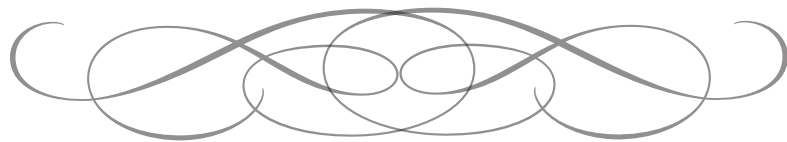


Report of the
Senate Budget and Taxation Committee
To the Maryland Senate



2018 SESSION



Recommendations, Reductions, and Summary of
Action Pertaining to:
Senate Bill 185

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2018 Budget Assignments

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Higher Education Overview
Maryland Higher Education Commission
Overview
Student Financial Assistance
Morgan State University
University System of Maryland
Overview

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Department of General Services
Department of Information Technology
General Assembly of Maryland
Maryland Stadium Authority
Public Debt
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Chesapeake Bay Overview
Department of Agriculture
Department of Natural Resources
Department of Planning
Department of the Environment

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Board of Public Works PAYGO
Capital Fiscal Briefing (PAYGO Overview)

Jason A. Kramer	Department of Commerce Department of Housing and Community Development Maryland Economic Development Corporation Maryland Technology Development Corporation Maryland Transportation Authority State Lottery and Gaming Control Agency
Steven D. McCulloch	Maryland Department of Transportation Debt Service Requirements Maryland Transit Administration Overview Secretary's Office State Highway Administration Washington Metropolitan Area Transit Authority
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Maryland State Department of Education
Aid to Education
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Chronic Hospitals
Developmental Disabilities Administration
Prevention and Health Promotion Administration
Public Health Administration
Maryland Health Benefit Exchange

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Department of Budget and Management
Personnel
Maryland Supplemental Retirement Plans
Subsequent Injury Fund
Uninsured Employers' Fund

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Department of Disabilities
Department of Human Services
Administration
Child Support Administration
Executive Department
Boards, Commissions, and Offices
Governor's Office for Children and Interagency Fund
Maryland Institute for Emergency Medical Services Systems

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Department of Public Safety and Correctional Services
Administration
Criminal Injuries Compensation Board
Division of Correction
Division of Parole and Probation
Division of Pretrial Detention
Inmate Grievance Office
Maryland Commission on Correctional Standards
Maryland Parole Commission
Overview
Patuxent Institution
Police and Correctional Training Commissions

Benjamin B. Wilhelm

Executive Department
Governor
Judiciary
Office of Administrative Hearings
Office of the Attorney General
Office of the Public Defender
Property Tax Assessment Appeals Boards
State Department of Assessments and Taxation
State Board of Elections
Workers' Compensation Commission

Tonya D. Zimmerman

Department of Human Services
Family Investment Administration
Office of Home Energy Programs
Overview
Social Services Administration
Maryland Energy Administration
Maryland Food Center Authority
Public Service Commission

Contents

	<u>Budget Code</u>	<u>Page</u>
Senate Budget and Taxation Committee Reductions		xv
General Assembly		
General Assembly of Maryland	B75A01	1
Legislative and Judicial		
Judiciary	C00A00	2
Office of the Attorney General	C81C	7
Uninsured Employers' Fund	C96J00	8
Executive and Administrative Control		
Board of Public Works.....	D05E01	12
Governor's Office of Crime Control and Prevention.....	D15A0516	13
Governor's Office for Children.....	D18A18	14
Department of Aging.....	D26A07	15
State Board of Elections.....	D38I01	17
Department of Planning	D40W01	19
Military Department.....	D50H01	20
Office of Administrative Hearings.....	D99A11	21
Financial and Revenue Administration		
State Department of Assessments and Taxation.....	E50C	22
Budgetary and Personnel Administration		
Department of Budget and Management		
Office of the Secretary	F10A	26
Personnel.....	F10A02	28
Department of Information Technology	F50	31

	<u>Budget Code</u>	<u>Page</u>
Personnel Administration and Retirement		
State Retirement Agency.....	G20J01	33
General Services		
Department of General Services	H00	35
Transportation		
Department of Transportation.....	J00	37
The Secretary’s Office	J00A01	40
Debt Service Requirements.....	J00A04	42
State Highway Administration.....	J00B01	45
Maryland Port Administration	J00D00	47
Maryland Transit Administration	J00H01	49
Natural Resources		
Department of Natural Resources	K00A	51
Agriculture		
Department of Agriculture	L00A	54
Health		
Maryland Department of Health		
Office of the Secretary	M00A01	55
Chronic Hospitals.....	M00I	57
Behavioral Health Administration	M00L	58
Developmental Disabilities Administration.....	M00M	62
Medical Care Programs Administration	M00Q01	65
Health Regulatory Commissions	M00R	70
Human Services		
Department of Human Services	N00	72
Administration	N00A01	73
Social Services Administration.....	N00B	75
Office of Technology for Human Services.....	N00F00	76
Local Department Operations	N00G00	77

	<u>Budget Code</u>	<u>Page</u>
Child Support Administration.....	N00H00	81
Family Investment Administration	N00I00	82
Office of Home Energy Programs	N00I0006	84
Labor, Licensing, and Regulation		
Department of Labor, Licensing, and Regulation.....	P00	85
Public Safety and Correctional Services		
Department of Public Safety and Correctional Services.....	Q00	86
Office of the Secretary	Q00A	88
Division of Correction	Q00B	90
Maryland Parole Commission.....	Q00C01	94
Division of Parole and Probation.....	Q00C02	95
Patuxent Institution	Q00D00	98
Division of Pretrial Detention.....	Q00T04	99
Public Education		
Maryland State Department of Education		
Headquarters	R00A01	100
Aid to Education	R00A02	101
Funding for Educational Organizations	R00A03	105
Higher Education		
Morgan State University	R13M00	109
University System of Maryland		
University of Maryland Eastern Shore	R30B25	110
University System of Maryland Office.....	R30B36	111
Maryland 529	R60H	114
Maryland Higher Education Commission.....	R62I00	115
Higher Education	R75T00	119
Baltimore City Community College	R95C00	126
Housing and Community Development		
Department of Housing and Community Development	S00A	128

	<u>Budget Code</u>	<u>Page</u>
Commerce		
Department of Commerce.....	T00	129
Maryland Technology Development Corporation	T50T01	130
Environment		
Department of the Environment.....	U00A	131
Juvenile Services		
Department of Juvenile Services.....	V00A	132
State Police		
Department of State Police	W00A	134
Debt		
Public Debt.....	X00A00	136
Reserve		
State Reserve Fund.....	Y01A	137
Deficiencies		
Fiscal 2018 Deficiencies		141
Sections		
Sections		147
Technical Amendment		
Technical Amendment No. 1		179
Supplemental Budget		
Supplemental Budget No. 1		180

Senate Budget and Taxation Committee – Reductions

<u>Agency</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Ed. Funds</u>	<u>Total Funds</u>	<u>Positions</u>
2019 Budget Request						
General Assembly of Maryland	-\$250,000	\$0	\$0	\$0	-\$250,000	
Judiciary	12,435,249	0	0	0	12,435,249	23.3
Governor’s Office of Crime Control and Prevention	133,653	0	0	0	133,653	1.0
State Board of Elections	0	5,363,547	0	0	5,363,547	
Department of Budget and Management – Secretary	47,489	0	0	0	47,489	
State Retirement Agency	240,000	880,000	80,000	0	1,200,000	
Maryland Department of Transportation (MDOT) – Maryland Port Administration	0	149,216	0	0	149,216	
ΔX MDOT – Maryland Port Administration – pay-as-you-go (PAYGO) Capital	0	36,730	0	0	36,730	
Department of Natural Resources – PAYGO	0	1,900,000	0	0	1,900,000	
Maryland Department of Health (MDH) – Health Regulatory Commissions	0	26,000,000	0	0	26,000,000	
Department of Labor, Licensing, and Regulation – Workforce Development	0	0	211,000	0	211,000	
Maryland State Department of Education – Aid to Education	1,280,000	0	0	0	1,280,000	
Department of Juvenile Services	700,000	0	0	0	700,000	
Fiscal 2019 Total Budget	\$14,586,391	\$34,329,493	\$291,000	\$0	\$49,206,884	24.3

<u>Agency</u>	<u>General Funds</u>	<u>Special Funds</u>	<u>Federal Funds</u>	<u>Higher Ed. Funds</u>	<u>Total Funds</u>	<u>Positions</u>
Fiscal 2018 Deficiency Budget						
Governor's Office of Crime Control and Prevention	\$50,974	\$0	\$0	\$0	\$50,974	
MDH – Medical Care Programs Administration	8,100,000	0	0	0	8,100,000	
General Assembly of Maryland	950,942	0	0	0	950,942	
Judiciary	4,549,245	290,337	0	0	4,839,582	
Department of General Services	1,321,454	0	0	0	1,321,454	
Department of Juvenile Services	1,250,000	0	0	0	1,250,000	
Total Fiscal 2018 Deficiency Budget	\$16,222,615	\$290,337	\$0	\$0	\$16,512,952	
Grand Total Budget Bill	\$30,809,006	\$34,619,830	\$291,000	\$0	\$65,719,836	24.3

B75A01
General Assembly of Maryland

Budget Amendments

DEPARTMENT OF LEGISLATIVE SERVICES

B75A01.04 Office of the Executive Director

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Add funding for consulting studies required to support ongoing work for various committees and commissions.	-250,000	GF
 Total Reductions	 -250,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Increase</u>	<u>Position Reduction</u>
Position	65.00	65.00		0.00
General Fund	8,569,544	8,819,544	250,000	
Total Funds	8,569,544	8,819,544	250,000	

Amendment No.

1

C00A00
Judiciary

Budget Amendments

Add the following language:

Provided that \$6,723,905 in general funds for employee merit salary increases and increased compensation for judges is reduced. The Chief Judge is authorized to allocate this reduction across the Judiciary. These funds are provided for the following purposes:

<u>Employee merit salary increases</u>	<u>3,918,030</u>
<u>Judicial Compensation Commission recommended salary increases</u>	<u>.2,805,875</u>

Explanation: This action eliminates funding for merit salary increases for Judiciary employees but retains funding for a cost-of-living adjustment consistent with the Governor’s budget. The action also reduces funding for judicial salary increases proposed by the Judicial Compensation Commission to conform with General Assembly action on those recommendations.

Amendment No.

2

Add the following language:

Further provided that \$4,000,000 in general funds is reduced. The Chief Judge shall allocate this reduction across the Judiciary.

Explanation: This action reduces the fiscal 2019 general fund appropriation by \$4.0 million due to the fiscal condition of the State. The Chief Judge is authorized to allocate this reduction across the Judiciary.

Amendment No.

3

C00A00

JUDICIARY

C00A00.04 District Court

Add the following language to the general fund appropriation:

, provided that \$8,500,000 of the general fund appropriation may be expended only for the purpose of providing attorneys for required representation at initial appearances before District Court Commissioners consistent with the holding of the Court of Appeals in DeWolfe v. Richmond. Any funds not expended for this purpose shall revert to the General Fund.

Explanation: This language restricts the use of \$8.5 million of the Judiciary’s general fund appropriation for the implementation of DeWolfe v. Richmond.

Amendment No. **4**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Eliminate funding for 6 positions in the District Court. These positions are being denied due to the fiscal condition of the State.	294,387 GF	6.00
2. Reduce funding for furniture and equipment purchases. This reduction is intended to be spread across the Judiciary.	344,569 GF	
Total Reductions	638,956	6.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,570.50	1,564.50		6.00
General Fund	198,556,637	197,917,681	638,956	
Total Funds	198,556,637	197,917,681	638,956	

Amendment No. **5**

C00A00

Committee Narrative

Appointed Attorney Program Costs and Utilization: The committees remain interested in the costs and operations of the Appointed Attorney Program. The committees request a report detailing the fiscal 2018 costs and utilization of the Appointed Attorney Program.

Information Request	Author	Due Date
Appointed Attorney Program costs and utilization	Judiciary	October 1, 2018

C00A00.06 Administrative Office of the Courts

Maryland Electronic Courts Initiative Upgrades for Baltimore City: The committees are committed to providing sufficient funding for the statewide implementation of the Maryland Electronic Courts Initiative (MDEC) but also expect the project finances to be carefully managed. The committees are concerned that the Judiciary plans to spend at least \$250,000 on information technology upgrades for the Fayette Street District Courthouse in Baltimore City in fiscal 2021 before vacating the facility in fiscal 2022. The committees request a report providing a more detailed explanation of the planned upgrades for the facility and their estimated costs, as well as any less costly alternatives that would achieve the Judiciary's underlying goal of making the building MDEC capable.

Information Request	Author	Due Date
MDEC upgrades in Baltimore City	Judiciary	December 1, 2018

New Judgeship Deployment Plan: The committees are interested in the impact of the new judicial workload standards and how they can be best utilized to inform decision making on new and existing judgeships. The committees request that the Judiciary submit a new, multi-year Judgeship Deployment Plan as part of the Judiciary's fiscal 2020 certification of judicial need. The committees also request that the certification of judicial need include a plan for utilizing excess judge time in jurisdictions shown to have more judges than are necessary to manage existing caseloads.

Information Request	Author	Due Date
New judgeship deployment plan and strategy for efficient management of judicial resources	Judiciary	January 1, 2019

C00A00

Budget Amendments

C00A00.07 Court Related Agencies

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Eliminate funding for a 0.25 new position in the Court Related Agencies program. This position is being denied due to the fiscal condition of the State.	22,429 GF	0.25
Total Reductions	22,429	0.25

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	17.00	16.75		0.25
General Fund	3,152,745	3,130,316	22,429	
Total Funds	3,152,745	3,130,316	22,429	

Amendment No.

6

C00A00.09 Judicial Information Systems

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Eliminate funding for 7 new positions in Judicial Information Systems. These positions are being denied due to the fiscal condition of the State.	556,739 GF	7.00
Total Reductions	556,739	7.00

C00A00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	154.75	147.75		7.00
General Fund	48,700,519	48,143,780	556,739	
Special Fund	8,374,854	8,374,854	0	
Total Funds	57,075,373	56,518,634	556,739	

Amendment No.

7

C00A00.10 Clerks of the Circuit Court

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Eliminate funding for 10 new positions in the Clerks of the Circuit Court program. These positions are being denied due to the fiscal condition of the State.	493,220 GF	10.00
 Total Reductions	 493,220	 10.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,475.50	1,465.50		10.00
General Fund	99,653,936	99,160,716	493,220	
Special Fund	19,666,240	19,666,240	0	
Total Funds	119,320,176	118,826,956	493,220	

Amendment No.

8

C81C
Office of the Attorney General

Committee Narrative

OFFICE OF THE ATTORNEY GENERAL

C81C00.01 Legal Counsel and Advice

Agency Staffing and Vacancies: The committees are concerned about the high vacancy rate of the Office of the Attorney General (OAG) and reports from the agency that it is difficult to reduce this rate because other agencies hold assistant Attorney General positions open to reduce expenditures and because of the constraints of OAG’s turnover expectancy and the relative low salaries for attorneys that the office can offer. The committees are also concerned that legislation enacted during the 2017 session significantly increased the responsibilities of OAG, but additional regular positions have not been created to perform those functions. While it is possible that some or all of those new functions could be managed by filling some of those existing positions, the committees would like additional information on current agency staffing. Therefore, the committees request that OAG prepare a report on agency staffing needs, including the current salary schedule for OAG attorneys and a discussion of the potential to fill additional vacant positions to support recently enacted responsibilities.

Information Request	Author	Due Date
Agency staffing and vacancies	OAG	September 1, 2018

C96J00
Uninsured Employers' Fund

Budget Amendments

UNINSURED EMPLOYERS' FUND

C96J00.01 General Administration

Add the following language to the special fund appropriation:

, provided that since the Uninsured Employers' Fund (UEF) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$75,000 of this agency's administrative appropriation may not be expended unless:

- (1) UEF has taken corrective action with respect to all repeat audit findings on or before November 1, 2018; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2019.

Explanation: The Joint Audit Committee has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency and a determination by OLA that each finding was corrected. OLA shall submit reports to the budget committees on the status of repeat findings.

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of funds

Amendment No.

9

Add the following language to the special fund appropriation:

Further provided that \$50,000 of this appropriation made for the purpose of General Administration may not be expended until UEF submits a draft Request for Proposals (RFP) to competitively bid the third-party claims administrator contract to the budget committees. The report shall be submitted by August 1, 2018, and the budget committees shall

C96J00

have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted to the budget committees.

Further provided that \$50,000 of this appropriation made for the purpose of General Administration may not be expended until UEF submits a report providing the award information for the third-party claims administrator contract to the budget committees. The report shall include (1) the number of bidders; (2) the vendor awarded the contract; (3) the term of the contract; and (4) the amount of the contract. The report shall be submitted prior to the award of the contract by February 1, 2019, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the report is not submitted to the budget committees.

Explanation: According to an Office of Legislative Audits (OLA) January 2018 Audit Report of the Uninsured Employers' Fund (UEF), UEF violated State procurement regulations to obtain claims processing and related services from 11 vendors. OLA recommended that UEF comply with procurement and contract provisions of the State procurement regulations by soliciting competitive bids and executing written contracts for claims processing services. State procurement regulations generally require contracts in excess of \$25,000 be awarded by competitive sealed bidding. In March 2017, UEF procured a sole-source, emergency contract for a third-party claims administrator that terminates February 28, 2019. UEF has indicated intention to competitively bid the claims administrator contract in the future but has expressed concern over the lack of expertise and experience within the agency to initiate the RFP process. It is the intent of the budget committees that the Department of Budget and Management facilitate and assist UEF in developing an RFP to competitively bid the claims administrator contract prior to the termination of the existing contract in February 2019.

Information Request	Author	Due Date
Draft RFP for UEF claims administrator contract	UEF	August 1, 2018
Final award information for UEF claims administrator contract	UEF	February 1, 2019

Amendment No.

10

C96J00

Committee Narrative

Evaluation of Staffing Needs: Over the course of the 2016 and 2017 interims, the Department of Legislative Services conducted an analysis of the adequacy of staffing levels in the Executive Branch of Maryland. The Uninsured Employers' Fund (UEF) was identified with staffing concerns, including persistent vacancies that are impacting the agency's performance. As a result of vacancies, UEF has had to use a third-party claims administrator to conduct tasks that are a core function of the agency, including processing medical bills, investigating claims, processing weekly income checks to claimants, and maintaining a claims database. Although a third-party contract may be the most efficient solution in the short term to maintain agency operations, UEF should consider the following questions:

- Is the current staffing ideal for carrying out the responsibilities of the agency? Does the agency need more staff to meet the needs of the claimants?
- Does the agency have difficulty recruiting and retaining employees? If so, what needs to be done to change this?
- Are the responsibilities of the third-party claims administrator a core function of the agency? If so, would this function be better served by full-time employees of the agency?

The budget committees request that UEF submit a report that answers the questions posed above and provides an overall evaluation of the agency's staffing needs. This report should be submitted by December 1, 2018, to the budget committees.

Information Request	Author	Due Date
Evaluation of agency staffing needs	UEF	December 1, 2018

Quarterly Financial Records: Based on an actuarial study conducted in 2014, updated with actual revenues and expenditures from fiscal 2012 to 2017, the Uninsured Employers' Fund (UEF) is projected to be insolvent by fiscal 2024. According to UEF, the 2014 actuarial study is out of date and does not reflect the reality of the fund but does not believe conducting another actuarial study would be appropriate at this time due to the lack of accurate records. Given the potential for insolvency of the fund in the near future based on currently available information, the budget committees are interested in the financial well-being of UEF. As such, the budget committees request that UEF report quarterly on actual revenues and expenditures of the fund. The quarterly reports should also provide the most recent fund balance to date. UEF should submit reports on July 1, 2018; October 1, 2018; January 1, 2019; and April 1, 2019.

C96J00

Information Request	Author	Due Date
Quarterly financial reports	UEF	July1, 2018 October 1, 2018 January 1, 2019 April 1, 2019

Managing for Results Measures: The Uninsured Employers' Fund (UEF) submits the number of cases resolved, number of new cases, and number of ongoing investigations as part of its Managing for Results (MFR) submission. According to UEF, these measures do not adequately reflect the performance of the agency, and the definition of a "resolved" case is ambiguous and inappropriate. As such, the budget committees request that UEF work in conjunction with the Department of Budget and Management to develop at least five MFR measures that more appropriately reflect the agency's performance in addition to the data on new, resolved, and ongoing cases currently being reported in the agency's MFR. The budget committees request that UEF submit a report detailing the new proposed MFR measures as well as providing the rationale of why these new measures will more accurately reflect the agency's performance. The budget committees request UEF to submit this report by October 1, 2018.

Information Request	Author	Due Date
Five additional MFR measures and the rationale for the new measures	UEF	October 1, 2018

D05E01
Board of Public Works

Committee Narrative

Operational Reporting: In continuance of the practice that began in July 2008, the committees request that the Maryland Zoological Society submit audited financial statements for fiscal 2018 and year-to-date monthly attendance figures for the zoo for fiscal 2019 by visitor group.

Information Request	Author	Due Date
Audited Financials	Maryland Zoological Society	November 1, 2018
Monthly Attendance	Maryland Zoological Society	Monthly

D15A0516
Governor's Office of Crime Control and Prevention
Executive Department

Budget Amendments

BOARDS, COMMISSIONS, AND OFFICES

D15A05.16 Governor's Office of Crime Control and Prevention

Reduce appropriation for the purposes indicated:	<u>Funds</u>		<u>Positions</u>
1. Reduce salary funding for new criminal justice coordinator position for the new Maryland Criminal Intelligence Network to the base salary level.	31,778	GF	
2. Delete new data analyst position for the new Maryland Criminal Intelligence Network. Analysis functions should be absorbed within existing resources until additional need can be demonstrated.	101,875	GF	1.00
 Total Reductions	 133,653		 1.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	38.00	37.00		1.00
General Fund	113,148,147	113,014,494	133,653	
Special Fund	2,188,174	2,188,174	0	
Federal Fund	40,152,845	40,152,845	0	
Total Funds	155,489,166	155,355,513	133,653	

Amendment No.

11

D18A18
Governor’s Office for Children
Executive Department

Committee Narrative

D18A18.01 Governor’s Office for Children

Out-of-home Placements: To facilitate evaluation of Maryland’s family preservation programs in stemming the flow of children from their homes, the Governor’s Office for Children (GOC), on behalf of the Children’s Cabinet, is requested to prepare and submit to the budget committees a report on out-of-home placements containing data on the total number of out-of-home placements and entries by jurisdiction over the previous three years and similar data on out-of-state placements. The report should also provide information on the costs associated with out-of-home placements, the reasons for new placements, and an evaluation of data derived from the application of the Maryland Family Risk Assessment. Data should also be collected concerning indicated findings of child abuse and neglect occurring while families are receiving family preservation services or within one year of case closure. Each agency or administration that funds or places children and youth in out-of-home placements is requested to work closely with GOC and comply with any data requests necessary for production of the report.

Information Request	Author	Due Date
Report on out-of-home placements	GOC	December 15, 2018

D26A07
Department of Aging

Committee Narrative

D26A07.01 General Administration

Report on Waitlist Data: The Maryland Department of Aging (MDOA) has identified inconsistencies in waitlist data. MDOA has indicated that it is working to correct the issues by conducting a review of waitlist data for the Senior Care program. However, waitlist data has not been provided for two years. The budget committees request a report providing the status of waitlist data reviews. The report should contain an assessment of changes in collection/reporting methodology. To the extent that the issue is not resolved at the time of submission of a report, the department should provide an update on what steps have been taken as of submission and the next steps necessary to resolve the issue.

Information Request	Author	Due Date
Report on waitlists	MDOA	December 1, 2018

Budget Amendments

D26A07.03 Community Services

Add the following language to the general fund appropriation:

. provided that \$100,000 of this appropriation made for the purpose of the Nursing Home Diversion program may not be expended until the Department of Aging submits a report to the budget committees that explains how these funds will be used and how allocations to local Area Agencies on Aging will be determined. The budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if a report is not submitted.

Explanation: The fiscal 2019 allowance includes funds for a Nursing Home Diversion program to supplement funding in other programs intended to keep seniors in the community. The Department of Aging (MDOA) has not adequately explained how these funds will be allocated or how they will be used to supplement funding of other programs. This language restricts the funds pending submission of a report that explains how they will be allocated and used.

D26A07

Information Request

Author

Due Date

Report on use and allocation
of Nursing Home Diversion
program funds

MDOA

45 days prior to expenditure

Amendment No.

12

D38I01
State Board of Elections

Budget Amendments

STATE BOARD OF ELECTIONS

D38I01.02 Help America Vote Act

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. The allowance includes \$8 million in special funds from local governments to purchase new pollbooks across the State. This acquisition will be financed through the Equipment Lease-Purchase program of the State Treasurer’s Office over a three-year period. This action reduces the allowance to reflect this financing plan.	5,363,547 SF	
Total Reductions	5,363,547	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	9.00	9.00		0.00
General Fund	7,769,691	7,769,691	0	
Special Fund	20,360,830	14,997,283	5,363,547	
Total Funds	28,130,521	22,766,974	5,363,547	

Amendment No.

13

Committee Narrative

Unresolved Ballot Marking Device Problems: The committees are concerned that problems with ballot marking devices identified before the 2016 election have not been resolved for the 2018 election. These problems make voting more difficult by creating confusion for voters and limiting the number of candidates that can be displayed on screen at one time. The committees express the intent that these issues should be resolved before the 2020 election and request an update before the start of next session on the remedial actions being taken by the State Board of Elections (SBE).

D38I01

Information Request	Author	Due Date
Unresolved ballot marking device problems	SBE	January 14, 2019

D40W01
Department of Planning

Committee Narrative

DEPARTMENT OF PLANNING

D40W01.07 Management Planning and Educational Outreach

Maryland Heritage Areas Authority Financing Fund Spending Plan: The committees are concerned that there is an additional \$3 million in the Maryland Department of Planning’s (MDP) fiscal 2019 allowance for the Maryland Heritage Areas Authority (MHAA) Financing Fund without a detailed spending plan being available. Therefore, the committees request that MDP provide a report with the fiscal 2020 budget submission detailing the spending plan for the MHAA Financing Fund for the fiscal 2018 actual, the fiscal 2019 working appropriation, and the fiscal 2020 allowance.

Information Request	Author	Due Date
MHAA Financing Fund spending plan	MDP	Fiscal 2020 State budget submission

D50H01
Military Department

Committee Narrative

MILITARY DEPARTMENT OPERATIONS AND MAINTENANCE

D50H01.06 Maryland Emergency Management Agency

Update on Preparations for Complex Coordinated Terrorist Attacks: Complex Coordinated Terrorist Attacks (CCTA) are diffuse, difficult to detect, and inexpensive. They are also increasing in frequency on a national and global level. With multiple urban areas, highly visible soft targets, and a strong federal presence, Maryland is particularly vulnerable, yet the State lacks a comprehensive CCTA risk assessment. Federal grant funding provided in fiscal 2018 is allowing the Maryland Emergency Management Agency (MEMA) to conduct such an assessment. The budget committees request that MEMA provide an update on the findings of the CCTA risk assessment, including the degree to which Maryland is currently prepared for this type of attack, significant areas of vulnerability, and a plan for addressing the identified risk areas. The report should be submitted to the budget committees no later than December 30, 2018.

Information Request	Author	Due Date
CCTA risk assessment update	MEMA	December 30, 2018

Establishing a Deductible for the Federal Emergency Management Agency’s Public Assistance Program: In January 2016, the Federal Emergency Management Agency proposed a rule change that would establish a deductible for states prior to receiving federal public assistance funding for disasters. In its current form, the rule change would likely result in increased financial burdens to Maryland and local governments following a disaster. The budget committees request that the Maryland Emergency Management Agency (MEMA) provide an update on whether action has been taken at the federal level to establish a deductible for the federal public assistance program. If such action has been taken, the report should provide details on the proposed changes to the program, an estimated timeline for implementation, and the potential fiscal impact to the State.

Information Request	Author	Due Date
Public Assistance Program deductible	MEMA	After federal rule change

D99A11
Office of Administrative Hearings

Committee Narrative

D99A11.01 General Administration

Recent Caseloads and Appropriate Agency Staffing: The committees are concerned about recent caseload declines for the Office of Administrative Hearings (OAH) and the impact of these declines on workloads for administrative law judges and other staff. The committees request a report on the reasons for the decline in agency caseloads and an analysis of current staffing needs based on agency workload metrics.

