

Chapter 23

(House Bill 152)

AN ACT concerning

Budget Reconciliation and Financing Act of 2017

FOR the purpose of authorizing or altering the distribution of certain revenue; altering or repealing certain required appropriations; authorizing the use of certain funds for certain purposes; ~~altering the Special Fund from which the Maryland International thoroughbred race purse and a related bonus award program shall be funded; repealing a requirement that the Comptroller pay certain amounts from a certain Special Fund for certain purposes; repealing a requirement that the State Racing Commission establish a certain bonus award program; repealing a requirement that the purse for a certain horse race be funded by a certain Special Fund;~~ reducing the maximum amount of certain teacher stipends for a certain fiscal year; *altering the amount that may be awarded under the senatorial scholarship program beginning on a certain date; clarifying the calculation of the amount that may be awarded under the delegate scholarship program;* ~~providing a certain amount of aid to certain institutions of higher education in accordance with a certain action by the Board of Public Works;~~ providing a certain amount of funding for certain local health services ~~and certain income tax disparity grants in accordance with a certain action by the Board of Public Works;~~ ~~altering a certain rate increase for community service providers;~~ repealing a certain condition on the use of certain funds; altering a certain condition on the use of certain funds; funds for a certain fiscal year; prohibiting certain excess funds from being used for certain purposes after a certain fiscal year; altering a certain condition on the use of certain funds for a certain fiscal year; repealing the use of certain funds for certain projects or initiatives after a certain fiscal year; altering the amount the Department of Health and Mental Hygiene is authorized to charge the Maryland Health Care Commission for a certain fiscal year; *and altering the maximum amount of certain fees assessed by the Commission;* altering the amount the Department of Health and Mental Hygiene is authorized to charge the State Health Services Cost Review Commission for a certain fiscal year; *and altering the maximum amount of certain fees assessed by the Commission;* clarifying the sources from which certain funds may be appropriated; ~~requiring the State Racing Commission to pay certain expenses from a certain account; requiring the State Racing Commission to establish a certain bonus award program; altering a certain reimbursement by each county and Baltimore City to the State for certain costs incurred by the State Department of Assessments and Taxation;~~ requiring the Department of Budget and Management to review certain interagency agreements at certain intervals; requiring the Department of Budget and Management to make certain determinations in the review of certain interagency agreements; requiring the Department of Budget and Management to establish a certain cycle to review certain interagency agreements; requiring the Department of Budget and Management to report certain information and certain findings on or before a certain date each year to certain committees of the General Assembly and the Department

of Legislative Services; altering certain provisions of law relating to budget books; requiring the Governor to provide a certain number of copies of the budget books to members of the General Assembly and the Department of Legislative Services; requiring certain information in the budget books to be provided in a certain format on the Department of Budget and Management's Web site at a certain time; requiring the Department of Budget and Management to archive certain information in a certain format on a certain Web site; ~~altering the regular commissions of a State lottery sales agent; authorizing the State Racing Commission to provide, from the amount provided for certain purses, up to a certain amount each year to a purse for a certain horse race;~~ requiring the Department of Commerce to report certain information relating to the compliance of certain companies with a certain letter of intent on or before certain dates to certain committees of the General Assembly; prohibiting the Consolidated Transportation Program from including certain capital transportation grants beyond a certain period except as authorized by law; requiring a certain financial forecast for a certain period to maximize the use of certain funds; prohibiting a certain financial forecast for a certain period from withholding or reserving certain funds for a certain purpose except as authorized by law; requiring the Comptroller to administer the Maryland Emergency Medical System Operations Fund; establishing a certain budgeted Medicaid Deficit Assessment amount in ~~a certain fiscal year;~~ *certain fiscal years*; clarifying that certain funds distributed to the Maryland State Arts Council from certain revenue distributed from the State admissions and amusement tax on electronic bingo and electronic tip jars are in addition to a certain base amount for purposes of a certain calculation; authorizing the transfer of certain funds; limiting certain rate increases; ~~limiting increases in certain mandated spending under certain circumstances;~~ authorizing the Department of General Services to process a certain budget amendment in a certain amount for a certain fiscal year from certain fees that were recorded as a deferred revenue at the close of a certain fiscal year; prohibiting certain eligibility and benefits rules in place on a certain date for certain programs from being altered unless certain conditions are met; requiring the Department of Health and Mental Hygiene and the Department of Human Resources to establish a certain group of stakeholders to collaborate on changes to, or redesign of, certain programs under certain circumstances; stating the intent of the General Assembly that certain actions may not be taken after a certain fiscal year; prohibiting the Comptroller from withholding a certain amount for a certain fiscal year to be deposited into a certain fund and instead requiring the amount to be credited to a certain fund to satisfy a certain portion of a certain required payment; requiring the Baltimore City Public School System to report certain information to the Governor and certain committees of the General Assembly on or before certain dates; requiring the State Secretary of Transportation to engage certain entities and seek agreement on certain matters; requiring the Secretary to report to and consult with, at least a certain number of times a year, the chairs of certain committees; requiring the Board of Trustees for the Maryland Science Center to provide a certain report to the Governor and certain committees of the General Assembly on or before a certain date; altering the use of certain funds for a certain fiscal year; making the provisions of this Act severable; requiring the publisher of the Annotated Code of Maryland, in consultation with the

Department of Legislative Services, to correct cross-references and terminology in the Code that are rendered incorrect by this Act; defining ~~certain terms~~ a certain term; altering a certain definition; stating certain findings of the General Assembly; repealing a certain contingency provision; extending the termination date of a certain provision of law; providing for the termination of certain provisions of this Act; making stylistic changes; and generally relating to the financing of State and local government.

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

BY repealing and reenacting, with amendments,
Article – Economic Development
Section 4-512(a) and 4-801(f)
Annotated Code of Maryland
(2008 Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Economic Development
Section 4-801(a)
Annotated Code of Maryland
(2008 Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Education
Section 6-117.1(a)(1) and (3), ~~7-123(a)(1), 7-1702(a), and 18-303.1(a)(1) and (3) and~~
~~7-1702(a), 7-1702(a), 18-401, and 18-501(a)~~
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

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

BY repealing and reenacting, with amendments,

Article – Education

Section 6–306(b) *and (c), 18–404, and 18–503 and (e), 17–104(a)(1), 18–303.1(h), and 23–402(a)*

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article – Health – General

Section 2–302(a), 15–1004(a), *19–101, 19–201(b), 19–213(a) and (b), and 19–2201(a) and (e)(1)*

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Health – General

Section 2–302(b)(2) and (3), *7–307(d)(3), 15–1004(f), 19–111(c), 19–208(b), 19–213(c), and 19–2201(e)(2)*

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY adding to

Article – Health – General

Section 2–302(b)(4) and (5)

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

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

~~Article – Health – General~~

~~Section 19–2401(a)(1)~~

~~Annotated Code of Maryland~~

~~(2015 Replacement Volume and 2016 Supplement)~~

~~(As enacted by Chapter 13 of the Acts of the General Assembly of 2016)~~

BY repealing and reenacting, with amendments,

Article – Health – General

Section 19–2401

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

(As enacted by Chapter 13 of the Acts of the General Assembly of 2016)

