

# HOUSE BILL 152

B1

7lr0192  
CF SB 172

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

Introduced and read first time: January 18, 2017

Assigned to: Appropriations

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 12, 2017

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

1 AN ACT concerning

2 **Budget Reconciliation and Financing Act of 2017**

3 FOR the purpose of authorizing or altering the distribution of certain revenue; altering or  
4 repealing certain required appropriations; authorizing the use of certain funds for  
5 certain purposes; ~~altering the Special Fund from which the Maryland International~~  
6 ~~thoroughbred race purse and a related bonus award program shall be funded;~~  
7 repealing a requirement that the Comptroller pay certain amounts from a certain  
8 Special Fund for certain purposes; repealing a requirement that the State Racing  
9 Commission establish a certain bonus award program; repealing a requirement that  
10 the purse for a certain horse race be funded by a certain Special Fund; reducing the  
11 maximum amount of certain teacher stipends for a certain fiscal year; ~~providing a~~  
12 ~~certain amount of aid to certain institutions of higher education in accordance with~~  
13 ~~a certain action by the Board of Public Works; providing a certain amount of funding~~  
14 ~~for certain local health services and certain income tax disparity grants in~~  
15 ~~accordance with a certain action by the Board of Public Works; altering a certain rate~~  
16 ~~increase for community service providers; repealing a certain condition on the use of~~  
17 ~~certain funds; altering a certain condition on the use of certain funds; funds for a~~  
18 certain fiscal year; prohibiting certain excess funds from being used for certain  
19 purposes after a certain fiscal year; altering a certain condition on the use of certain  
20 funds for a certain fiscal year; repealing the use of certain funds for certain projects  
21 or initiatives after a certain fiscal year; altering the amount the Department of  
22 Health and Mental Hygiene is authorized to charge the Maryland Health Care  
23 Commission for a certain fiscal year; altering the amount the Department of Health  
24 and Mental Hygiene is authorized to charge the State Health Services Cost Review  
25 Commission for a certain fiscal year; clarifying the sources from which certain funds

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

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



1 may be appropriated; ~~requiring the State Racing Commission to pay certain~~  
2 ~~expenses from a certain account; requiring the State Racing Commission to establish~~  
3 ~~a certain bonus award program; altering a certain reimbursement by each county~~  
4 ~~and Baltimore City to the State for certain costs incurred by the State Department~~  
5 ~~of Assessments and Taxation; requiring the Department of Budget and Management~~  
6 to review certain interagency agreements at certain intervals; requiring the  
7 Department of Budget and Management to make certain determinations in the  
8 review of certain interagency agreements; requiring the Department of Budget and  
9 Management to establish a certain cycle to review certain interagency agreements;  
10 requiring the Department of Budget and Management to report certain information  
11 and certain findings on or before a certain date each year to certain committees of  
12 the General Assembly and the Department of Legislative Services; altering certain  
13 provisions of law relating to budget books; requiring the Governor to provide a  
14 certain number of copies of the budget books to members of the General Assembly  
15 and the Department of Legislative Services; requiring certain information in the  
16 budget books to be provided in a certain format on the Department of Budget and  
17 Management's Web site at a certain time; requiring the Department of Budget and  
18 Management to archive certain information in a certain format on a certain Web  
19 site; altering the regular commissions of a State lottery sales agent; authorizing the  
20 State Racing Commission to provide, from the amount provided for certain purses,  
21 up to a certain amount each year to a purse for a certain horse race; requiring the  
22 Comptroller to administer the Maryland Emergency Medical System Operations  
23 Fund; establishing a certain budgeted Medicaid Deficit Assessment amount in a  
24 certain fiscal year; authorizing the transfer of certain funds; limiting certain rate  
25 increases; ~~limiting increases in certain mandated spending under certain~~  
26 ~~circumstances; authorizing the Department of General Services to process a certain~~  
27 budget amendment in a certain amount for a certain fiscal year from certain fees  
28 that were recorded as a deferred revenue at the close of a certain fiscal year;  
29 prohibiting certain eligibility and benefits rules in place on a certain date for certain  
30 programs from being altered unless certain conditions are met; prohibiting the  
31 Comptroller from withholding a certain amount for a certain fiscal year to be  
32 deposited into a certain fund and instead requiring the amount to be credited to a  
33 certain fund to satisfy a certain portion of a certain required payment; requiring the  
34 Baltimore City Public School System to report certain information to the Governor  
35 and certain committees of the General Assembly on or before certain dates; making  
36 the provisions of this Act severable; requiring the publisher of the Annotated Code  
37 of Maryland, in consultation with the Department of Legislative Services, to correct  
38 cross-references and terminology in the Code that are rendered incorrect by this Act;  
39 defining certain terms; altering a certain definition; providing for the termination of  
40 certain provisions of this Act; making stylistic changes; and generally relating to the  
41 financing of State and local government.

42 BY repealing and reenacting, with amendments,  
43 Article – Business Regulation  
44 Section 11-402, 11-403, and 11-522.1(b)  
45 Annotated Code of Maryland  
46 (2015 Replacement Volume and 2016 Supplement)

1 BY repealing and reenacting, without amendments,  
2 Article – Education  
3 Section 6–117.1(a)(1) and (3), ~~7–123(a)(1), 7–1702(a), and 18–303.1(a)(1) and (3)~~ and  
4 7–1702(a)  
5 Annotated Code of Maryland  
6 (2014 Replacement Volume and 2016 Supplement)

7 BY repealing  
8 Article – Education  
9 Section 6–117.1(e)(1), ~~7–123(e), 7–1704, and 18–303.1(g)~~ and 7–1704  
10 Annotated Code of Maryland  
11 (2014 Replacement Volume and 2016 Supplement)

12 BY adding to  
13 Article – Education  
14 Section 6–117.1(e)(1), ~~7–123(e), 7–1704, 17–104(a)(5), and 18–303.1(g)~~ and 7–1704  
15 Annotated Code of Maryland  
16 (2014 Replacement Volume and 2016 Supplement)

17 BY repealing and reenacting, with amendments,  
18 Article – Education  
19 Section 6–306(b) ~~and (e), 17–104(a)(1), 18–303.1(h), and 23–402(a)~~  
20 Annotated Code of Maryland  
21 (2014 Replacement Volume and 2016 Supplement)

22 BY repealing and reenacting, without amendments,  
23 Article – Health – General  
24 Section 2–302(a), 15–1004(a), 19–101, 19–201(b), and 19–2201(a) and (e)(1)  
25 Annotated Code of Maryland  
26 (2015 Replacement Volume and 2016 Supplement)

27 BY repealing and reenacting, with amendments,  
28 Article – Health – General  
29 Section 2–302(b)(2) and (3), ~~7–307(d)(3)~~, 15–1004(f), 19–111(c), 19–208(b), and  
30 19–2201(e)(2)  
31 Annotated Code of Maryland  
32 (2015 Replacement Volume and 2016 Supplement)

33 BY adding to  
34 Article – Health – General  
35 Section 2–302(b)(4) and (5)  
36 Annotated Code of Maryland  
37 (2015 Replacement Volume and 2016 Supplement)

38 ~~BY repealing and reenacting, with amendments,~~  
39 ~~Article – Health – General~~

~~1 Section 19-2401(a)(1)  
2 Annotated Code of Maryland  
3 (2015 Replacement Volume and 2016 Supplement)  
4 (As enacted by Chapter 13 of the Acts of the General Assembly of 2016)~~

5 BY repealing and reenacting, with amendments,  
6 Article – Housing and Community Development  
7 Section 4-216, 4-508(j), ~~and 4-509(j)~~ 4-509(j), and 6-510(j)  
8 Annotated Code of Maryland  
9 (2006 Volume and 2016 Supplement)

10 BY repealing and reenacting, without amendments,  
11 Article – Housing and Community Development  
12 Section 4-508(a), 4-509(a)(1) and (4), and 6-510(a)  
13 Annotated Code of Maryland  
14 (2006 Volume and 2016 Supplement)

~~15 BY repealing  
16 Article – Housing and Community Development  
17 Section 6-510(j)  
18 Annotated Code of Maryland  
19 (2006 Volume and 2016 Supplement)~~

~~20 BY adding to  
21 Article – Housing and Community Development  
22 Section 6-510(j)  
23 Annotated Code of Maryland  
24 (2006 Volume and 2016 Supplement)~~

~~25 BY repealing and reenacting, without amendments,  
26 Article – Labor and Employment  
27 Section 11-1302(a)  
28 Annotated Code of Maryland  
29 (2016 Replacement Volume)~~

~~30 BY repealing and reenacting, with amendments,  
31 Article – Labor and Employment  
32 Section 11-1302(e)  
33 Annotated Code of Maryland  
34 (2016 Replacement Volume)~~

~~35 BY repealing and reenacting, with amendments,  
36 Article – Local Government  
37 Section 16-501(e)  
38 Annotated Code of Maryland  
39 (2013 Volume and 2016 Supplement)~~

- 1 BY repealing and reenacting, with amendments,  
2 Article – Natural Resources  
3 Section 5–212(g)(3)  
4 Annotated Code of Maryland  
5 (2012 Replacement Volume and 2016 Supplement)
- 6 BY repealing and reenacting, with amendments,  
7 Article – Public Safety  
8 Section 4–506(a)  
9 Annotated Code of Maryland  
10 (2011 Replacement Volume and 2016 Supplement)
- 11 BY repealing and reenacting, with amendments,  
12 Article – State Finance and Procurement  
13 Section 2–202; 7–115, 7–118, 7–121, and 7–122 to be under the amended part “Part  
14 III. Supporting Materials”; and 7–311(j)  
15 Annotated Code of Maryland  
16 (2015 Replacement Volume and 2016 Supplement)
- 17 BY adding to  
18 Article – State Finance and Procurement  
19 Section 3–207 and 7–116  
20 Annotated Code of Maryland  
21 (2015 Replacement Volume and 2016 Supplement)
- 22 BY repealing  
23 Article – State Finance and Procurement  
24 Section 7–116, 7–117, 7–119, and 7–120  
25 Annotated Code of Maryland  
26 (2015 Replacement Volume and 2016 Supplement)
- 27 BY repealing and reenacting, with amendments,  
28 Article – State Government  
29 Section ~~9–120(b) and 9–1A–28(e)~~ 9–117(a)(1), 9–120(b), and 9–1A–28(f)  
30 Annotated Code of Maryland  
31 (2014 Replacement Volume and 2016 Supplement)
- 32 BY repealing and reenacting, with amendments,  
33 Article – Tax – General  
34 Section 2–202  
35 Annotated Code of Maryland  
36 (2016 Replacement Volume)
- 37 BY repealing and reenacting, with amendments,  
38 Article – Tax – Property  
39 Section ~~2–106(b) and~~ 13–209(g)(1)(i)  
40 Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation

Section 13–955

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Chapter 397 of the Acts of the General Assembly of 2011, as amended by Chapter 425 of the Acts of the General Assembly of 2013, Chapter 464 of the Acts of the General Assembly of 2014, and Chapter 489 of the Acts of the General Assembly of 2015

Section 16(c)

~~BY repealing and reenacting, with amendments,~~

~~Chapter 25 of the Acts of the General Assembly of 2016~~

~~Section 4~~

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

That the Laws of Maryland read as follows:

### Article – Business Regulation

11–402.

