION; AND
- (2) ADDRESSES THE ELIMINATION, UNDER SPECIFIED CONDITIONS, OF COLLATERAL REQUIREMENTS AS A CONDITION FOR:
- (I) ENTERING INTO A REINSURANCE AGREEMENT WITH A CEDING INSURER DOMICILED IN THE STATE; OR
- (II) ALLOWING THE CEDING INSURER TO RECOGNIZE CREDIT FOR REINSURANCE.
  - [(c)] **(D)** "Primary certifying state" means a state other than Maryland:
- (1) in which the insurance regulatory agency or its equivalent has designated and assigned a rating to an assuming insurer as a certified reinsurer; and
- (2) the designation or rating from which the Commissioner has used to designate or assign a rating to the assuming insurer in this State under § 5–910(b) of this subtitle.

- [(d)] (E) "Qualified jurisdiction" means a jurisdiction that the Commissioner determines meets the requirements of § 5–909 of this subtitle.
  - [(e)] **(F)** "Qualified United States financial institution" means:
- (1) for purposes of issuance or confirmation of a letter of credit under  $\S 5-914(c)(3)$  of this subtitle, an institution that:
- (i) is organized or, in the case of a United States office of a foreign banking organization, licensed under the laws of the United States or any state;
- (ii) is regulated, supervised, and examined by federal or state authorities having regulatory authority over banks and trust companies; and
- (iii) has been determined by either the Commissioner or the securities valuation office of the National Association of Insurance Commissioners to meet the standards of financial condition and standing that are considered necessary and appropriate to regulate the quality of financial institutions whose letters of credit will be acceptable to the Commissioner; or
- (2) for purposes of eligibility to act as a fiduciary of a trust under this subtitle, an institution that:
- (i) is organized or, in the case of a United States branch or agency office of a foreign banking organization, licensed under the laws of the United States or any state and has been granted authority to operate with fiduciary powers; and
- (ii) is regulated, supervised, and examined by federal or state authorities having regulatory authority over banks and trust companies.

# (G) "RECIPROCAL JURISDICTION" MEANS A JURISDICTION THAT IS:

- (1) A JURISDICTION OUTSIDE THE UNITED STATES THAT:
- (I) IS SUBJECT TO AN IN-FORCE COVERED AGREEMENT WITH THE UNITED STATES, EACH WITHIN ITS LEGAL AUTHORITY; OR
- (II) IN THE CASE OF A COVERED AGREEMENT BETWEEN THE UNITED STATES AND THE EUROPEAN UNION, IS A MEMBER STATE OF THE EUROPEAN UNION;
- (2) A JURISDICTION IN THE UNITED STATES THAT MEETS THE REQUIREMENTS FOR ACCREDITATION UNDER THE NAIC FINANCIAL STANDARDS AND ACCREDITATION PROGRAM; OR

- (3) A QUALIFIED JURISDICTION, AS DETERMINED BY THE COMMISSIONER UNDER § 5–909 OF THIS ARTICLE, THAT:
- (I) IS NOT OTHERWISE DESCRIBED IN ITEM (1) OR (2) OF THIS SUBSECTION; AND
- (II) MEETS ADDITIONAL REQUIREMENTS, CONSISTENT WITH THE TERMS AND CONDITIONS OF THE IN-FORCE COVERED AGREEMENT, AS THE COMMISSIONER SPECIFIES BY REGULATION.
- [(f)] (H) "Reinsurer" means an insurer from which a ceding insurer procures insurance for itself for all or part of an insurance risk.
- [(g)] (I) "Trusteed surplus" means funds held in a trust account in excess of the reinsurer's liabilities attributable to reinsurance ceded to the reinsurer by United States ceding insurers in accordance with this subtitle.

5-910.

- (a) (1) The Commissioner shall assign a rating to each certified reinsurer based on factors the Commissioner considers relevant, giving due consideration to the financial strength ratings that have been assigned by rating agencies in accordance with regulations the Commissioner adopts.
- (2) The Commissioner shall publish a list of all certified reinsurers and their ratings.
- (b) If an applicant for certification has been certified as a reinsurer by the insurance regulatory agency of a state accredited by the National Association of Insurance Commissioners, the Commissioner may [use information provided by] **DEFER TO** that insurance regulatory agency or the National Association of Insurance Commissioners committee process to:
  - (1) designate the assuming insurer as a certified reinsurer in this State;
  - (2) assign a rating to the assuming insurer; or
  - (3) both.
- (c) (1) A certified reinsurer that ceases to assume new business in this State may request to maintain its certification in inactive status in order to continue to qualify for a reduction in security for its in–force business.
- (2) An inactive certified reinsurer shall continue to comply with all applicable requirements of § 5–911 of this subtitle.

(3) The Commissioner shall assign a rating that takes into account, if relevant, the reasons why the reinsurer is not assuming new business.

### 5-917.

- (A) CREDIT SHALL BE ALLOWED WHEN REINSURANCE IS CEDED TO AN ASSUMING INSURER THAT:
- (1) HAS ITS HEAD OFFICE OR IS DOMICILED IN AND LICENSED IN A RECIPROCAL JURISDICTION;
  - (2) HAS AND MAINTAINS ON AN ONGOING BASIS:
- (I) MINIMUM CAPITAL AND SURPLUS, OR ITS EQUIVALENT, CALCULATED ACCORDING TO THE METHODOLOGY OF ITS DOMICILIARY JURISDICTION, IN AN AMOUNT TO BE SET FORTH IN REGULATION; OR
- (II) IF THE ASSUMING INSURER IS AN ASSOCIATION, INCLUDING INCORPORATED AND INDIVIDUAL UNINCORPORATED UNDERWRITERS:
- 1. MINIMUM CAPITAL AND SURPLUS EQUIVALENTS, NET OF LIABILITIES, CALCULATED ACCORDING TO THE METHODOLOGY APPLICABLE IN ITS DOMICILIARY JURISDICTION; AND
- 2. A CENTRAL FUND CONTAINING A BALANCE IN AN AMOUNT THE COMMISSIONER REQUIRES BY REGULATION;
- (3) MAINTAINS A MINIMUM SOLVENCY OR CAPITAL RATIO, AS THE COMMISSIONER REQUIRES BY REGULATION;
- (4) IF THE ASSUMING INSURER IS AN ASSOCIATION, INCLUDING INCORPORATED AND INDIVIDUAL UNINCORPORATED UNDERWRITERS, MAINTAINS A MINIMUM SOLVENCY OR CAPITAL RATIO:
- (I) IN THE RECIPROCAL JURISDICTION WHERE THE ASSUMING INSURER HAS ITS HEAD OFFICE OR IS DOMICILED; AND
  - (II) WHERE IT IS ALSO LICENSED;
- (5) AGREES AND PROVIDES ADEQUATE ASSURANCE TO THE COMMISSIONER, IN A FORM THE COMMISSIONER SPECIFIES BY REGULATION, TO PROVIDE PROMPT WRITTEN NOTICE AND EXPLANATION TO THE COMMISSIONER:

- (I) IF THE ASSUMING INSURER FALLS BELOW ANY MINIMUM REQUIREMENT SET FORTH IN ITEM (2), (3), OR, IF APPLICABLE, (4) OF THIS SUBSECTION; OR
- (II) IF ANY REGULATORY ACTION IS TAKEN AGAINST THE ASSUMING INSURER FOR SERIOUS NONCOMPLIANCE WITH APPLICABLE LAW;

## (6) CONSENTS IN WRITING TO:

- (I) THE JURISDICTION OF THE COURTS OF THE STATE;
- (II) THE APPOINTMENT OF THE COMMISSIONER AS AGENT FOR SERVICE OF PROCESS; AND
- (III) IF THE COMMISSIONER REQUIRES, INCLUDE IN THE REINSURANCE AGREEMENT THE APPOINTMENT OF THE COMMISSIONER AS AGENT FOR SERVICE OF PROCESS;
- (7) CONSENTS IN WRITING TO PAY ALL FINAL JUDGMENTS, WHEREVER ENFORCEMENT IS SOUGHT, OBTAINED BY A CEDING INSURER OR ITS LEGAL SUCCESSOR, THAT HAVE BEEN DECLARED ENFORCEABLE IN THE JURISDICTION WHERE THE JUDGMENT WAS OBTAINED;
- (8) AGREES TO INCLUDE IN EACH REINSURANCE AGREEMENT A PROVISION REQUIRING THE ASSUMING INSURER TO PROVIDE SECURITY IN AN AMOUNT EQUAL TO 100% OF THE ASSUMING INSURER'S LIABILITIES ATTRIBUTABLE TO REINSURANCE CEDED UNDER THAT AGREEMENT IF THE ASSUMING INSURER RESISTS:
- (I) ENFORCEMENT OF A FINAL JUDGMENT THAT IS ENFORCEABLE UNDER THE LAW OF THE JURISDICTION WHERE THE JUDGMENT WAS OBTAINED; OR
- (II) A PROPERLY ENFORCEABLE ARBITRATION AWARD, WHETHER OBTAINED BY THE CEDING INSURER OR BY ITS LEGAL SUCCESSOR ON BEHALF OF THE CEDING INSURER'S RESOLUTION ESTATE;

## (9) CONFIRMS THAT:

(I) THE ASSUMING INSURER IS NOT PARTICIPATING IN ANY SOLVENT SCHEME OF ARRANGEMENT THAT INVOLVES THE STATE'S CEDING INSURERS; OR

- (II) IF THE ASSUMING INSURER ENTERS INTO A SOLVENT SCHEME OF ARRANGEMENT:
- 1. THE ASSUMING INSURER AGREES TO NOTIFY THE CEDING INSURER AND THE COMMISSIONER; AND
- 2. THE ASSUMING INSURER WILL PROVIDE SECURITY IN AN AMOUNT EQUAL TO 100% OF THE ASSUMING INSURER'S LIABILITIES TO THE CEDING INSURER, IN A FORM CONSISTENT WITH THE REQUIREMENTS OF §§ 5–908 THROUGH 5–911 AND 5–914 OF THIS SUBTITLE AND AS THE COMMISSIONER SPECIFIES BY REGULATION;
- (10) ON REQUEST BY THE COMMISSIONER, PROVIDES, ON BEHALF OF THE ASSUMING INSURER AND ANY LEGAL PREDECESSORS, DOCUMENTATION TO THE COMMISSIONER REQUIRED UNDER REGULATIONS THE COMMISSIONER ADOPTS;
- (11) MAINTAINS A PRACTICE OF PROMPT PAYMENT OF CLAIMS UNDER REINSURANCE AGREEMENTS, IN ACCORDANCE WITH REGULATIONS THE COMMISSIONER ADOPTS; AND
- (12) HAS A SUPERVISORY AUTHORITY THAT CONFIRMS TO THE COMMISSIONER ON AN ANNUAL BASIS THAT THE ASSUMING INSURER COMPLIES WITH THE REQUIREMENTS OF ITEMS (2), (3), AND, IF APPLICABLE, (4) OF THIS SUBSECTION:
  - (I) AS OF THE IMMEDIATELY PRECEDING DECEMBER 31; OR
- (II) AT THE ANNUAL DATE OTHERWISE STATUTORILY REPORTED TO THE RECIPROCAL JURISDICTION.
- (B) (1) THE COMMISSIONER SHALL TIMELY CREATE AND PUBLISH A LIST OF RECIPROCAL JURISDICTIONS.
  - (2) THE COMMISSIONER'S LIST SHALL:
- (I) INCLUDE ANY RECIPROCAL JURISDICTION AS DEFINED IN § 5–901(G)(1) AND (2) OF THIS SUBTITLE; AND
- (II) CONSIDER ANY OTHER RECIPROCAL JURISDICTION INCLUDED ON THE NAIC LIST OF RECIPROCAL JURISDICTIONS PUBLISHED THROUGH THE NAIC COMMITTEE PROCESS.

- (3) THE COMMISSIONER MAY APPROVE A JURISDICTION THAT DOES NOT APPEAR ON THE NAIC LIST OF RECIPROCAL JURISDICTIONS IN ACCORDANCE WITH REGULATIONS THE COMMISSIONER ADOPTS.
- (4) (I) THE COMMISSIONER MAY NOT REMOVE A JURISDICTION THAT MEETS THE REQUIREMENTS OF A RECIPROCAL JURISDICTION FROM THE LIST OF RECIPROCAL JURISDICTIONS.
- (II) THE COMMISSIONER MAY REMOVE A JURISDICTION FROM THE LIST OF RECIPROCAL JURISDICTIONS ON A DETERMINATION THAT THE JURISDICTION NO LONGER MEETS THE REQUIREMENTS OF A RECIPROCAL JURISDICTION IN ACCORDANCE WITH A PROCESS SET FORTH IN REGULATIONS THE COMMISSIONER ADOPTS.
- (5) ON REMOVAL OF A JURISDICTION FROM THE LIST OF RECIPROCAL JURISDICTIONS, CREDIT FOR REINSURANCE CEDED TO AN ASSUMING INSURER THAT HAS ITS HOME OFFICE OR IS DOMICILED IN THAT JURISDICTION SHALL BE ALLOWED, IF OTHERWISE ALLOWED UNDER THIS SUBTITLE.
- (C) (1) THE COMMISSIONER SHALL TIMELY CREATE AND PUBLISH A LIST OF ASSUMING INSURERS THAT HAVE SATISFIED THE CONDITIONS SET FORTH IN THIS SECTION AND TO WHICH CESSIONS SHALL BE GRANTED CREDIT IN ACCORDANCE WITH THIS SECTION.
- (2) THE COMMISSIONER MAY ADD AN ASSUMING INSURER TO THE LIST UNDER PARAGRAPH (1) OF THIS SUBSECTION:
- (I) IF AN NAIC-ACCREDITED JURISDICTION HAS ADDED THE ASSUMING INSURER TO A LIST OF ASSUMING INSURERS; OR
- (II) IF, ON INITIAL ELIGIBILITY, THE ASSUMING INSURER SUBMITS INFORMATION TO THE COMMISSIONER:
- 1. AS REQUIRED UNDER SUBSECTION (A)(5) THROUGH (9) OF THIS SECTION; AND
- 2. COMPLIES WITH ANY ADDITIONAL REQUIREMENTS THAT THE COMMISSIONER MAY IMPOSE BY REGULATION, EXCEPT TO THE EXTENT THAT THE REQUIREMENTS CONFLICT WITH AN APPLICABLE COVERED AGREEMENT.
- (D) (1) IF THE COMMISSIONER DETERMINES THAT AN ASSUMING INSURER NO LONGER MEETS ONE OR MORE OF THE REQUIREMENTS UNDER THIS SECTION, THE COMMISSIONER MAY REVOKE OR SUSPEND THE ELIGIBILITY OF THE

ASSUMING INSURER FOR RECOGNITION UNDER THIS SUBSECTION IN ACCORDANCE WITH PROCEDURES SET FORTH IN REGULATION.