BY repealing and reenacting, with amendments,

Article – Housing and Community Development

Section 4–216, 4–508(j), ~~and 4–509(j)~~ 4–509(j), and 6–510(j)

Annotated Code of Maryland

(2006 Volume and 2016 Supplement)

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

~~BY repealing~~
~~Article – Housing and Community Development~~
~~Section 6–510(j)~~
~~Annotated Code of Maryland~~
~~(2006 Volume and 2016 Supplement)~~

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

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

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

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

BY repealing and reenacting, with amendments,
Article – Local Government
Section 16–501(e)
Annotated Code of Maryland
(2013 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Natural Resources
Section 5–212(g)(3)
Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Public Safety
Section 4–506(a)
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 2–202; 7–115, 7–118, 7–121, and 7–122 to be under the amended part “Part
III. Supporting Materials”; and ~~7–311(j)~~ 7–311(j) and 7–314(c)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY adding to
Article – State Finance and Procurement
Section 3–207 and ~~7–116~~, 7–116, and 7–314(r)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing
Article – State Finance and Procurement
Section 7–116, 7–117, 7–119, and 7–120
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – State Finance and Procurement
Section 7–314(a)(2)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section ~~9–120(b) and 9–1A–28(e) 9–117(a)(1), 9–120(b), and 9–1A–28(f)~~ 9–120(b) and
9–1A–27(a) and (c)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 2–202
Annotated Code of Maryland
(2016 Replacement Volume)

BY repealing and reenacting, with amendments,
 Article – Tax – Property
 Section ~~2–106(b)~~ and 13–209(g)(1)(i)
 Annotated Code of Maryland
 (2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Transportation
Section 2–103.1(c)(1)(i)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY adding to
Article – Transportation
Section 2–103.1(c)(9)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Transportation
Section 2–103.1(m)(2) and 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~~

BY repealing
Chapter 13 of the Acts of the General Assembly of 2016
Section 3

BY repealing and reenacting, with amendments,
Chapter 13 of the Acts of the General Assembly of 2016
Section 5

BY repealing and reenacting, with amendments,
Chapter 145 of the Acts of the General Assembly of 2016
Section 2

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 county agricultural fairs and exhibits;~~
 - ~~(2) \$100,000 to Prince George's County to replace money formerly received from the admissions and amusement tax;~~
 - ~~(3) \$40,000 to the Great Frederick Fair to support exhibition harness racing with money for construction and maintenance of new stalls, track maintenance, and purses;~~
 - ~~(4) \$50 to the City of Bowie for each day that the training facilities are open at the Bowie Race Course Training Center;~~
 - ~~(5) \$75,000 to the Maryland Agricultural Education Foundation, Inc., to promote and enhance statewide agricultural education;~~
 - ~~(6) an amount not to exceed \$30,000 in fiscal year 1998 and \$20,000 in each fiscal year thereafter to the Great Pocomoke Fair, Inc. to support exhibition harness racing~~

~~with money for construction and maintenance of new stalls, track maintenance, and purses;~~

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

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

~~(9) beginning July 1, 2017, from the money distributed under § 9-120(b) of the State Government Article;~~

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

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

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

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

~~(2) The Maryland Racing Commission shall consult with representatives of the thoroughbred racing industry prior to establishing the rules and criteria for the bonus 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 – Economic Development

4-512.

(a) The Council is entitled to:

(1) revenue distributed under [§ 2-202(a)(1)(ii)2] § 2-202(A)(1)(II) of the Tax – General Article; and

(2) funding in accordance with the State budget.

4-801.

(a) In this section, “Fund” means the Special Fund for Preservation of Cultural Arts in Maryland.

(f) The Fund consists of:

(1) revenue distributed to the Fund under [§ 2-202(a)(1)(ii)1] § 2-202(A)(1)(II) of the Tax – General Article; and

(2) any other money from any other source accepted for the benefit of the Fund.

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.

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

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

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

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

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

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

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

A. In improvement, corrective action, or restructuring;

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

or

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

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

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

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

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

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

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

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

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

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

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

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

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

(c) (1) This subsection applies only in Anne Arundel County.

(2) In this subsection, "county grant for teaching in an economically

disadvantaged school” means an annual grant distributed to a teacher who teaches in an economically disadvantaged school established:

(i) Outside of the collective bargaining process; or

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

(3) For fiscal years 2017 through 2019, the Governor shall include in the State operating budget funding for the stipends provided in this subsection.

(4) (I) [A] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, A classroom teacher shall receive a stipend from the State in an amount equal to the county grant for teaching in an economically disadvantaged school, up to a maximum of \$1,500 if the teacher:

[(i)] 1. Teaches in a public middle or high school in which at least 30% of the students as a percentage of full-time equivalent students as defined in § 5-202 of this article qualify for free and reduced price meals under the National School Lunch Program;

[(ii)] 2. Holds a standard or advanced professional certificate; and

[(iii)] 3. Is employed by the county board.

(II) FOR FISCAL YEAR 2018, THE MAXIMUM STIPEND A TEACHER MAY RECEIVE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH IS \$750.

~~7-123.~~

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

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

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

~~7-1702.~~

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

[7-1704.

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

7-1704.

(A) FOR FISCAL YEAR 2018, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF ~~\$5,000,000~~ \$2,500,000 TO THE PROGRAM.

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

~~17-104.~~

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

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

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

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

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

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

~~(vi) In fiscal year 2015, an amount that is the greater of 9.4% of the State's General Fund per full-time equivalent student appropriation to the 4-year public~~

~~institutions of higher education in this State for the same fiscal year or \$875.53 per full-time equivalent student;~~

~~(vii) In fiscal year 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.]~~

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

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

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

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

18-401.

There is a program of senatorial scholarships in this State that are awarded under this subtitle.

18-404.

(a) (1) [Each] UNTIL JUNE 30, 2019, EACH Senator may award \$34,500 of senatorial scholarships each year.

(2) BEGINNING JULY 1, 2019, EACH SENATOR MAY AWARD SENATORIAL SCHOLARSHIPS EACH FISCAL YEAR IN AN AMOUNT THAT MAY NOT EXCEED THE TOTAL OF:

(I) THE AMOUNT AUTHORIZED TO BE AWARDED THE PREVIOUS YEAR; AND

(II) THE AMOUNT OF THE INCREASE OVER THE PREVIOUS YEAR IN THE TUITION AND MANDATORY FEES OF AN UNDERGRADUATE PROGRAM AT THE 4-YEAR PUBLIC INSTITUTION OF HIGHER EDUCATION WITHIN THE UNIVERSITY SYSTEM OF MARYLAND, OTHER THAN THE UNIVERSITY OF MARYLAND UNIVERSITY COLLEGE AND UNIVERSITY OF MARYLAND, BALTIMORE CAMPUS, WITH THE HIGHEST ANNUAL EXPENSES FOR A FULL-TIME RESIDENT UNDERGRADUATE.

(b) (1) The annual allocation under subsection (a) of this section applies to initial-year awards [and awards made under § 18-406.1 of this subtitle]. After 4 years of operation, the annual allocation to each Senator for initial-year and continuing awards may not exceed four times the amount of the Senator's allocation under subsection (a) of this section.