The Special Fund consists of:

(1) the State share of daily licensee fees;

(2) pari–mutuel taxes;

(3) the impact aid under § 11–812 of this title;

(4) money from uncashed pari–mutuel tickets that are from bets made into the betting pools of licensees; **AND**

(5) any permit fees under §§ 11–820 and 11–832 of this title[; and

(6) subject to § 11–403(a)(9) and (b) of this subtitle, money from the State Lottery Fund distributed under § 9–120(b) of the State Government Article].

11–403.

(a) The Comptroller shall pay from the Special Fund an annual grant of:

(1) \$825,000 to the Maryland Agricultural Fair Board to promote State and

1 county agricultural fairs and exhibits;

2 (2) \$100,000 to Prince George's County to replace money formerly received  
3 from the admissions and amusement tax;

4 (3) \$40,000 to the Great Frederick Fair to support exhibition harness  
5 racing with money for construction and maintenance of new stalls, track maintenance, and  
6 purses;

7 (4) \$50 to the City of Bowie for each day that the training facilities are open  
8 at the Bowie Race Course Training Center;

9 (5) \$75,000 to the Maryland Agricultural Education Foundation, Inc., to  
10 promote and enhance statewide agricultural education;

11 (6) an amount not to exceed \$30,000 in fiscal year 1998 and \$20,000 in each  
12 fiscal year thereafter to the Great Pocomoke Fair, Inc. to support exhibition harness racing  
13 with money for construction and maintenance of new stalls, track maintenance, and purses;

14 (7) \$500,000 to the Maryland Million, Ltd. to support and promote the  
15 running of Maryland Million races; **AND**

16 (8) \$350,000 to the Maryland Standardbred Race Fund for the Sire Stakes  
17 Program]; and

18 (9) beginning July 1, 2017, from the money distributed under § 9–120(b) of  
19 the State Government Article:

20 (i) \$500,000 to a purse for the Maryland International thoroughbred  
21 race under § 11–522.1 of this title;

22 (ii) \$350,000 to the Maryland Office of Sports Marketing in the  
23 Maryland Stadium Authority for incentive grants for youth and amateur sporting events;  
24 and

25 (iii) \$150,000 to the Maryland Humanities Council for Maryland  
26 History Day and other programming].

27 (b) [(1) In fiscal year 2017, the Comptroller shall pay, from the money  
28 distributed to the Special Fund, \$500,000 to the Maryland Racing Commission to be used,  
29 in a manner determined by the Maryland Racing Commission, for a bonus award program  
30 for Maryland–bred or Maryland–sired horses running in the Preakness Stakes.

31 (2) The Maryland Racing Commission shall consult with representatives of  
32 the thoroughbred racing industry prior to establishing the rules and criteria for the bonus  
33 award program.

(3) If, under the rules of the bonus award program, funds remain in the program after the Preakness Stakes is conducted on one or more occasions, remaining funds shall carry over to the next fiscal year and may not revert to the General Fund.

(c) If the Maryland State Fair remains at the Timonium Fair Grounds, the Comptroller shall pay from the Special Fund an annual grant of:

(1) \$500,000 to the Maryland State Fair and Agricultural Society, Inc., to:

(i) promote and enhance the Maryland State Fair; and

(ii) maintain and develop youth programs, with premium money provided to organizations, such as 4-H Clubs and the Future Farmers of America, for recognition and awards; and

(2) \$50,000 to Baltimore County to replace the money formerly received by the county under this subtitle.

11-522.1.

(b) The purse for the Maryland International ~~shall~~ MAY be funded by [the Special Fund established under § 11-402 of this title] THE FUNDS ALLOCATED TO THE THOROUGHBRED INDUSTRY IN THE PURSE DEDICATION ACCOUNT ESTABLISHED UNDER § ~~9-1A-28~~ 9-1A-28(C)(1) OF THE STATE GOVERNMENT ARTICLE.

#### Article – Education

6-117.1.

(a) (1) In this section the following words have the meanings indicated.

(3) “Program” means the Teacher Induction, Retention, and Advancement Pilot Program.

(e) [(1) The Governor annually shall include an appropriation of \$5,000,000 in the State budget for the Department to administer the Pilot Program.]

**(1) (I) FOR FISCAL YEAR 2018, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$2,100,000 TO THE PROGRAM.**

**(II) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR ~~MAY~~ SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$5,000,000 TO THE PROGRAM.**

6-306.



1 (b) (1) For fiscal year 2000 and each subsequent fiscal year, the Governor  
2 ~~shall~~ ~~MAY~~ include in each year's operating budget funding for the stipends and bonuses  
3 provided in this subsection.

4 (2) A classroom teacher or other nonadministrative school-based employee  
5 in a public school identified by the State Board as having comprehensive needs who holds  
6 a standard professional certificate or an advanced professional certificate who is employed  
7 by a county board and who holds a certificate issued by the National Board for Professional  
8 Teaching Standards ~~shall~~ ~~MAY~~ receive a stipend from the State in an amount equal to  
9 the county grant for national certification, up to a maximum of ~~[\$4,000]~~:

10 (I) FOR FISCAL YEAR 2018, \$2,000 per qualified individual; AND

11 (II) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR  
12 THEREAFTER, \$4,000 PER QUALIFIED INDIVIDUAL.

13 (3) A classroom teacher or other nonadministrative school-based employee  
14 in a school not identified by the State Board as having comprehensive needs who holds a  
15 standard professional certificate or an advanced professional certificate who is employed  
16 by a county board and who holds a certificate issued by the National Board for Professional  
17 Teaching Standards ~~shall~~ ~~MAY~~ receive a stipend from the State in an amount equal to  
18 the county grant for national certification, up to a maximum of \$1,000 per qualified  
19 individual.

20 (4) To the maximum extent practicable, each public school shall utilize  
21 teachers who have obtained National Board Certification in leadership roles within the  
22 school.

23 (5) (i) 1. The State Board shall establish a program to support  
24 locally negotiated incentives, governed under Subtitles 4 and 5 of this title, for highly  
25 effective classroom teachers and principals to work in public schools that are:

26 A. In improvement, corrective action, or restructuring;

27 B. Categorized by the local school system as a Title I school;

28 or

29 C. In the highest 25% of schools in the State based on a  
30 ranking of the percentage of students who receive free and reduced priced meals.

31 2. The program established under subparagraph 1 of this  
32 subparagraph may include financial incentives, leadership changes, or other incentives.

33 (ii) 1. The State Board shall adopt guidelines to implement this  
34 paragraph.

1                                   2.       Nothing in this paragraph shall be construed to prohibit a  
2 local school system from employing more stringent standards than the guidelines adopted  
3 under this subparagraph.

4           (e)   (1)   ~~This subsection applies only in Anne Arundel County.~~

5                                   (2)   ~~In this subsection, "county grant for teaching in an economically~~  
6 ~~disadvantaged school" means an annual grant distributed to a teacher who teaches in an~~  
7 ~~economically disadvantaged school established:~~

8                                   (i)   ~~Outside of the collective bargaining process; or~~

9                                   (ii)   ~~As part of a collective bargaining agreement with the local~~  
10 ~~employee representative.~~

11                                  (3)   ~~[For fiscal years 2017 through 2019, the Governor shall include in the~~  
12 ~~State operating budget funding for the stipends provided in this subsection.] **FOR FISCAL**~~  
13 ~~**YEAR 2019, THE GOVERNOR MAY INCLUDE IN THE ANNUAL BUDGET BILL AN**~~  
14 ~~**APPROPRIATION FOR THE STIPENDS.**~~

15                                  (4)   ~~A classroom teacher shall receive a stipend from the State in an amount~~  
16 ~~equal to the county grant for teaching in an economically disadvantaged school, up to a~~  
17 ~~maximum of \$1,500 if the teacher:~~

18                                   (i)   ~~Teaches in a public middle or high school in which at least 30%~~  
19 ~~of the students as a percentage of full-time equivalent students as defined in § 5-202 of~~  
20 ~~this article qualify for free and reduced-price meals under the National School Lunch~~  
21 ~~Program;~~

22                                   (ii)   ~~Holds a standard or advanced professional certificate; and~~

23                                   (iii)   ~~Is employed by the county board.~~

24   ~~7-123.~~

25           (a)   (1)   ~~There is a Robotics Grant Program in the State.~~

26                                  ~~[(e) The Governor shall include in the State budget an annual appropriation of at~~  
27 ~~least \$250,000 to the Program.]~~

28                                  ~~(c) **FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, THE**~~  
29 ~~**GOVERNOR MAY INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION TO THE**~~  
30 ~~**PROGRAM.**~~

31   7-1702.

1 (a) There is a Public School Opportunities Enhancement Program.

2 [7-1704.

3 For fiscal years 2018 through 2021, the Governor shall include \$7,500,000 annually  
4 in the State budget for the Program.]

5 7-1704.

6 (A) FOR FISCAL YEAR 2018, THE GOVERNOR SHALL INCLUDE IN THE  
7 ANNUAL BUDGET BILL AN APPROPRIATION OF \$5,000,000 TO THE PROGRAM.

8 (B) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER YEARS  
9 2019 THROUGH 2021, THE GOVERNOR MAY SHALL INCLUDE IN THE ANNUAL  
10 BUDGET BILL AN APPROPRIATION OF \$7,500,000 TO THE PROGRAM.

11 ~~17-104.~~

12 ~~(a) (1) Except as provided in paragraphs (2), (3), [and (4)] (4), AND (5) of this~~  
13 ~~subsection, the Maryland Higher Education Commission shall compute the amount of the~~  
14 ~~annual apportionment for each institution that qualifies under this subtitle by multiplying~~  
15 ~~the number of full-time equivalent students enrolled at the institution during the fall~~  
16 ~~semester of the fiscal year preceding the fiscal year for which the aid apportionment is~~  
17 ~~made, as determined by the Maryland Higher Education Commission by:~~

18 ~~(i) In fiscal year 2009, an amount not less than 16% of the State's~~  
19 ~~General Fund per full-time equivalent student appropriation to the 4-year public~~  
20 ~~institutions of higher education in this State for the preceding fiscal year;~~

21 ~~(ii) In fiscal year 2010, an amount not less than 12.85% of the State's~~  
22 ~~General Fund per full-time equivalent student appropriation to the 4-year public~~  
23 ~~institutions of higher education in the State for the same fiscal year;~~

24 ~~(iii) In fiscal year 2011, an amount not less than 9.8% of the State's~~  
25 ~~General Fund per full-time equivalent student appropriation to the 4-year public~~  
26 ~~institutions of higher education in this State for the same fiscal year;~~

27 ~~(iv) In fiscal year 2012, an amount not less than 9.2% of the State's~~  
28 ~~General Fund per full-time equivalent student appropriation to the 4-year public~~  
29 ~~institutions of higher education in this State for the same fiscal year;~~

30 ~~(v) In fiscal year 2014, an amount that is the greater of 9.4% of the~~  
31 ~~State's General Fund per full-time equivalent student appropriation to the 4-year public~~  
32 ~~institutions of higher education in this State for the same fiscal year or \$875.53 per~~  
33 ~~full-time equivalent student;~~

~~(vi) In fiscal year 2015, an amount that is the greater of 9.4% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year or \$875.53 per full-time equivalent student;~~