- (2) WHILE AN ASSUMING INSURER'S ELIGIBILITY IS SUSPENDED:
- (I) A REINSURANCE AGREEMENT ISSUED, AMENDED, OR RENEWED AFTER THE EFFECTIVE DATE OF THE SUSPENSION MAY NOT QUALIFY FOR CREDIT; BUT
- (II) CREDIT MAY BE ALLOWED ONLY TO THE EXTENT THAT THE ASSUMING INSURER'S OBLIGATIONS UNDER THE CONTRACT ARE SECURED IN ACCORDANCE WITH § 5–914 OF THIS SUBTITLE.
  - (3) IF AN ASSUMING INSURER'S ELIGIBILITY IS REVOKED:
- (I) CREDIT FOR REINSURANCE MAY NOT BE GRANTED AFTER THE EFFECTIVE DATE OF THE REVOCATION WITH RESPECT TO:
- 1. ANY REINSURANCE AGREEMENTS ENTERED INTO BY THE ASSUMING INSURER AFTER THE DATE OF REVOCATION; OR
- 2. ANY REINSURANCE AGREEMENTS ENTERED INTO PRIOR TO THE DATE OF REVOCATION; BUT
- (II) CREDIT FOR REINSURANCE MAY BE GRANTED TO THE EXTENT THAT THE ASSUMING INSURER'S OBLIGATIONS UNDER THE CONTRACT ARE SECURED IN A FORM ACCEPTABLE TO THE COMMISSIONER AND CONSISTENT WITH § 5–914 OF THIS SUBTITLE.
- (E) SUBJECT TO A LEGAL PROCESS OF REHABILITATION, LIQUIDATION, OR CONSERVATION, THE CEDING INSURER OR ITS REPRESENTATIVE MAY SEEK OR OBTAIN AN ORDER REQUIRING THE ASSUMING INSURER TO POST SECURITY FOR ALL OUTSTANDING LIABILITIES IF THE COURT IN WHICH PROCEEDINGS ARE PENDING DETERMINES THE ORDER APPROPRIATE.
- (F) EXCEPT AS EXPRESSLY PROHIBITED BY THIS SUBTITLE OR OTHER LAW, THIS SECTION DOES NOT LIMIT OR ALTER THE CAPACITY OF PARTIES TO A REINSURANCE AGREEMENT TO AGREE ON REQUIREMENTS FOR SECURITY OR OTHER TERMS IN THAT REINSURANCE AGREEMENT.
  - (G) (1) CREDIT MAY BE TAKEN UNDER THIS SECTION:
- (I) ONLY FOR REINSURANCE AGREEMENTS ENTERED INTO, AMENDED, OR RENEWED ON OR AFTER THE DATE WHEN THE ASSUMING INSURER

HAS SATISFIED THE REQUIREMENTS TO ASSUME REINSURANCE UNDER THIS SECTION; AND

- (II) ONLY WITH RESPECT TO LOSSES INCURRED AND RESERVES REPORTED ON OR AFTER THE LATER OF:
- 1. THE DATE WHEN THE ASSUMING INSURER HAS MET ALL ELIGIBILITY REQUIREMENTS UNDER SUBSECTION (A) OF THIS SECTION; OR
- 2. THE EFFECTIVE DATE OF THE NEW REINSURANCE AGREEMENT, AMENDMENT, OR RENEWAL.
- (2) IF CREDIT IS NOT AVAILABLE UNDER THIS SECTION, THIS SECTION DOES NOT ALTER OR IMPAIR A CEDING INSURER'S RIGHT TO TAKE CREDIT FOR REINSURANCE IF THE REINSURANCE QUALIFIES FOR CREDIT UNDER ANOTHER PROVISION OF THIS SUBTITLE.
- (3) EXCEPT AS ALLOWED BY THE TERMS OF THE AGREEMENT, THIS SECTION DOES NOT AUTHORIZE AN ASSUMING INSURER TO WITHDRAW OR REDUCE THE SECURITY PROVIDED UNDER ANY REINSURANCE AGREEMENT.
- (4) THIS SECTION DOES NOT LIMIT OR IN ANY WAY ALTER THE CAPACITY OF PARTIES TO ANY REINSURANCE AGREEMENT TO RENEGOTIATE THE AGREEMENT.
- (H) (1) THIS SECTION DOES NOT PRECLUDE AN ASSUMING INSURER FROM PROVIDING THE COMMISSIONER WITH INFORMATION ON A VOLUNTARY BASIS.
- (2) SUBSECTION (A)(6) OF THIS SECTION DOES NOT LIMIT OR ALTER THE CAPACITY OF PARTIES TO A REINSURANCE AGREEMENT TO AGREE TO ALTERNATIVE DISPUTE RESOLUTION MECHANISMS, EXCEPT TO THE EXTENT THOSE AGREEMENTS ARE UNENFORCEABLE UNDER INSOLVENCY OR DELINQUENCY LAWS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 102

(House Bill 194)

# AN ACT concerning

# State Highway Administration – Highway Work Permits – Pedestrian Access (Pedestrian Access Act of 2020)

FOR the purpose of requiring a person that obtains a highway work permit from the State Highway Administration to maintain pedestrian access at certain work sites for work to be performed in certain areas to maintain a safe alternative pedestrian path at the work site; requiring the Administration to adopt certain regulations, subject to certain standards and requirements, governing pedestrian access in areas subject to a highway work permit; requiring the Administration to compile, publish, and make available an inventory of certain best practices for the maintenance of pedestrian access in areas where construction or maintenance work is performed in State highway rights—of—way; defining certain terms; and generally relating to pedestrian access in areas subject to a highway work permit.

BY repealing and reenacting, with amendments,

Article – Transportation

Section 8–646

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

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

# **Article – Transportation**

8-646.

- (a) Except as permitted by this section or in accordance with a permit obtained from the Administration, a person may not:
  - (1) Make an opening in any State highway;
  - (2) Place any structure on any State highway;
  - (3) Change or renew any structure placed on any State highway;
- (4) Dig up any State highway for any purpose, including the placement of pipes, sewers, poles, wires, or rails;
  - (5) Plant or remove any tree on any State highway; or
  - (6) Place any obstruction or improvement on any State highway.
- (b) (1) The Administration may issue a permit for work otherwise prohibited by subsection (a) of this section.

- (2) Work done under the permit shall be performed to the satisfaction of the Administration and under its supervision.
- (3) IF THE WORK DONE UNDER THE PERMIT WILL BE PERFORMED WITHIN 2—MILES 1 MILE OF WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY RAIL SERVICES OR OR BUS RAPID TRANSIT STATIONS OR MARYLAND TRANSIT ADMINISTRATION RAIL OR BUS RAPID TRANSIT STATIONS, INCLUDING MARYLAND AREA REGIONAL COMMUTER (MARC) STATIONS, THE PERSON TO WHOM THE PERMIT IS ISSUED OR BY WHOM THE WORK IS DONE SHALL MAINTAIN PEDESTRIAN ACCESS A SAFE ALTERNATIVE PEDESTRIAN PATH AT THE WORK SITE IN ACCORDANCE WITH REGULATIONS ADOPTED UNDER THIS SECTION.
- (4) The person to whom the permit is issued or by whom the work is done shall pay the cost of replacing the highway in as good a condition as before the work was done.
- [(4)] (5) (i) The Administration shall require a nongovernment applicant for a permit issued under this subsection who is a developer to submit a performance bond, letter of credit, or other surety acceptable to the Administration.
- (ii) The Administration shall require a nongovernment applicant for a permit issued under this subsection to submit a payment bond, letter of credit, or other surety acceptable to the Administration if:
- 1. The amount of the improvement is estimated to exceed \$100,000;
- 2. The project is financed, in whole or in part, by private funds; and
- 3. The entire improvement is located outside the applicant's property.
- (c) The Administration may apply to the circuit court in the subdivision in which the violation occurred or is threatened for appropriate injunctive relief.
- (D) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (II) "BIKE LANE" HAS THE MEANING STATED IN §  $21-101~\mathrm{OF}$  THIS ARTICLE.
- (III) "SIDEWALK SHED" MEANS A TEMPORARY STRUCTURE ERECTED OVER A SIDEWALK OR PEDESTRIAN WALKWAY TO:

- 1. PROTECT PEDESTRIANS FROM DEBRIS THAT MAY FALL FROM CONSTRUCTION WORK ABOVE THE SIDEWALK OR PEDESTRIAN WALKWAY; AND
- 2. MAINTAIN PEDESTRIAN ACCESS TO THE SIDEWALK OR PEDESTRIAN WALKWAY WHEN CONSTRUCTION OR MAINTENANCE OCCURS NEAR THE SIDEWALK OR PEDESTRIAN WALKWAY.
- (2) THE ADMINISTRATION SHALL ADOPT REGULATIONS GOVERNING THE MAINTENANCE OF PEDESTRIAN ACCESS TO THE MAXIMUM EXTENT PRACTICABLE IN AREAS WHERE CONSTRUCTION OR MAINTENANCE WORK IS PERFORMED IN ACCORDANCE WITH A PERMIT ISSUED UNDER THIS SECTION.
- (3) THE REGULATIONS ADOPTED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL:
  - (I) PROHIBIT THE ERECTION OF A SIDEWALK SHED UNLESS:
- 1. THE ADMINISTRATION HAS APPROVED THE ERECTION OF THE SIDEWALK SHED UNDER A PERMIT ISSUED UNDER THIS SECTION; OR
- 2. THE PERSON THAT WILL APPLY FOR THE PERMIT OR DO THE WORK DETERMINES THAT IMMEDIATE ERECTION OF A SIDEWALK SHED IS NECESSARY FOR PUBLIC SAFETY;
- (II) REQUIRE THE PERSON SPECIFIED UNDER ITEM (I)2 OF THIS PARAGRAPH TO APPLY FOR A PERMIT WITHIN 24 HOURS AFTER ERECTING THE SIDEWALK SHED;
- (III) SPECIFY STANDARDS AND REQUIREMENTS FOR SIDEWALK SHEDS AND OTHER STRUCTURES THAT MAINTAIN PEDESTRIAN ACCESS, INCLUDING REQUIREMENTS REGARDING:
  - 1. LENGTH, WIDTH, AND HEIGHT OF THE STRUCTURES;
  - 2. LIGHTING IN AND AROUND THE STRUCTURES;
- 3. COMPLIANCE WITH THE FEDERAL AMERICANS WITH DISABILITIES ACT;
- 4. THE STORAGE OF SUPPLIES AND OTHER MATERIALS ON THE ROOF OF A SIDEWALK SHED;

# 5. <u>TEMPORARY OFFICE FACILITIES</u>;

- <u>6.</u> CIRCUMSTANCES UNDER WHICH A STRUCTURE MAY BLOCK OTHER HIGHWAY FEATURES, INCLUDING EXITS, ENTRANCES, LOADING AREAS, AND STREET SIGNS; AND
- €. 7. MAINTAINING ACCESS TO BIKE LANES, IN THE FOLLOWING DESCENDING ORDER OF PRIORITY:
- A. PROVIDING A BIKE LANE ON THE SAME HIGHWAY THAT THE BLOCKED BIKE LANE IS ON BY SHIFTING AND NARROWING ADJACENT LANES OF TRAFFIC;
- B. PROVIDING A BIKE LANE IN AN EXISTING LANE OF TRAFFIC;
- C. MERGING BICYCLISTS AND ADJACENT TRAFFIC INTO A SHARED LANE OF TRAFFIC; AND
  - D. PROVIDING A BIKE LANE DETOUR ROUTE; AND
- (IV) ADDRESS ANY OTHER ISSUE THE ADMINISTRATION DETERMINES IS NECESSARY FOR THE MAINTENANCE OF PEDESTRIAN ACCESS TO THE MAXIMUM EXTENT PRACTICABLE IN AREAS WHERE CONSTRUCTION OR MAINTENANCE WORK IS PERFORMED IN ACCORDANCE WITH A PERMIT ISSUED UNDER THIS SECTION.

## (4) THE ADMINISTRATION SHALL:

- JURISDICTIONS THROUGHOUT THE STATE AND OUTSIDE THE STATE FOR THE MAINTENANCE OF PEDESTRIAN ACCESS IN AREAS WHERE CONSTRUCTION OR MAINTENANCE WORK IS PERFORMED IN STATE HIGHWAY RIGHTS-OF-WAY; AND
- (II) PUBLISH AND MAKE AVAILABLE THE INVENTORY OF BEST PRACTICES TO ANY INTERESTED PARTY.
- (5) IN ADOPTING THE REGULATIONS REQUIRED UNDER THIS SUBSECTION, THE ADMINISTRATION SHALL CONSIDER:
- (I) SAFETY FACTORS FOR PEDESTRIANS, BICYCLISTS, AND CONSTRUCTION AND MAINTENANCE WORKERS;

- (II) THE COST OF MAINTAINING PEDESTRIAN ACCESS UNDER THIS SECTION;
- (III) BEST PRACTICES COMPILED UNDER PARAGRAPH (4) OF THIS SUBSECTION;
- (IV) THE NEED FOR STORAGE AND ACCESS TO CONSTRUCTION MATERIALS AND EQUIPMENT; AND
  - (V) THE NEED TO SEPARATE DIFFERENT MODES OF TRAVEL.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 103

(Senate Bill 285)

AN ACT concerning

State Highway Administration – Highway Work Permits – Pedestrian Access (Pedestrian Access Act of 2020)

FOR the purpose of requiring a person that obtains a highway work permit from the State Highway Administration to maintain pedestrian access at certain work sites for work to be performed in certain areas to maintain a safe alternative pedestrian path at the work site; requiring the Administration to adopt certain regulations, subject to certain standards and requirements, governing pedestrian access in areas subject to a highway work permit; requiring the Administration to compile, publish, and make available an inventory of certain best practices for the maintenance of pedestrian access in areas where construction or maintenance work is performed in State highway rights—of—way; defining certain terms; and generally relating to pedestrian access in areas subject to a highway work permit.

BY repealing and reenacting, with amendments,

Article – Transportation

Section 8–646

Annotated Code of Maryland

(2015 Replacement Volume and 2019 Supplement)

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

# **Article – Transportation**

8-646.

- (a) Except as permitted by this section or in accordance with a permit obtained from the Administration, a person may not:
  - (1) Make an opening in any State highway;
  - (2) Place any structure on any State highway;
  - (3) Change or renew any structure placed on any State highway;
- (4) Dig up any State highway for any purpose, including the placement of pipes, sewers, poles, wires, or rails;
  - (5) Plant or remove any tree on any State highway; or
  - (6) Place any obstruction or improvement on any State highway.
- (b) (1) The Administration may issue a permit for work otherwise prohibited by subsection (a) of this section.
- (2) Work done under the permit shall be performed to the satisfaction of the Administration and under its supervision.
- (3) If the work done under the permit will be performed within 2—Miles 1 mile of Washington Metropolitan Area Transit Authority rail services or or bus rapid transit stations or Maryland Transit Administration rail or bus rapid transit stations, including Maryland Area Regional Commuter (MARC) stations, the person to whom the permit is issued or by whom the work is done shall maintain pedestrian access a safe alternative pedestrian path at the work site in accordance with regulations adopted under this section.
- (4) The person to whom the permit is issued or by whom the work is done shall pay the cost of replacing the highway in as good a condition as before the work was done.
- [(4)] (5) (i) The Administration shall require a nongovernment applicant for a permit issued under this subsection who is a developer to submit a performance bond, letter of credit, or other surety acceptable to the Administration.

- (ii) The Administration shall require a nongovernment applicant for a permit issued under this subsection to submit a payment bond, letter of credit, or other surety acceptable to the Administration if:
- 1. The amount of the improvement is estimated to exceed \$100,000;
- 2. The project is financed, in whole or in part, by private funds; and
- 3. The entire improvement is located outside the applicant's property.
- (c) The Administration may apply to the circuit court in the subdivision in which the violation occurred or is threatened for appropriate injunctive relief.
- (D) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (II) "BIKE LANE" HAS THE MEANING STATED IN §  $21-101~\mathrm{OF}$  THIS ARTICLE.
- (III) "SIDEWALK SHED" MEANS A TEMPORARY STRUCTURE ERECTED OVER A SIDEWALK OR PEDESTRIAN WALKWAY TO:
- 1. PROTECT PEDESTRIANS FROM DEBRIS THAT MAY FALL FROM CONSTRUCTION WORK ABOVE THE SIDEWALK OR PEDESTRIAN WALKWAY; AND
- 2. MAINTAIN PEDESTRIAN ACCESS TO THE SIDEWALK OR PEDESTRIAN WALKWAY WHEN CONSTRUCTION OR MAINTENANCE OCCURS NEAR THE SIDEWALK OR PEDESTRIAN WALKWAY.
- (2) THE ADMINISTRATION SHALL ADOPT REGULATIONS GOVERNING THE MAINTENANCE OF PEDESTRIAN ACCESS TO THE MAXIMUM EXTENT PRACTICABLE IN AREAS WHERE CONSTRUCTION OR MAINTENANCE WORK IS PERFORMED IN ACCORDANCE WITH A PERMIT ISSUED UNDER THIS SECTION.
- (3) THE REGULATIONS ADOPTED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL:
  - (I) PROHIBIT THE ERECTION OF A SIDEWALK SHED UNLESS:

- 1. THE ADMINISTRATION HAS APPROVED THE ERECTION OF THE SIDEWALK SHED UNDER A PERMIT ISSUED UNDER THIS SECTION; OR
- 2. THE PERSON THAT WILL APPLY FOR THE PERMIT OR DO THE WORK DETERMINES THAT IMMEDIATE ERECTION OF A SIDEWALK SHED IS NECESSARY FOR PUBLIC SAFETY;
- (II) REQUIRE THE PERSON SPECIFIED UNDER ITEM (I)2 OF THIS PARAGRAPH TO APPLY FOR A PERMIT WITHIN 24 HOURS AFTER ERECTING THE SIDEWALK SHED;
- (III) SPECIFY STANDARDS AND REQUIREMENTS FOR SIDEWALK SHEDS AND OTHER STRUCTURES THAT MAINTAIN PEDESTRIAN ACCESS, INCLUDING REQUIREMENTS REGARDING:
  - 1. LENGTH, WIDTH, AND HEIGHT OF THE STRUCTURES;
  - 2. LIGHTING IN AND AROUND THE STRUCTURES;
- 3. COMPLIANCE WITH THE FEDERAL AMERICANS WITH DISABILITIES ACT;
- 4. THE STORAGE OF SUPPLIES AND OTHER MATERIALS ON THE ROOF OF A SIDEWALK SHED;
  - 5. TEMPORARY OFFICE FACILITIES;
- 6. CIRCUMSTANCES UNDER WHICH A STRUCTURE MAY BLOCK OTHER HIGHWAY FEATURES, INCLUDING EXITS, ENTRANCES, LOADING AREAS, AND STREET SIGNS; AND
- €. 7. MAINTAINING ACCESS TO BIKE LANES, IN THE FOLLOWING DESCENDING ORDER OF PRIORITY:
- A. PROVIDING A BIKE LANE ON THE SAME HIGHWAY THAT THE BLOCKED BIKE LANE IS ON BY SHIFTING AND NARROWING ADJACENT LANES OF TRAFFIC;
- B. PROVIDING A BIKE LANE IN AN EXISTING LANE OF TRAFFIC;
- C. MERGING BICYCLISTS AND ADJACENT TRAFFIC INTO A SHARED LANE OF TRAFFIC; AND

# D. PROVIDING A BIKE LANE DETOUR ROUTE; AND

(IV) ADDRESS ANY OTHER ISSUE THE ADMINISTRATION DETERMINES IS NECESSARY FOR THE MAINTENANCE OF PEDESTRIAN ACCESS TO THE MAXIMUM EXTENT PRACTICABLE IN AREAS WHERE CONSTRUCTION OR MAINTENANCE WORK IS PERFORMED IN ACCORDANCE WITH A PERMIT ISSUED UNDER THIS SECTION.