(2) If a recipient moves to the legislative district of another Senator, the allocation to the recipient shall continue to be drawn on the account of the Senator who

originally awarded the scholarship.

(c) (1) A senatorial scholarship may be awarded in \$100 increments.

(2) An award for a single year may not be less than \$400 or more than the equivalent annual tuition and mandatory fees of an undergraduate program at the 4-year public institution of higher education within the University System of Maryland, other than the University of Maryland University College and University of Maryland, Baltimore Campus, with the highest annual expenses for a full-time resident undergraduate.

18-501.

(a) There is a program of Delegate Scholarships in this State that are awarded under this subtitle.

18-503.

(a) During each term in office, each Delegate may award the equivalent of four 4-year full-time scholarships, which may be awarded for either 1-, 2-, 3-, or 4-year periods.

(b) (1) Each scholarship pays the tuition and mandatory fees at any eligible institution.

(2) The annual amount of a scholarship at a **PUBLIC OR** private institution or any graduate or professional program may not exceed the equivalent annual tuition and mandatory fees of an undergraduate program at the 4-year public institution of higher education within the University System of Maryland, other than the University of Maryland University College and University of Maryland, Baltimore Campus, with the highest annual expenses for a full-time resident undergraduate.

~~23-402.~~

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

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

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

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

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

~~[(ii)] (III) 1. To receive any State funds under [subparagraph (i)] SUBPARAGRAPHS (I) AND (II) of this paragraph, Baltimore City shall provide a 25% match for each dollar of State funds granted to support the additional operating expenses related to the increased hours of operation of the branches of the Enoch Pratt Free Library that, in that fiscal year, will be subject to increased operating hours as provided in paragraph (3) of this subsection.~~

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

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

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

Article – Health – General

2–302.

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

(b) The funding shall be:

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

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

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

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

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

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

(4) FOR FISCAL YEAR 2018, \$49,488,474 TO BE DISTRIBUTED TO EACH MUNICIPALITY OR SUBDIVISION IN THE SAME AMOUNT AS THE MUNICIPALITY OR SUBDIVISION RECEIVED IN FISCAL YEAR 2017; AND

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

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

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

~~7-307.~~

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

15-1004.

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

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

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

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

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

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

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

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

2. After:

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

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

19-101.

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

19-111.

(c) (1) The total fees assessed by the Commission may not exceed ~~\$12,000,000~~ **\$16,000,000.**

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

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

(iii) ~~1. [The]~~ **EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, THE** amount to be paid by the Commission to the Department for administrative costs, not to exceed ~~18%~~ **30.5%** of the salaries of the Commission, shall

be based on indirect costs or services benefiting the Commission, less overhead costs paid directly by the Commission.

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

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

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

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

19-201.

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

19-208.

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

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

(3) ~~(I) [The] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE~~ amount to be paid by the Commission to the Department for administrative costs, not to exceed ~~48%~~ **30.5%** of the salaries of the Commission, shall be based on indirect costs or services benefiting the Commission, less overhead costs paid directly by the Commission.

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

19-213.

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

(2) "Facilities" means hospitals and related institutions whose rates have been approved by the Commission.

(b) The Commission shall assess and collect user fees on facilities as defined in this section.

(c) (1) The total fees assessed by the Commission may not exceed **[\$12,000,000]** **\$16,000,000.**

(2) The total user fees assessed by the Commission may not exceed the Special Fund appropriation for the Commission by more than 20%.

(3) The user fees assessed by the Commission shall be used exclusively to cover the actual documented direct costs of fulfilling the statutory and regulatory duties of the Commission in accordance with the provisions of this subtitle and any administrative costs for services to the Commission provided by the Department.

(4) The Commission shall pay all funds collected from fees assessed in accordance with this section into the Health Services Cost Review Commission Fund.

(5) The user fees assessed by the Commission may be expended only for purposes authorized by the provisions of this subtitle.

(6) The amount specified in paragraph (1) of this subsection limits only the total user fees the Commission may assess in a fiscal year.

19–2201.

(a) In this section, “Fund” means the Community Health Resources Commission Fund.

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

(i) Cover the administrative costs of the Commission;

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

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

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

(2) (i) For fiscal years 2014, 2015, and 2016, the Fund may be used for any project or initiative authorized under Title 20, Subtitle 14 of this article and approved

by the Commission if no less than \$4,000,000 of the subsidy required under § 14-106(d)(2)(ii)2 of the Insurance Article is used in each fiscal year for the purposes under paragraph (1) of this subsection.

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

(III) FOR FISCAL YEAR 2018 ~~AND EACH FISCAL YEAR THEREAFTER~~, THE FUND MAY BE USED FOR ANY PROJECT OR INITIATIVE AUTHORIZED UNDER TITLE 10, SUBTITLE 2 AND TITLE 13, SUBTITLE 3 OF THIS ARTICLE AND APPROVED BY THE COMMISSION IF NO LESS THAN ~~\$4,000,000~~ \$4,750,000 OF THE SUBSIDY REQUIRED UNDER § 14-106(D)(2)(II)2 OF THE INSURANCE ARTICLE IS USED IN EACH THAT FISCAL YEAR FOR THE PURPOSES UNDER PARAGRAPH (1) OF THIS SUBSECTION.

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

~~19-2401.~~

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

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

~~1. \$15,000,000; or~~

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

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

~~(iii) For fiscal years 2020 and 2021, the Governor shall include in the~~

~~budget bill an appropriation of \$5,000,000] \$2,500,000.~~

19-2401.

(a) THE GENERAL ASSEMBLY FINDS THAT:

(1) THE FINANCIAL VIABILITY OF THE PRINCE GEORGE'S COUNTY REGIONAL MEDICAL CENTER AND THE STATE'S INVESTMENT IN THE CENTER IS CONTINGENT ON HIGH QUALITY CLINICAL PROGRAMS AT THE EXISTING PRINCE GEORGE'S HOSPITAL CENTER AND THE NEW PRINCE GEORGE'S COUNTY REGIONAL MEDICAL CENTER;

(2) THE ABILITY OF THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM TO DEVELOP AND MAINTAIN HIGH QUALITY CLINICAL PROGRAMS AT THE EXISTING PRINCE GEORGE'S HOSPITAL CENTER AND TO TRANSITION TO THE NEW PRINCE GEORGE'S COUNTY REGIONAL MEDICAL CENTER IS CONTINGENT ON STATE OPERATING AND CAPITAL FUNDING IN SPECIFIC YEARS;

(3) THE ABILITY TO PROTECT THE STATE'S INVESTMENT IN THE NEW PRINCE GEORGE'S COUNTY REGIONAL MEDICAL CENTER IS JEOPARDIZED BY THE PROVISIONS OF THE BUDGET RECONCILIATION AND FINANCING ACT OF 2017, AS INTRODUCED, THAT ALTER BOTH THE OPERATING AND CAPITAL OBLIGATIONS MANDATED BY CHAPTER 13 OF THE ACTS OF 2016; AND

(4) THE CHANGED CIRCUMSTANCES AND THE NEED TO PROTECT THE STATE'S INVESTMENT REQUIRE ADDITIONAL SUPPORT IN FUTURE YEARS TO ENSURE THE FINANCIAL VIABILITY OF THE PRINCE GEORGE'S COUNTY REGIONAL MEDICAL CENTER AND ULTIMATELY THE ABILITY OF THE STATE TO END STATE SUPPORT FOR THE CENTER.

