Chapter 489

(House Bill 72)

AN ACT concerning

Budget Reconciliation and Financing Act of 2015

FOR the purpose of authorizing or altering the distribution of certain revenue; altering or repealing certain required appropriations; authorizing the use of certain funds for certain purposes; altering the maximum number of years for which the Department of Health and Mental Hygiene may renew a registration of certain manufacturers, distributors, and dispensers of certain controlled dangerous substances; repealing a certain requirement for a certain notice relating to abandoned property to be published in certain newspapers; requiring the Comptroller to maintain an abandoned property database containing the names and last known addresses, if any, of persons listed in certain reports; requiring the Comptroller to maintain a certain Internet Web site relating to the abandoned property database; requiring the Comptroller to publish certain notices on a certain Internet Web site; altering the time period year by which the Maryland Agricultural and Resource—Based Industry Development Corporation is to become self-sufficient and in no further need of certain operating support; altering the date for requiring the establishment of a certain library; altering the method for calculating certain income tax disparity grants; requiring a local school system that has a certain structural deficit to provide certain notifications under certain circumstances; requiring the State Superintendent of Schools to require a local school system to submit a certain plan and to file certain reports under certain circumstances; requiring the State Superintendent to include certain information concerning local school system structural deficits in certain reports to the Governor and General Assembly; authorizing the Office of Legislative Audits to request certain information pertaining to certain structural deficits; providing that certain payments in certain fiscal years be based on certain revenues; prohibiting certain payments in certain fiscal years; expanding, for certain fiscal years, the purposes for which the Department of the Environment may use money in the Maryland Oil Disaster Containment, Clean-Up and Contingency Fund; altering the applicability of a certain provision of law relating to the percentage of a community provider's total operating expenses that must be spent on certain employee salaries, wages, and fringe benefits; altering the calculation of the percentage of a community provider's total operating expenses that must be spent on certain employee salaries, wages, and fringe benefits; altering a certain required appropriation so as to require, for certain fiscal years, an appropriation of a certain amount to certain accumulation funds of the State Retirement and Pension System; repealing the State Police Helicopter Replacement Fund; altering certain penalties for liquidated damages that apply to certain violations related to certain prevailing wage rates; expanding the purposes for which the Maryland Energy Administration is required to use a certain fund; altering a certain provision that authorizes a certain refund to make it certain provisions concerning the State and county earned income credits to make them applicable to State residents only;

altering the amount of certificates for certain tax credits that the Secretary of Business and Economic Development may issue; requiring the Governor to provide certain information to the General Assembly when submitting certain legislation for introduction; altering, for certain fiscal years, a certain limitation on the aggregate amount of the outstanding and unpaid principal of certain revenue bonds issued by the Maryland Transportation Authority; authorizing, rather than requiring, the Maryland Aviation Administration Fire Rescue Service to charge a certain ambulance transport fee; making conforming and clarifying changes to provisions of law relating to a certain ambulance transport fee; altering the authority of the Governor to implement certain employee furlough and temporary salary reduction plans during a certain fiscal year; repealing a certain obsolete provision; altering the date and method by which the Governor is required to reduce a certain assessment by a certain amount each fiscal year; clarifying language regarding a certain appropriation; requiring the Health Services Cost Review Commission to enact adopt certain policies to achieve certain savings for certain fiscal years; a certain fiscal year; requiring the Health Services Cost Review Commission to submit, on or before a certain date, a certain alternative plan to achieve certain savings to the Department of Health and Mental Hygiene and the Department of Budget and Management under certain circumstances; altering the requirements of a study to be performed by the Maryland Transportation Authority; altering, for a certain fiscal year, the criteria to be used for a certain program that provides stipends to certain teachers and school-based employees; repealing the authority to provide certain stipends to certain teachers and school-based employees; altering the method of calculating a certain contribution to be paid on behalf of certain members of certain State retirement and pension systems; repealing certain provisions that provide for a certain method of calculating a certain contribution to be paid on behalf of certain members of certain State retirement and pension systems; repealing certain obsolete provisions; altering certain requirements for certain fiscal years that the Governor include in the budget bill certain supplemental contributions to certain accumulation funds of certain State retirement and pension systems; altering certain provisions of law relating to the application of a certain credit against the State income tax and providing for the application of a certain credit against county income tax, subject to a certain contingency; setting certain limits on increases in payments to certain providers for a certain fiscal year; prohibiting the payment of certain merit increases or cost-of-living adjustments for certain State employees, except under certain circumstances; prohibiting certain plans of compensation for State positions of employment to be amended to provide a rate of compensation lower than a certain rate; requiring that any salary or hours lost by a State employee as a result of certain actions taken on or after a certain date that reduce the employee's compensation below a certain rate of compensation be included in a certain calculation of earnable compensation and service credits for certain purposes; authorizing the Board of Trustees for the State Retirement and Pension System to adopt certain policies and procedures; requiring certain reports; providing that certain payments be deposited into the General Fund for certain fiscal years; providing for the transfer of certain funds; providing that on or after a certain date certain revenues be credited to the General Fund rather than the State Police Helicopter Replacement Fund; setting

certain limits on increases on certain required appropriations; requiring that certain Managed Care Organizations, on or before a certain date, to reimburse the Department of Health and Mental Hygiene make adjustments to certain rates for insufficient loss ratios for a certain fiscal year; providing for a certain reimbursement under certain circumstances; prohibiting the Baltimore City Board of School Commissioners from being required to contribute to the Baltimore City Public School Construction Financing Fund for a certain fiscal year; prohibiting the State Comptroller from withholding a certain amount from a certain installment due the Baltimore City Board of School Commissioners for a certain fiscal year; reducing certain unexpended appropriations and providing for their reversion to the General Fund; requiring, under certain circumstances, a county to pay certain costs beyond a certain amount restricted in the State budget to implement a certain Court of Appeals decision; providing that a certain budgetary authorization represents a one-time allocation and provides no authority for certain actions without certain statutory or budgetary authority; requiring that certain money received by the State as a result of a certain approved merger between Exelon Corporation and Pepco Holdings, Inc. be expended only in a certain manner; prohibiting the State Health Services Cost Review Commission from assessing certain hospital rate assessments for the operation and administration of the Maryland Health Insurance Plan for a certain fiscal year; setting certain limits, for a certain fiscal year, on the State's share of certain operating deficits of the Baltimore Convention Center and the Ocean City Convention facility; requiring, on or before a certain date, the Department of Legislative Services to conduct a certain review and submit a certain report; establishing certain requirements, for certain fiscal years, concerning certain minimum expenditures by the Maryland Transportation Authority and the maintenance by the Authority of a certain cash balance and a certain minimum level of debt service coverage; prohibiting the Authority, in certain fiscal years, from supplementing certain revenues with any funds appropriated or transferred from the Transportation Trust Fund or transferred from any other source to the Transportation Authority Fund; requiring the Attorney General to review a certain decision of the U.S. Supreme Court and advise the Comptroller and Department of Legislative Services in a certain manner; requiring the Attorney General to review a certain decision of the U.S. Supreme Court and advise the Comptroller in a certain manner; requiring the Comptroller to pay certain income tax refunds and interest due from a certain account in a certain manner under certain circumstances; requiring local governments to reimburse a certain account for their share of certain refunds and interest; requiring the Comptroller to withhold certain amounts from certain local tax distributions in a certain manner under certain circumstances; providing that, for certain fiscal years, a certain transfer from a certain account to the General Fund may be made only if the transfer is authorized by a certain Act of the General Assembly: altering and repealing the definition of certain terms; defining a certain term certain terms; making the provisions of this Act severable; providing for the application of this Act; making certain provisions of this Act subject to a certain contingency; providing for a delayed effective date for certain provisions of this Act; and generally relating to the financing of State and local government.

BY repealing

Article - Commercial Law

Section 17-311(a) and (b)

Annotated Code of Maryland

(2013 Replacement Volume and 2014 Supplement)

BY adding to

Article - Commercial Law

Section 17-311(a), (b), and (c)

Annotated Code of Maryland

(2013 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article - Commercial Law

Section 17-311(e)

Annotated Code of Maryland

(2013 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

<u>Article - Criminal Law</u>

Section 5–302

Annotated Code of Maryland

(2009 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 10–523(a)(3)(i) and (c)

Annotated Code of Maryland

(2008 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article - Education

Section $\frac{5-202(a)(13)(ii)}{(13)(ii)}$, $\frac{(iii)}{(13)(ii)}$, $\frac{(iv)}{(13)(ii)}$, $\frac{5-114}{(13)(13)(ii)}$, $\frac{5-202(k)(5)}{(13)(ii)}$, $\frac{6-306(b)}{(13)(ii)}$, $\frac{17-104(a)(1)}{(13)(iii)}$, $\frac{17-104(a)(1)}{(13)(iii)}$, $\frac{23-108(a)}{(13)(iii)}$, $\frac{23-205(e)}{(13)(iii)}$, $\frac{23-108(a)}{(13)(iii)}$, $\frac{23-108(a)}{(13)(iiii)}$

23–205(c) and (d), and 23–503(b)(1)

Annotated Code of Maryland

(2014 Replacement Volume and 2014 Supplement)

BY adding to

Article – Education

Section 5-202(a)(13)(v) and (vi), 16-305(c)(1)(iii) and (iv), and 17-104(a)(2) and (3)

Section 16–305(c)(1)(v) Annotated Code of Maryland

(2014 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, without amendments,

Article – Education Section 16–305(c)(1)(iii) and (iv) and 17–104(a)(2) and (3) Annotated Code of Maryland (2014 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article - Health - General

Section 2-302(b)(3) and 7-307(d)(1)

Annotated Code of Maryland

(2009 Replacement Volume and 2014 Supplement)

BY repealing

Article - Health - General

Section 13-1116(a)(1)

Annotated Code of Maryland

(2009 Replacement Volume and 2014 Supplement)

BY adding to

Article - Health - General

Section 13-1116(a)(1)

Annotated Code of Maryland

(2009 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article - Insurance

Section 31-107.2(a)

Annotated Code of Maryland

(2011 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article - Local Government

Section 16-501(e)

Annotated Code of Maryland

(2013 Replacement Volume and 2014 Supplement)

BY adding to

Article - Local Government

Section 16-501(f)

Annotated Code of Maryland

(2013 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article – Environment

Section 4–411(f) and (g)

Annotated Code of Maryland

(2013 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article-Health-General

Section 7-306.3(b)(1) and (2)

Annotated Code of Maryland

(2009 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article - Natural Resources

Section 5–212(g)(2), 5–212.1(g)(2), 8–707(a), and 8–709(d)

Annotated Code of Maryland

(2012 Replacement Volume and 2014 Supplement)

BY repealing

Article – Public Safety

Section 2–801 and the subtitle "Subtitle 8. State Police Helicopter Replacement Fund"

Annotated Code of Maryland

(2011 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article - Public Safety

Section 4–506(a)

Annotated Code of Maryland

(2011 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section $\frac{7-311(j)(1)}{2}$ and $\frac{7-325(a)}{2}$ $\frac{17-220(d)(2)}{2}$ and $\frac{17-222(a)}{2}$ $\frac{7-311(j)(1)}{2}$

Annotated Code of Maryland

(2009 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article - State Government

Section 9-20B-05(f)

Annotated Code of Maryland

(2014 Replacement Volume)

BY adding to

Article - Tax - General

Section 2–606(h)

Annotated Code of Maryland

(2010 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 2–1302.1(b), $\underline{10-703}$, $\underline{10-704(b)(2)(i)}$ $\underline{10-704(a)}$, $\underline{(b)(2)(i)}$, $\underline{(c)(2)(iii)}$, and $\underline{(d)}$, $\underline{10-730(f)(1)}$, and $\underline{10-733(f)(3)(iv)}$

Annotated Code of Maryland

(2010 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, without amendments,

Article - Tax - General

Section 10-704(d)

Annotated Code of Maryland

(2010 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article - Tax - Property

Section 13–209(f)(2) and (h), (g), and (h)

Annotated Code of Maryland

(2012 Replacement Volume and 2014 Supplement)

BY adding to

Article - Transportation

<u>Section 3–216(g)</u>

Annotated Code of Maryland

(2008 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article - Transportation

Section 4–306(b)(1) and 5–415

Annotated Code of Maryland

(2008 Replacement Volume and 2014 Supplement)

BY repealing

Article - Tax - Property

Section 13-209(g)

Annotated Code of Maryland

(2012 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article - Transportation

Section 8-613.3

Annotated Code of Maryland

(2008 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

<u>Chapter 62 of the Acts of the General Assembly of 1992, as amended by Chapter 484</u> of the Acts of the General Assembly of 2010

Section 4

2015 LAWS OF MARYLAND

BY repealing and reenacting, with amendments,

Chapter 397 of the Acts of the General Assembly of 2011, as amended by Chapter 425 of the Acts of the General Assembly of 2013, and Chapter 464 of the Acts of the General Assembly of 2014

Section 16

BY repealing and reenacting, with amendments,

Chapter 397 of the Acts of the General Assembly of 2014 Section 1(b)

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section 21–304(a) and (b)(1) and 21–308(a)

Annotated Code of Maryland

(2009 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, without amendments,

Article – State Personnel and Pensions

Section 21-304(b)(2) and (3)

Annotated Code of Maryland

(2009 Replacement Volume and 2014 Supplement)

BY repealing

<u>Article – State Personnel and Pensions</u>

Section 21–304(e) and (f)

Annotated Code of Maryland

(2009 Replacement Volume and 2014 Supplement)

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

Article - Commercial Law

17-311.