Information Request	Author	Due Date
Recent caseloads and appropriate agency staffing	OAH	November 1, 2018

E50C
State Department of Assessments and Taxation

Budget Amendments

E50C00.01 Office of the Director

Strike the following language from the general fund appropriation:

~~, provided that this appropriation shall be reduced by \$2,689,129 contingent upon the enactment of legislation that increases the local share to 90% of the cost of the Office of the Director Program. Authorization is granted to process a special fund budget amendment of \$2,689,129 to replace the aforementioned General Fund amount.~~

Explanation: This is a technical amendment to remove unneeded language.

Amendment No.

14

Add the following language to the general fund appropriation:

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

- (1) SDAT has taken corrective action with respect to all repeat audit findings on or before November 1, 2018; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2019.

Explanation: The Joint Audit Committee has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency and a determination by OLA that each finding was corrected. OLA shall submit reports to the budget committees on the status of repeat findings.

E50C

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of funds

Amendment No.

15

Committee Narrative

Pipeline Report on the Enterprise Zone Tax Credit Program: The committees are interested in the recent creation of new enterprise zones by the Department of Commerce (Commerce) and the impact that these new enterprise zones will have on tax credit payments. The committees are concerned about increasing expenditures for this entitlement program and would like to know about new properties in the program's pipeline earlier in the process. Therefore, the committees request a report from the State Department of Assessments and Taxation (SDAT) and Commerce enumerating new properties that have qualified for the program for tax year 2020 and a forecast of anticipated fiscal 2020 program expenditures.

Information Request	Authors	Due Date
Pipeline report on the Enterprise Zone Tax Credit Program	SDAT Commerce	September 1, 2018

Eligibility Awareness for the Homestead Property Tax Credit Program: The committees are concerned that all Marylanders eligible for the Homestead Property Tax Credit are not taking advantage of the program. The committees are also interested in the impact that SB 158 and HB 305 would have on program participation and would like to study the issue further during the 2018 interim. To facilitate this review, the committees request a report explaining how the department determines which homeowners may be eligible for the program and should be notified. The report should also include a study of efficient methods of contacting those homeowners.

Information Request	Author	Due Date
Eligibility awareness for the Homestead Property Tax Credit program	State Department of Assessments and Taxation	August 1, 2018

E50C

Budget Amendments

E50C00.02 Real Property Valuation

Strike the following language from the general fund appropriation:

~~; provided that this appropriation shall be reduced by \$14,067,949 contingent upon the enactment of legislation that increases the local share to 90% of the cost of the Real Property Valuation program. Authorization is granted to process a special fund budget amendment of \$14,067,949 to replace the aforementioned General Fund amount.~~

Explanation: This is a technical amendment to remove unneeded language.

Amendment No.

16

E50C00.04 Office of Information Technology

Strike the following language from the general fund appropriation:

~~; provided that this appropriation shall be reduced by \$1,560,777 contingent upon the enactment of legislation that increases the local share to 90% of the cost of the Office of Information Technology Program. Authorization is granted to process a special fund budget amendment of \$1,560,777 to replace the aforementioned General Fund amount.~~

Explanation: This is a technical amendment to remove unneeded language.

Amendment No.

17

E50C

E50C00.05 Business Property Valuation

Strike the following language from the general fund appropriation:

~~provided that this appropriation shall be reduced by \$1,371,914 contingent upon the enactment of legislation that increases the local share to 90% of the cost of the Business Property Valuation program. Authorization is granted to process a special fund budget amendment of \$1,371,914 to replace the aforementioned General Fund amount.~~

Explanation: This is a technical amendment to remove unneeded language.

Amendment No.

18

F10A
Office of the Secretary
Department of Budget and Management

Budget Amendments

OFFICE OF THE SECRETARY

F10A01.01 Executive Direction

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete the funding increase for 1 new contractual full-time equivalent position within the Office of Transformation and Renewal.	47,489 GF	
 Total Reductions	 47,489	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	15.00	15.00		0.00
General Fund	2,430,976	2,383,487	47,489	
Total Funds	2,430,976	2,383,487	47,489	

Amendment No.

19

Committee Narrative

OFFICE OF BUDGET ANALYSIS

F10A05.01 Budget Analysis and Formulation

Summary of Special Fund Accounts: In total, there are over 200 special fund accounts statewide; however, the State currently lacks a comprehensive reporting system for the activities of these accounts. The budget committees request that the Department of Budget and Management (DBM) develop a statewide comprehensive special fund accounting report, which provides the opening and closing fund balances, along with revenue, transfer, and expenditure activity, for each special fund account in the State. The report shall be submitted no later than November 1, 2018.

F10A

Information Request	Author	Due Date
Summary of special fund accounts	DBM	November 1, 2018

Budget Book Personnel and MFR Data: The budget committees are concerned that personnel and Managing for Results (MFR) data was not provided with the budget book submissions in fiscal 2017 and 2018. The budget committees request that the Department of Budget and Management (DBM) ensure that the fiscal 2020 Governor's budget books submission include personnel and MFR data by agency. The personnel data should be consistent with Section 7-121 of the State Finance and Procurement Article. The MFR data should include each agency's mission and vision, as well as key goals, objectives, and performance indicators.

Information Request	Authors	Due Date
Budget book volume with personnel and MFR data	DBM	With the submission of the Governor's fiscal 2020 budget books

F10A02
Personnel
Department of Budget and Management

Budget Amendments

OFFICE OF PERSONNEL SERVICES AND BENEFITS

F10A02.01 Executive Direction

Add the following language to the general fund appropriation:

, provided that \$50,000 of this appropriation may not be expended until the Department of Budget and Management submits a report on fiscal 2018 closeout of the Employee and Retiree Health Insurance Account. This report shall include the (1) closing fiscal 2018 fund balance; (2) actual provider payments due in the fiscal year; (3) State employee and retiree contributions; (4) an accounting of rebates, recoveries, and other costs; (5) any closeout transactions processed after the fiscal year ended; and (6) actual incurred but not received (IBNR) costs. The report shall also include actual IBNR costs in each year from fiscal 2012 to 2017. The report shall be submitted to the budget committees by October 1, 2018. The budget committees shall have 45 days to review and comment following the receipt of the report. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Explanation: This annual budget bill language requires the Department of Budget and Management (DBM) to submit a report with fiscal 2018 closeout data for the Employee and Retiree Health Insurance Account. The language also requires DBM to provide IBNR costs each year from fiscal 2012 to 2018.

Information Request	Author	Due Date
Report on fiscal 2018 closeout data for the Employee and Retiree Health Insurance Account and IBNR costs from fiscal 2012 to 2018	DBM	October 1, 2018

Amendment No. **20**

Add the following language to the general fund appropriation:

Further provided that \$100,000 of this appropriation may not be expended until the Department of Budget and Management submits a report to the budget committees, as requested by the Spending Affordability Committee, which outlines a strategy to address barriers to filling vacant

F10A02

positions, including hiring standards, excessive turnover expectancy, or inadequate compensation. The report should include consideration of targeted compensation enhancements, reduced levels of turnover expectancy, and reexamination of hiring requirements. The report shall be submitted by June 1, 2018, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The Spending Affordability Committee requested the Department of Budget and Management (DBM) to submit a report outlining a strategy to address barriers to filling vacant positions. This report was requested by June 1, 2018.

Information Request	Author	Due Date
Report on barriers to filling vacant positions	DBM	June 1, 2018

Amendment No.

21

Committee Narrative

F10A02.02 Division of Employee Benefits

Prescription Drug Utilization and Costs: The State has entered into a contract with a new Pharmacy Benefit Manager (PBM), effective January 1, 2018. The new PBM anticipates savings in fiscal 2018 as a result of better prices and enhanced rebates and in fiscal 2019 due to a new drug formulary. Given that it is a new contract, the budget committees request the Department of Budget and Management (DBM) to provide quarterly utilization and cost updates for fiscal 2018 and 2019 in order to increase transparency of the projected savings. The update should include a comparison of costs and utilization to the same time period in fiscal 2017 and a comparison of the out-of-pocket costs incurred by State employees and retirees.

Information Request	Author	Due Date
Quarterly State prescription drug utilization and cost data	DBM	July 15, 2018; September 15, 2018; December 15, 2018; March 15, 2019; and June 15, 2019

F10A02

State Wellness Program Managing for Results Measures: In an effort to address escalating medical and prescription drug costs, the State implemented a wellness program in January 2015. The Department of Budget and Management (DBM) collects information on (1) the number of members eligible to participate in the wellness program; (2) the number of members completing requirements and earning wellness incentives; (3) the number of members eligible and completing recommended preventative screenings; (4) the number of members eligible and complying with diabetes treatment; and (5) the cost of chronic conditions. The budget committees request that DBM continue to provide updates of the information listed above, along with any other performance metrics identified in the 2014 Request for Proposal for the State's medical plan, with the submission of the department's annual Managing for Results (MFR) information, starting with the fiscal 2020 MFR submission.

Information Request	Author	Due Date
Wellness program measures, including preventative screenings, diabetes treatment, and chronic condition costs	DBM	With submission of the fiscal 2020 budget books

Health Measures of the State Health Insurance Plan Members: The State implemented a wellness program in calendar 2015 in an attempt to address rising medical and prescription drug costs. Since implementation of the program, there is evidence of increased compliance with treatment for members identified with chronic illnesses, and increased member participation in voluntary preventative exams. However, despite increased participation in wellness program activities, medical and prescription drug costs continue to grow. The budget committees are interested in the impact the wellness program has had on the health of the members of the State health insurance plan, and request that the Department of Budget and Management (DBM) submit a report providing information on plan members, including (1) total annual medical and prescription drug costs for the plan members that earned incentives by completing wellness activities; (2) total annual medical and prescription drug costs for a sample set of plan members, as determined by Segal Consulting, that did not complete wellness activities and earn incentives, for comparison; (3) the number of members identified as obese; (4) the number of members identified as a tobacco user; and (5) the number of members identified with a chronic illness. The data reported should be annual, aggregate information from calendar 2014 to 2017. DBM should submit this report by December 1, 2018.

Information Request	Author	Due Date
Health measures on State health insurance plan members from calendar 2014 to 2017	DBM	December 1, 2018

F50
Department of Information Technology

Committee Narrative

Report on Rural Broadband: In June 2017, the Governor signed an executive order that created the Office of Rural Broadband within the Department of Information Technology (DoIT). The office is required to assist local jurisdictions in their improvement of accessing of high-speed Internet; identifying and coordinating the delivery of sources of funds including federal funds specifically identified for this purpose; working with local economic development agencies to identify areas with a demand for better Internet services; investigating new technologies that would increase high-speed Internet availability; and developing policy, regulations, or legislation relevant to increasing broadband availability. Other State agencies involved with this effort are the Department of Housing and Community Development, the Maryland Department of Transportation, the Department of Commerce, the Maryland Department of Planning, and the Maryland Department of Agriculture. To get comprehensive perspective on the State’s rural broadband efforts, the Office of Rural Broadband should report on the State’s rural broadband efforts. This should include a summary of resources and technologies that can be used, the responsibilities of agencies supporting rural broadband initiatives or spending, State expenditures supporting rural broadband access, updates on any demonstration or pilot projects, and a strategic vision for rural broadband. The report should be completed by October 12, 2018.

Information Request	Author	Due Date
Report on rural broadband	DoIT’s Office of Rural Broadband	October 12, 2018

Enterprise Tech Support Initiative Status Report and Master Plan: Since fiscal 2016, the Administration has implemented the Enterprise Tech Support Initiative. Participating agencies’ information technology services are supported by the Department of Information Technology (DoIT). The number of employees supported by DoIT increased from approximately 1,300 in fiscal 2015 to 12,000 in fiscal 2016. The Department of Juvenile Services and the Department of Housing and Community Development are no longer receiving DoIT service, reducing the number of employees served to under 10,000. The department should provide a status report on the initiative. The report should discuss which agencies are supported by DoIT, the cost to DoIT for supporting these agencies, costs saved or avoided, and how the quality of the support provided by DoIT will be measured. The report should also include DoIT’s master plan for this initiative. This report should be submitted to the budget committees by December 1, 2018.

Information Request	Author	Due Date
Enterprise Tech Support Initiative status report and master plan	DoIT	December 1, 2018

F50

Enterprise Tech Support Initiative Performance Indicators: Since fiscal 2016, the Administration has implemented the Enterprise Tech Support Initiative. Participating agencies' information technology (IT) services are supported by the Department of Information Technology (DoIT). Approximately 10,000 employees are receiving IT support services. DoIT no longer publishes performance measures for the IT services it provides. The department should provide Managing for Results (MFR) performance goals, objectives, and indicators for its Enterprise Tech Support Initiative. The MFR indicators should be provided with the fiscal 2020 budget.

Information Request	Author	Due Date
Enterprise Tech Support Initiative performance indicators	DoIT	With the fiscal 2020 budget books

Review of State Cybersecurity Practices: The committees are concerned about the number of information technology (IT) cybersecurity audit findings. Common findings in recent years include not properly protecting personally identifiable information (pii), not installing available malware software, and improperly granting administration rights. The cybersecurity literature and recent breaches suggest that exploiting personnel weaknesses is how most cybercrime is committed. The committees are concerned that findings related to insufficient malware and improper administration rights are precisely the vulnerabilities that hackers exploit to obtain pii. Complicating the State's cybersecurity efforts is the State's federated approach. While the Department of Information Technology (DoIT) is responsible for developing cybersecurity policies and procedures, agencies are responsible for managing their IT systems. Consequently, DoIT cannot directly address cybersecurity findings. Concerns have also been raised about staffing. In response to request in the fiscal 2018 Joint Chairmen's Report, the Department of Budget and Management and DoIT determined that DoIT's IT personnel have higher vacancy rates, higher turnover rates, and higher resignation rates than other State agencies. The report also acknowledged that State IT salaries were lower than similar non-State positions. A recent review of cybersecurity personnel shows that from July 2016 to February 2018, 44% of DoIT cybersecurity positions were vacant. DoIT should report to the budget committees on the state of cybersecurity. The report should (1) project the cost required to address audit issues; (2) examine the costs and benefits of State's federated IT approach; (3) review resources, including staffing, to examine if adequate resources are available; and (4) discuss specifically what the State has done to address cybersecurity audit findings. The report should be completed by October 26, 2018.

Information Request	Author	Due Date
Review of State cybersecurity practices	DoIT	October 26, 2018

G20J01
State Retirement Agency

Budget Amendments

Add the following language:

Provided that contingent on the enactment of SB 899 or HB 1012, authorization to expend reimbursable funds is reduced by \$2,316,965.

Explanation: Contingent on legislation to grant compensation authority for the Investment Division, this action would reduce the State’s share of reimbursable funds. If the bill is enacted, Investment Division compensation and operating expenses would be paid from the accumulation fund and not from a share of State administrative fees.

Amendment No.

22

Add the following language:

Further provided that authorization to expend reimbursable funds is reduced by \$400,000.

Explanation: The Governor’s fiscal 2019 allowance includes \$4.0 million for a new custodial banking contract, but the new contract is expected to cost only \$2.8 million in the first year. This cut consists of this reduction in authorization to spend \$400,000 in reimbursable funds and a special fund reduction of \$800,000.

Amendment No.

23

STATE RETIREMENT AGENCY

G20J01.01 State Retirement Agency

Add the following language to the special fund appropriation:

, provided that the appropriation made for the purpose of the Investment Division staff compensation and operating expenses shall be reduced by \$4,474,108 contingent on enactment of SB 899 or HB 1012 (State Retirement and Pension System – Investment Division), which establishes that compensation and operating expenses for the Investment Division staff is not to be paid from special funds, but instead is paid from the accumulation funds of the several systems.

G20J01

Explanation: SB 899 or HB 1012 grants the Board of Trustees of the State Retirement and Pension System independent authority to create/eliminate positions within the Investment Division and to establish compensation levels for those positions, including performance bonuses. They also specify that compensation for those positions and other operating expenses of the Division, are to be paid from the accumulation funds of several systems (the “pension trust fund”) rather than from special funds or reimbursable funds consisting of the administrative fees collected from the State and participating employers. This action reduces the special fund portion paid by local jurisdictions and other participating employers, contingent upon enactment of either bill.

Amendment No. **24**

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. The Governor’s fiscal 2019 allowance includes \$4.0 million for a new custodial banking contract, but the new contract is expected to cost only \$2.8 million in the first year. This reduction consists of a reduction of \$800,000 in special funds and \$400,000 in reimbursable funding.	800,000 SF	
 Total Reductions	 800,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	197.00	197.00		0.00
Special Fund	21,669,007	20,869,007	800,000	
Total Funds	21,669,007	20,869,007	800,000	

Amendment No. **25**

H00
Department of General Services

Committee Narrative

Review of Facilities Operations and Maintenance: The Department of General Services (DGS) has reduced the number of positions in the Facilities Operations and Maintenance program in recent years. Since fiscal 2002, maintenance and building services positions have declined by 27% at a time when there is no corresponding change in the number of buildings serviced. To offset these losses, contracting for maintenance and janitorial services has increased by 63% over the same period after adjusting for inflation. It appears that decisions concerning decreased staffing and increased use of vendors were not based on best practices or strategic planning. Rather, reductions have been made through attrition, so staffing levels have been determined by vacancies instead of facility needs. There is little standardization among DGS' different regions. DGS should examine the Facilities Operations and Maintenance budget to determine how to most effectively and efficiently provide services. DGS should prepare a report with recommendations on the most effective approach for providing services. The report should evaluate the appropriateness of using vendors for routine tasks, when using vendors is more cost effective than hiring State employees, strategies to reduce high turnover rates among State employees, and a comparison of State and non-State salaries. The report should be completed by November 2, 2018.

Information Request	Author	Due Date
Review of State facilities operations and maintenance	DGS	November 2, 2018

Critical Maintenance and Facilities Renewal Report: The Department of General Services (DGS) is responsible for design, construction, and repair of over 900 State facilities with unknown square footage. DGS is charged with maintaining this investment. The committees are concerned that these facilities have a substantial backlog of operating critical maintenance and capital facilities renewal projects and that this backlog will require increased costs to remediate. At the end of fiscal 2017, the critical maintenance backlog totaled \$39 million, and the facilities renewal backlog totaled \$148 million. DGS should report to the committees on the backlog and its efforts to reduce the backlog. The report should include the following for both operating critical maintenance and capital facilities renewal projects for fiscal 2018 and 2019:

- a complete list of the projects on the backlog in priority order, including estimated costs that sum to the reported aggregate total as of July 1 of each fiscal year;
- a list of new and emergency projects added during the fiscal year;
- a list of projects removed from the backlog during the fiscal year for any reason other than committed funding;

H00

- a list of projects that the department has committed to doing during the fiscal year, which should recognize unassigned balances for potential emergencies, if applicable, or for fiscal 2018 a list projects completed during the fiscal year by priority; and
- end-of-year backlog list in priority order and estimated cost.

DGS should make spreadsheets with project data showing each project's priority, department, and encumbrances. The report should be completed by November 30, 2018.

Information Request	Author	Due Date
Critical maintenance and facilities renewal report	DGS	November 30, 2018

J00
Department of Transportation

Budget Amendments

Add the following language:

Provided that it is the intent of the General Assembly that projects and funding levels appropriated for capital projects, as well as total estimated project costs within the Consolidated Transportation Program, shall be expended in accordance with the plan approved during the legislative session. The department shall prepare a report to notify the budget committees of the proposed changes in the event that the department modifies the program to:

- (1) add a new project to the construction program or development and evaluation program meeting the definition of a “major project” under Section 2-103.1 of the Transportation Article that was not previously contained within a plan reviewed in a prior year by the General Assembly and will result in the need to expend funds in the current budget year; or
- (2) change the scope of a project in the construction program or development and evaluation program meeting the definition of a “major project” under Section 2-103.1 of the Transportation Article that will result in an increase of more than 10% or \$1,000,000, whichever is greater, in the total project costs as reviewed by the General Assembly during a prior session.

For each change, the report shall identify the project title, justification for adding the new project or modifying the scope of the existing project, current year funding levels, and the total project cost as approved by the General Assembly during the prior session compared with the proposed current year funding and total project cost estimate resulting from the project addition or change in scope.

Further provided that notification of project additions, as outlined in paragraph (1) above; changes in the scope of a project, as outlined in paragraph (2) above; or moving projects from the development and evaluation program to the construction program, shall be made to the General Assembly 45 days prior to the expenditure of funds or the submission of any contract for approval to the Board of Public Works.

Explanation: This annual budget bill language requires the department to notify the budget committees of proposed changes to the transportation capital program that will add a new project that was not in the fiscal 2018-2023 Consolidated Transportation Program (CTP) or will increase a total project’s cost by more than 10%, or \$1 million, due to a change in scope. Reports are to be submitted with the draft and final versions of the CTP, with each using the 2018 session CTP as the basis for comparison. In addition, notification is required as needed throughout the budget year, if certain changes to projects are made.

J00

Information Request	Author	<u>Due Date</u>
Capital budget changes from one CTP version to the next	Maryland Department of Transportation (MDOT)	With draft CTP With final CTP
Capital budget changes throughout the year	MDOT	45 days prior to the expenditure of funds or seeking Board of Public Works approval

Amendment No.

26

Add the following language:

The Maryland Department of Transportation (MDOT) may not expend funds on any job or position of employment approved in this budget in excess of 9,057.5 positions and 122.2 contractual full-time equivalent (FTE) positions paid through special payments payroll (defined as the quotient of the sum of the hours worked by all such employees in the fiscal year divided by 2,080 hours) of the total authorized amount established in the budget for MDOT at any one time during fiscal 2019. The level of contractual FTE positions may be exceeded only if MDOT notifies the budget committees of the need and justification for additional contractual personnel due to:

- (1) business growth at the Helen Delich Bentley Port of Baltimore or Baltimore/Washington International Thurgood Marshall Airport, which demands additional personnel; or
- (2) emergency needs that must be met, such as transit security or highway maintenance.

The Secretary shall use the authority under Sections 2-101 and 2-102 of the Transportation Article to implement this provision. However, any authorized job or position to be filled above the regular position ceiling approved by the Board of Public Works shall count against the Rule of 100 imposed by the General Assembly. The establishment of new jobs or positions of employment not authorized in the fiscal 2019 budget shall be subject to Section 7-236 of the State Finance and Procurement Article and the Rule of 100.

Explanation: This annual budget bill language establishes a position ceiling for MDOT each year to limit growth in regular positions and contractual FTEs.

J00

Information Request

Author

Due Date

Need for additional regular or contractual positions

MDOT

As needed

Amendment No.

27

J00A01
The Secretary's Office
Department of Transportation

Budget Amendments

THE SECRETARY'S OFFICE

J00A01.02 Operating Grants-In-Aid

Add the following language to the special fund appropriation:

, provided that no more than \$5,238,042 of this appropriation may be expended for operating grants-in-aid, except for:

- (1) any additional special funds necessary to match unanticipated federal fund attainments;
or
- (2) any proposed increase either to provide funds for a new grantee or to expand funds for an existing grantee.

Further provided that no expenditures in excess of \$5,238,042 may occur unless the department provides notification to the budget committees to justify the need for additional expenditures due to either item (1) or (2) above, and the committees provide review and comment or 45 days elapse from the date such notification is provided to the committees.

Explanation: This annual language caps the level of special funds provided for operating grants-in-aid. The cap may be increased to match unanticipated federal dollars or to provide new or expanded grant funding upon notification to the budget committees.

Information Request	Author	Due Date
Explanation of need for additional special funds for operating grants-in-aid	Maryland Department of Transportation	45 days prior to expenditure

Amendment No.

28

J00A01

J00A01.03 Facilities and Capital Equipment

Add the following language to the special fund appropriation:

Further provided that no funds may be expended by the Secretary's Office for any system preservation or minor project with a total project cost in excess of \$500,000 that is not currently included in the fiscal 2018-2023 Consolidated Transportation Program, except as outlined below:

- (1) the Secretary shall notify the budget committees of any proposed system preservation or minor project with a total project cost in excess of \$500,000, including the need and justification for the project and its total cost; and
- (2) the budget committees shall have 45 days to review and comment on the proposed system preservation or minor project.

Explanation: This language provides legislative oversight of grants exceeding \$500,000 that are not listed in the current Consolidated Transportation Program.

Information Request	Author	Due Date
Notification of the intent to fund a capital grant exceeding \$500,000 that is not listed in the current Consolidated Transportation Plan	Maryland Department of Transportation	45 days prior to expenditure

Amendment No.

29

J00A04
Debt Service Requirements
Department of Transportation

Budget Amendments

Add the following language:

Consolidated Transportation Bonds may be issued in any amount provided that the aggregate outstanding and unpaid balance of these bonds and bonds of prior issues may not exceed \$3,422,265,000 as of June 30, 2019. Further provided that the amount paid for debt service shall be reduced by any proceeds generated from net bond sale premiums, provided that those revenues are recognized by the department and reflected in the Transportation Trust Fund forecast. To achieve this reduction, the Maryland Department of Transportation (MDOT) may either use the proceeds from the net premium to reduce the size of the bond issuance and/or apply the proceeds from the net premium to eligible debt service.

Explanation: Section 3-202 of the Transportation Article requires the General Assembly to establish the maximum debt outstanding each year in the budget bill. The level is based on outstanding debt as of June 30, 2017, plus projected debt to be issued during fiscal 2018 and 2019 in support of the transportation capital program.

Amendment No.

30

Add the following language:

MDOT shall submit with its annual September and January financial forecasts information on:

- (1) anticipated and actual nontraditional debt outstanding as of June 30 of each year; and
- (2) anticipated and actual debt service payments for each outstanding nontraditional debt issuance from fiscal 2018 through 2028.

Nontraditional debt is defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond; such debt includes, but is not limited to, Certificates of Participation, debt backed by customer facility charges, passenger facility charges, or other revenues, and debt issued by the Maryland Economic Development Corporation or any other third party on behalf of MDOT.

Explanation: The General Assembly is interested in monitoring the use of nontraditional debt by MDOT. The information requested provides the budget committees with additional information on the usage and annual costs of nontraditional debt.

J00A04

Information Request	Author	Due Date
Nontraditional debt outstanding and anticipated debt service payments	MDOT	With the September forecast
Nontraditional debt outstanding and anticipated debt service payments	MDOT	With the January forecast

Amendment No.

31

Add the following language:

The total aggregate outstanding and unpaid principal balance of nontraditional debt, defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond issued by MDOT, exclusive of any draws on the federal Transportation Infrastructure Finance and Innovation Act (TIFIA) loan for the Purple Line Light Rail Project, may not exceed \$874,695,000 as of June 30, 2019. The total aggregate outstanding and unpaid principal balance on the Purple Line TIFIA loan may not exceed \$925,315,170 as of June 30, 2019. Provided, however, that in addition to the limits established under this provision, MDOT may increase the aggregate outstanding unpaid and principal balance of nontraditional debt so long as:

- (1) MDOT provides notice to the Senate Budget and Taxation Committee and the House Appropriations Committee stating the specific reason for the additional issuance and providing specific information regarding the proposed issuance, including information specifying the total amount of nontraditional debt that would be outstanding on June 30, 2019, and the total amount by which the fiscal 2019 debt service payment for all nontraditional debt would increase following the additional issuance; and
- (2) the Senate Budget and Taxation Committee and the House Appropriations Committee have 45 days to review and comment on the proposed additional issuance before the publication of a preliminary official statement. The Senate Budget and Taxation Committee and the House Appropriations Committee may hold a public hearing to discuss the proposed increase and shall signal their intent to hold a hearing within 45 days of receiving notice from MDOT.

Explanation: This language limits the amount of nontraditional debt outstanding at the end of fiscal 2019 for non-TIFIA debt, to the total amount that that was outstanding from all previous nontraditional debt issuances as of June 30, 2017, plus an anticipated issuance of \$35.9 million for shuttle bus acquisitions for the Baltimore-Washington International Thurgood Marshall

J00A04

airport. TIFIA debt outstanding for the Purple Line project is capped at the projected maximum debt outstanding level that will occur during the construction phase of the Purple Line project. The language allows MDOT to increase the amount of nontraditional debt outstanding in fiscal 2019 by providing notification to the budget committees regarding the reason that the additional debt is required.

Information Request	Author	Due Date
Justification for increasing nontraditional debt outstanding	MDOT	45 days prior to publication of a preliminary official statement

Amendment No.

32

J00B01
State Highway Administration
Department of Transportation

Budget Amendments

STATE HIGHWAY ADMINISTRATION

J00B01.01 State System Construction and Equipment

Add the following language to the special fund appropriation:

, provided that \$13,000,000 of this appropriation may be used only to construct the expansion of US 301 South at MD 5 and the Western bypass at the US 301/MD 5 interchange. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Explanation: These two improvements will give immediate traffic relief to the highly congested interchange entering Charles County, Maryland from Prince George’s County, Maryland.

Amendment No.