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

(i) For fiscal year 2018, the Governor shall include in the budget bill an appropriation of:

1. \$15,000,000; or

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

(ii) For fiscal year 2019, the Governor shall include in the budget bill

an appropriation of ~~[\$15,000,000]~~ **\$27,000,000**; ~~[and]~~

(iii) For fiscal years 2020 and 2021, the Governor shall include in the budget bill an appropriation of ~~[\$5,000,000]~~ **\$15,000,000**; AND

(IV) FOR FISCAL YEARS 2022 THROUGH 2028, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL AN APPROPRIATION OF \$10,000,000.

(2) Subject to subsection ~~[(b)]~~ **(C)** of this section, Prince George's County shall provide a combination of matching funds and other financial assistance to the University of Maryland Medical System Corporation that constitutes total financial assistance as follows:

(i) \$15,000,000 annually for fiscal year 2017 through fiscal year 2019; and

(ii) \$5,000,000 annually for fiscal years 2020 and 2021.

~~[(b)]~~ **(C)** The State and county funds described in subsection ~~[(a)]~~ **(B)** of this section:

(1) Shall be used to support the transition of the Prince George's County Regional Medical Center from operation under the Dimensions Health Care System to operation as a participating institution of the University of Maryland Medical System Corporation; and

(2) May be used only for:

(i) Providing increased access to critical health care services for the region served by the Prince George's County Regional Medical Center and improving the quality of the services provided; and

(ii) Facilitating cost containment measures to prevent additional operating losses for the Prince George's County Regional Medical Center and its affiliated institutions.

~~[(c)]~~ **(D)** (1) The Governor shall include in the capital or operating budget bill the following amounts that are equal to the capital funds committed by Prince George's County to be used for the construction of the Prince George's County Regional Medical Center:

(i) ~~[\$67,500,000]~~ **\$11,300,000** for fiscal year 2018; ~~[and]~~

(ii) \$48,000,000 for fiscal year 2019; AND

(III) \$56,200,000 FOR FISCAL YEAR 2020.

(2) Prince George's County shall provide matching funds of \$208,000,000 for the capital construction of the Prince George's County Regional Medical Center.

Article – Housing and Community Development

4–216.

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

4–508.

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

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

- (i) \$22,125,000 for projects in Baltimore City; and
- (ii) \$3,500,000 for projects throughout the State.

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

- (i) \$25,000,000 for projects in Baltimore City; and
- (ii) \$3,500,000 for projects throughout the State.

4–509.

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

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

(j) ~~For fiscal years 2018 through 2022,~~ **FOR FISCAL YEAR 2019 AND EACH**

~~FISCAL YEAR THEREAFTER~~, the Governor ~~[shall]~~ **MAY** include in the annual budget bill **OR THE CAPITAL BUDGET BILL** an appropriation ~~[of \$5,000,000]~~ to the Fund.

6-510.

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

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

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

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

~~Article Labor and Employment~~

~~11-1302.~~

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

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

~~Article Local Government~~

~~16-501.~~

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

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

~~(ii) If a county or Baltimore City has a county income tax rate of at least 3% but less than 3.2%, the county or Baltimore City may receive a minimum of 40%~~

~~of the amount determined under subsection (c)(3) of this section.~~

~~(iii) If a county or Baltimore City has a county income tax rate of at least 3.2%;~~

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

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

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

Article – Local Government

16-501.

(e) (1) Except as provided in paragraph (2) of this subsection, for fiscal year 2011 and each subsequent fiscal year, the distribution provided to any county or Baltimore City under this section may not exceed the amount distributed to the county or Baltimore City for fiscal year 2010.

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

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

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

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

2. in fiscal [years 2018 and 2019] **YEAR 2018**, the county or Baltimore City may receive a minimum of [67.5%] **63.75%** of the amount determined under subsection (c)(3) of this section; **AND**

3. IN FISCAL YEAR 2019, THE COUNTY OR BALTIMORE CITY MAY RECEIVE A MINIMUM OF 67.5% OF THE AMOUNT DETERMINED UNDER SUBSECTION (C)(3) OF THIS SECTION.

Article – Natural Resources

5–212.

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

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

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

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

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

Article – Public Safety

4–506.

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

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

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

Article – State Finance and Procurement

2-202.

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

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

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

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

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

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

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

(i) participate in a block grant;

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

(iii) transfer money between block grants.

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

(e) Within 60 days after the Legislative Policy Committee receives the proposal or, if the Committee sets a shorter period, within that period, the Committee:

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

- (2) may refer the proposal to another committee for review; and
- (3) for the General Assembly, may send the Governor comments on the proposal.
- (f) The Governor may act on the proposal only after the expiration of the 60-day period or any shorter period set under subsection (e) of this section.

3-207.

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

- (1) HAS BEEN IN PLACE FOR 3 YEARS OR MORE; AND
- (2) HAS A TOTAL OF MORE THAN \$750,000 IN ACTUAL EXPENDITURES IN THE LAST 3 FISCAL YEARS.

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

- (1) WHETHER THE AGREEMENT IS NECESSARY AND SHOULD CONTINUE;
- (2) WHETHER THE SERVICES CAN BE PROVIDED MORE COST EFFECTIVELY BY THE AGENCY OR UNIT OR THROUGH A COMPETITIVE PROCUREMENT; AND
- (3) WHETHER THE AGREEMENT IS BEING UTILIZED DUE TO THE AGENCY'S OR UNIT'S INABILITY TO RECRUIT OR RETAIN POSITIONS AND, IF SO, WHETHER AN ANNUAL SALARY REVIEW SHOULD BE CONDUCTED TO ADDRESS RECRUITMENT OR RETENTION ISSUES.

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

(D) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, ON OR BEFORE DECEMBER 1 EACH YEAR, THE DEPARTMENT SHALL REPORT A SUMMARY OF THE FINDINGS OF THE REVIEW REQUIRED UNDER SUBSECTION (B) OF THIS SECTION TO THE SENATE BUDGET AND TAXATION COMMITTEE, THE HOUSE APPROPRIATIONS COMMITTEE, AND THE DEPARTMENT OF LEGISLATIVE SERVICES, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE.

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

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

(I) THE INTERAGENCY AGREEMENTS THAT WILL CONTINUE;

(II) SERVICES THAT WILL BE COMPETITIVELY PROCURED;

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

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

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

Part III. Supporting [Documents] MATERIALS.

7-115.

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

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

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

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

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

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

(3) (I) INCLUDE A COPY OF THE STATEWIDE COST ALLOCATION

PLAN FILED WITH THE FEDERAL GOVERNMENT FOR FEDERAL REIMBURSEMENT OF THE COSTS OF INDIRECT STATE SERVICES THAT BENEFIT FEDERALLY FUNDED PROGRAMS; AND

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

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

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

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

(II) REQUESTED FOR THE NEXT FISCAL YEAR;

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

(I) SPENT DURING THE LAST FULL FISCAL YEAR;

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

(III) REQUESTED FOR THE NEXT FISCAL YEAR; AND

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

(I) MADE IN THE LAST FULL FISCAL YEAR;

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

(III) REQUESTED FOR THE NEXT FISCAL YEAR.