- (a) (1) Within 365 days from the filing of the report required by § 17–310 of this subtitle, the Administrator shall cause notice to be published in a newspaper of general circulation in the county in the State within which is located the last known address of any person to be named in the notice.
- (2) If an address is not listed or if the address is outside the State, the notice shall be published in the county within which the person who held the abandoned property has the principal place of business in this State.
- (b) The published notice shall be entitled "Notice of Names of Persons Appearing to Be Owners of Abandoned Property" and shall contain:

- (1) The names in alphabetical order and last known addresses, if any, of persons listed in the report and entitled to notice in the county specified in this section;
- (2) A statement that information concerning the amount or description of the property and the name and address of the person who held the property may be obtained by any person who possesses an interest in the property, by addressing an inquiry to the Administrator; and
- (3) A statement that a proof of claim may be presented by the owner to the Administrator.]
- (A) IN THIS SECTION, "ABANDONED PROPERTY DATABASE" MEANS AN ELECTRONIC DATABASE CONTAINING THE NAMES AND LAST KNOWN ADDRESSES, IF ANY, OF PERSONS WHO APPEAR TO BE OWNERS OF ABANDONED PROPERTY.
- (B) (1) THE ADMINISTRATOR SHALL MAINTAIN AN ABANDONED PROPERTY DATABASE.
- (2) WITHIN 365 DAYS AFTER THE FILING OF THE REPORT REQUIRED BY § 17–310 OF THIS SUBTITLE, THE ADMINISTRATOR SHALL ADD TO THE ABANDONED PROPERTY DATABASE THE NAMES AND LAST KNOWN ADDRESSES, IF ANY, OF PERSONS LISTED IN THE REPORT.
- (3) THE ADMINISTRATOR SHALL MAINTAIN AN INTERNET WEB SITE THAT:
- (I) PROVIDES REASONABLE MEANS BY WHICH A PERSON MAY SEARCH THE ABANDONED PROPERTY DATABASE REQUIRED BY THIS SUBSECTION;
- (II) CONTAINS A STATEMENT THAT INFORMATION CONCERNING THE AMOUNT OR DESCRIPTION OF THE PROPERTY AND THE NAME AND ADDRESS OF THE PERSON WHO HELD THE PROPERTY MAY BE OBTAINED BY ANY PERSON WHO POSSESSES AN INTEREST IN THE PROPERTY, BY ADDRESSING AN INQUIRY TO THE ADMINISTRATOR;
- (III) CONTAINS A STATEMENT THAT A PROOF OF CLAIM MAY BE PRESENTED BY THE OWNER TO THE ADMINISTRATOR; AND
- (IV) INCLUDES A LINK TO AN ABANDONED PROPERTY CLAIM FORM.

- [(c)] (4) The Administrator is not required to [publish in the notice] INCLUDE ON THE WEB SITE any item valued at less than \$100 unless the Administrator considers the [publication] INCLUSION to be in the public interest.
- (C) (1) THE ADMINISTRATOR SHALL PUBLISH NOTICE ON THE INTERNET WEB SITE REQUIRED BY SUBSECTION (B)(3) OF THIS SECTION.

(2) THE NOTICE:

(I) SHALL ALSO BE PUBLISHED AT LEAST ONCE EACH CALENDAR QUARTER IN ONE OR MORE NEWSPAPERS OF GENERAL CIRCULATION IN EACH COUNTY OF THE STATE; AND

(II) SHALL CONTAIN:

- 1. A STATEMENT THAT THE ADMINISTRATOR MAINTAINS RECORDS OF THE NAMES AND LAST KNOWN ADDRESSES, IF ANY, OF PERSONS WHO APPEAR TO BE OWNERS OF ABANDONED PROPERTY:
- 2. A STATEMENT THAT ANY PERSON MAY SEARCH THE ADMINISTRATOR'S ABANDONED PROPERTY RECORDS THROUGH THE ADMINISTRATOR'S INTERNET WEB SITE:
 - 3. THE ADDRESS OF THE INTERNET WEB SITE: AND
- 4. A PHONE NUMBER THAT A PERSON MAY CALL FOR ASSISTANCE IF THEY LACK INTERNET ACCESS.

Article - Criminal Law

5–302.

- (a) A registration expires on the date set by the Department unless it is renewed for an additional term as provided in this section.
 - (b) A registration may not be renewed for more than [2] 3 years.

Article - Economic Development

10-523.

(a) (3) (i) To assist the Corporation in complying with subsection (c) of this section, the Governor shall include each year in the State budget bill an appropriation to the Corporation for rural business development and assistance as follows:

- 1. **[**for fiscal year 2011, \$2,750,000;
- 2. for fiscal year 2012, \$2,750,000;
- 3. for fiscal year 2013, \$2,875,000;
- 4. for fiscal year 2014, \$2,875,000;
- 5. for fiscal year 2015, \$2,875,000; and
- [6.] 2. for each of the fiscal years **2016** through [2021] **2024**, [\$4,000,000] **\$2,875,000**.
- (c) The Corporation shall conduct its financial affairs so that, by [the] FISCAL year [2021] **2025**, it is self–sufficient and in no further need of general operating support by the State.

Article - Education

<u>5–114.</u>

- (a) (1) In this section[,"deficit"] THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (2) "DEFICIT" means a negative fund balance in the General Fund [of 1% or more of General Fund revenue] at the end of the fiscal year.
- (3) "STRUCTURAL DEFICIT" MEANS A PROJECTED NEGATIVE FUND BALANCE IN THE GENERAL FUND THAT REQUIRES THE TRANSFER OF RESERVE FUNDS IN ORDER TO AVOID A DEFICIT.
- (b) The State Superintendent and the Department shall monitor the financial status of each local school system.
- (c) If a local school system does not file the annual audit results in a timely manner with the State Superintendent as required by § 5–109 of this subtitle, the State Superintendent shall:
 - (1) <u>Immediately notify:</u>
 - (i) The Department of Legislative Services;
 - (ii) The county governing body; and

- (iii) The local board and local superintendent or chief executive officer of the local school system; and
 - (2) Order that the audit report be filed within 10 days.
- (d) (1) A local school system may not carry a deficit as reported in the annual audit under § 5–109 of this subtitle.
- (2) <u>If a local school system has a deficit, the State Superintendent shall immediately notify the Governor, the General Assembly, the Department of Legislative Services, and county governing body and shall require the local school system to:</u>
- (i) <u>Develop and submit for approval a corrective action cost</u> containment plan within 15 days;
- (ii) File monthly status reports with the State Superintendent and county governing body demonstrating actions taken to close the deficit and the effect of the actions taken on the deficit; and
- (iii) Include information on the corrective action cost containment plan, actions taken to close the deficit, and status of the deficit in the annual audit under § 5–109 of this subtitle filed with the State Superintendent and county governing body.
- (3) (I) IF A LOCAL SCHOOL SYSTEM HAS A STRUCTURAL DEFICIT AND TRANSFERS RESERVE FUNDS INTO THE GENERAL FUND IN ORDER TO AVOID A DEFICIT, THE LOCAL SCHOOL SYSTEM IMMEDIATELY SHALL NOTIFY THE GOVERNOR, THE GENERAL ASSEMBLY, THE STATE SUPERINTENDENT, THE DEPARTMENT OF LEGISLATIVE SERVICES, AND THE COUNTY GOVERNING BODY.
- (II) THE STATE SUPERINTENDENT SHALL REQUIRE A LOCAL SCHOOL SYSTEM DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH TO SUBMIT A CORRECTIVE ACTION COST CONTAINMENT PLAN WITHIN 15 DAYS AND FILE MONTHLY STATUS REPORTS WITH THE STATE SUPERINTENDENT AND COUNTY GOVERNING BODY DEMONSTRATING ACTIONS TAKEN TO ELIMINATE THE STRUCTURAL DEFICIT, THE EFFECT OF THE ACTIONS TAKEN ON THE STRUCTURAL DEFICIT, AND A SCHEDULE TO REPAY THE RESERVE FUND.
- <u>(4)</u> The State Superintendent shall include information on any local school system deficit OR STRUCTURAL DEFICIT, corrective action cost containment plan, actions taken to close a local school system deficit OR STRUCTURAL DEFICIT, and status of any local school system deficit OR STRUCTURAL DEFICIT in a quarterly report to the Governor and the General Assembly, in accordance with § 2–1246 of the State Government Article.
 - [(4)] **(5)** If a local school system has a deficit **OR STRUCTURAL DEFICIT**:

- (i) The Office of Legislative Audits may request any financial information pertaining to the deficit OR STRUCTURAL DEFICIT and the corrective action cost containment plan; and
- (ii) The local superintendent or chief executive officer of a local school system shall provide the requested information.
- (e) If a local school system fails to comply with the requirements of this section, the State Superintendent, with the approval of the State Board of Education, shall notify the State Comptroller, who shall withhold 10% of the next installment and each subsequent installment due the local school system from the General State School Fund until the State Superintendent notifies the Comptroller that the local school system is in full compliance with the requirements of this section.

5-202.

- (a) (13) "Target per pupil foundation amount" means:
- (ii) Except as provided in items (iii) [and], (iv), (V), AND (VI) of this paragraph, in subsequent fiscal years:
- 1. The target per pupil foundation amount for the prior fiscal vear increased by the same percentage as the lesser of:
- A. The increase in the implicit price deflator for State and local government expenditures for the second prior fiscal year:
- B. The Consumer Price Index for All Urban Consumers for the Washington-Baltimore metropolitan area, or any successor index, for the second prior fiscal year; or

C. 5%; or

- 2. If there is no increase in the implicit price deflator for State and local government expenditures for the second prior fiscal year or in the Consumer Price Index for All Urban Consumers for the Washington-Baltimore metropolitan area, or any successor index, for the second prior fiscal year, the target per pupil foundation amount for the prior fiscal year;
 - (iii) In fiscal year 2012, \$6,694; [and]
 - (iv) In each of fiscal years 2013 through 2015:
- 1. The target per pupil foundation amount for the prior fiscal year increased by the same percentage as the lesser of:

- A. The increase in the implicit price deflator for State and local government expenditures for the second prior fiscal year;
- B. The Consumer Price Index for All Urban Consumers for the Washington–Baltimore metropolitan area, or any successor index, for the second prior fiscal year; or
 - C. 1%; or
- 2. If there is no increase in the implicit price deflator for State and local government expenditures for the second prior fiscal year or in the Consumer Price Index for All Urban Consumers for the Washington-Baltimore metropolitan area, or any successor index, for the second prior fiscal year, the target per pupil foundation amount for the prior fiscal year.
 - (V) IN FISCAL YEAR 2016, \$6,860; AND
 - (VI) IN EACH OF FISCAL YEARS 2017 THROUGH 2020:
- 1. THE TARGET PER PUPIL FOUNDATION AMOUNT FOR THE PRIOR FISCAL YEAR INCREASED BY THE SAME PERCENTAGE AS THE LESSER OF:
- A. THE INCREASE IN THE IMPLICIT PRICE DEFLATOR FOR STATE AND LOCAL GOVERNMENT EXPENDITURES FOR THE SECOND PRIOR FISCAL YEAR:
- B. THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE WASHINGTON-BALTIMORE METROPOLITAN AREA, OR ANY SUCCESSOR INDEX, FOR THE SECOND PRIOR FISCAL YEAR; OR

C. 1%: AND

- 2. IF THERE IS NO INCREASE IN THE IMPLICIT PRICE DEFLATOR FOR STATE AND LOCAL GOVERNMENT EXPENDITURES FOR THE SECOND PRIOR FISCAL YEAR OR IN THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE WASHINGTON-BALTIMORE METROPOLITAN AREA, OR ANY SUCCESSOR INDEX, FOR THE SECOND PRIOR FISCAL YEAR, THE TARGET PER PUPIL FOUNDATION AMOUNT SHALL BE THE AMOUNT FOR THE PRIOR FISCAL YEAR.
- (k) (5) If the amount of State aid for a county, using the calculation of State aid under paragraph (3)(ii) of this subsection, is the greater of the two calculations under paragraph (3) of this subsection, payment of any increase in State aid resulting from the difference between the two calculations shall be phased in as follows:

- (i) For fiscal year 2014, 20 percent of the difference between the two calculations;
- (ii) For fiscal year 2015, 40 percent of the difference between the two calculations;
- (iii) For fiscal year 2016, [60] **40** percent of the difference between the two calculations;
- (iv) For fiscal year 2017, [80] **60** percent of the difference between the two calculations; [and]
- (v) For fiscal year 2018, **80** PERCENT OF THE DIFFERENCE BETWEEN THE TWO CALCULATIONS; AND
- (VI) FOR FISCAL YEAR 2019, and each fiscal year thereafter, the full amount of the calculation.

16-305.

- (c) (1) (i) [The] EXCEPT AS PROVIDED IN SUBPARAGRAPH (IV) SUBPARAGRAPHS (III), (IV), AND (V) OF THIS PARAGRAPH, THE total State operating fund per full—time equivalent student to the community colleges for each fiscal year [other than fiscal year 2013,] as requested by the Governor shall be:
- 1. In fiscal year 2009, not less than an amount equal to 26.25% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year;
- 2. In fiscal year 2010, not less than an amount equal to 23.6% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;
- 3. In fiscal year 2011, not less than an amount equal to 21.8% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;
- 4. In fiscal year 2012, not less than an amount equal to 20% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for

the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;

- 5. In fiscal year 2014, an amount that is the greater of 19.7% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year or \$1,839.47 per full—time equivalent student;
- 6. In fiscal year 2015, an amount that is the greater of 19.7% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year or \$1,839.47 per full—time equivalent student;
- 7. [In fiscal year 2016, not less than an amount equal to 20.0% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;
- 8.] In fiscal year 2017, not less than an amount equal to 20.5% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;
- [9.] <u>2.8.</u> In fiscal year 2018, not less than an amount equal to 21.0% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;
- [10.] 3. 9. In fiscal year 2019, not less than an amount equal to 22.0% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;
- [11.] 4-10. In fiscal year 2020, not less than an amount equal to 23% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;

[12.] 5. 11. In fiscal year 2021, not less than an amount equal to 25% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;

[13.] 6. 12. In fiscal year 2022, not less than an amount equal to 27% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year; and

[14.] 7. 13. In fiscal year 2023 and each fiscal year thereafter, not less than an amount equal to 29% of the State's General Fund appropriation per full—time equivalent student to the 4—year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year.

{(iii) Notwithstanding the provisions of subparagraph (i) of this paragraph, the total State operating funds to be distributed under this subsection to the community colleges for each of fiscal years 2011 and 2012 shall be \$194,407,432.

