

HOUSE BILL 352

B1

(5lr0448)

ENROLLED BILL

— Appropriations and Ways and Means/Budget and Taxation —

Introduced by **The Speaker (By Request – Administration)**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Budget Reconciliation and Financing Act of 2025**

3 FOR the purpose of requiring the Maryland Horse Industry Board to take certain actions
4 relating to licensees of horse establishments; establishing or altering certain
5 administrative penalties; altering or repealing certain required appropriations;
6 establishing or altering certain fees; requiring the Secretary of Agriculture to take
7 certain actions relating to a registration for a weight and measure, including setting
8 reasonable fees; increasing the cap on the percentage that may be deducted from all
9 open purses and paid to a certain organization; authorizing the use of certain funds
10 for certain purposes; altering the composition of certain funds; establishing certain
11 funds; authorizing the transfer of certain funds; authorizing, requiring, or altering
12 the distribution of certain revenue; providing that the Maryland Stadium Authority
13 and the Maryland Economic Development Corporation are the successor entities to
14 the Maryland Thoroughbred Racetrack Operating Authority for certain purposes
15 concerning certain racing facilities; altering a certain cap on low intensity support

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

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

Italics indicate opposite chamber/conference committee amendments.



1 services for certain individuals; making the restoration of certain benefits subject to
2 a certain limitation; requiring county governments and Baltimore City to pay a
3 certain percentage of compensation awarded to certain erroneously convicted,
4 sentenced, and confined individuals; *making the Judicial Branch of State*
5 *government subject to review by the Office of Program Evaluation and Government*
6 *Accountability*; increasing the tax rate imposed on mobile sports wagering; requiring
7 county governments, beginning in a certain fiscal year, to pay certain amounts
8 toward the retirement costs for certain local employees; exempting the transfer of
9 certain transfer tax revenues to the General Fund of the State from certain
10 repayment requirements; increasing the outstanding and unpaid principal balance
11 of bonds issued by the Maryland Department of Transportation; expanding the uses
12 of certain bond proceeds; ~~altering the value of certain vehicle trade-in allowances;~~
13 ~~altering a certain limitation on the amount of the Maryland estate tax for decedents~~
14 ~~dying on or after a certain date; reducing the amount of film tax credits that may be~~
15 ~~awarded in a certain fiscal year; limiting the amount of tax credits the Maryland~~
16 ~~Higher Education Commission may approve for a certain fiscal year; requiring the~~
17 ~~reversion of certain funds to the General Fund of the State; increasing the percentage~~
18 of certain costs for which each county and Baltimore City are responsible for
19 reimbursing the State; ~~prohibiting the award of a certain tax credit to certain new~~
20 ~~properties on or after a certain date; altering the Maryland earned income tax credit~~
21 ~~for certain individuals; increasing the vehicle excise tax rate; repealing an exemption~~
22 for certain rental vehicles from the vehicle excise tax; specifying the rate of the
23 vehicle excise tax imposed on certain rental vehicles; altering the definition of
24 “historic motor vehicle” for purposes of registering a vehicle as a Class L vehicle;
25 altering certain exemptions under the State income tax on certain income of certain
26 persons; altering the rates and rate brackets under the State income tax on certain
27 income of individuals; providing for an additional State individual income tax rate
28 on the net capital gains of individuals; ~~authorizing the transfer of certain funds;~~
29 ~~requiring that certain sales of tangible personal property be included in the~~
30 ~~numerator of the sales factor used for apportioning a corporation’s income to the~~
31 ~~State under certain circumstances; imposing a certain income tax on income~~
32 ~~distributed to certain members of certain pass-through entities from the~~
33 ~~pass-through entity’s taxable income exceeding a certain amount; altering, subject~~
34 to certain limitations, the maximum tax rate that a county may impose on an
35 individual’s Maryland taxable income; altering the determination of the amount of
36 certain deductions allowed for an individual under the Maryland income tax;
37 imposing the sales and use tax on the sale of certain categories of taxable services;
38 altering the sales and use tax on the sale of cannabis; imposing the sales and use tax
39 on the sale of certain vending machine products, certain precious metal bullion and
40 coins, certain photographic material, and certain custom computer software;
41 ~~requiring certain corporations to compute Maryland taxable income using a certain~~
42 ~~method; requiring, subject to regulations adopted by the Comptroller, certain groups~~
43 ~~of corporations to file a combined income tax return reflecting the aggregate income~~
44 ~~tax liability of all the members of the group; requiring the Comptroller to adopt~~
45 ~~certain regulations consistent with certain regulations adopted by the Multistate~~
46 ~~Tax Commission; requiring the Comptroller to assess interest and penalties under~~
47 certain circumstances; reducing the Medicaid Deficit Assessment for a certain fiscal

year; ~~repealing certain requirements for the Maryland Department of Health to apply to a certain federal agency for certain grant funds and inclusion in a certain program; repealing certain required appropriations to the Maryland Public Broadcasting Commission; repealing the Low Intensity Support Services Program; repealing the teacher retirement supplemental grants program; repealing certain provisions of law relating to inheritance tax revenue distribution; repealing a certain credit against the State income tax for certain business entities located in enterprise zones;~~ providing that payments to certain providers with rates set by the Interagency Rates Committee may not increase by more than a certain amount for a certain fiscal year; altering the termination date of certain provisions of law related to the Maryland Thoroughbred Racetrack Operating Authority; requiring the Comptroller to waive certain interest and penalties under certain circumstances; altering a certain notification requirement related to a county income tax rate change for a certain taxable year; requiring the Secretary of Budget and Management and the Department of Budget and Management to take certain actions if the State's federal fund revenues are reduced by a certain amount; requiring the Comptroller to set at a certain percentage the annual interest rate for a sales and use tax refund that is the result of a certain decision; requiring the Maryland Department of Health to delegate certain authority to Montgomery County under certain circumstances; and generally relating to the financing of State and local government.

BY repealing and reenacting, without amendments,

Article – Agriculture

Section 2–701(a) and (b), ~~2–710, and 2–710~~ ~~8–801.1(b), and 10–407(a)(1) and (c) and~~
~~8–801.1(b)~~

Annotated Code of Maryland

(2016 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,

Article – Agriculture

Section 2–712, ~~5–309, 5–503, 5–506, 8–706, 8–801.1(e), 9–204, 10–407(d),~~ 11–204.4,
and 11–204.7

Annotated Code of Maryland

(2016 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages and Cannabis

Section 1–323(a)(1) and (4) and 36–206(a) and (b)

Annotated Code of Maryland

(2024 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages and Cannabis

Section 1–323(f) and 36–206(c) and (g)

Annotated Code of Maryland

(2024 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Business Regulation

Section 11–518

Annotated Code of Maryland

(2024 Replacement Volume)

BY repealing and reenacting, without amendments,

Article – Commercial Law

Section 14–4101

Annotated Code of Maryland

(2013 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,

Article – Commercial Law

Section 14–4104

Annotated Code of Maryland

(2013 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,

Article – Corporations and Associations

~~Section 11–208(a) and (b)~~ 11–208(a), (b), and (f)

Annotated Code of Maryland

(2014 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,

Article – Corporations and Associations

~~Section 11–208(g)~~ 1–203.3, 11–208(g), and 11–407

Annotated Code of Maryland

(2014 Replacement Volume and 2024 Supplement)

~~BY repealing and reenacting, without amendments,~~

~~Article – Criminal Procedure~~

~~Section 11–934(b) and (c)(1) and (2)~~

~~Annotated Code of Maryland~~

~~(2018 Replacement Volume and 2024 Supplement)~~

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

~~Article – Criminal Procedure~~

~~Section 11–934(f)(2)~~

~~Annotated Code of Maryland~~

~~(2018 Replacement Volume and 2024 Supplement)~~

BY repealing and reenacting, without amendments,

Article – Economic Development

~~Section 10–501(a) and (f), 10–526(a)(1) and (4) and (b), 13–601(a) and (c), and~~

~~13–611(a) and (b)(1)~~ Section 5–1501(a), 10–501(a) and (f) and 10–526(a)(1) and

(4) and (b)

Annotated Code of Maryland
(2024 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,
Article – Economic Development
Section 10–526(g)(1), and 10–646.1(a), (b)(5), (d)(1), (2), and (3)(ii), and (e) and
~~13–611(b)(3)~~
Annotated Code of Maryland
(2024 Replacement Volume and 2024 Supplement)

BY adding to
Article – Economic Development
Section 5–1501(k) and 10–646.1(i)
Annotated Code of Maryland
(2024 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,
Article – Education
Section ~~7–414.1(a), (b), and (f)(1) and (5), 7–447.1(p)(1) and (3), 7–810(a), (b), and~~
~~(f)(1) and (5), 7–1501(a) and (f), 7–1508(e)(2), 16–512(a) and (e), 18–3602(a)~~
~~and (b), 18–3701(a) and (f), and 18–3802(a) and (b)~~
Annotated Code of Maryland
(2022 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,
Article – Education
Section ~~7–414.1(f)(4), 7–447.1(p)(9), 7–810(f)(4), 7–1508(g), 7–1512(e), 8–415(d),~~
~~14–405(b), 16–512(b), 18–3605, 18–3704, and 18–3806~~
Annotated Code of Maryland
(2022 Replacement Volume and 2024 Supplement)

BY repealing
Article – Education
Section 7–1512(g)
Annotated Code of Maryland
(2022 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,
Article – Environment
Section 4–104, 5–203.1(b)(1), (3), (4), (6), and (8), (c)(5), and (d), 6–843, ~~and 7–506(a)~~
~~7–506(a), 9–228(g), and 9–274~~
Annotated Code of Maryland
(2013 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,
Article – Environment
Section 5–203.1(a)(1), (6), (8), (9), and (10), (c)(1), and (e) and 7–503(a)

- 1 Annotated Code of Maryland
2 (2013 Replacement Volume and 2024 Supplement)
- 3 BY repealing
4 Article – Environment
5 Section 5–203.1(b)(7)
6 Annotated Code of Maryland
7 (2013 Replacement Volume and 2024 Supplement)
- 8 BY adding to
9 Article – Environment
10 Section 5–203.1(a)(12)
11 Annotated Code of Maryland
12 (2013 Replacement Volume and 2024 Supplement)
- 13 BY repealing and reenacting, without amendments,
14 Article – Environment
15 Section 15–807(a) and (d), and 15–808(a), (c), (g), (h), (i), and (k)
16 Annotated Code of Maryland
17 (2014 Replacement Volume and 2024 Supplement)
- 18 BY repealing and reenacting, with amendments,
19 Article – Environment
20 Section 15–807(b), (c), and (f), 15–808(f), 15–815, 15–816, and 15–819
21 Annotated Code of Maryland
22 (2014 Replacement Volume and 2024 Supplement)
- 23 BY repealing and reenacting, without amendments,
24 Article – Financial Institutions
25 Section 13–1114(a)
26 Annotated Code of Maryland
27 (2020 Replacement Volume and 2024 Supplement)
- 28 BY repealing and reenacting, with amendments,
29 Article – Financial Institutions
30 Section 13–1114(g)
31 Annotated Code of Maryland
32 (2020 Replacement Volume and 2024 Supplement)
- 33 BY repealing and reenacting, without amendments,
34 Article – Health – General
35 Section 7–101(a), (b), and (l), 7–205(a)(1) and (b), ~~and 19–112(a) and (d)~~ 10–101(a),
36 (b), and (f), 10–1203(a), 13–4901(a) and (c), 15–1004(a), 19–112(a) and (d), and
37 24–1101(a) and (c)
38 Annotated Code of Maryland
39 (2023 Replacement Volume and 2024 Supplement)