(E) THE BUDGET BOOKS SHALL INCLUDE THE STATESTAT OR MANAGING FOR RESULTS AGENCY STRATEGIC PLAN REQUIRED UNDER THIS ARTICLE, BUT SHALL BE LIMITED TO A DESCRIPTION OF THE AGENCY'S MISSION, GOALS,

OBJECTIVES, AND PERFORMANCE MEASURES.

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

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

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

[7-116.

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

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

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

7-116.

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

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

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

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

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

(D) THE DEPARTMENT OF BUDGET AND MANAGEMENT SHALL ARCHIVE THE INFORMATION PROVIDED IN A MACHINE-READABLE FORMAT ON THE WEB SITE OF THE DEPARTMENT OF BUDGET AND MANAGEMENT BEGINNING WITH THE FISCAL YEAR 2017 BUDGET.

[7-117.

The budget books for a fiscal year shall state:

- (1) each source of State revenues for the year, from which the proposed appropriations are to be paid; and
- (2) the amount that the Governor estimates will be collected from each source.]

[7-118.] 7-117.

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

- (1) State revenues; and
- (2) revenues that the State collects for local governments.
- (b) For each exemption, the statement shall:
 - (1) show the estimated amount by which the exemption reduces revenues;
 - (2) identify the person or the part of the population that benefits from the exemption; and
 - (3) say whether the exemption conflicts with any other State program.

(c) The statement shall include:

- (1) each subtraction modification under § 10-207, § 10-208, or § 10-209 of the Tax – General Article; and
- (2) each exemption under:
 - (i) Title 8, Subtitle 7 of the Natural Resources Article;
 - (ii) § 5-104, § 6-103, § 7-203, § 7-303, § 9-203, § 9-303, § 9-304, § 10-104, § 10-211, § 10-212, § 12-104, or Title 11, Subtitle 2 of the Tax – General Article;
 - (iii) Title 7 of the Tax – Property Article; and
 - (iv) § 13-810 or § 13-903 of the Transportation Article.

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

[7-119.

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

[7-120.

The budget books for a fiscal year shall:

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

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

[7-121.] 7-118.

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

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

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

(ii) requested for the next fiscal year;

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

(i) spent during the last full fiscal year;

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

(iii) requested for the next fiscal year;

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

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

- (i) made in the last full fiscal year;
- (ii) authorized in the State budget for the current fiscal year; and
- (iii) requested for the next fiscal year; and

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

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

- (1) Maryland Institute for Emergency Medical Services Systems;
- (2) R Adams Cowley Shock Trauma Center;
- (3) Maryland Fire and Rescue Institute;
- (4) Aviation Division of the Special Operations Bureau, Department of State Police; and
- (5) grants under the Senator William H. Amoss Fire, Rescue, and Ambulance Fund.

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

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

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

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

- (i) the Tobacco Program, including the proposed expenditures for:
 - 1. each Component of the Tobacco Program;

- Tobacco Program; and
2. each program funded under each Component of the
 3. each Local Public Health Tobacco Grant;
- (ii) the Cancer Program, including the proposed expenditures for:
1. each Component of the Cancer Program;
 2. each program funded under each Component of the Cancer
 3. each Local Public Health Cancer Grant;
 4. each statewide Academic Health Center Public Health
 5. each statewide Academic Health Center Cancer Research
 6. each statewide Academic Health Center Tobacco–Related
 7. each statewide Academic Health Center Network Grant;
- Program;
- Grant;
- Grant;
- Diseases Research Grant; and
- and
- (iii) any other program that is funded with the Cigarette Restitution
Fund established under § 7–317 of this title.

[7–122.] 7–119.

(a) (1) For each fiscal year, General Fund capital appropriations shall be budgeted in the operating budget in separate eight–digit programs.

(2) When multiple projects or programs are budgeted within the same nontransportation eight–digit program, each distinct program and project shall be budgeted in a distinct subprogram.

(b) (1) To the extent possible, subprograms for projects spanning multiple years shall be retained to preserve funding history.

(2) The budget detail for prior and current fiscal years submitted with each proposed budget shall be organized in the same fashion to allow comparison between fiscal years.

7-311.

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

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

(ii) for fiscal year 2020:

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

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

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

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

7-314.

(a) (2) "Account" means the Economic Development Opportunities Program Account.

(c) [The] SUBJECT TO SUBSECTION (R) OF THIS SECTION, THE Governor may provide an appropriation in the budget bill to the Account for a specific or general purpose or purposes.

(R) (1) FOR FISCAL YEARS 2019 THROUGH 2021, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$5,000,000 TO THE ACCOUNT TO BE USED BY THE DEPARTMENT OF COMMERCE TO PROVIDE CONDITIONAL LOANS OR GRANTS TO COMPANIES THAT MEET THE FOLLOWING CRITERIA:

(I) CONSTRUCTION OF COMPANY HEADQUARTERS IN THE STATE WITH CAPITAL EXPENDITURES OF AT LEAST \$500,000,000; AND

(II) RETENTION OF COMPANY HEADQUARTERS IN THE STATE WITH AT LEAST 3,250 ELIGIBLE EMPLOYEES, CONSISTENT WITH A LETTER OF INTENT ENTERED INTO WITH THE DEPARTMENT OF COMMERCE IN OCTOBER 2016.

(2) ON OR BEFORE DECEMBER 1, 2017, AND EACH DECEMBER 1 THROUGH 2021, THE DEPARTMENT OF COMMERCE SHALL SUBMIT A REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE SENATE BUDGET AND TAXATION COMMITTEE AND THE HOUSE APPROPRIATIONS COMMITTEE ON THE COMPLIANCE OF A COMPANY WITH THE LETTER OF INTENT DESCRIBED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION.

Article – State Government

~~9-117.~~

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

~~9-120.~~

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

~~(i) into the Maryland Stadium Facilities Fund established under § 7-312 of the State Finance and Procurement Article from the money that remains in the State Lottery Fund, after the distribution under subsection (a) of this section, an amount 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.~~

9-1A-27.