# (4) THE ADMINISTRATION SHALL:

- (I) COMPILE AN INVENTORY OF BEST PRACTICES USED IN JURISDICTIONS THROUGHOUT THE STATE AND OUTSIDE THE STATE FOR THE MAINTENANCE OF PEDESTRIAN ACCESS IN AREAS WHERE CONSTRUCTION OR MAINTENANCE WORK IS PERFORMED IN STATE HIGHWAY RIGHTS-OF-WAY; AND
- (II) PUBLISH AND MAKE AVAILABLE THE INVENTORY OF BEST PRACTICES TO ANY INTERESTED PARTY.
- (5) IN ADOPTING THE REGULATIONS REQUIRED UNDER THIS SUBSECTION, THE ADMINISTRATION SHALL CONSIDER:
- (I) <u>SAFETY FACTORS FOR PEDESTRIANS, BICYCLISTS, AND</u> CONSTRUCTION AND MAINTENANCE WORKERS;
- (II) THE COST OF MAINTAINING PEDESTRIAN ACCESS UNDER THIS SECTION;
- (III) BEST PRACTICES COMPILED UNDER PARAGRAPH (4) OF THIS SUBSECTION;
- (IV) THE NEED FOR STORAGE AND ACCESS TO CONSTRUCTION MATERIALS AND EQUIPMENT; AND
  - (V) THE NEED TO SEPARATE DIFFERENT MODES OF TRAVEL.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

(Senate Bill 124)

AN ACT concerning

Maryland Health Benefit Exchange – Establishment of a Assessment
Applicability and State–Based Individual Market Health Insurance Subsidies
Program

FOR the purpose of requiring that a certain assessment be used to fund the State Reinsurance Program and the State-Based Health Insurance Subsidies Program; requiring the Maryland Health Benefit Exchange to allocate certain funds between the State Reinsurance Program and the State-Based Health Insurance Subsidies Program in a certain manner; clarifying the applicability of a certain assessment to certain entities for certain products; altering the purpose of the Maryland Health Benefit Exchange Fund to include providing funding for the establishment and operation of the State-Based Health Insurance Subsidies Program; providing that the operation and administration of the State-Based Health Insurance Subsidies Program may include certain functions delegated to certain third parties; altering the contents of the Fund; altering the purposes for which the Fund may be used; requiring the Board of Trustees of the Exchange to maintain a separate account within the Fund for the State-Based Health Insurance Subsidies Program under certain circumstances; clarifying that certain funds received from the federal government under a certain waiver may be used only for the purposes of funding the State Reinsurance Program; requiring authorizing the Exchange, in consultation with the Maryland Insurance Commissioner and as approved by the Board, to establish and implement a State-Based Health Insurance Subsidies Program to provide subsidies to individuals for the purchase of health benefit plans in the individual health insurance market; requiring the State-Based Health Insurance Subsidies Program to be designed to reduce the amount that individuals pay for certain health benefit plans in the individual health insurance market; requiring the Exchange, in consultation with the Commissioner and as approved by the Board and based on available funds, to establish certain parameters for a certain year and each subsequent calendar year; authorizing the Exchange, in consultation with the Commissioner and as approved by the Board, to alter the parameters under certain circumstances years; providing that, beginning on a certain date, funding for the State-Based Health Insurance Subsidies Program may be made by using certain funds; requiring the Exchange to adopt regulations on or before a certain date; requiring the Board authorizing the Exchange, in consultation with the Commissioner and as approved by the Board, to make a certain determination concerning a certain waiver and apply for a certain waiver under certain circumstances on or before a certain date: requiring the Exchange to track certain information, post the information on a certain website, and include the information in a certain report; and generally relating to the Maryland Health Benefit Exchange and the State-Based Health Insurance Subsidies Program clarifying the applicability of a certain assessment to certain entities for certain products; requiring the Maryland Health Benefit Exchange to report to certain committees of the General Assembly on or before a certain date on certain information related to establishing a State-based individual subsidy program in Maryland; and generally relating to the Maryland Health Benefit Exchange and State-based individual market health insurance subsidies.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 6–102.1 and 31–107

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

# BY adding to

Article - Insurance

Section 31-122 and 31-123

**Annotated Code of Maryland** 

(2017 Replacement Volume and 2019 Supplement)

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

#### Article - Insurance

6-102.1.

- (a) This section applies to:
- (1) an insurer, a nonprofit health service plan, a health maintenance organization, a dental plan organization, a fraternal benefit organization, and any other person subject to regulation by the State that provides a product that:
- (i) is <u>WAS</u> subject to § 9010 of the Affordable Care Act, <u>AS IN</u> <u>EFFECT ON DECEMBER 1, 2019</u>; and
  - (ii) may be subject to an assessment by the State; and
- (2) a managed care organization authorized under Title 15, Subtitle 1 of the Health General Article.
- (b) The purpose of this section is to assist in the stabilization of the individual health insurance market by assessing a health insurance provider fee that is attributable to State health risk for calendar years 2019 through 2023, both inclusive, as provided for under subsection (c) of this section.
- (c) (1) In calendar year 2019, in addition to the amounts otherwise due under this subtitle, an entity subject to this section shall be subject to an assessment of 2.75% on all amounts used to calculate the entity's premium tax liability under § 6–102 of this subtitle or the amount of the entity's premium tax exemption value for calendar year 2018.

- (2) In calendar years 2020 through 2023, both inclusive, in addition to the amounts otherwise due under this subtitle, an entity subject to this section shall be subject to an assessment of 1% on all amounts used to calculate the entity's premium tax liability under § 6–102 of this subtitle or the amount of the entity's premium tax exemption value for the immediately preceding calendar year.
- (3) The assessments required in paragraphs (1) and (2) of this subsection are for products that:
- (i) are WERE subject to § 9010 of the Affordable Care Act, AS IN EFFECT ON DECEMBER 1, 2019; and
  - (ii) may be subject to an assessment by the State.
- (4) The calculation of the assessments required under paragraphs (1) and (2) of this subsection shall be made without regard to:
- (i) the threshold limits established in § 9010(b)(2)(A) of the Affordable Care Act; or
- (ii) the partial exclusion of net premiums provided for in § 9010(b)(2)(B) of the Affordable Care Act.
- (d) (1) Notwithstanding § 2–114 of this article, the assessment required under this section shall be distributed by the Commissioner to the Maryland Health Benefit Exchange Fund established under § 31–107 of this article.
- (2) THE ASSESSMENT REQUIRED UNDER THIS SECTION SHALL BE USED TO FUND THE STATE REINSURANCE PROGRAM ESTABLISHED UNDER § 31–117 OF THIS ARTICLE AND THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM ESTABLISHED UNDER § 31–122 OF THIS ARTICLE.
- (3) THE MARYLAND HEALTH BENEFIT EXCHANGE SHALL ALLOCATE THE FUNDS COLLECTED UNDER THIS SECTION BETWEEN THE STATE REINSURANCE PROGRAM AND THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM IN A MANNER THAT MAXIMIZES THE LONG-TERM AFFORDABILITY OF HEALTH PLANS IN THE INDIVIDUAL MARKET.

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

- (ii) provide funding for the establishment and operation of the State Reinsurance Program authorized under this title; AND
- (III) PROVIDE FUNDING FOR THE ESTABLISHMENT AND OPERATION OF THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM AUTHORIZED UNDER THIS TITLE.
- (2) The operation and administration of the Exchange [and], the State Reinsurance Program, AND THE STATE BASED HEALTH INSURANCE SUBSIDIES PROGRAM may include functions delegated by the Exchange to a third party under law or by contract.
  - (e) The Exchange shall administer the Fund.
- (d) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.
- (2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.
  - (e) The Fund consists of:
    - (1) any user fees or other assessments collected by the Exchange;
- (2) all revenue deposited into the Fund that is received from the distribution of the premium tax under § 6–103.2 of this article;
  - (3) income from investments made on behalf of the Fund;
  - (4) interest on deposits or investments of money in the Fund;
- (5) money collected by the Board as a result of legal or other actions taken by the Board on behalf of the Exchange or the Fund;
  - (6) money donated to the Fund;
  - (7) money awarded to the Fund through grants;
- (8) any pass-through funds received from the federal government under a waiver approved under § 1332 of the Affordable Care Act;
- (9) any funds designated by the federal government to provide reinsurance to carriers that offer individual health benefit plans in the State:

- (10) any funds designated by the State to provide reinsurance to carriers that offer individual health benefit plans in the State;
- (11) ANY FUNDS DESIGNATED BY THE STATE TO PROVIDE STATE BASED HEALTH INSURANCE SUBSIDIES TO INDIVIDUALS IN THE STATE:
- [(11)] (12) any federal funds received in accordance with § 31–121 of this title for the administration of small business tax credits; and
- [(12)] (13) any other money from any other source accepted for the benefit of the Fund.
  - (f) The Fund may be used only:
- (1) for the operation and administration of the Exchange in carrying out the purposes authorized under this title; [and]
- (2) for the establishment and operation of the State Reinsurance Program;

  AND
- (3) FOR THE ESTABLISHMENT AND OPERATION OF THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM.
- (g) (1) The Board shall maintain separate accounts within the Fund for Exchange operations [and], for the State Reinsurance Program, AND, IF ESTABLISHED BY THE EXCHANGE, FOR THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM.
- (2) Accounts within the Fund shall contain the money that is intended to support the purpose for which each account is designated.
- (3) Funds received from the distribution of the premium tax under § 6–103.2 of this article shall be placed in the account for Exchange operations and may be used only for the purpose of funding the operation and administration of the Exchange.
- (4) The following funds may be used only for the purposes of funding the State Reinsurance Program:
- (i) any pass-through funds received from the federal government under a waiver approved under § 1332 of the Affordable Care Act TO PROVIDE REINSURANCE TO CARRIERS THAT OFFER INDIVIDUAL HEALTH BENEFIT PLANS IN THE STATE;
- (ii) any funds designated by the federal government to provide reinsurance to carriers that offer individual health benefit plans in the State; and

- (iii) any funds designated by the State to provide reinsurance to carriers that offer individual health benefit plans in the State.
- (h) (1) Expenditures from the Fund for the purposes authorized by this subtitle may be made only:
- (i) with an appropriation from the Fund approved by the General Assembly in the State budget; or
- (ii) by the budget amendment procedure provided for in Title 7, Subtitle 2 of the State Finance and Procurement Article.
- (2) Notwithstanding § 7–304 of the State Finance and Procurement Article, if the amount of the distribution from the premium tax under § 6–103.2 of this article exceeds in any State fiscal year the actual expenditures incurred for the operation and administration of the Exchange, funds in the Exchange operations account from the premium tax that remain unspent at the end of the State fiscal year shall revert to the General Fund of the State.
- (3) If operating expenses of the Exchange may be charged to either State or non-State fund sources, the non-State funds shall be charged before State funds are charged.
- (i) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.
  - (2) Any investment earnings of the Fund shall be credited to the Fund.
- (3) Except as provided in subsection (h)(2) of this section, no part of the Fund may revert or be credited to the General Fund or any special fund of the State.
- (j) A debt or an obligation of the Fund is not a debt of the State or a pledge of credit of the State.

## 31-122

- (A) THE EXCHANGE, IN CONSULTATION WITH THE COMMISSIONER AND AS APPROVED BY THE BOARD, SHALL MAY ESTABLISH AND IMPLEMENT A STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM TO PROVIDE SUBSIDIES TO INDIVIDUALS FOR THE PURCHASE OF HEALTH BENEFIT PLANS IN THE INDIVIDUAL HEALTH INSURANCE MARKET.
- (B) THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM AUTHORIZED UNDER THIS SECTION SHALL BE DESIGNED TO REDUCE THE AMOUNT THAT INDIVIDUALS PAY FOR HEALTH BENEFIT PLANS IN THE INDIVIDUAL HEALTH INSURANCE MARKET.

- (c) (1) Based on available funds, the Exchange, in consultation with the Commissioner and as approved by the Board, shall establish subsidy eligibility and payment parameters for calendar year 2021 and each subsequent calendar year <u>each calendar year the Program is in effect.</u>
- (2) THE EXCHANGE, IN CONSULTATION WITH THE COMMISSIONER AND AS APPROVED BY THE BOARD, MAY ALTER THE PARAMETERS ESTABLISHED IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION AS NECESSARY TO SECURE FEDERAL APPROVAL FOR A WAIVER SUBMITTED IN ACCORDANCE WITH § 31–123 OF THIS TITLE.
- (D) BEFORE IMPLEMENTING THE STATE BASED HEALTH INSURANCE SUBSIDIES PROGRAM UNDER THIS SECTION, THE EXCHANGE SHALL STUDY AND REPORT TO THE BOARD ON THE FOLLOWING:
- (1) AN ESTIMATE OF THE IMPACT OF USING FUNDING FOR STATE-BASED SUBSIDIES ON FUNDING AVAILABILITY FOR REINSURANCE IN THE INDIVIDUAL MARKET, USING THE ACTUAL STATE LIABILITY FOR THE STATE REINSURANCE PROGRAM FOR THE 2019 BENEFIT YEAR; AND
- (2) THE APPROPRIATE ALLOCATION OF AVAILABLE FUNDING FOR REINSURANCE AND STATE-BASED SUBSIDIES THAT WILL MAXIMIZE ENROLLMENT AND AFFORDABILITY IN THE INDIVIDUAL MARKET.
- (D) (E) BEGINNING JANUARY 1, 2021, FUNDING FOR THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM MAY BE MADE BY USING ANY FUNDS DESIGNATED BY THE STATE TO PROVIDE SUBSIDIES TO INDIVIDUALS WHO MEET THE SUBSIDY ELIGIBILITY AND PAYMENT PARAMETERS ESTABLISHED UNDER SUBSECTION (C) OF THIS SECTION.
- (E) ON OR BEFORE JANUARY 1, 2021, THE EXCHANGE SHALL ADOPT REGULATIONS IMPLEMENTING THE PROVISIONS OF THIS SECTION.
- (F) (1) IF THE EXCHANGE ESTABLISHES THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM UNDER THIS SECTION, THE EXCHANGE SHALL TRACK ON A MONTHLY BASIS EXPENDITURES ON SUBSIDIES PROVIDED UNDER THE PROGRAM, INCLUDING:
- (I) THE AVERAGE NUMBER OF INDIVIDUALS RECEIVING SUBSIDIES UNDER THE PROGRAM; AND

- (II) THE AVERAGE SUBSIDY AMOUNT RECEIVED BY INDIVIDUALS UNDER THE PROGRAM.
- (2) THE INFORMATION TRACKED BY THE EXCHANGE UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL:
  - (I) BE POSTED ON THE WEBSITE OF THE EXCHANGE; AND
- (II) BE INCLUDED IN THE ANNUAL REPORT REQUIRED UNDER § 31–119(D) OF THIS SUBTITLE.