(iv) In fiscal year 2013, the total State operating funds for community colleges shall be \$199,176,114, to be distributed as follows:

1.	Allegany College	\$4,773,622;
2.	Anne Arundel Community College	\$27,235,329;
3.	Community College of Baltimore County	\$34,398,366;
4.	Carroll Community College	\$6,851,515;
5.	Cecil Community College	\$4,645,751;
6.	College of Southern Maryland	\$10,902,580;
7.	Chesapeake College	\$5,675,815;
8.	Frederick Community College	\$8,145,648;
9.	Garrett College	\$2,246,709;
10.	Hagerstown Community College	\$6,965,064;
11.	Harford Community College	\$9,990,806;

	12.	Howard Community College\$12,584,485;		
	13.	Montgomery College\$35,998,553;		
	14.	Prince George's Community College \$22,013,074; and		
	15.	Wor–Wic Community College		
(HI) (V) IN FISCAL YEAR 2016, THE TOTAL STATE OPERATING FUNDS FOR COMMUNITY COLLEGES SHALL BE $\$218,744,622$ $\$222,744,620$, TO BE DISTRIBUTED AS FOLLOWS:				
	1.	ALLEGANY COLLEGE \$4,592,847 <u>\$4,850,443</u> ;		
COLLEGE		ANNE ARUNDEL COMMUNITY		
COUNTY		COMMUNITY COLLEGE OF BALTIMORE		
College	4.	CARROLL COMMUNITY \$7,194,863 \$7,345,653;		
College	5.	CECIL COMMUNITY \$4,964,098 \$5,108,064;		
MARYLAND	6.	COLLEGE OF SOUTHERN\$12,950,598 \$13,017,885;		
	7.	CHESAPEAKE COLLEGE \$6,009,400 \$6,142,473;		
COLLEGE	8.	FREDERICK COMMUNITY		
	9.	GARRETT COLLEGE \$2,515,927 \$2,561,002 ;		
\$7,620,412 ;	10.	HAGERSTOWN COMMUNITY COLLEGE\$7,500,700		
\$10,865,634;	11.	HARFORD COMMUNITY COLLEGE \$10,754,623		

\$15,723,055;

13. Montgomery College...\$39,679,904 \$40,000,786;

14. Prince George's Community College...\$25,800,203 \$26,072,537; And

15. Wor-Wic Community College...\$6,723,956

(IV) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH, FOR FISCAL YEAR 2017 AND EACH FISCAL YEAR THEREAFTER, THE PERCENTAGE INCREASE IN APPROPRIATION OVER THE PREVIOUS FISCAL YEAR MAY NOT EXCEED THE PERCENTAGE BY WHICH THE PROJECTED TOTAL GENERAL FUND REVENUES FOR THE UPCOMING FISCAL YEAR EXCEED THE REVISED ESTIMATE OF TOTAL GENERAL FUND REVENUES FOR THE CURRENT FISCAL YEAR, AS REFLECTED IN THE DECEMBER REPORT OF ESTIMATED STATE REVENUES SUBMITTED BY THE BOARD OF REVENUE ESTIMATES TO THE GOVERNOR UNDER § 6-106(B) OF THE STATE FINANCE AND PROCUREMENT ARTICLE, LESS 1%.

17-104.

\$7,108,241.

- (a) (1) Except as provided in paragraphs (2) and (3) (2), (3), AND (4) of this subsection, the Maryland Higher Education Commission shall compute the amount of the annual apportionment for each institution that qualifies under this subtitle by multiplying the number of full—time equivalent students enrolled at the institution during the fall semester of the fiscal year preceding the fiscal year for which the aid apportionment is made, as determined by the Maryland Higher Education Commission by:
- (i) {In fiscal year 2009, an amount not less than 16% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the preceding fiscal year;
- (ii) In fiscal year 2010, an amount not less than 12.85% of the State's General Fund per full—time equivalent student appropriation to the 4—year public institutions of higher education in the State for the same fiscal year;
- (iii) In fiscal year 2011, an amount not less than 9.8% of the State's General Fund per full—time equivalent student appropriation to the 4—year public institutions of higher education in this State for the same fiscal year;

- (iv) In fiscal year 2012, an amount not less than 9.2% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year;
- (v) In fiscal year 2014, an amount that is the greater of 9.4% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year or \$875.53 per full-time equivalent student;
- (vi) In fiscal year 2015, an amount that is the greater of 9.4% of the State's General Fund per full—time equivalent student appropriation to the 4—year public institutions of higher education in this State for the same fiscal year or \$875.53 per full—time equivalent student;
- (vii) In fiscal year 2016, an amount not less than 9.6% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year;
- (viii)] In fiscal year 2017, an amount not less than 10.1% of the State's General Fund per full—time equivalent student appropriation to the 4—year public institutions of higher education in this State for the same fiscal year;
- [(ix)] (III) (VIII) In fiscal year 2018, an amount not less than 10.5% of the State's General Fund per full—time equivalent student appropriation to the 4—year public institutions of higher education in this State for the same fiscal year;
- [(x)] (IX) In fiscal year 2019, an amount not less than 10.8% of the State's General Fund per full—time equivalent student appropriation to the 4—year public institutions of higher education in this State for the same fiscal year;
- [(xi)] (X) In fiscal year 2020, an amount not less than 11.1% of the State's General Fund per full—time equivalent student appropriation to the 4—year public institutions of higher education in this State for the same fiscal year; and
- [(xii)] (x) In fiscal year 2021 and each fiscal year thereafter, an amount not less than 15.5% of the State's General Fund per full—time equivalent student appropriation to the 4—year public institutions of higher education in this State for the same fiscal year.
- **{**(2) For each of fiscal years 2011 and 2012, the total amount of the aid provided under this subtitle shall be \$38,445,958, to be allocated among the institutions that qualify under this subtitle in proportion to the number of full—time equivalent students enrolled at each institution during the fall semester of the fiscal year preceding the fiscal year for which the aid apportionment is made, as determined by the Maryland Higher Education Commission.

(3) In fiscal year 2013, the total amount of aid due to all institutions shall be \$38,056,175.

(2) IN FISCAL YEAR 2016, THE TOTAL AMOUNT OF AID DUE TO ALL INSTITUTIONS SHALL BE \$41,422,240 TO BE DISTRIBUTED AS FOLLOWS:

(I)	<u>CAPITOL COLLEGE</u> \$497,379;
(II)	Notre Dame of Maryland University\$1,460,006;
(III)	Washington Adventist University\$834,640;
(IV)	GOUCHER COLLEGE \$1,638,923;
(V)	Hood-College\$1,542,917;
(VI)	Johns Hopkins University\$18,108,588;
(VII)	LOYOLA UNIVERSITY MARYLAND\$4,792,569;
(VIII)	MARYLAND INSTITUTE OF ART\$2,040,049;
(IX)	McDaniel College\$2,184,320;
(X)	MOUNT ST. MARY'S UNIVERSITY\$1,754,630;
(XI)	ST. JOHN'S COLLEGE\$548,433;
(XII)	Sojourner-Douglass College\$855,898;
(XIII)	STEVENSON UNIVERSITY\$3,653,834; AND
(XIV)	WASHINGTON COLLEGE\$1,510,054.

(3) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (1) OF THIS SUBSECTION, FOR FISCAL YEAR 2017 AND EACH FISCAL YEAR THEREAFTER, THE PERCENTAGE INCREASE IN APPROPRIATION OVER THE PREVIOUS FISCAL YEAR MAY NOT EXCEED THE PERCENTAGE BY WHICH THE PROJECTED TOTAL GENERAL FUND REVENUES FOR THE UPCOMING FISCAL YEAR EXCEED THE REVISED ESTIMATE OF TOTAL GENERAL FUND REVENUES FOR THE CURRENT FISCAL YEAR, AS REFLECTED IN THE DECEMBER REPORT OF ESTIMATED STATE REVENUES SUBMITTED BY THE BOARD OF REVENUE ESTIMATES TO THE GOVERNOR UNDER § 6–106(B) OF THE STATE FINANCE AND PROCUREMENT ARTICLE, LESS 1%.

(4) IN FISCAL YEAR 2016, THE TOTAL AMOUNT OF THE AID PROVIDED UNDER THIS SUBTITLE SHALL BE \$42,822,240, TO BE ALLOCATED AMONG THE INSTITUTIONS THAT QUALIFY UNDER THIS SUBTITLE IN PROPORTION TO THE NUMBER OF FULL—TIME EQUIVALENT STUDENTS ENROLLED AT EACH INSTITUTION DURING THE FALL SEMESTER OF FISCAL YEAR 2015, AS DETERMINED BY THE MARYLAND HIGHER EDUCATION COMMISSION.

23-108.

(a) [The] ON OR AFTER OCTOBER 1, 2015, THE Division of Library Development and Services shall establish the Deaf Culture Digital Library as the primary information center on deaf resources for library customers and staff in the State.

23 - 205.

- (c) (1) Each year each participating regional resource center shall receive a minimum amount of funding for each resident of the area served, to be used for operating and capital expenses.
 - (2) The allocation shall be calculated as follows:
- (i) For each of fiscal years 2011 through 2015......\$6.75 per each resident of the area served;
- (ii) For fiscal year 2016......[\$7.50] **\$6.95** per each resident of the area served;
- (iii) For fiscal year 2017...... [\$8.25] **\$7.15** per each resident of the area served;
- (iv) For fiscal year 2018...... [\$8.50] **\$7.35** per each resident of the area served; [and]
- (V) FOR FISCAL YEAR 2019......\$7.55 PER EACH RESIDENT OF THE AREA SERVED;
- (VI) FOR FISCAL YEAR 2020...... \$7.75 PER EACH RESIDENT OF THE AREA SERVED;
- (VII) FOR FISCAL YEAR 2021..... \$7.95 PER EACH RESIDENT OF THE AREA SERVED;

- (VIII) FOR FISCAL YEAR 2022...... \$8.15 PER EACH RESIDENT OF THE AREA SERVED; FOR FISCAL YEAR 2023...... \$8.35 PER EACH RESIDENT (IX)OF THE AREA SERVED; FOR FISCAL YEAR 2024...... \$8.55 PER EACH RESIDENT (X) OF THE AREA SERVED; AND [(v)] (XI) For fiscal year [2019] **2025** and each fiscal year thereafter........... \$8.75 per each resident of the area served. (d) Each year the State Library Resource Center shall receive a minimum (1) amount of funding for each State resident in the previous fiscal year, to be used for operating and capital expenses. The allocation shall be calculated as follows: (2)(i) For each of fiscal years 2010 through 2016......\$1.67 per State resident: (ii) For fiscal year 2017............[\$1.73] **\$1.69** per State resident; For fiscal year 2018...........[\$1.79] **\$1.71** per State resident; (iii) and FOR FISCAL YEAR 2019......\$1.73 PER STATE RESIDENT; (IV) FOR FISCAL YEAR 2020......\$1.75 PER STATE RESIDENT; **(**V**)** FOR FISCAL YEAR 2021.....\$1.77 PER STATE RESIDENT; (VI) (VII) FOR FISCAL YEAR 2022......\$1.79 PER STATE RESIDENT; (VIII) FOR FISCAL YEAR 2023......\$1.81 PER STATE RESIDENT; FOR FISCAL YEAR 2024......\$1.83 PER STATE RESIDENT; **AND** For fiscal year [2019] 2025 and each fiscal year [(iv)] (X) thereafter..........\$1.85 per State resident.
- (e) [Beginning in fiscal year 2016 and in each fiscal year thereafter, the] THE Maryland Library for the Blind and Physically Handicapped shall receive an amount equivalent to [at least 25%] THE PERCENTAGE of the amount received by the State

Library Resource Center for the same fiscal year under subsection (d) of this section AS

- (1) FOR FISCAL YEAR 2016, 2.5%;
- (2) FOR FISCAL YEAR 2017, 5%;
- (3) FOR FISCAL YEAR 2018, 7.5%;
- (4) FOR FISCAL YEAR 2019, 10%;
- (5) FOR FISCAL YEAR 2020, 12.5%;
- (6) FOR FISCAL YEAR 2021, 15%;
- (7) FOR FISCAL YEAR 2022, 17.5%;
- (8) FOR FISCAL YEAR 2023, 20%;
- (9) FOR FISCAL YEAR 2024, 22.5%; AND
- (10) FOR FISCAL YEAR 2025 AND EACH FISCAL YEAR THEREAFTER,

23-503.

25%

- (b) (1) Each county public library system that participates in the minimum library program shall be provided for each resident of the county, to be used for operating and capital expenses:
 - (i) For each of fiscal years 2011 through 2015 \$14.00;
 - (ii) For fiscal year 2016 [\$15.00] **\$14.27**;
 - (iii) For fiscal year 2017 [\$16.00] **\$14.54**;
 - (iv) For fiscal year 2018 [\$16.30] **\$14.81**; [and]
 - (V) FOR FISCAL YEAR 2019 \$15.08;
 - (VI) FOR FISCAL YEAR 2020 \$15.35;
 - (VII) FOR FISCAL YEAR 2021 \$15.62;

- (VIII) FOR FISCAL YEAR 2022 \$15.89;
- (IX) FOR FISCAL YEAR 2023 \$16.16;
- (X) FOR FISCAL YEAR 2024 \$16.43; AND
- [(v)] (XI) For fiscal year [2019] 2025 and each fiscal year thereafter -\$16.70.

Article - Health - General

2 302

- (b) The funding shall be:
- (3) For EACH OF fiscal [year] YEARS 2015 and [each subsequent fiscal year] 2016, \$41,743,209; AND
- (4) FOR FISCAL YEAR 2017 AND EACH SUBSEQUENT FISCAL YEAR, the amount of funding for the preceding fiscal year adjusted for:
- (i) Inflation, as measured by the Consumer Price Index (All Urban Consumers), for the second preceding fiscal year, calculated by the U.S. Department of Commerce: and
- (ii) Population growth, as measured by the growth in the total population of the State for the second preceding fiscal year, according to the most recent statistics available through the Department of Health and Mental Hygiene.

7-307.

(d) (1) The Governor's proposed budget for fiscal year 2016 shall include a [3.5%] 1.75% rate increase for community service providers over the funding provided in the legislative appropriation for Object 08 Contractual Services in Program M00M01.02 Community Services for fiscal year 2015.

13 1116

- (a) I(1) (i) For each of fiscal years 2011 and 2012:
- 1. The Governor shall include at least \$2,400,000 in the annual budget in appropriations for the Statewide Academic Health Center Cancer Research Grants under this section; and
- 2. The Grants shall be distributed between the Statewide Academic Health Centers as follows:

A. \$2,007,300 to the University of Maryland Medical Group;

and

- B. \$392,700 to the Johns Hopkins Institutions.
- (ii) For fiscal year 2013 and each fiscal year thereafter:
- 1. The Governor shall include at least \$13,000,000 in the annual budget in appropriations for the Statewide Academic Health Center Cancer Research Grants under this section: and
- 2. The Grants shall be distributed according to historical allocations between the Academic Health Centers.]
- (1) FOR FISCAL YEAR 2016 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE AT LEAST \$5,800,000 IN THE ANNUAL BUDGET IN APPROPRIATIONS FOR THE STATEWIDE ACADEMIC HEALTH CENTER CANCER RESEARCH GRANTS UNDER THIS SECTION.