33

Committee Narrative

J00B01.02 State System Maintenance

Mowing and Snow Removal Contracted Services: The committees are interested in ensuring that when activities such as mowing and snow removal operations are procured as contractual services in lieu of utilizing State employees, the contracts actually result in savings to the State. The committees, therefore, request the State Highway Administration (SHA) to submit a report comparing the costs and benefits derived through utilization of contractors for these activities vis-à-vis utilizing State employees. The report should be submitted by October 1, 2018.

Information Request	Author	Due Date
Report comparing the costs and benefits of using contracts versus State employees for mowing and snow removal activities	SHA	October 1, 2018

J00B01

Budget Amendments

J00B01.05 County and Municipality Funds

Add the following language to the special fund appropriation:

, provided that \$5,856 of this appropriation made for the purpose of providing transportation aid to Deer Park in Garrett County may not be expended until the town has submitted audit reports and Uniform Financial Reports as required under Sections 16-304 and 16-306 of the Local Government Article for fiscal 2015, 2016, and 2017. Funds restricted pending the receipt of these documents may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Further provided that \$1,732 of this appropriation made for the purpose of providing transportation aid to Caroline County on behalf of Marydel may not be expended until the town has submitted the audit reports and Uniform Financial Reports as required under Sections 16-304 and 16-306 of the Local Government Article for fiscal 2012, 2013, 2014, 2015, 2016, and 2017. Funds restricted pending the receipt of these documents may not be transferred by budget amendment or otherwise and shall be canceled.

Explanation: This language restricts transportation aid to municipalities that have not submitted audit reports and financial reports required in statute until the required documents have been submitted for all delinquent years.

Information Request	Author	Due Date
Audit reports and Uniform Financial Reports for Fiscal 2015 through 2017	Deer Park	Prior to distribution of funds
Audit reports and Uniform Financial Reports for fiscal 2012 through 2017	Marydel	Prior to distribution of funds

Amendment No.

34

J00D00
Maryland Port Administration
Department of Transportation

Budget Amendments

MARYLAND PORT ADMINISTRATION

J00D00.01 Port Operations

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Increase turnover rate from 6% to 7% to better reflect recent experience.	149,216	SF
 Total Reductions	 149,216	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	173.00	173.00		0.00
Special Fund	50,536,717	50,387,501	149,216	
Federal Fund	262,560	262,560	0	
Total Funds	50,799,277	50,650,061	149,216	

Amendment No.

35

Committee Narrative

Alternatives to Howard Street Tunnel Revisions: The committees are concerned about the ongoing nature of the Howard Street Tunnel project, which for years has been a major detriment to expansion of operations at the Helen Delich Bentley Port of Baltimore. The Maryland Port Administration (MPA) has endeavored to find a solution to replace or modify the Howard Street Tunnel to develop double-stack rail capacity for cargo container transport. While MPA seemed close to a solution, the private firm operating the rail line withdrew its support of the project. With the ability to provide double-stack capacity again uncertain, the committees request a report summarizing:

- the alternatives to modifying the Howard Street Tunnel and the associated bridges and tunnels;
- the feasibility of implementing such alternatives;

J00D00

- the advantages and disadvantages of each alternative; and
- estimated costs for the alternatives and proposed funding sources.

This report shall be submitted by November 1, 2018.

Information Request	Author	Due Date
Report on alternatives to modifying the Howard Street Tunnel to allow for double-stack rail capacity	MPA	November 1, 2018

Budget Amendments

J00D00.02 Port Facilities and Capital Equipment

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Increase turnover rate from 6% to 7% to better reflect recent experience.	36,730 SF	
Total Reductions	36,730	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	36.00	36.00		0.00
Special Fund	124,813,000	124,776,270	36,730	
Federal Fund	2,143,000	2,143,000	0	
Total Funds	126,956,000	126,919,270	36,730	

Amendment No. **36**

J00H01
Maryland Transit Administration
Department of Transportation

Committee Narrative

MARYLAND TRANSIT ADMINISTRATION

J00H01.01 Transit Administration

Maryland Transit Administration Pension Plan: It is the intent of the budget committees that an actuarially determined contribution for the Maryland Transit Administration (MTA) pension plan for the subsequent fiscal year be calculated each fall and that MTA fully fund that amount when preparing its budget. In determining contribution amounts, the actuary should use a closed amortization period ending no later than 2045.

J00H01.05 Facilities and Capital Equipment

Baltimore Metro Shutdown Review: On February 9, 2018, the Maryland Transit Administration (MTA) shut down the Baltimore Metro system to conduct track inspections and subsequently extended the shutdown for a month to conduct track repairs. This emergency shutdown is evidence of deficiencies in the MTA inspection and maintenance program. The following entities are conducting reviews to identify changes that are needed to prevent a similar occurrence in the future:

- MTA;
- the State Safety Oversight Agency located within the Maryland Department of Transportation Office of the Secretary;
- the Federal Transit Administration; and
- the American Public Transportation Association.

The committees request MTA to provide a report that:

- summarizes the findings and recommendations made by each of these entities; and
- indicates the changes made or planned in responses to these reviews and a timeline for any changes planned but not yet implemented.

MTA should submit this report by September 1, 2018, and if any review has not been completed by that time, a follow-up report within 30 days of the completion of any review that occurs after the September 1 report is submitted.

J00H01

Information Request	Author	Due Date
Report on the findings and recommendations arising from reviews of MTA following the emergency shutdown of the Baltimore Metro transit system	MTA	September 1, 2018
Follow-up report on any review completed after the September 1 report is submitted	MTA	Within 30 days of review completion

K00A
Department of Natural Resources

Committee Narrative

MARYLAND PARK SERVICE

K00A04.01 Statewide Operations

Maryland Park Service Funding Report: The committees are concerned that the Maryland Park Service (MPS) is receiving a substantial increase in revenue without a clear description of how the funding is being used in the fiscal 2019 allowance. The funding increase comes from transfer tax funding and Forest or Park Reserve Fund revenue per Chapter 23 of 2017 (Budget Reconciliation and Financing Act), which required the Governor to include in the State budget an appropriation to MPS equal to 100% of own-sourced revenues collected in the Forest or Park Reserve Fund from the second preceding fiscal year, less any administrative costs and prior-year closing fund balance. Therefore, the budget committees request that the Department of Natural Resources (DNR) submit a report with the fiscal 2020 State budget submission showing the allocation of both transfer tax and Forest or Park Reserve Fund funding for the fiscal 2018 actual, fiscal 2019 working appropriation, and fiscal 2020 allowance. The report is requested to include MPS's own-sourced revenue and administrative costs from fiscal 2018, which informs the fiscal 2020 appropriation, and a description of how the appropriations from each of the three years helps to meet the recommendations of the 2016 Five-year Strategic Plan, in terms of both personnel and park resources, and the development of a Comprehensive Long Range Strategic Plan as contemplated for achievement of the National Gold Medal Award from the National Recreation and Park Association.

Information Request	Author	Due Date
MPS funding report	DNR	Fiscal 2020 State budget submission

State Park Public-private Partnership Pilot Program: The committees are concerned that the Maryland Park Service has camping and cabin facilities that could be expanded at certain State parks but are constrained by limited capital resources for development of the infrastructure and limited personnel resources for staffing. Therefore, the budget committees request that the Department of Natural Resources (DNR) submit a report on the development of a pilot program to expand either the camping or, cabin facilities, or both at a single park using a public-private partnership (P3) model.

Information Request	Author	Due Date
State park P3 pilot program	DNR	December 1, 2018

K00A

Budget Amendments

LAND ACQUISITION AND PLANNING

K00A05.10 Outdoor Recreation Land Loan

Add the following language to the special fund appropriation:

Further provided that \$7,500,000 of this appropriation made for the purpose of providing funding to the Maryland-National Capital Park and Planning Commission on behalf of Prince George's County from the local share of Program Open Space shall be restricted until a confirmatory letter is sent jointly from the Maryland-National Capital Park and Planning Commission, Prince George's County, and Green Branch Management Group Corporation to the budget committees indicating that a Memorandum of Understanding (MOU) has been signed between the Maryland-National Capital Park and Planning Commission, Prince George's County, and Green Branch Management Group Corporation on field-use time. The confirmatory letter shall be submitted within 30 days following the signing of the MOU. The budget committees shall have 45 days to review and comment upon receipt of the confirmatory letter. Funds restricted pending the receipt of the confirmatory letter may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the confirmatory letter is not received.

Explanation: This action restricts \$7,500,000 of Program Open Space – Local funding provided to the Maryland-National Capital Park and Planning Commission on behalf of Prince George's County until confirmation has been provided that a MOU on field-use time has been signed by the Maryland-National Capital Park and Planning Commission, Prince George's County, and Green Branch Management Group Corporation.

Information Request	Authors	Due Date
Confirmation of the signing of a MOU on field-use time	Maryland-National Capital Park and Planning Commission Prince George's County Green Branch Management Group Corporation	30 days following the signing of the MOU

Amendment No.

37

K00A

K00A07.04 Field Operations

Add the following language to the general fund appropriation:

, provided that \$150,000 of the general fund appropriation made for the purpose of administration may not be expended until the Department of Natural Resources (DNR) submits a report outlining how DNR will establish and fund a whistleblower program. The report should include the following: (1) an analysis of natural resources whistleblower programs in other jurisdictions; (2) an assessment of the funding mechanisms other jurisdictions use to fully fund and deploy whistleblower appropriations; and (3) a proposed funding mechanism, fund deployment schedule, and marketing and promotion strategy for Maryland. This report shall be submitted to the budget committees by January 1, 2019. The budget committees shall have 45 days to review and comment following the receipt of the report. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: The budget committees are concerned about the State's enforcement of natural resources violations regulated by DNR due to a shortage of Natural Resources Police personnel. The Natural Resources Police shortage has impinged on the ability of DNR to effectively police the State's natural resources and wildlife. Therefore, this action restricts funding pending the submission of a report by DNR on a plan to establish and fund a whistleblower program rewarding the public for reporting abuses and theft of natural resources. The report is to include an analysis of existing natural resources whistleblower programs in other states, an assessment of funding mechanisms, and a proposed funding and deployment schedule and promotion strategy.

Information Request	Author	Due Date
Whistleblower program report	DNR	January 1, 2019

Amendment No.

38

L00A
Department of Agriculture

Budget Amendments

OFFICE OF MARKETING, ANIMAL INDUSTRIES, AND CONSUMER SERVICES

L00A12.13 Tobacco Transition Program

Strike the following language from the special fund appropriation:

~~, provided that this appropriation shall be distributed to each of the counties in the Tri-County Council of Southern Maryland in the following allocation:~~

Calvert County.....	\$333,000
Charles County.....	\$333,000
St. Mary's County.....	\$333,000

Explanation: The fiscal 2019 allowance for the Tobacco Transition Program is conditioned by the distribution of one-third equal distributions to only three of the five counties that have historically received agricultural land easement purchase funding – Anne Arundel County and Prince George’s County do not receive any funding under this distribution. This action strikes the conditioning of the funding so that the Tri-County Council of Southern Maryland may allocate the funding to all five counties in the manner that the funding historically has been provided.

Amendment No. **39**

L00A12.20 Maryland Agricultural and Resource-Based Industry Development Corporation

Add the following language:

It is the intent of the General Assembly that each of the Governor’s fiscal 2020 through 2022 budgets appropriate \$2,500,000 in general funds for the Next Generation Farmland Acquisition Program.

Explanation: This action expresses the intent of the General Assembly that the Next Generation Farmland Acquisition Program be funded at \$2,500,000 for each of fiscal 2020, 2021, and 2022.

Amendment No. **40**

M00A01
Administration
Maryland Department of Health

Budget Amendments

OFFICE OF THE SECRETARY

M00A01.01 Executive Direction

Add the following language to the general fund appropriation:

, provided that since the Maryland Department of Health (MDH) – Office of the Secretary has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$100,000 of this agency’s administrative appropriation may not be expended unless:

- (1) MDH has taken corrective action with respect to all repeat audit findings on or before November 1, 2018; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2019.

Explanation: The Joint Audit Committee has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each such agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency and a determination by OLA that each finding was corrected. OLA shall submit reports to the budget committees on the status of repeat findings.

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of funds

Amendment No.

41

M00A01

Add the following language to the general fund appropriation:

Further provided that \$250,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Department of Health (MDH) submits a report to the budget committees detailing how MDH plans to improve the recruitment and retention of direct care employees at the department's residential institutions. The report should include (1) an analysis of the appropriate compensation required to improve the recruitment and retention of direct care staff; and (2) the budgetary impact of closing the salary gap required to appropriately compensate the direct care staff. This report shall be submitted by November 1, 2018, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

Explanation: The vacancy rates of direct care staff, including nurses, physicians, and direct care aides, continues to climb across MDH, and evidence presented at previous hearings has suggested that one of the main reasons for the high vacancy rate is a lack of appropriate compensation for these positions. The committees request that the department submit a report detailing what salaries the department would have to provide in order to lower the vacancy rates among these employees, including the impact upon the budget of reclassifying the salaries of these employees to the appropriate rates.

Information Request	Author	Due Date
Direct care recruitment and retention study	MDH	November 1, 2018

Amendment No.

42

M001
Chronic Hospitals
Maryland Department of Health

Committee Narrative

WESTERN MARYLAND CENTER

M00103.01 Services and Institutional Operations

Western Maryland Hospital Center Building Assessment and Feasibility Study: A stakeholder workgroup concluded that there is an immediate need for either renovations to the existing Western Maryland Hospital Center (WMHC) or a new facility. The workgroup also discussed the feasibility of different funding streams for any changes to the facility. The workgroup recommended that the Maryland Department of Health (MDH) conduct a building assessment and feasibility study. MDH should submit the building assessment and feasibility study and MDH's plan for WMHC in consideration of that assessment and study by December 1, 2018.

Information Request	Author	Due Date
Submission of a building assessment, feasibility study, and MDH's plan for WMHC	MDH	December 1, 2018

M00L
Behavioral Health Administration
Maryland Department of Health

Budget Amendments

Add the following language:

Provided that \$200,000 of the general fund appropriation in program M00A01.01 Executive Direction made for the purpose of administration may not be expended until the Maryland Department of Health submits a report to the budget committees on the appropriate staffing levels for direct care employees within the facilities administered by the Behavioral Health Administration (BHA). The report should include (1) the number and type of appropriate direct care staff needed to fully operate specific units of the various hospitals; and (2) the amount of staff that would be required based on these standards given the bed capacity that BHA is expected to operate. The report shall be submitted by November 1, 2018, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of this report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

Explanation: The budget committees are concerned about the staffing levels that the department has funded given the level of bed capacity that the department desires to operate. The committees thus request that the Maryland Department of Health (MDH) submit a report on the levels of direct care staffing required at the BHA facilities, similar to the staffing study submitted in response to the 2009 Joint Chairmen’s Report that shall include both the staffing levels required to operate specific units of the various facilities as well as the amount of staff that the department will need to operate its desired bed capacity.

Information Request	Author	Due Date
BHA facility staffing study	MDH	November 1, 2018

Amendment No. **43**

Committee Narrative

M00L01.01 Program Direction

Fidelity Audits of Evidence-based Practices: The budget committees are concerned about the effect of fidelity audits on evidence-based practices, such as supported employment (SE) and assertive community treatment (ACT). The budget committees request a report from the Maryland Department of Health (MDH) by January 4, 2019, on the following:

M00L

- the number of SE and ACT programs operating in the State as of January 1, 2017, and the number of SE and ACT programs operating in the State as of January 1, 2018;
- the number of fidelity audits conducted on these programs during calendar 2017 and 2018;
- the results of those audits, including the number of programs that successfully passed, the number placed on provisional status, and the number that failed; and
- any training provided to the auditors on the interpretation of the fidelity standards and inter-rater reliability.

Information Request	Author	Due Date
Report on fidelity audits of SE and ACT programs	MDH	January 4, 2019

Statewide Review of the Behavioral Health Workforce and Capacity: The budget committees are concerned about the current capabilities and the capacity of the behavioral health workforce, especially in light of the state of emergency for the opioid crisis. The committees request that the Maryland Department of Health (MDH) conduct an analysis of the behavioral health workforce and infrastructure to determine the strengths and weaknesses of the State's Public Behavioral Health System (PBHS). The committees request that MDH:

- review, by jurisdiction, the number of outpatient treatment, acute care services, residential-based treatment, support services, and other community-based services utilized over the past three years in PBHS;
- review, by jurisdiction, the occupancy rate of residential-based treatment services over the past three years in PBHS;
- review, by jurisdiction, the number of mental health and substance use service providers licensed by the State;
- review, by jurisdiction, the number and types of certified and noncertified peer recovery specialists or other lay providers involved in the provision of behavioral health services;
- assess what steps the department is taking to identify areas of service delivery in the community that are not meeting the current demand or where sufficient services do not exist;

M00L

- identify any gaps in treatment capacity and disparity in reimbursement by public and private payers that is limiting the ability of patients to access needed care in the least restrictive settings; and
- make recommendations on how to address any gaps in treatment and capacity identified.

MDH shall submit a report of the findings by November 1, 2018.

Information Request	Author	Due Date
Review of the behavioral health workforce and capacity	MDH	November 1, 2018

Budget Amendments

M00L01.02 Community Services

Add the following language to the general fund appropriation:

Further provided that \$2,500,000 of this appropriation made for the purpose of provider reimbursements for substance use disorder residential treatment services may not be used for that purpose but instead may only be transferred to Program M00L01.04 Opioid Operational Command Center to provide additional funding for the opioid crisis. These funds may not be transferred by budget amendment or otherwise to any other purpose and if not expended shall revert to the General Fund at the end of the fiscal year.

Explanation: This language restricts \$2.5 million of the appropriation made for substance use disorder residential treatment services and instead only allows that funding to be transferred to the Opioid Operational Command Center (OCC). This surplus funding is intended to backfill the general funds that are budgeted within OCC to be used to support rate increases for community-based behavioral health providers so that more funding may be spent on the heroin and opioid crisis.

Amendment No.

44

M00L

Committee Narrative

M00L01.04 Opioid Operational Command Center

Opioid Crisis Fund: The budget committees request quarterly reports for fiscal 2019 on the funding plan for the funds contained in the Opioid Crisis Fund (OCF) from the Opioid Operational Command Center (OOC) as well as the Maryland Department of Health (MDH). These reports are to include the spending plan for these funds, including the fund source for each line item, as well as any changes to the spending plan and any performance metrics that have been gathered by OOC from programs receiving this funding.

Information Request	Authors	Due Date
OCF quarterly reports	MDH OOC	September 30, 2018 December 31, 2018 March 31, 2019 June 30, 2019

M00M
Developmental Disabilities Administration
Maryland Department of Health

Budget Amendments

DEVELOPMENTAL DISABILITIES ADMINISTRATION

M00M01.01 Program Direction

Add the following language to the general fund appropriation:

, provided that it is the intent of the General Assembly that the Maryland Department of Health submit monthly caseload data including total caseload numbers, attrition, and expansion in each placement category by month for the programs within M00M01.02. The data should be submitted on a monthly basis to the Department of Legislative Services.

Explanation: The Maryland Department of Health (MDH) is beginning a new rate-setting process for the Developmental Disabilities Administration (DDA) that will fundamentally alter the way that DDA makes payments to community service providers. This language requests data from MDH to aid in monitoring the DDA budget.

Information Request	Author	Due Date
Fiscal 2019 monthly data submissions	MDH	August 1, 2018, and each month thereafter

Amendment No.

45

Committee Narrative

Managing for Results Submissions: As more individuals seek community-based care, the State Residential Centers (SRC) population includes individuals that have more involvement with the criminal justice system (court-ordered) and more complex conditions. There is concern that staff and resident assaults are contributing to unsafe working and living conditions. The Maryland Department of Health (MDH) should begin submitting staff and resident assault data in the annual Managing for Results (MFR) submission for each of the SRCs managed by the Developmental Disabilities Administration.

Information Request	Author	Due Date
Staff and resident assault data	MDH	With MFR submission

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M00M01.02 Community Services

Creation of New Subprograms: The Community Services Program within the Maryland Department of Health (MDH) Developmental Disabilities Administration has begun enrollment in two new programs intended to provide specified services to individuals in the community. These two programs are rolled into one subprogram code in the fiscal 2019 budget data. MDH should separate these two distinct programs into individual subprograms in the fiscal 2020 budget submission.

Contract Procurement Delays: In recent years, it has become evident that the Maryland Department of Health (MDH) Developmental Disabilities Administration (DDA) has had challenges procuring contracts. In recent months, DDA has had to seek modifications to existing contracts to allow for more time to procure new contracts. Additionally, funds budgeted in the community service program for various contracts have not been expended due to the failure to procure contracts. The budget committees request a report that explains these delays and actions taken to prevent delays in the future.

Information Request	Author	Due Date
Report on procurement delays	MDH	September 1, 2018

Expanded Uses of the Waiting List Equity Fund: Since fiscal 2011, revenues have outpaced expenditures in the Waiting List Equity Fund (WLEF), resulting in a fund balance of approximately \$7.2 million at the close of fiscal 2017. The WLEF was established to ensure that funding associated with individuals served in a State Residential Center follows them to the community when they are transitioned to a community-based care setting and that any funds remaining be used to provide community-based services to individuals on the waitlist. WLEF funds may not be used to supplant funds for emergency placements or transitioning youth. The WLEF funds only the first year of placement for an individual.

The budget committees are concerned that the growing fund balance can be used more effectively to provide services for more individuals. The Maryland Department of Health (MDH) has indicated that it would like to work with the Developmental Disabilities Coalition to explore how to best use the WLEF, noting that changes in the allowable use of the funds will require legislative action. To ensure that action is taken and that MDH is prepared to introduce legislation during the 2019 legislative session, the budget committees request that MDH meet with stakeholders and report on the following:

- recommendations of the stakeholder meetings;
- a final determination on how to best utilize the WLEF, including expansion of eligible services;

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- an estimate of how many people on the waiting list will be served under the new guidelines compared to the current allowable uses of the fund;
- the draft legislation necessary to facilitate changes; and
- the financial impact on the WLEF.

Information Request	Author	Due Date
Report on expanded uses of the WLEF	MDH	December 1, 2018

M00Q01
Medical Care Programs Administration
Maryland Department of Health

Budget Amendments

MEDICAL CARE PROGRAMS ADMINISTRATION

M00Q01.01 Deputy Secretary for Health Care Financing

Add the following language to the general fund appropriation:

, provided that \$1,000,000 of this appropriation made for the purpose of administration may not be expended until the Maryland Department of Health has submitted all of the reports related to the Medical Care Programs Administration requested in the 2017 Joint Chairmen’s Report and fiscal 2018 budget bill, and the Department of Legislative Services has reviewed all of those reports. Further provided that those reports shall be submitted no later than September 1, 2018. Funds restricted pending the receipt of these reports may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if all of the reports are not submitted.

Explanation: The language restricts funding until the Maryland Department of Health (MDH) submits all of the reports in relation to the Medical Care Programs Administration requested in the 2017 Joint Chairmen’s Report (JCR) and the fiscal 2018 budget bill, and the Department of Legislative Services has reviewed all of those reports.

Information Request	Author	Due Date
2017 JCR and fiscal 2018 budget bill report requests	MDH	September 1, 2018

Amendment No.

46

Add the following language to the general fund appropriation:

Further provided that since the Medical Care Programs Administration (MCPA) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$100,000 of this agency’s administrative appropriation may not be expended unless:

- (1) MCPA has taken corrective action with respect to all repeat audit findings on or before November 1, 2018; and

M00Q01

- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2019.

Explanation: The Joint Audit Committee has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each such agency is to have a portion of its administrative budget withheld pending the adoption of corrective actions by the agency and a determination by OLA that each finding was corrected. OLA shall submit reports to the budget committees on the status of repeat findings.

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of funds

Amendment No.

47

Add the following language to the general fund appropriation:

Further provided that \$100,000 of this appropriation made for administration may not be expended until the Maryland Department of Health submits a broad-based plan to the budget committees to address hepatitis C in Maryland. The plan shall be submitted by July 1, 2018, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the plan may not be transferred by budget amendment or otherwise and shall revert to the General Fund if the plan is not submitted.

Explanation: In January 2018, the American Civil Liberties Union of Maryland indicated that it would be instituting legal action concerning the criteria adopted by Maryland Medicaid for access to Hepatitis C therapies. In its response to that letter, the Maryland Department of Health (MDH) indicated that it was developing a broad-based plan to address Hepatitis C in the State. The language withholds funding until that plan is submitted to the budget committees.

Information Request	Author	Due Date
Broad-based plan to address Hepatitis C in Maryland	MDH	July 1, 2018

Amendment No.

48

M00Q01

Add the following language to the general fund appropriation:

Further provided that \$100,000 of this appropriation made for administration may not be expended until the Maryland Department of Health submits a report to the budget committees detailing the findings and recommendations of the consultant hired through the Medicaid Program Business Process Consulting Diagnostic Services and Roadmap for Change procurement. The report shall be submitted by November 1, 2018, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise and shall revert to the General Fund if the report is not submitted.

Explanation: The Maryland Department of Health (MDH) is currently procuring a contract to perform an analysis of the administrative aspects of the Medicaid program, recommend business process and organizational changes to improve the performance of the program, and provide a roadmap for implementation of recommended changes. The language asks the department for a report on the contractor's finding and recommendations.

Information Request	Author	Due Date
Medicaid Program Business Process Consulting Diagnostic Services and Roadmap for Change	MDH	November 1, 2018

Amendment No.

49

Add the following language to the general fund appropriation:

Further provided that \$200,000 of this appropriation made for administration may not be expended until the Maryland Department of Health submits two reports to the budget committees detailing the impact of data matching cost-containment initiatives as well as its proposed mail return policy. For each measure, the department shall track the number of individuals removed from the Medicaid program in each month after implementation; if, and when, those individuals returned to the Medicaid program; and the number of individuals who are recategorized but remain on the Medicaid program. The department shall submit an initial report by September 1, 2018, and a final report by December 1, 2018, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise and shall revert to the General Fund if the reports are not submitted.

M00Q01

Explanation: The Maryland Department of Health (MDH) is implementing data matching and other measures to ensure that Medicaid enrollees are eligible for the program. The fiscal 2019 budget assumes \$97.2 million in total fund savings as a result of the data matching initiatives. The language requests two reports detailing the impact of those initiatives.

Information Request	Author	Due Date
Impact of data matching and return mail measures initial report	MDH	September 1, 2018
Impact of data matching and return mail measures final report	MDH	December 1, 2018

Amendment No.

50

M00Q01.03 Medical Care Provider Reimbursements

Add the following language:

All appropriations provided for program M00Q01.03 Medical Care Provider Reimbursements are to be used for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose.

Explanation: The annual budget bill language restricts Medicaid provider reimbursements to that purpose.

Amendment No.

51

Amend the following language to the general fund appropriation:

Further provided that ~~\$10,000,000~~ \$5,000,000 of this appropriation shall be reduced contingent upon the enactment of legislation reducing the Medicaid Deficit Assessment reduction amount for fiscal 2019 from \$35,000,000 to ~~\$25,000,000~~ \$30,000,000. Authorization is granted to process a special fund budget amendment up to ~~\$10,000,000~~ \$5,000,000 from Hospital Assessments to support Medicaid provider reimbursements.

M00Q01

Explanation: Technical amendment to conform to an action in the Budget Reconciliation and Financing Act of 2018 to increase the fiscal 2019 buy-down of the Medicaid Deficit Assessment by \$5 million, to \$30 million.

Amendment No.

52

M00Q01.10 Medicaid Behavioral Health Provider Reimbursements

Add the following language:

All appropriations provided for program M00Q01.10 Medicaid Behavioral Health Provider Reimbursements are to be used for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose.

Explanation: This language restricts Medicaid behavioral health provider reimbursements to that purpose.

Amendment No.

53

M00R
Health Regulatory Commissions
Maryland Department of Health

Budget Amendments

HEALTH REGULATORY COMMISSIONS

M00R01.01 Maryland Health Care Commission

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for the Integrated Care Networks to the appropriate level.	6,000,000	SF
Total Reductions	6,000,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	53.90	53.90		0.00
Special Fund	60,809,628	54,809,628	6,000,000	
Total Funds	60,809,628	54,809,628	6,000,000	

Amendment No.

54

M00R01.02 Health Services Cost Review Commission

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce payments from the Uncompensated Care Fund to the appropriate level based on the most recent actual. If the amount of uncompensated care rises beyond the level in the appropriation, the department is authorized to process a budget amendment to increase the appropriation.	20,000,000	SF
Total Reductions	20,000,000	0.00

M00R

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	47.00	47.00		0.00
Special Fund	136,118,346	116,118,346	20,000,000	
Total Funds	136,118,346	116,118,346	20,000,000	

Amendment No.