 $\frac{31-123}{}$ 

ON OR BEFORE SEPTEMBER 1, 2020, THE EXCHANGE, IN CONSULTATION WITH THE COMMISSIONER AND AS APPROVED BY THE BOARD, SHALL:

- (1) DETERMINE WHETHER THE ESTABLISHMENT OF THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM REQUIRES THE STATE TO APPLY TO AND RECEIVE APPROVAL FROM THE U.S. SECRETARY OF HEALTH AND HUMAN SERVICES FOR A STATE INNOVATION WAIVER UNDER § 1332 OF THE AFFORDABLE CARE ACT: AND
- (2) IF THE EXCHANGE DETERMINES THAT A STATE INNOVATION WAIVER IS REQUIRED TO ESTABLISH THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM. APPLY FOR THE STATE INNOVATION WAIVER.

THE EXCHANGE MAY, IN CONSULTATION WITH THE COMMISSIONER AND AS APPROVED BY THE BOARD, APPLY FOR A STATE INNOVATION WAIVER UNDER § 1332 OF THE AFFORDABLE CARE ACT TO IMPLEMENT THE STATE BASED HEALTH INSURANCE SUBSIDIES PROGRAM.

- SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1, 2020, the Maryland Health Benefit Exchange shall report to the Senate Finance Committee and the House Health and Government Operations Committee, in accordance with § 2–1257 of the State Government Article, on the following as it relates to establishing State-based individual market health insurance subsidies in the State:
- (1) the experiences of state-based individual market health insurance subsidies in other states, particularly those with a reinsurance program;
- (2) the effect the Maryland Easy Enrollment Health Program has had on the uninsured rate and risk pool in the individual market;
- (3) the population that would be the intended target of the State-based individual market health insurance subsidies, including age and income level;

- (4) the number of individuals currently enrolled in the individual market in the State who would be eligible for State-based individual market health insurance subsidies:
- (5) if young adults would be the intended target of the State-based individual market health insurance subsidies, whether State-based individual market health insurance subsidies alone will encourage more young adults to enroll in the individual market and whether cost-sharing reductions will be necessary;
- (6) the average amount of individual market health insurance subsidies needed for a State-based individual market health insurance subsidy program to effectively cover more individuals and lower the risk of the individual market pool;
- (7) the amount of State-based individual market health insurance subsidy funding necessary to reduce rates in the individual market by 1% and 5%;
- (8) an estimate of the impact that funding for State-based individual market health insurance subsidies will have on the availability of funds for reinsurance in the individual market, using the actual State liability for the State Reinsurance Program for the 2019 benefit year;
- (9) the appropriate allocation of available funding for reinsurance and State-based individual market health insurance subsidies that will maximize enrollment and affordability in the individual market;
- (10) the staffing and infrastructure needs to administer a State-based individual market health insurance subsidy program; and
- (11) the impact additional State-based individual market health insurance subsidies will have on federal subsidies and whether the State will need to amend its current State Innovation Waiver under § 1332 of the Affordable Care Act or request an additional waiver.

SECTION  $\stackrel{2}{=}$  3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 105

(House Bill 196)

# Maryland Health Benefit Exchange – Establishment of a Assessment Applicability and Report on State–Based Individual Market Health Insurance Subsidies Program

FOR the purpose of requiring that a certain assessment be used to fund the State Reinsurance Program and the State-Based Health Insurance Subsidies Program: requiring the Maryland Health Benefit Exchange to allocate certain funds between the State Reinsurance Program and the State-Based Health Insurance Subsidies Program in a certain manner; altering the purpose of the Maryland Health Benefit Exchange Fund to include providing funding for the establishment and operation of the State-Based Health Insurance Subsidies Program; providing that the operation and administration of the State-Based Health Insurance Subsidies Program may include certain functions delegated to certain third parties; altering the contents of the Fund; altering the purposes for which the Fund may be used; requiring the Board of Trustees of the Exchange to maintain a separate account within the Fund for the State-Based Health Insurance Subsidies Program; clarifying that certain funds received from the federal government under a certain waiver may be used only for the purposes of funding the State Reinsurance Program; requiring the Exchange, in consultation with the Maryland Insurance Commissioner and as approved by the Board, to establish and implement a State-Based Health Insurance Subsidies Program to provide subsidies to individuals for the purchase of health benefit plans in the individual health insurance market; requiring the State-Based Health Insurance Subsidies Program to be designed to reduce the amount that individuals pay for certain health benefit plans in the individual health insurance market; requiring the Exchange, in consultation with the Commissioner and as approved by the Board and based on available funds, to establish certain parameters for a certain year and each subsequent calendar year; authorizing the Exchange, in consultation with the Commissioner and as approved by the Board, to alter the parameters under certain circumstances; providing that, beginning on a certain date, funding for the State-Based Health Insurance Subsidies Program may be made by using certain funds: requiring the Exchange to adopt regulations on or before a certain date: requiring the Board, in consultation with the Commissioner and as approved by the Board, to make a certain determination concerning a certain waiver and apply for a certain waiver under certain circumstances on or before a certain date; and generally relating to the State-Based Health Insurance Subsidies Program clarifying the applicability of a certain assessment to certain entities for certain products; requiring the Maryland Health Benefit Exchange to report to certain committees of the General Assembly on or before a certain date on certain information related to establishing a State-based individual subsidy program in Maryland; and generally relating to the Maryland Health Benefit Exchange and State-based individual market health insurance subsidies.

BY repealing and reenacting, with amendments, Article – Insurance

> Section 6–102.1 and 31–107 Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

#### BY adding to

Article - Insurance

Section 31-122 and 31-123

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

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

#### Article - Insurance

6-102.1.

- (a) This section applies to:
- (1) an insurer, a nonprofit health service plan, a health maintenance organization, a dental plan organization, a fraternal benefit organization, and any other person subject to regulation by the State that provides a product that:
- (i) is <u>WAS</u> subject to § 9010 of the Affordable Care Act, <u>AS IN</u> <u>EFFECT ON DECEMBER 1, 2019</u>; and
  - (ii) may be subject to an assessment by the State; and
- (2) a managed care organization authorized under Title 15, Subtitle 1 of the Health General Article.
- (b) The purpose of this section is to assist in the stabilization of the individual health insurance market by assessing a health insurance provider fee that is attributable to State health risk for calendar years 2019 through 2023, both inclusive, as provided for under subsection (c) of this section.
- (c) (1) In calendar year 2019, in addition to the amounts otherwise due under this subtitle, an entity subject to this section shall be subject to an assessment of 2.75% on all amounts used to calculate the entity's premium tax liability under § 6–102 of this subtitle or the amount of the entity's premium tax exemption value for calendar year 2018.
- (2) In calendar years 2020 through 2023, both inclusive, in addition to the amounts otherwise due under this subtitle, an entity subject to this section shall be subject to an assessment of 1% on all amounts used to calculate the entity's premium tax liability under § 6–102 of this subtitle or the amount of the entity's premium tax exemption value for the immediately preceding calendar year.
- (3) The assessments required in paragraphs (1) and (2) of this subsection are for products that:

- (i) are <u>WERE</u> subject to § 9010 of the Affordable Care Act, AS IN EFFECT ON DECEMBER 1, 2019; and
  - (ii) may be subject to an assessment by the State.
- (4) The calculation of the assessments required under paragraphs (1) and (2) of this subsection shall be made without regard to:
- (i) the threshold limits established in § 9010(b)(2)(A) of the Affordable Care Act; or
- (ii) the partial exclusion of net premiums provided for in § 9010(b)(2)(B) of the Affordable Care Act.
- (d) (1) Notwithstanding § 2–114 of this article, the assessment required under this section shall be distributed by the Commissioner to the Maryland Health Benefit Exchange Fund established under § 31–107 of this article.
- (2) THE ASSESSMENT REQUIRED UNDER THIS SECTION SHALL BE USED TO FUND THE STATE REINSURANCE PROGRAM ESTABLISHED UNDER § 31–117 OF THIS ARTICLE AND THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM ESTABLISHED UNDER § 31–122 OF THIS ARTICLE.
- (3) THE MARYLAND HEALTH BENEFIT EXCHANGE SHALL ALLOCATE THE FUNDS COLLECTED UNDER THIS SECTION BETWEEN THE STATE REINSURANCE PROGRAM AND THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM IN A MANNER THAT MAXIMIZES THE LONG-TERM AFFORDABILITY OF HEALTH PLANS IN THE INDIVIDUAL MARKET.

#### 31 - 107

- (a) There is a Maryland Health Benefit Exchange Fund.
- (b) (1) The purpose of the Fund is to:
- (i) provide funding for the operation and administration of the Exchange in carrying out the purposes of the Exchange under this title; [and]
- (ii) provide funding for the establishment and operation of the State Reinsurance Program authorized under this title; AND
- (III) PROVIDE FUNDING FOR THE ESTABLISHMENT AND OPERATION OF THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM AUTHORIZED UNDER THIS TITLE.

- (2) The operation and administration of the Exchange [and], the State Reinsurance Program, AND THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM may include functions delegated by the Exchange to a third party under law or by contract.
  - (e) The Exchange shall administer the Fund.
- (d) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.
- (2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.
  - (e) The Fund consists of:
    - (1) any user fees or other assessments collected by the Exchange;
- (2) all revenue deposited into the Fund that is received from the distribution of the premium tax under § 6–103.2 of this article;
  - (3) income from investments made on behalf of the Fund;
  - (4) interest on deposits or investments of money in the Fund;
- (5) money collected by the Board as a result of legal or other actions taken by the Board on behalf of the Exchange or the Fund:
  - (6) money donated to the Fund;
  - (7) money awarded to the Fund through grants;
- (8) any pass-through funds received from the federal government under a waiver approved under § 1332 of the Affordable Care Act;
- (9) any funds designated by the federal government to provide reinsurance to carriers that offer individual health benefit plans in the State;
- (10) any funds designated by the State to provide reinsurance to carriers that offer individual health benefit plans in the State;
- (11) ANY FUNDS DESIGNATED BY THE STATE TO PROVIDE STATE BASED HEALTH INSURANCE SUBSIDIES TO INDIVIDUALS IN THE STATE:
- [(11)] (12) any federal funds received in accordance with § 31–121 of this title for the administration of small business tax credits; and

[(12)] (13) any other money from any other source accepted for the benefit of the Fund.

- (f) The Fund may be used only:
- (1) for the operation and administration of the Exchange in carrying out the purposes authorized under this title; [and]
- (2) for the establishment and operation of the State Reinsurance Program;
- (3) FOR THE ESTABLISHMENT AND OPERATION OF THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM.
- (g) (1) The Board shall maintain separate accounts within the Fund for Exchange operations [and], for the State Reinsurance Program, AND FOR THE STATE BASED HEALTH INSURANCE SUBSIDIES PROGRAM.
- (2) Accounts within the Fund shall contain the money that is intended to support the purpose for which each account is designated.
- (3) Funds received from the distribution of the premium tax under § 6-103.2 of this article shall be placed in the account for Exchange operations and may be used only for the purpose of funding the operation and administration of the Exchange.
- (4) The following funds may be used only for the purposes of funding the State Reinsurance Program:
- (i) any pass-through funds received from the federal government under a waiver approved under § 1332 of the Affordable Care Act TO PROVIDE REINSURANCE TO CARRIERS THAT OFFER INDIVIDUAL HEALTH BENEFIT PLANS IN THE STATE:
- (ii) any funds designated by the federal government to provide reinsurance to carriers that offer individual health benefit plans in the State; and
- (iii) any funds designated by the State to provide reinsurance to carriers that offer individual health benefit plans in the State.
- (h) (1) Expenditures from the Fund for the purposes authorized by this subtitle may be made only:
- (i) with an appropriation from the Fund approved by the General Assembly in the State budget; or

- (ii) by the budget amendment procedure provided for in Title 7, Subtitle 2 of the State Finance and Procurement Article.
- (2) Notwithstanding § 7–304 of the State Finance and Procurement Article, if the amount of the distribution from the premium tax under § 6–103.2 of this article exceeds in any State fiscal year the actual expenditures incurred for the operation and administration of the Exchange, funds in the Exchange operations account from the premium tax that remain unspent at the end of the State fiscal year shall revert to the General Fund of the State.
- (3) If operating expenses of the Exchange may be charged to either State or non-State fund sources, the non-State funds shall be charged before State funds are charged.
- (i) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.
  - (2) Any investment earnings of the Fund shall be credited to the Fund.
- (3) Except as provided in subsection (h)(2) of this section, no part of the Fund may revert or be credited to the General Fund or any special fund of the State.
- (j) A debt or an obligation of the Fund is not a debt of the State or a pledge of credit of the State.

#### <del>21 122.</del>

- (A) THE EXCHANGE, IN CONSULTATION WITH THE COMMISSIONER AND AS APPROVED BY THE BOARD, SHALL ESTABLISH AND IMPLEMENT A STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM TO PROVIDE SUBSIDIES TO INDIVIDUALS FOR THE PURCHASE OF HEALTH BENEFIT PLANS IN THE INDIVIDUAL HEALTH INSURANCE MARKET.
- (B) THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM SHALL BE DESIGNED TO REDUCE THE AMOUNT THAT INDIVIDUALS PAY FOR HEALTH BENEFIT PLANS IN THE INDIVIDUAL HEALTH INSURANCE MARKET.
- (C) (1) BASED ON AVAILABLE FUNDS, THE EXCHANGE, IN CONSULTATION WITH THE COMMISSIONER AND AS APPROVED BY THE BOARD, SHALL ESTABLISH SUBSIDY ELIGIBILITY AND PAYMENT PARAMETERS FOR CALENDAR YEAR 2021 AND EACH SUBSEQUENT CALENDAR YEAR.
- (2) THE EXCHANGE, IN CONSULTATION WITH THE COMMISSIONER AND AS APPROVED BY THE BOARD, MAY ALTER THE PARAMETERS ESTABLISHED IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION AS NECESSARY TO

SECURE FEDERAL APPROVAL FOR A WAIVER SUBMITTED IN ACCORDANCE WITH § 21–123 OF THIS TITLE.

- (D) BEGINNING JANUARY 1, 2021, FUNDING FOR THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM MAY BE MADE BY USING ANY FUNDS DESIGNATED BY THE STATE TO PROVIDE SUBSIDIES TO INDIVIDUALS WHO MEET THE SUBSIDY ELIGIBILITY AND PAYMENT PARAMETERS ESTABLISHED UNDER SUBSECTION (C) OF THIS SECTION.
- (E) ON OR BEFORE JANUARY 1, 2021, THE EXCHANGE SHALL ADOPT REGULATIONS IMPLEMENTING THE PROVISIONS OF THIS SECTION.

 $\frac{31-123}{1}$ 

ON OR BEFORE SEPTEMBER 1, 2020, THE EXCHANGE, IN CONSULTATION WITH THE COMMISSIONER AND AS APPROVED BY THE BOARD, SHALL:

- (1) DETERMINE WHETHER THE ESTABLISHMENT OF THE STATE BASED HEALTH INSURANCE SUBSIDIES PROGRAM REQUIRES THE STATE TO APPLY TO AND RECEIVE APPROVAL FROM THE U.S. SECRETARY OF HEALTH AND HUMAN SERVICES FOR A STATE INNOVATION WAIVER UNDER § 1332 OF THE AFFORDABLE CARE ACT; AND
- (2) IF THE EXCHANGE DETERMINES THAT A STATE INNOVATION WAIVER IS REQUIRED TO ESTABLISH THE STATE-BASED HEALTH INSURANCE SUBSIDIES PROGRAM, APPLY FOR THE STATE INNOVATION WAIVER.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1, 2020, the Maryland Health Benefit Exchange shall report to the Senate Finance Committee and the House Health and Government Operations Committee, in accordance with § 2–1257 of the State Government Article, on the following as it relates to establishing State—based individual market health insurance subsidies in the State:

- (1) the experiences of state—based individual market health insurance subsidies in other states, particularly those with a reinsurance program;
- (2) the effect the Maryland Easy Enrollment Health Program has had on the uninsured rate and risk pool in the individual market;
- (3) the population that would be the intended target of the State-based individual market health insurance subsidies, including age and income level;
- (4) the number of individuals currently enrolled in the individual market in the State who would be eligible for State—based individual market health insurance subsidies;

- (5) if young adults would be the intended target of the State-based individual market health insurance subsidies, whether State-based individual market health insurance subsidies alone will encourage more young adults to enroll in the individual market and whether cost-sharing reductions will be necessary;
- (6) the average amount of individual market health insurance subsidies needed for a State-based individual market health insurance subsidy program to effectively cover more individuals and lower the risk of the individual market pool;
- (7) the amount of State—based individual market health insurance subsidy funding necessary to reduce rates in the individual market by 1% and 5%;
- (8) an estimate of the impact that funding for State-based individual market health insurance subsidies will have on the availability of funds for reinsurance in the individual market, using the actual State liability for the State Reinsurance Program for the 2019 benefit year:
- (9) the appropriate allocation of available funding for reinsurance and State—based individual market health insurance subsidies that will maximize enrollment and affordability in the individual market;
- (10) the staffing and infrastructure needs to administer a State-based individual market health insurance subsidy program; and
- (11) the impact additional State—based individual market health insurance subsidies will have on federal subsidies and whether the State will need to amend its current State Innovation Waiver under § 1332 of the Affordable Care Act or request an additional waiver.