Article Insurance

31 - 107.2

- (a) [(1)] For State fiscal year 2015 and for each State fiscal year thereafter, from the funds received from the distribution of the premium tax under § 6–103.2 of this article, the Governor shall provide an appropriation in the State budget adequate to fully fund the operations of the Exchange.
- f(2) (i) For State fiscal year 2015, the appropriation shall be no less than \$10.000.000.
- (ii) For each State fiscal year thereafter, the appropriation shall be no less than \$35,000,000.]

Article - Local Government

16-501.

- (e) (1) THIS SUBSECTION DOES NOT APPLY TO FISCAL YEARS BEGINNING WITH FISCAL YEAR 2016.
- (2) Except as provided in paragraph [(2)] (3) of this subsection, for fiscal year 2011 and each subsequent fiscal year, the distribution provided to any county or

Baltimore City under this section may not exceed the amount distributed to the county or Baltimore City for fiscal year 2010.

- [(2)] (3) (i) If a county or Baltimore City has a county income tax rate of at least 2.8% but less than 3%, the county or Baltimore City may receive a minimum of 20% of the amount determined under subsection (c)(3) of this section.
- (ii) If a county or Baltimore City has a county income tax rate of at least 3% but less than 3.2%, the county or Baltimore City may receive a minimum of 40% of the amount determined under subsection (c)(3) of this section.
- (iii) If a county or Baltimore City has a county income tax rate of at least 3.2%, the county or Baltimore City may receive a minimum of 60% of the amount determined under subsection (e)(3) of this section.
- (F) (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, IN FISCAL YEAR 2016 AND EACH FISCAL YEAR THEREAFTER THE TOTAL AMOUNT OF THE DISTRIBUTION PROVIDED UNDER THIS SECTION MAY NOT EXCEED \$127,708,537.
- (2) IF THE TOTAL AMOUNT REQUIRED BY CALCULATING THE GRANTS UNDER SUBSECTION (C) OF THIS SECTION WOULD EXCEED \$127,708,537, THE GRANTS SHALL BE ALLOCATED IN THE SAME PROPORTION AS WOULD BE PROVIDED UNDER SUBSECTION (C) OF THIS SECTION.

Article - Environment

<u>4–411.</u>

- Contingency Fund for the Department to use to develop equipment, personnel, and plans; for contingency actions to respond to, contain, clean—up, and remove from the land and waters of the State discharges of oil, petroleum products, and their by—products into, upon, or adjacent to the waters of the State; and restore natural resources damaged by discharges. The Fund may also be used by the Department for oil—related activities in water pollution control programs. The cost of containment, clean—up, removal, and restoration, including attorneys' fees and litigation costs, shall be reimbursed to the State by the person responsible for the discharge. The reimbursement shall be credited to the Fund. The Fund shall be limited in accordance with the limits set forth in this section. To this sum shall be credited every license fee, fine, if imposed by the circuit court for any county, and any other charge related to this subtitle. To this Fund shall be charged every expense the Department of the Environment has which relates to this section.
- (2) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, IN FISCAL YEARS 2015 AND 2016 ONLY, THE FUND MAY BE USED TO PAY COSTS

ASSOCIATED WITH THE PURPOSES OF THE OIL CONTAMINATED SITE ENVIRONMENTAL CLEANUP FUND SPECIFIED IN § 4–704 OF THIS TITLE.

- (g) Money in the Fund not needed currently to meet the Department of the Environment's obligations in the exercise of its responsibility under this section shall be deposited with the State Treasurer to the credit of the Fund, and may be invested as provided by law. Interest received on the investment shall be credited to the Fund. The Secretary of the Environment shall determine the proper allocation of the moneys credited to the Fund only for the following purposes:
- (1) Administrative expenses, personnel expenses, and equipment costs of the Department related to the purposes of this section;
- (2) Prevention, control, containment, clean-up, and removal of discharges into, upon, or adjacent to waters of the State of discharges of oil, petroleum products and their by-products, and the restoration of natural resources damaged by such discharges;
- (3) <u>Development of containment and clean-up equipment, plans, and procedures in accordance with the purposes of this section;</u>
- (4) Paying insurance costs by the State to extend or implement the benefits of the Fund; [and]
- (5) Expenses related to oil—related activities in the Department's water pollution control programs; AND
- (6) IN FISCAL YEARS 2015 AND 2016 ONLY, PAYING COSTS ASSOCIATED WITH THE PURPOSES OF THE OIL CONTAMINATED SITE ENVIRONMENTAL CLEANUP FUND SPECIFIED IN § 4–704 OF THIS TITLE.

Article - Health - General

7–306.3.

- (b) (1) (I) [This] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, THIS subsection applies in fiscal [2015] YEAR 2016 and each fiscal year thereafter before the earlier of:
- [(i)] 1. The implementation of the payment system required under \$7-306.2 of this subtitle; or
 - <u>[(ii)] 2.</u> <u>The end of fiscal year 2019.</u>
- (II) THIS SUBSECTION DOES NOT APPLY IN ANY FISCAL YEAR IN WHICH THE RATE INCREASE FOR COMMUNITY SERVICE PROVIDERS IS LESS THAN

3.0% OVER THE FUNDING PROVIDED IN THE LEGISLATIVE APPROPRIATION FOR OBJECT 08 CONTRACTUAL SERVICES PROGRAM M00M01.02 COMMUNITY SERVICES IN THE PRIOR FISCAL YEAR.

(2) The percentage of a community provider's total reported operating expenses, excluding interest on capital and other capital expenses, that is spent on direct support employee salaries, wages, and fringe benefits for a fiscal year, as reported to the Department by the provider in its fiscal year cost report data form, may not be less than the percentage of the community provider's total reported operating expenses spent on direct support employee salaries, wages, and fringe benefits for [fiscal year 2014] THE LAST FISCAL YEAR IN WHICH THE RATE INCREASE FOR COMMUNITY SERVICE PROVIDERS IS LESS THAN 3.0% OVER THE FUNDING PROVIDED IN THE LEGISLATIVE APPROPRIATION FOR OBJECT 08 CONTRACTUAL SERVICES IN PROGRAM M00M01.02 COMMUNITY SERVICES IN THE PRIOR FISCAL YEAR.

Article - Natural Resources

5-212.

(g) (2) For fiscal years 2012 [and], 2013, 2015, AND 2016 AND 2015 only, the payments under paragraph (1)(ii) of this subsection shall be based only on the revenue derived from sales of timber.

<u>5–212.1.</u>

- (g) (2) (i) Subject to subparagraph (ii) of this paragraph, each county in which any State forest or park is located shall be paid annually out of the Account:
- <u>1.</u> <u>If the State forest or park reserve comprises less than 10% of the total land area of the county, a sum equal to 15% of the net revenue derived from concession operations within a State forest or park located in that county; or</u>
- <u>2.</u> <u>If the State forest or park reserve comprises 10% or more of the total land area of the county, a sum equal to 25% of the net revenue derived from concession operations within a State forest or park located in that county.</u>
- (ii) For fiscal years <u>YEAR [2012 and 2013]</u> **2015** <u>AND **2016** only, the payments under subparagraph (i) of this subsection may not be made.</u>

<u>8–707.</u>

(a) There is a Waterway Improvement Fund for the purposes specified in this subtitle. Except as provided in § 8–709 of this subtitle, any money received into the Waterway Improvement Fund shall be used solely for the following projects:

- (1) Marking channels and harbors and establishing aids to navigation in cooperation with and as an extension of operations of the United States Coast Guard;
- (2) <u>Clearing debris, aquatic vegetation, and obstruction from waters of the State;</u>
- (3) <u>Dredging channels and harbors and construction of jetties and breakwaters in cooperation with and as an extension of operations of the United States Army Corps of Engineers;</u>

(4) <u>Dredging Ponds, lakes, and reservoirs owned by the</u> <u>State;</u>

- public, including constructing pump—out stations for use by the general boating public at public and private marinas. The Secretary may use the funds to install pump—out stations for use by the general boating public and to supplement maintenance costs at the discretion of the Secretary. Before approving the construction of any pump—out station at a public or private marina, the Secretary shall consult with the Department of the Environment to assure that the wastewater collection and treatment system of the marina is adequate to handle any increased flow. The Department may adopt regulations to govern the use and operation of pump—out stations for use by the general boating public constructed or supported by State funds under this section;
- [(5)] (6) Improvement, reconstruction, or removal of bridges, drawbridges, or similar structures over or across waters, if those structures delay, impede, or obstruct the boating public. With the approval of the Board of Public Works, funds from another public or any private source may be received and used to supplement and increase the funds in the Waterway Improvement Fund for the purpose of this subsection. Also, the Board of Public Works may enter into an agreement with a private company or person which owns such a structure, for the improvement, reconstruction, or removal of the structure, in order to provide a sharing of the cost of the improvement, reconstruction, or removal;
- [(6)] (7) Evaluation of water-oriented recreation needs and recreational capacities of Maryland waterways and development of comprehensive plans for waterway improvements;
- [(7)] (8) To provide matching grants to local governments for the construction of marine facilities for marine firefighting, marine police, or medical services and for the acquisition of vessels and equipment for vessels for marine firefighting, police, medical, and communication equipment for promoting safety of life and property and general service to the boating public utilizing the waters of the State. The ownership, operation, and maintenance of any equipment acquired under this subtitle shall be the responsibility of the local governing body;

- [(8)] (9) Structural and nonstructural shore erosion control under subsection (b) of this section;
- [(9)] (10) Acquisition of equipment and State vessels for firefighting, policing, first aid and medical assistance, and communications, in order to promote safety of life and property and general service to the boating public utilizing waters of the State;

[(10)] (11) Boating information and education; and

[(11)] (12) To provide interest-free loans to a governing body for the benefit of a residential property owner, or group of residential property owners, with land abutting a channel adjacent to a federal, State, county, or municipal main channel or harbor for dredging the adjacent channel.

8-709.

- (d) Notwithstanding the provisions of subsection (a) of this section:
- (1) For fiscal year 2006 through fiscal year 2009, as provided in the State budget, the Department may use up to the following percentage of the moneys in the Waterway Improvement Fund for administrative expenses directly relating to implementing the purposes of the Waterway Improvement Fund:
 - (i) In fiscal year 2006, 8%;
 - (ii) In fiscal year 2007, 6%;
 - (iii) In fiscal year 2008, 4%; and
 - (iv) In fiscal year 2009, 2%; and
- (2) [For] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, FOR EACH OF THE fiscal years after fiscal year 2009, the Department may use up to \$750,000 in the Waterway Improvement Fund for administrative expenses directly relating to implementing the purposes of the Waterway Improvement Fund.
- (3) FOR FISCAL YEAR 2016 ONLY, THE DEPARTMENT MAY USE UP TO \$1,625,000 IN THE WATERWAY IMPROVEMENT FUND FOR ADMINISTRATIVE EXPENSES DIRECTLY RELATING TO IMPLEMENTING THE PURPOSES OF THE WATERWAY IMPROVEMENT FUND.

Article - Public Safety

[Subtitle 8. State Police Helicopter Replacement Fund.]

[2-801.

- (a) In this section, "Fund" means the State Police Helicopter Replacement Fund.
- (b) There is a State Police Helicopter Replacement Fund.
- (c) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.
- (2) The Treasurer shall hold the Fund separately and the Comptroller shall account for the Fund.
 - (d) The Fund consists of:
 - (1) money received by the Fund under § 7–301(f) of the Courts Article;
 - (2) investment earnings of the Fund; and
 - (3) money received by the Fund from any other source.
- (e) Any investment earnings of the Fund shall be separately accounted for and credited to the Fund and are not subject to \S 6–226(a) of the State Finance and Procurement Article.
- (f) The money in the Fund may be used only for the procurement by the Department of new helicopters and auxiliary helicopter equipment, ground support equipment, and other capital equipment related to helicopters.]

4-506.

- (a) (1) [Subject] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION AND SUBJECT to § 4–507 of this subtitle and the limitations and requirements provided in this subtitle, each fiscal year the State shall pay to each county and each qualifying municipality, in the manner provided in this subtitle, an amount determined as provided in this section.
- (2) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, FOR EACH OF FISCAL YEARS 2015 AND 2016, THE TOTAL AMOUNT OF THE GRANTS PROVIDED UNDER THIS SUBTITLE SHALL BE \$67,277,067.

Article - State Finance and Procurement

7–311.

(j) (1) Except as provided in paragraph (2) of this subsection and § 13–209(g) of the Tax – Property Article, for fiscal year 2007 and for each subsequent fiscal year, the Governor shall include in the budget bill an appropriation:

(I) FOR EACH OF THE FISCAL YEARS 2017 THROUGH 2020:

- 1. TO THE ACCUMULATION FUNDS OF THE STATE RETIREMENT AND PENSION SYSTEM AN AMOUNT, UP TO A MAXIMUM OF \$50,000,000, THAT IS EQUAL TO ONE-HALF OF THE AMOUNT BY WHICH THE UNAPPROPRIATED GENERAL FUND SURPLUS AS OF JUNE 30 OF THE SECOND PRECEDING FISCAL YEAR EXCEEDS \$10,000,000; AND
- 2. TO THE ACCOUNT EQUAL TO THE AMOUNT BY WHICH THE UNAPPROPRIATED GENERAL FUND SURPLUS AS OF JUNE 30 OF THE SECOND PRECEDING FISCAL YEAR EXCEEDS \$10,000,000, LESS THE AMOUNT OF THE APPROPRIATION UNDER ITEM 1 OF THIS PARAGRAPH; AND
- (II) FOR FISCAL YEAR 2021 AND EACH FISCAL YEAR THEREAFTER, to the Account equal to the amount by which the unappropriated General Fund surplus as of June 30 of the second preceding fiscal year exceeds \$10,000,000.

7-311.

(j) (1) Except as provided in paragraph (2) of this subsection [and § 13–209(g) of the Tax – Property Article], for fiscal year 2007 and for each subsequent fiscal year, the Governor shall include in the budget bill an appropriation to the Account equal to the amount by which the unappropriated General Fund surplus as of June 30 of the second preceding fiscal year exceeds \$10,000,000.