(a) Except as provided in subsections (b) and (c) of this section and § 9-1A-26(a)(3) of this subtitle, on a properly approved transmittal prepared by the Commission, the Comptroller shall pay the following amounts from the proceeds of video lottery terminals at each video lottery facility:

(1) (i) on or before March 31, 2015, 2% to the State Lottery and Gaming Control Agency for costs as defined in § 9-1A-01 of this subtitle; and

(ii) beginning April 1, 2015, 1% to the State Lottery and Gaming Control Agency for costs as defined in § 9-1A-01 of this subtitle;

(2) to the video lottery operation licensee, the percentage stated in the accepted application for the location, not to exceed, except as provided in subsection (b) of this section, 33%;

(3) 5.5% in local impact grants, in accordance with § 9-1A-31 of this subtitle;

(4) 6% to the Purse Dedication Account established under § 9-1A-28 of this subtitle, not to exceed a total of \$100,000,000 to the Account annually;

(5) (i) until the issuance of a video lottery operation license in Baltimore City, 1.75% to the Racetrack Facility Renewal Account established under § 9-1A-29 of this subtitle and distributed in accordance with that section; and

(ii) on or after the issuance of a video lottery operation license in Baltimore City, 1% to the Racetrack Facility Renewal Account established under § 9-1A-29 of this subtitle and distributed in accordance with that section, not to exceed a total of \$20,000,000 to the Account annually;

(6) (I) EXCEPT AS PROVIDED IN ITEMS (II) AND (III) OF THIS ITEM, 1.5% to the Small, Minority, and Women-Owned Businesses Account established under § 9-1A-35 of this subtitle;

(II) FOR FISCAL YEAR 2018, 1.5% TO THE GENERAL FUND TO

PAY A PORTION OF THE COSTS OF THE GRANTS PROVIDED UNDER S.B. 1024/H.B. 684 OF THE ACTS OF THE GENERAL ASSEMBLY OF 2017; AND

(III) FOR FISCAL YEARS 2019 AND 2020, 1.5% TO THE EDUCATION TRUST FUND ESTABLISHED UNDER § 9-1A-30 OF THIS SUBTITLE;

(7) (i) except as provided in item (ii) of this item, 6% to the video lottery operation licensee if the video lottery operation licensee owns or leases each video lottery terminal device and the associated equipment and software; and

(ii) 8% to the video lottery operation licensee in Anne Arundel County;

(8) beginning after the issuance of a video lottery operation license for a video lottery facility in Prince George's County, 8% to the video lottery operation licensee in Anne Arundel County and 7% to the licensee in Baltimore City for:

(i) marketing, advertising, and promotional costs required under § 9-1A-23 of this subtitle; and

(ii) capital improvements at the video lottery facilities; and

(9) the remainder to the Education Trust Fund established under § 9-1A-30 of this subtitle.

(c) (1) For the first 10 years of operations at a video lottery facility in Allegany County, on a properly approved transmittal prepared by the Commission, the Comptroller shall pay the following amounts from the proceeds of video lottery terminals at a video lottery facility in Allegany County:

(i) 2% to the State Lottery and Gaming Control Agency for costs as defined in § 9-1A-01 of this subtitle;

(ii) to the video lottery operation licensee, the percentage stated in the accepted application for the location, not to exceed 50%;

(iii) 2.75% in local impact grants, in accordance with § 9-1A-31 of this subtitle;

(iv) 2.5% to the Purse Dedication Account established under § 9-1A-28 of this subtitle;

(v) 1. EXCEPT AS PROVIDED IN ITEMS 2 AND 3 OF THIS ITEM, 0.75% to the Small, Minority, and Women-Owned Businesses Account established under § 9-1A-35 of this subtitle;

2. FOR FISCAL YEAR 2018, 0.75% TO THE GENERAL

FUND TO PAY A PORTION OF THE COSTS OF THE GRANTS PROVIDED UNDER S.B. 1024/H.B. 684 OF THE ACTS OF THE GENERAL ASSEMBLY OF 2017; AND

3. FOR FISCAL YEARS 2019 AND 2020, 0.75% TO THE EDUCATION TRUST FUND ESTABLISHED UNDER § 9-1A-30 OF THIS SUBTITLE; and

(vi) the remainder to the Education Trust Fund established under § 9-1A-30 of this subtitle.

(2) After the first 10 years of operations at a video lottery facility in Allegany County, the proceeds generated at the facility in Allegany County shall be allocated as provided in subsections (a) and (b) of this section.

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; **AND**

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) 1. **FOR FISCAL YEAR 2018,** the revenue attributable to a tax rate of 5% as follows:

~~1.~~ **A.** 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.~~ **B.** the remainder to the Maryland State Arts Council, as provided in § 4-512 of the Economic Development Article;

2. FOR FISCAL YEARS 2019 THROUGH 2021, THE REVENUE ATTRIBUTABLE TO A TAX RATE OF 5% AS FOLLOWS:

A. TO THE MARYLAND STATE ARTS COUNCIL, AS PROVIDED IN § 4-512 OF THE ECONOMIC DEVELOPMENT ARTICLE, \$1,000,000 IN EACH FISCAL YEAR; AND

B. THE REMAINDER TO THE SPECIAL FUND FOR PRESERVATION OF CULTURAL ARTS IN MARYLAND, AS PROVIDED IN § 4-801 OF THE ECONOMIC DEVELOPMENT ARTICLE; AND

3. IN FISCAL YEAR 2022 AND IN EACH FISCAL YEAR THEREAFTER, THE REVENUE ATTRIBUTABLE TO A TAX RATE OF 5% TO THE SPECIAL FUND FOR PRESERVATION OF CULTURAL ARTS IN MARYLAND, AS PROVIDED IN § 4-801 OF THE ECONOMIC DEVELOPMENT ARTICLE; and

(2) the remaining admissions and amusement tax revenue:

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

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

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

2. 20% to the county or municipal corporation.

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

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

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

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

2. the remainder to the Town of North Beach;

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

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

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

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

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

2. the remainder to the Town of North Beach;

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

(iii) the revenue attributable to a tax rate of 4% to the Calvert County Board of Education for school renovation and renewal projects that may not be used to supplant county funds for public school construction.

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

Article – Tax – Property

~~2-106.~~

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

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

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

~~[and]~~

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

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

~~(2) [For each of fiscal years 2012 and 2013, each county and Baltimore City shall be responsible for reimbursing the State 90% instead of 50% of the costs of~~

~~administering the Department described in paragraph (1) of this subsection.] FOR FISCAL YEAR 2018, EACH COUNTY AND BALTIMORE CITY SHALL BE RESPONSIBLE FOR REIMBURSING THE STATE FOR 70% OF THE COSTS OF ADMINISTERING THE DEPARTMENT AS DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.~~

13-209.

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

Article – Transportation

2-103.1.

(c) (1) The Consolidated Transportation Program shall:

(i) Be revised annually; and

(9) EXCEPT AS AUTHORIZED BY LAW, THE CONSOLIDATED TRANSPORTATION PROGRAM MAY NOT INCLUDE CAPITAL TRANSPORTATION GRANTS FOR ROADS AND HIGHWAYS TO COUNTIES OR MUNICIPAL CORPORATIONS FOR ANY PERIOD BEYOND THE BUDGET REQUEST YEAR.

(m) (2) (i) The financial forecast supporting the Consolidated Transportation Program to be submitted to the General Assembly under paragraph (1) of this subsection shall include the following components:

1. A schedule of operating expenses for each specific modal administration;

2. A schedule of revenues, including tax and fee revenues, deductions from revenues for other agencies, Department program and fees, Motor Vehicle Administration cost recovery, deductions for highway user revenues, operating revenues by modal administration, and miscellaneous revenues; and

3. A summary schedule for the Transportation Trust Fund that includes the opening and closing Fund balance, revenues, transfers, bond sales, bond premiums, any other revenues, expenditures for debt service, operating expenses, amounts available for capital expenses, bond interest rates, bond coverage ratios, total bonds outstanding, federal capital aid, and the total amount for the Transportation Capital Program.

(ii) The financial forecast shall include, for each of the components specified in subparagraph (i) of this paragraph:

1. Actual information for the last full fiscal year; and
2. Forecasts of the information for each of the six subsequent fiscal years, including the current fiscal year, the fiscal year for the proposed budget, and the next four subsequent fiscal years.