SECTION  $\stackrel{2}{=}$  3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 106

(House Bill 200)

AN ACT concerning

Vehicle Laws - Registration Plate Frames and Borders - Enforcement

FOR the purpose of providing for enforcement only as a secondary offense for a violation involving registration plate frames or borders of the requirement to maintain vehicle

registration plates to be free from foreign material and to be clearly legible; and generally relating to the enforcement of vehicle laws involving registration plate frames and borders.

BY repealing and reenacting, without amendments,

Article – Transportation

Section 13–411(a)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation

Section 13–411(c)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

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

# **Article - Transportation**

13–411.

- (a) On a vehicle for which two registration plates are required, one plate shall be attached on the front and the other on the rear of the vehicle.
  - (c) **(1)** At all times, each registration plate shall be:
- [(1)] (I) Maintained free from foreign materials, including registration plate covers as defined in § 13–411.1 of this subtitle, and in a condition to be clearly legible; and
  - [(2)] (II) Securely fastened to the vehicle for which it is issued:
    - [(i)] 1. In a horizontal position;
    - [(ii)] 2. In a manner that prevents the plate from swinging; and
    - [(iii)] **3.** In a place and position to be clearly visible.
- (2) FOR A VIOLATION INVOLVING THE PLACEMENT OF AN OBJECT FRAMING OR BORDERING THE EDGES OF A REGISTRATION PLATE, A POLICE OFFICER MAY ENFORCE THIS SUBSECTION ONLY AS A SECONDARY ACTION WHEN THE POLICE OFFICER DETAINS A DRIVER OF A MOTOR VEHICLE FOR A SUSPECTED VIOLATION OF ANOTHER PROVISION OF THE CODE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 107

(Senate Bill 859)

AN ACT concerning

## Vehicle Laws - Registration Plate Frames and Borders - Enforcement

FOR the purpose of providing for enforcement only as a secondary offense for a violation involving registration plate frames or borders of the requirement to maintain vehicle registration plates to be free from foreign material and to be clearly legible; and generally relating to the enforcement of vehicle laws involving registration plate frames and borders.

BY repealing and reenacting, without amendments,

Article – Transportation

Section 13–411(a)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation

Section 13–411(c)

Annotated Code of Maryland

(2012 Replacement Volume and 2019 Supplement)

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

#### **Article – Transportation**

13-411.

- (a) On a vehicle for which two registration plates are required, one plate shall be attached on the front and the other on the rear of the vehicle.
  - (c) (1) At all times, each registration plate shall be:
- [(1)] (I) Maintained free from foreign materials, including registration plate covers as defined in § 13–411.1 of this subtitle, and in a condition to be clearly legible;

and

- [(2)] (II) Securely fastened to the vehicle for which it is issued:
  - [(i)] 1. In a horizontal position;
  - [(ii)] 2. In a manner that prevents the plate from swinging; and
  - [(iii)] **3.** In a place and position to be clearly visible.
- (2) FOR A VIOLATION INVOLVING THE PLACEMENT OF AN OBJECT FRAMING OR BORDERING THE EDGES OF A REGISTRATION PLATE, A POLICE OFFICER MAY ENFORCE THIS SUBSECTION ONLY AS A SECONDARY ACTION WHEN THE POLICE OFFICER DETAINS A DRIVER OF A MOTOR VEHICLE FOR A SUSPECTED VIOLATION OF ANOTHER PROVISION OF THE CODE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 108

(House Bill 206)

AN ACT concerning

# Unaccompanied Minors in Need of Shelter and Supportive Services

FOR the purpose of authorizing a certain unaccompanied minor in need of shelter to consent to shelter and supportive services under certain circumstances; authorizing a certain unaccompanied minor in need of shelter to consent to shelter and supportive services for a certain child; requiring a certain service provider to register with the Department of Housing and Community Development under a certain provision of law and obtain written consent, including a certain statement, from a certain unaccompanied minor in need of shelter before providing shelter and supportive services; requiring a certain service provider to develop and implement a certain procedure to screen staff members who work with minors; prohibiting a certain service provider from providing shelter to an unaccompanied minor in need of shelter under certain circumstances; requiring a certain service provider to contact a certain individual within a certain time after providing shelter to an unaccompanied minor in need of shelter; requiring a certain service provider to contact a certain individual or entity under certain circumstances; requiring a service provider to document certain efforts and communications; requiring a certain

service provider to notify certain authorities of any suspected child abuse or neglect in a certain manner; providing that a certain service provider is not liable for civil damages or subject to certain penalties under certain circumstances; requiring the Department to establish and maintain a certain registry and to adopt certain regulations; requiring a certain service provider, for a certain staff member, to apply to the Central Repository for a certain criminal history records check in a certain manner or to request a private agency to conduct a certain background check in a certain manner; providing that certain information obtained from the Central Repository is confidential, may not be redisseminated, and may be used only for certain purposes; authorizing a certain person to contest the contents of a certain statement or the findings of a certain private agency in a certain manner; defining certain terms; and generally relating to unaccompanied minors in need of shelter and supportive services.

#### BY adding to

Article – Housing and Community Development

Section 4–2701 through 4–2707 <u>4</u>–2708 to be under the new subtitle "Subtitle 27. Unaccompanied Minors in Need of Shelter and Supportive Services"

Annotated Code of Maryland

(2019 Replacement Volume and 2019 Supplement)

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

### **Article - Housing and Community Development**

# SUBTITLE 27. UNACCOMPANIED MINORS IN NEED OF SHELTER AND SUPPORTIVE SERVICES.

4-2701.

- (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (B) (1) "SERVICE PROVIDER" MEANS A PUBLIC OR PRIVATE NONPROFIT ORGANIZATION THAT PROVIDES SHELTER AND SUPPORTIVE SERVICES TO UNACCOMPANIED MINORS IN NEED OF SHELTER.
  - (2) "SERVICE PROVIDER" INCLUDES A HOST HOME PROGRAM.
- (C) "SUPPORTIVE SERVICES" MEANS INTERVENTIONS, SERVICES, OR RESOURCES NECESSARY TO ASSIST UNACCOMPANIED MINORS IN NEED OF SHELTER IN ACQUIRING OR MAINTAINING:
  - (1) STABLE HOUSING;

- (2) PERMANENT CONNECTIONS, INCLUDING ONGOING ATTACHMENTS TO FAMILIES, COMMUNITIES, SCHOOLS, AND OTHER POSITIVE SOCIAL NETWORKS;
- (3) EDUCATION AND EMPLOYMENT, INCLUDING HIGH PERFORMANCE IN COMPLETION OF EDUCATION AND TRAINING ACTIVITIES, ESPECIALLY FOR YOUNGER YOUTH, AND STARTING AND MAINTAINING ADEQUATE AND STABLE EMPLOYMENT, PARTICULARLY FOR OLDER YOUTH; OR
- (4) SOCIAL AND EMOTIONAL WELL-BEING, INCLUDING THE DEVELOPMENT OF KEY COMPETENCIES, ATTITUDES, AND BEHAVIORS THAT EQUIP A YOUNG PERSON TO SUCCEED ACROSS MULTIPLE DOMAINS OF DAILY LIFE, INCLUDING SCHOOL, WORK, RELATIONSHIPS, AND COMMUNITY.
  - (D) "UNACCOMPANIED MINOR IN NEED OF SHELTER" MEANS A MINOR:
- (1) WHO IS NOT IN THE PHYSICAL CUSTODY OF A PARENT OR LEGAL GUARDIAN; AND
- (2) WHO IS NOT IN THE PHYSICAL CUSTODY OF A PARENT OR GUARDIAN AND
- (I) WHO LACKS A FIXED, REGULAR, AND ADEQUATE NIGHTTIME RESIDENCE AS DEFINED IN THE MCKINNEY-VENTO HOMELESS ASSISTANCE ACT; OR
- (2) (II) WHOSE STATUS OR CIRCUMSTANCES INDICATE A SIGNIFICANT DANGER OF EXPERIENCING HOMELESSNESS IN THE NEAR FUTURE.
  4-2702.
- (A) AN UNACCOMPANIED MINOR IN NEED OF SHELTER MAY CONSENT TO SHELTER AND SUPPORTIVE SERVICES IF THE SERVICE PROVIDER REASONABLY BELIEVES THAT:
- (1) THE UNACCOMPANIED MINOR UNDERSTANDS THE SIGNIFICANT BENEFITS, RESPONSIBILITIES, RISKS, AND LIMITS OF THE SHELTER AND SERVICES AND CAN COMMUNICATE AN INFORMED CONSENT;
- (2) THE UNACCOMPANIED MINOR UNDERSTANDS THE REQUIREMENTS AND RULES OF THE SHELTER AND SERVICES; AND
- (3) THE SHELTER AND SERVICES ARE NECESSARY TO ENSURE THE UNACCOMPANIED MINOR'S SAFETY AND WELL-BEING.

- (B) AN UNACCOMPANIED MINOR IN NEED OF SHELTER WHO IS A PARENT MAY CONSENT TO SHELTER AND SUPPORTIVE SERVICES FOR THE MINOR'S CHILD.

  4-2703.
- (A) (1) BEFORE PROVIDING SHELTER AND SUPPORTIVE SERVICES TO AN UNACCOMPANIED MINOR IN NEED OF SHELTER, A SERVICE PROVIDER SHALL:
  - (I) REGISTER WITH THE DEPARTMENT; AND
- (II) <u>DEVELOP AND IMPLEMENT A PROCEDURE TO SCREEN EACH</u>
  STAFF MEMBER WHO WORKS WITH MINORS, INCLUDING THROUGH A STATE AND
  NATIONAL CRIMINAL HISTORY RECORDS CHECK OR A PRIVATE AGENCY
  BACKGROUND CHECK CONDUCTED IN ACCORDANCE WITH § 4–2708 OF THIS
  SUBTITLE; AND
- (III) OBTAIN WRITTEN CONSENT FROM THE UNACCOMPANIED MINOR IN NEED OF SHELTER.
- (2) THE WRITTEN CONSENT FROM THE UNACCOMPANIED MINOR IN NEED OF SHELTER SHALL STATE THE MINOR'S:
  - (I) AGE;
  - (II) GUARDIANSHIP STATUS, IF KNOWN; AND
  - (III) LIVING SITUATION.
- (B) A SERVICE PROVIDER MAY NOT PROVIDE SHELTER TO A MINOR IF THE SERVICE PROVIDER HAS KNOWLEDGE THAT THE MINOR:
- (1) KNOWINGLY PROVIDED FALSE INFORMATION IN THE WRITTEN CONSENT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION; OR
- (2) DOES NOT MEET THE DEFINITION OF AN UNACCOMPANIED MINOR IN NEED OF SHELTER UNDER THIS SUBTITLE.

4-2704.

(A) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A AFTER PROVIDING SHELTER TO AN UNACCOMPANIED MINOR IN NEED OF SHELTER, A SERVICE PROVIDER SHALL:

- (1) (I) AS SOON AS POSSIBLE AND WITHIN 72 HOURS, CONTACT A PARENT, A GUARDIAN, OR AN ADULT RELATIVE OF AN UNACCOMPANIED THE MINOR IN NEED OF SHELTER AS SOON AS POSSIBLE AND WITHIN 72 HOURS AFTER PROVIDING SHELTER; OR
- (II) IF THE SERVICE PROVIDER SUSPECTS ABUSE OR NEGLECT BY THE PARENT, GUARDIAN, OR ADULT RELATIVE OF THE MINOR, IMMEDIATELY NOTIFY THE APPROPRIATE AUTHORITIES OF THE SUSPECTED ABUSE OR NEGLECT IN ACCORDANCE WITH § 5–704 OF THE FAMILY LAW ARTICLE; AND
- (2) IF THE SERVICE PROVIDER SUSPECTS ANY ABUSE OR NEGLECT OF THE UNACCOMPANIED MINOR IN NEED OF SHELTER, IMMEDIATELY NOTIFY THE APPROPRIATE AUTHORITIES OF THE SUSPECTED ABUSE OR NEGLECT IN ACCORDANCE WITH § 5–704 OF THE FAMILY LAW ARTICLE.
- (2) A SERVICE PROVIDER SHALL CONTACT ANOTHER ADULT IDENTIFIED BY THE UNACCOMPANIED MINOR IN NEED OF SHELTER AS SOON AS POSSIBLE IF:
- (I) THE SERVICE PROVIDER DETERMINES THAT IT IS NOT IN THE BEST INTEREST OF THE UNACCOMPANIED MINOR IN NEED OF SHELTER TO CONTACT A PARENT, A GUARDIAN, OR AN ADULT RELATIVE;
- (II) THE SERVICE PROVIDER IS UNABLE TO CONTACT A PARENT, A GUARDIAN, OR AN ADULT RELATIVE; OR
- (HI) THE UNACCOMPANIED MINOR IN NEED OF SHELTER REFUSES TO PROVIDE THE NAME OR CONTACT INFORMATION OF A PARENT, A GUARDIAN, OR AN ADULT RELATIVE.
- (3) IF A SERVICE PROVIDER CONTACTS ANOTHER ADULT IDENTIFIED BY THE UNACCOMPANIED MINOR IN NEED OF SHELTER UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE SERVICE PROVIDER SHALL DOCUMENT THE REASON THE SERVICE PROVIDER DID NOT CONTACT A PARENT, A GUARDIAN, OR AN ADULT RELATIVE OF THE UNACCOMPANIED MINOR IN NEED OF SHELTER.
- (B) A SERVICE PROVIDER SHALL NOTIFY THE APPROPRIATE AUTHORITIES OF ANY SUSPECTED ABUSE OR NEGLECT IN ACCORDANCE WITH § 5-704 OF THE FAMILY LAW ARTICLE.
- (B) (1) IF A SERVICE PROVIDER IS UNABLE TO CONTACT, AND DOES NOT SUSPECT ABUSE BY, A PARENT, A GUARDIAN, OR AN ADULT RELATIVE OF AN UNACCOMPANIED MINOR IN NEED OF SHELTER, THE SERVICE PROVIDER SHALL:

- (I) NOTIFY THE MINOR OF THE REQUIREMENTS OF THIS SECTION; AND
- (II) AFTER PROVIDING THE NOTICE REQUIRED UNDER ITEM (I)
  OF THIS PARAGRAPH, CONTACT THE NATIONAL CENTER FOR MISSING AND
  EXPLOITED CHILDREN TO DETERMINE IF THE MINOR HAS BEEN REPORTED MISSING
  BY A LEGAL GUARDIAN.
- (2) IF A SERVICE PROVIDER RECEIVES INFORMATION INDICATING THAT AN UNACCOMPANIED MINOR IN NEED OF SHELTER IS MISSING FROM FOSTER CARE, THE SERVICE PROVIDER SHALL CONTACT THE LOCAL DEPARTMENT OF SOCIAL SERVICES.
- (3) IF A SERVICE PROVIDER RECEIVES INFORMATION INDICATING THAT AN UNACCOMPANIED MINOR IN NEED OF SHELTER HAS BEEN REPORTED MISSING BY A LEGAL GUARDIAN OTHER THAN THE LOCAL DEPARTMENT OF SOCIAL SERVICES, THE SERVICE PROVIDER SHALL CONTACT LOCAL LAW ENFORCEMENT.
- (C) A SERVICE PROVIDER SHALL DOCUMENT EFFORTS AND COMMUNICATIONS MADE UNDER SUBSECTION (B) OF THIS SECTION.

4-2705.