7 - 325

- (a) (1) [In each of fiscal years 2011 and 2012, the Governor shall include in the annual budget bill submitted to the General Assembly a General Fund appropriation for the Maryland State Arts Council of not less than \$13,298,434] FOR FISCAL YEAR 2016, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL SUBMITTED TO THE GENERAL ASSEMBLY A GENERAL FUND APPROPRIATION FOR THE MARYLAND STATE ARTS COUNCIL OF \$15,418,942.
- Governor shall include in the annual budget bill submitted to the General Assembly a General Fund appropriation for the Maryland State Arts Council in an amount not less than the amount of the General Fund appropriation for the Council as approved in the State budget as enacted by the General Assembly for the prior fiscal year, increased by not less than the percentage by which the projected total General Fund revenues for the upcoming fiscal year exceed the revised estimate of total General Fund revenues for the

current fiscal year, as contained in the report of estimated State revenues submitted by the Board of Revenue Estimates to the Governor under § 6–106(b) of this article.

17-220.

- (d) If a contractor is late in submitting copies of the payroll records required under subsection (b) of this section:
- (2) the contractor shall be liable to the public body for liquidated damages of [\$10] \$250 for each calendar day the records are late.

17-222.

- (a) A contractor under a public work contract is liable to the public body for liquidated damages of [\$20] \$250 for each laborer or other employee for each day for which:
- (1) the laborer is paid less than the prevailing wage rate of a mechanic while performing a task required to be performed by a mechanic or mechanic's apprentice; or
 - (2) the employee is paid less than the prevailing wage rate.

Article - State Government

9-20B-05.

- (f) The Administration shall use the Fund:
 - (1) to invest in the promotion, development, and implementation of:
- (i) <u>cost-effective energy efficiency and conservation programs,</u> projects, or activities, including measurement and verification of energy savings;
 - (ii) renewable and clean energy resources;
- (iii) <u>climate change programs directly related to reducing or mitigating the effects of climate change; and</u>
- (iv) demand response programs that are designed to promote changes in electric usage by customers in response to:
 - 1. changes in the price of electricity over time; or
- <u>2.</u> <u>incentives designed to induce lower electricity use at times</u> <u>of high wholesale market prices or when system reliability is jeopardized;</u>

- (2) to provide targeted programs, projects, activities, and investments to reduce electricity consumption by customers in the low-income and moderate-income residential sectors;
- (3) to provide supplemental funds for low-income energy assistance through the Electric Universal Service Program established under § 7–512.1 of the Public Utilities Article and other electric assistance programs in the Department of Human Resources;
- (4) to provide rate relief by offsetting electricity rates of residential customers, including an offset of surcharges imposed on ratepayers under § 7–211 of the Public Utilities Article;
- (5) to provide grants, loans, and other assistance and investment as necessary and appropriate to implement the purposes of the Program as set forth in § 9–20B–03 of this subtitle;
- (6) to implement energy-related public education and outreach initiatives regarding reducing energy consumption and greenhouse gas emissions;
- (7) to provide rebates under the Electric Vehicle Recharging Equipment Rebate Program established under § 9–2009 of this title; [and]
- (8) TO PROVIDE GRANTS TO ENCOURAGE COMBINED HEAT AND POWER PROJECTS AT INDUSTRIAL FACILITIES; AND
 - [(8)] (9) to pay the expenses of the Program.

Article - Tax - General

2-606.

- (H) (1) ON OR BEFORE JUNE 30, 2015, THE COMPTROLLER SHALL DISTRIBUTE \$100,000,000 FROM THE LOCAL RESERVE ACCOUNT ESTABLISHED TO COMPLY WITH THIS SECTION TO THE GENERAL FUND OF THE STATE.
- (2) IN EACH OF FISCAL YEARS 2017 THROUGH 2025, IN ADDITION TO THE AMOUNTS DISTRIBUTED UNDER SUBSECTION (B) OF THIS SECTION, THE COMPTROLLER SHALL DISTRIBUTE \$10,000,000 OF THE REMAINING INCOME TAX REVENUE FROM INDIVIDUALS TO THE LOCAL RESERVE ACCOUNT TO REPAY THE \$100,000,000 TRANSFER TO THE GENERAL FUND REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

2-1302.1.

- (b) For each fiscal year beginning on or before July 1, [2014] **2015**, after the distribution required under subsection (a)(1) of this section, the Comptroller shall distribute the remainder of the sales and use tax collected on short–term vehicle rentals under § 11–104(c) of this article as follows:
 - (1) to the General Fund of the State:
 - (i) [\$15,169,444 for the fiscal year beginning July 1, 2011;
 - (ii) \$10,076,582 for the fiscal year beginning July 1, 2012;
 - (iii) \$14,535,845 for the fiscal year beginning July 1, 2013; and
 - [(iv)] \$9,249,199 for the fiscal year beginning July 1, 2014; and
 - (II) \$8,639,632 FOR THE FISCAL YEAR BEGINNING JULY 1, 2015;

AND

(2) the remainder to the Chesapeake Bay 2010 Trust Fund.

10 - 704.

- (a) (1) [An individual] A RESIDENT may claim a credit against the State income tax for a taxable year in the amount determined under subsection (b) of this section for earned income.
- (2) [An individual] A RESIDENT may claim a credit against the county income tax for a taxable year in the amount determined under subsection (c) of this section for earned income.
- (b) (2) (i) [An individual] EXCEPT AS PROVIDED IN SUBJECT TO SUBSECTION (D) OF THIS SECTION FOR A PART-YEAR RESIDENT, A RESIDENT may claim a refund in the amount, if any, by which the applicable percentage specified in subparagraph (ii) of this paragraph of the earned income credit allowable for the taxable year under § 32 of the Internal Revenue Code exceeds the State income tax for the taxable year.
- (c) (2) (iii) If a county provides for a refundable county earned income credit under this paragraph, [an individual] A RESIDENT may claim a refund of the amount, if any, by which the product of multiplying the credit allowable for the taxable year under § 32 of the Internal Revenue Code by 5 times the county income tax rate for the taxable year exceeds the county income tax for the taxable year.
- (d) For an individual who is a nonresident or is a resident of the State for only a part of the year, the amount of the credit or refund allowed under this section shall be

determined based on the part of the earned income credit allowable for the taxable year under § 32 of the Internal Revenue Code that is attributable to Maryland, determined by multiplying the federal earned income credit by a fraction:

- (1) the numerator of which is the Maryland adjusted gross income of the individual; and
- (2) the denominator of which is the federal adjusted gross income of the individual.

10 - 730

- (f) (1) Except as provided in paragraph (2) of this subsection, the Secretary may not issue tax credit certificates for credit amounts in the aggregate totaling more than:
 - (i) for fiscal year 2014, \$25,000,000;
 - (ii) for fiscal year 2015, \$7,500,000; and
 - (iii) for fiscal year 2016, [\$7,500,000] **\$6,816,237**

10-733.

- (f) (3) (iv) **1.** [For] **EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, FOR** each fiscal year, the Governor shall include in the budget bill an appropriation of at least \$2,000,000 to the Reserve Fund.
- 2. IN FISCAL YEAR 2016, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL AN APPROPRIATION OF AT LEAST \$1,500,000 TO THE RESERVE FUND.

Article - Tax - Property

13 - 209.

- (f) (2) For any fiscal year in which the actual transfer tax revenue collections are less than the revenue estimates used as the basis for the appropriations required under this section, the amount of the deficiency shall be reconciled as follows:
- (i) for the first \$3,000,000 of any deficiency, the allocation to the special fund under subsection (a) of this section as provided under subsections (c) and (d) of this section for the second fiscal year following the deficiency shall be reduced by either the amount of the deficiency or \$3,000,000, whichever is less; [and]
- (ii) for any deficiency in excess of \$3,000,000, the amount in excess of \$3,000,000 shall be reconciled either by the reduction of the allocation to the special fund

under subsection (a) of this section as provided under subsections (c) and (d) of this section for the second fiscal year following the deficiency or by the deauthorization of projects authorized in prior fiscal years; AND

- (III) FOR THE ALLOCATION OF THE SPECIAL FUND UNDER SUBSECTION (A) OF THIS SECTION, IN THE FISCAL YEAR BEGINNING JULY 1, 2016, TRANSFER TAX REVENUE UNDER-ATTAINMENT FROM THE FISCAL YEAR BEGINNING JULY 1, 2014, WILL NOT BE APPLIED; AND
- (IV) TRANSFER TAX REVENUE IN FISCAL YEAR 2015, THAT IS IN EXCESS OF \$161,016,000 MAY BE TRANSFERRED BY BUDGET AMENDMENT IN FISCAL YEAR 2016 FOR:
- 1. <u>ADMINISTRATIVE EXPENSES RELATED TO LAND</u>
 ACQUISITION FOR PROGRAM OPEN SPACE;
- 2. <u>CRITICAL MAINTENANCE PROJECTS IN THE DEPARTMENT OF NATURAL RESOURCES;</u>
- 3. NATURAL RESOURCES DEVELOPMENT FUND PROJECTS IN THE DEPARTMENT OF NATURAL RESOURCES; AND
- 4. REPLACEMENT OF GENERAL FUND APPROPRIATIONS IN THE MARYLAND PARK SERVICE.
- **f**(g) (1) Notwithstanding § 7–311(j) of the State Finance and Procurement Article, subject to paragraph (3) of this subsection, for fiscal year 2016 **2019** and for each subsequent fiscal year, if the unappropriated General Fund surplus as of June 30 of the second preceding year exceeds \$10,000,000, the Governor shall include in the budget bill a General Fund appropriation to the special fund under subsection (a) of this section in an amount equal to at least the lesser of \$50,000,000 or the excess surplus over \$10,000,000.
 - (2) For any fiscal year to which this subsection applies:
- (i) unless the unappropriated General Fund surplus as of June 30 of the second preceding fiscal year exceeds the sum of \$10,000,000 and the amount required to be appropriated to the special fund under paragraph (1) of this subsection, the appropriation to the Revenue Stabilization Account under § 7–311(j) of the State Finance and Procurement Article is not required; and
- (ii) if the unappropriated General Fund surplus as of June 30 of the second preceding fiscal year exceeds the sum of \$10,000,000 and the amount required to be appropriated to the special fund under paragraph (1) of this subsection, the appropriation required to the Revenue Stabilization Account under § 7–311(j) of the State Finance and Procurement Article shall equal the amount by which that surplus exceeds the sum of

\$10,000,000 and the amount appropriated to the special fund under paragraph (1) of this subsection.

- (3) (i) The cumulative amount required to be appropriated to the special fund under paragraph (1) of this subsection for all fiscal years shall equal the cumulative amount of any appropriation or transfer from the special fund to the General Fund for fiscal year 2006 and for each subsequent fiscal year, reduced by:
- 1. the amount of any appropriation or transfer from the General Fund to the special fund for any fiscal year in excess of the amount required under paragraph (1) of this subsection for that fiscal year; and
- 2. the amount of any appropriation or transfer from the General Fund to the special fund for any fiscal year in which the appropriation under paragraph (1) of this subsection is not required.
- (ii) This subsection does not apply to any fiscal year if a cumulative amount has been appropriated to the special fund for prior fiscal years under this subsection equal to the cumulative amount of any appropriation or transfer from the special fund to the General Fund for fiscal year 2006 and for each subsequent fiscal year, reduced by:
- 1. the amount of any appropriation or transfer from the General Fund to the special fund for any fiscal year in excess of the amount required under paragraph (1) of this subsection for that fiscal year; and
- 2. the amount of any appropriation or transfer from the General Fund to the special fund for any fiscal year in which the appropriation under paragraph (1) of this subsection is not required.
- $\{(h)\}$ (1) The distributions required under this subsection may not be utilized or considered for the purposes of calculating any allocation or appropriation under subsection (f) for (g) of this section.
- (2) Notwithstanding any other provision of law, the Governor may transfer funds from the special fund established under this section to the General Fund as follows:
 - (i) on or before June 30, 2014, \$89,198,555;
 - (ii) for the fiscal year beginning July 1, 2014, \$144,188,544;
- (iii) for the fiscal year beginning July 1, 2015, [\$77,654,000] **\$115,366,700**;
 - (iv) for the fiscal year beginning July 1, 2016, \$82,771,000; and

(v) for the fiscal year beginning July 1, 2017, \$86,028,000.

<u>Article - Transportation</u>

3–216.

- (G) (1) THIS SUBSECTION APPLIES ONLY TO A BILL OR AN AMENDMENT THAT WOULD:
- (I) REDUCE ANY TAX OR FEE THAT OTHERWISE WOULD BE CREDITED TO THE TRANSPORTATION TRUST FUND; OR
- (II) INCREASE TRANSPORTATION AID TO LOCAL GOVERNMENTS
 BY USING FUNDS FROM THE TRANSPORTATION TRUST FUND.
- (2) When submitting a proposed bill or amendment for introduction in the General Assembly on behalf of the Administration, an executive department, or any other unit of State government, the Governor shall provide to the General Assembly, in accordance with § 2–1246 of the State Government Article, a detailed analysis of the effect the proposed bill or amendment will have on the Transportation Trust Fund and the funding of projects specified in the Consolidated Transportation Program, including an analysis of whether the reduction of available funds will result in the elimination of any project or the alteration of the scope, design, or scheduling of any project.

<u>4–306.</u>

- (b) (1) Subject to subparagraph (ii) of this paragraph, revenue bonds secured by toll revenue may be issued in any amount as long as the aggregate outstanding and unpaid principal balance of the revenue bonds secured by toll revenue and revenue bonds of prior issues does not exceed \$3,000,000,000 OR, IN FISCAL YEARS 2015 THROUGH 2020, \$2,325,000,000, on June 30 of any year.
- (ii) The maximum aggregate amount of revenue bonds that may be outstanding and unpaid under subparagraph (i) of this paragraph shall be reduced by the amount of:
- 1. <u>Any loan extended to the State under the federal</u>
 Transportation Infrastructure Finance and Innovation Act; and

<u>2. Any line of credit extended to the State under the federal Transportation Infrastructure Finance and Innovation Act, to the extent the State draws on the line of credit.</u>

<u>5–415.</u>

- (a) In this section, "Fire Rescue Service" means the Maryland Aviation Administration Fire Rescue Service.
- (b) Subject to [subsection (c)] SUBSECTIONS (C) AND (E) of this section, the Fire Rescue Service [shall] MAY charge an ambulance transport fee [set in regulations adopted under subsection (d) of this section] to an individual if the Fire Rescue Service transports the individual to a hospital from property owned by the Administration or property subject to a mutual aid agreement to which the Administration is a party.
 - (c) [(1)] The Fire Rescue Service may not:
- [(i)] (1) Question an individual about ability to pay [the] AN ambulance transport fee at the time that ambulance transportation is requested or provided; or
- [(ii)] (2) Fail to provide ambulance transportation and emergency medical services because of an individual's actual or perceived inability to pay [the] AN ambulance transport fee.
- [(2)] (D) The Administration may procure the services of a third party billing company to administer [its] AN ambulance transport fee program UNDER THIS SECTION.
- [(d)] (E) [The] BEFORE THE FIRE RESCUE SERVICE MAY CHARGE AN AMBULANCE TRANSPORT FEE UNDER THIS SECTION, THE Administration shall adopt regulations to:
 - (1) Set the AMOUNT OF THE ambulance transport fee; and
- (2) Administer the collection of the ambulance transport fee, including regulations governing:
- (i) A waiver of the ambulance transport fee in the event of financial hardship;
- (ii) The acceptance of reduced payments by commercial insurers and other third-party payors, including Medicare and Medicaid; and

- (iii) A requirement that each individual receiving an ambulance transport provide financial information, including the individual's insurance coverage, and assign insurance benefits to the Administration.
- [(e)] (F) The Administration shall deposit the fees collected under this section in the Transportation Trust Fund.