(iii) **FOR THE PERIOD BEYOND THE BUDGET REQUEST YEAR, THE FINANCIAL FORECAST:**

1. **SHALL MAXIMIZE THE USE OF FUNDS FOR THE CAPITAL PROGRAM; AND**
2. **EXCEPT AS AUTHORIZED BY LAW, MAY NOT WITHHOLD OR RESERVE FUNDS FOR CAPITAL TRANSPORTATION GRANTS TO COUNTIES OR MUNICIPAL CORPORATIONS.**

(IV) The Department shall incorporate in the financial forecast the most recent estimates by the Board of Revenue Estimates of the revenues from:

1. The corporate income tax and the sales and use tax for each of the six subsequent years, including the current fiscal year and the fiscal year for the proposed budget; and
2. Motor fuel taxes and motor vehicle titling taxes for the current fiscal year and the fiscal year for the proposed budget.

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;

(4) The Maryland Fire and Rescue Institute;

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

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

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

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

(c) (1) For fiscal year 2015 and 2016, the Commission and the Department of Health and Mental Hygiene shall adopt policies that will provide up to \$389,825,000 in

special fund revenues from hospital assessment and remittance revenue.

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

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

(4) FOR FISCAL YEAR 2019, THE BUDGETED MEDICAID DEFICIT ASSESSMENT SHALL BE \$329,825,000.

(5) FOR FISCAL YEAR 2020, THE BUDGETED MEDICAID DEFICIT ASSESSMENT SHALL BE \$294,825,000.

~~(4)~~ (6) BEGINNING WITH THE STATE BUDGET SUBMISSION FOR FISCAL YEAR ~~2019~~ 2021, THE GOVERNOR SHALL REDUCE THE BUDGETED MEDICAID DEFICIT ASSESSMENT ANNUALLY BY \$25,000,000 OVER THE ASSESSMENT LEVEL FOR THE PRIOR FISCAL YEAR.

~~(3)~~ ~~(5)~~ (7) To the extent that the Commission takes other actions that reduce Medicaid costs, those savings shall also be used to reduce the budgeted Medicaid Deficit Assessment.

~~(4)~~ ~~(6)~~ (8) To the maximum extent possible, the Commission and the Department of Health and Mental Hygiene shall adopt policies that preserve the State's Medicare waiver.

~~Chapter 25 of the Acts of 2016~~

~~SECTION 4. AND BE IT FURTHER ENACTED, That, for each of fiscal years [2018] 2019 through 2021, the Governor [shall] MAY appropriate in the annual budget [at least] an additional \$4,000,000 to the University System of Maryland Office for the purpose of increasing the estimated funding guideline attainment levels of the primarily residential institutions in the System with the lowest estimated funding guideline attainment levels in fiscal year 2016. The University System of Maryland shall allocate the funds each year in a manner that brings the primarily residential institutions with the lowest estimated funding guideline attainment levels in fiscal year 2016 as close as possible to a 64% estimated funding guideline attainment level by fiscal year 2021. The general funds distributed under this section each year are in addition to the annual appropriation for each institution, and shall be included in each institution's base budget for all fiscal years after the distribution.~~

Chapter 13 of the Acts of 2016

[SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect contingent on the University of Maryland Medical System Corporation becoming the sole corporate member of Dimensions Health Care Corporation and the University of Maryland Medical System Corporation assuming responsibility of the governance structure of the entity.]

SECTION 5. AND BE IT FURTHER ENACTED, That[, subject to Section 3 of this Act,] this Act shall take effect June 1, 2016. It shall remain effective for a period of [5] 12 years and 1 month and, at the end of June 30, [2021] 2028, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

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

Article – State Government

9-120.

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

(i) into the Maryland Stadium Facilities Fund established under § 7-312 of the State Finance and Procurement Article from the money that remains in the State Lottery Fund, after the distribution under subsection (a) of this section, an amount 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;

(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] \$500,000;

(V) AFTER JUNE 30, 2017, 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), (III), AND (IV) OF THIS PARAGRAPH, AN AMOUNT EQUAL TO \$1,000,000 IN EACH FISCAL YEAR; AND

[(v)] (VI) 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), (iii), [and] (iv), AND (V) 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.

Chapter 145 of the Acts of 2016

SECTION 2. AND BE IT FURTHER ENACTED, That any funds distributed to the Maryland State Arts Council in accordance with § 2-202 of the Tax – General Article as enacted in this Act shall be included in the Maryland State Arts Council’s prior fiscal year appropriation IN ADDITION TO THE AMOUNT OF THE GENERAL FUND APPROPRIATION FOR THE PRIOR FISCAL YEAR AND THE SUM SHALL BE USED for purposes of calculating the required appropriation under § 7-325 of the State Finance and Procurement Article.

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

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That for fiscal year 2018, payments to providers with rates set by the Interagency Rates Committee under § 8-417 of the Education Article may not increase by more than 2% over the rates in effect on June 30, 2017.

SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2017, the Governor may transfer to the General Fund up to \$170,000,000 from the Revenue Stabilization Account established under § 7-311 of the State Finance and Procurement Article.

SECTION ~~5~~ 6. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, the fiscal year 2018 appropriation for the Revenue Stabilization Account established under § 7-311 of the State Finance and Procurement Article is reduced by \$40,000,000.

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

~~Development Article for administrative expenses~~

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

SECTION ~~7~~ 8. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2017, the Governor may transfer to the State Agency Loan Program Fund \$3,000,000 of the funds in the Jane E. Lawton Conservation Fund established under § 9-20A-07 of the State Government Article.

SECTION ~~8~~ 9. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2017, the Governor may transfer to the General Fund \$30,000,000 of the funds in the accounts of the University System of Maryland.

SECTION ~~9~~ 10. AND BE IT FURTHER ENACTED, That the unexpended appropriation for utilization review audit contracts, within the Department of Health and Mental Hygiene Developmental Disabilities Administration, that was included in the fiscal year 2017 operating budget (Chapter 143 of the Acts of 2016) is reduced by \$1,040,000 in federal funds and \$1,460,000 in general funds, which shall revert to the General Fund.

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

SECTION ~~11~~ 12. AND BE IT FURTHER ENACTED, That the unexpended appropriation for the Assistance Payments Program (N00G00.08), within the Department of Human Resources, that was included in the fiscal year 2017 operating budget (Chapter 143 of the Acts of 2016) shall be used by the Department of Human Resources to reduce the deficit in the federal Temporary Assistance for Needy Families grant in fiscal year 2017.

SECTION ~~12~~ 13. AND BE IT FURTHER ENACTED, That:

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

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

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

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

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

SECTION ~~8, 16,~~ 14. AND BE IT FURTHER ENACTED, That ~~if~~:

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

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

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

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

~~(1)~~ (1) ~~\$11,000,000~~ \$12,000,000; or

~~(2)~~ (2) the difference between the amount transferred on or before May 1, 2017, and ~~\$11,000,000~~ \$12,000,000.