~~(vii) In fiscal year 2017, an amount not less than 10.1% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year;~~

~~(viii) [In fiscal year 2018, an amount not less than 10.5% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year;~~

~~(ix)] In fiscal year 2019, an amount not less than 10.8% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year;~~

~~[(x)] (IX) In fiscal year 2020, an amount not less than 11.1% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year; and~~

~~[(xi)] (X) In fiscal year 2021 and each fiscal year thereafter, an amount not less than 15.5% of the State's General Fund per full-time equivalent student appropriation to the 4-year public institutions of higher education in this State for the same fiscal year.~~

~~(5) IN FISCAL YEAR 2018, THE TOTAL AMOUNT OF AID PROVIDED UNDER THIS SUBTITLE SHALL BE \$46,817,334, TO BE ALLOCATED AMONG THE INSTITUTIONS THAT QUALIFY UNDER THIS SUBTITLE IN THE SAME AMOUNT AS THE ALLOCATION FOR FISCAL YEAR 2017 AFTER THE NOVEMBER 2, 2016, BOARD OF PUBLIC WORKS ACTION.~~

~~18-303.1.~~

~~(a) (1) In this section the following words have the meanings indicated.~~

~~(3) "Program" means the Next Generation Scholars of Maryland Program.~~

~~[(g) Except as provided in subsection (h) of this section, funds for the Program shall be as provided in the State budget.]~~

~~(G) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR MAY INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION TO THE PROGRAM.~~

~~(h) [For fiscal years 2018 through 2023:~~

1           ~~(1) The Governor shall annually include \$5,000,000 in general funds in the~~  
2 ~~State budget for the Program; and]~~

3           ~~[(2) The Department shall distribute grants to nonprofit organizations that~~

4           ~~[(i)] (1) Are selected in accordance with subsection (d) of this~~  
5 ~~section; and~~

6           ~~[(ii)] (2) Will administer the Program in local school systems in~~  
7 ~~which at least 50% of the students as a percentage of full-time equivalent students as~~  
8 ~~defined in § 5-202 of this article are eligible to receive a free lunch under the National~~  
9 ~~School Lunch Program in the 2015-2016 school year.~~

10 ~~23-402.~~

11           ~~(a) (1) The Mayor and City Council of Baltimore shall be governed by the~~  
12 ~~requirements and regulations pertaining to the Enoch Pratt Free Library of Baltimore City~~  
13 ~~as provided in Chapter 181 of the Acts of 1882 and any other laws applicable to the~~  
14 ~~operation of public libraries.~~

15           ~~(2) The powers and duties of the Board of Trustees of the Enoch Pratt Free~~  
16 ~~Library are as provided in Chapter 181 of the Acts of 1882 and the Charter and the Articles~~  
17 ~~of Incorporation of the Enoch Pratt Free Library and other laws applicable to the Board of~~  
18 ~~Trustees of the Enoch Pratt Free Library.~~

19           ~~(3) A State grant [shall] MAY be made available to fund the increased~~  
20 ~~operating expenses for the branches of the Enoch Pratt Free Library that increase their~~  
21 ~~operating hours above the hours in effect as of January 1, 2016.~~

22           ~~(4) (i) [For fiscal year 2018 through fiscal year 2022, the Governor shall~~  
23 ~~include in the State operating budget \$3,000,000 in general funds] FOR FISCAL YEAR~~  
24 ~~2019 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR MAY INCLUDE IN THE~~  
25 ~~ANNUAL BUDGET BILL FUNDS FOR INCREASED OPERATING EXPENSES.~~

26           ~~(H) IF FUNDS ARE PROVIDED to support the additional operating~~  
27 ~~expenses for the increased hours of operation of the branches of the Enoch Pratt Free~~  
28 ~~Library, [that, in that fiscal year.] FOR THE FISCAL YEAR THAT THE FUNDS ARE~~  
29 ~~PROVIDED, THE LIBRARY will be subject to increased operating hours as provided in~~  
30 ~~paragraph (3) of this subsection.~~

31           ~~[(ii)] (III) 1. To receive any State funds under [subparagraph (i)]~~  
32 ~~SUBPARAGRAPHS (I) AND (II) of this paragraph, Baltimore City shall provide a 25%~~  
33 ~~match for each dollar of State funds granted to support the additional operating expenses~~  
34 ~~related to the increased hours of operation of the branches of the Enoch Pratt Free Library~~  
35 ~~that, in that fiscal year, will be subject to increased operating hours as provided in~~

1 ~~paragraph (3) of this subsection.~~

2 ~~2. Baltimore City may use public and private funds to satisfy~~  
 3 ~~the requirements of subsubparagraph 1 of this subparagraph.~~

4 ~~[(iii)] (IV) 1. In calculating the additional operating expenses of~~  
 5 ~~the increased hours of operation, the baseline hours of operation of all branches of the~~  
 6 ~~Enoch Pratt Free Library are those hours of operation in effect as of January 1, 2016.~~

7 ~~2. The Department shall establish a process to distribute the~~  
 8 ~~State grant to Baltimore City or the Enoch Pratt Free Library for the additional operating~~  
 9 ~~expenses related to the increased hours of operation.~~

## 10 Article – Health – General

11 2–302.

12 (a) The funding required in the State budget for local health services, exclusive of  
 13 special fund and federal appropriations, shall be at least the amount set forth in subsection  
 14 (b) of this section.

15 (b) The funding shall be:

16 (2) For fiscal years 2013 and 2014, \$37,283,484 adjusted for:

17 (i) Inflation, as measured by the Consumer Price Index (All Urban  
 18 Consumers), for the second preceding fiscal year, calculated by the U.S. Department of  
 19 Commerce; and

20 (ii) Population growth, as measured by the growth in the total  
 21 population of the State of Maryland for the second preceding fiscal year, according to the  
 22 most recent statistics available through the Department of Health and Mental Hygiene;  
 23 [and]

24 (3) For fiscal [year 2015 and each subsequent fiscal year] **YEARS 2015,**  
 25 **2016, AND 2017**, the amount of funding for the preceding fiscal year adjusted for:

26 (i) Inflation, as measured by the Consumer Price Index (All Urban  
 27 Consumers), for the second preceding fiscal year, calculated by the U.S. Department of  
 28 Commerce; and

29 (ii) Population growth, as measured by the growth in the total  
 30 population of the State for the second preceding fiscal year, according to the most recent  
 31 statistics available through the Department of Health and Mental Hygiene[.];

32 (4) **FOR FISCAL YEAR 2018, \$49,488,474 TO BE DISTRIBUTED TO**

1 EACH MUNICIPALITY OR SUBDIVISION IN THE SAME AMOUNT AS THE MUNICIPALITY  
2 OR SUBDIVISION RECEIVED IN FISCAL YEAR 2017; AND

3 (5) FOR FISCAL YEAR 2019 AND EACH SUBSEQUENT FISCAL YEAR,  
4 THE AMOUNT OF FUNDING FOR THE PRECEDING FISCAL YEAR ADJUSTED FOR:

5 (I) INFLATION, AS MEASURED BY THE CONSUMER PRICE  
6 INDEX (ALL URBAN CONSUMERS), FOR THE SECOND PRECEDING FISCAL YEAR,  
7 CALCULATED BY THE U.S. DEPARTMENT OF COMMERCE; AND

8 (II) POPULATION GROWTH, AS MEASURED BY THE GROWTH IN  
9 THE TOTAL POPULATION OF THE STATE FOR THE SECOND PRECEDING FISCAL YEAR,  
10 ACCORDING TO THE MOST RECENT STATISTICS AVAILABLE THROUGH THE  
11 DEPARTMENT OF HEALTH AND MENTAL HYGIENE.

12 ~~7-307.~~

13 ~~(d) (3) The Governor's proposed budget for fiscal year 2018 shall include a~~  
14 ~~[3.5%] 2.0% rate increase for community service providers over the funding provided in~~  
15 ~~the legislative appropriation for Object 08 Contractual Services in Program M00M01.02~~  
16 ~~Community Services for fiscal year 2017.~~

17 15-1004.

18 (a) There is a Senior Prescription Drug Assistance Program Fund.

19 (f) (1) Except as provided in paragraph (2) of this subsection, the Fund may  
20 be used only for the administration, operation, and activities of the Program.

21 (2) ~~Excess~~ **FOR FISCAL YEAR 2018 ONLY, EXCESS** funds not required for  
22 the administration, operation, and activities of the Program[:

23 (i) May] **MAY** be used only to subsidize:

24 [1.] (I) The Kidney Disease Program under Title 13,  
25 Subtitle 3 of this article; or

26 [2.] (II) The provision of mental health services to the  
27 uninsured under Title 10, Subtitle 2 of this article[; and

28 (ii) May be expended for the purposes in item (i) of this paragraph  
29 only:

30 1. Through a transfer of funds by budget amendment; and

1    2. After:

2    A. The budget amendment has been submitted to the  
3 Department of Legislative Services; and

4    B. The budget committees of the General Assembly have  
5 considered the budget amendment or 45 days have elapsed from the date of submission of  
6 the amendment to the Department of Legislative Services].

7 19-101.

8                    In this subtitle, "Commission" means the Maryland Health Care Commission.

9 19-111.

10            (c)    (1)    The total fees assessed by the Commission may not exceed \$12,000,000.

11    (2)    (i)    The fees assessed by the Commission shall be used exclusively to  
12 cover the actual documented direct costs of fulfilling the statutory and regulatory duties of  
13 the Commission in accordance with the provisions of this subtitle.

14    (ii)    The costs of the Commission include the administrative costs  
15 incurred by the Department on behalf of the Commission.

16    (iii)    1.    **[The] EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2**  
17 **OF THIS SUBPARAGRAPH, THE amount to be paid by the Commission to the Department**  
18 **for administrative costs, not to exceed 18% of the salaries of the Commission, shall be based**  
19 **on indirect costs or services benefiting the Commission, less overhead costs paid directly by**  
20 **the Commission.**

21    2.    **FOR FISCAL YEAR 2018, THE AMOUNT TO BE PAID BY**  
22 **THE COMMISSION TO THE DEPARTMENT FOR ADMINISTRATIVE COSTS SHALL BE**  
23 **BASED ON THE DEPARTMENT'S NEGOTIATED FEDERAL INDIRECT COST RATE.**

24    (3)    The Commission shall pay all funds collected from the fees assessed in  
25 accordance with this section into the Fund.

26    (4)    The fees assessed may be expended only for purposes authorized by the  
27 provisions of this subtitle.

28    (5)    The amount in paragraph (1) of this subsection limits only the total fees  
29 the Commission may assess in a fiscal year.

30 19-201.

31            (b)    "Commission" means the State Health Services Cost Review Commission.



1 19-208.

2 (b) (1) The power of the Secretary to transfer by rule, regulation, or written  
3 directive, any staff, functions, or funds of units in the Department does not apply to any  
4 staff, function, or funds of the Commission.

5 (2) The Secretary may assess an administrative charge on the Commission  
6 to fund services provided to the Commission by the Department.

7 (3) (I) [The] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS  
8 PARAGRAPH, THE amount to be paid by the Commission to the Department for  
9 administrative costs, not to exceed 18% of the salaries of the Commission, shall be based  
10 on indirect costs or services benefiting the Commission, less overhead costs paid directly by  
11 the Commission.