- 1 BY repealing and reenacting, with amendments,
2 Article – Health – General
3 Section 7–205(e), 7–409(c), 7–717, 10–1203(c), 13–4906, 13–1116(a), and
4 19–112(e)(1), 15–1004(f), 19–112(e)(1), and 24–1105
5 Annotated Code of Maryland
6 (2023 Replacement Volume and 2024 Supplement)
- 7 BY adding to
8 Article – Health – General
9 Section 15–157
10 Annotated Code of Maryland
11 (2023 Replacement Volume and 2024 Supplement)
- 12 BY repealing and reenacting, without amendments,
13 Article – Health Occupations
14 Section 8–206(a)
15 Annotated Code of Maryland
16 (2021 Replacement Volume and 2024 Supplement)
- 17 BY repealing and reenacting, with amendments,
18 Article – Health Occupations
19 Section 8–206(e)
20 Annotated Code of Maryland
21 (2021 Replacement Volume and 2024 Supplement)
- 22 BY repealing and reenacting, without amendments,
23 Article – Housing and Community Development
24 Section 4–511(a), (b), and (c)
25 Annotated Code of Maryland
26 (2019 Replacement Volume and 2024 Supplement)
- 27 BY repealing and reenacting, with amendments,
28 Article – Housing and Community Development
29 Section 4–511(j)
30 Annotated Code of Maryland
31 (2019 Replacement Volume and 2024 Supplement)
- 32 BY repealing and reenacting, with amendments,
33 Article – Human Services
34 Section ~~10–1303~~ 5–609
35 Annotated Code of Maryland
36 (2019 Replacement Volume and 2024 Supplement)
- 37 BY repealing and reenacting, with amendments,
38 Article – Labor and Employment
39 Section 8–421, 8–609(b), 8–612(a), 8–613(b), (d), (f), and (g), 11–606(f), 11–1302(e),
40 and 11–1506

- 1 Annotated Code of Maryland
2 (2016 Replacement Volume and 2024 Supplement)
- 3 BY adding to
4 Article – Labor and Employment
5 Section 8–605.1
6 Annotated Code of Maryland
7 (2016 Replacement Volume and 2024 Supplement)
- 8 BY repealing and reenacting, without amendments,
9 Article – Labor and Employment
10 Section 8–609(a)(1) and (3), 8–613(a)(1), (3), and (4), 11–606(b) and (c), 11–1302(a)
11 and (f), and 11–1501(a) and (f)
12 Annotated Code of Maryland
13 (2016 Replacement Volume and 2024 Supplement)
- 14 BY repealing and reenacting, with amendments,
15 Article – Local Government
16 Section 16–503
17 Annotated Code of Maryland
18 (2013 Volume and 2024 Supplement)
- 19 BY repealing and reenacting, without amendments,
20 Article – Natural Resources
21 Section 3–103(a)(1), 5–903(a)(1) and (2)(i) and (iii), 5–2001(a), (b), and (c),
22 8–2A–02(a) and (b), and 8–709(a) and (b)
23 Annotated Code of Maryland
24 (2023 Replacement Volume and 2024 Supplement)
- 25 BY repealing and reenacting, with amendments,
26 Article – Natural Resources
27 Section 3–103(h), 5–2001(k), 8–2A–02(f), and 8–709(c)
28 Annotated Code of Maryland
29 (2023 Replacement Volume and 2024 Supplement)
- 30 BY repealing and reenacting, without amendments,
31 Article – Public Safety
32 Section 4–1011(a) and (c)
33 Annotated Code of Maryland
34 (2022 Replacement Volume and 2024 Supplement)
- 35 BY repealing and reenacting, with amendments,
36 Article – Public Safety
37 Section 4–1011(b)
38 Annotated Code of Maryland
39 (2022 Replacement Volume and 2024 Supplement)

~~BY repealing and reenacting, with amendments,
Article – Real Property
Section 8–1006
Annotated Code of Maryland
(2023 Replacement Volume and 2024 Supplement)~~

BY repealing and reenacting, without amendments,
Article – State Finance and Procurement
Section 3.5–309(a), (b), (j), and (k), 5A–303(d)(1), (2)(i), and (3)(i) and ~~7–311(a), (b),
and (f), 7–311(a), (b), and (f), 7–317(a), 7–328(a), 7–331(a) and (b), and
10–501(b)(1), (d)(1), and (e)~~
Annotated Code of Maryland
(2021 Replacement Volume and 2024 Supplement)

BY repealing
Article – State Finance and Procurement
Section 3.5–309(l)
Annotated Code of Maryland
(2021 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 3.5–309(m), (n), (o), and (p), 5A–303(d)(3)(iv), 6–104(e), 7–114.2, ~~7–311(e)
and (j), and 7–325~~ 7–311(e) and (j), 7–317(g) and (h), 7–328(f), 7–331(i), and
10–501(a)
Annotated Code of Maryland
(2021 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section ~~2–1230(f), 9–1A–27(d), 9–120, 9–1E–06(c), 9–1E–12(b), 9–20B–05(c) and (f),
9–20B–05(e), (f), and (i), 9–3209(b), 21–205(c), and 21–206(f)~~
Annotated Code of Maryland
(2021 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,
Article – State Government
Section 2–1230(a) and (d), 2–1234(a)(1), 9–20B–05(a) and (j), 9–3209(a), 21–205(a),
and 21–206(a)
Annotated Code of Maryland
(2021 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,
Article – State Personnel and Pensions
Section 21–304(a) and (b)(1) and (4)(i) and (iii)
Annotated Code of Maryland
(2024 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 21–304(b)(5) and 21–308(a)
Annotated Code of Maryland
(2024 Replacement Volume and 2024 Supplement)

BY adding to
Article – State Personnel and Pensions
Section 21–304(b)(6) and 21–309.2
Annotated Code of Maryland
(2024 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 2–202(a), ~~2–606(h) and (i)~~, 2–606(a), (h), and (i), ~~2–1302.2, 7–309(b),~~
~~10–105(a) and (b)~~, 2–1303, 10–104, 10–102.1(a)(8), 10–105(a), 10–106(a)(1),
10–217, 10–219, 10–220, 10–218, 10–730(f), 10–740(c) and (g), 10–741(d),
10–751, 10–811, 10–754, and 11–104(k) 11–101(c–12) and (m), 11–101(c–1),
(c–5), (c–12), (e–1), and (m), 11–103, 11–104(k), 11–206(h), 11–214.1(b),
11–215, and 11–219 11–219, 11–403(a), and 13–201
Annotated Code of Maryland
(2022 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,
Article – Tax – General
Section ~~2–606(a) and (b)~~, ~~7–309(a)~~, ~~and 10–740(a), (b), and (i)~~ 2–606(b),
10–102.1(a)(1) and (b), 10–219, 10–220, 10–730(a)(1), (4), (7), and (8) and (b),
10–740(a), (b), and (i), and 11–101(a) and (l)(1)
Annotated Code of Maryland
(2022 Replacement Volume and 2024 Supplement)

BY adding to
Article – Tax – General
Section ~~2–606(h) and (k) and 10–402.1~~ 2–605.3, 2–606(h), (i), and (l), 2–1302.5,
10–402.1, 11–101(c–12), and 11–104(l) 11–104(l), 11–246, and 11–403(e)
Annotated Code of Maryland
(2022 Replacement Volume and 2024 Supplement)

BY repealing
Article – Tax – General
Section ~~2–701 and 2–702 and the subtitle “Subtitle 7. Inheritance Tax Revenue~~
~~Distribution”; 7–201 through 7–234 and the subtitle “Subtitle 2. Inheritance~~
~~Tax”; and 10–218 and 10–702~~ 11–206(g)
Annotated Code of Maryland
(2022 Replacement Volume and 2024 Supplement)

1 BY repealing and reenacting, without amendments,

2 Article – Tax – Property

3 Section 13-209(a)(4) and (e)

4 Annotated Code of Maryland

5 (2019 Replacement Volume and 2024 Supplement)

6 BY repealing and reenacting, with amendments,

7 Article – Tax – Property

8 Section 2-106 and 13-209(c), (d), and (h)

9 Annotated Code of Maryland

10 (2019 Replacement Volume and 2024 Supplement)

11 BY repealing and reenacting, with amendments,

12 Article – Transportation

13 Section 2-103.1(m)(2)(iii), ~~3-202, 3-601(d), 7-406(e), 2-802(b)(2)(i), 2-802.1(c),~~

14 ~~3-202, 3-216(e), 3-601(d), 7-406(c), 8-402, 12-120, 13-809(a), 13-901,~~

15 ~~13-802, 13-809(c), 13-810(a)(24) and (26), 13-912, 13-916, 13-917, 13-936,~~

16 ~~13-937, 13-939.1, 13-955(e), 17-106(e)(2), and 23-205~~

17 Annotated Code of Maryland

18 (2020 Replacement Volume and 2024 Supplement)

19 BY repealing and reenacting, without amendments,

20 Article – Transportation

21 Section ~~13-809(b)(1) and (d), 2-802(b)(1), 2-802.1(a) and (b), and~~ 13-955(a), ~~and~~

22 ~~17-106(a), (b), (c), (d), and (e)(1)~~

23 Annotated Code of Maryland

24 (2020 Replacement Volume and 2024 Supplement)

25 BY repealing

26 Article – Transportation

27 Section 13-810(a)(25)

28 Annotated Code of Maryland

29 (2020 Replacement Volume and 2024 Supplement)

30 BY adding to

31 Article – Transportation

32 ~~Section 13-955(f), and 18.8-101 through 18.8-106 to be under the new title “Title~~

33 ~~18.8. Retail Delivery Fee” Section 7-205.1 and 13-955(f), 13-955(f), and~~

34 ~~22-421~~

35 Annotated Code of Maryland

36 (2020 Replacement Volume and 2024 Supplement)

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

38 ~~Article – Tax – Property~~

39 ~~Section 2-106 and 9-103(c) and (f)~~

40 ~~Annotated Code of Maryland~~

41 ~~(2019 Replacement Volume and 2024 Supplement)~~

1 ~~BY repealing and reenacting, without amendments,~~
2 ~~Article – Tax – Property~~
3 ~~Section 9–103(a)~~
4 ~~Annotated Code of Maryland~~
5 ~~(2019 Replacement Volume and 2024 Supplement)~~

6 ~~BY repealing~~
7 ~~Article – Education~~
8 ~~Section 24–204(d)~~
9 ~~Annotated Code of Maryland~~
10 ~~(2022 Replacement Volume and 2024 Supplement)~~

11 ~~BY repealing~~
12 ~~Article – Health – General~~
13 ~~Section 7–717~~
14 ~~Annotated Code of Maryland~~
15 ~~(2023 Replacement Volume and 2024 Supplement)~~

16 BY repealing
17 Article – Local Government
18 Section 16–503
19 Annotated Code of Maryland
20 (2013 Volume and 2024 Supplement)

21 BY repealing and reenacting, with amendments,
22 Chapter 397 of the Acts of the General Assembly of 2011, as amended by Chapter
23 425 of the Acts of the General Assembly of 2013, Chapter 464 of the Acts of
24 the General Assembly of 2014, Chapter 489 of the Acts of the General
25 Assembly of 2015, Chapter 23 of the Acts of the General Assembly of 2017,
26 Chapter 10 of the Acts of the General Assembly of 2018, Chapter 16 of the
27 Acts of the General Assembly of 2019, Chapter 538 of the Acts of the General
28 Assembly of 2020, and Chapter 103 of the Acts of the General Assembly of
29 2023
30 Section 16(c)

31 BY repealing and reenacting, with amendments,
32 Chapter 111 of the Acts of the General Assembly of 2023, as amended by Chapter 410
33 of the Acts of the General Assembly of 2024
34 Section 6

35 BY repealing and reenacting, with amendments,
36 Chapter 260 of the Acts of the General Assembly of 2023
37 Section 2

38 BY repealing and reenacting, with amendments,
39 Chapter 261 of the Acts of the General Assembly of 2023

Section 2

~~BY repealing~~

~~Chapter 275 of the Acts of the General Assembly of 2023~~

~~Section 1 and 2~~

BY repealing

Chapter 717 of the Acts of the General Assembly of 2024

Section 8(42)

BY repealing and reenacting, with amendments,

Chapter 717 of the Acts of the General Assembly of 2024

Section 9

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

Article – Agriculture

2–701.