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

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

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

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

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

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

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

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

SECTION ~~17~~ 15. AND BE IT FURTHER ENACTED, That:

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

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

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

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

(2) Paragraph (1)(iii) of this subsection does not apply to changes in provider reimbursement rates, shifts from grant to fee-for-service payments, or policies adopted by one or more managed care organizations that are permissible under their agreements with the State.

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

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

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

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

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

(c) (1) The eligibility and benefits rules in place on January 1, 2017, for the Medical Assistance Program may be altered if the changes are:

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

(ii) included in legislation passed by the General Assembly;

(iii) proposed in the annual State budget submitted to the General Assembly; or

(iv) subject to paragraph (2) of this subsection, submitted in writing to the Maryland Medicaid Advisory Committee.

(2) If a change in the eligibility and benefits rules is submitted to the Maryland Medicaid Advisory Committee under paragraph (1)(iv) of this subsection, a legislative member of the committee may refer the change to the Legislative Policy Committee for a 60-day review and comment period.

(d) In developing any changes or redesign to the Medical Assistance Program or the Supplemental Nutrition Assistance Program, the Department of Health and Mental Hygiene and the Department of Human Resources shall establish a group of interested stakeholders to collaborate on any changes or program redesign.

SECTION ~~18~~ 16. AND BE IT FURTHER ENACTED, That, ~~notwithstanding~~:

(a) Notwithstanding § 10-645(h)(1) of the Economic Development Article and any other provision of law, for fiscal year 2018 only:

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

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

(b) It is the intent of the General Assembly that the actions taken in accordance

with subsection (a) of this section may not be taken in any fiscal year after fiscal year 2018.

SECTION 17. AND BE IT FURTHER ENACTED, That, on or before November 1, 2017, ~~November 1, 2018, and~~ and quarterly until November 1, 2019, Baltimore City Public Schools shall submit a report to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Budget and Taxation Committee and the House Appropriations Committee on the status of the school system's structural budget deficit and the actions that have been taken to reduce the gap between ongoing revenues and expenditures, including:

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

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

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

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

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

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

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

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

SECTION 18. AND BE IT FURTHER ENACTED, That:

(a) The State Secretary of Transportation, in coordination with the Montgomery County and Prince George's County Departments of Transportation, shall engage the Secretary's counterparts in Virginia and Washington, D.C., and the appropriate officials in the federal government for the purpose of revising the Washington Metropolitan Area Transit Authority Compact of 1966 and implementing other reforms necessary to ensure the near-term and long-term viability of the Washington Metropolitan Area Transit Authority (WMATA). In doing so, the Secretary shall develop, propose, and seek agreement on reforms related to the following:

(1) the legal and organizational structure of WMATA;

(2) the composition and qualifications of the WMATA Board of Directors and the length of terms of its members;

(3) funding by local jurisdictions, including potential dedicated funding;

(4) measures necessary to resolve WMATA's unfunded pension liability and other postemployment benefits;

(5) measures necessary to better ensure the safety of ridership and employees, including safety in the event of a homeland security emergency in the national capital area;

(6) financial and operational improvements necessary to ensure that WMATA's performance is at least as efficient as its closest comparable transit systems in the United States;

(7) measures necessary to provide reliable service to riders; and

(8) measures necessary to preserve and enhance paratransit service.

(b) The Secretary shall report to and consult quarterly beginning June 30, 2017, with the Chairs of the Senate Budget and Taxation Committee, Senate Finance Committee, House Appropriations Committee, and House Environment and Transportation Committee.

SECTION 19. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2018, the Governor may transfer from the revenue distributed to the Special Fund for Preservation of Cultural Arts in Maryland or the Maryland State Arts Council under § 2-202(a)(1)(ii) of the Tax – General Article:

(1) \$450,000 as a grant to the Maryland Academy of Sciences;

(2) \$100,000 as a grant to Columbia 50th Birthday Celebration, Inc.;

(3) \$25,000 as a grant to Arts Every Day; and

(4) \$25,000 as a grant to 901 Arts.

SECTION 20. AND BE IT FURTHER ENACTED, That, on or before December 1, 2018, the Board of Trustees of the Maryland Science Center shall submit a report to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Budget and Taxation Committee and the House Appropriations Committee on the long-term financial plan for the Maryland Science Center.

SECTION 21. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2017, the Governor may transfer the appropriation

for the Major Information Technology Development Projects Program (D38I01.03) within the State Board of Elections to the Help America Vote Act Program (D38I01.02) to be used for election support services.

SECTION 22. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2018, the Governor may transfer the appropriation for the Major Information Technology Development Projects Program (D38I01.03) within the State Board of Elections to the Help America Vote Act Program (D38I01.02) to be used for election support services and for operations and maintenance for the Agency Election Management System.

SECTION 23. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2018 only, funds in the Major Information Technology Development Project Fund established under § 3A-309 of the State Finance and Procurement Article may be used for operations and maintenance for the Agency Election Management System.

SECTION 24. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, for fiscal year 2018 only:

(1) during the 2017–2018 school year, eligible Baltimore City public school students may ride Maryland Transit Administration transit vehicles at no charge for school–related or educational extracurricular activities only;

(2) highway user revenues distributed to Baltimore City may be used to pay or finance students’ costs of discounted Maryland Transit Administration fares for eligible public school students in Baltimore City; and

(3) the Maryland Transit Administration may charge Baltimore City no more than \$5,484,423 for the costs associated with Baltimore City public school students riding transit vehicles in the 2017–2018 school year.

SECTION 25. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2018, the Governor may transfer by budget amendment from the Catastrophic Event Account established under § 7-324 of the State Finance and Procurement Article funds for:

(1) the Developmental Disabilities Administration to reimburse the Administration’s clients for excess contributions to care payments made from January 2013 through June 2014, as identified in the Office of Legislative Audits’ November 2016 Audit of the Department of Health and Mental Hygiene Developmental Disabilities Administration;

(2) Maryland local public safety agencies whose federal funds have been reduced for refusing to participate in the enforcement of federal immigration laws;

(3) Maryland Public Television, if the entity's federal funds are reduced or eliminated; and

(4) the Home Delivered Meals Program (Meals on Wheels) supported by the Department of Aging, if the federal funds that support the program are reduced or eliminated.

SECTION ~~10, 20, 26~~. AND BE IT FURTHER ENACTED, That if any provision of this Act or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Act that can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

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

SECTION 28. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect June 1, 2017. It shall remain effective until the taking effect of the termination provision specified in Chapter 727 of the Acts of the General Assembly of 2016. If that termination provision takes effect, Section 2 of this Act shall be abrogated and of no further force and effect. Section 2 of this Act may not be interpreted to have any effect on that termination provision.

SECTION ~~22, 29~~. AND BE IT FURTHER ENACTED, That Section ~~17~~ 15 of this Act shall take effect June 1, 2017. It shall remain effective for a period of 2 years and, at the end of May 31, 2019, with no further action required by the General Assembly, Section ~~17~~ 15 of this Act shall be abrogated and of no further force and effect.

SECTION ~~12, 23, 30~~. AND BE IT FURTHER ENACTED, That, except as provided in ~~Section 22~~ Sections 28 and 29 of this Act, this Act shall take effect June 1, 2017.

Enacted under Article II, § 17(b) of the Maryland Constitution, April 6, 2017.