12 (II) FOR FISCAL YEAR 2018, THE AMOUNT TO BE PAID BY THE  
13 COMMISSION TO THE DEPARTMENT FOR ADMINISTRATIVE COSTS SHALL BE BASED  
14 ON THE DEPARTMENT'S NEGOTIATED FEDERAL INDIRECT COST RATE.

15 19-2201.

16 (a) In this section, "Fund" means the Community Health Resources Commission  
17 Fund.

18 (e) (1) Subject to paragraph (2) of this subsection, the Fund may be used only  
19 to:

20 (i) Cover the administrative costs of the Commission;

21 (ii) Cover the actual documented direct costs of fulfilling the  
22 statutory and regulatory duties of the Commission in accordance with the provisions of this  
23 subtitle;

24 (iii) Provide operating grants to qualifying community health  
25 resources; and

26 (iv) Provide funding for the development, support, and monitoring of  
27 a unified data information system among primary and specialty care providers, hospitals,  
28 and other providers of services to community health resource members.

29 (2) (i) For fiscal years 2014, 2015, and 2016, the Fund may be used for  
30 any project or initiative authorized under Title 20, Subtitle 14 of this article and approved  
31 by the Commission if no less than \$4,000,000 of the subsidy required under §  
32 14-106(d)(2)(ii)2 of the Insurance Article is used in each fiscal year for the purposes under  
33 paragraph (1) of this subsection.

1 (ii) For fiscal year 2017 [and each fiscal year thereafter], the Fund  
 2 may be used for any project or initiative authorized under Title 20, Subtitle 14 of this article  
 3 and approved by the Commission if no less than \$8,000,000 of the subsidy required under  
 4 § 14-106(d)(2)(ii)2 of the Insurance Article is used in each fiscal year for the purposes under  
 5 paragraph (1) of this subsection.

6 (III) ~~FOR FISCAL YEAR 2018 AND EACH FISCAL YEAR~~  
 7 ~~THEREAFTER~~, THE FUND MAY BE USED FOR ANY PROJECT OR INITIATIVE  
 8 AUTHORIZED UNDER TITLE 10, SUBTITLE 2 AND TITLE 13, SUBTITLE 3 OF THIS  
 9 ARTICLE AND APPROVED BY THE COMMISSION IF NO LESS THAN \$4,000,000 OF THE  
 10 SUBSIDY REQUIRED UNDER § 14-106(D)(2)(II)2 OF THE INSURANCE ARTICLE IS  
 11 USED IN ~~EACH THAT~~ FISCAL YEAR FOR THE PURPOSES UNDER PARAGRAPH (1) OF  
 12 THIS SUBSECTION.

13 (IV) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR  
 14 THEREAFTER, THE FUND MAY BE USED FOR ANY PROJECT OR INITIATIVE  
 15 AUTHORIZED UNDER TITLE 10, SUBTITLE 2 AND TITLE 13, SUBTITLE 3 OF THIS  
 16 ARTICLE AND APPROVED BY THE COMMISSION IF NO LESS THAN \$8,000,000 OF THE  
 17 SUBSIDY REQUIRED UNDER § 14-106(D)(2)(II)2 OF THE INSURANCE ARTICLE IS  
 18 USED IN EACH FISCAL YEAR FOR THE PURPOSES UNDER PARAGRAPH (1) OF THIS  
 19 SUBSECTION.

20 ~~19-2401.~~

21 (a) (1) ~~Subject to subsection (b) of this section, for the purpose of providing an~~  
 22 ~~operating grant to ensure and assist in the transition of a new Prince George's County~~  
 23 ~~Regional Medical System to the University of Maryland Medical System Corporation:~~

24 (i) ~~For fiscal [year 2018,] YEARS 2018, 2019, 2020, AND 2021, the~~  
 25 ~~Governor shall include in the budget bill an appropriation of:~~

26 ~~1.] \$15,000,000[; or~~

27 ~~2. \$30,000,000, if a grant of \$15,000,000 is not provided in a~~  
 28 ~~fiscal 2016 deficiency appropriation to the University of Maryland Medical System~~  
 29 ~~Corporation on or before June 30, 2016]; AND~~

30 (ii) ~~For fiscal year [2019,] 2022, the Governor shall include in the~~  
 31 ~~budget bill an appropriation of [\$15,000,000; and~~

32 (iii) ~~For fiscal years 2020 and 2021, the Governor shall include in the~~  
 33 ~~budget bill an appropriation of \$5,000,000] \$2,500,000.~~

1 4-216.

2 For fiscal year 2018 and each fiscal year thereafter, the Governor ~~shall~~ **MAY** include  
 3 **[at least] IN THE ANNUAL BUDGET BILL OR THE CAPITAL BUDGET BILL AN**  
 4 **APPROPRIATION OF \$3,000,000 [in the annual budget bill] FROM GENERAL FUNDS OR**  
 5 **THE PROCEEDS FROM THE SALE OF STATE GENERAL OBLIGATION BONDS** for the  
 6 Shelter and Transitional Housing Facilities Grant Program.

7 4-508.

8 (a) In this section, “Fund” means the Strategic Demolition and Smart Growth  
 9 Impact Fund.

10 (j) (1) For fiscal year 2018, the Governor shall include in the annual budget  
 11 bill **OR CAPITAL BUDGET BILL** an appropriation of \$25,625,000 **[to the Fund] FROM**  
 12 **GENERAL FUNDS OR THE PROCEEDS FROM THE SALE OF STATE GENERAL**  
 13 **OBLIGATION BONDS TO THE FUND**, which shall be allocated as follows:

14 (i) \$22,125,000 for projects in Baltimore City; and

15 (ii) \$3,500,000 for projects throughout the State.

16 (2) For fiscal year 2019, the Governor shall include in the annual budget  
 17 bill **OR CAPITAL BUDGET BILL** an appropriation of \$28,500,000 **[to the Fund] FROM**  
 18 **GENERAL FUNDS OR THE PROCEEDS FROM THE SALE OF STATE GENERAL**  
 19 **OBLIGATION BONDS TO THE FUND**, which shall be allocated as follows:

20 (i) \$25,000,000 for projects in Baltimore City; and

21 (ii) \$3,500,000 for projects throughout the State.

22 4-509.

23 (a) (1) In this section the following words have the meanings indicated.

24 (4) “Fund” means the Seed Community Development Anchor Institution  
 25 Fund.

26 (j) ~~[For fiscal years 2018 through 2022,] FOR FISCAL YEAR 2019 AND EACH~~  
 27 ~~FISCAL YEAR THEREAFTER,~~ the Governor ~~shall~~ **MAY** include in the annual budget bill  
 28 **OR THE CAPITAL BUDGET BILL** an appropriation ~~[of \$5,000,000]~~ to the Fund.

29 6-510.

30 (a) In this section, “Fund” means the Baltimore Regional Neighborhood Initiative  
 31 Program Fund.

1        ~~[(j) For fiscal years 2018 through 2022, the Governor shall include in the budget~~  
 2 ~~bill OR THE CAPITAL BUDGET BILL an appropriation to the Fund in the amount of~~  
 3 ~~\$12,000,000.]~~

4        ~~(j) (1) FOR FISCAL YEAR 2018, THE GOVERNOR SHALL INCLUDE AN~~  
 5 ~~APPROPRIATION IN THE CAPITAL BUDGET BILL IN THE AMOUNT OF \$3,000,000~~  
 6 ~~FROM THE PROCEEDS FROM THE SALE OF STATE GENERAL OBLIGATION BONDS.~~

7        ~~(2) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER,~~  
 8 ~~THE GOVERNOR MAY INCLUDE IN THE ANNUAL BUDGET BILL OR THE CAPITAL~~  
 9 ~~BUDGET BILL AN APPROPRIATION TO THE FUND.~~

#### ~~Article — Labor and Employment~~

11 ~~11-1302.~~

12        ~~(a) There is a Construction Education and Innovation Fund.~~

13        ~~(c) For fiscal year [2018] 2019 and each fiscal year thereafter, the Governor~~  
 14 ~~[shall] MAY include in the annual State budget an appropriation to the Fund [of \$250,000]~~  
 15 ~~to support the operation of the Center.~~

#### ~~Article — Local Government~~

17 ~~16-501.~~

18        ~~(e) (1) Except as provided in [paragraph (2)] PARAGRAPHS (2) AND (3) of~~  
 19 ~~this subsection, for fiscal year 2011 and each subsequent fiscal year, the distribution~~  
 20 ~~provided to any county or Baltimore City under this section may not exceed the amount~~  
 21 ~~distributed to the county or Baltimore City for fiscal year 2010.~~

22        ~~(2) (i) If a county or Baltimore City has a county income tax rate of at~~  
 23 ~~least 2.8% but less than 3%, the county or Baltimore City may receive a minimum of 20%~~  
 24 ~~of the amount determined under subsection (e)(3) of this section.~~

25        ~~(ii) If a county or Baltimore City has a county income tax rate of at~~  
 26 ~~least 3% but less than 3.2%, the county or Baltimore City may receive a minimum of 40%~~  
 27 ~~of the amount determined under subsection (e)(3) of this section.~~

28        ~~(iii) If a county or Baltimore City has a county income tax rate of at~~  
 29 ~~least 3.2%]:~~

30        ~~1. on or before June 30, 2017], the county or Baltimore City~~  
 31 ~~may receive a minimum of 60% of the amount determined under subsection (e)(3) of this~~  
 32 ~~section]; and~~

1 ~~2. in fiscal years 2018 and 2019, the county or Baltimore City~~  
 2 ~~may receive a minimum of 67.5% of the amount determined under subsection (c)(3) of this~~  
 3 ~~section].~~

4 ~~(3) FOR FISCAL YEAR 2018, THE DISTRIBUTION PROVIDED TO ANY~~  
 5 ~~COUNTY OR BALTIMORE CITY UNDER THIS SECTION SHALL BE EQUAL TO THE~~  
 6 ~~FISCAL YEAR 2017 DISTRIBUTION AFTER THE NOVEMBER 2, 2016, BOARD OF~~  
 7 ~~PUBLIC WORKS ACTION.~~

### 8 Article – Natural Resources

9 5-212.

10 (g) (3) (I) From revenues described in subsection (f) of this section that are  
 11 attributable to Maryland Park Service operations, less any amount of those revenues  
 12 allocated for administrative costs in accordance with paragraph (1)(iii) of this subsection,  
 13 the Governor shall include in the State budget an appropriation for the Maryland Park  
 14 Service equal to]:

15 (i) At least 60% of the remaining revenues, for fiscal year 2016;

16 (ii) At least 80% of the remaining revenues, for fiscal year 2017; and

17 (iii) 100% of the remaining revenues, for fiscal year 2018 [and each  
 18 fiscal year thereafter].