55

N00
Department of Human Services

Budget Amendments

Add the following language:

Provided that the spending in fiscal 2019 of the Temporary Assistance for Needy Families federal funds shall not exceed \$252,590,029.

Explanation: The Department of Human Services (DHS) ran a deficit in the Temporary Assistance for Needy Families (TANF) funds from fiscal 2011 through 2016. DHS ended fiscal 2017 with a positive balance (\$3.7 million). A provision in the Budget Reconciliation and Financing Act of 2018 was adopted to increase the fiscal 2018 cap on TANF spending to the level of estimated available funds. Therefore, no balance is expected in TANF to begin fiscal 2019. As a result, to prevent a return to deficit spending in TANF, this language caps TANF spending to the amount of TANF revenue that DHS expects to receive in fiscal 2019. This level of cap allows for an additional \$1.1 million of TANF spending beyond the amount included in the fiscal 2019 budget as introduced.

Amendment No.

56

N00A01
Office of the Secretary
Department of Human Services

Budget Amendments

OFFICE OF THE SECRETARY

N00A01.01 Office of the Secretary

Add the following language to the general fund appropriation:

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

- (1) DHS has taken corrective action with respect to all repeat audit findings on or before November 1, 2018; and
- (2) a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2019.

Explanation: The Joint Audit Committee has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each such agency is to have a portion of its administrative budget withheld pending the adoption of corrective actions by the agency and a determination by OLA that each finding was corrected. OLA shall submit reports to the budget committees on the status of repeat findings.

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of funds

Amendment No.

57

N00A01

N00A01.04 Maryland Legal Services Program

Add the following language to the general fund appropriation:

, provided that \$13,169,898 of this appropriation made for the purpose of the Maryland Legal Services Program may be expended only for that purpose. Funds not used for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Explanation: The language restricts the general fund appropriation of the Maryland Legal Services Program (MLSP) to that purpose and, if it is not needed for that purpose, requires that the funds revert to the General Fund. During the fiscal 2013 closeout process, the Department of Human Services recorded an unprovided-for payable in MLSP. That was the second consecutive year an unprovided-for payable was recorded and the fourth since fiscal 2007. Given the important function of MLSP, it remains necessary to ensure that the program is adequately funded. Similar language has been adopted in each of the last four fiscal years.

Amendment No.

58

N00B
Social Services Administration
Department of Human Services

Committee Narrative

SOCIAL SERVICES ADMINISTRATION

N00B00.04 General Administration – State

Transition Planning for the Title IV-E Waiver Program: The Department of Human Services (DHS) Social Services Administration has been operating with a Title IV-E Waiver since fiscal 2016. This waiver has allowed DHS to receive federal funds for foster youth that would not otherwise be eligible for Title IV-E funds and to receive federal funds for providing services that would not otherwise be eligible for services. The local departments of social services have begun, or are in the process of, implementing a variety of evidence-based practices using the available federal funds. The committees are interested in the steps that the department is taking to prepare for the end of the waiver to ensure that services continue and the impact on federal funds available for the foster care program due to the transition. The committees request that DHS submit a report on transition planning to ensure that evidence-based practices, support services, and other waiver interventions continue beyond the end of the Title IV-E Waiver, including the fund sources to be used to support the services. The report should also include information on the impact on available federal funds to support the Foster Care Maintenance Payments program at the end of the Title IV-E waiver and efforts to ensure all available funds under the Title IV E Waiver capped allocation are spent prior to the end of the waiver.

Information Request	Author	Due Date
Report on transition planning for the end of the Title IV-E Waiver	DHS	December 15, 2018

N00F00
Office of Technology for Human Services
Department of Human Services

Committee Narrative

OFFICE OF TECHNOLOGY FOR HUMAN SERVICES

N00F00.02 Major Information Technology Development Projects

MD THINK Quarterly Progress Report: The Department of Human Services (DHS) is undertaking one of the largest Information Technology Projects in the history of the State, the Maryland Total Human-services Information NetworK (MD THINK). DHS should work with the Department of Information Technology (DoIT) to submit quarterly progress reports for the project. The reports should include federal fund awards that were received for the project, the status of all applications completed or in progress of being completed, an updated timeline, an updated estimate of total project costs, performance benchmarks, descriptions of any defects and solutions to defects, and a list of all partner agencies with a description of their role in the project.

For the period ending June 30, 2018, a report should be submitted by August 15, 2018. For the period ending September 30, 2018, a report should be submitted by November 15, 2018. For the period ending December 30, 2018, a report should be submitted by February 15, 2019. For the period ending March 30, 2019, a report should be submitted by May 15, 2019.

Information Request	Authors	Due Date
MD THINK quarterly progress report	DHS DoIT	August 15, 2018 November 15, 2018 February 15, 2019 May 15, 2019

N00G00
Local Department Operations
Department of Human Services

Budget Amendments

LOCAL DEPARTMENT OPERATIONS

N00G00.01 Foster Care Maintenance Payments

Add the following language to the general fund appropriation:

Further provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose. Funds not expended shall revert to the General Fund.

Explanation: This language restricts general funds appropriated for foster care payments to that use only. This restriction prevents a transfer of general funds to other programs that might create or increase a deficit in spending in the Foster Care Maintenance Payments program (N00G00.01).

Amendment No.

59

Add the following language to the general fund appropriation:

Further provided that \$1,700,000 of this appropriation made for the purpose of the Foster Youth Savings program may not be expended until the Department of Human Services submits a report to the budget committees on (1) the determination regarding implementing a matched savings component to the program; (2) any plans, other than matched savings, for the department to increase the amount of the savings accounts; and (3) the planned use of the fiscal 2019 funds by category including establishing new accounts, increasing existing accounts, financial literacy/education programs, and administration. The report shall be submitted by July 1, 2018, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees. Further provided the department shall provide notification to the budget committees of changes to the program related to use of funds, eligibility, or efforts to increase the amount of the savings accounts made after the submission of the report within 30 days of the change.

Explanation: The fiscal 2018 budget included funding for a new Foster Youth Savings Program in N00G00.01 Foster Care Maintenance Payments. Language in the fiscal 2018 budget bill required the Department of Human Services (DHS) to submit two reports to the committee regarding the implementation plan and number of youth participating. The details of the

N00G00

program changed significantly between the two reports and, while initially described as a matched savings program, DHS indicated there were no plans to operate it as such in fiscal 2018, but it may in the future. This language restricts the fiscal 2019 funding for the program until the department submits additional information on the planned operation of the program and planned use of the budgeted funds. The language also requires the department to update the budget committees on any subsequent changes made to the program.

Information Request	Author	Due Date
Report on planned use of fiscal 2019 funds and operational details of the Foster Youth Savings program	DHS	July 1, 2018
Notification of changes made to the Foster Youth Savings program	DHS	As needed within 30 days of the program change

Amendment No.

60

Committee Narrative

N00G00.02 Local Family Investment Program

Food Supplement Employment and Training Performance Measures: The committees are interested in understanding more about the performance of the Food Supplement Employment and Training (FSET) program given the potential for changes to work requirements for Food Supplement Program recipients with the re-authorization of the Supplemental Nutrition Assistance Program. The committees request that the Department of Human Services (DHS) provide information on:

- performance in each of the national performance measures for the FSET program, including both the total population and the Able-bodied Adults without Dependents (ABAWD) population; and
- performance in the State option measures identified in the State plan for program components serving 100 or more individuals, including both the total population and ABAWD population.

DHS should submit this information for federal fiscal 2017 on January 1, 2019.

N00G00

Information Request	Author	Due Date
Report on FSET performance measures for federal fiscal 2017	DHS	January 1, 2019

Budget Amendments

N00G00.03 Child Welfare Services

Add the following language to the general fund appropriation:

, provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to program N00G00.01 Foster Care Maintenance Payments. Funds not expended or transferred shall revert to the General Fund.

Explanation: This annual language restricts general funds appropriated for local child welfare services to that use only or for transfer to N00G00.01 Foster Care Maintenance Payments.

Amendment No. **61**

Committee Narrative

Child Welfare Caseload Data: The committees believe that maintaining an adequate child welfare workforce is essential to improving outcomes for children entering the State's care. Therefore, in order to maintain oversight of this important issue, the committees request that the Department of Human Services (DHS), on November 15, 2018, report to the committees on the annual average number of cases and positions required based on the caseload to meet the Child Welfare League of America (CWLA) caseload standards, by jurisdiction, for the following caseload types using 12 months of data through August 2017:

- intake screening;
- child protective investigation;
- consolidated in-home services;
- interagency family preservation services;

N00G00

- services to families with children – intake;
- foster care;
- kinship care;
- family foster care;
- family foster homes – recruitment/new applications;
- family foster home – ongoing and licensing;
- adoption;
- interstate compact for the placement of children; and
- caseworker supervisors.

The committees also request that DHS discuss the variation in caseworker caseloads between jurisdictions for each caseload type and the impact of those variations. DHS should also discuss how local departments of social services and the Social Services Administration work together to reallocate staff between jurisdictions and caseload types to address shortfalls in caseworker caseload ratios. DHS should also discuss any efforts by CWLA to revise or update the caseworker caseload ratio standards.

Information Request	Author	Due Date
Report on caseload data and filled positions assigned by jurisdiction for specified caseload types and how shortfalls are addressed	DHS	November 15, 2018

N00H00
Child Support Administration
Department of Human Services

Committee Narrative

CHILD SUPPORT ENFORCEMENT ADMINISTRATION

N00H00.08 Child Support – State

Performance of the Baltimore City Office of Child Support Services Report: The Department of Human Services (DHS) has chosen Veritas HHS, LLC as a new contractor for the operation of the Baltimore City Office of Child Support Services and has required certain modifications and enhancements to the office. DHS is requested to report on the contractor’s performance in its first six months and first full year operating the office. The reports should detail all modifications and enhancements that have taken place, the contractor’s performance set against federal goals for the Child Support Administration, and incentives or liquidated damage charges processed.

Information Request	Author	Due Date
Report on performance of the Baltimore City Office of Child Support Services	DHS	October 1, 2018 April 1, 2019

Enforcement Remedies for Child Support Obligors Working for Transportation Network Companies: The Department of Human Services (DHS) uses a variety of enforcement remedies for collecting and distributing child support payments in arrears. Currently, earnings withholding orders and the professional license suspension program do not apply to employees of transportation network companies. DHS, in consultation with the Public Service Commission (PSC), shall submit a report that discusses implementation of the professional license suspension program for transportation network operators’ (TNO) licenses and the feasibility of collecting wage information from TNOs to allow the Child Support Administration (CSA) to establish earnings withholding orders and require new hire reporting. The report should also examine the feasibility of collecting wage information on independent contractors, beyond TNOs, to allow CSA to establish earnings withholding orders and require new hire reporting.

Information Request	Authors	Due Date
Report on enforcement remedies	DHS PSC	December 1, 2018

N00I00
Family Investment Administration
Department of Human Services

FAMILY INVESTMENT ADMINISTRATION

N00I00.04 Director's Office

Add the following language to the general fund appropriation:

, provided that since the Department of Human Services (DHS) Family Investment Administration has had four or more repeat audit findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), and DHS failed to completely resolve or make adequate progress toward resolving those repeat audit findings, \$250,000 of this agency's administrative appropriation may not be expended unless:

- (1) DHS has reported the corrective action taken with respect to all repeat findings on or before November 1, 2018; and
- (2) a report is submitted to the budget committees by OLA listing each repeat finding along with an assessment of the corrective action taken by DHS for each repeat finding. The budget committees shall have 45 days to review and comment to allow funds to be released prior to the end of fiscal 2019.

Explanation: The Joint Audit Committee (JAC) has requested that budget bill language be added for each unit of State government that has four or more repeat audit findings in its most recent fiscal compliance audit. Each such agency is to have a portion of its administrative budget withheld pending the adoption of corrective action by the agency and a determination by OLA that each finding was corrected. OLA shall submit a report to the budget committees on the status of repeat findings.

If OLA reports that an agency failed to completely resolve or make adequate progress toward resolving those repeat audit findings, JAC requests that \$250,000 in general funds is withheld from each agency's appropriation in the fiscal year following the OLA report until more satisfactory progress has been made toward resolution of those repeat findings.

Information Request	Author	Due Date
Status of corrective actions related to the most recent fiscal compliance audit	OLA	45 days before the release of funds

Amendment No.

62

N00100

Committee Narrative

Changes to the Temporary Assistance for Needy Families Program or the Supplemental Nutrition Assistance Program: The most recent re-authorization for the Temporary Assistance for Needy Families (TANF) program ended in federal fiscal 2010. Since that time, TANF has operated under a series of temporary extensions. The current extension ends September 30, 2018. The Supplemental Nutrition Assistance Program (SNAP) is expected to be re-authorized during calendar 2018 as part of the Farm Bill. The committees are concerned about the potential impact of any changes to TANF or SNAP contained as part of any re-authorization or other legislation related to the program on beneficiaries or State spending. The committees request that the Department of Human Services (DHS) provide notification within 30 days of any federal changes to TANF or SNAP that the State must adopt or that the State chooses to adopt that would impact:

- TANF-related or SNAP benefits (eligibility, benefit levels, or types of benefits provided);
- work participation requirements or calculations; or
- State spending on the TANF program, TANF maintenance of effort (MOE) requirements (including the type of spending that counts toward MOE requirements), SNAP benefits, or other SNAP requirements.

Information Request	Author	Due Date
Notification of changes to TANF or SNAP	DHS	Within 30 days of federal changes

N00I0006
Office of Home Energy Programs
Department of Human Services

Committee Narrative

N00I00.06 Office of Home Energy Programs

Energy Assistance Application Processing Times: The committees are interested in continuing to monitor the progress of local administering agencies (LAA) at the Office of Home Energy Programs in improving energy assistance application processing timeliness. The committees request that the Department of Human Services (DHS) provide by LAA the number of applications received; the average number of days to process applications; the number and percent of applications processed within 30 days, 55 days, and longer than 60 days; and the date of the data.

Information Request	Author	Due Date
Application processing times	DHS	December 20, 2018
Application processing times	DHS	June 30, 2019

P00
Department of Labor, Licensing, and Regulation

Budget Amendments

DIVISION OF WORKFORCE DEVELOPMENT AND ADULT LEARNING

P00G01.07 Workforce Development

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete duplicate funding for the Jacob France Institute.	211,000	FF
Total Reductions	211,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	238.70	238.70		0.00
General Fund	2,608,839	2,608,839	0	
Special Fund	1,786,376	1,786,376	0	
Federal Fund	61,929,387	61,718,387	211,000	
Total Funds	66,324,602	66,113,602	211,000	

Amendment No.

63

Q00

Department of Public Safety and Correctional Services

Committee Narrative

Vacancy Spending Report: The budget committees request that the department submit a report by November 1, 2018, on projected vacancy savings for fiscal 2018, the nonbudgeted items that vacancy spending will likely be used to pay for, and whether the practice of using excess vacancy savings will be enough to offset upcoming additional expenditures in the current fiscal year. In addition, the department should provide data on vacancy savings expenditures for the last three fiscal years. Lastly, the department should report on how it prioritizes which areas to use vacancy spending and if improvements in hiring can be accomplished at current levels, or if additional funding is needed.

Information Request	Author	Due Date
Vacancy spending report	Department of Public Safety and Correctional Services	November 1, 2018

Justice Reinvestment Act Initial Data Report: The budget committees request that the department submit a report by December 1, 2018, that includes annual updates on the number of offenders petitioning and approved for new Justice Reinvestment Act (JRA) provisions including, but not limited to, administrative release, medical/geriatric parole, certificates of rehabilitation; the number of offenders affected by new diminution and earned compliance credit rules; an update regarding the graduated sanctions matrix that has been shared with the Judiciary and the number of offenders who have been given graduated sanctions; information regarding case planning issues and challenges; all efforts to notify inmates about new JRA provisions that they may petition for; and estimated cost savings related to all previous items.

Information Request	Author	Due Date
JRA initial data report	Department of Public Safety and Correctional Services	December 1, 2018

Inmate Pharmacy Treatment Costs Report: The budget committees request that the department submit a report by December 1, 2018, that includes the following items:

- a full report on the number of inmates screened and treated for Hepatitis C, the number infected and cured, requirements for treatment, and the overall cost of treatment per inmate;

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- a general overview of the continuous quality improvement process and what metrics are collected in that process, and any information about data sharing with the Maryland Department of Health;
- any information on inmate relapse/reinfection tracking, post-release treatment options for offenders, the upcoming inmate medical and pharmacy contractors, and related performance measures and data; and
- the Department of Public Safety and Correctional Services (DPSCS) should report on the policies regarding the requirements for treatment and its intersection with substance abuse treatment, in particular with opioids. As such, any policies aimed at preventing further infections should be reported to the budget committees.

Information Request	Author	Due Date
Inmate pharmacy treatment costs report	DPSCS	December 1, 2018

Q00A
Office of the Secretary
Department of Public Safety and Correctional Services

Committee Narrative

Administrative Vacancies Staffing Report: It is requested that the department submit a report to the budget committees by December 1, 2018, on the following items:

- the Department of Public Safety and Correctional Services (DPSCS) Human Resources Services Division efforts to improve hiring and transfer practices within the department and efforts to address high turnover (including retirements, transfers, etc.);
- updates on vacancy rates in support positions at DPSCS facilities and in Security Operations along with data/information on the effect these vacancies have on service delivery, particularly in regard to Security Operations' ability to conduct inmate/offender transportation between facilities;
- administrative positions' share of overtime and mandatory overtime costs; and
- overall efforts to address administrative vacancies across the entire department.

Information Request	Author	Due Date
Administrative vacancies staffing report	DPSCS	December 1, 2018

Technology and Data Initiatives Report: It is requested that the department submit a report to the budget committees by December 1, 2018, on various data issues; specifically, the lack of the Drunk Driving Monitor Program revocation information, recidivism reporting, and sick leave/mandatory overtime hours worked. In addition, updates should be included on the Electronic Patient Health Records Project and its status, as this initiative was previously slated to be shared with the Maryland Department of Health.

Information Request	Author	Due Date
Technology and data initiatives report	Department of Public Safety and Correctional Services	December 1, 2018

Q00A

Combined Contraband Reporting: The budget committees are concerned that the department only reports contraband finds from its K9 units. The committees are interested in having the agency report contraband finds from all sources, including the K9 Unit, detectors, and other inmate searches. It is therefore the intent of the budget committees that the department submits contraband finds from all sources, separated by facility, in the fiscal 2020 Managing for Results (MFR) submission.

Information Request	Author	Due Date
Combined contraband reporting	Department of Public Safety and Correctional Services	With the fiscal 2020 MFR submission

Q00B
Division of Correction
Department of Public Safety and Correctional Services

Committee Narrative

Correctional Officer Transfers and Staffing Report: The large number of correctional officer (CO) vacancies and related issues, including required overtime for officers, has had a negative effect on recruiting and officer retention. Recently, the department has partially closed several facilities, allowing administrators to transfer COs to other prisons with staffing issues. The budget committees request that the Department of Public Safety and Correctional Services (DPSCS) submit a report providing data pertaining to Division of Correction (DOC) transfers and staffing that includes the following information:

- given the success of the Maryland Correctional Institution – Hagerstown redistribution of inmates in lowering vacancy rates at select facilities, the options for further strategic realignment of COs and/or inmates to other departmental facilities;
- the current number of detainees at State facilities, their security classification, whether they are housed with inmates from different security classifications, and the additional costs to house and transport them;
- information on DOC efforts to address the high number of retirements and early separations of new CO employees;
- specific data on overtime that includes the total number of COs at each facility who were required to work overtime each month for the most recent 12-month trailing period (and the number of drafted overtime hours worked);
- the number of CO cadets hired and their locations and the number of COs who successfully qualified for the new bonus program; and
- additional efficiencies including new sick leave definitions and their impact on staff levels.

Information Request	Author	Due Date
CO transfers and staffing report	DPSCS	January 2, 2019

Q00B

Inmate Education Report: In fiscal 2017, the General Assembly passed legislation calling for better education of inmates in State prisons in order to reduce recidivism and improve public safety. The budget committees request that the Department of Public Safety and Correctional Services (DPSCS) submit a report, in conjunction with the Department of Labor, Licensing, and Regulation's (DLLR) Correctional Education Program, due by December 1, 2018, that provides data on enrollment and graduation rates for all academic programs, average self-pay tuition and book costs for inmates, total costs for postsecondary educational programs, and to the extent possible, recidivism rates for inmates who successfully completed academic programs at the high school level and higher. In addition, the report should include the average cost for postsecondary education per inmate, and any efforts by the Division of Correction to obtain additional funds for education via the Justice Reinvestment Act (JRA) grant funds or savings generated from the JRA.

Information Request	Authors	Due Date
Inmate education report	DPSCS DLLR	December 1, 2018

Inmate Substance Abuse Treatment: Pursuant to Chapter 515 of 2016, the Justice Reinvestment Act (JRA), if offenders request drug treatment and the court approves, the State is required to place them in a treatment program immediately. While this may ease the burden on State prisons, if treatment is requested and denied, the department must offer similar, medically appropriate treatment to substance abusers when they are incarcerated.

The budget committees request that the Department of Public Safety and Correctional Services (DPSCS) submit a report by December 1, 2018, on its substance abuse treatment programs. Given the possibility that JRA-related provisions may increase the number of offenders, both in custody for treatment and outside of custody for residential/outpatient treatment, the department should provide the following:

- the number of beds needed for substance abusers at outside facilities;
- data regarding wait times to move offenders to available treatment through the Maryland Department of Health and if the wait times are sufficiently short;
- substance abuse spending per facility and whether current spending levels are sufficient;
- information regarding substance abuse management tactics and programs, including the naltrexone pilot program;
- total number of inmates currently being treated for substance abuse at each facility (including those receiving opioid treatment); and

Q00B

- overall substance abuse treatment needs at Division of Correction facilities and related efforts that involve the Opioid Operational Command Center or any other State task forces.

Information Request	Author	Due Date
Inmate substance abuse treatment data	DPSCS	December 1, 2018

Correctional Officer Salary and Wellness Report: The large number of correctional officer (CO) vacancies within the department and related issues, including mandatory overtime, have had a negative effect on recruiting and officer retention. While the department has initiated a new CO bonus program in fiscal 2017, the budget committees are concerned that CO salaries are not being fully addressed. Information on CO qualifications, wellness, and a comparison with other states' salaries can help the committees consider whether changes in officer salaries are warranted. The budget committees request that the Department of Public Safety and Correctional Services (DPSCS) submit a report due December 1, 2018, on CO salaries. The report should include the following information:

- the most common entry-level starting salary for COs;
- median and mean salaries for all CO positions, delineated by rank and rate (hourly or annual);
- minimum and maximum salaries for each CO position delineated by rank;
- median and mean CO salaries in all 24 Maryland jurisdictions;
- median and mean CO salaries in Pennsylvania; Virginia; and Washington, DC;
- median and mean CO salaries nationwide;
- the number of COs that worked double shifts in the most recent fiscal year;
- the number of COs hired by the classification that they were placed in at initial testing: "Best Qualified, Better Qualified or Qualified"; and
- information about department wellness programs or CO mental health counseling currently offered to COs and the cost to offer mental health courses for COs in conjunction with the National Institute of Corrections training curriculum.

Q00B

Information Request	Author	Due Date
CO salary and wellness report	DPSCS	December 1, 2018

Q00C01
Maryland Parole Commission
Department of Public Safety and Correctional Services

Committee Narrative

Justice Reinvestment Act Rule Clarification Report: Provisions in the Justice Reinvestment Act (JRA) introduce graduated (nonjail) sanctions to reduce the number of offenders sent to jail or prison due to parole/probation violations. In addition, revocation caps limit the length of incarceration time imposed for these violations. Currently, there are varying interpretations regarding the rules that govern how long an offender will remain incarcerated for violations. The budget committees request that the department submit a report by November 30, 2018, on efforts to clarify JRA-related rules regarding technical violations and revocation caps. This report should recommend proposed statutory changes, if needed.

Information Request	Author	Due Date
JRA rule clarification report	Maryland Parole Commission	November 30, 2018

Q00C02
Division of Parole and Probation
Department of Public Safety and Correctional Services

Budget Amendments

DIVISION OF PAROLE AND PROBATION – CENTRAL REGION

Q00T03.01 Division of Parole and Probation – Central Region

Add the following language to the general fund appropriation:

. provided that \$100,000 of this appropriation provided for the purpose of establishing the new Community Adult Rehabilitation Center (CARC) may not be expended until the Department of Public Safety and Correctional Services (DPSCS) submits a report on the timeline for establishing the new CARC, criteria for selection of offenders who are admitted, the number of employees needed, proposed location and/or lease arrangements, total costs, and the possibility of locating the facility within the Baltimore City Jail complex. The report should also include information on how DPSCS plans to keep the budget committees informed about the CARC population, progress, and performance measures in the future. The report shall be submitted no later than December 1, 2018. The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Explanation: This action requires DPSCS to submit a report on the new CARC no later than December 1, 2018. The report submission should assist the General Assembly in monitoring the success and needs of this new initiative, as well as ensure that CARC fulfills the requirements of the Justice Reinvestment Act.

Information Request	Author	Due Date
Report on the new CARC	Division of Parole and Probation	December 1, 2018

Amendment No.

64

Q00C02

Committee Narrative

Division of Parole and Probation (DPP) Caseload and Vacancies Report: While DPP overall caseload ratios are under the national average, DPP's North and South regional offices are still above the average. In addition, vacancies have risen. The budget committees request that the department submit a report by December 1, 2018, on the following items:

- for each of DPP's regional offices: total cases, caseloads per agent, caseloads delineated by offender type, and the ratio of agents to support staff at each office;
- efforts to reduce vacancies in the division, specifically within the North and South Regions; and
- overtime hours worked by region and office.

Information Request	Author	Due Date
Report on DPP caseload and vacancies	DPP	December 1, 2018

Division of Parole and Probation (DPP) Justice Reinvestment Act (JRA)-related Initiatives Report: Pursuant to the JRA, offenders entering supervision are required to be screened by new, validated risk assessment tools and can be subject to less stringent graduated sanctions. In addition, offenders can earn a certificate of rehabilitation (COR) that may help them secure employment. The budget committees request that the Department of Public Safety and Correctional Services submit a report by December 1, 2018, on the following:

- updates on the number of offenders who are administered the Level of Service Inventory-Revised, and information from DPP on how it plans to measure the effectiveness of the assessment tool on recidivism rates; and
- updates on the total number of COR applicants as well as those successfully approved.

Information Request	Author	Due Date
Report on DPP JRA-related initiatives	DPP	December 1, 2018

Ignition Interlock Data Report: In October 2017, the department submitted a report on the feasibility of purchasing dashboard cameras for ignition interlock devices. Using dashboard cameras would provide proof of the driver's identity in driving while impaired cases and could reduce the number of cases where defendants claim they were not driving at the time of the

Q00C02

violation. The budget committees request that the Division of Parole and Probation (DPP) submit a report by December 1, 2018, on the annual number of ignition interlock violation cases pursued by DPP, and the steps necessary to add dashboard cameras to the program.

Information Request	Author	Due Date
Ignition interlock data	DPP	December 1, 2018

Division of Parole and Probation (DPP) Agents in Baltimore City Police Precincts Report: Since August 2017, the department has returned to the practice of inserting parole and probation agents in Baltimore City Police precincts to share information and streamline the criminal supervision process. The budget committees request that the department submit a report by December 1, 2018, that outlines the number of agents involved, the police precincts they are located in and field office of origin, precinct activities, the timeline for when agents can report to the Eastern and Southeastern precincts, total cost of the program, and efficiencies gained by this partnership.

Information Request	Author	Due Date
Report on DPP agents in Baltimore City Police precincts	DPP	December 1, 2018

Q00D00
Patuxent Institution
Department of Public Safety and Correctional Services

Committee Narrative

Staffing and Overtime Issues at the Patuxent Institution: In fiscal 2017, the Patuxent Institution had a vacancy rate of 21%, higher than the department’s overall vacancy rate of 15.7%. When compared to all the Department of Public Safety and Correctional Services (DPSCS) institutions, the Patuxent Institution is in the top five for overtime spending and the highest in overtime spending per capita. The budget committees request that DPSCS submit a report by December 1, 2018, that outlines why Patuxent Institution population has increased, which facility each inmate came from, and the current enrollment of inmates delineated by Patuxent Institution programs. In addition, DPSCS should provide information on whether the current average daily population is sustainable given that the population has exceeded full capacity. Finally, the department should report on the status of the Regimented Offender Treatment Center drug treatment program and when it is likely to be operational, as well as information on why overtime costs at the institution are the highest per capita among all DPSCS State prisons.