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

(b) “Board” means the Maryland Horse Industry Board.

2–710.

A person may not engage in the business of operating or maintaining any horse establishment unless the person has received a license issued by the Board.

2–712.

(a) A license expires on [the] June 30 after its effective date, unless the license is renewed for a 1–year term as provided in this section.

(B) AT LEAST 1 MONTH BEFORE A LICENSE EXPIRES, THE BOARD SHALL SEND EACH LICENSEE, BY ELECTRONIC MEANS OR FIRST-CLASS MAIL TO THE LAST KNOWN ELECTRONIC OR MAILING ADDRESS OF THE LICENSEE, A RENEWAL FORM AND A RENEWAL NOTICE THAT STATES:

(1) THE DATE ON WHICH THE CURRENT LICENSE EXPIRES;

(2) THAT THE RENEWAL APPLICATION AND FEE MUST BE RECEIVED BY THE BOARD ON OR BEFORE THE LICENSE EXPIRATION DATE; AND

(3) THE AMOUNT OF THE RENEWAL FEE.

1 **[(b)] (C)** Before **[his]** A PERSON'S license expires, a licensee periodically may
2 renew **[his]** THE license for additional 1-year terms, if the licensee:

3 (1) Otherwise is entitled to be licensed;

4 (2) Pays to the Board a renewal fee of \$125; and

5 (3) Submits to the Board a renewal application on the form that it requires.

6 **(D) A PERSON WHO IS LICENSED TO OPERATE A HORSE ESTABLISHMENT**
7 **HAS A GRACE PERIOD OF 60 DAYS AFTER THE PERSON'S LICENSE EXPIRES TO RENEW**
8 **THE LICENSE RETROACTIVELY, IF THE PERSON:**

9 (1) **OTHERWISE IS ENTITLED TO RENEW THE LICENSE;**

10 (2) **SUBMITS TO THE BOARD A RENEWAL APPLICATION ON THE FORM**
11 **REQUIRED BY THE BOARD; AND**

12 (3) **PAYS TO THE BOARD THE RENEWAL FEE AND ANY LATE FEE SET**
13 **BY THE BOARD.**

14 **(E) THE BOARD MAY REINSTATE THE LICENSE OF A FORMER LICENSEE IF**
15 **THE FORMER LICENSEE:**

16 (1) **APPLIES FOR THE REINSTATEMENT MORE THAN 60 DAYS AFTER**
17 **THE LICENSE RENEWAL DEADLINE;**

18 (2) **OTHERWISE IS ENTITLED TO RENEW THE LICENSE;**

19 (3) **SUBMITS TO THE BOARD AN APPLICATION FOR REINSTATEMENT**
20 **ON THE FORM REQUIRED BY THE BOARD; AND**

21 (4) **PAYS TO THE BOARD A REINSTATEMENT FEE AND THE RENEWAL**
22 **FEE SET BY THE BOARD.**

23 5-309.

24 (a) **(1)** At least once each year the Secretary shall inspect each nursery in the
25 State to determine if the nursery stock is infested or infected with dangerously injurious
26 plant pests.

27 (2) Each nursery shall pay the Secretary an inspection fee based [upon]
28 ON the number of acres in production AS FOLLOWS:

(I) 1 acre or less, [\$10] \$20; [more]

(II) MORE than 1 acre to 5 acres, [\$20] \$30; [more]

(III) MORE than 5 acres to 10 acres, [\$30] \$40; [more] AND

(IV) MORE than 10 acres, [\$3] \$5 for each acre, or part of any acre,
up to a maximum of [\$1,000] \$1,500.

(3) All fees collected UNDER PARAGRAPH (2) OF THIS SUBSECTION shall
be [placed in] DEPOSITED INTO the Plant Protection Fund and used to defray partially
the cost of inspecting the nurseries.

(b) (1) Each nursery shall be certified annually by the Secretary if it meets
standards established by the Department regarding freedom from plant pests and [upon]
ON payment of a fee of [\$100] \$150.

(2) All fees collected UNDER PARAGRAPH (1) OF THIS SUBSECTION shall
be [placed in] DEPOSITED INTO the Plant Protection Fund and used to defray partially
the cost of inspecting and certifying the nurseries.

(c) (1) Each broker or dealer shall comply with the regulations established by
the Department and shall pay an annual license fee of [\$100] \$150.

(2) The Secretary may inspect annually the nursery stock in a sales or
holding yard of a broker or dealer.

(3) Each broker or dealer shall pay the Secretary an inspection fee as
provided in subsection (a) of this section.

(4) All fees collected UNDER PARAGRAPH (1) OF THIS SUBSECTION shall
be [placed in] DEPOSITED INTO the Plant Protection Fund and used to defray partially
the cost of inspecting and licensing the brokers and dealers.

(d) (1) The Secretary may certify plants [to]:

(I) TO be apparently free of injurious viruses[, and/or] OR other
diseases[, or plants that]; OR

(II) THAT conform to established standards of strain purity.

(2) Each plant producer shall pay the Secretary [the following] A
certification fee for each acre, or part of an acre, in plant production AS FOLLOWS:
[strawberry]

(I) STRAWBERRY plants, "Cape" American beachgrass, "Avalon" Saltmeadow cordgrass, \$50; [grape] AND

(II) GRAPE vines, fruit trees, and bramble plants, \$70.

(3) All fees collected UNDER PARAGRAPH (2) OF THIS SUBSECTION shall be [placed in] DEPOSITED INTO the Plant Protection Fund and used to defray partially the cost of virus indexing, inspection, and analysis of plants certified or tagged.

(e) (1) If dangerously injurious plant pests are found in any nursery, orchard, or any premises where nursery stock is grown or held for sale, the Secretary shall order it treated or destroyed by the [nurseryman] NURSERY or dealer. [He]

(2) THE SECRETARY shall release all other nursery stock grown on the premises, and issue a certificate of inspection to the owner.

(3) If the [nurseryman] NURSERY or dealer fails to comply with the order, the Secretary shall seize, destroy, [and/or] OR treat the infested or infected nursery stock and the owner shall pay the costs.

(4) If [the] AN owner refuses to pay the [cost] COSTS REQUIRED UNDER PARAGRAPH (3) OF THIS SUBSECTION, [it] THE COSTS shall be collected [as prescribed] in ACCORDANCE WITH § 5-307 of this subtitle.

(f) A federal, State, or local public agency is exempt from the license and inspection fees required by this section.

~~5-503.~~

~~(a) (1) A beekeeper shall register annually with the Department each colony that [it] THE PERSON maintains, as provided in this subsection.~~

~~(2) On or before January 1 of each year, the beekeeper shall complete and submit to the Department a registration form on which the beekeeper shall state the number of colonies [he] THE PERSON maintains and the location of each colony.~~

~~(3) The Department shall adopt a form which shall be used to comply with the registration requirements of this subsection.~~

~~(b) Any person who is not registered as a beekeeper under this section and who acquires a colony shall register [it] THE COLONY with the Department within 30 days after the acquisition.~~

~~(C) A PERSON WHO FAILS TO COMPLETE AND SUBMIT THE REGISTRATION IN A TIMELY MANNER AS SPECIFIED IN THIS SECTION IS SUBJECT TO:~~

~~(1) AFTER 30 DAYS FROM NOTIFICATION BY THE DEPARTMENT TO
SUBMIT A REGISTRATION, AN ADMINISTRATIVE PENALTY OF \$25;~~

~~(2) AFTER 60 DAYS FROM NOTIFICATION BY THE DEPARTMENT TO
SUBMIT A REGISTRATION, AN ADMINISTRATIVE PENALTY OF \$50; AND~~

~~(3) AFTER 90 DAYS FROM NOTIFICATION BY THE DEPARTMENT TO
SUBMIT A REGISTRATION, AN ADMINISTRATIVE PENALTY OF \$100.~~

~~5-506.~~

~~(A) In each colony that [it] A BEEKEEPER maintains, a beekeeper shall provide
movable frames, each of which may be removed from the colony without causing damage to
the combs in the colony.~~

~~(B) (1) AFTER BEING NOTIFIED BY THE DEPARTMENT TO PROVIDE
MOVABLE FRAMES FOR A COLONY, A BEEKEEPER SHALL PROVIDE THE FRAMES
WITHIN 30 DAYS FROM RECEIPT OF THE NOTICE.~~

~~(2) IF A BEEKEEPER FAILS TO PROVIDE THE FRAMES AS SPECIFIED IN
THIS SECTION, THE BEEKEEPER IS SUBJECT TO:~~

~~(I) AFTER 30 DAYS FROM RECEIPT OF THE DEPARTMENT'S
NOTIFICATION, AN ADMINISTRATIVE PENALTY OF \$25; AND~~

~~(II) AFTER 60 DAYS FROM RECEIPT OF THE DEPARTMENT'S
NOTIFICATION, AN ADMINISTRATIVE PENALTY OF \$50.~~

~~8-706.~~

(a) To maximize participation in the Conservation Reserve Enhancement Program, in fiscal years 2023 through 2031, inclusive, a landowner who enrolls land planted with a forested streamside buffer shall receive a one-time signing bonus of up to \$1,000 per acre of land enrolled.

(b) Signing bonuses provided under this section shall be funded with:

(1) Money appropriated under subsection (c) of this section; and

(2) The amount specified in § 9-1605.2(i)(11)(i) of the Environment Article.

(c) (1) For fiscal [years 2024 through 2031, in each year] **YEAR 2024**, the Governor shall appropriate \$2,500,000 in the annual State budget to fund tree planting under this section and other tree planting programs on agricultural land.

(2) FOR EACH OF FISCAL YEARS 2025 THROUGH 2031, THE GOVERNOR SHALL APPROPRIATE \$500,000 IN THE ANNUAL STATE BUDGET TO FUND TREE PLANTING UNDER THIS SECTION AND OTHER TREE PLANTING PROGRAMS ON AGRICULTURAL LAND.

[(2)] (3) Money appropriated under this subsection is supplemental to and may not take the place of funding that would otherwise be appropriated for tree plantings under this section and other tree planting programs on agricultural land.