19 (II) FROM REVENUES DESCRIBED IN SUBSECTION (F) OF THIS  
 20 SECTION THAT ARE ATTRIBUTABLE TO MARYLAND PARK SERVICE OPERATIONS,  
 21 LESS ANY AMOUNT OF THOSE REVENUES ALLOCATED FOR ADMINISTRATIVE COSTS  
 22 IN ACCORDANCE WITH PARAGRAPH (1)(III) OF THIS SUBSECTION, AND LESS ANY  
 23 PRIOR YEAR CLOSING FUND BALANCE, FOR FISCAL YEAR 2019 AND EACH FISCAL  
 24 YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE STATE BUDGET AN  
 25 APPROPRIATION FOR THE MARYLAND PARK SERVICE IN AN AMOUNT EQUAL TO  
 26 100% OF THE REVENUES FROM THE SECOND PRECEDING FISCAL YEAR.

### 27 Article – Public Safety

28 4-506.

29 (a) (1) Except as provided in [paragraph (2)] PARAGRAPHS (2) AND (3) of  
 30 this subsection and subject to § 4-507 of this subtitle and the limitations and requirements  
 31 provided in this subtitle, each fiscal year the State shall pay to each county and each  
 32 qualifying municipality, in the manner provided in this subtitle, an amount determined as  
 33 provided in this section.

1 (2) Notwithstanding any other provision of this subtitle, for each of fiscal  
 2 years 2015 and 2016, the total amount of the grants provided under this subtitle shall be  
 3 \$67,277,067.

4 (3) **NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE,**  
 5 **FOR FISCAL YEAR 2018, THE TOTAL AMOUNT OF THE GRANTS PROVIDED UNDER**  
 6 **THIS SUBTITLE SHALL BE \$73,714,998 AND EACH COUNTY AND EACH QUALIFYING**  
 7 **MUNICIPALITY SHALL RECEIVE THE SAME STATE FUNDING THAT THE COUNTY OR**  
 8 **QUALIFYING MUNICIPALITY RECEIVED IN FISCAL YEAR 2017.**

9 **Article – State Finance and Procurement**

10 2–202.

11 (a) In this section, “block grant” means any federal grant-in-aid that:

12 (1) contains consolidated funding for 1 or more programs; [and]

13 (2) INCLUDES ANY CHANGE IN THE FINANCING OF A PROGRAM THAT  
 14 INCLUDES ANY KIND OF CAPPED ALLOCATIONS OR SPECIFIC SPENDING TARGETS;  
 15 OR

16 ~~[(2)]~~ (3) is designated by Congress as a block grant.

17 (b) It is the policy of the State that the General Assembly and the Governor should  
 18 consult before the Executive Branch of the State government adopts State policy on block  
 19 grants.

20 (c) (1) This section is in addition to and not in derogation of any other power  
 21 or duty of the General Assembly.

22 (2) This section applies to the adoption of State policy to:

23 (i) participate in a block grant;

24 (ii) set a date on which the State will accept responsibility for a block  
 25 grant; or

26 (iii) transfer money between block grants.

27 (d) The Governor shall send, subject to § 2–1246 of the State Government Article,  
 28 to the Legislative Policy Committee each proposal for the adoption of State policy on a block  
 29 grant.

30 (e) Within 60 days after the Legislative Policy Committee receives the proposal

1 or, if the Committee sets a shorter period, within that period, the Committee:

2 (1) may hold a public hearing on the proposal;

3 (2) may refer the proposal to another committee for review; and

4 (3) for the General Assembly, may send the Governor comments on the  
5 proposal.

6 (f) The Governor may act on the proposal only after the expiration of the 60-day  
7 period or any shorter period set under subsection (e) of this section.

8 **3-207.**

9 (A) **IN THIS SECTION, "INTERAGENCY AGREEMENT" MEANS AN AGREEMENT**  
10 **BETWEEN AN AGENCY OR UNIT OF THE EXECUTIVE BRANCH OF STATE**  
11 **GOVERNMENT AND A PUBLIC INSTITUTION OF HIGHER EDUCATION THAT:**

12 (1) **HAS BEEN IN PLACE FOR 3 YEARS OR MORE; AND**

13 (2) **HAS A TOTAL OF MORE THAN \$750,000 IN ACTUAL EXPENDITURES**  
14 **IN THE LAST 3 FISCAL YEARS.**

15 (B) **AT LEAST ONCE EVERY 3 YEARS, THE DEPARTMENT SHALL REVIEW**  
16 **EACH INTERAGENCY AGREEMENT TO DETERMINE:**

17 (1) **WHETHER THE AGREEMENT IS NECESSARY AND SHOULD**  
18 **CONTINUE;**

19 (2) **WHETHER THE SERVICES CAN BE PROVIDED MORE COST**  
20 **EFFECTIVELY BY THE AGENCY OR UNIT OR THROUGH A COMPETITIVE**  
21 **PROCUREMENT; AND**

22 (3) **WHETHER THE AGREEMENT IS BEING UTILIZED DUE TO THE**  
23 **AGENCY'S OR UNIT'S INABILITY TO RECRUIT OR RETAIN POSITIONS AND, IF SO,**  
24 **WHETHER AN ANNUAL SALARY REVIEW SHOULD BE CONDUCTED TO ADDRESS**  
25 **RECRUITMENT OR RETENTION ISSUES.**

26 (C) **THE DEPARTMENT SHALL ESTABLISH A CYCLE TO REVIEW ONE-THIRD**  
27 **OF THE INTERAGENCY AGREEMENTS EACH YEAR.**

28 (D) (1) **SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, ON**  
29 **OR BEFORE DECEMBER 1 EACH YEAR, THE DEPARTMENT SHALL REPORT A**  
30 **SUMMARY OF THE FINDINGS OF THE REVIEW REQUIRED UNDER SUBSECTION (B) OF**  
31 **THIS SECTION TO THE SENATE BUDGET AND TAXATION COMMITTEE, THE HOUSE**

1 APPROPRIATIONS COMMITTEE, AND THE DEPARTMENT OF LEGISLATIVE  
2 SERVICES, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE.

3 (2) THE REPORT DUE ON OR BEFORE DECEMBER 1, 2017, SHALL  
4 INCLUDE A REVIEW OF INTERAGENCY AGREEMENTS THAT HAVE A TOTAL OF MORE  
5 THAN \$750,000 IN ACTUAL EXPENDITURES IN FISCAL YEARS 2015 THROUGH 2017.

6 (3) IN EACH REPORT REQUIRED UNDER PARAGRAPH (1) OF THIS  
7 SUBSECTION, THE DEPARTMENT SHALL PROVIDE THE FOLLOWING INFORMATION:

8 (I) THE INTERAGENCY AGREEMENTS THAT WILL CONTINUE;

9 (II) SERVICES THAT WILL BE COMPETITIVELY PROCURED;

10 (III) SERVICES THAT WILL BE PROVIDED BY THE AGENCY OR  
11 UNIT AS A RESULT OF THE REVIEW;

12 (IV) SERVICES THAT HAVE BEEN OR WILL BE CANCELED AS A  
13 RESULT OF THE REVIEW; AND

14 (V) ACTIONS TAKEN TO ADDRESS RECRUITMENT OR RETENTION  
15 ISSUES IDENTIFIED AS A RESULT OF THE REVIEW.

16 Part III. Supporting [Documents] MATERIALS.

17 7-115.

18 (A) On submission of the budget bill to the presiding officers of the General  
19 Assembly, the Governor shall [send a copy of the budget books to each member of the  
20 General Assembly] PROVIDE THE SUPPORTING MATERIAL SPECIFIED IN THIS  
21 SECTION.

22 (B) THE GOVERNOR SHALL PROVIDE BUDGET BOOKS THAT INCLUDE THE  
23 INFORMATION REQUIRED IN THIS SECTION.

24 (C) THE BUDGET BOOKS FOR A FISCAL YEAR SHALL:

25 (1) (I) STATE EACH SOURCE OF STATE REVENUES FOR THE YEAR,  
26 FROM WHICH THE PROPOSED APPROPRIATIONS ARE TO BE PAID; AND

27 (II) STATE THE AMOUNT THAT THE GOVERNOR ESTIMATES WILL  
28 BE COLLECTED FROM EACH SOURCE;

29 (2) CONTAIN A SUMMARY OF THE ANNUITY BOND ACCOUNTS OF THE  
30 STATE AS OF THE END OF THE LAST FULL FISCAL YEAR; AND



1           **(3) (I) INCLUDE A COPY OF THE STATEWIDE COST ALLOCATION**  
2 **PLAN FILED WITH THE FEDERAL GOVERNMENT FOR FEDERAL REIMBURSEMENT OF**  
3 **THE COSTS OF INDIRECT STATE SERVICES THAT BENEFIT FEDERALLY FUNDED**  
4 **PROGRAMS; AND**

5                   **(II) LIST, BY UNIT OF THE STATE GOVERNMENT, THE AMOUNT**  
6 **OF REIMBURSEMENT RECEIVED UNDER THE PLAN DURING THE LAST FULL FISCAL**  
7 **YEAR.**

8           **(D) THE BUDGET BOOKS SHALL CONTAIN PERSONNEL DETAIL IN A SECTION**  
9 **THAT, BY UNIT OF THE STATE GOVERNMENT, SETS FORTH, FOR EACH PROGRAM OR**  
10 **PURPOSE OF THAT UNIT:**

11                   **(1) THE TOTAL NUMBER OF OFFICERS AND EMPLOYEES AND THE**  
12 **NUMBER IN EACH JOB CLASSIFICATION:**

13                           **(I) AUTHORIZED IN THE STATE BUDGET FOR THE LAST FULL**  
14 **FISCAL YEAR AND THE CURRENT FISCAL YEAR; AND**

15                                   **(II) REQUESTED FOR THE NEXT FISCAL YEAR;**

16                   **(2) THE TOTAL AMOUNT FOR SALARIES OF OFFICERS AND**  
17 **EMPLOYEES AND THE AMOUNT FOR SALARIES OF EACH JOB CLASSIFICATION:**

18                                   **(I) SPENT DURING THE LAST FULL FISCAL YEAR;**

19                                   **(II) AUTHORIZED IN THE STATE BUDGET FOR THE CURRENT**  
20 **FISCAL YEAR; AND**

21                                   **(III) REQUESTED FOR THE NEXT FISCAL YEAR; AND**

22           **(3) AN ITEMIZED STATEMENT OF THE EXPENDITURES FOR**  
23 **CONTRACTUAL SERVICES, SUPPLIES AND MATERIALS, EQUIPMENT, LAND AND**  
24 **STRUCTURES, FIXED CHARGES, AND OTHER OPERATING EXPENSES:**

25                                   **(I) MADE IN THE LAST FULL FISCAL YEAR;**

26                                   **(II) AUTHORIZED IN THE STATE BUDGET FOR THE CURRENT**  
27 **FISCAL YEAR; AND**

28                                   **(III) REQUESTED FOR THE NEXT FISCAL YEAR.**

29           **(E) THE BUDGET BOOKS SHALL INCLUDE THE STATESTAT OR MANAGING**

1 FOR RESULTS AGENCY STRATEGIC PLAN REQUIRED UNDER THIS ARTICLE, BUT  
2 SHALL BE LIMITED TO A DESCRIPTION OF THE AGENCY'S MISSION, GOALS,  
3 OBJECTIVES, AND PERFORMANCE MEASURES.

4 (F) WHENEVER A PROPOSED BUDGET EXCEEDS THE RECOMMENDATIONS  
5 OF THE SPENDING AFFORDABILITY COMMITTEE, THE BUDGET BOOKS SHALL:

6 (1) INDICATE THE DEGREE TO WHICH THE PROPOSED BUDGET AND  
7 RECOMMENDATIONS DIFFER; AND

8 (2) SET FORTH THE GOVERNOR'S REASONS FOR EXCEEDING THE  
9 RECOMMENDATIONS.