Information Request	Author	Due Date
Staffing and overtime issues at the Patuxent Institution	DPSCS	December 1, 2018

Q00T04
Division of Pretrial Detention
Department of Public Safety and Correctional Services

Committee Narrative

Division of Pretrial Detention Dormitory Housing, Vacancies, and Overtime Spending:
The budget committees request that the Department of Public Safety and Correctional Services (DPSCS) submit a report due December 1, 2018, on the following:

- the long-term plan for Baltimore City detainees in State prisons (how long they will remain outside of their jurisdiction, the length of time they are expected to remain in dormitory housing, and the number of staff hours and/or transports to Baltimore City so that the costs can be determined);
- efforts to permanently move away from or mitigate the use of dormitory housing;
- efforts to reduce assaults at the Division of Pretrial Detention (DPD) facilities particularly at the Baltimore Central Booking and Intake Center (BCBIC) and the Metropolitan Transition Center;
- data on assault rates at the Jessup Correctional Institution (including the detainee B-Building) for the last six months;
- information on why BCBIC has the highest overtime spending per capita among all the Division of Correction and DPD facilities;
- actual overtime data at all DPD facilities that includes total correctional officer drafted overtime hours by shift; and
- a brief summary of the department's options for detainees given that the plan for a new Baltimore detention center was removed from the Capital Improvement Plan.

Information Request	Author	Due Date
DPD dormitory housing, vacancies, and overtime spending	DPSCS	December 1, 2018

R00A01
Headquarters
Maryland State Department of Education

Budget Amendments

HEADQUARTERS

R00A01.10 Division of Early Childhood Development

Add the following language to the federal fund appropriation:

, provided that \$800,000 for the purpose of contractual services for research, research support, planning, and budgeting tasks for the Child Care Subsidy Program may not be used for contractual services through an interagency agreement and instead may be used only for contractual services that are competitively bid. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Explanation: The Maryland State Department of Education (MSDE) currently has a Memorandum of Understanding (MOU) with the Regional Economic Studies Institute (RESI) at Towson University for the purpose of projecting participation in the Child Care Subsidy (CCS) Program in the State as well as predicting the associated costs for the program. However, RESI has been unable to produce accurate estimates in recent years, particularly since the re authorization of the federal Child Care and Development Block Grant. MSDE's MOU with RESI is scheduled to end on June 30, 2018, and MSDE is working on a competitive procurement process for CCS projection services for fiscal 2019 and beyond. This action requires that MSDE not contract with RESI or another entity through an interagency agreement in fiscal 2019 for these services and that it follows through with only procuring services that are competitively bid.

Amendment No.

65

R00A02
Aid to Education
Maryland State Department of Education

Budget Amendments

Add the following language:

Provided that the Maryland State Department of Education shall notify the budget committees of any intent to transfer the funds from program R00A.02 Aid to Education to any other budgetary unit. The budget committees shall have 45 days to review and comment on the planned transfer prior to its effect.

Explanation: The Maryland State Department of Education (MSDE) should not transfer any funds from Aid to Education until the transfer is reviewed by the budget committees.

Information Request	Author	Due Date
Report on any transfer of funds from R00A02	MSDE	45 days prior to transfer

Amendment No.

66

AID TO EDUCATION

R00A02.13 Innovative Programs

Amend the following language to the general fund appropriation:

General Fund Appropriation, provided that ~~this appropriation shall be reduced by \$5,000,000 contingent upon the enactment of legislation altering the mandate that funding be provided for the Public Schools Opportunities Enhancement Program~~ \$5,000,000 of this appropriation made for the purpose of providing funding for the Public School Opportunities Enhancement Program may not be expended for that purpose but instead may be used only for the Learning in Extended Academic Programs grant program contingent on the enactment of SB 1092 or HB 1415. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Explanation: The fiscal 2019 budget as introduced includes \$7.5 million in mandated general funds for the Public School Opportunities Enhancement Program (PSOEP). If enacted, SB 1092 or HB 1415 would reduce the mandated funding level for PSOEP to an amount equal to what was provided for the program in the prior fiscal year. For fiscal 2019, this amount is \$2.5 million, which is based on the fiscal 2018 appropriation. SB 1092 or HB 1415 would also

R00A02

create a new Learning in Extended Academic Programs (LEAP) grant program beginning in fiscal 2019, which is to be provided funding through a mandated appropriation of \$5.0 million in fiscal 2019 and each fiscal year thereafter. This amended language reserves \$5.0 million of the fiscal 2019 funding for PSOEP, and authorizes it instead for the LEAP grant program contingent on the enactment of SB 1092 or HB 1415; this leaves the remaining \$2.5 million as authorized for PSOEP. Finally, this action strikes unneeded language as a technical amendment.

Amendment No. **67**

Amend the following language to the general fund appropriation:

Further provided that this appropriation shall be reduced by ~~\$5,000,000~~ \$300,000 contingent upon the enactment of legislation ~~repealing~~ altering the mandate that funding be provided for the Next Generation Scholars Program.

Explanation: This is a technical amendment reflecting a recommendation by the Department of Legislative Services that the Budget Reconciliation and Financing Act of 2018 be amended to alter the mandated funding level for the Next Generation Scholars of Maryland Program to fund the program at its fiscal 2018 level of \$4.7 million.

Amendment No. **68**

R00A02.55 Teacher Development

Amend the following language to the general fund appropriation:

General Fund Appropriation, provided that this appropriation shall be reduced by ~~\$5,000,000~~ \$2,000,000 contingent upon the enactment of legislation ~~repealing~~ altering the mandate that funding be provided for the Teacher Induction, Retention, and Advancement Pilot Program.

Explanation: This action restores \$3 million in general funds for the Teacher Induction, Retention, and Advancement Pilot Program based on actions in the Budget Reconciliation and Financing Act of 2018.

Amendment No. **69**

R00A02

Amend the following language to the general fund appropriation:

~~Further provided that this appropriation shall be reduced by \$2,100,000 contingent upon the enactment of legislation reducing the mandated stipend for teachers who hold a certificate issued by the National Board for Professional Teaching Standards~~

Explanation: This is a technical amendment based on the recommendation by the Department of Legislative Services to reject the provision in the Budget Reconciliation and Financing Act of 2018 to reduce the mandated stipend for teachers who hold National Board Certification.

Amendment No. **70**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the appropriation for the Quality Teacher Incentives program based on updated expectations for the number of teachers with National Board Certification teaching in schools with comprehensive needs.	1,280,000	GF
 Total Reductions	 1,280,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	11,700,000	10,420,000	1,280,000	
Special Fund	300,000	300,000	0	
Federal Fund	29,999,542	29,999,542	0	
Total Funds	41,999,542	40,719,542	1,280,000	

Amendment No. **71**

R00A02

Committee Narrative

R00A02.59 Child Care Subsidy Program

Child Care Subsidy Program: The budget committees are concerned that since the re-authorization of the federal Childcare and Development Block Grant (CCBG), there have been considerable overestimates of how much Maryland will spend from the grant each year. This has been, in part, due to the Maryland State Department of Education (MSDE) reserving funding in anticipation of needing more funding for the Child Care Subsidy (CCS) Program in future fiscal years due to new requirements under the re-authorization. These funds were reserved while MSDE maintained a CCS waiting list for families above certain income levels and while subsidies in Maryland are a low percentile of market-rate in comparison to other states. Therefore, MSDE should report quarterly on CCS expenditures including the amount of CCBG funds being spent from previously reserved funds, the amount from newly authorized funds, and the amount from State general funds. In its July 1, 2018 report, MSDE should provide data as it relates to the CCS Program in fiscal 2018; in all subsequent reports MSDE should report on the CCS Program in fiscal 2019. These reports should disaggregate CCBG funding used directly for subsidies and funding used by MSDE Headquarters in support of the overall CCS Program specified by purpose. MSDE should also report quarterly on the percentile of market-rate for subsidies statewide and by region and confirm that parents receiving 12-month vouchers remain eligible for up to 90 days in a year regardless of changes in income or temporary changes in participation in work, training, or education activities. Finally, MSDE should include in its reports whether it is maintaining a CCS waiting list, and if so, how many children are on the waiting list.

Information Request	Author	Due Date
CCS expenditure reports	MSDE	July 1, 2018 October 1, 2018 January 1, 2019 April 1, 2019

R00A03
Funding for Educational Organizations
Maryland State Department of Education

Budget Amendments

FUNDING FOR EDUCATIONAL ORGANIZATIONS

R00A03.04 Aid to Non-Public Schools

Amend the following language to the special fund appropriation:

, provided that this appropriation shall be for the purchase of textbooks or computer hardware and software and other electronically delivered learning materials ~~as permitted under Title II, Section 2416(b)(4), (6), and (7) of the No Child Left Behind Act~~ for loan to students in eligible nonpublic schools with a maximum distribution of \$65 per eligible nonpublic school student for participating schools, except that at schools where ~~at least 20%~~ from 20% to 40% of the students are eligible for the free or reduced-price lunch program there shall be a distribution of \$95 per student, and at schools where more than 40% of the students are eligible for the free or reduced-price lunch program there shall be a distribution of \$155 per student.

Explanation: This action amends language modifying the distribution of funding for the Aid to Non-Public Schools Program so that schools where more than 40% of the students are eligible for the free or reduced-priced lunch program receive \$155 per student. Similar language was included in the fiscal 2017 and 2018 budgets. It also strikes language regarding the No Child Left Behind Act due to technical differences with the newly re-authorized Elementary and Secondary Education Act.

Amendment No. **72**

Add the following language to the special fund appropriation:

Further provided that a nonpublic school participating in the Aid to Non-Public Schools Program R00A03.04 shall certify compliance with Title 20, Subtitle 6 of the State Government Article. A nonpublic school participating in the program may not discriminate in student admissions on the basis of race, color, national origin, or sexual orientation. Nothing herein shall require any school or institution to adopt any rule, regulation, or policy that conflicts with its religious or moral teachings. However, all participating schools must agree that they will not discriminate in student admissions on the basis of race, color, national origin, or sexual orientation. The sole legal remedy for violation of these provisions is ineligibility for participating in the Aid to Non-Public Schools Program.

R00A03

Explanation: This action requires a nonpublic school participating in the Aid to Non-Public Schools Program to certify compliance with Title 20, Subtitle 6 of the State Government Article. It also specifies that a participating school may not discriminate in student admissions on the basis of race, color, national origin, or sexual orientation. Violating the provisions makes a school ineligible for participating in the Aid to Non-Public Schools Program. Similar language was included in the fiscal 2016, 2017, and 2018 budgets.

Amendment No.

73

R00A03.05 Broadening Options and Opportunities for Students Today

Add the following language to the special fund appropriation:

- (9) In order to meet its BOOST Program reporting requirements to the budget committees, MSDE shall specify a date by which participating nonpublic schools must submit information to MSDE so that it may complete its required report. Any nonpublic schools that do not provide the necessary information by that specified date shall be ineligible to participate in the BOOST Program.
- (10) Students who received a BOOST Program scholarship award in the prior year who still meet eligibility criteria for a scholarship shall receive a scholarship renewal award. For students who are receiving a BOOST Program scholarship for the first time, priority shall be given to students who attended public schools in the prior school year.

Further provided that no scholarship awards shall be made after March 1, 2018. Any unexpended funds not awarded to students for scholarships in the 2017-2018 school year shall be encumbered at the end of the fiscal year and available for scholarships in the 2018-2019 school year.

Further provided that MSDE shall submit a report to the budget committees by December 15, 2018, that includes the following:

- (1) the number of students receiving BOOST Program scholarships;
- (2) the amount of the BOOST Program scholarships received;
- (3) the number of certified and noncertified teachers in core subject areas for each nonpublic school participating in the BOOST Program;
- (4) the assessments being administered in accordance with federal and State law by nonpublic schools participating in the BOOST Program. For nonpublic schools administering norm referenced assessments, the nonpublic schools shall provide to MSDE the results for all students receiving BOOST Program scholarships to whom

R00A03

assessments were administered. For those nonpublic schools administering non-standardized assessments, the nonpublic schools shall provide to MSDE the results for all students receiving BOOST Program scholarships to whom assessments were administered and how students receiving BOOST Program scholarships performed in comparison to students who did not receive BOOST Program scholarships. MSDE shall report these assessment results reported by nonpublic schools to the budget committees in an aggregate manner that does not violate student data privacy;

- (5) in the aggregate, for each BOOST Program scholarship awarded (1) the nonpublic school and grade level attended by the student; (2) the school attended in the 2018-2019 school year by the student; and (3) if the student attended the same nonpublic school in the 2017-2018 school year, whether, what type, and how much nonpublic scholarship aid the student received in the 2017-2018 school year and will receive in the 2018-2019 school year;
- (6) the average household income of students receiving BOOST Program scholarships;
- (7) the racial breakdown of students receiving BOOST Program scholarships;
- (8) the number of students designated as English language learners receiving BOOST Program scholarships;
- (9) the number of special education students receiving BOOST Program scholarships;
- (10) the county in which students receiving BOOST Program scholarships reside;
- (11) the number of students who were offered BOOST Program scholarships but declined them, as well as their reasons for declining the scholarships and the breakdown of students attending public and nonpublic schools for students who declined scholarships; and
- (12) the number of students who received BOOST Program scholarships for the 2017-2018 school year who are attending public school for the 2018-2019 school year, as well as their reasons for returning to public schools.

Explanation: This language specifies priorities for the Broadening Options and Opportunities for Students Today (BOOST) Program scholarship awards and makes nonpublic schools that do not provide required information to the Maryland State Department of Education (MSDE) by a certain date ineligible for participating in the BOOST Program. The language also provides that scholarships may not be awarded after March 1, 2018, and any unexpended funds not awarded to students shall be encumbered for scholarships in the next year. This language also requires MSDE to report on the distribution of the BOOST Program scholarships, information on the students receiving BOOST Program scholarships, teacher certifications for nonpublic schools participating in the BOOST Program, and assessments being administered in nonpublic schools participating in the BOOST Program including student performance. The language also requires

R00A03

that MSDE report on students who choose to decline scholarships or attend public schools after participating in the BOOST Program in the past, along with their reasons for doing so.

Information Request	Author	Due Date
BOOST Program Report	MSDE	December 15, 2018

Amendment No.

74

R13M00
Morgan State University

Budget Amendments

R13M00.00 Morgan State University

Add the following language to the unrestricted fund appropriation:

, provided that \$300,000 of this appropriation made for the purpose of converting contractual positions may not be expended until Morgan State University (MSU) submits a report to the budget committees documenting the positions that will be converted by August 1, 2018.

Further provided that \$300,000 of this appropriation made for the purpose of converting contractual positions may not be expended until MSU submits a report to the budget committees documenting positions that were converted by December 1, 2018. The committees shall have 45 days to review and comment. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted.

Explanation: The fiscal 2019 budget provides \$0.6 million specifically designated for the conversion of contractual positions. This language withholds \$0.3 million of the expenditure of these funds until MSU submits a report documenting which positions are to be converted. An additional \$0.3 million of the expenditure is withheld until MSU submits a report detailing the positions that were converted.

Information Request	Author	Due Date
Report on contractual positions to be converted	MSU	August 1, 2018
Report on contractual positions actually converted	MSU	December 1, 2018

Amendment No.

75

R30B25
University of Maryland Eastern Shore
University System of Maryland

Budget Amendments

UNIVERSITY OF MARYLAND EASTERN SHORE

R30B25.00 University of Maryland Eastern Shore

Add the following language to the unrestricted fund appropriation:

, provided that \$1,400,000 of the appropriation may be used only to match federal funding for the 1890 Extension Program. The University of Maryland Eastern Shore (UMES) shall submit a report to the budget committees detailing how the funds will be used by August 1, 2018. Funds not used for this purpose will revert to the General Fund.

Further provided that funding for the 1890 Extension Program and Evans-Allen Program and the McIntire-Stennis Program at the Agriculture Experiment Stations shall be separately identified in the UMES budget beginning with the fiscal 2020 budget.

Explanation: This language restricts \$1.4 million to be used only to match federal funds for the 1890 Extension Program and requires State funding for the 1890 Extension Program and Evans-Allen Program and the McIntire-Stennis Program at the Agriculture Experiment Stations to be separately identified in the UMES budget beginning with the fiscal 2020 budget.

Information Request	Author	Due Date
Report on the use of 1890 extension funding	UMES	August 1, 2018

Amendment No.

76

R30B36
University System of Maryland Office
University System of Maryland

Budget Amendments

UNIVERSITY SYSTEM OF MARYLAND OFFICE

R30B36.00 University System of Maryland Office

Add the following language to the unrestricted fund appropriation:

, provided that if SB 903 or HB 1143 authorizing the merger of the University System of Maryland Office and the Southern Maryland Higher Education Center (SMHEC) are not enacted, \$512,739 may not be expended for any program or purpose and may be transferred to the Maryland Higher Education Commission Educational Grants (R62I00.07) for the operation of SMHEC.

Explanation: If legislation is not enacted, funds may only be transferred to the Maryland Higher Education Commission Educational Grants to support the operations of SMHEC.

Amendment No.

77

Add the following language to the unrestricted fund appropriation:

Further provided that \$5,000,000 of this appropriation made for the computer science education initiative is contingent on the enactment of SB 300 or HB 350.

Explanation: The language makes \$5 million of the University System of Maryland Office's general fund appropriation provided to fund the computer science education initiative contingent on enactment of SB 300 or HB 350, which includes establishing the Maryland Center for Computing Education.

Amendment No.

78

Add the following language to the unrestricted fund appropriation:

Further provided that \$500,000 of this appropriation may not be expended until the University System of Maryland Board of Regents submits the revised debt management and fund balance policies and procedures. The policies should be submitted to the budget committees by June 1, 2018. The committees shall have 45 days to review and comment. Funds restricted

R30B36

pending receipt of the policies may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the policies are not submitted.

Explanation: This language restricts \$0.5 million in general funds in the University System of Maryland Office (USMO) pending the submission of the revised debt management and fund balance policies and procedures.

Information Request	Author	Due Date
Debt management and fund balance polices	USMO	June 1, 2018

Amendment No.

79

Budget Amendment

Add the following language to the unrestricted fund appropriation:

Further provided that \$500,000 of this appropriation made for the purpose of administration at the University System of Maryland Office may not be expended until the University System of Maryland (USM) Board of Regents (BOR) submits a report on how the consolidation of the University of Maryland Center for Environmental Science (UMCES) with the appropriate USM institution(s) could be accomplished in a manner that advances the research conducted and maintains and elevates the impact of the role of UMCES in the research and protection of Maryland's environmental resources while also obtaining cost savings.

The report should detail cost savings to be realized from the relocation of UMCES, or its laboratories, information on the rationale on why the selected academic institution(s) most closely aligns with UMCES and/or its laboratories and, a schedule for when the transfer(s) will be completed. BOR should find at least \$3,000,000 in ongoing savings for the State as a result of the transfer(s). The report should also include how a portion of the cost savings might be used to enhance and advance the research activities under a more efficient model. The report should be submitted to the budget committees by December 1, 2018. The committees shall have 45 days to review and comment. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted.

R30B36

Explanation: This language restricts \$500,000 in general funds in the University System of Maryland Office (USMO) pending submission of a report from BOR detailing how UMCES will be relocated to other University System of Maryland institutions. The rationale for the division of the constituent laboratories of UMCES should be explained, and cost savings to the State, totaling at least \$3 million, should be identified, and how a portion of the cost savings might be used to enhance and advanced research activities.

Information Request	Author	Due Date
Report on the relocation of UMCES	University of Maryland Office	December 1, 2018

Amendment No.

80

Add the following language to the unrestricted fund appropriation:

Further provided that \$2,000,000 of this appropriation made for the purpose of workforce development initiatives at the University System of Maryland Office may not be spent for this purpose and instead may be expended only to reimburse institutions offering programs at the Shady Grove Educational Center – Biomedical Sciences and Engineering Education Building. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Further provided that institutions shall not transfer funds from the fund balance to support the implementation of EXCEL Maryland.

Explanation: This language restricts \$2 million for workforce development initiatives to be used to reimburse institutions offering programs at the Shady Grove Educational Center – Biomedical Sciences and Engineering Education Building and prohibits institutions from transferring funds from the fund balance to support implementation of EXCEL Maryland.

Amendment No.

81

R60H
Maryland 529

Committee Narrative

State Contribution Program: The Department of Budget and Management (DBM) and Maryland 529 shall create a separate budget program for the State Contribution Program marketed as the Save4College program, in order to more easily track revenues and expenditures related to the program.

Information Request	Authors	Due Date
Separate budget program for State Contribution Program	Maryland 529 DBM	With submission of the fiscal 2020 budget

R62I00
Maryland Higher Education Commission

Budget Amendments

R62I00.05 The Senator John A. Cade Funding Formula for the Distribution of Funds to Community Colleges

Add the following language to the general fund appropriation:

General Fund Appropriation, provided that \$2,000,000 of this appropriation made herein for the one-time supplemental grant for community colleges shall be used only for that purpose. A community college is eligible to receive a portion of funding from this grant if it raises tuition by no more than 2% for the 2018-2019 academic year. Total grant funding is to be distributed among eligible institutions, as determined by the Maryland Higher Education Commission (MHEC), in proportion to each institution's share of Cade formula-eligible enrollments in fiscal 2017, also as determined by MHEC. Funding for the one-time grant shall not be incorporated into the Cade formula when calculating State support in fiscal 2020. Funds restricted for this specific purpose may not be transferred by budget amendment or otherwise to any other purpose and if not expended for this purpose shall revert to the General Fund.

Explanation: There is a \$2 million grant for community colleges in fiscal 2019. To be eligible for the grant, community colleges must meet the requirement of not raising tuition by more than 2% in fall 2018. This is the second straight fiscal year in which this type of grant has been in place. This action restores language from the fiscal 2018 budget bill that requires that funds that are not expended shall revert to the General Fund. Funding is one-time only and shall not be included in any funding formulas for community colleges in fiscal 2020.

Amendment No. **82**

R62I00.07 Educational Grants

Amend the following language to the general fund appropriation:

, provided that this appropriation shall be reduced by ~~\$5,000,000~~ \$4,000,000 contingent upon the enactment of legislation altering the required appropriation for the State Contribution Program.

R62I00

Explanation: This is a technical amendment reflecting a recommendation by the Department of Legislative Services that the Budget Reconciliation and Financing Act of 2018 be amended to alter the mandated funding level for the State 529 Contribution Program.

Amendment No.

83

Add the following language to the general fund appropriation:

, provided that \$28,353 made for the purpose of the Southern Maryland Higher Education Center may be transferred by budget amendment to the University System of Maryland Office (R30B36.04) contingent on enactment of SB 903 or HB 1143.

Explanation: This language authorizes the transfer of funds related to the funding of the Southern Maryland Higher Education Center to the University System of Maryland Office contingent on enactment of SB 903 or HB 1143.

Amendment No.

84

Committee Narrative

Report on Impact of Credit Completion Requirement on Financial Aid Awards: The College Affordability Act encourages students receiving aid through the Educational Excellence Award (EEA) program to stay on track to graduate on time. The EEA is comprised of three grant programs: Guaranteed Access Grant, Educational Assistance Grant, and Campus-based Educational Assistance Grant. Beginning in academic year 2018-2019 and in a student's third academic year, students receiving an EEA award must successfully complete 30 credit hours in the prior academic year in order to receive the full award amount. Students who completed at least 24 hours but less than 30 hours will have their awards prorated, and those who do not compete at least 24 credit hours lose their award. The budget committees are interested in the impact that the new 30-credit-hour requirement had on students in the 2018-2019 academic year, particularly if students are meeting the requirement in order to receive the full amount of award, how many had their awards prorated, and those who lost eligibility. The report should provide summary data by segment (community colleges, four-year public, and independent institutions) and by institution. The report is due by December 15, 2018.

Information Request	Author	Due Date
Report on impact of credit requirement on financial aid awards	Maryland Higher Education Commission	December 15, 2018

R62I00

Report on Best Practices and Annual Progress Toward the 55% Completion Goal: The committees understand that in order to meet the State’s goal to have at least 55% of Maryland’s residents age 25 to 64 holding at least one degree credential by 2025; accurate and timely information on degree progression and best practices is needed to ensure that the State is on track to meet the goal. The committees request that the Maryland Higher Education Commission (MHEC) annually collect and analyze student- and transcript-level data on progression, graduation, and other relevant metrics from each public institution of higher education, including community colleges and regional higher education centers. MHEC should submit a report by December 15 each year that analyzes the data and shows each institution’s progress toward the State and institutional goals in 2025. The report should also include a summary of best practices and findings on the effectiveness of institutions’ programs, as well as any concerns regarding lack of progress or best practices that are not being implemented by institutions.

In addition, the committees request that MHEC, in collaboration with the Governor’s Prekindergarten-20 Council, convene a biennial Summit on Completion that provides a forum for representatives of all segments of education (including K-12), economic and workforce development, and other stakeholders to share best practices on college completion that are underway in Maryland and hear from experts on best practices in other states that may be replicated in Maryland. A summary of the summit should be included in the annual report on best practices and progress toward the 55% goal.

Information Request	Author	Due Date
Report on best practices and progress toward the 55% completion goal	MHEC	December 15, 2018, and annually thereafter

Report on the Budget for Educational Excellence Awards: In order to more easily track the actual and planned expenditures of the three grants that comprise the Educational Excellence Awards – Guaranteed Access Grants, Educational Assistance Grants, and Campus-based Grants – the Maryland Higher Education Commission (MHEC) should submit with the fiscal 2020 budget, the fiscal 2018 actual, the fiscal 2019 working appropriation, and the fiscal 2020 allowance for each grants program in R62I00.10 Educational Excellence Awards.

Information Request	Author	Due Date
Report on the budget for Educational Excellence Awards	MHEC	With the fiscal 2020 budget

R62I00

Final Report on Access and Success and Office for Civil Rights Enhance Funds: As part of the State's agreement with the federal Office for Civil Rights (OCR), the State has provided annual funding known as Access and Success (A&S) funds to Maryland's Historically Black Colleges and Universities (HBCU) to improve retention and graduation rates. HBCU's also received OCR enhancement funds to support programs to enhance the campus and institution. Since fiscal 2007, A&S funds have been appropriated directly to HBCUs, and starting in fiscal 2017, OCR enhancement funds were included in the institution's base budget. Institutions were required to submit two separate reports to the Maryland Higher Education Commission (MHEC) on how A&S and OCR funds would be spent in the coming year. The annual reports should be discontinued due to the limitations of each in providing useful information. However, MHEC should submit a final report summarizing the use of A&S and OCR funds, the impact or outcomes from programs on projects supported with these funds, and lessons learned.

Information Request	Author	Due Date
Final report on the A&S and OCR funds	MHEC	October 15, 2018

R75T00 Higher Education

Budget Amendments

R75T00.01 Support for State Operated Institutions of Higher Education

Add the following language to the general fund appropriation:

Further provided that if SB 903 or HB 1143 authorizing the merger of the University System of Maryland Office and the Southern Maryland Higher Education Center (SMHEC) is not enacted, \$512,739 may not be expended for any program or purpose and may be transferred to the Maryland Higher Education Commission Educational Grants (R62I00.07) for the operation of SMHEC.

Explanation: If legislation is not enacted, funds may only be transferred to the Maryland Higher Education Commission Educational Grants to support the operations of SMHEC.

Amendment No.

85

Add the following language to the general fund appropriation:

Further provided that \$1,400,000 of the appropriation made for the purpose of the University of Maryland Eastern Shore (UMES) may be used only to match federal funding for the 1890 Extension Program. UMES shall submit a report to the budget committees detailing how the funds will be used by August 1, 2018. Funds not used for this purpose will revert to the General Fund.

Further provided that funding for the 1890 Extension Program and Evans-Allen Program and the McIntire-Stennis Program at the Agriculture Experiment Stations shall be separately identified in the UMES budget beginning with the fiscal 2020 budget.

Explanation: This language restricts \$1.4 million to be used only to match federal funds for the 1890 Extension Program and requires State funding for the 1890 Extension Program and Evans-Allen Program and the McIntire-Stennis Program at the Agriculture Experiment Stations to be separately identified in the UMES budget beginning with the fiscal 2020 budget.

R75T00

Information Request	Author	Due Date
Report on the use of 1890 extension funding	UMES	August 1, 2018

Amendment No.

86

Add the following language to the general fund appropriation:

Further provided that \$500,000 of this appropriation made for the purpose of the University System of Maryland Office may not be expended until the University System of Maryland Board of Regents submits the revised debt management and fund balance policies and procedures. The policies should be submitted to the budget committees by June 1, 2018. The committees shall have 45 days to review and comment. Funds restricted pending receipt of the policies may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the policies are not submitted.