~~§ 801.1.~~

~~(b) (1) Subject to paragraph (2) of this subsection, a summary of each nutrient management plan shall be filed and updated with the Department at a time and in a form that the Department requires by regulation.~~

~~(2) (i) The Department may require an updated summary under this subsection to take the form of an annual implementation report.~~

~~(ii) If a person, in operating a farm, uses or produces animal manure, the person's annual implementation report shall include:~~

~~1. The amount of animal manure imported to or exported from the person's farm;~~

~~2. For any animal manure that was imported, the name and location of the sending farm; and~~

~~3. For any animal manure that was exported, the name and location of the farm, alternative use facility, or manure broker that received the manure.~~

~~(iii) If a person receives animal manure through a manure broker, the broker shall provide the person with the name and location of the sending farm.~~

~~(3) The Department shall maintain a copy of each summary for 3 years in a manner that protects the identity of the individual for whom the nutrient management plan was prepared.~~

~~(c) (1) If a person fails to file a summary or annual implementation report as required by the Department under subsection (b) of this section, the Department shall notify the person that:~~

~~(i) The person is in violation of the requirement to file a summary or annual implementation report; and~~

~~(ii) The person is subject to[~~

~~1. After], AFTER 30 days from issuance of the notice, an administrative penalty of not less than [\$100] \$1,000 and not more than [\$250;~~

~~2. After 60 days from issuance of the notice, an administrative penalty of not less than \$250 and not more than \$1,000; and~~

~~3. After 90 days from issuance of the notice, an administrative penalty of not less than \$1,000] \$2,000.~~

~~(2) A penalty imposed on a person under paragraph (1) of this subsection shall be assessed with consideration given to:~~

~~(i) The willfulness of the violation; and~~

~~(ii) The extent to which the current violation is part of a recurrent pattern of the same or similar type of violation committed by the violator.~~

~~9-204.~~

~~(a) No person may engage in the business of a wholesale seedsman in the State unless [he] THE PERSON first obtains a permit.~~

~~(b) [He] THE PERSON shall apply to the Secretary on a form determined and furnished by the Secretary. The application shall be verified by the oath of the applicant or, if the applicant is a corporation, by the oath of some of its officers.~~

~~(c) Upon payment of a [\$100] \$125 permit fee, the Secretary shall issue to the applicant a wholesale seedsman permit for an annual period beginning July 1 each year.~~

~~(d) Out-of-state wholesale seedsmen doing business in the State shall obtain a permit in the same manner.~~

~~(e) Any permit issued under this subtitle may be revoked or suspended by the Secretary upon satisfactory proof that the seedsman has violated any provision of this subtitle or any of the rules and regulations adopted under it. A permit may not be revoked or suspended until the holder has been given an opportunity for a hearing by the Secretary.~~

~~(f) The Secretary may issue a stop-sale order to any wholesale seedsman who offers or exposes seed for sale without holding a valid permit.~~

~~10-407.~~

~~(a) (1) The University of Maryland Extension shall create a "Maryland Native Plants" webpage on the University of Maryland Extension's website.~~

~~(e) A link to the “Maryland Native Plants” webpage shall be posted on the Department of Natural Resources’ native plants website.~~

~~(d) For fiscal year 2025 and each fiscal year thereafter, the Governor [shall] MAY include in the annual budget bill an appropriation of \$150,000 for the University of Maryland Extension to hire one extension agent as a Native Plant Specialist and \$100,000 for the Department to hire staff to administer the Program.~~

11–204.4.

(a) Unless a registration for a weight and measure is renewed for a 1–year term, the license expires 1 year from the effective date of the registration.

(B) AT LEAST 1 MONTH BEFORE A REGISTRATION FOR A WEIGHT AND MEASURE EXPIRES, THE SECRETARY SHALL SEND EACH PERSON WITH A KNOWN REGISTRATION, BY ELECTRONIC MEANS OR FIRST–CLASS MAIL TO THE LAST KNOWN ELECTRONIC OR MAILING ADDRESS OF THE PERSON, A REGISTRATION RENEWAL FORM AND A RENEWAL NOTICE THAT STATES:

(1) THE DATE ON WHICH THE CURRENT REGISTRATION EXPIRES;

(2) THAT THE RENEWAL APPLICATION AND FEE MUST BE RECEIVED BY THE SECRETARY ON OR BEFORE THE REGISTRATION EXPIRATION DATE; AND

(3) THE AMOUNT OF THE RENEWAL FEE.

~~[(b)]~~ **(C)** Before a registration for a weight and measure expires, the registration may be renewed for an additional 1–year term, if the applicant:

(1) Is the owner or possessor of a weight and measure;

(2) Pays the applicable fee as provided in § 11–204.7 of this subtitle; and

(3) Submits to the Secretary a renewal application on a form that the Secretary provides.

(D) A PERSON WHO HAS A REGISTRATION FOR A WEIGHT AND MEASURE HAS A GRACE PERIOD OF 60 DAYS AFTER THE REGISTRATION EXPIRES IN WHICH TO RENEW THE REGISTRATION RETROACTIVELY, IF THE PERSON:

(1) OTHERWISE IS ENTITLED TO RENEW THE REGISTRATION;

(2) SUBMITS TO THE SECRETARY A RENEWAL APPLICATION ON THE FORM REQUIRED BY THE SECRETARY; AND

(3) PAYS TO THE SECRETARY THE RENEWAL FEE AND LATE FEE SET BY THE SECRETARY.

[(c)] (E) The owner or possessor of a weight and measure shall display the registration conspicuously at each place of business where the weight and measure is located.

[(d)] (F) If the weight and measure is sold, transferred, or moved to a new location, the owner or possessor of a weight and measure shall notify the Secretary.

11-204.7.

The **SECRETARY MAY SET REASONABLE** fees for registering each weight and measure used for commercial purposes under this subtitle [are as follows:

(1) Scales with a capacity of up to 100 pounds (maximum fee per business location: \$375).....\$20
for each scale, plus \$50 for each business location;

(2) Scales with a capacity of more than 100 pounds, up to 2,000 pounds.....\$60;

(3) Scales with a capacity of more than 2,000 pounds.....\$100;

(4) Belt conveyor scales.....\$300;

(5) Railroad track scales.....\$300;

(6) Vehicle scales.....\$250;

(7) Grain moisture meter.....\$100;

(8) Retail motor fuel dispenser meter of under 20 gallons per minute.....\$12.50
for each meter, plus \$50 for each business location;

(9) Retail motor fuel dispenser meter of 20 gallons per minute or more.....\$45;

(10) Bulk petroleum fuel meter of 20 gallons per minute, up to 150 gallons per minute.....\$50;

(11) Bulk petroleum fuel meter of 150 gallons per minute or more.....\$85;

(12) Liquefied petroleum gas meters.....\$75; and

(13) Point of sale system, as defined by the National Institute of Standards and Technology (NIST) Handbook 44, connected to a weighing or measuring device (per business location).....\$100].

Article – Alcoholic Beverages and Cannabis

1–323.

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

(4) “Grant Program” means the Social Equity Partnership Grant Program.

(f) For fiscal year 2025 and each fiscal year thereafter, the Governor shall include in the annual budget bill an appropriation of \$5,000,000 for the Grant Program, **UTILIZING THE CANNABIS REGULATION AND ENFORCEMENT FUND ESTABLISHED UNDER § 36–206 OF THIS ARTICLE.**

36–206.

(a) In this section, “Fund” means the Cannabis Regulation and Enforcement Fund.

(b) There is a Cannabis Regulation and Enforcement Fund.

(c) The purpose of the Fund is to provide funds to cover the costs of:

(1) the operation of the Administration; [and]

(2) administering and enforcing this title; AND

(3) SUPPORTING THE SOCIAL EQUITY PARTNERSHIP GRANT PROGRAM ESTABLISHED UNDER § 1–323 OF THIS ARTICLE.

(g) The Fund may be used [only] for carrying out this title **AND SUPPORTING THE SOCIAL EQUITY PARTNERSHIP GRANT PROGRAM ESTABLISHED UNDER § 1–323 OF THIS ARTICLE.**

Article – Business Regulation

11–518.

(a) In this section, “open purse” means any purse, except for one offered in a race funded by the Maryland–Bred Race Fund.

(b) The Commission may direct a deduction from open purse money of 0.25% of all mutuel pools to be paid to the Maryland Backstretch Employees Pension Fund.

(c) Subject to the approval of the Commission, the licensees and an organization that represents a majority of the owners and trainers in the State shall agree on a formula for distributing open purse money.

(d) The formula shall distribute approximately 85% of the open purse money to the overnight races of the current year and approximately 15%, but not more than 17%, to the stakes races of the current year.

(e) The organization that represents a majority of the owners and trainers in the State shall set an amount not less than 1% but not more than ~~2%~~ 3% that shall be deducted from all open purses and paid to the organization.

Article – Commercial Law

14–4101.

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

(b) “Commissioner” means the Commissioner of Financial Regulation in the Maryland Department of Labor.

(c) “Office” means the Office of the Attorney General.

14–4104.

(a) (1) (i) For fiscal year 2025 only, the Governor may include in the annual budget bill an appropriation of at least \$700,000 in special funds for the Office for the purposes of enforcement of:

1. Consumer protection laws under this title;
2. Consumer protection laws under Title 13 of this article;
- and
3. Financial consumer protection laws.

(ii) For fiscal year 2026 and each fiscal year thereafter, the Governor shall include in the annual budget bill an appropriation of at least \$350,000 in ~~[general]~~ SPECIAL funds for the Office for the purposes of enforcement of:

1. Consumer protection laws under this title;
2. Consumer protection laws under Title 13 of this article;
- and

3. Financial consumer protection laws.

(2) The Office shall use the funds under paragraph (1) of this subsection for:

(i) Staffing costs associated with hiring new employees; and

(ii) Investigations of alleged violations of consumer protection laws in the State.

(b) (1) For fiscal year 2020 and each fiscal year thereafter, the Governor shall include an appropriation of at least \$300,000 in general funds in the State budget for the Commissioner for the purposes of enforcement of financial consumer protection laws.

(2) The Commissioner shall use the funds under paragraph (1) of this subsection for:

(i) Staffing costs associated with hiring new employees; and

(ii) Investigations of alleged violations of consumer protection laws in the State.

Article – Corporations and Associations

1–203.3.

(a) There is a continuing, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(b) (1) Subject to the appropriation process in the State budget, the Department shall use the fund:

(i) For the costs of reviewing, processing, and auditing documents filed or requested under this article or other articles of the Code;

(ii) To pay redemption or extinguishment amounts to former owners of ground rents redeemed or extinguished in accordance with § 8–804 of the Real Property Article; and

(iii) Subject to paragraph (2) of this subsection, for other costs incurred by the Department to administer the provisions of this article.

(2) [For] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, FOR fiscal year 2015 and each fiscal year thereafter, the Department may not use the fund to pay more than 15% of the administrative expenses of the Office of the Director of the Department.

(3) **FOR FISCAL YEARS 2026 AND 2027 ONLY, UP TO \$11,000,000 OF THE FUND MAY BE USED EACH YEAR FOR GENERAL OPERATING COSTS BY THE DEPARTMENT.**

(c) The State Treasurer shall hold and the State Comptroller shall account for the fund.

(d) The fund shall be invested and reinvested in the same manner as other State funds.

(e) Investment earnings shall accrue to the benefit of the fund.

11–208.

(a) In this section, “Fund” means the Securities Act Registration Fund.

(b) There is a Securities Act Registration Fund.

(f) The Fund consists of:

(1) Fees distributed to the Fund under § 11–407(a)(2) of this title;

(2) Money appropriated in the State budget to the Fund; and

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

(g) The Fund may be used [only] to administer and enforce the Maryland Securities Act **AND TO SUPPORT THE GENERAL OPERATIONS OF THE MARYLAND OFFICE OF THE ATTORNEY GENERAL.**

11–407.

(a) (1) An applicant for initial or renewal registration as a broker–dealer shall pay a fee of \$250.

(2) (i) An applicant for initial or renewal registration or transfer of registration as an agent shall pay a fee of [\$50] \$65.

(ii) From the fee paid under this paragraph, [\$15] \$25 shall be distributed to the Securities Act Registration Fund established under § 11–208 of this title.

(b) (1) An applicant for initial or renewal registration as an investment adviser shall pay a fee of \$300.

(2) A federal covered adviser filing notice under § 11–405(b) of this subtitle shall pay an initial fee of \$300 and a renewal fee of \$300.

(3) A private fund adviser filing notice under § 11–405(c) of this subtitle shall pay an initial fee of \$300 and a renewal fee of \$300.

(4) An applicant for initial or renewal registration or transfer of registration as an investment adviser representative shall pay a fee of \$50.

(c) The Commissioner by rule may waive or reduce for any class of applicant the application of the fee requirements set forth in subsection (b) of this section.

(d) If an application is denied or an application or notice filing is withdrawn, the Commissioner shall retain the fee.

~~Article – Criminal Procedure~~

~~11–934.~~

~~(b) (1) The Governor's Office of Crime Prevention and Policy shall help support programs providing services for victims of crime throughout the State.~~

~~(2) The victim services programs shall be developed and located to facilitate their use by alleged victims residing in surrounding areas.~~

~~(e) (1) The Governor's Office of Crime Prevention and Policy may award grants to public or private nonprofit organizations to operate the victim services programs.~~

~~(2) Except as provided in paragraph (3) of this subsection, the programs shall provide services to victims of crime as authorized by the federal Victims of Crime Act and related regulations.~~

~~(f) (2) In each fiscal year, the Governor shall include in the annual budget bill [an] A GENERAL FUND appropriation [that, together with the amount received under the federal Victims of Crime Act in the prior year, totals an aggregate \$60,000,000] OF \$35,000,000 for the victim services programs funded under this section.~~

Article – Economic Development

5–1501.