10 [7-116.

11 Whenever a proposed budget exceeds the recommendations of the Spending  
12 Affordability Committee, the budget books shall:

13 (1) indicate the degree to which the proposed budget and recommendations  
14 differ; and

15 (2) set forth the Governor's reasons for exceeding the recommendations.]

16 7-116.

17 (A) IN THIS SECTION, "MACHINE-READABLE FORMAT" MEANS A  
18 COMMA-SEPARATED VALUES FILE FORMAT.

19 (B) ON SUBMISSION OF THE BUDGET BILL TO THE PRESIDING OFFICERS OF  
20 THE GENERAL ASSEMBLY, THE GOVERNOR SHALL PROVIDE THE FOLLOWING  
21 NUMBER OF COPIES OF THE BUDGET BOOKS REQUIRED UNDER § 7-115 OF THIS  
22 SUBTITLE:

23 (1) ONE COPY TO EACH MEMBER OF THE GENERAL ASSEMBLY; AND

24 (2) 80 COPIES TO THE DEPARTMENT OF LEGISLATIVE SERVICES.

25 (C) THE INFORMATION REQUIRED UNDER § 7-115 OF THIS SUBTITLE SHALL  
26 BE PROVIDED IN A MACHINE-READABLE FORMAT ON THE WEB SITE OF THE  
27 DEPARTMENT OF BUDGET AND MANAGEMENT SIMULTANEOUSLY WITH THE  
28 PUBLICATION OF THE PROPOSED ANNUAL STATE BUDGET.

29 (D) THE DEPARTMENT OF BUDGET AND MANAGEMENT SHALL ARCHIVE  
30 THE INFORMATION PROVIDED IN A MACHINE-READABLE FORMAT ON THE WEB SITE  
31 OF THE DEPARTMENT OF BUDGET AND MANAGEMENT BEGINNING WITH THE FISCAL

1 YEAR 2017 BUDGET.

2 [7-117.

3 The budget books for a fiscal year shall state:

4 (1) each source of State revenues for the year, from which the proposed  
5 appropriations are to be paid; and

6 (2) the amount that the Governor estimates will be collected from each  
7 source.]

8 [7-118.] 7-117.

9 (a) Subject to § 2-1246 of the State Government Article, the Secretary shall  
10 provide to the General Assembly on a biennial basis by no later than February 1 of the  
11 fiscal year preceding the fiscal year the report covers, a report that contains a statement of  
12 the estimated amount by which exemptions from taxation reduce, for the year:

13 (1) State revenues; and

14 (2) revenues that the State collects for local governments.

15 (b) For each exemption, the statement shall:

16 (1) show the estimated amount by which the exemption reduces revenues;

17 (2) identify the person or the part of the population that benefits from the  
18 exemption; and

19 (3) say whether the exemption conflicts with any other State program.

20 (c) The statement shall include:

21 (1) each subtraction modification under § 10-207, § 10-208, or § 10-209 of  
22 the Tax – General Article; and

23 (2) each exemption under:

24 (i) Title 8, Subtitle 7 of the Natural Resources Article;

25 (ii) § 5-104, § 6-103, § 7-203, § 7-303, § 9-203, § 9-303, § 9-304, §  
26 10-104, § 10-211, § 10-212, § 12-104, or Title 11, Subtitle 2 of the Tax – General Article;

27 (iii) Title 7 of the Tax – Property Article; and

28 (iv) § 13-810 or § 13-903 of the Transportation Article.

1       (d) The Comptroller, the Department of Assessments and Taxation, the  
2 Department of Labor, Licensing, and Regulation, the Department of Natural Resources,  
3 the Department of Transportation, and other units of the State government shall help the  
4 Secretary of Budget and Management to prepare a draft of the statement under this  
5 section.

6 ~~[7-119.~~

7       The budget books for a fiscal year shall contain a summary of the annuity bond  
8 accounts of the State as of the end of the last full fiscal year.]

9 ~~[7-120.~~

10       The budget books for a fiscal year shall:

11           (1) include a copy of the statewide cost allocation plan filed with the federal  
12 government for federal reimbursement of the costs of indirect State services that benefit  
13 federally funded programs; and

14           (2) list, by unit of the State government, the amount of reimbursement  
15 received under the plan during the last full fiscal year.]

16 ~~[7-121.] 7-118.~~

17       (a) [The budget books shall contain a section that, by unit of the State  
18 government, sets forth, for each program or purpose of that unit:

19           (1) the total number of officers and employees and the number in each job  
20 classification:

21                   (i) authorized in the State budget for the last full fiscal year and the  
22 current fiscal year; and

23                   (ii) requested for the next fiscal year;

24           (2) the total amount for salaries of officers and employees and the amount  
25 for salaries of each job classification:

26                   (i) spent during the last full fiscal year;

27                   (ii) authorized in the State budget for the current fiscal year; and

28                   (iii) requested for the next fiscal year;

29           (3) an itemized statement of the expenditures for contractual services,

1 supplies and materials, equipment, land and structures, fixed charges, and other operating  
 2 expenses:

3 (i) made in the last full fiscal year;

4 (ii) authorized in the State budget for the current fiscal year; and

5 (iii) requested for the next fiscal year; and

6 (4) the StateStat or managing for results agency strategic plan required  
 7 under this article that shall be limited to a description of the agency's mission, goals,  
 8 objectives, and performance measures.

9 (b) In its annual submission of the proposed budget, the Department of Budget  
 10 and Management shall provide, for informational purposes, a budget presentation that  
 11 includes a description of the proposed expenditures under the Maryland Emergency  
 12 Medical System Operations Fund for the:

13 (1) Maryland Institute for Emergency Medical Services Systems;

14 (2) R Adams Cowley Shock Trauma Center;

15 (3) Maryland Fire and Rescue Institute;

16 (4) Aviation Division of the Special Operations Bureau, Department of  
 17 State Police; and

18 (5) grants under the Senator William H. Amoss Fire, Rescue, and  
 19 Ambulance Fund.

20 [(c)] (B) (1) (i) In this subsection the following words have the meanings  
 21 indicated.

22 (ii) “Cancer Program” means the Cancer Prevention, Education,  
 23 Screening, and Treatment Program established under Title 13, Subtitle 11 of the Health –  
 24 General Article.

25 (iii) “Tobacco Program” means the Tobacco Use Prevention and  
 26 Cessation Program established under Title 13, Subtitle 10 of the Health – General Article.

27 (2) The budget books shall contain a budget presentation that provides an  
 28 overview of the proposed expenditures for:

29 (i) the Tobacco Program, including the proposed expenditures for:

30 1. each Component of the Tobacco Program;



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

4 (i) for each of fiscal years 2017[, 2018,] and 2019, to the  
5 accumulation funds of the State Retirement and Pension System an amount, up to a  
6 maximum of \$50,000,000, that is equal to one-half of the amount by which the  
7 unappropriated General Fund surplus as of June 30 of the second preceding fiscal year  
8 exceeds \$10,000,000;

9 (ii) for fiscal year 2020:

10 1. to the accumulation funds of the State Retirement and  
11 Pension System an amount, up to a maximum of \$50,000,000, that is equal to one-half of  
12 the amount by which the unappropriated General Fund surplus as of June 30 of the second  
13 preceding fiscal year exceeds \$10,000,000; and

14 2. to the Account equal to the amount by which the  
15 unappropriated General Fund surplus as of June 30 of the second preceding fiscal year  
16 exceeds \$10,000,000, less the amount of the appropriation under item 1 of this paragraph;  
17 and

18 (iii) for fiscal year 2021 and each fiscal year thereafter, to the Account  
19 equal to the amount by which the unappropriated General Fund surplus as of June 30 of  
20 the second preceding fiscal year exceeds \$10,000,000.

21 (2) The appropriation required under this subsection for any fiscal year  
22 may be reduced by the amount of any appropriation to the Account required to be included  
23 for that fiscal year under subsection (e) of this section.

## 24 Article – State Government

25 9–117.

26 (a) (1) A licensed agent shall receive regular commissions of [5.5%] 5.0% of  
27 the licensed agent’s gross receipts from ticket sales.

28 9–120.

29 (b) (1) By the end of the month following collection, the Comptroller shall  
30 deposit or cause to be deposited:

31 (i) into the Maryland Stadium Facilities Fund established under §  
32 7–312 of the State Finance and Procurement Article from the money that remains in the  
33 State Lottery Fund, after the distribution under subsection (a) of this section, an amount  
34 not to exceed \$20,000,000 in any fiscal year;

(ii) after June 30, 2014, into the Maryland Veterans Trust Fund 10% of the money that remains in the State Lottery Fund from the proceeds of sales of tickets from instant ticket lottery machines by veterans' organizations under § 9–112(d) of this subtitle, after the distribution under subsection (a) of this section;

(iii) after June 30, 2014, into the Baltimore City Public School Construction Financing Fund established under § 10–656 of the Economic Development Article the money that remains in the State Lottery Fund from the proceeds of all lotteries after the distributions under subsection (a) of this section and items (i) and (ii) of this paragraph, an amount equal to \$20,000,000 in each fiscal year that bonds are outstanding and unpaid, to be paid in two installments with at least \$10,000,000 paid no later than December 1 of each fiscal year; AND

(iv) [after June 30, 2016, into the Racing Special Fund established under § 11–401 of the Business Regulation Article from money that remains in the State Lottery Fund after the distributions under subsection (a) of this section and items (i), (ii), and (iii) of this paragraph, an amount equal to \$1,000,000 in each fiscal year; and

(v)] into the General Fund of the State the money that remains in the State Lottery Fund from the proceeds of all lotteries after the distributions under subsection (a) of this section and items (i), (ii), AND (iii)[, and (iv)] of this paragraph.

(2) The money paid into the General Fund under this subsection is available in the fiscal year in which the money accumulates in the State Lottery Fund.

9–1A–28.

~~(e) Subject to subsections (d) and (e) of this section, the State Racing Commission shall allocate funds in the Account as follows:~~

~~(1) TO PAY ALL SALARIES AND ADMINISTRATIVE EXPENSES OF THE DIVISION OF RACING;~~

~~(2) \$500,000 TO A PURSE FOR THE MARYLAND INTERNATIONAL THOROUGHBRED RACE UNDER § 11-522.1 OF THE BUSINESS REGULATION ARTICLE;~~

~~(3) (i) FOR FISCAL YEAR 2017, \$500,000 TO ESTABLISH A BONUS AWARD PROGRAM FOR MARYLAND-BRED OR MARYLAND-SIRED HORSES RUNNING IN THE PREAKNESS STAKES; AND~~

~~(ii) 1. THE STATE RACING COMMISSION SHALL CONSULT WITH REPRESENTATIVES OF THE THOROUGHBRED RACING INDUSTRY BEFORE ESTABLISHING RULES AND CRITERIA FOR THE BONUS AWARD PROGRAM; AND~~

~~2. IF, UNDER THE RULES OF THE BONUS AWARD~~



~~PROGRAM, FUNDS REMAIN IN THE PROGRAM AFTER THE PREAKNESS STAKES IS CONDUCTED ON ONE OR MORE OCCASIONS, REMAINING FUNDS SHALL CARRY OVER TO THE NEXT FISCAL YEAR AND MAY NOT REVERT TO THE GENERAL FUND; AND~~

~~(4) OF THE REMAINING FUNDS:~~

~~[(1)] (I) 80% to the thoroughbred industry; and~~

~~[(2)] (II) 20% to the standardbred industry.~~

(f) From the amount provided to thoroughbred purses, the State Racing Commission:

(1) shall pay an annual grant of \$100,000 to Fair Hill, as defined under § 11-811 of the Business Regulation Article; AND

(2) MAY ALLOCATE UP TO \$500,000 EACH FISCAL YEAR TO A PURSE FOR THE MARYLAND INTERNATIONAL THOROUGHBRED RACE UNDER § 11-522.1 OF THE BUSINESS REGULATION ARTICLE.