Article - Transportation

8 613.3.

The Governor shall include in the annual operating or capital budget OF THE DEPARTMENT an appropriation [to the Administration] to be used to comply with the Watershed Implementation Plan in the amount of:

- (1) \$45,000,000 for fiscal year 2015;
- (2) \$65,000,000 for fiscal year 2016;
- (3) \$85,000,000 for fiscal year 2017;
- (4) \$100,000,000 for fiscal year 2018; and
- (5) \$100.000.000 for fiscal year 2019.

Chapter 62 of the Acts of 1992, as amended by Chapter 484 of the Acts of 2010

SECTION 4. AND BE IT FURTHER ENACTED. That:

- (a) Notwithstanding any other provision of law, except as prohibited by the Constitution of Maryland:
- (1) [For fiscal year 2011 or during] DURING any fiscal year in which appropriations are reduced pursuant to § 7–213 of the State Finance and Procurement Article because of a projected deficit AND FOR FISCAL YEAR 2016, by Executive Order the Governor may institute a furlough or temporary salary reduction plan for Executive Branch employees of the State of Maryland.
 - (2) An Executive Order issued pursuant to paragraph (1) of this subsection:
- (i) Shall specify how the furlough or temporary salary reduction plan applies to the various employees of the State of Maryland; and
 - (*ii*) *May*:
 - 1. Scale the number of furlough days to salary; and

- 2. <u>Include any other provisions related to the operation of the furlough and temporary salary reduction plan.</u>
- (b) This section shall be deemed to provide supplemental authority to the Governor and shall not be regarded as in derogation of any power now existing.

Chapter 397 of the Acts of 2011, as amended by Chapter 425 of the Acts of 2013, and Chapter 464 of the Acts of 2014

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

- (a) For fiscal year 2012, the Health Services Cost Review Commission shall approve a combination of hospital assessments and remittances in the amount of \$389,825,000 to support the general operations of the Medicaid program. The Commission may reduce assessments or remittances by the amount of any reduction in State Medicaid expenditures that will result from any Commission—approved changes in hospital rates or policies.
- (b) For fiscal years 2013 and 2014, the Commission and the Department of Health and Mental Hygiene shall adopt policies that will provide at least \$389,825,000 from a combination of special fund revenues and General Fund savings from reduced hospital or other payments made by the Medicaid program. The policies adopted under this subsection shall be in lieu of the hospital assessment and remittance revenue generated in fiscal year 2012, but may include hospital assessments and remittances. To the maximum extent possible, the Commission and the Department shall adopt policies that preserve the State Medicare waiver.
- (c) (1) For fiscal year 2015 and every fiscal year thereafter 2016, the Commission and the Department of Health and Mental Hygiene shall adopt policies that will provide up to \$389,825,000 in special fund revenues from hospital assessment and remittance revenue.
- (2) Beginning with the State budget submission for fiscal year [2016] 2017, the Governor shall reduce the budgeted Medicaid Deficit Assessment by the full amount of hospital inpatient and outpatient General Fund savings that accrue to the Medicaid program as a result of the implementation of Maryland's all-payer model contract approved by the federal Center for Medicare and Medicaid Innovation. The extent of General Fund savings shall be calculated by the Health Services Cost Review Commission and the Department of Health and Mental Hygiene using a methodology developed by the Commission and the Department of Health and Mental Hygiene in consultation with the Maryland Hospital Association. The Commission and the Department of Health and Mental Hygiene shall model the methodology for calculating General Fund savings in the Medicaid program by comparing an average baseline of Maryland Medicaid total risk-adjusted hospital expenditures per beneficiary over a reasonable period of time before the

implementation of the Maryland all-payer model contract to the actual Maryland Medicaid total risk-adjusted hospital expenditures per beneficiary during the period under Maryland's all-payer model contract. ANNUALLY BY \$20,000,000 \$25,000,000 OVER THE ASSESSMENT LEVEL FOR THE PRIOR YEAR.

- (3) To the extent that the Commission takes other actions that reduce Medicaid costs, those savings shall also be used to reduce the budgeted Medicaid Deficit Assessment.
- (4) To the maximum extent possible, the Commission and the Department of Health and Mental Hygiene shall adopt policies that preserve the State's Medicare waiver.
- (D) (1) FROM THE RECOGNITION OF ADDITIONAL HOSPITAL INPATIENT AND OUTPATIENT SAVINGS DUE TO A DECREASE IN UNCOMPENSATED CARE, THE HEALTH SERVICES COST REVIEW COMMISSION SHALL ENACT ADOPT POLICIES THAT WILL ACHIEVE GENERAL FUND SAVINGS TO THE MEDICAID PROGRAM OF AT LEAST:
 - (I) \$8,000,000 IN FISCAL YEAR 2015; AND
 - (H) \$16,700,000 IN FISCAL YEAR 2016.
- (2) (I) IF THE POLICIES ENACTED ADOPTED UNDER PARAGRAPH (1) OF THIS SUBSECTION FAIL TO ACHIEVE THE REQUIRED SAVINGS IN EACH FISCAL YEAR FISCAL YEAR 2016, THE HEALTH SERVICES COST REVIEW COMMISSION SHALL ENACT POLICIES TO LOWER-HOSPITAL BILLING RATES FOR MEDICARE AND MEDICAID PATIENTS SUFFICIENT TO ACHIEVE THE TOTAL SAVINGS REQUIRED FOR EACH FISCAL YEAR SUBMIT, ON OR BEFORE SEPTEMBER 1, 2015, AN ALTERNATIVE PLAN FOR GENERAL FUND SAVINGS TO THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE AND THE DEPARTMENT OF BUDGET AND MANAGEMENT FOR REVIEW.
- (II) THE PLAN SUBMITTED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL PROVIDE FOR SAVINGS IN THE MEDICAID PROGRAM THAT, WHEN COMBINED WITH THE SAVINGS UNDER PARAGRAPH (1) OF THIS SUBSECTION, ARE SUFFICIENT TO ACHIEVE TOTAL GENERAL FUND SAVINGS OF AT LEAST \$16,700,000 IN FISCAL YEAR 2016.
- (3) IF THE POLICIES ENACTED UNDER PARAGRAPHS (1) AND (2) OF THIS SUBSECTION FAIL TO ACHIEVE THE REQUIRED SAVINGS IN EACH FISCAL YEAR, THE HEALTH SERVICES COST REVIEW COMMISSION SHALL ENACT POLICIES TO INCREASE THE MEDICAID DEFICIT ASSESSMENT TO A LEVEL SUFFICIENT TO ACHIEVE THE TOTAL SAVINGS REQUIRED FOR EACH FISCAL YEAR.

(4) THE SAVINGS REQUIRED UNDER THIS SUBSECTION SHALL BE IN ADDITION TO THE AMOUNT PROVIDED FOR IN SUBSECTION (C) OF THIS SECTION.

Chapter 397 of the Acts of 2014

<u>SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,</u> That:

- (b) (1) The Authority shall complete a study and submit a report on the status of its initiative to implement all-electronic tolling in accordance with this subsection.
 - (2) The study shall include:
- (i) an analysis of all-electronic tolling in other states and a description of various all-electronic tolling programs;
 - (ii) an analysis of electronic toll collection interoperability;
 - (iii) an analysis of:
- <u>1. alternative payment methods that do not exceed the existing cash toll rate at each project;</u>
- 2. <u>a video toll rate based on an analysis of actual costs and potential savings to collect video tolls; [and]</u>
- 3. <u>a toll rate needed to address concerns with video toll collection associated with trucks AND CORRESPONDING AXLE COMBINATIONS;</u>

<u>4. PROCUREMENT METHODS USED IN OTHER STATES TO</u> <u>SELECT THE BEST ALL-ELECTRONIC TOLLING SYSTEM; AND</u>

5. THE ECONOMIC BENEFITS OF ENSURING A HIGHLY COMPETITIVE PROCUREMENT METHOD;

- (iv) an analysis of issues and factors related to all-electronic tolling that must be addressed before all-electronic tolling becomes effective at each project;
- (v) an overview of revisions, if any, to the Authority's initial all-electronic tolling proposal; and
- (vi) proposed legislation, if required, relating to the implementation of all-electronic tolling.

- (3) The Authority shall submit a report of its findings and recommendations on or before January 1, 2016, to:
 - (i) the County Executive and County Council of Cecil County;
 - (ii) the County Executive and County Council of Harford County;
 - (iii) the Mayor and Town Commission of the Town of Perryville;
 - (iv) the Mayor and City Council of the City of Havre de Grace; and
- (v) in accordance with § 2–1246 of the State Government Article, the House Committee on Ways and Means and the Senate Finance Committee.

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

Article - Education

<u>6–306.</u>

- (b) (1) For fiscal year 2000 and each subsequent fiscal year, the Governor shall include in each year's operating budget funding for the stipends and bonuses provided in this subsection.
- (2) A classroom teacher or other nonadministrative school—based employee in a public school identified by the State Board as having comprehensive needs who holds a standard professional certificate or an advanced professional certificate who is employed by a county board and who holds a certificate issued by the National Board for Professional Teaching Standards shall receive a stipend from the State in an amount equal to the county grant for national certification, up to a maximum of \$2,000 per qualified individual.
- (3) A classroom teacher or other nonadministrative school—based employee in a school not identified by the State Board as having comprehensive needs who holds a standard professional certificate or an advanced professional certificate who is employed by a county board and who holds a certificate issued by the National Board for Professional Teaching Standards shall receive a stipend from the State in an amount equal to the county grant for national certification, up to a maximum of \$1,000 per qualified individual.
- [(4) A classroom teacher who holds an advanced professional certificate and teaches in a public school identified by the State Board as a school having comprehensive needs shall receive a stipend from the State in the amount of \$1,500 for each year that the teacher performs satisfactorily in the classroom.

- (5) (4) (i) 1. The State Board shall establish a program to support locally negotiated incentives, governed under Subtitles 4 and 5 of this title, for highly effective classroom teachers and principals to work in public schools that are:
 - A. <u>In improvement, corrective action, or restructuring;</u>
 - B. Categorized by the local school system as a Title I school;

or

- C. In the highest 25% of schools in the State based on a ranking of the percentage of students who receive free and reduced priced meals.
- <u>2.</u> <u>The program established under subsubparagraph 1 of this subparagraph may include financial incentives, leadership changes, or other incentives.</u>
- (ii) <u>1.</u> The State Board shall adopt guidelines to implement this paragraph.
- 2. Nothing in this paragraph shall be construed to prohibit a local school system from employing more stringent standards than the guidelines adopted under this subparagraph.

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - State Personnel and Pensions

<u>21–304.</u>

- (a) (1) In this section the following words have the meanings indicated.
- (2) With respect to local employees, "aggregate annual earnable compensation" means the total annual earnable compensation payable by a local employer to all of its local employees, calculated as of June 30 of the second prior fiscal year before the fiscal year for which the calculation is made under this section, adjusted by any actuarial assumed salary increases that were used in the actuarial valuation prepared under § 21–125(b) of this title for the immediate prior fiscal year.
 - (3) "Full funding rate" means the sum of:
- (i) the aggregate normal rate that is based on the normal contribution rate calculated under subsection (c) of this section and adjusted to incorporate legislative changes in benefits to reflect changes to the normal cost; and

- (ii) the aggregate unfunded accrued liability contribution rate that is based on the unfunded accrued liability contribution rate under subsection (d)(1) and (2) of this section.
- (4) <u>"Funding ratio for the employees' systems" means the actuarial value of assets for the employees' systems divided by the actuarial accrued liability for the employees' systems.</u>
- (5) "Funding ratio for the teachers' systems" means the actuarial value of assets for the teachers' systems divided by the actuarial accrued liability for the teachers' systems.
- [(6)] (3) "Local employee" means a member of the Teachers' Retirement System or the Teachers' Pension System who is an employee of a day school in the State under the authority and supervision of a county board of education or the Baltimore City Board of School Commissioners, employed as:
 - (i) a clerk;
 - (ii) a helping teacher;
 - (iii) a principal;
 - (iv) a superintendent:
 - (v) a supervisor; or
 - (vi) a teacher.
- [(7)] (4) "Local employer" means a county board of education or the Baltimore City Board of School Commissioners.
- [(8) "New legislative change" means a legislative change that results in an adjustment to the normal cost or accrued liabilities that has not previously been recognized in an actuarial valuation under § 21–125(b) of this title.
- (9) "Preliminary funding rate" means the full funding rate without any adjustment to the normal cost or accrued liabilities for a new legislative change.]
- [(10)] (5) "State member" does not include a member on whose behalf a participating governmental unit is required to make an employer contribution under § 21–305 or § 21–306 of this subtitle.