(a) There is a Small, Minority, and Women-Owned Businesses Account under the authority of the Department.

(K) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, FOR EACH OF FISCAL YEARS 2026 THROUGH 2028, THE FOLLOWING AMOUNTS SHALL BE

MADE AVAILABLE FROM CURRENT ALLOCATIONS RECEIVED UNDER § 9-1A-27 OF
THE STATE GOVERNMENT ARTICLE FROM PREVIOUSLY UNSPENT ALLOCATIONS:

(1) \$1,500,000 FOR THE MARYLAND SMALL BUSINESS
DEVELOPMENT FINANCING AUTHORITY ESTABLISHED UNDER § 5-505 OF THIS
TITLE; AND

(2) \$7,500,000 FOR THE PRE-SEED BUILDER FUND ESTABLISHED
UNDER § 10-486 OF THIS ARTICLE.

10-501.

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

(f) “Corporation” means the Maryland Agricultural and Resource-Based
Industry Development Corporation.

10-526.

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

(4) “Program” means the Maryland Watermen’s Microloan Program.

(b) There is a Maryland Watermen’s Microloan Program in the Corporation.

(g) (1) For each of fiscal years 2024 through [2026] **2025**, the Governor shall
include in the annual State budget bill an appropriation of \$500,000 to the Program.

10-646.1.

(a) Except as allowed by § 10-639 of this subtitle, to finance the planning, design,
and construction of any segment of a racing facility [on behalf of the Maryland
Thoroughbred Racetrack Operating Authority], the Authority shall comply with this section.

(b) At least 45 days before seeking approval of the Board of Public Works for each
bond issue or other borrowing, the Authority shall provide, in accordance with § 2-1257 of
the State Government Article, to the fiscal committees of the General Assembly a
comprehensive financing plan for the relevant racing facility that includes:

(5) anticipated project costs[, as determined by the Maryland Thoroughbred
Racetrack Operating Authority,] of at least \$250,000,000 for the Pimlico racing facility and
\$110,000,000 for the training facility site; and

(d) (1) In this subsection, “long-term agreement” includes a lease, operating,
joint venture, or management agreement with a minimum term [that coincides with or

1 *exceeds the initial term of the bonds issued for a racing facility]* **ESTABLISHED BY THE**
2 **AUTHORITY.**

3 (2) *[Before issuing any bonds for any segment of a racing facility, the]* **THE**
4 *Authority shall ensure that the following agreements [have been] ARE executed:*

5 (i) *subject to paragraph (3) of this subsection, a long-term agreement*
6 *regarding management and operations at the Pimlico racing facility site; and*

7 (ii) *agreements between the Authority and project entities for the*
8 *planning, design, and construction of a racing facility.*

9 (3) (ii) 1. *[Unless thoroughbred racing is no longer a lawful activity,*
10 *or is otherwise rendered not commercially viable as a result of a change in law or regulation,*
11 *the long-term agreement under paragraph (2)(i) of this subsection may not expire while any*
12 *bond, debt, or other financial instrument issued by the Authority for the improvement of a*
13 *racing facility remains unpaid.*

14 2. *If thoroughbred racing is no longer a lawful activity, or is*
15 *otherwise rendered not commercially viable as a result of a change in law or regulation, the*
16 *parties to the long-term agreement shall notify the Board of Public Works at least 180 days*
17 *before the expiration or termination of the long-term agreement.*

18 [3.] 2. *The notice required under subparagraph [2] 1 of this*
19 *subparagraph shall contain a wind-down plan.*

20 [4.] 3. *The long-term agreement required under paragraph (2)(i)*
21 *of this subsection shall contain dispute resolution provisions, including expedited review, in*
22 *the event that there is a dispute among the parties regarding the existence of the conditions*
23 *described in subparagraph 1 of this subparagraph or the contents of the wind-down*
24 *plan.*

25 (e) *[On behalf of the Maryland Thoroughbred Racetrack Operating Authority, the]*
26 **THE Authority [shall] MAY enter into agreements with project entities or local entities for**
27 **planning, design, and construction of the racing and community development projects at a**
28 **racing facility site.**

29 (I) (1) **FOR THE PURPOSE OF THE PLANNING, DESIGN, CONSTRUCTION,**
30 **AND OWNERSHIP OF A RACING AND COMMUNITY DEVELOPMENT PROJECT UNDER**
31 **THIS SUBTITLE, THE AUTHORITY IS THE SUCCESSOR ENTITY TO THE MARYLAND**
32 **THOROUGHBRED RACETRACK OPERATING AUTHORITY.**

33 (2) **FOR THE PURPOSE OF THE OPERATION OF A RACING AND**
34 **COMMUNITY DEVELOPMENT PROJECT UNDER THIS SUBTITLE, THE MARYLAND**

ECONOMIC DEVELOPMENT CORPORATION IS THE SUCCESSOR ENTITY TO THE MARYLAND THOROUGHBRED RACETRACK OPERATING AUTHORITY.

(3) THE AUTHORITY AND THE MARYLAND ECONOMIC DEVELOPMENT CORPORATION MAY ENTER INTO ANY AGREEMENTS NECESSARY TO CARRY OUT THE PROVISIONS OF THIS SECTION.

(4) A NONPROFIT OPERATOR OF A RACING AND COMMUNITY DEVELOPMENT PROJECT:

(I) MAY NOT BE CONSTRUED TO BE AN AGENCY OR INSTRUMENTALITY OF THE STATE OR A UNIT OF THE EXECUTIVE BRANCH FOR ANY PURPOSE;

(II) MAY BE REPLACED WITH ANOTHER BUSINESS ENTITY WITH THE CONCURRENT APPROVAL OF THE AUTHORITY AND THE MARYLAND ECONOMIC DEVELOPMENT CORPORATION; AND

(III) SHALL REIMBURSE THE AUTHORITY FOR THE COST OF A FULL-TIME AUDITOR RESPONSIBLE FOR OVERSEEING THE FINANCIAL TRANSACTIONS AND RECORDS RELATING TO RACING AND COMMUNITY PROJECT COSTS AND ONGOING OPERATIONS.

~~13-601.~~

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

~~(c) "Council" means the Tri-County Council for Southern Maryland.~~

~~13-611.~~

~~(a) The State and Calvert, Charles, and St. Mary's counties may jointly finance the Council and its activities.~~

~~(b) (1) The State may provide financial support to the Council to assist in carrying out the activities of the Council.~~

~~(3) (i) The Governor shall include in the State budget for the following fiscal year an appropriation to partially support the Council.~~

~~(ii) 1. For fiscal [year 2024 and each fiscal year thereafter] YEARS 2024 AND 2025, the Governor shall include in the annual budget bill an appropriation of \$1,000,000 to the Council from the Cigarette Restitution Fund established under § 7-317 of the State Finance and Procurement Article.~~

~~2. FOR FISCAL YEAR 2026, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$750,000 TO THE COUNCIL FROM THE CIGARETTE RESTITUTION FUND ESTABLISHED UNDER § 7-317 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.~~

~~3. FOR FISCAL YEAR 2027, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$500,000 TO THE COUNCIL FROM THE CIGARETTE RESTITUTION FUND ESTABLISHED UNDER § 7-317 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.~~

~~4. FOR FISCAL YEAR 2028, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$250,000 TO THE COUNCIL FROM THE CIGARETTE RESTITUTION FUND ESTABLISHED UNDER § 7-317 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.~~

~~[2.] (III) The Council shall use funds appropriated from the Cigarette Restitution Fund for the purpose of funding the activities of the Southern Maryland Agricultural Development Commission.~~

~~[3.] (IV) The appropriation required under [subsubparagraph 1 of this subparagraph] THIS PARAGRAPH shall be in addition to, and may not supplant, any funding appropriated to the Council.~~

Article – Education

~~7-414.1.~~

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

~~(2) “Fund” means the Driver Education in Public High Schools Fund.~~

~~(3) “Program” means the Driver Education in Public High Schools Grant Program.~~

~~(b) There is a Driver Education in Public High Schools Grant Program in the Department.~~

~~(f) (1) There is a Driver Education in Public High Schools Fund.~~

~~(4) The Fund consists of:~~

~~(i) Money received by the Fund from fines for vehicle security lapses under § 17-106 of the Transportation Article; and~~

~~(ii) Any other] ANY money from any [other] source accepted for the benefit of the Fund.~~

~~(5) The Fund may be used only for:~~

~~(i) Providing grants under the Program; and~~

~~(ii) Administrative costs of the Program.~~

~~7-447.1.~~

~~(p) (1) In this subsection, "Fund" means the Coordinated Community Supports Partnership Fund.~~

~~(3) The purpose of the Fund is to support the delivery of services and supports provided to students to meet their holistic behavioral health needs and address other related challenges.~~

~~(9) The Governor shall include in the annual budget bill the following appropriations for the Fund:~~

~~(i) \$25,000,000 in fiscal year 2022;~~

~~(ii) \$50,000,000 in fiscal year 2023;~~

~~(iii) \$85,000,000 in fiscal year 2024; AND~~

~~(iv) [\$110,000,000 in fiscal year 2025; and~~

~~(v) \$130,000,000] \$40,000,000 in fiscal year [2026] 2025 and each fiscal year thereafter.~~

~~7-810.~~

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

~~(2) "Fund" means the State Aided Institutions Field Trip Fund.~~

~~(3) "Program" means the State Aided Institutions Field Trip Grant Program.~~

~~(b) There is a State Aided Institutions Field Trip Grant Program in the Department.~~

~~(f) (1) There is a State Aided Institutions Field Trip Fund.~~

~~(4) The Fund consists of:~~

~~(i) Money received by the Fund from fines for vehicle security lapses under § 17-106 of the Transportation Article; and~~

~~(ii) Any other] ANY money from any [other] source accepted for the benefit of the Fund.~~

~~(5) The Fund may be used only for:~~

~~(i) Providing grants under the Program; and~~

~~(ii) Administrative costs of the Program.~~

7-1501.

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

(f) “Fund” means the Safe Schools Fund.

7-1508.

(e) (2) Beginning with the 2019–2020 school year, and each school year thereafter, before the school year begins, each local school system shall, in accordance with the plan developed under subsection (d)(2) of this section, file a report identifying:

(i) The public schools in the local school system’s jurisdiction that have a school resource officer assigned to the school; and

(ii) If a public school in the local school system’s jurisdiction is not assigned a school resource officer, the adequate local law enforcement coverage that will be provided to the public school.

(g) (1) For fiscal year 2020 and each fiscal year thereafter, the Governor shall include in the annual budget bill an appropriation of \$10,000,000 [to the Fund] for the purpose of providing grants to local school systems and local law enforcement agencies to assist in meeting the requirements of subsection (e) of this section.

(2) Grants provided under this subsection shall be made to each local school system based on the number of schools in each school system in proportion to the total number of public schools in the State in the prior year.

7-1512.

(e) The Fund consists of:

1 (1) Money credited to the Fund under § 17–106(e) of the Transportation
2 Article;

3 (2) Money appropriated in the State budget to the Fund;

4 (3) [Money appropriated to the Fund under § 7–1508 of this subtitle;

5 (4)] Money from any other source accepted for the benefit of the Fund; and

6 ~~[(5)]~~ (4) Any interest earnings of the Fund.

7 [(g) Beginning in fiscal year 2020 and each fiscal year thereafter, at least
8 \$10,000,000 of the money in the Fund shall be used to provide grants to local school systems
9 and local law enforcement agencies as provided under § 7–1508 of this subtitle.]