Explanation: This language restricts \$0.5 million in general funds in the University System of Maryland Office (USMO) pending the submission of the revised debt management and fund balance policies and procedures.

Information Request	Author	Due Date
Debt management and fund balance polices	USMO	June 1, 2018

Amendment No.

87

Add the following language to the general fund appropriation:

Further provided that \$5,000,000 of this appropriation made for the University System of Maryland Office for the computer science education initiative is contingent on the enactment of SB 300 or HB 350.

Explanation: This language make \$5 million of the University System of Maryland Office appropriation provided to fund the computer science education initiative contingent on enactment of SB 300 or HB 350, which includes establishing the Maryland Center for Computing Education.

Amendment No.

88

R75T00

Budget Amendment

Add the following language to the general fund appropriation:

Further provided that \$500,000 of this appropriation made for the purpose of administration at the University System of Maryland Office may not be expended until the University System of Maryland (USM) Board of Regents (BOR) submits a report on how the consolidation of the University of Maryland Center for Environmental Science (UMCES) with the appropriate USM institution(s) could be accomplished in a manner that advances the research conducted and maintains and elevates the impact of the role of UMCES in the research and protection of Maryland's environmental resources while also obtaining cost savings.

The report should detail cost savings to be realized from the relocation of UMCES, or its laboratories, information on the rationale on why the selected academic institution(s) most closely aligns with UMCES and/or its laboratories, and a schedule for when the transfer(s) will be completed. BOR should find at least \$3,000,000 in ongoing savings for the State as a result of the transfer(s). The report should also include how a portion of the cost savings might be used to enhance and advance the research activities under a more efficient model. The report should be submitted to the budget committees by December 1, 2018. The committees shall have 45 days to review and comment. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted.

Explanation: This language restricts \$500,000 in general funds in the University System of Maryland Office (USMO) pending submission of a report from BOR detailing how UMCES will be relocated to other University System of Maryland institutions. The rationale for the division of the constituent laboratories of UMCES should be explained, and cost savings to the State, totaling at least \$3 million, should be identified, and how a portion of the cost savings might be used to enhance and advanced research activities.

Information Request	Author	Due Date
Report on the relocation of UMCES	University of Maryland Office	December 1, 2018

Amendment No.

89

R75T00

Add the following language to the general fund appropriation:

Further provided that \$300,000 of this appropriation made for the purpose of converting contractual positions may not be expended until Morgan State University (MSU) submits a report to the budget committees documenting the positions that will be converted by August 1, 2018.

Further provided that \$300,000 of this appropriation made for the purpose of converting contractual positions may not be expended until MSU submits a report to the budget committees documenting positions that were converted by December 1, 2018. The committees shall have 45 days to review and comment. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted.

Explanation: The fiscal 2019 budget provides \$0.6 million specifically designated for the conversion of contractual positions. This language withholds \$0.3 million of the expenditure of these funds until MSU submits a report documenting which positions are to be converted. An additional \$0.3 million of the expenditure is withheld until MSU submits a report detailing the positions that were converted.

Information Request	Author	Due Date
Report on contractual positions to be converted	MSU	August 1, 2018
Report on contractual positions actually converted	MSU	December 1, 2018

Amendment No.

90

Add the following language to the general fund appropriation:

Further provided that \$500,000 of this appropriation made for the purpose of operations at Baltimore City Community College (BCCC) may not be expended until the Board of Trustees of BCCC submits a final implementation plan to the budget committees on the institution's follow-up to the comprehensive report from the Schaefer Center. The Board of Trustees shall consult with the President in finalizing the implementation plan. The final implementation plan shall be submitted no later than July 1, 2018, and shall include completion dates for each realignment task required by Chapters 847 and 848 of 2017, and for every implementation tactic. The budget committees shall have 45 days to review and comment following receipt of the report.

R75T00

Further provided that \$500,000 of this appropriation made for the purpose of operations at BCCC may not be expended until the Board of Trustees of BCCC submits a report to the budget committees confirming that the components of its final implementation plan have been put into action in accordance with the recommendations of the report from the Schaefer Center and Chapters 847 and 848 of 2017 and updating the committees on the status of each realignment task and implementation tactic. The Board of Trustees shall consult with the President in preparing this report. This report shall be submitted no later than December 1, 2018. The budget committees shall have 45 days to review and comment following receipt of the report.

Funds restricted pending receipt of the reports may not be transferred by budget amendment or otherwise and shall revert to the General Fund if the reports are not submitted to the budget committees.

Explanation: Baltimore City Community College (BCCC) has submitted a draft implementation plan wherein BCCC has identified how it is implementing recommendations contained within a comprehensive report by the Schaefer Center on BCCC's operations and management. State support of \$500,000 is restricted pending the submission of BCCC's final implementation plan no later than July 1, 2018. State support of \$500,000 is also restricted pending the submission of a report confirming that the realignment tasks and implementation tactics of the final implementation plan have been put into action in accordance with the Schaefer Center report and Chapters 847 and 848 of 2017, and providing an update on the status of each. This report shall be submitted no later than December 1, 2018.

Information Request	Author	Due Date
Final implementation plan	BCCC	July 1, 2018
Confirmation and status report	BCCC	December 1, 2018

Amendment No.

91

Add the following language to the special fund appropriation:

Further provided that \$2,000,000 of this appropriation made for the purpose of workforce development initiatives at the University System of Maryland Office may not be spent for this purpose and instead may be expended only to reimburse institutions offering programs at the Shady Grove Educational Center – Biomedical Sciences and Engineering Education Building. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled.

Further provided that institutions shall not transfer funds from the fund balance to support the implementation of EXCEL Maryland.

R75T00

Explanation: This language restricts \$2 million for workforce development initiatives to be used to reimburse institutions offering programs at the Shady Grove Educational Center – Biomedical Sciences and Engineering Education Building and prohibits institutions from transferring funds from the fund balance to support implementation of EXCEL Maryland.

Amendment No.

92

Committee Narrative

Report on Collective Bargaining: The committees are concerned about issues raised in budget hearings concerning the collective bargaining process at various higher education institutions. Administration representatives in collective bargaining negotiations are expected to represent the intent of the institution. However, on occasion, those outside the process appear to dictate the terms of the agreement. At one institution, legal staff have been known to rewrite the agreement after it has been ratified by bargaining unit employees. At constituent institutions within the university system, employees say that management representative must confer with the system to determine their positions on issues. Most importantly, some institutions take months to ratify agreements that have already been ratified by employees.

The committee requests that the University System of Maryland (USM) institutions that engage in collective bargaining, St. Mary's College of Maryland (SMCM), Baltimore City Community College (BCCC), and Morgan State University (MSU), report on the timing, schedule, and process of collective bargaining, the time periods involved for ratification or recent agreements, and the authority of institutional representatives at the bargaining table.

Information Request	Authors	Due Date
Report on collective bargaining	USM MSU SMCM BCCC	July 1, 2018

Committee Narrative

Institutional Aid, Pell Grants, and Loan Data by Expected Family Contribution Category: In order to more fully understand all types of aid available to students, the committees request that data be submitted for each community college, public four-year institution, and independent institution on institutional aid, Pell grants, and student loans. Data should include, by expected family contribution (EFC), the number of loans and average loan size of federal subsidized and unsubsidized loans, and loans from private sources as reported to the Maryland Higher Education Commission (MHEC). Additionally, data should be provided on Pell grants,

R75T00

including the number and average award size by EFC. Finally, data should include the number of institutional aid awards and average award size by EFC for institutional grants, institutional athletic scholarships, and other institutional scholarships. The data in the response should differentiate between need-based aid and merit scholarships. Data should also include the number of institutional aid awards and average award size by EFC for tuition waivers/remissions of fees to employees and dependents and students. Waiver information for students should be reported by each type of waiver in State law. This report should cover fiscal 2018 data received by MHEC from State institutions and is to be submitted in an electronic format (Excel file).

Information Request	Author	Due Date
Report on fiscal 2018 financial aid categories by EFC	MHEC	June 30, 2019

Instructional Faculty Workload Report: The committees request that the University System of Maryland (USM), Morgan State University (MSU), and St. Mary's College of Maryland (SMCM) continue to provide annual instructional workload reports for tenured/tenure-track faculty. By focusing on these faculty, the committees gain a sense of the teaching activities for the regular core faculty. However, there are other types of instructional faculty at institutions such as full- and part-time nontenured/nontenure track faculty including adjunct faculty, instructors, and lecturers. Focusing on only tenured/tenure-track faculty provides an incomplete picture of how students are taught. Therefore, the report should also include the instructional workload when all types of faculty are considered. Additional information may be included at the institution's discretion. Furthermore, the USM report should include the percent of faculty meeting or exceeding teaching standards for tenured/tenure-track faculty for the University of Maryland, Baltimore Campus.

Information Request	Authors	Due Date
Annual report on faculty workload	USM MSU SMCM	December 15, 2018

R95C00
Baltimore City Community College

Budget Amendments

BALTIMORE CITY COMMUNITY COLLEGE

R95C00.00 Baltimore City Community College

Add the following language to the unrestricted fund appropriation:

Further provided that \$500,000 of this appropriation made for the purpose of operations at Baltimore City Community College (BCCC) may not be expended until the Board of Trustees of BCCC submits a final implementation plan to the budget committees on the institution's follow-up to the comprehensive report from the Schaefer Center. The Board of Trustees shall consult with the President in finalizing the implementation plan. The final implementation plan shall be submitted no later than July 1, 2018, and shall include completion dates for each realignment task required by Chapters 847 and 848 of 2017 and for every implementation tactic. The budget committees shall have 45 days to review and comment following receipt of the report.

Further provided that \$500,000 of this appropriation made for the purpose of operations at BCCC may not be expended until the Board of Trustees of BCCC submits a report to the budget committees confirming that the components of its final implementation plan have been put into action in accordance with the recommendations of the report from the Schaefer Center and Chapters 847 and 848 of 2017 and updating the committees on the status of each realignment task and implementation tactic. The Board of Trustees shall consult with the President in preparing this report. This report shall be submitted no later than December 1, 2018. The budget committees shall have 45 days to review and comment following receipt of the report.

Funds restricted pending receipt of the reports may not be transferred by budget amendment or otherwise and shall revert to the General Fund if the reports are not submitted to the budget committees.

Explanation: BCCC has submitted a draft implementation plan wherein BCCC has identified how it is implementing recommendations contained within a comprehensive report by the Schaefer Center on BCCC's operations and management. State support of \$500,000 is restricted pending the submission of BCCC's final implementation plan no later than July 1, 2018. State support of \$500,000 is also restricted pending the submission of a report confirming that the realignment tasks and implementation tactics of the final implementation plan have been put into action in accordance with the Schaefer Center report and Chapters 847 and 848 and providing an update on the status of each. This report shall be submitted no later than December 1, 2018.

R95C00

Information Request	Author	Due Date
Final implementation plan	BCCC	July 1, 2018
Confirmation and status report	BCCC	December 1, 2018

Amendment No.

93

Committee Narrative

Information Technology Infrastructure Plan: Baltimore City Community College (BCCC) has faced numerous difficulties in updating its information technology (IT) infrastructure. This has resulted in many IT shortcomings for BCCC, including, but not limited to, being unable to procure a new Enterprise Resource Planning (ERP) system, being unable to properly safeguard student data, and not adequately providing malware protection for its computers. BCCC should provide to the budget committees a five-year IT infrastructure plan, including the IT infrastructure that it will upgrade or replace, its timeline for replacing and upgrading, when it will be able to support a new ERP system, and all associated costs. BCCC should work with the Department of Information Technology in creating its five-year plan. This plan shall be submitted to the budget committees by November 1, 2018.

Information Request	Author	Due Date
IT infrastructure plan	BCCC	November 1, 2018

S00A
Department of Housing and Community Development

Budget Amendments

DIVISION OF NEIGHBORHOOD REVITALIZATION

S00A24.02 Neighborhood Revitalization – Capital Appropriation

Amend the following language to the general fund appropriation:

, provided that this appropriation shall be reduced by ~~\$9,000,000~~ \$4,000,000 contingent upon the enactment of legislation altering the required appropriation for the Baltimore Regional Neighborhood Initiative.

Explanation: This action modifies contingent language that would reduce funds for the Baltimore Regional Neighborhood Initiative contingent on legislation.

Amendment No. **94**

Committee Narrative

Report on the Rural Broadband Program: The budget committees request that the Department of Housing and Community Development submit a report detailing a plan for the use of \$2 million in general funds to support the Office of Rural Broadband. The report should include the goals and priorities of the program.

Information Request	Author	Due Date
Report on the Rural Broadband program	DHCD	July 1, 2018

T00
Department of Commerce

Budget Amendments

DIVISION OF BUSINESS AND ENTERPRISE DEVELOPMENT

T00F00.19 Cybersecurity Investment Incentive Tax Credit Program

Add the following language to the general fund appropriation:

, provided that \$2,000,000 of this appropriation shall be contingent on the enactment of SB 228 or SB 310.

Explanation: This language would make the general fund allowance under the Cybersecurity Investment Incentive tax credit contingent on a bill that alters the recipient of the tax credits.

Amendment No.

95

DIVISION OF TOURISM, FILM AND THE ARTS

T00G00.05 Maryland State Arts Council

Strike the following language from the general fund appropriation:

~~, provided that this appropriation shall be reduced by \$1,000,000 contingent upon the enactment of legislation reducing Maryland State Arts Council funding.~~

Explanation: The striking of this language would eliminate a \$1,000,000 contingent reduction in funding for the Maryland State Arts Council.

Amendment No.

96

T50T01
Maryland Technology Development Corporation

Committee Narrative

Maryland Venture Fund Annual Report: The statutory requirements for the Maryland Venture Fund’s (MVF) annual report are limited to information on the InvestMaryland Program. However, this encompasses only a portion of the funds housed within the MVF. The budget committees are concerned that the most complete information be available and transparent in order to make informed budgetary and policy decisions. The annual report should include complete investment; fair market value; and return on investment data on all funds housed within the MVF, including funds related to the InvestMaryland Program, the legacy Enterprise Fund, federal funds under the State Small Business Credit Initiative, and any other funds credited to the MVF. The report should provide a list of all investments from each of the funding sources available in the fund. The Maryland Technology Development Corporation (TEDCO) should collaborate with the Department of Legislative Services to ensure the format of the report meets the budget committees’ request.

Information Request	Author	Due Date
Report on detailed investment information on the MVF	TEDCO	With the submission of the annual report each year

U00A
Department of the Environment

Committee Narrative

WATER AND SCIENCE ADMINISTRATION

U00A04.01 Water and Science Administration

Clean Water Commerce Act Spending Plan: The committees are concerned that there is \$6 million in the Maryland Department of the Environment's (MDE) fiscal 2019 allowance for the Clean Water Commerce Act without a detailed spending plan being available. Therefore, the committees request that MDE provide a report with the fiscal 2020 budget submission detailing the spending plan for the Clean Water Commerce Act for the fiscal 2018 actual, the fiscal 2019 working appropriation, and the fiscal 2020 allowance.

Information Request	Author	Due Date
Clean Water Commerce Act spending plan	MDE	Fiscal 2020 State budget submission

AIR AND RADIATION ADMINISTRATION

U00A07.01 Air and Radiation Administration

Volkswagen Settlement Spending Plan: The committees are concerned that there is a substantial amount of funding available to the State from the various Volkswagen (VW) settlements without a clear spending plan for the revenues. Therefore, the committees request that the Maryland Department of the Environment (MDE), in collaboration with the Department of Budget and Management (DBM), provide a report with the fiscal 2020 budget submission detailing the description, timing, and funding associated with each of the VW settlements and a spending plan for the revenues for the fiscal 2018 actual, the fiscal 2019 working appropriation, and the fiscal 2020 allowance.

Information Request	Authors	Due Date
VW settlement spending plan	MDE DBM	Fiscal 2020 State budget submission

V00A
Department of Juvenile Services

Committee Narrative

DEPARTMENTAL SUPPORT

V00D02.01 Departmental Support

Strategic Reentry Performance Measures: Youth who are released from commitment face numerous challenges in returning to daily life, such as re-enrolling in school or accessing needed somatic or behavioral health service. In fiscal 2016, the Department of Juvenile Services (DJS) adopted a Strategic Re-Entry Plan designed to ensure that youth returning to the community have the support and resources necessary to help them achieve a successful transition. Initial indicators suggest a positive impact from the clearly established quality assurance system in place to ensure the services once the youth is in the community. To assist the General Assembly in monitoring the department's progress in improving juvenile reentry, the budget committees request that DJS develop reentry performance measures as part of its Managing for Results (MFR) submission.

Information Request	Author	Due Date
Strategic reentry performance measures	DJS	With the annual MFR submission

Facility Capital Needs Assessment: The budget committees request that the Department of Juvenile Services (DJS) conduct an analysis of its facility capital needs that are not addressed through its Facility Master Plan, including any facility renewal and lifecycle management projects. In addition, the assessment should identify the extent to which smaller facility improvements can be combined into larger, more comprehensive capital projects. It is the intent of the budget committees that, to the extent that funding is provided for these projects, it should be done through the capital budget, Facility Renewal Program, or a pay-as-you-go appropriation. The assessment should be submitted to the budget committees no later than September 15, 2018.

Information Request	Author	Due Date
Facility capital needs assessment	DJS	September 15, 2018

V00A

Budget Amendments

BALTIMORE CITY REGION

V00G01.01 Baltimore City Region Operations

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for residential per diems based on anticipated population decline.	500,000	GF
2. Reduce funding for overtime expenses. This reduction places fiscal 2019 overtime more in line with fiscal 2017 actual expenditures, based on continuous population declines and improvements in hiring. The reduction can be allocated across all programs within the department.	200,000	GF
 Total Reductions	 700,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	388.05	388.05		0.00
General Fund	53,088,394	52,388,394	700,000	
Special Fund	860,054	860,054	0	
Federal Fund	896,050	896,050	0	
Total Funds	54,844,498	54,144,498	700,000	

Amendment No.

97

W00A
Department of State Police

Budget Amendments

MARYLAND STATE POLICE

W00A01.02 Field Operations Bureau

Add the following language to the general fund appropriation:

, provided that \$250,000 of this appropriation made for the purpose of funding personnel expenses may not be expended until the Department of State Police submits a report to the budget committees demonstrating that at least 15 positions currently filled by troopers have been reclassified as civilian positions by December 1, 2018. The report shall be submitted to the budget committees by December 15, 2018, and the budget committees shall have 45 days to review and comment. To the extent that positions are not successfully reclassified or the report is not submitted by the requested date, the restricted funds shall revert to the General Fund.

Explanation: A December 2016 analysis by the Office of Legislative Audits determined that 127 administrative and support positions currently filled by sworn troopers could be filled by civilians. The Department of State Police (DSP) agreed with the potential to civilianize 84 of those positions, and in an August 2017 report identified 10 positions to prioritize for civilianization in fiscal 2018. To date, only 6 positions have been identified for reclassification and only 1 trooper has been relieved of administrative duties. This language restricts funds within the department until DSP provides confirmation that a total of at least 15 positions have been reclassified for civilianization by December 1, 2018.

Information Request	Author	Due Date
Civilianization report	DSP	December 15, 2018

Amendment No. **98**

Committee Narrative

W00A01.04 Support Services Bureau

Report on the Department of State Police Motor Vehicle Fleet: Special fund revenues from the Automated Speed Enforcement Program have been in decline. In addition, the statutory requirement of providing those revenues to the Department of State Police (DSP) for the purpose of improving its motor vehicle fleet ended in fiscal 2018. As such, the fiscal 2019 budget includes a considerable general fund increase to help sustain the fleet. DSP has not updated its motor vehicle replacement plan since 2013. The budget committees request that DSP submit a

W00A

report by August 1, 2018, on the current average age and mileage of the motor vehicle fleet and the benchmark average age and mileage of the fleet, including what would be needed to replenish and sustain the fleet over time, along with anticipated costs. The report should address both police patrol vehicles (PPV) and non-PPVs.

Information Request	Author	Due Date
DSP motor vehicle fleet	DSP	August 1, 2018

Helicopter Maintenance Plan: The budget committees are interested in the long-term costs associated with maintaining the Maryland State Police Aviation Command (MSPAC) helicopter fleet, including the future need to overhaul the engines and tail rotors, as these could be expensive and have a significant impact on the health of the Maryland Emergency Medical Systems Operations Fund. The committees request that MSPAC evaluate and report on the cost of these long-term maintenance needs and the estimated timeline for addressing those needs. The report should also provide options for limiting the fiscal impact of funding those maintenance expenses and explore the potential for purchasing hourly cost maintenance programs. The report should be submitted to the budget committees no later than January 15, 2019.

Information Request	Author	Due Date
Helicopter maintenance plans	MSPAC	January 15, 2019

X00A00
Public Debt

Committee Narrative

Examine Effect of New Accounting Standards on State Capital Leases: The Governmental Accounting Standards Board has updated accounting standards for capital leases. New rules require government lessees to recognize a lease liability that exceeds 12 months. The new rules will increase the amount of capital leases, but it is unclear to what extent. The Comprehensive Annual Financial Report for fiscal 2017 reports that rent expenditures totaled \$94 million in fiscal 2017. By contrast, capital lease expenditures reported by the Capital Debt Affordability Committee totaled \$27 million in fiscal 2017. Changes in lease accounting standards could affect State debt affordability. State agencies, including the Department of Budget and Management (DBM), the Department of General Services (DGS), and the Maryland Department of Transportation (MDOT) should begin to review how the new rules will affect State-supported capital leases. This report should be coordinated by DBM and completed by January 15, 2019.

Information Request	Authors	Due Date
Examine effect of new accounting standards on State capital leases	DBM DGS MDOT	January 15, 2019

Y01A
State Reserve Fund

Budget Amendments

Y01A01.01 Revenue Stabilization Account

Amend the following language to the general fund appropriation:

, provided that this appropriation is reduced by ~~\$193,000,000~~ \$150,329,000 contingent upon the enactment of legislation to maintain the fund balance at 5% of projected fiscal 2019 General Fund revenues.

Explanation: Modifies the reduction consistent with language to support projects and programs.

Amendment No.

99

Add the following language to the general fund appropriation:

Further provided that \$42,671,000 of this appropriation may not be credited to the Revenue Stabilization Account and shall only be transferred by budget amendment to appropriations for the following projects or programs in the following specified amounts:

- (1) \$12,100,000 to Program M00Q01.03 Medical Care Provider Reimbursements to raise the fiscal 2019 nursing home provider rate increase to 3%;
- (2) \$5,100,000 to Program M00Q01.03 Medical Care Provider Reimbursements to raise the fiscal 2019 home- and community-based services provider rate increase to 3%;
- (3) \$10,000,000 to Program D15A05.16 Governor's Office of Crime Control and Prevention to support school safety grants;
- (4) \$5,000,000 to Program D15A05.16 Governor's Office of Crime Control and Prevention to provide grants for the Tyrone Ray Violence Intervention and Prevention Fund;
- (5) \$3,000,000 to Program N00G00.01 Foster Care Maintenance Payments and V00A Department of Juvenile Services to raise the fiscal 2019 residential services for children services provider rate to 3%;
- (6) \$2,500,000 to Program R00A02.13 Innovative Programs to support the Maryland Early Literacy Initiative;

Y01A

- (7) \$2,000,000 to Agency R62I Maryland Higher Education Commission for scholarships;
- (8) \$2,000,000 to Program R00A02.13 Innovative Programs to support career and technical education innovation;
- (9) \$250,000 to Program R00A02.13 Innovative Programs to support teacher recruitment and outreach;
- (10) \$121,000 to Program R00A01.13 Division of Special Education/Early Intervention Services to fund special education studies;
- (11) \$100,000 to the Maryland Humanities Council; and
- (12) \$500,000 to Program J00D01.01 Maryland Port Administration to support the Pride of Baltimore.

Funds not used for these restricted purposes shall revert to the General Fund.

Explanation: The language allows the Governor to transfer \$42.7 million by budget amendment to raise the fiscal 2019 nursing home and home-and community-based service provider rate increase to 3%. The fiscal 2019 allowance includes a 1% increase for most discretionary provider rates in the Medical Care Programs Administration, including nursing homes and home- and community-based services such as medical day care, private duty nursing, personal assistance and services provided through Community First Choice. This also supports school safety grants, violence prevention and intervention programs, residential children's services, literacy initiatives, scholarships, support for career and technical innovation, teacher recruitment and outreach, a special education study, humanities council, and the Pride of Baltimore. If funds are not transferred, they revert to the general fund.

Amendment No. **100**

Committee Narrative

Repayment of Catastrophic Event Account and Small, Minority, and Women-Owned Businesses Account: In September 2016, \$2.5 million was transferred from the Catastrophic Event Account, and \$2.3 million was transferred from the Small, Minority, and Women-Owned Businesses Account into the Department of Housing and Community Development (DHCD) Neighborhood BusinessWorks program to provide loans to businesses in Ellicott City. As part of its review of the transfer of funds from the Catastrophic Event Account, the Legislative Policy Committee recommended that DHCD develop a process by which the funds or repaid loans are deposited into the Catastrophic Event Account. The department should submit a report that provides data regarding the number and amount of loans provided, the outstanding balance of

Y01A

these loans, and the number and amount of any forgiven loans. This report should be submitted to the budget committees by January 22, 2019.

Information Request	Authors	Due Date
Report on Catastrophic Event Account and Small, Minority, and Women-Owned Businesses Account repayment	DHCD DBM	January 22, 2019

Local Income Tax Reserve Account Repayment Plan: The committees are concerned about the large unfunded liability in the Local Income Tax Reserve Account. Bond rating agencies have also noted the liability in their reports and have expressed concerns about the State's available cash balances. The State collects income taxes for local jurisdictions and makes payments to the counties and Baltimore City from this account. According to generally accepted accounting principles, the Local Income Tax Reserve Account should maintain a sufficient fund balance to disburse the local share of income tax revenues realized during the fiscal year. If the account is insufficiently capitalized at the end of a fiscal year, the State is required to report an unfunded liability in the Comprehensive Annual Financial Report. If the State has a plan in place to reimburse the account, the State does not need to show an unfunded liability in the CAFR. At the end of fiscal 2017, there was a \$716.8 million unfunded liability. The State's share of the unfunded liability is \$350.0 million and the local share is \$366.8 million. The Department of Budget and Management (DBM) and the Comptroller's Office should develop and submit a repayment plan to the budget committees by October 1, 2018.

Information Request	Authors	Due Date
Local Income Tax Reserve Account Repayment Plan	DBM Comptroller	October 1, 2018

Y01A

Y01A03.01 Economic Development Opportunities Program Account

Add the following language to the general fund appropriation:

, provided that \$10,000,000 of this appropriation shall be contingent on the enactment of HB 989 or SB 877.

Explanation: This language would make a portion of the general fund allowance under the Economic Development Opportunities Program Account, or Sunny Day Fund, contingent on a bill that provides tax credits and other incentives targeted for Amazon.

Amendment No.

101

D15A0516
Governor's Office of Crime Control and Prevention
Executive Department

Fiscal 2018 Deficiency

BOARDS, COMMISSIONS, AND OFFICES

D15A05.16 Governor's Office of Crime Control and Prevention

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete the deficiency appropriation for 2 new positions to support the new Maryland Criminal Intelligence Network. Positions can be filled at the start of the fiscal year once the network has been better established.	50,974	GF
 Total Reductions	 50,974	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	50,974	0	50,974	
Total Funds	50,974	0	50,974	

Amendment No.

102

F50
Department of Information Technology

Fiscal 2018 Deficiency

OFFICE OF INFORMATION TECHNOLOGY

F50B04.04 Infrastructure

Add the following language to the general fund appropriation:

Provided that the transfer of up to \$172,000 in general funds to other State agencies is authorized.

Explanation: The Department of Information Technology has transferred 15.0 positions to other agencies. The salary and fringe benefit costs total approximately \$688,000. The deficiency appropriation reduces fiscal 2018 appropriations by \$516,251. This allows the transfer of additional funds to other agencies.

Amendment No.

103

H00
Department of General Services

Fiscal 2018 Deficiency

Add the following language:

OFFICE OF PROCUREMENT AND LOGISTICS

H00D01.01 Procurement and Logistics

To become available immediately upon passage of this bill to reduce the appropriation for fiscal 2018 to reflect deferred revenues that should be reverted to the General Fund.

General Fund Appropriation.....-934,328

OFFICE OF REAL ESTATE

H00E01.01 Real Estate Management

To become available immediately upon passage of this bill to reduce the appropriation for fiscal 2018 to reflect deferred revenues that should be reverted to the General Fund.