- (A) EXCEPT AS PROVIDED UNDER SUBSECTION (B) OF THIS SECTION, A A SERVICE PROVIDER THAT PROVIDES SHELTER AND SUPPORTIVE SERVICES TO AN UNACCOMPANIED MINOR IN NEED OF SHELTER UNDER IN ACCORDANCE WITH THIS SUBTITLE IS NOT CIVILLY OR CRIMINALLY LIABLE OR SUBJECT TO A DISCIPLINARY PENALTY BASED SOLELY ON THE PROVIDER'S REASONABLE DETERMINATION TO PROVIDE THE SHELTER AND SUPPORTIVE SERVICES.
- (B) A SERVICE PROVIDER IS CIVILLY OR CRIMINALLY LIABLE OR SUBJECT TO A DISCIPLINARY PENALTY IF THE SERVICE PROVIDER'S DETERMINATION TO PROVIDE SHELTER AND SUPPORTIVE SERVICES OR THE SERVICE PROVIDER'S CONDUCT IN PROVIDING SHELTER AND SUPPORTIVE SERVICES IS THE RESULT OF THE SERVICE PROVIDER'S:
  - (1) GROSS NEGLIGENCE; OR
  - (2) WILLFUL OR WANTON ACTS OR OMISSIONS.

4-2706.

THE DEPARTMENT SHALL ESTABLISH AND MAINTAIN A REGISTRY OF ALL SERVICE PROVIDERS THAT REGISTER UNDER § 4–2703 OF THIS SUBTITLE TO

PROVIDE SHELTER AND SUPPORTIVE SERVICES TO UNACCOMPANIED MINORS IN NEED OF SHELTER.

4-2707.

- (A) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THIS SUBTITLE.
  - (B) THE REGULATIONS SHALL INCLUDE:
- (1) A PROHIBITION AGAINST A SERVICE PROVIDER KNOWINGLY HIRING OR RETAINING AN INDIVIDUAL WHO HAS BEEN CONVICTED OF A CRIME INVOLVING:
- (I) AN OFFENSE UNDER § 3–307 OR § 3–308 OF THE CRIMINAL LAW ARTICLE OR AN OFFENSE UNDER THE LAWS OF ANOTHER STATE THAT WOULD CONSTITUTE A VIOLATION OF § 3–307 OR § 3–308 OF THE CRIMINAL LAW ARTICLE IF COMMITTED IN THE STATE;
- (II) CHILD ABUSE UNDER § 3–601 OF THE CRIMINAL LAW ARTICLE OR AN OFFENSE UNDER THE LAWS OF ANOTHER STATE THAT WOULD CONSTITUTE CHILD ABUSE UNDER § 3–601 OF THE CRIMINAL LAW ARTICLE IF COMMITTED IN THE STATE;
- (H) (III) CHILD SEXUAL ABUSE UNDER § 3–602 OF THE CRIMINAL LAW ARTICLE OR AN OFFENSE UNDER THE LAWS OF ANOTHER STATE THAT WOULD CONSTITUTE CHILD SEXUAL ABUSE UNDER § 3–602 OF THE CRIMINAL LAW ARTICLE IF COMMITTED IN THE STATE; OR
- ARTICLE OR AN OFFENSE UNDER THE LAWS OF ANOTHER STATE THAT WOULD CONSTITUTE NEGLECT UNDER § 3–602.1 OF THE CRIMINAL LAW ARTICLE IF COMMITTED IN THE STATE; OR
- $\frac{(HI)}{(V)}$  A CRIME OF VIOLENCE AS DEFINED IN § 14–101 OF THE CRIMINAL LAW ARTICLE OR AN OFFENSE UNDER THE LAWS OF ANOTHER STATE THAT WOULD BE A VIOLATION OF § 14–101 OF THE CRIMINAL LAW ARTICLE IF COMMITTED IN THE STATE; AND
- (2) A REQUIREMENT THAT EACH SERVICE PROVIDER APPLY TO THE CRIMINAL JUSTICE INFORMATION SYSTEM CENTRAL REPOSITORY OF THE DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES FOR A STATE AND NATIONAL CRIMINAL HISTORY RECORDS CHECK FOR EACH STAFF MEMBER WHO SERVES MINORS. PROVIDE TRAINING FOR EACH STAFF MEMBER WHO SERVES

MINORS REGARDING MANDATORY REPORTING OF SUSPECTED ABUSE OR NEGLECT IN ACCORDANCE WITH § 4–2704 OF THIS SUBTITLE AND § 5–704 OF THE FAMILY LAW ARTICLE.

# <u>4-2708.</u>

- (A) IN THIS SECTION, "CENTRAL REPOSITORY" MEANS THE CRIMINAL JUSTICE INFORMATION SYSTEM CENTRAL REPOSITORY OF THE DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES.
- (B) FOR EACH STAFF MEMBER WHO WORKS WITH UNACCOMPANIED MINORS, A SERVICE PROVIDER SHALL:
- (1) APPLY TO THE CENTRAL REPOSITORY FOR A STATE AND NATIONAL CRIMINAL HISTORY RECORDS CHECK; OR
- (2) REQUEST A PRIVATE AGENCY TO CONDUCT A BACKGROUND CHECK.
- (C) (1) AS PART OF AN APPLICATION TO THE CENTRAL REPOSITORY FOR A STATE AND NATIONAL CRIMINAL HISTORY RECORDS CHECK, THE SERVICE PROVIDER SHALL SUBMIT TO THE CENTRAL REPOSITORY:
- (I) ONE COMPLETE SET OF LEGIBLE FINGERPRINTS OF THE STAFF MEMBER TAKEN IN A FORMAT APPROVED BY THE DIRECTOR OF THE CENTRAL REPOSITORY AND THE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION;
- (II) THE FEE AUTHORIZED UNDER § 10–221(B)(7) OF THE CRIMINAL PROCEDURE ARTICLE FOR ACCESS TO STATE CRIMINAL HISTORY RECORDS; AND
- (III) THE MANDATORY PROCESSING FEE REQUIRED BY THE FEDERAL BUREAU OF INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY RECORDS CHECK.
- (2) IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE CRIMINAL PROCEDURE ARTICLE, THE CENTRAL REPOSITORY SHALL FORWARD TO THE SERVICE PROVIDER AND THE STAFF MEMBER THE CRIMINAL HISTORY RECORD INFORMATION OF THE STAFF MEMBER.
- (3) Information obtained from the Central Repository under this subsection:

- (I) IS CONFIDENTIAL AND MAY NOT BE REDISSEMINATED; AND
- (II) MAY BE USED ONLY FOR THE SCREENING PURPOSES AUTHORIZED BY THIS SUBTITLE.
- (4) A PERSON WHO IS THE SUBJECT OF A CRIMINAL HISTORY RECORDS CHECK UNDER THIS SUBSECTION MAY CONTEST THE CONTENTS OF THE PRINTED STATEMENT ISSUED BY THE CENTRAL REPOSITORY AS PROVIDED IN § 10–223 OF THE CRIMINAL PROCEDURE ARTICLE.
- (D) IF A SERVICE PROVIDER REQUESTS A PRIVATE AGENCY TO CONDUCT A BACKGROUND CHECK:
  - (1) THE PRIVATE AGENCY SHALL:
- (I) CONDUCT A BACKGROUND CHECK IN EACH STATE WHERE THE SERVICE PROVIDER KNOWS OR HAS REASON TO BELIEVE THE STAFF MEMBER WORKED OR RESIDED DURING THE PAST 7 YEARS; AND
- (II) ISSUE A STATEMENT OF THE PRIVATE AGENCY'S FINDINGS
  TO:
  - 1. ON REQUEST, THE STAFF MEMBER; AND
  - 2. THE SERVICE PROVIDER; AND
- (2) THE STAFF MEMBER SHALL HAVE AN OPPORTUNITY TO CONTEST THE FINDINGS OF THE PRIVATE AGENCY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 109

(Senate Bill 207)

AN ACT concerning

Unaccompanied Minors in Need of Shelter and Supportive Services

FOR the purpose of authorizing a certain unaccompanied minor in need of shelter to consent to shelter and supportive services under certain circumstances; authorizing a certain unaccompanied minor in need of shelter to consent to shelter and supportive services for a certain child; requiring a certain service provider to register with the Department of Housing and Community Development under a certain provision of law and obtain written consent, including a certain statement, from a certain unaccompanied minor in need of shelter before providing shelter and supportive services; requiring a certain service provider to develop and implement a certain procedure to screen staff members who work with minors; prohibiting a certain service provider from providing shelter to an unaccompanied minor in need of shelter under certain circumstances; requiring a certain service provider to contact a certain individual within a certain time after providing shelter to an unaccompanied minor in need of shelter; requiring a certain service provider to contact a certain individual or entity under certain circumstances; requiring a service provider to document certain efforts and communications; requiring a certain service provider to notify certain authorities of any suspected child abuse or neglect in a certain manner; providing that a certain service provider is not liable for civil damages or subject to certain penalties under certain circumstances; requiring the Department to establish and maintain a certain registry and to adopt certain regulations; requiring a certain service provider, for a certain staff member, to apply to the Central Repository for a certain criminal history records check in a certain manner or to request a private agency to conduct a certain background check in a certain manner; providing that certain information obtained from the Central Repository is confidential, may not be redisseminated, and may be used only for certain purposes; authorizing a certain person to contest the contents of a certain statement or the findings of a certain private agency in a certain manner; defining certain terms; and generally relating to unaccompanied minors in need of shelter and supportive services.

#### BY adding to

Article – Housing and Community Development

Section 4–2701 through 4–2707 <u>4–2708</u> to be under the new subtitle "Subtitle 27. Unaccompanied Minors in Need of Shelter and Supportive Services"

Annotated Code of Maryland

(2019 Replacement Volume and 2019 Supplement)

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

# Article - Housing and Community Development

# SUBTITLE 27. UNACCOMPANIED MINORS IN NEED OF SHELTER AND SUPPORTIVE SERVICES.

4-2701.

- (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (B) (1) "SERVICE PROVIDER" MEANS A PUBLIC OR PRIVATE NONPROFIT ORGANIZATION THAT PROVIDES SHELTER AND SUPPORTIVE SERVICES TO UNACCOMPANIED MINORS IN NEED OF SHELTER.
  - (2) "SERVICE PROVIDER" INCLUDES A HOST HOME PROGRAM.
- (C) "SUPPORTIVE SERVICES" MEANS INTERVENTIONS, SERVICES, OR RESOURCES NECESSARY TO ASSIST UNACCOMPANIED MINORS IN NEED OF SHELTER IN ACQUIRING OR MAINTAINING:
  - (1) STABLE HOUSING;
- (2) PERMANENT CONNECTIONS, INCLUDING ONGOING ATTACHMENTS TO FAMILIES, COMMUNITIES, SCHOOLS, AND OTHER POSITIVE SOCIAL NETWORKS;
- (3) EDUCATION AND EMPLOYMENT, INCLUDING HIGH PERFORMANCE IN COMPLETION OF EDUCATION AND TRAINING ACTIVITIES, ESPECIALLY FOR YOUNGER YOUTH, AND STARTING AND MAINTAINING ADEQUATE AND STABLE EMPLOYMENT, PARTICULARLY FOR OLDER YOUTH; OR
- (4) SOCIAL AND EMOTIONAL WELL-BEING, INCLUDING THE DEVELOPMENT OF KEY COMPETENCIES, ATTITUDES, AND BEHAVIORS THAT EQUIP A YOUNG PERSON TO SUCCEED ACROSS MULTIPLE DOMAINS OF DAILY LIFE, INCLUDING SCHOOL, WORK, RELATIONSHIPS, AND COMMUNITY.
  - (D) "UNACCOMPANIED MINOR IN NEED OF SHELTER" MEANS A MINOR:
- (1) WHO IS NOT IN THE PHYSICAL CUSTODY OF A PARENT OR LEGAL GUARDIAN; AND
- (2) WHO IS NOT IN THE PHYSICAL CUSTODY OF A PARENT OR GUARDIAN AND
- (I) WHO LACKS A FIXED, REGULAR, AND ADEQUATE NIGHTTIME RESIDENCE AS DEFINED IN THE MCKINNEY-VENTO HOMELESS ASSISTANCE ACT; OR
- (2) (II) WHOSE STATUS OR CIRCUMSTANCES INDICATE A SIGNIFICANT DANGER OF EXPERIENCING HOMELESSNESS IN THE NEAR FUTURE.

4-2702.

- (A) AN UNACCOMPANIED MINOR IN NEED OF SHELTER MAY CONSENT TO SHELTER AND SUPPORTIVE SERVICES IF THE SERVICE PROVIDER REASONABLY BELIEVES THAT:
- (1) THE UNACCOMPANIED MINOR UNDERSTANDS THE SIGNIFICANT BENEFITS, RESPONSIBILITIES, RISKS, AND LIMITS OF THE SHELTER AND SERVICES AND CAN COMMUNICATE AN INFORMED CONSENT;
- (2) THE UNACCOMPANIED MINOR UNDERSTANDS THE REQUIREMENTS AND RULES OF THE SHELTER AND SERVICES; AND
- (3) THE SHELTER AND SERVICES ARE NECESSARY TO ENSURE THE UNACCOMPANIED MINOR'S SAFETY AND WELL-BEING.
- (B) AN UNACCOMPANIED MINOR IN NEED OF SHELTER WHO IS A PARENT MAY CONSENT TO SHELTER AND SUPPORTIVE SERVICES FOR THE MINOR'S CHILD.

  4-2703.
- (A) (1) BEFORE PROVIDING SHELTER AND SUPPORTIVE SERVICES TO AN UNACCOMPANIED MINOR IN NEED OF SHELTER, A SERVICE PROVIDER SHALL:
  - (I) REGISTER WITH THE DEPARTMENT; AND
- (II) <u>DEVELOP AND IMPLEMENT A PROCEDURE TO SCREEN EACH</u>
  STAFF MEMBER WHO WORKS WITH MINORS, INCLUDING THROUGH A STATE AND
  NATIONAL CRIMINAL HISTORY RECORDS CHECK OR A PRIVATE AGENCY
  BACKGROUND CHECK CONDUCTED IN ACCORDANCE WITH § 4–2708 OF THIS
  SUBTITLE; AND
- (III) OBTAIN WRITTEN CONSENT FROM THE UNACCOMPANIED MINOR IN NEED OF SHELTER.
- (2) THE WRITTEN CONSENT FROM THE UNACCOMPANIED MINOR IN NEED OF SHELTER SHALL STATE THE MINOR'S:
  - (I) AGE;
  - (II) GUARDIANSHIP STATUS, IF KNOWN; AND
  - (III) LIVING SITUATION.

- (B) A SERVICE PROVIDER MAY NOT PROVIDE SHELTER TO A MINOR IF THE SERVICE PROVIDER HAS KNOWLEDGE THAT THE MINOR:
- (1) KNOWINGLY PROVIDED FALSE INFORMATION IN THE WRITTEN CONSENT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION; OR
- (2) DOES NOT MEET THE DEFINITION OF AN UNACCOMPANIED MINOR IN NEED OF SHELTER UNDER THIS SUBTITLE.

4-2704.

- (A) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A AFTER PROVIDING SHELTER TO AN UNACCOMPANIED MINOR IN NEED OF SHELTER, A SERVICE PROVIDER SHALL:
- (1) (I) AS SOON AS POSSIBLE AND WITHIN 72 HOURS, CONTACT A PARENT, A GUARDIAN, OR AN ADULT RELATIVE OF AN UNACCOMPANIED THE MINOR IN NEED OF SHELTER AS SOON AS POSSIBLE AND WITHIN 72 HOURS AFTER PROVIDING SHELTER; OR
- (II) IF THE SERVICE PROVIDER SUSPECTS ABUSE OR NEGLECT BY THE PARENT, GUARDIAN, OR ADULT RELATIVE OF THE MINOR, IMMEDIATELY NOTIFY THE APPROPRIATE AUTHORITIES OF THE SUSPECTED ABUSE OR NEGLECT IN ACCORDANCE WITH § 5–704 OF THE FAMILY LAW ARTICLE; AND
- (2) IF THE SERVICE PROVIDER SUSPECTS ANY ABUSE OR NEGLECT OF THE UNACCOMPANIED MINOR IN NEED OF SHELTER, IMMEDIATELY NOTIFY THE APPROPRIATE AUTHORITIES OF THE SUSPECTED ABUSE OR NEGLECT IN ACCORDANCE WITH § 5–704 OF THE FAMILY LAW ARTICLE.
- (2) A SERVICE PROVIDER SHALL CONTACT ANOTHER ADULT IDENTIFIED BY THE UNACCOMPANIED MINOR IN NEED OF SHELTER AS SOON AS POSSIBLE IF:
- (I) THE SERVICE PROVIDER DETERMINES THAT IT IS NOT IN THE BEST INTEREST OF THE UNACCOMPANIED MINOR IN NEED OF SHELTER TO CONTACT A PARENT, A GUARDIAN, OR AN ADULT RELATIVE;
- (II) THE SERVICE PROVIDER IS UNABLE TO CONTACT A PARENT, A GUARDIAN, OR AN ADULT RELATIVE; OR
- (III) THE UNACCOMPANIED MINOR IN NEED OF SHELTER REFUSES TO PROVIDE THE NAME OR CONTACT INFORMATION OF A PARENT, A GUARDIAN, OR AN ADULT RELATIVE.