10 8–415.

11 (d) (1) In this subsection, “basic cost” as to each county, means the average
12 amount spent by the county from county, State, and federal sources for the public education
13 of a nonhandicapped child. “Basic cost” does not include amounts specifically allocated and
14 spent for identifiable compensatory programs for disadvantaged children.

15 (2) As provided in paragraphs (3) and (4) of this subsection, the State and
16 the counties shall share collectively in the cost of educating children with disabilities in
17 nonpublic programs under § 8–406 of this subtitle.

18 (3) (i) Subject to the limitation under subparagraph (ii) of this
19 paragraph, for each of these children domiciled in the county, the county shall contribute
20 for each placement the sum of:

21 1. The local share of the basic cost;

22 2. An additional amount equal to 200 percent of the basic
23 cost; and

24 3. A. For fiscal year 2009, an additional amount equal to
25 20 percent of the approved cost or reimbursement in excess of the sum of items 1 and 2 of
26 this subparagraph; [and]

27 B. For fiscal [year 2010 and each subsequent fiscal year
28 thereafter] **YEARS 2010 THROUGH 2025**, an additional amount equal to 30 percent of the
29 approved cost or reimbursement in excess of the sum of items 1 and 2 of this subparagraph;

30 C. **FOR FISCAL YEAR 2026, AN ADDITIONAL AMOUNT**
31 **EQUAL TO 40 PERCENT OF THE APPROVED COST OR REIMBURSEMENT IN EXCESS OF**
32 **THE SUM OF ITEMS 1 AND 2 OF THIS SUBPARAGRAPH; AND**

D. FOR FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER, AN ADDITIONAL AMOUNT EQUAL TO 50 PERCENT OF THE APPROVED COST OR REIMBURSEMENT IN EXCESS OF THE SUM OF ITEMS 1 AND 2 OF THIS SUBPARAGRAPH.

(ii) The amount that a county is required to contribute under subparagraph (i) of this paragraph may not exceed the total cost or reimbursement amount approved by the Department.

(4) For each of these children, the State shall contribute an amount equal to the amount of the approved cost or reimbursement in excess of the amount the county is required to contribute under paragraph (3) of this subsection.

~~14-405.~~

~~(b) (1) In order to ensure a stable and predictable level of funding, the Governor shall include in the annual budget submission a General Fund grant to St. Mary's College of Maryland.~~

~~(2) (i) For fiscal year 1993, the grant shall be as provided for in the State fiscal year 1993 appropriation.~~

~~(ii) For fiscal [year 1994 and each year thereafter] YEARS 1994 THROUGH 2025, the proposed grant shall be equal to the grant of the prior year augmented by funds required to offset inflation as indicated by the implicit price deflator for State and local government.~~

~~(iii) [Beginning in fiscal year 2019] FOR FISCAL YEARS 2019 THROUGH 2025, if the College's 6-year graduation rate as reported by the Maryland Higher Education Commission is 82% or greater in the second preceding fiscal year, the proposed grant for the upcoming fiscal year shall be increased by 0.25%.~~

~~(3) (i) [Beginning in fiscal year 2019] FOR FISCAL YEARS 2019 THROUGH 2025, in addition to the grant provided under paragraph (2) of this subsection, the College shall receive the amounts specified under this paragraph.~~

~~(ii) For each fiscal year, the State shall provide to the College funds to pay for the increase in State-supported health insurance costs of the College.~~

~~(iii) For each fiscal year in which the State provides a cost-of-living adjustment for State employees, the State shall provide to the College 100% of the cost-of-living adjustment wage increase for State-supported employees of the College.~~

~~(iv) For each fiscal year in which the State provides funds to other public senior higher education institutions to moderate undergraduate resident tuition~~

~~increases, it is the intent of the General Assembly that the State shall provide to the College funds for the same purpose.~~

~~(4) Funding provided under paragraph (3) of this subsection THROUGH FISCAL YEAR 2025:~~

~~(i) May not be included in the calculation of the proposed grant under paragraph (2) of this subsection for any following fiscal year; and~~

~~(ii) Shall be provided in the same amount in each following fiscal year.~~

~~(5) The State shall pay the General Fund grants under this subsection to the College on a quarterly basis.~~

~~(6) Nothing in this subsection may be construed to restrict the budgetary power of the General Assembly.~~

~~(7) Except as provided in paragraph (3) of this subsection, the College shall support all operating costs, including personnel and retirement costs, from its General Fund grant and the other revenue sources of the College.~~

~~16-512.~~

~~(a) In this section, "State Funds per full-time equivalent student appropriation to the 4-year public institutions of higher education" has the meaning stated in § 17-104(a)(1) of this article.~~

~~(b) (1) The total State operating fund per full-time equivalent student appropriated to Baltimore City Community College for each fiscal year other than fiscal year 2013, as requested by the Governor shall be:~~

~~(i) In fiscal year 2009, not less than an amount equal to 67.25% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the previous fiscal year;~~

~~(ii) In fiscal year 2010, not less than an amount equal to 65.1% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;~~

~~(iii) In fiscal year 2011, not less than an amount equal to 65.5% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the~~

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

~~(iv) In fiscal year 2012, not less than an amount equal to 63% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;~~

~~(v) In fiscal year 2014, an amount that is the greater of 61% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year or \$5,695.63 per full-time equivalent student;~~

~~(vi) In fiscal year 2015, an amount that is the greater of 61% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year or \$5,695.63 per full-time equivalent student;~~

~~(vii) In fiscal year 2016, an amount that is the greater of 58% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year or \$5,695.63 per full-time equivalent student;~~

~~(viii) In fiscal year 2017, an amount that is the greater of 58% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year or \$5,695.63 per full-time equivalent student;~~

~~(ix) In fiscal year 2018, not less than an amount equal to 60% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;~~

~~(x) In fiscal year 2019, not less than an amount equal to 61% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;~~

~~(xi) In fiscal year 2020, not less than an amount equal to 62.5% of the State's General Fund appropriation per full-time equivalent student to the 4-year public~~

~~institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;~~

~~(xii) In fiscal year 2021, not less than an amount equal to 64.5% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year;~~

~~(xiii) In fiscal year 2022, not less than an amount equal to 66.5% of the State's General Fund appropriation per full-time equivalent student to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article in the same fiscal year; and~~

~~(xiv) In fiscal year 2023 and each fiscal year thereafter, not less than an amount equal to 68.5% of the State Funds per full-time equivalent student appropriation to the 4-year public institutions of higher education in the State as designated by the Commission for the purpose of administering the Joseph A. Sellinger Program under Title 17 of this article.~~

~~(2) For purposes of this subsection, the State Funds per full-time equivalent student appropriation to the 4-year public institutions of higher education in the State for a fiscal year shall include:~~

~~(i) Noncapital appropriations from the Higher Education Investment Fund; and~~

~~(ii) Appropriations, regardless of where they are budgeted, designated for the general operation of 4-year public institutions of higher education in the State, including personnel-related appropriations.~~

~~(3) Notwithstanding the provisions of paragraph (1) of this subsection, the total State operating fund appropriated to Baltimore City Community College under this section for each of fiscal years 2011 and 2012 shall be \$40,187,695.~~

~~(4) In fiscal year 2013, the total State operating funds appropriated to Baltimore City Community College under this section shall be \$39,863,720.~~

~~(5) IN FISCAL YEAR 2026, THE TOTAL STATE OPERATING FUNDS APPROPRIATED TO BALTIMORE CITY COMMUNITY COLLEGE UNDER THIS SECTION SHALL BE \$44,734,265.~~

~~(e) Notwithstanding subsection (b) of this section, the State appropriation to Baltimore City Community College requested by the Governor may not be less than the State appropriation to the College in the previous fiscal year.~~

~~18-3602.~~

(a) There is a program of Maryland Community College Promise Scholarships in the State that are awarded under this subtitle.

(b) The purpose of the program is to provide tuition assistance for students to attend a community college in the State.

~~18-3605.~~

(A) [The] THROUGH FISCAL YEAR 2025, THE Governor shall include an annual appropriation of at least \$15,000,000 in the State budget for the Commission to disburse Maryland Community College Promise Scholarships under this subtitle.

(B) FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE AN ANNUAL APPROPRIATION OF AT LEAST ~~\$12,000,000~~ \$13,500,000 IN THE STATE BUDGET FOR THE COMMISSION TO DISBURSE MARYLAND COMMUNITY COLLEGE PROMISE SCHOLARSHIPS UNDER THIS SUBTITLE.

~~18-3701.~~

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

(f) "Program" means the Maryland Loan Assistance Repayment Program for Police Officers and Probation Agents.

~~18-3704.~~

(A) ~~The~~ FOR FISCAL YEAR 2025, THE Governor shall include in the annual budget bill an appropriation of at least ~~[\$5,000,000] \$200,000~~ \$500,000 for the Program.

(B) FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST \$2,000,000 FOR THE PROGRAM.

~~18-3802.~~

(a) There is a Maryland Police Officers and Probation Agents Scholarship Program.

(b) The purpose of the program is to provide tuition assistance for students who are:

(1) Attending an eligible institution and enrolled in a degree program that would further the student's intent to become a police officer or probation agent after graduation; or

(2) Employed as a police officer or probation agent, attending an eligible institution, and enrolled in a degree program that would further the police officer's or probation officer's career.

18-3806.

(A) ~~The~~ FOR FISCAL YEAR 2025, THE Governor shall include in the annual budget bill an appropriation of at least [\$5,000,000] ~~\$200,000~~ **\$500,000** to the Commission to award scholarships under this subtitle[, and the Commission shall use:

(1) \$2,500,000 for scholarships to students intending to become police officers or probation agents after graduation; and

(2) \$2,500,000 for scholarships for existing police officers or probation agents to attend an eligible institution and remain a police officer or probation agent after graduation].

(B) FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST \$2,000,000 TO THE COMMISSION TO AWARD SCHOLARSHIPS UNDER THIS SUBTITLE.

Article – Environment

4-104.

(a) In this section, "responsible personnel" means any foreman, superintendent, or project engineer who is in charge of on-site clearing and grading operations or sediment control associated with a construction project.

(b) (1) After July 1, 1983, any applicant for sediment and erosion control plan approval shall certify to the appropriate jurisdiction that any responsible personnel involved in the construction project will have a certificate of attendance at a Department [of the Environment] approved training program for the control of sediment and erosion before beginning the project.

(2) A certificate shall be [valid]:

(I) VALID for a 3–year period[. A certificate shall be automatically];

AND

(II) AUTOMATICALLY renewed unless the Department [of the Environment] notifies the certificate holder that additional training is required.

(c) The appropriate governmental entity authorized to approve grading and sediment control plans may waive the requirement of this section for the responsible personnel on any project involving four or fewer residential units.

(d) Any person may develop and conduct a training program if the program content and instructor are approved by and meet the requirements set by the Department of the Environment.

(E) (1) THE DEPARTMENT MAY ESTABLISH BY REGULATION A FEE FOR PROCESSING AND ISSUING THE CERTIFICATION.

(2) A FEE ESTABLISHED IN ACCORDANCE WITH THIS SUBSECTION SHALL BE SET AT A RATE THAT PRODUCES FUNDS APPROXIMATELY THE SAME AS THE COST OF PROCESSING AND ISSUING THE CERTIFICATION.

(3) THE DEPARTMENT SHALL DEPOSIT ANY FEE COLLECTED IN ACCORDANCE WITH THIS SUBSECTION INTO THE MARYLAND CLEAN WATER FUND ESTABLISHED UNDER § 9–320 OF THIS ARTICLE.

5–203.1.

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

(6) “Major project” means a project that:

(i) Proposes to permanently impact 5,000 square feet or more of wetlands or waterways, including the 100–year floodplain;

(ii) Is located in an area identified as potentially impacting a nontidal wetland of special State concern by a geographical information system database that:

1. Has been developed and maintained by the Department of Natural Resources; and

2. Is used by the Department to screen incoming applications; or

(iii) Requires the issuance of a public notice by the Department.