General Fund Appropriation.....-387,126

Explanation: The Office of Legislative Audit’s fiscal 2017 closeout audit identified \$934,328 in surplus property revenues and \$387,126 in real estate brokerage fees collected by the Department of General Services (DGS) that were retained by DGS as deferred revenues. These revenues were not being carried forward in accordance with any State statute, regulation, or policy. The auditor advises that these funds be reverted to the General Fund. This reduces general fund appropriations in the DGS budget so that the corresponding amount is retained by the General Fund. DGS is authorized to process a special fund budget amendment transferring up to \$1,321,454 into its budget to offset this reduction.

Amendment No.

104

M00F01
Public Health Administration
Maryland Department of Health

Fiscal 2018 Deficiency

DEPUTY SECRETARY FOR PUBLIC HEALTH SERVICES

M00F01.01 Executive Direction

Add the following language to the general fund appropriation:

, provided that this funding may not be expended until the Department of Information Technology (DoIT) reviews the project and makes a determination on whether the project should be included as a Major Information Technology Project and the Maryland Department of Health submits a report that details the DoIT determination. The budget committees shall have 15 days to review and comment. Funds restricted pending receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if a report is not submitted.

Explanation: The Maryland Department of Health (MDH) Vital Statistics Administration is developing an integrated electronic birth, death, and fetal death registration and cost accounting system. Based on statutory criteria for information technology (IT) projects, it is likely that this project should be considered a Major IT Project in the DoIT Major IT Project Development program. This language restricts funds for the project pending a determination by DoIT and submission of the determination to the budget committees.

Information Request	Author	Due Date
Report that details determination made by DoIT	MDH	15 days prior to expenditure

Amendment No. **105**

M00Q01
Medical Care Programs Administration
Maryland Department of Health

Fiscal 2018 Deficiency

MEDICAL CARE PROGRAMS ADMINISTRATION

M00Q01.03 Medical Care Provider Reimbursements

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding based on the February 2018 settlement concerning the Medicaid Enterprise Restructuring Project. The department may process a special fund budget amendment to backfill this reduction.	8,100,000	GF
Total Reductions	8,100,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	29,500,000	21,400,000	8,100,000	
Special Fund	-10,650,000	-10,650,000	0	
Total Funds	18,850,000	10,750,000	8,100,000	

Amendment No.

106

V00A
Department of Juvenile Services

Fiscal 2018 Deficiency

V00G01.01 Baltimore City Region Operations

Add the following language:

V00G01.01 Baltimore City Region Operations

To become available immediately upon passage of this budget to reduce the fiscal 2018 appropriation for residential per diems to bring funding in line with projected population declines.

General Fund Appropriation -1,250,000

Explanation: This language implements a negative deficiency appropriation, withdrawing \$1.25 million in general funds for residential per diems, based on anticipated population decline.

Amendment No. **107**

Sections

Budget Amendments

Amend the following section:

SECTION 2. AND BE IT FURTHER ENACTED, That in order to carry out the provisions of these appropriations the Secretary of Budget and Management is authorized:

- (a) To allot all or any portion of the funds herein appropriated to the various departments, boards, commissions, officers, schools and institutions by monthly, quarterly or seasonal periods and by objects of expense and may place any funds appropriated but not allotted in contingency reserve available for subsequent allotment. ~~Upon the Secretary's own initiative or upon the request of the head of any State agency, the Secretary may authorize a change in the amount of funds so allotted.~~

The Secretary shall, before the beginning of the fiscal year, file with the Comptroller of the Treasury ~~a schedule of allotments, if any a list limited to the appropriations restricted in this Act, to be placed in contingency reserve.~~ The Comptroller shall not authorize any expenditure or obligation in excess of the allotment made and any expenditure so made shall be illegal.

- ~~(b) To allot all or any portion of funds coming into the hands of any department, board, commission, officer, school and institution of the State, from sources not estimated or calculated upon in the budget.~~

- ~~(e)~~ (b) The Secretary is authorized to fix the number and classes of positions, including temporary and permanent positions, or person years of authorized employment for each agency, unit, or program thereof, not inconsistent with the Public General Laws in regard to classification of positions. The Secretary shall make such determination before the beginning of the fiscal year and shall base them on the positions or person years of employment authorized in the budget as amended by approved budgetary position actions. No payment for salaries or wages nor any request for or certification of personnel shall be made except in accordance with the Secretary's determinations. At any time during the fiscal year the Secretary may amend the number and classes of positions or person years of employment previously fixed by the Secretary; the Secretary may delegate all or part of this authority. The governing boards of public institutions of higher education shall have the authority to transfer positions between programs and campuses under each institutional board's jurisdiction without the approval of the Secretary, as provided in Section 15-105 of the Education Article.

- ~~(d)~~ (c) To prescribe procedures and forms for carrying out the above provisions.

Sections

Explanation: This language limits the amount of appropriations that can be placed into contingency reserve to only those items restricted by the General Assembly.

108

Amendment No.

Amend the following section:

SECTION 17. AND BE IT FURTHER ENACTED, That funds appropriated to the various State agency programs and subprograms in Comptroller Objects 0152 (Health Insurance), 0154 (Retirees Health Insurance Premiums), 0175 (Workers' Compensation), 0217 (Health Insurance), 0305 (the Department of Budget and Management Paid Telecommunications), 0322 (Capital Lease Telecommunications), 0839 (Human Resources Shared Services), 0874 (the Office of Attorney General Administrative Fee), 0876 (the Department of Information Technology, Information Technology Services Allocation), 0894 (State Personnel System Allocation), 0897 (Enterprise Budget System Allocation), and 1303 (rent paid to the Department of General Services) are to be utilized for their intended purposes only. ~~The expenditure or transfer of these funds for other purposes requires the prior approval of the Secretary of Budget and Management.~~ Notwithstanding any other provision of law, the Secretary of Budget and Management may transfer amounts appropriated in Comptroller Objects 0152, 0154, 0217, 0305, 0322, and 0876 between State departments and agencies by approved budget amendment in fiscal 2018 and 2019. All funds budgeted in or transferred to Comptroller Objects 0152 and 0154, and any funds restricted in this budget for use in the employee and retiree health insurance program that are unspent shall be credited to the fund as established in accordance with Section 2-516 of the State Personnel and Pensions Article of the Annotated Code of Maryland.

Further provided that each agency that receives funding in this budget in any of the restricted Comptroller Objects listed within this section shall establish within the State's accounting system a structure of accounts to separately identify for each restricted Comptroller Object, by fund source, the legislative appropriation, monthly transactions, and final expenditures. It is the intent of the General Assembly that an accounting detail be established so that the Office of Legislative Audits may review the disposition of funds appropriated for each restricted Comptroller Object as part of each closeout audit to ensure that funds are used only for the purposes for which they are restricted and that unspent funds are reverted or canceled.

Explanation: This amendment pertaining to restricted objects of expenditure is amended to disallow transfers to other purposes and makes it possible for the Office of Legislative Audits to track the disposition of funds in restricted statewide subobjects.

109

Amendment No.

Sections

Amend the following section:

SECTION 19. AND BE IT FURTHER ENACTED, That for fiscal 2018 funding for health insurance shall be reduced by ~~\$78,621,256~~ \$84,411,780 in Executive Branch, Legislative Branch, and Judicial Branch agencies to reflect health insurance savings due to two additional payroll health deduction holidays. Funding for this purpose shall be reduced in Comptroller Objects 0152 Health Insurance and 0154 – Retirees Health Insurance – within Executive Branch, Legislative Branch, and Judicial Branch agencies in fiscal 2018 by the following amounts in accordance with a schedule determined by the Governor, the Presiding Officers, and the Chief Judge:

Agency	General Funds
<u>B75</u> <u>General Assembly of Maryland</u>	<u>950,942</u>
<u>C00</u> <u>Judiciary</u>	<u>4,549,245</u>
C80 Office of the Public Defender	1,175,606
C81 Office of the Attorney General	200,543
C82 State Prosecutor	9,923
C85 Maryland Tax Court	8,205
D05 Board of Public Works (BPW)	13,298
D10 Executive Department – Governor	86,894
D11 Office of the Deaf and Hard of Hearing	4,109
D12 Department of Disabilities	19,677
D15 Boards and Commissions	85,026
D16 Secretary of State	28,521
D17 Historic St. Mary’s City Commission	32,416
D18 Governor’s Office for Children	19,295
D25 BPW Interagency Committee for School Construction	29,710
D26 Department of Aging	31,080
D27 Maryland Commission on Civil Rights	32,406
D38 State Board of Elections	48,630
D40 Department of Planning	152,918
D50 Military Department	109,478
D55 Department of Veterans Affairs	73,266
D60 Maryland State Archives	63,678
E00 Comptroller of Maryland	1,107,271
E20 State Treasurer’s Office	33,032
E50 Department of Assessments and Taxation	363,118
E75 State Lottery and Gaming Control Agency	179,441
E80 Property Tax Assessment Appeals Boards	12,846
F10 Department of Budget and Management	180,046
F50 Department of Information Technology	230,159
H00 Department of General Services	498,745
K00 Department of Natural Resources	671,475
L00 Department of Agriculture	307,432
M00 Maryland Department of Health	6,428,546

Sections

N00	Department of Human Services	3,905,266
P00	Department of Labor, Licensing, and Regulation	327,431
Q00	Department of Public Safety and Correctional Services	18,577,426
R00	State Department of Education	618,524
R15	Maryland Public Broadcasting Commission	86,174
R62	Maryland Higher Education Commission	51,644
R75	Support for State Operated Institutions of Higher Education	12,453,948
R99	Maryland School for the Deaf	406,919
S00	Department of Housing and Community Development	5,109
T00	Department of Commerce	207,606
U00	Department of the Environment	328,246
V00	Department of Juvenile Services	2,505,930
W00	Department of State Police	2,788,800

Total General Funds		54,499,813
		60,000,000

	Agency	Special Funds
<u>C00</u>	<u>Judiciary</u>	<u>290,337</u>
C81	Office of the Attorney General	77,939
C90	Public Service Commission	183,320
C91	Office of the People's Council	30,541
C94	Subsequent Injury Fund	26,063
C96	Uninsured Employers Fund	17,061
C98	Workers' Compensation Commission	152,014
D12	Department of Disabilities	1,406
D13	Maryland Energy Administration	18,491
D15	Boards and Commissions	1,116
D16	Secretary of State	3,382
D17	Historic St. Mary's City Commission	5,954
D26	Department of Aging	6,536
D38	State Board of Elections	5,247
D40	Department of Planning	11,961
D53	Maryland Institute for Emergency Medical Services Systems	121,425
D55	Department of Veterans Affairs	7,683
D60	Maryland State Archives	21,226
D78	Maryland Health Benefit Exchange	60,410
D80	Maryland Insurance Administration	359,204
D90	Canal Place Preservation and Development Authority	2,546
E00	Comptroller of Maryland	220,530
E20	State Treasurer's Office	3,571
E50	Department of Assessments and Taxation	389,781
E75	Maryland Lottery and Gaming Control Agency	180,549

Sections

F10	Department of Budget and Management	153,947
F50	Department of Information Technology	8,148
G20	State Retirement Agency	186,053
G50	Teachers and State Employees Supplemental Retirement Plans	17,023
H00	Department of General Services	17,977
J00	Department of Transportation	8,292,612
K00	Department of Natural Resources	924,335
L00	Department of Agriculture	132,258
M00	Maryland Department of Health	527,685
N00	Department of Human Services	113,283
P00	Department of Labor, Licensing, and Regulation	350,379
Q00	Department of Public Safety and Correctional Services	390,618
R00	State Department of Education	34,659
R15	Maryland Public Broadcasting Commission	111,468
R62	Maryland Higher Education Commission	9,496
S00	Department of Housing and Community Development	322,263
T00	Department of Commerce	61,604
U00	Department of the Environment	561,129
W00	Department of State Police	678,229

Total Special Funds	14,801,122
	15,091,459

	Agency	Federal Funds
C81	Office of the Attorney General	40,933
C90	Public Service Commission	5,842
D12	Department of Disabilities	13,633
D13	Maryland Energy Administration	3,772
D15	Boards and Commissions	22,876
D26	Department of Aging	19,026
D27	Maryland Commission on Civil Rights	7,777
D40	Department of Planning	12,465
D50	Military Department	193,647
D55	Department of Veterans Affairs	12,891
D78	Maryland Health Benefit Exchange	45,913
D80	Maryland Insurance Administration	1,398
H00	Department of General Services	7,841
J00	Department of Transportation	343,195
K00	Department of Natural Resources	142,111
L00	Department of Agriculture	21,013
M00	Maryland Department of Health	1,192,729
N00	Department of Human Services	3,984,459
P00	Department of Labor, Licensing, and Regulation	1,207,889

Sections

Q00	Department of Public Safety and Correctional Services	426,722
R00	State Department of Education	1,173,752
R62	Maryland Higher Education Commission	3,572
R99	Maryland School for the Deaf	8,312
S00	Department of Housing and Community Development	85,760
T00	Department of Commerce	8,622
U00	Department of the Environment	301,183
V00	Department of Juvenile Services	32,988

Total Federal Funds		9,320,321
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		Current Unrestricted Funds
	Agency	
R13	Morgan State University	724,016
R14	St. Mary's College of Maryland	291,792
R30	University System of Maryland	11,118,193
R95	Baltimore City Community College	319,947
	Total Current Unrestricted Funds	12,453,948
	Less: General Funds in Higher Education	12,453,948
	Net Current Unrestricted Funds	0

Explanation: The Administration cannot reduce the legislature or Judiciary's budgets. This action applies the health insurance contingent reduction to those budgets.

Amendment No. 110

Add the following section:

Section 21 Executive Long-term Forecast

SECTION 21. AND BE IT FURTHER ENACTED, That the Governor's budget books shall include a forecast of the impact of the executive budget proposal on the long-term fiscal condition of the General Fund, the Transportation Trust Fund, and higher education Current Unrestricted Fund accounts. This forecast shall estimate aggregate revenues, expenditures, and fund balances in each account for the fiscal year last completed, the current year, the budget year, and four years thereafter. Expenditures shall be reported at such agency, program or unit levels, or categories as may be determined appropriate after consultation with the Department of

Sections

Legislative Services. A statement of major assumptions underlying the forecast shall also be provided, including but not limited to general salary increases, inflation, and growth of caseloads in significant program areas.

Explanation: This annual language provides for the delivery of the executive's General Fund, transportation, and higher education forecasts and defines the conditions under which they are to be provided.

Information Request	Author	Due Date
Executive forecasts	Department of Budget and Management	With the submission of the Governor's fiscal 2020 budget books

Amendment No. **111**

Add the following section:

Section 22 Cross-the-board Reductions and Higher Education

SECTION 22. AND BE IT FURTHER ENACTED, That all across-the-board reductions applied to the Executive Branch, unless otherwise stated, shall apply to current unrestricted and general funds in the University System of Maryland, St. Mary's College of Maryland, Morgan State University, and Baltimore City Community College.

Explanation: This section explicitly applies reductions intended for the full Executive Branch to the University System of Maryland, St. Mary's College of Maryland, Morgan State University, and Baltimore City Community College, unless their exclusion is specifically stated.

Amendment No. **112**

Add the following section:

Section 23 Chesapeake Employers' Insurance Company Fund Accounts

SECTION 23. AND BE IT FURTHER ENACTED, That the General Accounting Division of the Comptroller of Maryland shall establish a subsidiary ledger control account to debit all State agency funds budgeted under subobject 0175 (Workers' Compensation) and to credit all payments disbursed to the Chesapeake Employers' Insurance Company (CEIC) via transmittal. The control account shall also record all funds withdrawn from CEIC and returned to the State

Sections

and subsequently transferred to the General Fund. CEIC shall submit monthly reports to the Department of Legislative Services concerning the status of the account.

Explanation: This section provides continuation of a system to track workers' compensation payments to the CEIC Fund for payments of claims, current expenses, and funded liability for incurred losses by the State.

Information Request	Author	Due Date
Report on the status of ledger control account	CEIC	Monthly beginning on July 1, 2018

Amendment No.

113

Add the following section:

Section 24 Reporting Federal Funds

SECTION 24. AND BE IT FURTHER ENACTED, That the Governor's budget books shall include a summary statement of federal revenues by major federal program sources supporting the federal appropriations made therein along with the major assumptions underpinning the federal fund estimates. The Department of Budget and Management (DBM) shall exercise due diligence in reporting this data and ensure that they are updated as appropriate to reflect ongoing congressional action on the federal budget. In addition, DBM shall provide to the Department of Legislative Services (DLS) data for the actual, current, and budget years listing the components of each federal fund appropriation by Catalog of Federal Domestic Assistance number or equivalent detail for programs not in the catalog. Data shall be provided in an electronic format subject to the concurrence of DLS.

Explanation: This annual language provides for consistent reporting of federal monies received by the State.

Information Request	Author	Due Date
Reporting components of each federal fund appropriation	DBM	With submission of the fiscal 2020 budget

Amendment No.

114

Sections

Add the following section:

Section 25 Federal Fund Spending

SECTION 25. AND BE IT FURTHER ENACTED, That in the expenditure of federal funds appropriated in this budget or subsequent to the enactment of this budget by the budget amendment process:

- (1) State agencies shall administer these federal funds in a manner that recognizes that federal funds are taxpayer dollars that require prudent fiscal management, careful application to the purposes for which they are directed, and strict attention to budgetary and accounting procedures established for the administration of all public funds.
- (2) For fiscal 2019, except with respect to capital appropriations, to the extent consistent with federal requirements:
 - (a) when expenditures or encumbrances may be charged to either State or federal fund sources, federal funds shall be charged before State funds are charged except that this policy does not apply to the Department of Human Services with respect to federal funds to be carried forward into future years for child welfare or welfare reform activities;
 - (b) when additional federal funds are sought or otherwise become available in the course of the fiscal year, agencies shall consider, in consultation with the Department of Budget and Management (DBM), whether opportunities exist to use these federal revenues to support existing operations rather than to expand programs or establish new ones; and
 - (c) DBM shall take appropriate actions to effectively establish the provisions of this section as policies of the State with respect to the administration of federal funds by executive agencies.

Explanation: This annual language defines the policies under which federal funds shall be used in the State budget.

Amendment No. **115**

Sections

Add the following section:

Section 26 Indirect Costs Report

SECTION 26. AND BE IT FURTHER ENACTED, That the Department of Budget and Management (DBM) shall provide an annual report on indirect costs to the General Assembly in January 2019 as an appendix in the Governor’s fiscal 2020 budget books. The report must detail by agency for the actual fiscal 2018 budget the amount of statewide indirect cost recovery received, the amount of statewide indirect cost recovery transferred to the General Fund, and the amount of indirect cost recovery retained for use by each agency. In addition, the report must list the most recently available federally approved statewide and internal agency cost-recovery rates. As part of the normal fiscal/compliance audit performed for each agency, the Office of Legislative Audits shall assess available information on the timeliness, completeness, and deposit history of indirect cost recoveries by State agencies. Further provided that for fiscal 2019, excluding the Maryland Department of Transportation, the amount of revenue received by each agency from any federal source for statewide cost recovery shall be transferred only to the General Fund and may not be retained in any clearing account or by any other means, nor may DBM or any other agency or entity approve exemptions to permit any agency to retain any portion of federal statewide cost recoveries.

Explanation: This is annual language that requires a report on indirect costs and disallows waivers of statewide cost recovery.

Information Request	Author	Due Date
Annual report on indirect costs	DBM	With submission of the Governor’s fiscal 2020 budget books

Amendment No.

116

Add the following section:

Section 27 Reporting on Budget Data and Organizational Charts

SECTION 27. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that all State departments, agencies, bureaus, commissions, boards, and other organizational units included in the State budget, including the Judiciary, shall prepare and submit items for the fiscal 2020 budget detailed by Comptroller subobject classification in accordance with instructions promulgated by the Comptroller of Maryland. The presentation of budget data in the Governor’s budget books shall include object, fund, and personnel data in the manner provided for in fiscal 2019 except as indicated elsewhere in this Act; however, this may

Sections

not preclude the placement of additional information into the budget books. For actual fiscal 2018 spending, the fiscal 2019 working appropriation, and the fiscal 2020 allowance, the budget detail shall be available from the Department of Budget and Management (DBM) automated data system at the subobject level by subobject codes and classifications for all agencies. To the extent possible, except for public higher education institutions, subobject expenditures shall be designated by fund for actual fiscal 2018 spending, the fiscal 2019 working appropriation, and the fiscal 2020 allowance. The agencies shall exercise due diligence in reporting this data and ensuring correspondence between reported position and expenditure data for the actual, current, and budget fiscal years. This data shall be made available on request and in a format subject to the concurrence of the Department of Legislative Services (DLS). Further, the expenditure of appropriations shall be reported and accounted for by the subobject classification in accordance with the instructions promulgated by the Comptroller of Maryland.

Further provided that due diligence shall be taken to accurately report full-time equivalent counts of contractual full-time equivalents in the budget books. For the purpose of this count, contractual full-time equivalents are defined as those individuals having an employee-employer relationship with the State. This count shall include those individuals in higher education institutions who meet this definition but are paid with additional assistance funds.

Further provided that DBM shall provide to DLS with the allowance for each department, unit, agency, office, and institution, a one-page organizational chart in Microsoft Word or Adobe PDF format that depicts the allocation of personnel across operational and administrative activities of the entity.

Further provided that for each across-the-board reduction to appropriations or positions in the fiscal 2020 budget bill affecting fiscal 2019 or 2020, DBM shall allocate the reduction for each agency in a level of detail not less than the three-digit R*Stars financial agency code and by each fund type.

Explanation: This annual language provides for consistent reporting of fiscal 2018, 2019, and 2020 budget data and provides for the submission of department, unit, agency, office, and institutions' organizational charts to DLS with the allowance. It also requires DBM to allocate across-the-board reductions to positions or funding, to ensure transparency in budget allocations approved by the General Assembly.

Information Request	Author	Due Date
Agency organizational charts	DBM	With submission of the fiscal 2020 budget

Amendment No.

117

Sections

Add the following section:

Section 28 Interagency Agreements

SECTION 28. AND BE IT FURTHER ENACTED, That on or before August 1, 2018, each State agency and each public institution of higher education shall report to the Department of Budget and Management (DBM) any agreements in place for any part of fiscal 2018 between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 over the term of the agreement. Further provided that DBM shall provide direction and guidance to all State agencies and public institutions of higher education as to the procedures and specific elements of data to be reported with respect to these interagency agreements, to include at a minimum:

- (1) a common code for each interagency agreement that specifically identifies each agreement and the fiscal year in which the agreement began;
- (2) the starting date for each agreement;
- (3) the ending date for each agreement;
- (4) a total potential expenditure, or not-to-exceed dollar amount, for the services to be rendered over the term of the agreement by any public institution of higher education to any State agency;
- (5) a description of the nature of the goods and services to be provided;
- (6) the total number of personnel, both full-time and part-time, associated with the agreement;
- (7) contact information for the agency and the public institution of higher education for the person(s) having direct oversight or knowledge of the agreement;
- (8) total indirect cost recovery or facilities and administrative (F&A) expenditures authorized for the agreement;
- (9) the indirect cost recovery or F&A rate for the agreement and brief description of how the rate was determined;
- (10) actual expenditures for the most recently closed fiscal year;
- (11) actual base expenditures that the indirect cost recovery or F&A rate may be applied against during the most recently closed fiscal year;

Sections

- (12) actual expenditures for indirect cost recovery or F&A for the most recently closed fiscal year; and
- (13) total authorized expenditures for any subaward(s) or subcontract(s) being used as part of the agreement and a brief description of the type of award or contract.

Further provided that DBM shall submit a consolidated report to the budget committees and the Department of Legislative Services by December 1, 2018, that contains information on all agreements between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 that were in effect at any time during fiscal 2018.

Further provided that no new higher education interagency agreement with State agencies with a projected value in excess of \$500,000 may be entered into during fiscal 2019 without prior approval of the Secretary of Budget and Management.

Explanation: The language requires all State agencies and public institutions of higher education to report on all interagency agreements between State agencies and public institutions of higher education having a total potential expenditure over the term of the agreement in excess of \$100,000. This applies only to agreements for the purchase of goods and/or services and does not apply to grants or space agreements between State agencies and public institutions of higher education. The language requires that DBM submit a consolidated report on all agreements by December 1, 2018, to the budget committees and the Department of Legislative Services. Further, it requires that no new higher education interagency agreement with State agencies with a projected value in excess of \$500,000 be entered into during fiscal 2019 without prior approval of the Secretary of Budget and Management.

Information Request	Author	Due Date
Consolidated report on interagency agreements	DBM	December 1, 2018

Amendment No.

118

Sections

Add the following section:

Section 29 Budget Amendments

SECTION 29. AND BE IT FURTHER ENACTED, That any budget amendment to increase the total amount of special, federal, or higher education (current restricted and current unrestricted) fund appropriations, or to make reimbursable fund transfers from the Governor's Office of Crime Control and Prevention or the Maryland Emergency Management Agency made in Section 1 of this Act shall be subject to the following restrictions:

- (1) This section may not apply to budget amendments for the sole purpose of:
 - (a) appropriating funds available as a result of the award of federal disaster assistance; and
 - (b) transferring funds from the State Reserve Fund – Economic Development Opportunities Account for projects approved by the Legislative Policy Committee.

- (2) Budget amendments increasing total appropriations in any fund account by \$100,000 or more may not be approved by the Governor until:
 - (a) that amendment has been submitted to the Department of Legislative Services (DLS); and
 - (b) the budget committees or the Legislative Policy Committee has considered the amendment or 45 days have elapsed from the date of submission of the amendment. Each amendment submitted to DLS shall include a statement of the amount, sources of funds and purposes of the amendment, and a summary of the impact on regular position or contractual full-time equivalent payroll requirements.

- (3) Unless permitted by the budget bill or the accompanying supporting documentation or by any other authorizing legislation, and notwithstanding the provisions of Section 3-216 of the Transportation Article, a budget amendment may not:
 - (a) restore funds for items or purposes specifically denied by the General Assembly;
 - (b) fund a capital project not authorized by the General Assembly provided, however, that subject to provisions of the Transportation Article, projects of the Maryland Department of Transportation (MDOT) shall be restricted as provided in Section 1 of this Act;

Sections

- (c) increase the scope of a capital project by an amount 7.5% or more over the approved estimate or 5.0% or more over the net square footage of the approved project until the amendment has been submitted to DLS and the budget committees have considered and offered comment to the Governor or 45 days have elapsed from the date of submission of the amendment. This provision does not apply to MDOT; and
- (d) provide for the additional appropriation of special, federal, or higher education funds of more than \$100,000 for the reclassification of a position or positions.
- (4) A budget may not be amended to increase a federal fund appropriation by \$100,000 or more unless documentation evidencing the increase in funds is provided with the amendment and fund availability is certified by the Secretary of Budget and Management.
- (5) No expenditure or contractual obligation of funds authorized by a proposed budget amendment may be made prior to approval of that amendment by the Governor.
- (6) Notwithstanding the provisions of this section, any federal, special, or higher education fund appropriation may be increased by budget amendment upon a declaration by the Board of Public Works that the amendment is essential to maintaining public safety, health, or welfare, including protecting the environment or the economic welfare of the State.
- (7) Budget amendments for new major information technology projects, as defined by Sections 3A-301 and 3A-302 of the State Finance and Procurement Article, must include an Information Technology Project Request, as defined in Section 3A-308 of the State Finance and Procurement Article.
- (8) Further provided that the fiscal 2019 appropriation detail as shown in the Governor's budget books submitted to the General Assembly in January 2019 and the supporting electronic detail may not include appropriations for budget amendments that have not been signed by the Governor, exclusive of the MDOT pay-as-you-go capital program.
- (9) Further provided that it is the policy of the State to recognize and appropriate additional special, higher education, and federal revenues in the budget bill as approved by the General Assembly. Further provided that for the fiscal 2020 allowance, the Department of Budget and Management shall continue policies and procedures to minimize reliance on budget amendments for appropriations that could be included in a deficiency appropriation.

Sections

Explanation: This annual language defines the process under which budget amendments may be used.

Amendment No.