#### Article - Tax - General

2-202.

(a) After making the distribution required under § 2-201 of this subtitle, within 20 days after the end of each quarter, the Comptroller shall distribute:

(1) except as provided in [subsection] SUBSECTIONS (b) AND (C) of this section, from the revenue from the State admissions and amusement tax on electronic bingo and electronic tip jars under § 4-102(e) of this article:

(i) 1. for fiscal years 2016 through 2021, the revenue attributable to a tax rate of 20% to the Maryland E-Innovation Initiative Fund under § 6-604 of the Economic Development Article;

2. in fiscal year 2022 and in each fiscal year thereafter, the revenue attributable to a tax rate of 20% to the General Fund of the State; and

(ii) the revenue attributable to a tax rate of 5% as follows:

1. to the Special Fund for Preservation of Cultural Arts in Maryland, as provided in § 4-801 of the Economic Development Article, up to an aggregate amount of \$1,000,000 in each fiscal year; and

2. the remainder to the Maryland State Arts Council, as provided in § 4-512 of the Economic Development Article; and

1           (2)    the remaining admissions and amusement tax revenue:

2                    (i)    to the Maryland Stadium Authority, county, or municipal  
3 corporation that is the source of the revenue; or

4                    (ii)   if the Maryland Stadium Authority and also a county or  
5 municipal corporation tax a reduced charge or free admission:

6                            1.    80% of that revenue to the Authority; and

7                            2.    20% to the county or municipal corporation.

8           (b)    From the revenue from the State admissions and amusement tax on electronic  
9 bingo and electronic tip jars in Calvert County under § 4-102(e) of this article, the  
10 Comptroller shall distribute:

11           (1)    for fiscal years 2014 through 2019, from:

12                    (i)    the revenue attributable to a tax rate of 1.5%:

13                            1.    \$50,000 to the Boys and Girls Club of the Town of North  
14 Beach; and

15                            2.    the remainder to the Town of North Beach;

16                    (ii)   the revenue attributable to a tax rate of 2.5% to the Town of  
17 Chesapeake Beach; and

18                    (iii)   the revenue attributable to a tax rate of 4% to the Calvert County  
19 Youth Recreational Opportunities Fund under Title 5, Subtitle 19 of the Natural Resources  
20 Article; and

21           (2)    for fiscal year 2020 and each fiscal year thereafter, from:

22                    (i)    the revenue attributable to a tax rate of 1.5%:

23                            1.    \$50,000 to the Boys and Girls Club of the Town of North  
24 Beach; and

25                            2.    the remainder to the Town of North Beach;

26                    (ii)   the revenue attributable to a tax rate of 2.5% to the Town of  
27 Chesapeake Beach; and

28                    (iii)   the revenue attributable to a tax rate of 4% to the Calvert County  
29 Board of Education for school renovation and renewal projects that may not be used to

1 supplant county funds for public school construction.

2 (C) FROM THE REVENUE ATTRIBUTABLE TO A TAX RATE OF 5% TO BE  
 3 DISTRIBUTED TO THE SPECIAL FUND FOR PRESERVATION OF CULTURAL ARTS IN  
 4 MARYLAND OR THE MARYLAND STATE ARTS COUNCIL UNDER SUBSECTION  
 5 (A)(1)(II) OF THIS SECTION, THE COMPTROLLER SHALL DISTRIBUTE, FOR FISCAL  
 6 YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, \$250,000 TO THE ARTS COUNCIL  
 7 OF ANNE ARUNDEL COUNTY.

8 Article – Tax – Property

9 ~~2-106.~~

10 ~~(b) (1) Except as provided in paragraph (2) of this subsection, each county and~~  
 11 ~~Baltimore City shall be responsible for reimbursing the State for the costs of administering~~  
 12 ~~the Department as follows:~~

13 ~~(i) [50%] 90% of the costs of real property valuation;~~

14 ~~(ii) [50%] 90% of the costs of business personal property valuation;~~  
 15 ~~[and]~~

16 ~~(iii) [50%] 90% of the costs of the Office of Information Technology~~  
 17 ~~within the Department, including any funding for departmental projects in the Major~~  
 18 ~~Information Technology Development Project Fund established under § 3A-309 of the State~~  
 19 ~~Finance and Procurement Article; AND~~

20 ~~(IV) 90% OF THE COSTS OF THE OFFICE OF THE DIRECTOR.~~

21 ~~(2) [For each of fiscal years 2012 and 2013, each county and Baltimore City~~  
 22 ~~shall be responsible for reimbursing the State 90% instead of 50% of the costs of~~  
 23 ~~administering the Department described in paragraph (1) of this subsection.] FOR FISCAL~~  
 24 ~~YEAR 2018, EACH COUNTY AND BALTIMORE CITY SHALL BE RESPONSIBLE FOR~~  
 25 ~~REIMBURSING THE STATE FOR 70% OF THE COSTS OF ADMINISTERING THE~~  
 26 ~~DEPARTMENT AS DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.~~

27 13-209.

28 (g) (1) (i) [The] FOR EACH OF FISCAL YEARS 2018 AND 2019, THE  
 29 Governor shall include in the budget bill [for fiscal year 2018] a General Fund  
 30 appropriation in the amount of [\$5,000,000] \$2,500,000 to the Maryland Agricultural and  
 31 Resource-Based Industry Development Corporation to provide grants for the use of the  
 32 Next Generation Farmland Acquisition Program authorized under § 10-523(a)(3)(ii) of the  
 33 Economic Development Article.

Article – Transportation

13–955.

(a) In this section, “Fund” means the Maryland Emergency Medical System Operations Fund.

(b) (1) There is a Maryland Emergency Medical System Operations Fund.

**(2) THE COMPTROLLER SHALL ADMINISTER THE FUND, INCLUDING ACCOUNTING FOR ALL TRANSACTIONS AND PERFORMING YEAR-END RECONCILIATION.**

~~[(2)] (3) The Fund is a continuing, nonlapsing fund which is not subject to § 7–302 of the State Finance and Procurement Article.~~

~~[(3)] (4) Interest and earnings on the Fund shall be separately accounted for and credited to the Fund, and are not subject to § 6–226(a) of the State Finance and Procurement Article.~~

(c) The Fund consists of:

(1) Registration surcharges collected under § 13–954 of this subtitle;

(2) All funds, including charges for accident scene transports and interhospital transfers of patients, generated by an entity specified in subsection (e) of this section that is a unit of State government; and

(3) Revenues distributed to the Fund from the surcharges collected under § 7–301(f) of the Courts Article.

(d) Expenditures from the Fund shall be made pursuant to an appropriation approved by the General Assembly in the annual State budget or by the budget amendment procedure provided under § 7–209 of the State Finance and Procurement Article, provided that any budget amendment shall be submitted to and approved by the Legislative Policy Committee prior to the expenditure or obligation of funds.

(e) The money in the Fund shall be used solely for:

(1) Medically oriented functions of the Department of State Police, Special Operations Bureau, Aviation Division;

(2) The Maryland Institute for Emergency Medical Services Systems;

(3) The R Adams Cowley Shock Trauma Center at the University of Maryland Medical System;

1           (4) The Maryland Fire and Rescue Institute;

2           (5) The provision of grants under the Senator William H. Amoss Fire,  
3 Rescue, and Ambulance Fund in accordance with the provisions of Title 8, Subtitle 1 of the  
4 Public Safety Article; and

5           (6) The Volunteer Company Assistance Fund in accordance with the  
6 provisions of Title 8, Subtitle 2 of the Public Safety Article.

7           **Chapter 397 of the Acts of 2011, as amended by Chapter 425 of the Acts of 2013,**  
8           **Chapter 464 of the Acts of 2014, and Chapter 489 of the Acts of 2015**

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

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

14           (2) [Beginning with the State budget submission for] **FOR** fiscal year 2017,  
15 the Governor shall reduce the budgeted Medicaid Deficit Assessment [annually] by  
16 \$25,000,000 over the assessment level for the prior year.

17           **(3) FOR FISCAL YEAR 2018, THE BUDGETED MEDICAID DEFICIT**  
18 **ASSESSMENT SHALL BE ~~\$364,825,000~~ \$359,825,000.**

19           **(4) BEGINNING WITH THE STATE BUDGET SUBMISSION FOR FISCAL**  
20 **YEAR 2019, THE GOVERNOR SHALL REDUCE THE BUDGETED MEDICAID DEFICIT**  
21 **ASSESSMENT ANNUALLY BY \$25,000,000 OVER THE ASSESSMENT LEVEL FOR THE**  
22 **PRIOR FISCAL YEAR.**

23           [(3)] **(5)** To the extent that the Commission takes other actions that  
24 reduce Medicaid costs, those savings shall also be used to reduce the budgeted Medicaid  
25 Deficit Assessment.

26           [(4)] **(6)** To the maximum extent possible, the Commission and the  
27 Department of Health and Mental Hygiene shall adopt policies that preserve the State's  
28 Medicare waiver.

29           ~~**Chapter 25 of the Acts of 2016**~~

30           ~~SECTION 4. AND BE IT FURTHER ENACTED, That, for each of fiscal years [2018]~~  
31 ~~2019 through 2021, the Governor [shall] MAY appropriate in the annual budget [at least]~~  
32 ~~an additional \$4,000,000 to the University System of Maryland Office for the purpose of~~  
33 ~~increasing the estimated funding guideline attainment levels of the primarily residential~~  
34 ~~institutions in the System with the lowest estimated funding guideline attainment levels~~

~~1 in fiscal year 2016. The University System of Maryland shall allocate the funds each year  
2 in a manner that brings the primarily residential institutions with the lowest estimated  
3 funding guideline attainment levels in fiscal year 2016 as close as possible to a 64%  
4 estimated funding guideline attainment level by fiscal year 2021. The general funds  
5 distributed under this section each year are in addition to the annual appropriation for  
6 each institution, and shall be included in each institution's base budget for all fiscal years  
7 after the distribution.~~

8 SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
9 provision of law, on or before June 30, ~~2018~~ 2017, the Governor may transfer to the General  
10 Fund \$2,500,000 of the funds in the Maryland Correctional Enterprises Revolving Fund  
11 established under § 3-507 of the Correctional Services Article.

12 SECTION 3. AND BE IT FURTHER ENACTED, That for fiscal year 2018, payments  
13 to providers with rates set by the Interagency Rates Committee under § 8-417 of the  
14 Education Article may not increase by more than 2% over the rates in effect on June 30,  
15 2017.