(8) “Minor project” means a project that:

(i) Proposes to permanently impact less than 5,000 square feet of wetlands or waterways, including the 100–year floodplain; and

(ii) Does not meet the definition of a major project.

(9) “Residential activity” means a noncommercial activity that is conducted on residential property.

(10) (i) “Residential property” means improved property that is used primarily as a residence or unimproved property that is zoned for use as a residence.

(ii) “Residential property” includes:

1. Property owned by a homeowners’ association; and

2. A condominium.

(iii) “Residential property” does not include:

1. A commercial building;

2. A marina; or

3. A residential apartment complex or building.

(12) “TIER II HIGH QUALITY WATERSHED” MEANS THE LAND AND WATER AREAS THAT DRAIN TOWARD OR INTO A TIER II HIGH QUALITY WATERSHED AS DESIGNATED AND IDENTIFIED IN A GEOGRAPHIC INFORMATION SYSTEM BY THE DEPARTMENT.

(b) (1) Except as provided under paragraphs (2), (3), [and] (6), **AND (7)** of this subsection, all applications for wetlands and waterways authorizations issued by the Department under §§ 5–503 and 5–906 of this title and §§ 16–202, 16–302, and 16–307 of this article or wetlands licenses issued by the Board of Public Works under § 16–202 of this article shall be accompanied by an application fee as follows:

(i) For an application for a minor project or general permit.....[**\$750**]
\$980;

(ii) For an application for a minor modification.....[**\$250**]
\$330;

(iii) For an application for a major project with a proposed permanent impact of:

1. Less than 1/4 acre.....**[\$1,500]**

\$1,950;

2. At least 1/4 acre, but less than 1/2 acre.....**[\$3,000]**

\$3,890;

3. At least 1/2 acre, but less than 3/4 acre.....**[\$4,500]**

\$5,830;

4. At least 3/4 acre, but less than 1 acre.....**[\$6,000]**

\$7,780; and

5. 1 acre or more.....the impact area in acres multiplied by

[\$7,500] \$9,720; and

(iv) For an application for a major modification.....**[\$1,500]**

\$1,950.

(3) Except as provided in paragraph (4) of this subsection, the following shall be minor projects and subject to the appropriate application fee under **[paragraph] PARAGRAPHS (1)(i) and (ii) AND (7)(I)** of this subsection:

(i) A residential activity issued a permit under §§ 5–503 and 5–906 of this title and §§ 16–202, 16–302, and 16–307 of this article; and

(ii) A mining activity undertaken on affected land as identified in a permit issued under Title 15 of this article.

(4) Subject to **[paragraph] PARAGRAPHS (5) AND (7)** of this subsection, an application for the following minor projects shall be accompanied by the following application fees:

(i) Installation of:

1. One boat lift or hoist, not exceeding four boat lifts or hoists per pier;

2. One personal watercraft lift or hoist, not exceeding six personal watercraft lifts or hoists per pier; or

3. A combination of boat lifts or hoists and personal watercraft lifts or hoists, not exceeding six lifts or hoists per pier, of which not more than four lifts or hoists are boat lifts or hoists ~~[\$300]~~ **\$385**;

(ii) Installation of a maximum of six mooring pilings.....~~[\$300]~~ **\$390**;

(iii) In-kind repair and replacement of structures.....~~[\$300]~~ **\$390**;

(iv) Installation of a fixed or floating platform on an existing pier where the total platform area does not exceed 200 square feet.....~~[\$300]~~ **\$390**;

(v) Construction of a nonhabitable structure that permanently impacts less than 1,000 square feet, such as a driveway, deck, pool, shed, or fence.....~~[\$300]~~ **\$390**;

(vi) Replacement of an existing bulkhead where the replacement bulkhead does not exceed more than 18 inches channelward of the existing structure.....~~[\$500]~~ **\$650**; and

(vii) In-kind repair and replacement of existing infrastructure.....~~[\$500]~~ **\$650**.

(6) The application fee for a structural shoreline stabilization project located on or adjacent to a State-owned lake may not exceed ~~[\$250]~~ **\$290**.

(7) [The fees imposed under this subsection may not be modified without legislative enactment.

(8) (i) Subject to paragraph (7) of this subsection, the] **EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (5) OF THIS SUBSECTION, ALL APPLICATIONS FOR WETLANDS AND WATERWAYS AUTHORIZATIONS ISSUED BY THE DEPARTMENT FOR ACTIVITIES PROPOSED IN A TIER II HIGH QUALITY WATERSHED SHALL BE ACCOMPANIED BY AN ADDITIONAL APPLICATION FEE, AS FOLLOWS:**

(i) **FOR AN APPLICATION FOR A MINOR PROJECT OR MINOR MODIFICATION.....\$400;**
AND

1 **(II) FOR AN APPLICATION FOR A MAJOR PROJECT OR MAJOR**
2 **PROJECT MODIFICATION.....\$1,600.**

3 **(8) (I) THE** Department may adjust the fees established under
4 paragraphs (1), (4), [and] (6), **AND (7)** of this subsection to reflect changes in the consumer
5 price index for all “urban consumers” for the expenditure category “all items not seasonally
6 adjusted”, and for all regions.

7 (ii) The Annual Consumer Price Index for the period ending each
8 December, as published by the Bureau of Labor Statistics of the U.S. Department of Labor,
9 shall be used to adjust the fees established under paragraphs (1), (4), [and] (6), **AND (7)** of
10 this subsection.

11 **(III) THE DEPARTMENT SHALL ISSUE A PUBLIC NOTICE OF THE**
12 **ADJUSTED FEES AT LEAST 90 DAYS BEFORE THE NEW FEE RATES TAKE EFFECT.**

13 (c) (1) There is a Wetlands and Waterways Program Fund.

14 (5) In accordance with subsection (e) of this section, the Department shall
15 use the Wetlands and Waterways Program Fund for activities related to:

16 (i) The issuance of authorizations by the Department under §§
17 5–503 and 5–906 of this title and §§ 16–202, 16–302, and 16–307 of this article or the
18 issuance of wetlands licenses by the Board of Public Works under § 16–202 of this article;

19 (ii) The management, conservation, protection, and preservation of
20 the State’s wetlands and waterways resources, **INCLUDING TIER II HIGH QUALITY**
21 **WATERS AND TIER II HIGH QUALITY WATERSHEDS;** and

22 (iii) Program development associated with this title and Title 16 of
23 this article, as provided by the State budget.

24 (d) On or before December 31 of each year, in accordance with § 2–1257 of the
25 State Government Article, the Department shall prepare and submit an annual report to
26 the House Environment and Transportation Committee, the House Appropriations
27 Committee, the Senate [Education, Health, and Environmental Affairs Committee]
28 **EDUCATION, ENERGY, AND THE ENVIRONMENT COMMITTEE**, and the Senate Budget
29 and Taxation Committee on the Wetlands and Waterways Program Fund, including an
30 accounting of financial receipts deposited into the Fund and expenditures from the Fund.

31 (e) The Department shall:

32 (1) Prioritize the use of the Wetlands and Waterways Program Fund to
33 improve the level of service to the regulated community;

(2) Identify and implement measures that will reduce delays and duplication in the administration of the wetlands and waterways permit process, including the processing of applications for wetlands and waterways permits in accordance with § 1-607 of this article; and

(3) In conjunction with the Department of Natural Resources, identify up to three types of structural shoreline stabilization practices that may be implemented on or adjacent to a State-owned lake.

6-843.

(a) (1) Except as provided in this subsection and subsection (b) of this section, and in cooperation with the Department of Housing and Community Development, the State Department of Assessments and Taxation, and other appropriate governmental units, the Department shall provide for the collection of an annual fee for every rental dwelling unit in the State.

(2) [The annual fee for an affected property is \$30] **FOR AN AFFECTED PROPERTY, THE FEE:**

(I) IS ~~\$120~~ \$75; AND

(II) SHALL BE COLLECTED BY THE DEPARTMENT ONCE EVERY 2 YEARS.

(3) (i) Subject to the provisions of subparagraphs (ii) and (iii) of this paragraph, on or before December 31, 2000, the [annual] fee for a rental dwelling unit built after 1949 that is not an affected property is \$5. After December 31, 2000, there is no [annual] fee for a rental dwelling unit built after 1949 that is not an affected property.

(ii) The owner of a rental dwelling unit built after 1949 that is not an affected property may not be required to pay the fee provided under this paragraph if the owner certifies to the Department that the rental dwelling unit is lead free pursuant to § 6-804 of this subtitle.

(iii) An owner of a rental dwelling unit who submits a report to the Department that the rental dwelling unit is lead free pursuant to § 6-804 of this subtitle shall include a [\$10] ~~\$50~~ **\$30** processing fee with the report.

(b) The fees imposed under this section do not apply to any rental dwelling unit:

(1) Built after 1978; or

(2) Owned and operated by a unit of federal, State, or local government, or any public, quasi-public, or municipal corporation.

(c) (1) The fee imposed under this section shall be paid on or before December 31, 1995, or the date of registration of the affected property under Part III of this subtitle and on or before December 31 [of each] **EVERY OTHER** year thereafter or according to a schedule established by the Department by regulation.

(2) **THE DEPARTMENT MAY ESTABLISH A PROTOCOL TO STAGGER REGISTRATIONS OF AFFECTED PROPERTY UNDER PART III OF THIS SUBTITLE TO EQUALLY DIVIDE REGISTRATIONS OVER SEQUENTIAL CALENDAR YEARS.**

(d) An owner who fails to pay the fee imposed under this section is liable for a civil penalty of up to triple the amount of each registration fee unpaid that, together with all costs of collection, including reasonable attorney's fees, shall be collected in a civil action in any court of competent jurisdiction.

7-503.

(a) There is a Voluntary Cleanup Program in the Department.

7-506.

(a) (1) To participate in the Program, an applicant shall:

(i) Submit an application, on a form provided by the Department, that includes:

1. Information demonstrating to the satisfaction of the Department that the contamination did not result from the applicant knowingly or willfully violating any law or regulation concerning controlled hazardous substances;

2. Information demonstrating the person's status as a responsible person or an inculpable person;

3. Information demonstrating that the property is an eligible property as defined in § 7-501 of this subtitle;

4. A detailed report with all available relevant information on environmental conditions including contamination at the eligible property known to the applicant at the time of the application;

5. An environmental site assessment that includes:

A. Established Phase I site assessment standards and follows principles established by the American Society for Testing and Materials and that demonstrates to the satisfaction of the Department that the assessment has been conducted in accordance with those standards and principles; and

B. A Phase II site assessment unless the Department concludes, after review of the Phase I site assessment, that there is sufficient information to determine that there are no recognized environmental conditions, as defined by the American Society for Testing and Materials; and

6. A description, in summary form, of a proposed voluntary cleanup project that includes the proposed cleanup criteria under § 7–508 of this subtitle and the proposed future use of the property, if appropriate; and

(ii) Subject to paragraph (2) of this subsection, pay to the Department:

1. An initial application fee of [\$6,000] **\$10,000** which the Department may reduce on a demonstration of financial hardship in accordance with subsection (b) of this section;

2. An application fee of \$2,000 for each application submitted subsequent to the initial application for the same property; [and]

3. An application fee of \$2,000 for each application submitted subsequent to the initial application for contiguous or adjacent properties that are part of the same planned unit development or a similar development plan; **AND**

4. IF THE DIRECT COSTS OF REVIEW OF THE APPLICATION AND ADMINISTRATION AND OVERSIGHT OF THE RESPONSE ACTION PLAN EXCEED THE APPLICATION FEE, THE ADDITIONAL COSTS INCURRED BY THE DEPARTMENT.

(2) If an applicant certifies that the applicant intends to use the eligible property to generate clean or renewable energy, the Department shall waive the fees required under paragraph (1)(ii) of this subsection.