119

Add the following section:

Section 30 Maintenance of Accounting Systems

SECTION 30. AND BE IT FURTHER ENACTED, That:

- (1) The Secretary of Health shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2018 in program M00Q01.03 Medical Care Provider Reimbursements and M00Q01.10 Medicaid Behavioral Health Provider Reimbursements have been disbursed for services provided in that fiscal year and shall prepare and submit the monthly reports required under this section for that program.
- (2) The State Superintendent of Schools shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2018 to program R00A02.07 Students With Disabilities for nonpublic placements have been disbursed for services provided in that fiscal year and to prepare monthly reports as required under this section for that program.
- (3) The Secretary of Human Services shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2018 in program N00G00.01 Foster Care Maintenance Payments have been disbursed for services provided in that fiscal year, including detail by placement type for the average monthly caseload, average monthly cost per case, and the total expended for each foster care program, and to prepare the monthly reports required under this section for that program.
- (4) For the programs specified, reports must indicate by fund type total appropriations for fiscal 2018 and total disbursements for services provided during that fiscal year up through the last day of the second month preceding the date on which the report is to be submitted and a comparison to data applicable to those periods in the preceding fiscal year.
- (5) Reports shall be submitted to the budget committees, the Department of Legislative Services, the Department of Budget and Management, and the Comptroller beginning August 15, 2018, and submitted on a monthly basis thereafter.

Sections

- (6) It is the intent of the General Assembly that general funds appropriated for fiscal 2018 to the programs specified that have not been disbursed within a reasonable period, not to exceed 12 months from the end of the fiscal year, shall revert.

Explanation: This annual language requires the maintenance of accounting systems for certain programs, states the intent of the General Assembly that general funds not disbursed be reverted, and requires reporting of disbursements by the Maryland Department of Health (MDH), the Maryland State Department of Education (MSDE), and the Department of Human Services (DHS).

Information Request	Authors	Due Date
Report on appropriations and disbursements in M00Q01.03, M00Q01.10, R00A02.07, and N00G00.01	MDH MSDE DHS	August 15, 2018, and monthly thereafter

Amendment No.

120

Add the following section:

Section 31 The “Rule of 100”

SECTION 31. AND BE IT FURTHER ENACTED, That the Board of Public Works (BPW), in exercising its authority to create additional positions pursuant to Section 7-236 of the State Finance and Procurement Article, may authorize during the fiscal year no more than 100 positions in excess of the total number of authorized State positions on July 1, 2018, as determined by the Secretary of Budget and Management. Provided, however, that if the imposition of this ceiling causes undue hardship in any department, agency, board, or commission, additional positions may be created for that affected unit to the extent that an equal number of positions authorized by the General Assembly for the fiscal year are abolished in that unit or in other units of State government. It is further provided that the limit of 100 does not apply to any position that may be created in conformance with specific manpower statutes that may be enacted by the State or federal government nor to any positions created to implement block grant actions or to implement a program reflecting fundamental changes in federal/State relationships. Notwithstanding anything contained in this section, BPW may authorize additional positions to meet public emergencies resulting from an act of God and violent acts of man that are necessary to protect the health and safety of the people of Maryland.

Sections

BPW may authorize the creation of additional positions within the Executive Branch provided that 1.25 contractual full-time equivalents (FTE) are abolished for each regular position authorized and that there be no increase in agency funds in the current budget and the next two subsequent budgets as the result of this action. It is the intent of the General Assembly that priority is given to converting individuals that have been in contractual FTEs for at least two years. Any position created by this method may not be counted within the limitation of 100 under this section.

The numerical limitation on the creation of positions by BPW established in this section may not apply to positions entirely supported by funds from federal or other non-State sources as long as both the appointing authority for the position and the Secretary of Budget and Management certify for each position created under this exception that:

- (1) funds are available from non-State sources for each position established under this exception; and
- (2) any positions created will be abolished in the event that non-State funds are no longer available.

The Secretary of Budget and Management shall certify and report to the General Assembly by June 30, 2019, the status of positions created with non-State funding sources during fiscal 2015 through 2019 under this provision as remaining, authorized, or abolished due to the discontinuation of funds.

Explanation: This annual language, the Rule of 100, limits the number of positions that may be added after the beginning of the fiscal year to 100 and provides for exceptions to the limit.

Information Request	Author	Due Date
Certification of the status of positions created with the non-State funding sources during fiscal 2016 through 2019	Department of Budget and Management	June 30, 2019

Amendment No. **121**

Sections

Add the following section:

Section 32 Annual Report on Authorized Positions

SECTION 32. AND BE IT FURTHER ENACTED, That immediately following the close of fiscal 2018, the Secretary of Budget and Management shall determine the total number of full-time equivalent (FTE) positions that are authorized as of the last day of fiscal 2018 and on the first day of fiscal 2019. Authorized positions shall include all positions authorized by the General Assembly in the personnel detail of the budgets for fiscal 2018 and 2019, including nonbudgetary programs, the Maryland Transportation Authority, the University System of Maryland self-supported activities, and the Maryland Correctional Enterprises.

The Department of Budget and Management shall also prepare a report during fiscal 2019 for the budget committees upon creation of regular FTE positions through Board of Public Works action and upon transfer or abolition of positions. This report shall also be provided as an appendix in the fiscal 2020 Governor's budget books. It shall note, at the program level:

- (1) where regular FTE positions have been abolished;
- (2) where regular FTE positions have been created;
- (3) from where and to where regular FTE positions have been transferred; and
- (4) where any other adjustments have been made.

Provision of contractual FTE information in the same fashion as reported in the appendices of the fiscal 2019 Governor's budget books shall also be provided.

Explanation: This annual language providing reporting requirements for regular positions and contractual FTEs.

Information Request	Author	Due Date
Total number of FTEs on June 30 and July 1, 2018	Department of Budget and Management	July 14, 2018
Report on the creation, transfer, or abolition of regular positions	Department of Budget and Management	As needed

Amendment No.

122

Sections

Add the following section:

Section 33 Annual Executive Pay Plan Report

SECTION 33. AND BE IT FURTHER ENACTED, That the Department of Budget and Management and the Maryland Department of Transportation are required to submit to the Department of Legislative Services (DLS) Office of Policy Analysis:

- (1) a report in Excel format listing the grade, salary, title, and incumbent of each position in the Executive Pay Plan (EPP) as of July 15, 2018; October 15, 2018; January 15, 2019; and April 15, 2019; and
- (2) detail on any lump-sum increases given to employees paid on the EPP subsequent to the previous quarterly report.

Flat-rate employees in the EPP shall be included in these reports. Each position in the report shall be assigned a unique identifier that describes the program to which the position is assigned for budget purposes and corresponds to the manner of identification of positions within the budget data provided annually to the DLS Office of Policy Analysis.

Explanation: Legislation adopted during the 2000 session altered the structure of the EPP to give the Governor flexibility to compensate executives at appropriate levels within broad salary bands established for their positions, without reference to a rigid schedule of steps, and through other compensation methods such as a flat rate salary. These reports fulfill a requirement for documentation of any specific recruitment, retention, or other issues that warrant a pay increase.

Information Request	Author	Due Date
Report on all EPP positions	Department of Budget and Management	July 15, 2018 October 15, 2018 January 15, 2019 April 15, 2019

Amendment No.

123

Sections

Add the following section:

Section 34 Positions Abolished in the Budget

SECTION 34. AND BE IT FURTHER ENACTED, That no position identification number assigned to a position abolished in this budget may be reassigned to a job or function different from that to which it was assigned when the budget was submitted to the General Assembly. Incumbents in abolished positions may continue State employment in another position.

Explanation: This language prevents employees from being moved into abolished positions in the budget. It also allows that incumbents in abolished positions may continue State employment in another position.

Amendment No. **124**

Add the following section:

Section 35 Annual Report on Health Insurance Receipts and Spending

SECTION 35. AND BE IT FURTHER ENACTED, That the Secretary of Budget and Management shall include as an appendix in the fiscal 2020 Governor's budget books an accounting of the fiscal 2018 actual, fiscal 2019 working appropriation, and fiscal 2020 estimated revenues and expenditures associated with the employees' and retirees' health plan. The data in this report should be consistent with the budget data submitted to the Department of Legislative Services. This accounting shall include:

- (1) any health plan receipts received from State agencies, employees, and retirees, as well as prescription rebates or recoveries, or audit recoveries, and other miscellaneous recoveries;
- (2) any premium, capitated, or claims expenditures paid on behalf of State employees and retirees for any health, mental health, dental, or prescription plan, as well as any administrative costs not covered by these plans; and
- (3) any balance remaining and held in reserve for future provider payments.

Explanation: This language provides an accounting of the health plan revenues received and expenditures made on behalf of State employees and retirees. The language proposes that the language in the report be consistent with the budget data submitted with the budget bill.

Amendment No. **125**

Sections

Add the following section:

Section 36 Chesapeake Bay Restoration Plan

SECTION 36. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Department of Planning, the Department of Natural Resources, the Department of Agriculture, the Department of the Environment, and the Department of Budget and Management provide a report to the budget committees by December 1, 2018, on Chesapeake Bay restoration spending. The report shall be drafted subject to the concurrence of the Department of Legislative Services (DLS) in terms of both electronic format to be used and data to be included. The report should include:

- (1) fiscal 2018 annual spending by fund, fund source, program, and State government agency; associated nutrient and sediment reduction; and the impact on living resources and ambient water quality criteria for dissolved oxygen, water clarity, and “chlorophyll a” for the Chesapeake Bay and its tidal tributaries to be submitted electronically in disaggregated form to DLS;
- (2) projected fiscal 2019 to 2025 annual spending by fund, fund source, program, and State government agency; associated nutrient and sediment reductions; and the impact on living resources and ambient water quality criteria for dissolved oxygen, water clarity, and “chlorophyll a” for the Chesapeake Bay and its tidal tributaries to be submitted electronically in disaggregated form to DLS;
- (3) an overall framework discussing the needed regulations, revenues, laws, and administrative actions and their impacts on individuals, organizations, governments, and businesses by year from fiscal 2018 to 2025 in order to reach the calendar 2025 requirement of having all best management practices in place to meet water quality standards for restoring the Chesapeake Bay to be both written in narrative form and tabulated in spreadsheet form that is submitted electronically in disaggregated form to DLS;
- (4) an analysis of the various options for financing Chesapeake Bay restoration including public-private partnerships, a regional financing authority, nutrient trading, technological developments, and any other policy innovations that would improve the effectiveness of Maryland and other states’ efforts toward Chesapeake Bay restoration; and
- (5) an analysis on how cost effective the existing State funding sources – such as the Bay Restoration Fund, Chesapeake and Atlantic Coastal Bays 2010 Trust Fund, and Water Quality Revolving Loan Fund among others – are for Chesapeake Bay restoration purposes.

Sections

Explanation: This language expresses the intent that the Department of Planning (MDP), the Department of Natural Resources (DNR), the Department of Agriculture (MDA), the Department of the Environment (MDE), and the Department of Budget and Management (DBM) provide a report by December 1, 2018, on recent and projected Chesapeake Bay restoration spending and associated impacts and the overall framework to meet the calendar 2025 requirement of having all best management practices in place to meet water quality standards for restoring the Chesapeake Bay. In addition, the language expresses the interest that the report include information on policy innovations that improve the effectiveness of Maryland and other states' efforts toward Chesapeake Bay restoration and an analysis of how cost effective the State funding sources are that are being used.

Information Request	Authors	Due Date
Historical and projected Chesapeake Bay restoration spending	MDP DNR MDA MDE DBM	December 1, 2018

Amendment No.

126

Add the following section:

Section 37 Chesapeake Bay Spending Plan

SECTION 37. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Department of Budget and Management, the Department of Natural Resources, and the Maryland Department of the Environment provide a report on Chesapeake Bay restoration spending. The report shall be drafted subject to the concurrence of the Department of Legislative Services (DLS) in terms of both electronic format to be used and data to be included. The scope of the report is as follows: Chesapeake Bay restoration operating and capital expenditures by agency, fund type, and particular fund source based on programs that have over 50% of their activities directly related to Chesapeake Bay restoration for the fiscal 2018 actual, fiscal 2019 working appropriation, and fiscal 2020 allowance to be included as an appendix in the fiscal 2020 budget volumes and submitted electronically in disaggregated form to DLS.

Explanation: This language expresses the intent that the Department of Budget and Management (DBM), the Department of Natural Resources (DNR), and the Maryland Department of the Environment (MDE) provide, at the time of the fiscal 2020 budget submission, information on Chesapeake Bay restoration spending for programs that have over 50% of their activities directly related to Chesapeake Bay restoration.

Sections

Information Request	Authors	Due Date
Summary of Chesapeake Bay restoration spending for programs that have over 50% of their activities directly related to Chesapeake Bay restoration	DBM DNR MDE	Fiscal 2020 State budget submission

Amendment No. **127**

Add the following section:

Section 38 Regional Greenhouse Gas Initiative Revenues and Expenditures

SECTION 38. AND BE IT FURTHER ENACTED, That the Department of Budget and Management shall provide an annual report on the revenue from the Regional Greenhouse Gas Initiative (RGGI) carbon dioxide emission allowance auctions and set-aside allowances to the General Assembly in conjunction with the submission of the fiscal 2020 budget and annually thereafter as an appendix to the Governor's budget books. This report shall include information for the actual fiscal 2018 budget, fiscal 2019 working appropriation, and fiscal 2020 allowance. The report shall detail revenue assumptions used to calculate the available Strategic Energy Investment Fund (SEIF) from RGGI auctions for each fiscal year including:

- (1) the number of auctions;
- (2) the number of allowances sold;
- (3) the allowance price for both current and future (if offered) control period allowances sold in each auction; and
- (4) anticipated revenue from set-aside allowances.

The report shall also include detail on the amount of the SEIF from RGGI auction revenue available to each agency that receives funding through each required allocation:

- (1) energy assistance;
- (2) energy efficiency and conservation programs, low- and moderate-income sector;
- (3) energy efficiency and conservation programs, all other sectors;

Sections

- (4) renewable and clean energy programs and initiatives, education, climate change, and resiliency programs;
- (5) administrative expenditures;
- (6) dues owed to the RGGI, Inc.; and
- (7) transfers or diversions of revenue made to other funds.

The report should also provide detail on the fund balance for each SEIF subaccount for the fiscal 2018 actual, fiscal 2019 working appropriation, and fiscal 2020 allowance.

Explanation: This language requires the Department of Budget and Management to include as an appendix in the Governor’s budget books for fiscal 2020 detail on the revenue assumptions for RGGI auctions budgeted in each fiscal year as well as how those revenues are distributed to various agencies. This information increases transparency, differentiates funding from the SEIF that is available from sources other than RGGI auctions and allows for analysis of whether the allocation of RGGI auction revenue meets statutory requirements. This language requires fund balance information for each SEIF subaccount but does not require the SEIF balances to account for only RGGI-related fund balances within the subaccounts.

Information Request	Author	Due Date
Report on revenue assumptions and use of RGGI auction revenue	Department of Budget and Management	With the submission of the Governor’s fiscal 2020 budget books and annually thereafter

Amendment No. **128**

Add the following section:

Section 39 Reduce Custodial Banking Contract Costs in the State Retirement Agency

SECTION 39. AND BE IT FURTHER ENACTED, That the reimbursable fund appropriation in the State Retirement Agency, G20J01.01, shall be reduced by \$400,000. The Governor shall develop a schedule for allocating this reimbursable fund reduction across State agencies. The reduction shall equal at least the amount indicated for the funds listed:

Sections

<u>Fund</u>	<u>Amount</u>
General	\$240,000
Special	\$80,000
Federal	\$80,000

Explanation: The Governor’s fiscal 2019 allowance includes \$4.0 million for a new custodial banking contract, but the new contract is expected to cost only \$2.8 million in the first year. This action consists of an \$800,000 reduction in special funds and this \$400,000 reduction in reimbursable funds.

Amendment No. **129**

Add the following section:

Section 40 Reduce Positions and Operating Expenses for the Investment Division of the State Retirement Agency

SECTION 40. AND BE IT FURTHER ENACTED, That contingent upon the enactment of SB 899 or HB 1012, the reimbursable fund appropriation in the State Retirement Agency, G20J01.01, shall be reduced by \$2,316,965. The Governor shall develop a schedule for allocating this reimbursable fund reduction across State agencies. The reduction shall equal at least the amount indicated for the funds listed:

<u>Fund</u>	<u>Amount</u>
General	\$1,390,179
Special	\$463,393
Federal	\$463,393

Explanation: SB 899 or HB 1012 grants the Board of Trustees of the State Retirement and Pension System independent authority to create/eliminate positions within the Investment Division and to establish compensation levels for those positions, including performance bonuses. They also specify that compensation for those positions and other operating expenses of the Division, are to be paid from the accumulation funds of the several systems (the “pension trust fund”) rather than from special funds or reimbursable funds consisting of the administrative fees collected from the State and participating employers. This action reduces the reimbursable fund portion paid by the State and allocated the reduction across State agency budgets, contingent upon enactment of either bill.

Amendment No. **130**

Sections

Add the following section:

Section 41 Reduce State Health Insurance Spending Contingent on Enactment of Legislation to Conform Elimination of Medicare-eligible Retiree Prescription Drug Coverage with Closure of the Medicare Donut Hole

SECTION 41. AND BE IT FURTHER ENACTED, That for fiscal 2019 funding for State health insurance contributions for employees and retirees shall be reduced by \$47,300,000 in Executive Branch, Legislative Branch, and Judicial Branch agencies contingent upon the enactment of SB 187 or HB 161 to amend statute to align the elimination of Medicare-eligible retirees' prescription drug coverage with closure of the Medicare Part D coverage gap on January 1, 2019. Funding for this purpose shall be reduced in Comptroller Object 0152 (Health Insurance), and Comptroller Object 0154 (Retirees Health Insurance Premiums) within Executive Branch, Legislative Branch, and Judicial Branch agencies in fiscal 2019 by the following amounts in accordance with a schedule determined by the Governor, the Presiding Officers, and Chief Judge:

<u>Programs</u>	<u>Fund</u>	<u>Amount</u>
<u>General Assembly of Maryland</u>	<u>General Fund</u>	<u>\$506,305</u>
<u>Judiciary</u>	<u>General Fund</u>	<u>\$2,231,012</u>
<u>Executive Branch</u>	<u>General Fund</u>	<u>\$32,191,851</u>
<u>Judiciary</u>	<u>Special Fund</u>	<u>\$145,837</u>
<u>Executive Branch</u>	<u>Special Fund</u>	<u>\$7,583,014</u>
<u>Executive Branch</u>	<u>Federal Fund</u>	<u>\$4,641,981</u>
<u>Morgan State University</u>	<u>Unrestricted Fund</u>	<u>\$640,172</u>
<u>St. Mary's College of Maryland</u>	<u>Unrestricted Fund</u>	<u>\$235,436</u>
<u>University System of Maryland</u>	<u>Unrestricted Fund</u>	<u>\$12,245,912</u>
<u>Baltimore City Community College</u>	<u>Unrestricted Fund</u>	<u>\$268,495</u>

Explanation: On February 9, 2018, Congress passed a law that accelerated the closure of the Medicare Part D coverage gap (donut hole) by one year to January 1, 2019. This language would eliminate prescription drug coverage for Medicare-eligible retirees on January 1, 2019, to align with the revised closure of the donut hole. Current statute has coverage eliminated as of July 1, 2019.

Amendment No. **131**

Sections

Add the following section:

Section 42 Submission of the Uniform Crime Report

SECTION 42. AND BE IT FURTHER ENACTED, That \$1,000,000 of the General Fund appropriation within the Department of State Police (DSP) may not be expended until DSP submits the Crime in Maryland, 2017 Uniform Crime Report (UCR) to the budget committees. The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Further provided that, if DSP encounters difficulty obtaining necessary crime data by November 1, 2018, from local jurisdictions who provide the data for inclusion in the UCR, DSP shall notify the Governor's Office of Crime Control and Prevention (GOCCP). From each jurisdiction's third quarterly State Aid for Police Protection (SAPP) disbursement, GOCCP shall withhold a portion, totaling at least 15%, but no more than 50%, of that jurisdiction's SAPP grant for fiscal 2019 upon receipt of notification from DSP. GOCCP shall withhold SAPP funds until such a time that the jurisdiction submits its crime data to DSP and DSP verifies the accuracy of that data. DSP and GOCCP shall submit a report to the budget committees indicating any jurisdiction from which crime data was not received by November 1, 2018, and the amount of SAPP funding withheld from each jurisdiction.

Further provided that, it is the intent of the budget committees that, in the event that DSP encounters issues with submitting the complete and accurate UCR due to issues outside of its control, DSP may petition the budget committees for release of the restricted general funds following submission of a report detailing the department's due diligence in attempting to collect the UCR data, including proof of competent oversight of the data contributors.

Explanation: The annual language was originally added because DSP had not been submitting its annual crime report in a timely manner due to issues related to receiving crime data from the local jurisdictions. The 2016 UCR was not submitted as of February 2018. As such, this language withholds a portion of the general fund appropriation until the budget committees receive the 2017 UCR. The language also specifies that GOCCP, upon receipt of notification from DSP, must withhold a portion of a delinquent jurisdiction's SAPP grant until certain crime data is received by DSP. DSP and GOCCP must submit a report to the budget committees that includes information on any jurisdiction that did not report crime data by November 1, 2018, and the amount of SAPP funding that was withheld from each jurisdiction. Finally, this language expresses legislative intent that DSP can petition the budget committees for release of funds without submission of the complete and accurate UCR if the department is able to demonstrate that competent oversight was provided and issues with the submission were beyond DSP control.

Sections

Information Request	Author	Due Date
2017 Uniform Crime Report	DSP	November 1, 2018

Amendment No.

132

Add the following section:

Section 43. Evaluation of School Safety Resources

SECTION 43. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation within the Department of State Police (DSP) and \$100,000 of the general fund appropriation within the Governor's Office of Crime Control and Prevention (GOCCP) may not be expended until DSP and GOCCP, in consultation with Bowie State University, the Maryland State Department of Education, the Department of Budget and Management, and the Governor's Office of Homeland Security, submit a report to the budget committees evaluating how best to manage and consolidate State resources available for monitoring and improving school safety. At a minimum, the report should:

- (1) identify all current State resources and entities available for ensuring, monitoring, and improving the safety of public and private schools;
- (2) evaluate the role of the State in ensuring safety at all public and private schools;
- (3) establish clearly defined and measurable goals for addressing school safety concerns;
- (4) evaluate the appropriate level of State funding required to effectively ensure that school safety concerns are addressed;
- (5) evaluate the optimal organizational structure across State government for addressing the issue of school safety, including:
 - (a) which agency should host this function;
 - (b) whether or not other agencies should have a role, and if so, what that role should be;
 - (c) how many positions are needed and for what purpose;
 - (d) how many offices are needed statewide and where they should be located;

Sections

- (e) whether all school safety grant funding should be consolidated;
- (f) which agency should administer school safety grants and provide grant oversight;
- (6) make a recommendation regarding the necessity for the Maryland Center for School Safety (MCSS) and the appropriate State entity to maintain oversight of the operations and funding of the Center, including any necessary statutory changes; and
- (7) develop a plan for how to expend the funding allocated to MCSS, including how many positions are needed for MCSS to effectively carry out its mission.

The report shall be submitted by November 15, 2018, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

Explanation: Recent events have brought increased interest to the issue of school safety. Chapter 372 of 2013 established MCSS as an independent unit within State government based at Bowie State University; however, MCSS receives its funding through DSP and is located at the Maryland Coordination and Analysis Center. Increased funding in fiscal 2019 for MCSS and a new school safety grant program in GOCCP highlights the lack of a consolidated plan for how the State is responding to and funding school safety concerns. This language requires DSP and GOCCP, along with several other invested State entities, to develop a coordinated plan for addressing school safety statewide, along with making a recommendation for the optimal organizational structure for coordinating the State's efforts and resources.

Information Request	Authors	Due Date
Evaluation of State resources dedicated to school safety	DSP GOCCP Bowie State University Maryland State Department of Education Department of Budget and Management Governor's Office of Homeland Security	November 15, 2018

Amendment No.

133

Sections

Add the following section:

Section 44 Secretary's or Acting Secretary's Nomination and Salary

SECTION 44. AND BE IT FURTHER ENACTED, That no funds in this budget may be expended to pay the salary of a Secretary or an Acting Secretary of any department whose nomination as Secretary has been rejected by the Senate or an Acting Secretary who was serving in that capacity prior to the 2018 session whose nomination for the Secretary position was not put forward and approved by the Senate during the 2018 session unless the Acting Secretary is appointed under Article II, Section 11 of the Maryland Constitution prior to July 1, 2018.

Further provided that no funds in this budget may be expended to pay the salary of a Secretary or Acting Secretary of any department who was a recess appointment in 2017 and whose nomination as Secretary was put forward and/or was not acted upon by the Executive Nominations Committee, or whose nomination was rejected by the Executive Nominations Committee and whose nomination was withdrawn before the full Senate acted.

Further provided that no funds in this budget may be expended to pay the salary of an Assistant Secretary or Deputy Secretary who was a recess appointment as Secretary in 2017 and whose nomination was rejected by the Executive Nominations Committee and was withdrawn before the full Senate acted or whose nomination was not acted upon by the Executive Nominations Committee.

Nothing in this language may be construed to prohibit employment in State Government not serving in a leadership capacity in the agency or department in which the Secretary or Acting Secretary's nomination as Secretary was put forward and was rejected by the Executive Nominations Committee or who was not acted upon by the Executive Nominations Committee.

Explanation: This language ensures that the intentions of the General Assembly are reflected in the payment of executive salaries.

Amendment No.

134

Sections

Add the following section:

Section 45 Reallocate Program Open Space Funding to Specified Purposes

SECTION 45. AND BE IT FURTHER ENACTED, That for fiscal 2019 \$1,900,000 of the special fund appropriation for Land Acquisitions under K00A05.10 Outdoor Recreation Land Loan shall be reduced.

Further, it is the intent of the General Assembly that the following special fund appropriations be increased in fiscal 2019 by the amounts specified:

- (1) K00A04.01 Statewide Operations – \$600,000;
- (2) K00A05.10 Outdoor Recreation Land Loan – Allowance, Local Projects – \$900,000;
and
- (3) K00A05.10 Outdoor Recreation Land Loan – Department of Natural Resources Capital Improvements: Natural Resource Development Fund – \$400,000.

Authorization is granted to the Department of Natural Resources to process a special fund budget amendment to increase the appropriations as noted above.

Explanation: The fiscal 2019 budget as introduced reflected the addition of \$3,000,000 in transfer tax funding for the Maryland Heritage Areas Authority Financing Fund in the Maryland Department of Planning as authorized by Chapters 660 and 661 of 2017 (Program Open Space (POS) – Authorized Transfer to the Maryland Heritage Areas Authority Financing Fund). This additional funding was deducted from the overall amount allocated to POS. However, Chapters 660 and 661 specified that the additional \$3,000,000 be provided from the State’s share of funds under POS. Therefore, this action reallocates the funding in accordance with legislative intent.

Amendment No.

135

Technical Amendment

Technical Amendment No. 1

Renumber SECTION ~~21.~~ 46. and SECTION ~~22.~~ 47.

Explanation: Technical renumbering of budget bill sections.

Amendment No.

136

D15A0516
Governor's Office of Crime Control and Prevention
Executive Department

Supplemental Budget No. 1

BOARDS, COMMISSIONS, AND OFFICES

D15A05.16 Governor's Office of Crime Control and Prevention

Add the following language to the general fund appropriation:

, provided that \$2,500,000 of this appropriation made for the purpose of funding a school safety assessment grant program within the Governor's Office of Crime Control and Prevention is contingent on the enactment of SB 1257 or HB 1816 mandating that annual school safety assessments be conducted for each public school.

Explanation: Supplemental Budget No. 1 provides \$2.5 million in general funds to establish a grant program within the Governor's Office of Crime Control and Prevention to provide grants to local school systems to carry out mandated safety assessments. Current law does not mandate such assessments, although many schools already complete safety assessments, with consultation and support from the Maryland Center for School Safety. This language makes the grant funding contingent on enactment of legislation that would mandate the completion of school safety grants by all public schools.

Amendment No.

137

W00A
Department of State Police

Supplemental Budget No. 1

MARYLAND STATE POLICE

W00A01.01 Office of the Superintendent

Add the following language to the general fund appropriation:

, provided that this appropriation of \$2,500,000 in general funds and 13 positions made for the purpose of funding additional resources to monitor school safety in the Maryland Center for School Safety (MCSS) is contingent on the enactment of SB 1257 or HB 1816 expanding the role and responsibilities of MCSS to include a regional structure, the review of school safety assessments and plans, and certification and/or training of school security personnel.

Explanation: Supplemental Budget No. 1 provides \$2.5 million in general funds and 13 new positions to provide additional resources to MCSS. The additional resources are intended to support a restructuring of MCSS that would establish regional offices throughout the State, have MCSS be responsible for reviewing mandated safety assessments and safety plans for each public school, and have an increased role in the certification and training of school security personnel. Under current law, MCSS provides similar assistance, but it is not mandated. Since its establishment, MCSS has spent approximately \$270,000 annually. This language makes the enhanced appropriation and resources contingent on legislation that would require the expanded role and responsibilities for the center.

Amendment No.

138