16 SECTION 4. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
17 provision of law, on or before June 30, 2017, the Governor may transfer to the General Fund  
18 up to \$170,000,000 from the Revenue Stabilization Account established under § 7-311 of  
19 the State Finance and Procurement Article.

20 SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
21 provision of law, the fiscal year 2018 appropriation for the Revenue Stabilization Account  
22 established under § 7-311 of the State Finance and Procurement Article is reduced by  
23 \$40,000,000.

~~24 SECTION 6. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
25 provision of law, for fiscal year 2018 the Department of Housing and Community  
26 Development may use up to \$1,000,000 of the funds in the Housing Counseling and  
27 Foreclosure Mediation Fund established under § 4-507 of the Housing and Community  
28 Development Article for administrative expenses.~~

29 SECTION ~~7.~~ 6. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
30 provision of law, for fiscal year 2017 and 2018 combined, the Department of the  
31 Environment may use up to \$60,000,000 of revenue bond proceeds and the funds in the Bay  
32 Restoration Fund established under § 9-1605.2 of the Environment Article for biological  
33 nutrient removal upgrades of wastewater treatment plants.

34 SECTION 7. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
35 provision of law, on or before June 30, 2017, the Governor may transfer to the State Agency  
36 Loan Program Fund \$3,000,000 of the funds in the Jane E. Lawton Conservation Fund  
37 established under § 9-20A-07 of the State Government Article.

38 SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
39 provision of law, on or before June 30, 2017, the Governor may transfer to the General Fund

1 \$30,000,000 of the funds in the accounts of the University System of Maryland.

2 SECTION 9. AND BE IT FURTHER ENACTED, That the unexpended  
3 appropriation for utilization review audit contracts, within the Department of Health and  
4 Mental Hygiene Developmental Disabilities Administration, that was included in the fiscal  
5 year 2017 operating budget (Chapter 143 of the Acts of 2016) is reduced by \$1,040,000 in  
6 federal funds and \$1,460,000 in general funds, which shall revert to the General Fund.

7 SECTION 10. AND BE IT FURTHER ENACTED, That the special fund  
8 appropriation within the Department of Housing and Community Development related to  
9 administrative fees that was included in the fiscal year 2017 operating budget (Chapter  
10 143 of the Acts of 2016) is reduced by \$187,500 and shall be transferred to the Department  
11 of Commerce to be distributed to the Small, Minority, and Women–Owned Businesses  
12 Account established under § 9–1A–35 of the State Government Article.

13 SECTION 11. AND BE IT FURTHER ENACTED, That the unexpended  
14 appropriation for the Assistance Payments Program (N00G00.08), within the Department  
15 of Human Resources, that was included in the fiscal year 2017 operating budget (Chapter  
16 143 of the Acts of 2016) shall be used by the Department of Human Resources to reduce the  
17 deficit in the federal Temporary Assistance for Needy Families grant in fiscal year 2017.

18 SECTION 12. AND BE IT FURTHER ENACTED, That:

19 (a) The unexpended appropriation for the Department of General Services that  
20 was included in the fiscal year 2017 operating budget (Chapter 143 of the Acts of 2016)  
21 shall be reduced by \$968,000 in general funds.

22 (b) The Department of General Services is authorized to process a fiscal year 2017  
23 special fund budget amendment for \$968,000 from eMaryland Marketplace fees that were  
24 recorded as a deferred revenue at the close of fiscal year 2016.

25 SECTION 13. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
26 provision of law, on or before June 30, 2018, the Governor may transfer to the Education  
27 Trust Fund \$2,561,757 of the fund balance in the Small, Minority, and Women–Owned  
28 Businesses Account established under § 9–1A–35 of the State Government Article.

29 SECTION 14. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
30 provision of law, on or before June 30, 2018, the Governor may transfer \$150,000 as a grant  
31 to the Maryland Humanities Council from the revenue distributed to the Special Fund for  
32 Preservation of Cultural Arts in Maryland or the Maryland State Arts Council under §  
33 2–202(a)(1)(ii) of the Tax – General Article.

34 SECTION 15. AND BE IT FURTHER ENACTED, That, notwithstanding any other  
35 provision of law, on or before June 30, 2019, the Governor may transfer \$150,000 as a grant  
36 to the Maryland Humanities Council from the revenue distributed to the Special Fund for  
37 Preservation of Cultural Arts in Maryland or the Maryland State Arts Council under §  
38 2–202(a)(1)(ii) of the Tax – General Article.

1 SECTION ~~8~~ 16. AND BE IT FURTHER ENACTED, That ~~if~~:

2 (a) If the Office of the Attorney General does not transfer \$12,000,000 of the  
 3 recovery from the Volkswagen Clean Diesel settlement to the General Fund on or before  
 4 May 1, 2017, the Comptroller ~~may~~ shall transfer from the Consumer Protection Recoveries  
 5 to the General Fund:

6 ~~(a)~~ (1) \$12,000,000; or

7 ~~(b)~~ (2) the difference between the amount transferred on or before May 1,  
 8 2017, and \$12,000,000.

9 (b) If the Office of the Attorney General does not transfer \$11,000,000 of the  
 10 recovery from the Moody's Corporation settlement to the General Fund on or before May 1,  
 11 2017, the Comptroller shall transfer from the Consumer Protection Recoveries to the  
 12 General Fund:

13 (1) \$11,000,000; or

14 (2) the difference between the amount transferred on or before May 1,  
 15 2017, and \$11,000,000.

16 ~~SECTION 9. AND BE IT FURTHER ENACTED, That:~~

17 ~~(a) Except as provided in subsection (b) of this section, for fiscal year 2019 and~~  
 18 ~~each fiscal year thereafter, any appropriation that is mandated by law shall have its~~  
 19 ~~mandated level of spending increased by the lesser of:~~

20 ~~(1) the amount of the existing formula calculation; or~~

21 ~~(2) an amount equal to 1% less than the reported amount of General Fund~~  
 22 ~~revenue growth in the report submitted by the Board of Revenue Estimates to the Governor~~  
 23 ~~under § 6-106(b) of the State Finance and Procurement Article for December.~~

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

25 ~~(1) funding required for State aid to public elementary and secondary~~  
 26 ~~education as provided under Title 5, Subtitle 2 or § 4-121, § 4-122, § 6-306, § 8-310.3, §~~  
 27 ~~8-317, or § 8-415 of the Education Article;~~

28 ~~(2) any appropriation required to be made to the Revenue Stabilization~~  
 29 ~~Account under § 7-311 of the State Finance and Procurement Article; or~~

30 ~~(3) any appropriation required for the payment of principal or interest on~~  
 31 ~~State debt.~~



1        SECTION 17. AND BE IT FURTHER ENACTED, That:

2        (a) Except as provided in subsection (b) of this section, the eligibility and benefits  
3 rules in place on January 1, 2017, for the Medical Assistance Program and the  
4 Supplemental Nutrition Assistance Program may not be altered to:

5            (1) make it more difficult to qualify for benefits;

6            (2) expand beneficiary cost sharing to additional services; or

7            (3) impose new limitations on benefits, except for changes to provider  
8 networks and the preferred drug list.

9        (b) The eligibility and benefits rules in place on January 1, 2017, for the Medical  
10 Assistance Program and the Supplemental Nutrition Assistance Program may be altered  
11 if the changes are:

12            (1) required under federal law to qualify for the receipt of federal funds;

13            (2) included in legislation passed by the General Assembly;

14            (3) proposed in the annual State budget submitted to the General  
15 Assembly; or

16            (4) submitted in writing to the Legislative Policy Committee for a 60-day  
17 review and comment period.

18        SECTION 18. AND BE IT FURTHER ENACTED, That, notwithstanding §  
19 10-645(h)(1) of the Economic Development Article and any other provision of law, for fiscal  
20 year 2018 only:

21            (1) \$4,600,000 from the General State School Fund may not be withheld  
22 from the Baltimore City Board of School Commissioners by the State Comptroller and  
23 deposited in the Baltimore City Public School Construction Financing Fund established  
24 under § 10-656 of the Economic Development Article; and

25            (2) the Maryland Stadium Authority shall credit \$4,600,000 of the fund  
26 balance of the Baltimore City Public School Construction Facilities Fund established under  
27 § 10-657 of the Economic Development Article that represents money held in reserve for  
28 Baltimore City in accordance with Section 10-645(i) of the Economic Development Article  
29 to the Baltimore City Public School Construction Financing Fund to satisfy a portion of the  
30 payment required by § 10-645(h)(1) of the Economic Development Article.

31        SECTION 19. AND BE IT FURTHER ENACTED, That, on or before November 1,  
32 2017, November 1, 2018, and November 1, 2019, Baltimore City Public Schools shall submit  
33 a report to the Governor and, in accordance with § 2-1246 of the State Government Article,  
34 the Senate Budget and Taxation Committee and the House Appropriations Committee on

1 the status of the school system's structural budget deficit and the actions that have been  
2 taken to reduce the gap between ongoing revenues and expenditures, including:

3 (1) the size and components of the structural deficit in the current year and  
4 projected for the next year;

5 (2) the actions that have been taken to reduce the structural deficit  
6 accompanied by the ongoing impact of the action on revenues or expenditures;

7 (3) the joint procurement of goods or services, or shared services, with the  
8 City of Baltimore or other jurisdictions that have promoted efficiency and reduced costs;

9 (4) the alignment of employee personnel contributions and benefits with  
10 the City of Baltimore;

11 (5) savings from the strategic implementation of the Career Pathways and  
12 Achievement Units Compensation System;

13 (6) consolidation or right-sizing of underutilized school facilities, in  
14 addition to the requirements of Chapter 647 of the Acts of 2013;

15 (7) administrative and operational efficiencies at the central office and  
16 school levels; and

17 (8) initiatives and efforts to retain students and attract new students to  
18 the school system.

19 SECTION ~~19~~ 20. AND BE IT FURTHER ENACTED, That if any provision of this  
20 Act or the application thereof to any person or circumstance is held invalid for any reason  
21 in a court of competent jurisdiction, the invalidity does not affect other provisions or any  
22 other application of this Act that can be given effect without the invalid provision or  
23 application, and for this purpose the provisions of this Act are declared severable.

24 SECTION ~~11~~ 21. AND BE IT FURTHER ENACTED, That the publisher of the  
25 Annotated Code of Maryland, in consultation with and subject to the approval of the  
26 Department of Legislative Services, shall correct, with no further action required by the  
27 General Assembly, cross-references and terminology rendered incorrect by this Act or by  
28 any other Act of the General Assembly of 2017 that affects provisions enacted by this Act.  
29 The publisher shall adequately describe any such correction in an editor's note following  
30 the section affected.

31 SECTION 22. AND BE IT FURTHER ENACTED, That Section 17 of this Act shall  
32 take effect June 1, 2017. It shall remain effective for a period of 2 years and, at the end of  
33 May 31, 2019, with no further action required by the General Assembly, Section 17 of this  
34 Act shall be abrogated and of no further force and effect.

35 SECTION ~~12~~ 23. AND BE IT FURTHER ENACTED, That, except as provided in

1 Section 22 of this Act, this Act shall take effect June 1, 2017.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.