- [(11)] (6) "Total employer contribution for local employees" means that portion of the employer contribution calculated under subsection (b) of this section that is attributable to all local employees.
- (b) (1) Subject to paragraphs (4) and (5) of this subsection, each fiscal year, on behalf of the State members of each State system, the State shall pay to the appropriate accumulation fund an amount equal to or greater than the sum of the amount, if any, required to be included in the budget bill under § 3–501(c)(2)(ii) of this article and the product of multiplying:
- (i) the aggregate annual earnable compensation of the State members of that State system; and
- (ii) [1. for State members of the Law Enforcement Officers' Retirement System, State Police Retirement System, and the Judges' Retirement System,] the sum of the normal contribution rate and the accrued liability contribution rate FOR STATE MEMBERS OF THAT STATE SYSTEM, as determined under this section[;
- 2. for State members of the Employees' Pension System, Employees' Retirement System, Correctional Officers' Retirement System, and Legislative Pension Plan, the employees' systems contribution rate determined under subsection (e) of this section; or
- 3. for State members of the Teachers' Pension System and Teachers' Retirement System, the teachers' systems contribution rate determined under subsection (f) of this section].
- (2) The amount determined under paragraph (1) of this subsection for each State system shall be based on an actuarial determination of the amounts that are required to preserve the integrity of the funds of the several systems using:
 - (i) the entry-age actuarial cost method; and
 - (ii) actuarial assumptions adopted by the Board of Trustees.
- (3) For the purpose of making the determinations required under this section:
- (i) the Employees' Retirement System, the Employees' Pension System, the Correctional Officers' Retirement System, and the Legislative Pension Plan shall be considered together as one State system; and
- (ii) the Teachers' Retirement System and the Teachers' Pension System shall be considered together as one State system.

- [(e) (1) Except as provided in paragraph (3) of this subsection and subject to paragraph (2) of this subsection, the employees' system contribution rate shall be the sum of:
- (i) the employees' system contribution rate for the previous fiscal year; and
- (ii) 1. 20% of the difference between the full funding rate for the current fiscal year and the employees' system contribution rate for the previous fiscal year; or
- 2. for a fiscal year for which an adjustment to normal cost or accrued liabilities for a new legislative change is first determined as a result of an actuarial valuation under § 21–125(b) of this title, 20% of the difference between the preliminary funding rate for the current fiscal year and the employees' system contribution rate for the previous fiscal year.
- (2) For a fiscal year for which an adjustment to normal cost or accrued liabilities for a new legislative change is determined as a result of an actuarial valuation under § 21–125(b) of this title, the contribution rate for the employees' systems under paragraph (1) of this subsection shall be adjusted to fully reflect the cost or savings of the new legislative changes that result in changes in normal contributions or accrued liabilities and to amortize over the time remaining until June 30, 2038, any changes in accrued liabilities of the employees' systems.
 - (3) The percentages used in paragraph (1)(ii) of this subsection shall be:
 - (i) 28% for the rate for fiscal year 2015;
 - (ii) 36% for the rate for fiscal year 2016;
 - (iii) 44% for the rate for fiscal year 2017;
 - (iv) 52% for the rate for fiscal year 2018;
 - (v) 60% for the rate for fiscal year 2019;
 - (vi) 68% for the rate for fiscal year 2020;
 - (vii) 76% for the rate for fiscal year 2021;
 - (viii) 84% for the rate for fiscal year 2022;
 - (ix) 92% for the rate for fiscal year 2023; and
 - (x) 100% for the rate for fiscal year 2024 and thereafter.

- [(f) (1) Except as provided in paragraph (3) of this subsection and subject to paragraph (2) of this subsection, the teachers' system contribution rate shall be the sum of:
- (i) the teachers' system contribution rate for the previous fiscal year; and
- (ii) 1. 20% of the difference between the full funding rate for the current fiscal year and the teachers' system contribution rate for the previous fiscal year; or
- 2. for a fiscal year for which an adjustment to normal cost or accrued liabilities for a new legislative change is first determined as a result of an actuarial valuation under § 21–125(b) of this title, 20% of the difference between the preliminary funding rate for the current fiscal year and the teachers' system contribution rate for the previous fiscal year.
- (2) For a fiscal year for which an adjustment to normal cost or accrued liabilities for a new legislative change is determined as a result of an actuarial valuation under § 21–125(b) of this title, the contribution rate for the teachers' systems under paragraph (1) of this subsection shall be adjusted to fully reflect the cost or savings of the new legislative changes that result in changes in normal contributions or accrued liabilities and to amortize over the time remaining until June 30, 2038, any changes in accrued liabilities of the teachers' systems.
 - (3) The percentages used in paragraph (1)(ii) of this subsection shall be:
 - (i) 28% for the rate for fiscal year 2015;
 - (ii) 36% for the rate for fiscal year 2016;
 - (iii) 44% for the rate for fiscal year 2017;
 - (iv) 52% for the rate for fiscal year 2018;
 - (v) 60% for the rate for fiscal year 2019;
 - (vi) 68% for the rate for fiscal year 2020;
 - (vii) 76% for the rate for fiscal year 2021;
 - (viii) 84% for the rate for fiscal year 2022;
 - (ix) 92% for the rate for fiscal year 2023; and
 - (x) 100% for the rate for fiscal year 2024 and thereafter.

<u>21–308.</u>

(a) On or before December 1 of each year, the Board of Trustees shall:

- (i) certify to the Governor and the Secretary of Budget and Management the rates to be used to determine the amounts to be paid by the State to the accumulation fund of each of the several systems during the next fiscal year, including a separate certification of the normal contribution rate for the Teachers' Retirement System and the Teachers' Pension System; and
- (ii) provide to the Secretary of Budget and Management a statement of the total amount to be paid by the State as determined under § 21–304 of this subtitle to the Teachers' Retirement System and the Teachers' Pension System expressed as a percentage of the payroll of all members of those State systems.
 - (2) The Governor shall include in the budget bill:
- (i) the total amount of the State's contribution to each State system as ascertained based on the rates certified by the Board of Trustees under paragraph (1) of this subsection;
- (ii) the additional amounts as ascertained under subsection (d) of this section for the State's payment to the professional and clerical employees of the Department of Public Libraries of Montgomery County who are members of the Employees' Retirement System of Montgomery County and are excluded from membership in the Teachers' Retirement System or the Teachers' Pension System; and
- (iii) any additional amount required to be in the budget bill under § 3–501(c)(2)(ii) of this article.
- (3) The amounts that the Governor is required to include in the budget bill under paragraph (2) of this subsection shall be reduced by the amount of administrative and operational expenses for the Board of Trustees and the State Retirement Agency that are to be paid by local employers under § 21–316 of this subtitle other than participating governmental units or employers who are required to make contributions under § 21–307 of this subtitle.
- (4) (i) I1. For fiscal year 2014, in addition to the annual required contribution required under paragraph (2) of this subsection, the Governor shall include in the budget bill a supplemental contribution of \$100,000,000.
- 2. For fiscal year 2015, in addition to the annual required contribution required under paragraph (2) of this subsection, the Governor shall include in the budget bill a supplemental contribution of \$100,000,000.

- 3.] For fiscal year 2016, in addition to the annual required contribution required under paragraph (2) of this subsection, the Governor shall include in the budget bill a supplemental contribution of [\$150,000,000] \$75,000,000.
- [4.] (II) For fiscal year 2017 AND EACH FISCAL YEAR THEREAFTER, in addition to the annual required contribution required under paragraph (2) of this subsection, the Governor shall include in the budget bill a supplemental contribution of [\$200,000,000] \$75,000,000[.
- <u>5.</u> For fiscal year 2018, in addition to the annual required contribution required under paragraph (2) of this subsection, the Governor shall include in the budget bill a supplemental contribution of \$250,000,000.
- 6. For fiscal year 2019 and each fiscal year thereafter, in addition to the annual required contribution required under paragraph (2) of this subsection, the Governor shall include in the budget bill a supplemental contribution of \$300,000,000,1 until:
- A.] the total actuarial value of assets for the several systems divided by the total actuarial accrued liability for the several systems equals a funding ratio of 85%[; and
- B. the contribution rates certified under paragraph (1)(i) of this subsection are the full funding rates as defined in § 21–304(a)(3) of this subtitle].
- [(ii) If the amount of a supplemental contribution included in the budget bill for a fiscal year is less than the amount required under subparagraph (i) of this paragraph, the Governor shall increase the supplemental contribution for the following fiscal year by the amount of the reduction to the supplemental contribution in the previous fiscal year.]

<u>SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read</u> as follows:

Article - Tax - General

10–*703*.

- (a) Except as provided in subsection (b) of this section, a resident may claim a credit [only] against the [State] income tax for a taxable year in the amount determined under subsection (c) of this section for State tax on income paid to another state for the year.
 - (b) A credit under subsection (a) of this section is not allowed to:

- (1) a resident other than a fiduciary, if the laws of the other state allow the resident a credit for State income tax paid to this State;
- (2) <u>a resident fiduciary, if the fiduciary claims, and the other state allows,</u> <u>a credit for State income tax paid to this State;</u>
- (3) a resident for less than the full taxable year for tax on income that is paid to another state during residency in that state; or
 - (4) <u>a nonresident.</u>
- (c) (1) Except as provided in paragraph (2) of this subsection AND SUBJECT TO SUBSECTION (D) OF THIS SECTION, the credit allowed a resident under subsection (a) of this section is the lesser of:
- (i) the amount of allowable tax on income that the resident paid to another state; or
- (ii) an amount that does not reduce the [State] income tax to an amount less than would be payable if the income subjected to tax in the other state were disregarded.
- (2) If the credit allowed a resident under subsection (a) of this section is based on tax that an S corporation pays to another state, the credit allowable to a shareholder:
 - (i) may not exceed that shareholder's pro rata share of the tax; and
- (ii) will be allowed for another state's income taxes or taxes based on income.
- (D) (1) THE AMOUNT OF THE CREDIT ALLOWED UNDER SUBSECTION (A) OF THIS SECTION TO BE APPLIED AGAINST THE STATE INCOME TAX IS EQUAL TO THE AMOUNT THAT WOULD BE CALCULATED UNDER SUBSECTION (C) OF THIS SECTION USING THE STATE INCOME TAX RATE AS THE ONLY APPLICABLE RATE.
- (2) THE AMOUNT OF THE CREDIT ALLOWED UNDER SUBSECTION (A)
 OF THIS SECTION TO BE APPLIED AGAINST THE COUNTY INCOME TAX IS EQUAL TO
 THE AMOUNT CALCULATED UNDER SUBSECTION (C) OF THIS SECTION LESS THE
 AMOUNT CALCULATED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

SECTION $\stackrel{2}{=}$ $\stackrel{4}{=}$ $\stackrel{5}{=}$ AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2016, there shall be no increase in rates to providers of nonpublic placements under § 8–406 of the Education Article over the rates in effect on June 30 July 1, 2014.

SECTION $\frac{3}{2}$ $\frac{5}{2}$ $\frac{6}{2}$. AND BE IT FURTHER ENACTED, That, for fiscal year 2016, payments to providers with rates set by the Interagency Rates Committee under § 8–417 of the Education Article may not increase over the rates in effect on June 30 July 1, 2014.

SECTION 4. 6. 7. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law:

- (a) (1) Except as otherwise provided in this section, State employees employed by any entity, including the University System of Maryland, Morgan State University, and St. Mary's College of Maryland, may not receive merit increases or cost of living adjustments in fiscal year 2016.
 - (b) (2) This provision <u>subsection</u> does not affect:
- (1) (i) Salaries for constitutional officers or members of the General Assembly; er
- (2) (ii) Increases necessary for the retention of faculty in the University System of Maryland, Morgan State University, or St. Mary's College of Maryland;
- (iii) Increased payments under a collective bargaining agreement negotiated with an accredited representative in accordance with § 7–601 of the Transportation Article; or
 - (iv) Operationally critical staff.
 - (b) (1) This subsection does not apply to the Executive Pay Plan.
- (2) No plan of compensation for any State position of employment may be amended to provide a rate of compensation lower than the rate provided for the position in effect on January 1, 2015.
- (c) (1) Any salary or hours lost by a State employee in fiscal year 2016 as a result of a mandatory furlough, temporary salary reduction, or other similar cost–saving measure taken on or after July 1, 2015, that reduces the employee's compensation below the rate of compensation of the employee in the same position in effect on January 1, 2015, shall be included in the calculation of earnable compensation and service credits for the purpose of determining retirement benefits and member contributions, as provided in Chapter 62, Section 8 of the Acts of the General Assembly of 1992, as amended by Chapter 487, Section 18 of the Acts of the General Assembly of 2009.
- (2) The Board of Trustees for the State Retirement and Pension System may adopt any policies and procedures necessary to carry out the provisions of this subsection.
- (d) On or before December 1, 2015, in accordance with § 2–1246 of the State Government Article, the University System of Maryland, Morgan State University, and St.

- <u>Mary's College of Maryland shall each submit a report to the Senate Budget and Taxation</u> <u>Committee and the House Appropriations Committee that:</u>
- (1) <u>Describes the policies adopted by the governing boards of those institutions to designate operationally critical staff;</u>
- (2) <u>Identifies all staff designated as operationally critical for purposes of</u> subsection (a)(2)(iv) of this section; and
- (3) Details any merit increases awarded to staff as a consequence of being designated as operationally critical.
- (e) On or before December 1, 2015, in accordance with § 2–1246 of the State Government Article, the Department of Budget and Management shall submit a report to the Senate Budget and Taxation Committee and the House Appropriations Committee that:
- (1) <u>Describes the policies adopted by the Department to govern the designation of operationally critical staff;</u>
- (2) <u>Identifies all Executive Branch staff identified as operationally critical</u> for purposes of subsection (a)(2)(iv) of this section; and
- (3) Details any merit increases awarded to staff as a consequence of being designated as operationally critical.
- SECTION 5. 7. 8. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2016 the Department of Housing and Community Development may use up to \$2,400,000 of the funds in the Housing Counseling and Foreclosure Mediation Fund established under § 4–507 of the Housing and Community Development Article for administrative expenses.
- SECTION $\underbrace{\$}_{\cdot}$ $\underbrace{9}_{\cdot}$ AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law:
- (a) Subject to subsection (b) of this section, for fiscal year 2015, funds in the Maryland Health Insurance Plan Fund established under § 14–504 of the Insurance Article may be used by the Department of Health and Mental Hygiene to fund provider reimbursements in the Medicaid program.
- (b) The amount of funds that may be used under <u>subsection</u> (a) of this section shall be the greater of:
 - (1) \$45,000,000 \$55,000,000; or
 - (2) The nonfederal share of the Medicare or Medicaid programs.