- (3) IF A SERVICE PROVIDER CONTACTS ANOTHER ADULT IDENTIFIED BY THE UNACCOMPANIED MINOR IN NEED OF SHELTER UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE SERVICE PROVIDER SHALL DOCUMENT THE REASON THE SERVICE PROVIDER DID NOT CONTACT A PARENT, A GUARDIAN, OR AN ADULT RELATIVE OF THE UNACCOMPANIED MINOR IN NEED OF SHELTER.
- (B) A SERVICE PROVIDER SHALL NOTIFY THE APPROPRIATE AUTHORITIES OF ANY SUSPECTED ABUSE OR NEGLECT IN ACCORDANCE WITH § 5-704 OF THE FAMILY LAW ARTICLE.
- (B) (1) IF A SERVICE PROVIDER IS UNABLE TO CONTACT, AND DOES NOT SUSPECT ABUSE BY, A PARENT, A GUARDIAN, OR AN ADULT RELATIVE OF AN UNACCOMPANIED MINOR IN NEED OF SHELTER, THE SERVICE PROVIDER SHALL:
- (I) NOTIFY THE MINOR OF THE REQUIREMENTS OF THIS SECTION; AND
- (II) AFTER PROVIDING THE NOTICE REQUIRED UNDER ITEM (I)
  OF THIS PARAGRAPH, CONTACT THE NATIONAL CENTER FOR MISSING AND
  EXPLOITED CHILDREN TO DETERMINE IF THE MINOR HAS BEEN REPORTED MISSING
  BY A LEGAL GUARDIAN.
- (2) IF A SERVICE PROVIDER RECEIVES INFORMATION INDICATING THAT AN UNACCOMPANIED MINOR IN NEED OF SHELTER IS MISSING FROM FOSTER CARE, THE SERVICE PROVIDER SHALL CONTACT THE LOCAL DEPARTMENT OF SOCIAL SERVICES.
- (3) IF A SERVICE PROVIDER RECEIVES INFORMATION INDICATING THAT AN UNACCOMPANIED MINOR IN NEED OF SHELTER HAS BEEN REPORTED MISSING BY A LEGAL GUARDIAN OTHER THAN THE LOCAL DEPARTMENT OF SOCIAL SERVICES, THE SERVICE PROVIDER SHALL CONTACT LOCAL LAW ENFORCEMENT.
- (C) A SERVICE PROVIDER SHALL DOCUMENT EFFORTS AND COMMUNICATIONS MADE UNDER SUBSECTION (B) OF THIS SECTION.

4-2705.

(A) EXCEPT AS PROVIDED UNDER SUBSECTION (B) OF THIS SECTION, A A SERVICE PROVIDER THAT PROVIDES SHELTER AND SUPPORTIVE SERVICES TO AN UNACCOMPANIED MINOR IN NEED OF SHELTER UNDER IN ACCORDANCE WITH THIS SUBTITLE IS NOT CIVILLY OR CRIMINALLY LIABLE OR SUBJECT TO A DISCIPLINARY PENALTY BASED SOLELY ON THE PROVIDER'S REASONABLE DETERMINATION TO PROVIDE THE SHELTER AND SUPPORTIVE SERVICES.

- (B) A SERVICE PROVIDER IS CIVILLY OR CRIMINALLY LIABLE OR SUBJECT TO A DISCIPLINARY PENALTY IF THE SERVICE PROVIDER'S DETERMINATION TO PROVIDE SHELTER AND SUPPORTIVE SERVICES OR THE SERVICE PROVIDER'S CONDUCT IN PROVIDING SHELTER AND SUPPORTIVE SERVICES IS THE RESULT OF THE SERVICE PROVIDER'S:
  - (1) GROSS NEGLIGENCE; OR
  - (2) WILLFUL OR WANTON ACTS OR OMISSIONS.

4-2706.

THE DEPARTMENT SHALL ESTABLISH AND MAINTAIN A REGISTRY OF ALL SERVICE PROVIDERS THAT REGISTER UNDER § 4–2703 OF THIS SUBTITLE TO PROVIDE SHELTER AND SUPPORTIVE SERVICES TO UNACCOMPANIED MINORS IN NEED OF SHELTER.

4-2707.

- (A) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THIS SUBTITLE.
  - (B) THE REGULATIONS SHALL INCLUDE:
- (1) A PROHIBITION AGAINST A SERVICE PROVIDER KNOWINGLY HIRING OR RETAINING AN INDIVIDUAL WHO HAS BEEN CONVICTED OF A CRIME INVOLVING:
- (I) AN OFFENSE UNDER § 3–307 OR § 3–308 OF THE CRIMINAL LAW ARTICLE OR AN OFFENSE UNDER THE LAWS OF ANOTHER STATE THAT WOULD CONSTITUTE A VIOLATION OF § 3–307 OR § 3–308 OF THE CRIMINAL LAW ARTICLE IF COMMITTED IN THE STATE;
- (II) CHILD ABUSE UNDER § 3–601 OF THE CRIMINAL LAW ARTICLE OR AN OFFENSE UNDER THE LAWS OF ANOTHER STATE THAT WOULD CONSTITUTE CHILD ABUSE UNDER § 3–601 OF THE CRIMINAL LAW ARTICLE IF COMMITTED IN THE STATE;
- (III) CHILD SEXUAL ABUSE UNDER § 3–602 OF THE CRIMINAL LAW ARTICLE OR AN OFFENSE UNDER THE LAWS OF ANOTHER STATE THAT WOULD CONSTITUTE CHILD SEXUAL ABUSE UNDER § 3–602 OF THE CRIMINAL LAW ARTICLE IF COMMITTED IN THE STATE:  $\Theta$ R

- (IV) CHILD NEGLECT UNDER § 3–602.1 OF THE CRIMINAL LAW ARTICLE OR AN OFFENSE UNDER THE LAWS OF ANOTHER STATE THAT WOULD CONSTITUTE NEGLECT UNDER § 3–602.1 OF THE CRIMINAL LAW ARTICLE IF COMMITTED IN THE STATE; OR
- (HI) (V) A CRIME OF VIOLENCE AS DEFINED IN § 14–101 OF THE CRIMINAL LAW ARTICLE OR AN OFFENSE UNDER THE LAWS OF ANOTHER STATE THAT WOULD BE A VIOLATION OF § 14–101 OF THE CRIMINAL LAW ARTICLE IF COMMITTED IN THE STATE; AND
- (2) A REQUIREMENT THAT EACH SERVICE PROVIDER APPLY TO THE CRIMINAL JUSTICE INFORMATION SYSTEM CENTRAL REPOSITORY OF THE DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES FOR A STATE AND NATIONAL CRIMINAL HISTORY RECORDS CHECK FOR EACH STAFF MEMBER WHO SERVES MINORS. PROVIDE TRAINING FOR EACH STAFF MEMBER WHO SERVES MINORS REGARDING MANDATORY REPORTING OF SUSPECTED ABUSE OR NEGLECT IN ACCORDANCE WITH § 4–2704 OF THIS SUBTITLE AND § 5–704 OF THE FAMILY LAW ARTICLE.

# <u>4–2708.</u>

- (A) IN THIS SECTION, "CENTRAL REPOSITORY" MEANS THE CRIMINAL JUSTICE INFORMATION SYSTEM CENTRAL REPOSITORY OF THE DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES.
- (B) FOR EACH STAFF MEMBER WHO WORKS WITH UNACCOMPANIED MINORS, A SERVICE PROVIDER SHALL:
- (1) APPLY TO THE CENTRAL REPOSITORY FOR A STATE AND NATIONAL CRIMINAL HISTORY RECORDS CHECK; OR
- (2) REQUEST A PRIVATE AGENCY TO CONDUCT A BACKGROUND CHECK.
- (C) (1) AS PART OF AN APPLICATION TO THE CENTRAL REPOSITORY FOR A STATE AND NATIONAL CRIMINAL HISTORY RECORDS CHECK, THE SERVICE PROVIDER SHALL SUBMIT TO THE CENTRAL REPOSITORY:
- (I) ONE COMPLETE SET OF LEGIBLE FINGERPRINTS OF THE STAFF MEMBER TAKEN IN A FORMAT APPROVED BY THE DIRECTOR OF THE CENTRAL REPOSITORY AND THE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION;

- (II) THE FEE AUTHORIZED UNDER § 10–221(B)(7) OF THE CRIMINAL PROCEDURE ARTICLE FOR ACCESS TO STATE CRIMINAL HISTORY RECORDS; AND
- (III) THE MANDATORY PROCESSING FEE REQUIRED BY THE FEDERAL BUREAU OF INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY RECORDS CHECK.
- (2) IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE CRIMINAL PROCEDURE ARTICLE, THE CENTRAL REPOSITORY SHALL FORWARD TO THE SERVICE PROVIDER AND THE STAFF MEMBER THE CRIMINAL HISTORY RECORD INFORMATION OF THE STAFF MEMBER.
- (3) Information obtained from the Central Repository under this subsection:
  - (I) IS CONFIDENTIAL AND MAY NOT BE REDISSEMINATED; AND
- (II) MAY BE USED ONLY FOR THE SCREENING PURPOSES AUTHORIZED BY THIS SUBTITLE.
- (4) A PERSON WHO IS THE SUBJECT OF A CRIMINAL HISTORY RECORDS CHECK UNDER THIS SUBSECTION MAY CONTEST THE CONTENTS OF THE PRINTED STATEMENT ISSUED BY THE CENTRAL REPOSITORY AS PROVIDED IN § 10–223 OF THE CRIMINAL PROCEDURE ARTICLE.
- (D) IF A SERVICE PROVIDER REQUESTS A PRIVATE AGENCY TO CONDUCT A BACKGROUND CHECK:
  - (1) THE PRIVATE AGENCY SHALL:
- (I) CONDUCT A BACKGROUND CHECK IN EACH STATE WHERE THE SERVICE PROVIDER KNOWS OR HAS REASON TO BELIEVE THE STAFF MEMBER WORKED OR RESIDED DURING THE PAST 7 YEARS; AND
- (II) ISSUE A STATEMENT OF THE PRIVATE AGENCY'S FINDINGS
  TO:
  - 1. ON REQUEST, THE STAFF MEMBER; AND
  - 2. THE SERVICE PROVIDER; AND
- (2) THE STAFF MEMBER SHALL HAVE AN OPPORTUNITY TO CONTEST THE FINDINGS OF THE PRIVATE AGENCY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 110

(House Bill 216)

AN ACT concerning

# Election Law - Campaign Material - Definition and Authority Line for Telephone Calls

FOR the purpose of clarifying the definition of "campaign material" by providing that the text, graphics, or other images contained in the material must primarily relate to campaign activity for an election; altering the definition of "campaign material" to include certain material that relates to a political party or that is an automated or prerecorded oral communication; requiring campaign material published, distributed, or disseminated through the telephone to include an authority line at the beginning of the telephone call; providing for a delayed effective date; and generally relating to campaign material.

BY repealing and reenacting, without amendments,

Article - Election Law

Section 1–101(a) and 13–401

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Election Law

Section 1-101(k) and 13-401

Annotated Code of Maryland

(2017 Replacement Volume and 2019 Supplement)

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

#### Article - Election Law

1-101.

(a) In this article the following words have the meanings indicated unless a different meaning is clearly intended from the context.

- (k) (1) "Campaign material" means any material that:
- (i) contains text, graphics, or other images **THAT ARE PRIMARILY RELATED TO CAMPAIGN ACTIVITY FOR AN ELECTION**;
- (ii) relates to a candidate, a prospective candidate, A POLITICAL PARTY, or the approval or rejection of a question or prospective question; and
  - (iii) is published, distributed, or disseminated.
  - (2) "Campaign material" includes:
    - (i) a qualifying paid digital communication;
- (ii) any other material transmitted by or appearing on the Internet or other electronic medium; [and]
  - (iii) an oral commercial campaign advertisement; AND
  - (IV) AN AUTOMATED OR PRERECORDED ORAL COMMUNICATION.

13–401.

- (a) (1) Except as otherwise provided in this section, each item of campaign material shall contain, set apart from any other message, an authority line that states:
- (i) as to campaign material published, distributed, or disseminated by a campaign finance entity:
- 1. the name and address of the treasurer of each campaign finance entity responsible for the campaign material; and
- 2. as to each treasurer named under item 1 of this item, the name of each campaign finance entity for which the treasurer is acting; and
- (ii) as to campaign material published, distributed, or disseminated by any other person, the name and address of the person responsible for the campaign material.
- (2) The authority line may omit an address that is on file with the State Board or a local board.
- (3) If the campaign material is too small to include all the information specified in paragraph (1) of this subsection in a legible manner, the authority line need only contain the information required by regulations adopted by the State Board.

- (4) The authority line for campaign material that is a commercial advertisement need only contain the information specified in paragraphs (1) and (2) of this subsection for one campaign finance entity or other person responsible for the advertisement.
- (5) CAMPAIGN MATERIAL THAT IS PUBLISHED, DISTRIBUTED, OR DISSEMINATED THROUGH THE TELEPHONE SHALL INCLUDE AN AUTHORITY LINE AT THE REGINNING OF THE TELEPHONE CALL.
- (b) Campaign material that is published or distributed in support of or in opposition to a candidate, but is not authorized by the candidate, shall include the following statement:

"This message has been authorized and paid for by (name of payor or any organization affiliated with the payor), (name and title of treasurer or president). This message has not been authorized or approved by any candidate."

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

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 111

(House Bill 219)

AN ACT concerning

# Maryland Estate Tax – Portability

FOR the purpose of requiring a person who files a Maryland estate tax return solely for the purpose of making a certain election to file the return within a certain period of time; clarifying the definition of "deceased spousal unused exclusion amount" for purposes of certain provisions of law governing the calculation of the Maryland estate tax in the case of a certain surviving spouse; authorizing the Comptroller to examine certain Maryland estate tax returns to determine the amount of a deceased spousal unused exclusion election; prohibiting an additional assessment of estate tax if a certain period of limitation has expired; making a conforming change; and generally relating to the Maryland estate tax.

BY repealing and reenacting, with amendments, Article – Tax – General Section <u>7–305, 7–306(c), and</u> 7–309 Annotated Code of Maryland (2016 Replacement Volume and 2019 Supplement)

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

#### Article - Tax - General

<del>7-305.</del>

- (a) If a federal estate tax return is required to be filed, the person responsible for filing the federal estate tax return shall complete, under oath, and file a Maryland estate tax return with the Comptroller 9 months after the date of the death of a decedent.
- (b) If a federal estate tax return is not required to be filed but a federal estate tax return would be required to be filed if the applicable exclusion amount under § 2010(c) of the Internal Revenue Code were no greater than the applicable exclusion amount specified under § 7–309(b) of this subtitle, the person who would be responsible for filing the federal estate tax return shall complete, under oath, and file a Maryland estate tax return with the Comptroller 9 months after the date of the death of the decedent.
- (C) IF A PERSON FILES A MARYLAND ESTATE TAX RETURN SOLELY FOR THE PURPOSE OF MAKING THE ELECTION UNDER § 7–309(B) OF THIS SUBTITLE TO ALLOW A SURVIVING SPOUSE TO TAKE INTO ACCOUNT THE DECEASED SPOUSAL UNUSED EXCLUSION AMOUNT, THE PERSON SHALL FILE THE MARYLAND ESTATE TAX RETURN WITHIN 2 YEARS AFTER THE DATE OF DEATH OF THE DECEDENT.
- [(c)] (D) (1) After a person files a Maryland estate tax return, the person shall file an amended Maryland estate tax return with the Comptroller if the Maryland estate tax liability is increased because of:
- (i) a change in the federal gross estate, federal taxable estate, federal estate tax, or other change as determined under the Internal Revenue Code;
  - (ii) after-discovered property;
  - (iii) a correction to the value of previously reported property;
  - (iv) a correction to the amount of previously claimed deductions; or
  - (v) any other correction to a previously filed return.
- (2) (i) The amended return shall be filed within 90 days after the later to occur of the date of the event that caused the increase in the Maryland estate tax liability or the date on which the person required to file an amended Maryland estate tax return learned or reasonably should have learned of the increase in the Maryland estate tax liability.

(ii) On request, each register shall certify to the Comptroller the amount of inheritance tax paid for each decedent for whom an amended Maryland estate tax return is filed with the Comptroller.

#### <del>7–306.</del>

(c) If an amended Maryland estate tax return is filed pursuant to [§ 7–305(c)] § 7–305(D) of this subtitle, the person responsible for filing the amended Maryland estate tax return shall pay the additional Maryland estate tax developed on the amended Maryland estate tax return to the Comptroller when the amended Maryland estate tax return is filed with the Comptroller.

#### 7–309.

- (a) Notwithstanding an Act of Congress that repeals or reduces the federal credit under § 2011 of the Internal Revenue Code, the provisions of this subtitle in effect before the passage of the Act of Congress shall apply with respect to a decedent who dies after the effective date of the Act of Congress so as to continue the Maryland estate tax in force without reduction in the same manner as if the federal credit had not been repealed or reduced.
- (b) (1) Except as provided in paragraphs (2) through (9) of this subsection and subsection (c) of this section, after the effective date of an Act of Congress described in subsection (a) of this section, the Maryland estate tax shall be determined using:
- (i) the federal credit allowable by § 2011 of the Internal Revenue Code as in effect before the reduction or repeal of the federal credit pursuant to the Act of Congress; and
- (ii) other provisions of federal estate tax law as in effect on the date of the decedent's death.
- (2) Except as provided in paragraphs (3) through (9) of this subsection and subsection (c) of this section, if the federal estate tax is not in effect on the date of the decedent's death, the Maryland estate tax shall be determined using:
- (i) the federal credit allowable by § 2011 of the Internal Revenue Code as in effect before the reduction or repeal of the federal credit pursuant to the Act of Congress; and
- (ii) other provisions of federal estate tax law as in effect on the date immediately preceding the effective date of the repeal of the federal estate tax.
- (3) (i) Notwithstanding any increase in the unified credit allowed against the federal estate tax for decedents dying after 2003, the unified credit used for determining the Maryland estate tax for a decedent may not exceed the applicable credit

amount corresponding to an applicable exclusion amount, within the meaning of § 2010(c) of the Internal Revenue Code, of:

- 1. \$1,000,000 for a decedent dying before January 1, 2015;
- 2. \$1,500,000 for a decedent dying on or after January 1, 2015, but before January 1, 2016;
- 3. \$2,000,000 for a decedent dying on or after January 1, 2016, but before January 1, 2017;
- 4. \$3,000,000 for a decedent dying on or after January 1, 2017, but before January 1, 2018;
- 5.~~\$4,000,000 for a decedent dying on or after January 1, 2018, but before January 1, 2019; and
- 6. \$5,000,000 for a decedent dying on or after January 1, 2019, plus any deceased spousal unused exclusion amount calculated in accordance with paragraph (9) of this subsection.
- (ii) The Maryland estate tax shall be determined without regard to any deduction for State death taxes allowed under § 2058 of the Internal Revenue Code.
- (iii) Unless the federal credit allowable by § 2011 of the Internal Revenue Code is in effect on the date of the decedent's death, the federal credit used to determine the Maryland estate tax may not exceed 16% of the amount by which the decedent's taxable estate, as defined in § 2051 of the Internal Revenue Code, exceeds:
  - 1. \$1,000,000 for a decedent dying before January 1, 2015;
- 2. \$1,500,000 for a decedent dying on or after January 1, 2015, but before January 1, 2016;
- 3. \$2,000,000 for a decedent dying on or after January 1, 2016, but before January 1, 2017;
- 4. \$3,000,000 for a decedent dying on or after January 1, 2017, but before January 1, 2018;
- 5. \$4,000,000 for a decedent dying on or after January 1, 2018, but before January 1, 2019; and
- 6. \$5,000,000 for a decedent dying on or after January 1, 2019, plus any deceased spousal unused exclusion amount calculated in accordance with paragraph (9) of this subsection.

- (4) (i) With regard to an election to value property as provided in § 2032 of the Internal Revenue Code, if a federal estate tax return is not required to be filed:
- 1. an irrevocable election made on a timely filed Maryland estate tax return shall be deemed to be an election as required by  $\S~2032(d)$  of the Internal Revenue Code;
- 2. the provisions of § 2032(c) of the Internal Revenue Code do not apply; and
- 3. an election may not be made under item 1 of this subparagraph unless that election will decrease:
  - A. the value of the gross estate; and
- B. the Maryland estate tax due with regard to the transfer of a decedent's Maryland estate.
- (ii) An election to value property as provided in § 2032 of the Internal Revenue Code for Maryland estate tax purposes must be the same as the election made for federal estate tax purposes.
- (5) (i) With regard to an election to treat property as marital deduction qualified terminable interest property in calculating the Maryland estate tax, an irrevocable election made on a timely filed Maryland estate tax return shall be deemed to be an election as required by § 2056(b)(7)(B)(i), (iii), and (v) of the Internal Revenue Code.
- (ii) An election under this paragraph made on a timely filed Maryland estate tax return shall be recognized for purposes of calculating the Maryland estate tax even if an inconsistent election is made for the same decedent for federal estate tax purposes.
- (6) (i) For purposes of calculating Maryland estate tax, a decedent shall be deemed to have had a qualifying income interest for life under § 2044(a) of the Internal Revenue Code with regard to any property for which a marital deduction qualified terminable interest property election was made for the decedent's predeceased spouse on a timely filed Maryland estate tax return under paragraph (5) of this subsection.
- (ii) For the purpose of apportioning Maryland estate tax under § 7–308 of this subtitle, any property as to which a decedent is deemed to have had a qualifying income interest for life under subparagraph (i) of this paragraph shall be deemed to be included in both the estate and the taxable estate of the decedent.
- (7) For purposes of calculating Maryland estate tax, amounts allowable under § 2053 or § 2054 of the Internal Revenue Code as a deduction in computing the taxable estate of a decedent may not be allowed as a deduction or as an offset against the

sales price of property in determining gain or loss if the amount has been allowed as a deduction in computing the federal taxable income of the estate or of any other person.

- (8) Notwithstanding any contrary definition of "marriage" and "spouse" under any applicable provision of federal law, for purposes of calculating Maryland estate tax under this subsection, the surviving "spouse" of a decedent shall include any individual to whom, at the time of the decedent's death, the decedent was lawfully married as determined under the laws of the State.
- (9) (i) In this paragraph, "deceased spousal unused exclusion amount" means the applicable exclusion amount in effect at the time of the death of the last predeceased spouse of the decedent under paragraph (3) of this subsection reduced by the taxable estate of the last predeceased spouse:
- 1. as reported on a Maryland estate tax return filed with the Comptroller; or
  - 2. as reported on a federal estate tax return, if:

 $\underline{\mathbf{A}}$  the last predeceased spouse was not a Maryland resident and no property with a Maryland estate tax situs was includible in the gross estate of the last predeceased spouse;  $\mathbf{OR}$ 

# B. THE LAST PREDECEASED SPOUSE DIED BEFORE JANUARY 1, 2019, AND NO MARYLAND ESTATE TAX RETURN WAS REQUIRED TO BE FILED WITH RESPECT TO THE PREDECEASED SPOUSE'S ESTATE.

- (ii) The deceased spousal unused exclusion amount may not be taken into account under paragraph (3) of this subsection unless:
- 1. if the last predeceased spouse died on or after January 1, 2019, a Maryland estate tax return is timely filed for the last predeceased spouse, on which the deceased spousal unused exclusion amount is calculated and an irrevocable election is made that the deceased spousal unused exclusion amount may be taken into account; or
- 2. if the last predeceased spouse died before January 1, 2019, or was not a Maryland resident and no property with a Maryland estate tax situs was includible in the gross estate of the last predeceased spouse, an election was made under § 2010(c) of the Internal Revenue Code on the federal estate tax return of the last predeceased spouse.
- (III) 1. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, THE COMPTROLLER MAY EXAMINE A MARYLAND ESTATE TAX RETURN OF A PREDECEASED SPOUSE AFTER THE EXPIRATION OF THE TIME FOR ASSESSING A TAX UNDER THIS TITLE HAS EXPIRED UNDER § 13–1101 OF THIS ARTICLE SOLELY FOR THE PURPOSES OF DETERMINING THE VALIDITY OF THE DECEASED SPOUSAL

UNUSED EXCLUSION ELECTION AND THE AMOUNT TO BE TAKEN INTO ACCOUNT UNDER PARAGRAPH (3) OF THIS SUBSECTION.

- 2. This subparagraph may not be construed to authorize the assessment of any additional tax with respect to the predeceased spouse's Maryland estate tax return if the period of limitation under § 13–1101 of this article has expired.
- (c) (1) (i) In this subsection the following words have the meanings indicated.
- (ii) "Farming purposes" has the meaning stated in § 2032A(e)(5) of the Internal Revenue Code.
- (iii) "Qualified agricultural property" means real or personal property that is used primarily for farming purposes.
- (iv) "Qualified recipient" means an individual who enters into an agreement to use qualified agricultural property for farming purposes after the decedent's death.
- (2) The Maryland estate tax shall be determined by excluding from the value of the gross estate up to \$5,000,000 of the value of qualified agricultural property that passes from the decedent to or for the use of a qualified recipient.
- (3) If the value of qualified agricultural property that passes from the decedent to or for the use of a qualified recipient exceeds \$5,000,000, the Maryland estate tax imposed on the Maryland estate of the decedent may not exceed the sum of:
- (i) 16% of the amount by which the decedent's taxable estate, excluding the value of all qualified agricultural property that passes from the decedent to or for the use of a qualified recipient, exceeds the applicable exclusion amount specified under subsection (b) of this section; and
- (ii) 5% of the amount by which the value of qualified agricultural property that passes from the decedent to or for the use of a qualified recipient exceeds \$5,000,000.
- (4) (i) The Maryland estate tax shall be recaptured as provided in this paragraph if, within 10 years after the decedent's death, the qualified agricultural property ceases to be used for farming purposes.
- (ii) The amount of the estate tax imposed under this paragraph shall be the additional Maryland estate tax that would have been payable at the time of the decedent's death but for the provisions under paragraphs (2) and (3) of this subsection.

(5) The Comptroller shall adopt regulations to implement this subsection.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

# Chapter 112

(House Bill 228)

AN ACT concerning

## Baltimore City - 45th District - Alcoholic Beverages - Class B-D-7 License

FOR the purpose of authorizing the Board of License Commissioners for Baltimore City to issue a Class B–D–7 license in certain areas of the 45th alcoholic beverages district if the applicant meets certain requirements; and generally relating to alcoholic beverages licenses in Baltimore City.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages Section 12–102 and 12–1603(a) and (b) Annotated Code of Maryland (2016 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages Section 12–1603(c) Annotated Code of Maryland (2016 Volume and 2019 Supplement)

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

#### Article - Alcoholic Beverages

12-102.

This title applies only in Baltimore City.

12-1603.

(a) The alcoholic beverages districts described in this section at all times are coterminous with the legislative districts in the Legislative Districting Plan of 2002 as

ordered by the Maryland Court of Appeals on June 21, 2002.

- (b) Except as provided in subsection (c) of this section, the Board may not issue a new license in:
  - (1) the 40th alcoholic beverages district;
  - (2) the 41st alcoholic beverages district;
  - (3) the 43rd alcoholic beverages district;
  - (4) the 44th alcoholic beverages district; and
  - (5) the 45th alcoholic beverages district.
  - (c) The Board may issue:
- (1) in the alcoholic beverages districts specified in subsection (b) of this section:
  - (i) a 1-day license; or
  - (ii) a Class B beer, wine, and liquor license to a restaurant that:
- 1. has a minimum capital investment, not including the cost of land and buildings, of \$200,000 for restaurant facilities; and
  - 2. has a minimum seating capacity of 75 individuals;
- (2) a Class C beer, wine, and liquor license in the 45th alcoholic beverages district;
- (3) a Class C beer, wine, and liquor license in ward 5, precinct 1 of the 44th alcoholic beverages district;
- (4) a Class C beer, wine, and liquor license in the 200 block of West Saratoga Street in ward 4, precinct 3 of the 40th alcoholic beverages district;
- (5) a Class B–D–7 license in the unit block of West North Avenue in the 45th alcoholic beverages district;
- (6) two Class B–D–7 licenses in the 2100 block of North Charles Street in the 43rd alcoholic beverages district;
- (7) two Class B–D–7 licenses in the 2100 block of Maryland Avenue in the 43rd alcoholic beverages district; [and]

- (8) subject to the requirements under subsection (e) of this section, four Class B–D–7 licenses in the 43rd alcoholic beverages district; AND
- (9) A CLASS B–D–7 LICENSE IN THE 5400 BLOCK OF HARFORD ROAD IN THE 45TH ALCOHOLIC BEVERAGES DISTRICT IF:
- (I) AVERAGE DAILY RECEIPTS FROM THE SALE OF FOOD ARE AT LEAST 65% OF THE APPLICANT'S TOTAL DAILY RECEIPTS;
- (II) THE APPLICANT EXECUTES A MEMORANDUM OF UNDERSTANDING WITH A COMMUNITY ASSOCIATION;
- (III) THE APPLICANT DOES NOT CREATE A SEPARATE PACKAGE GOODS DEPARTMENT;
- (IV) ALCOHOLIC BEVERAGES ARE SERVED TO PATRONS SEATED AT TABLES; AND
- (V) ALCOHOLIC BEVERAGES ARE SERVED ONLY WITH MEALS TO PATRONS PROVIDED WITH OUTDOOR TABLE SERVICE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

Chapter 113

(Senate Bill 73)

AN ACT concerning

Baltimore City - 45th District - Alcoholic Beverages - Class B-D-7 License

FOR the purpose of authorizing the Board of License Commissioners for Baltimore City to issue a Class B–D–7 license in certain areas of the 45th alcoholic beverages district if the applicant meets certain requirements; and generally relating to alcoholic beverages licenses in Baltimore City.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 12–102 and 12–1603(a) and (b)

Annotated Code of Maryland

(2016 Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages Section 12–1603(c)

Annotated Code of Maryland

(2016 Volume and 2019 Supplement)

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

## **Article - Alcoholic Beverages**

12-102.

This title applies only in Baltimore City.

12 - 1603.

- (a) The alcoholic beverages districts described in this section at all times are coterminous with the legislative districts in the Legislative Districting Plan of 2002 as ordered by the Maryland Court of Appeals on June 21, 2002.
- (b) Except as provided in subsection (c) of this section, the Board may not issue a new license in:
  - (1) the 40th alcoholic beverages district;
  - (2) the 41st alcoholic beverages district;
  - (3) the 43rd alcoholic beverages district;
  - (4) the 44th alcoholic beverages district; and
  - (5) the 45th alcoholic beverages district.
  - (c) The Board may issue:
- (1) in the alcoholic beverages districts specified in subsection (b) of this section:
  - (i) a 1-day license; or
  - (ii) a Class B beer, wine, and liquor license to a restaurant that:
- 1. has a minimum capital investment, not including the cost of land and buildings, of \$200,000 for restaurant facilities; and

- 2. has a minimum seating capacity of 75 individuals;
- (2) a Class C beer, wine, and liquor license in the 45th alcoholic beverages district;
- (3) a Class C beer, wine, and liquor license in ward 5, precinct 1 of the 44th alcoholic beverages district;
- (4) a Class C beer, wine, and liquor license in the 200 block of West Saratoga Street in ward 4, precinct 3 of the 40th alcoholic beverages district;
- (5) a Class B–D–7 license in the unit block of West North Avenue in the 45th alcoholic beverages district;
- (6) two Class B–D–7 licenses in the 2100 block of North Charles Street in the 43rd alcoholic beverages district;
- (7) two Class B–D–7 licenses in the 2100 block of Maryland Avenue in the 43rd alcoholic beverages district; [and]
- (8) subject to the requirements under subsection (e) of this section, four Class B–D–7 licenses in the 43rd alcoholic beverages district; AND
- (9) A CLASS B–D–7 LICENSE IN THE 5400 BLOCK OF HARFORD ROAD IN THE 45TH ALCOHOLIC BEVERAGES DISTRICT IF:
- (I) AVERAGE DAILY RECEIPTS FROM THE SALE OF FOOD ARE AT LEAST 65% OF THE APPLICANT'S TOTAL DAILY RECEIPTS;
- (II) THE APPLICANT EXECUTES A MEMORANDUM OF UNDERSTANDING WITH A COMMUNITY ASSOCIATION;
- (III) THE APPLICANT DOES NOT CREATE A SEPARATE PACKAGE GOODS DEPARTMENT;
- (IV) ALCOHOLIC BEVERAGES ARE SERVED TO PATRONS SEATED AT TABLES; AND
- (V) ALCOHOLIC BEVERAGES ARE SERVED ONLY WITH MEALS TO PATRONS PROVIDED WITH OUTDOOR TABLE SERVICE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.

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