- (2) The estimated percentage of the fund balance obtained from payers other than the federal Medicare program or the federal portion of the Medicaid program.
- (c) The remaining fund balance obtained from the federal Medicare program or the Medicaid program may be used in fiscal years 2016 through 2019 to support integrated care networks designed to reduce health care expenditures and improve outcomes for unmanaged high-needs Medicare patients and patients dually eligible for Medicaid and Medicare, consistent with the goals of Maryland's all-payer model.
- SECTION 7. 9. 10. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal years 2015 and 2016, any payment received by the Department of Business and Economic Development as a repayment of a loan under § 7–314 of the State Finance and Procurement Article shall be deposited in the General Fund.
- SECTION 8. 10. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2015, the Governor may transfer to the General Fund:
- \$10,500,000 from the unencumbered balance in the accounts of Program Open Space established under Title 5, Subtitle 9 of the Natural Resources Article;
- \$6,000,000 of the funds in from a combination of the efficiency and conservation programs accounts, renewable and clean energy programs account, and administrative expense account of the Maryland Strategic Energy Investment Fund established under § 9–20B–05 of the State Government Article;
 - \$4,000,000 of the funds in the accounts of the Baltimore City Community College;
- \$4,000,000 of the funds in the reserve account established by the State to pay unemployment compensation for State employees;
- \$3,000,000 of the funds in the Jane E. Lawton Conservation Fund established under § 9–20A–07 of the State Government Article;
- \$3,000,000 from the funds of the Mortgage Lender-Originator Fund established under § 11–610 of the Financial Institutions Article;
- \$2,500,000 of the funds in the Board of Nursing Fund established under \$8-206 of the Health Occupations Article;
- \$2,180,000 of the funds in the Waterway Improvement Fund established under § 8–707 of the Natural Resources Article;
- \$1,800,000 of the funds in the Board of Physicians Fund established under \$14-207 of the Health Occupations Article;

\$1,700,000 of the funds in the accounts of the Health Personnel Shortage Incentive Grant Program established under § 18–803 of the Education Article that are paid to the Program from the Board of Physicians Fund under § 14–207(c)(2)(i) of the Health Occupations Article;

\$1,600,000 of the funds in the State Board of Pharmacy Fund established under § 12–206 of the Health Occupations Article;

\$1,375,000 of the funds in the Bay Restoration Fund established under \$9-1605.2 of the Environment Article; and

\$1,000,000 \$500,000 of the funds in the Spinal Cord Injury Research Trust Fund established under \$13-1406 of the Health – General Article; and

\$58,000 of the funds in the Sustainable Communities Tax Credit Reserve Fund established under § 5A–303 of the State Finance and Procurement Article.

SECTION 9. 11. 12. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2015, the Governor may transfer to the General Fund the balance of the funds in the State Police Helicopter Replacement Fund established under § 2–801 of the Public Safety Article.

SECTION 12. 13. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or after July 1, 2015, the revenue attributable to the surcharge under § 7–301(f) of the Courts Article on citations issued before October 1, 2010 (the effective date of Chapter 735 of the Acts of 2010) that would have otherwise been credited to the State Police Helicopter Replacement Fund, but for the repeal of the Fund under this Act, shall be credited to the General Fund.

SECTION $\frac{10.}{10.}$ $\frac{13.}{14.}$ AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2016, the Governor may transfer to the General Fund:

\$4,000,000 of the funds in the reserve account established by the State to pay unemployment compensation for State employees; and

\$500,000 of the funds in the Spinal Cord Injury Research Trust Fund established under § 13–1406 of the Health – General Article.

SECTION 11. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law:

(a) In fiscal year 2015, \$4,073,964 of the funds that would otherwise be allocated as video lottery terminal local impact grants under § 9–1A–31 of the State Government Article shall be allocated to the Education Trust Fund; and

(b) In fiscal year 2016, \$3,887,697 of the funds that would otherwise be allocated as video lottery terminal local impact grants under § 9–1A–31 of the State Government Article shall be allocated to the Education Trust Fund.

SECTION 12. AND BE IT FURTHER ENACTED. That:

- (a) On or before June 30, 2015, the Comptroller shall distribute \$100,000,000 from the Local Reserve Account established under § 2–606 of the Tax General Article to the General Fund: and
- (b) During fiscal year 2016, the State shall pay \$100,000,000 to the Local Reserve Account established under \$2-606 of the Tax General Article to repay the transfer to the General Fund authorized under subsection (a) of this section.

SECTION 13. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2017 and each fiscal year thereafter:

(a) For any appropriation that is required by statute, the percentage funding increase over the previous fiscal year may not exceed the percentage by which the projected total General Fund revenues for the upcoming fiscal year exceed the revised estimate of total General Fund revenues for the current fiscal year, as reflected in the December report of estimated State revenues submitted by the Board of Revenue Estimates to the Governor under § 6–106(b) of the State Finance and Procurement Article, less 1%.

(b) Subsection (a) of this section does not apply to:

- (1) funding required for State aid to public elementary and secondary education as provided under Title 5, Subtitle 2 and §§ 8–310.3, 8–317, 8–406, 8–415, and 23–503 of the Education Article: or
- (2) the State's employer contribution to the State Retirement and Pension System required under § 21–308 of the State Personnel and Pensions Article.

SECTION 14. 15. AND BE IT FURTHER ENACTED, That, on or before June 30, 2015, each Managed Care Organization that the Department of Health and Mental Hygiene estimates to have an insufficient loss ratio for calendar year 2014, shall make adjustments to Managed Care Organization capitation rates, including at least \$10,000,000 in general funds, reimburse the Department for the amount of the estimated insufficient loss ratios in calendar year 2014 ratio. The adjustments reimbursements under this section shall be credited toward the maximum adjustment amount based on each Managed Care Organization's final calendar year 2014 loss ratio, as determined under Code of Maryland Regulations 10.09.65.19–5. To the extent that the Department determines that the maximum adjustment amount based on a Managed Care Organization's final calendar year 2014 loss ratio is less than the adjustment reimbursement paid by the Managed Care Organization to the Department under this section, the Department shall reimburse the Managed Care Organization shall be reimbursed at an amount equal to the difference.

- <u>SECTION 45.</u> 16. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2016, a stipend granted under:
- (1) Section 6–306(b)(2) and (4) of the Education Article may only be granted to a teacher or an employee in a public school identified by the State Board of Education for fiscal year 2014 as having comprehensive needs; and
- (2) Section 6–206(b)(3) of the Education Article may only be granted to a teacher or an employee in a public school not identified by the State Board of Education for fiscal year 2014 as having comprehensive needs.
- <u>SECTION 16.</u> 17. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2016 only:
- (1) the Baltimore City Board of School Commissioners may not be required to contribute any funds to the Baltimore City Public School Construction Financing Fund established under § 10–656 of the Economic Development Article; and
- (2) the State Comptroller may not withhold, under § 10–645(h) of the Economic Development Article, an amount from any installment due the Baltimore City Board of School Commissioners from the General Fund.
- SECTION 17. 18. AND BE IT FURTHER ENACTED, That the unexpended appropriation for the Autism Waiver, within the Maryland State Department of Education, Program R00A02.07 Students with Disabilities Aid to Education, that was included in the fiscal year 2015 operating budget (Chapter 462 of the Acts of 2014) is reduced by \$2,800,000 and shall revert to the General Fund.
- SECTION 48: 19. AND BE IT FURTHER ENACTED, That the unexpended appropriation for the Out—of—County Placements, within the Maryland State Department of Education, Program R00A02.05 Formula Programs for Specific Populations Aid to Education, that was included in the fiscal year 2015 operating budget (Chapter 462 of the Acts of 2014) is reduced by \$900,000 and shall revert to the General Fund.
- SECTION 49. 20. AND BE IT FURTHER ENACTED, That, in implementing the holding of the Court of Appeals in DeWolfe v. Richmond, 434 Md. 403 (2012) and 434 Md. 444 (2013), if attorneys are appointed in a county to provide legal representation at an initial appearance before a District Court commissioner, in fiscal year 2016, the total amount of the costs of compensating the attorneys plus the associated costs to administer the program that is beyond the amount restricted for this purpose in the State budget shall be billed by the appointing authority to the county in which the representation is provided and shall be paid by that county. Authorization of State funds in the fiscal year 2016 State budget for this purpose represents a one—time allocation and provides no authority for additional State expenditures or commitment of funds without separate statutory authority or separate authorization in the State budget as passed by the General Assembly.

SECTION 20. 21. AND BE IT FURTHER ENACTED, That any money received by the State as a result of conditions of an approved merger between Exelon Corporation and Pepco Holdings, Inc. shall be expended only as specifically authorized in the State budget bill as enacted and not subject to transfer by budget amendment.

SECTION 21. 22. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2016 only, the State Health Services Cost Review Commission may not assess hospital rate assessments under § 19–214 of the Health – General Article for the operation and administration of the Maryland Health Insurance Plan established under Title 14, Subtitle 5 of the Insurance Article.

SECTION 22. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2016, the State's share of any operating deficits for:

- (1) the Baltimore Convention Center under § 10-641 of the Economic Development Article may not exceed \$6,060,375; and
- (2) the Ocean City Convention facility under § 10–643 of the Economic Development Article may not exceed \$1,482,444.

SECTION 23. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2016 only, the Transportation Trust Fund may be used as the source of funding for the appropriation required under § 8–613.3 of the Transportation Article to comply with the Watershed Implementation Plan.

SECTION 24. AND BE IT FURTHER ENACTED, That, on or before December 1, 2019, the Department of Legislative Services shall conduct a review of the amounts required to be appropriated to the accumulation funds of the State Retirement and Pension System under § 7–311(j)(1) of the State Finance and Procurement Article. The review shall include findings and recommendations regarding the appropriate amount of funding and whether the required amount of funding should be altered or eliminated. The results of the review shall be reported to the Governor, the Senate Budget and Taxation Committee, the House Appropriations Committee, and the Joint Committee on Pensions, in accordance with § 2–1246 of the State Government Article.

<u>SECTION 25. AND BE IT FURTHER ENACTED, That, notwithstanding any other</u> provision of law, in fiscal year 2016 and each fiscal year thereafter through fiscal year 2020, the Maryland Transportation Authority:

- (1) may not spend less than \$275 million per year for operating expenses, exclusive of debt service payments;
 - (2) may not spend less than \$275 million per year for capital expenses;
 - (3) shall maintain:

- (i) at least \$350 million per year in unrestricted cash balances; and
- (ii) <u>a minimum annual debt service coverage level of 250% of debt</u>

service; and

(4) may not supplement revenues credited to the Transportation Authority Fund under § 4–313 of the Transportation Article with any funds appropriated or transferred from the Transportation Trust Fund or transferred from any other source to the Transportation Authority Fund.

SECTION 26. AND BE IT FURTHER ENACTED, That the Attorney General shall review the decision of the U.S. Supreme Court in the appeal of Maryland State Comptroller of the Treasury v. Brian Wynne, et ux. 431 Md. 147 (2013) and advise the Comptroller and the Department of Legislative Services whether the decision, expressly or in effect, invalidates the practice under Maryland law of allowing, for State tax on income paid to another state, a credit only against the State income tax, and, if the Attorney General so advises, Section 4 of this Act shall take effect on the date the advice of the Attorney General is received by the Department of Legislative Services. If Section 4 of this Act takes effect in accordance with this section, it shall apply to all taxable years beginning after December 31, 2014. If the Attorney General advises in accordance with this section that the decision of the U.S. Supreme Court, expressly or in effect, does not invalidate the practice under Maryland law of allowing, for State tax on income paid to another state, a credit only against the State income tax for State tax, Section 4 of this Act shall be null and void and of no further force and effect.

SECTION 27. AND BE IT FURTHER ENACTED, That the Attorney General shall review the decision of the U.S. Supreme Court in the appeal of Maryland State Comptroller of the Treasury v. Brian Wynne, et ux. 431 Md. 147 (2013) and advise the Comptroller whether the decision, expressly or in effect, requires the payment of income tax refunds and interest attributable to taxable years beginning after December 31, 2005, but before January 1, 2015, and, if the Attorney General so advises, the Comptroller shall initially pay the refunds and interest from the Local Reserve Account (Account) established to comply with § 2–606 of the Tax – General Article. After the Comptroller pays the refunds and interest from the Account, each local government shall reimburse the Account for its share of related refunds and interest. If an affected local government does not reimburse the Account in a timely fashion, the Comptroller shall withhold the amount owed to the Account from the quarterly income tax distributions in nine equal installments, beginning with the first applicable quarterly distribution made after June 2016, until the Account is fully reimbursed.

SECTION 28. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2016, the Governor may transfer from the Special Fund for Preservation of Cultural Arts in Maryland established under § 4–801 of the Economic Development Article:

- (1) \$50,000 as a grant to the Board of Trustees of Sotterley Plantation Museum;
 - (2) \$125,000 as a grant to the Maryland Historical Society;
 - (3) \$175,000 as a grant to the Maryland Humanities Council;
- (4) \$790,042 as a grant to the Maryland State Arts Council for the purpose of making grants to arts organizations;
 - (5) \$467,000 as a grant to the Maryland Academy of Sciences;
 - (6) \$25,000 as a grant to the Doleman Black Heritage Museum;
 - (7) \$200,000 as a grant to Center Stage Associates, Inc.;
 - (8) \$68,080 as a grant to Arts Every Day;
 - (9) \$25,000 as a grant to Arena Players, Inc.;
- (10) \$24,878 as a grant to the Prince George's African American Museum and Cultural Center at North Brentwood, Inc.; and
 - (11) \$50,000 as a grant to the Young Audiences of Maryland.

SECTION 29. AND BE IT FURTHER ENACTED, That for fiscal years 2017 and 2018 the Governor may transfer funds from the Revenue Stabilization Account of the State Reserve Fund to the General Fund only if the transfer is authorized by an Act of the General Assembly other than the State budget bill.

SECTION <u>15.</u> <u>24.</u> <u>30.</u> AND BE IT FURTHER ENACTED, That, if any provision of this Act or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Act that can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

SECTION <u>16.</u> <u>25.</u> <u>31.</u> AND BE IT FURTHER ENACTED, That § 10–704 of the Tax – General Article, as enacted by Section 1 of this Act, shall be applicable to all taxable years beginning after December 31, 2014.

SECTION <u>26.</u> 32. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, 2016.

SECTION <u>27.</u> 33. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect July 1, 2015.

SECTION $\frac{17}{28}$ $\frac{28}{34}$. AND BE IT FURTHER ENACTED, That, except as provided in Sections $\frac{26 \text{ and } 27}{32 \text{ and } 33}$ of this Act, this Act shall take effect June 1, 2015.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 30, 2015.