9–228.

(g) (1) (i) [Beginning on February 1, 1992,] THE DEPARTMENT SHALL ESTABLISH a tire recycling fee [shall] TO be imposed on the first sale of a new tire in the State by a tire dealer, including new tires sold as part of a new or used vehicle, trailer, farm implement, or other similar machinery.

(ii) A county, municipal corporation, or any agency of a county or municipal corporation may not impose any tax, fee, or other charge on the first sale of a new tire by a tire dealer.

(2) The tire recycling fee:

(I) SHALL BE SET AT \$1 PER TIRE BEGINNING JANUARY 1, 2026;

(II) SUBJECT TO ITEM (III) OF THIS PARAGRAPH, MAY BE ADJUSTED FOR INFLATION EVERY 2 FISCAL YEARS BASED ON THE CONSUMER PRICE INDEX, AS DETERMINED BY THE DEPARTMENT; AND

~~[(i)]~~ (III) May not exceed [\$1.00] \$2 per tire[: and

~~(ii)~~ Shall be established by the Board of Public Works].

(3) For a sale made by a tire dealer to a person who resells tires, the tire dealer shall separately state its recycling fees paid by the tire dealer on the invoice or other document of sale.

(4) (i) Each tire dealer shall:

1. Pay the tire recycling fee; and

2. Complete and submit, under oath, a return and remit the fees to the Comptroller of the Treasury on or before the 21st day of the month that follows the month in which the sale was made, and for other periods and on other dates that the Comptroller specifies by regulation, including periods for which no fees were due.

~~(ii)~~ For periods beginning after December 31, 2026, a person shall file a tire recycling fee return electronically.

(5) A tire dealer who timely files a tire recycling fee return and pays the tire recycling fees due is allowed, for the expense of administering and paying the fee, a credit equal to 0.6% of the gross amount of tire recycling fees that the tire dealer is to pay to the Comptroller.

(6) If the amount of the tire recycling fee is separately stated in a retail sale, the tire recycling fee is not subject to any tax under Title 11 of the Tax – General Article or Title 13 of the Transportation Article.

(7) At the end of each quarter, the Comptroller shall forward all tire recycling fees to the Used Tire Cleanup and Recycling Fund, less the costs of administration.

(8) Except to the extent they are inconsistent with this subsection, the provisions of Title 13 of the Tax – General Article applicable to the sales and use tax shall govern the administration, collection, and enforcement of the tire recycling fee under this subsection.

(9) The Comptroller:

(i) Shall administer the tire recycling fee; and

(ii) May adopt any regulations that are necessary or appropriate to administer, collect, and enforce the tire recycling fee.

9-274.

(a) The State Used Tire Cleanup and Recycling Fund shall consist of moneys made available under:

(1) Loan authorizations;

(2) Funds appropriated in the State budget;

(3) Fees collected for the sale of tires by retail dealers under § 9-228(g) of this subtitle; or

(4) Bond and security forfeitures collected under § 9-228(k) of this subtitle.

(b) (1) The Fund is limited to a maximum of \$10,000,000.

(2) If the sum of unallocated funds in the Fund and the projected fees for the next fiscal year exceeds \$10,000,000, the [Board of Public Works] DEPARTMENT shall adjust the fees for the next fiscal year on a pro rata basis so that the sum of unallocated and actual fees does not exceed \$10,000,000.

15-807.

(a) Except as otherwise provided in this subtitle, a person may not engage in surface mining within the State without first obtaining a surface mining license.

(b) (1) An application for a license shall be in writing and on a form prepared and furnished by the Department.

(2) If the application is made by a corporation, partnership, or association [it], THE APPLICATION shall contain information concerning its officers, directors, and principal owners, as the Department reasonably requires.

(c) (1) The application shall be accompanied by a [\$300] ~~\$500~~ \$400 fee. [The]

(2) (I) A LICENSE RENEWAL FEE IS ~~\$300~~ \$150.

(II) A license shall be renewable annually[, and the renewal fee is \$150].

(III) The application for renewal shall be made annually by January

1.
1.

(d) The Department may not issue any new surface mining license or renew any existing surface mining license to any person if it finds, after investigation, that the applicant has failed and continues to fail to comply with any of the provisions of this subtitle.

(f) (1) Any person who violates the provisions of this section is guilty of a misdemeanor and, on conviction, is subject to a fine of not more than \$10,000.

(2) The fine shall be paid to the Surface Mined Land Reclamation Fund.

15–808.

(a) A licensee may not engage in surface mining within the State except on affected land that is covered by a valid surface mining permit.

(c) A permit may cover more than one tract of land, if the tracts are contiguous and are described in the application.

(f) (1) The fee for an original permit shall be [\$12 for each acre of affected land for each year of operation requested, but the fee may not exceed \$1,000 per year]:

(I) ~~\$25~~ \$18.50 FOR EACH ACRE OF AFFECTED LAND FOR EACH YEAR OF OPERATION, NOT TO EXCEED ~~\$5,000~~ \$3,000; AND

(II) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, ~~1~~ 0.50 CENT PER TON OF MINED MATERIAL SOLD PER YEAR.

(2) THE PER TON OF MATERIAL SOLD FEE IN PARAGRAPH (1) OF THIS SUBSECTION SHALL BE INCREASED BY ~~25~~ 0.13 CENT PER TON IN FISCAL YEAR 2028 AND EVERY 2 FISCAL YEARS THEREAFTER.

(g) The fee shall be paid annually during the term of the permit.

(h) (1) If the term of the permit exceeds 5 years, the permittee shall pay additional fees, based on the formula in subsection (f) of this section for each 5–year portion of the term of the permit. These additional fees shall be paid to the Department within 1 year before the completion of each 5–year portion of the term of the permit.

(2) Any permit that was granted on or before June 30, 1985, is not subject to the additional fees required by paragraph (1) of this subsection until the time of modification or renewal of the permit under §§ 15–815 and 15–816 of this subtitle.

(i) In addition, before a surface mining permit is issued the applicant shall pay a special reclamation fee of \$30 for each acre of land affected. The payment shall be based on the same number of acres as that for which bond is required.

(k) (1) Any person who violates the provisions of this section or who knowingly or intentionally has filed false information in the application for a permit, or who has not fully complied with all provisions and requirements of the permit, is guilty of a misdemeanor, and, on conviction, is subject to a fine of:

(i) Not more than \$25,000; and

(ii) An amount sufficient to cover the cost of reclaiming the affected land.

(2) The fine and any payment for reclamation shall be paid into the Surface Mined Land Reclamation Fund.

15-815.

(a) (1) Any permittee engaged in surface mining under a surface mining permit may apply at any time for modification of the permit.

(2) The application shall be in writing on forms furnished by the Department and fully state the information called for.

(3) [In addition, the] **THE** applicant may be required to furnish [other] **ADDITIONAL** information **THAT** the Department reasonably deems necessary to enforce this subtitle. [However, it is not necessary to resubmit information which has not changed since the original application, if the applicant so states in writing]

(4) **IF AN APPLICANT STATES IN WRITING THAT INFORMATION HAS NOT CHANGED SINCE THE ORIGINAL APPLICATION, THE APPLICANT IS NOT REQUIRED TO RESUBMIT THAT INFORMATION.**

(b) (1) A modification under this section may affect [the]:

(I) **THE** land area covered by the permit[, the];

(II) **THE** approved mining and reclamation plan coupled with the permit[, or other]; **OR**

(III) **OTHER** terms and conditions of the permit.

(2) (I) A permit may be modified to include land contiguous to the existing affected land, but not other lands.

(II) The mining and reclamation plan may be modified in any manner, if the Department determines that the modified plan fully meets the standards set forth in § 15–822 of this subtitle and that the modifications would be generally consistent with the bases for the issuance of the original permit.

(III) Other terms and conditions may be modified only if the Department determines that the permit as modified would meet the requirements of §§ 15–808 and 15–810 of this subtitle. [No]

(IV) A modification may NOT extend the expiration date of any permit issued under this subtitle.

(c) Except as otherwise provided in subsection (d) of this section, a ~~[\$100]~~ ~~\$200~~ \$150 fee shall be charged for a permit modification.

(d) (1) In addition to the fee required in subsection (c) of this section, a fee shall be charged equal to ~~[\$12 for each additional acre of affected land over and above the amount of land covered in the original permit, for each year of operation]~~:

(I) ~~\$25~~ \$18.50 FOR EACH ADDITIONAL ACRE OF AFFECTED LAND OVER AND ABOVE THE AMOUNT OF LAND COVERED IN THE ORIGINAL PERMIT FOR EACH YEAR OF OPERATION, NOT TO EXCEED ~~\$5,000~~ \$3,000; AND

(II) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, ~~±~~ 0.50 CENT PER TON OF MINED MATERIAL SOLD PER YEAR.

(2) [The additional fee may not exceed \$1,000 per year] ~~THE PER TON OF MATERIAL SOLD FEE IN PARAGRAPH (1) OF THIS SUBSECTION SHALL BE INCREASED BY ~~.25~~ 0.13 CENT PER TON IN FISCAL YEAR 2028 AND EVERY 2 FISCAL YEARS THEREAFTER.~~

(e) The Department shall approve and grant the permit modification requested as expeditiously as possible but not later than 30 days after the application forms or any supplemental information required are filed with the Department.

(f) The Department may deny the permit modification on finding:

(1) An uncorrected violation of the type listed in § 15–810(b)(7) of this subtitle;

(2) Failure to submit an adequate mining and reclamation plan in light of conditions existing at the time of the modification; or

(3) Failure or refusal to pay the modification fee.

(g) If the Department denies an application to modify a permit, the Department shall give the permittee written notice of:

(1) The Department's determination;

(2) Any changes in the application which would make it acceptable; and

(3) The permittee's right to a hearing at a stated time and place.

(h) The date for the hearing may not be less than 15 days nor more than 30 days after the date of the notice unless the Department and the permittee mutually agree on another date.

15–816.

(a) **(1)** The procedure to be followed and standards to be applied in renewing a permit shall be the same as those for the initial application for a permit[, except that it is not necessary to resubmit information which has not changed since the time of the original application, if the applicant so states in writing. However, the applicant may be required].

(2) IF AN APPLICANT STATES IN WRITING THAT INFORMATION HAS NOT CHANGED SINCE THE ORIGINAL APPLICATION, THE APPLICANT IS NOT REQUIRED TO RESUBMIT THAT INFORMATION.

(3) THE DEPARTMENT MAY REQUIRE AN APPLICANT to furnish other information the Department deems necessary to evaluate the renewal request.

(4) In the absence of any changes in legal requirements for the issuance of a permit since the date on which the original permit was issued, the only basis for the denial of a renewal permit shall be:

[(1)] (I) An uncorrected violation of the type listed in § 15–810(b)(7) of this subtitle;

[(2)] (II) Failure to submit an adequate mining and reclamation plan in light of conditions existing at the time of renewal; or

[(3)] (III) Failure or refusal to pay the renewal fee.

(b) Application for a renewal of a permit cannot be made any earlier than 1 year prior to the expiration date of the original permit.

(c) **(1)** Except as otherwise provided in subsection (d) of this section, the fee to be charged for a permit renewal shall be [\$12 for each acre of affected land for each year of operation, but not exceeding \$1,000 per year]:

(I) ~~\$25~~ \$18.50 FOR EACH ACRE OF AFFECTED LAND FOR EACH YEAR OF OPERATION, NOT TO EXCEED ~~\$5,000~~ \$3,000; AND

(II) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, ~~1~~ 0.50 CENT PER TON OF MINED MATERIAL SOLD PER YEAR.

(2) THE PER TON OF MATERIAL SOLD FEE IN PARAGRAPH (1) OF THIS SUBSECTION SHALL BE INCREASED BY ~~25~~ 0.13 CENT PER TON IN FISCAL YEAR 2028 AND EVERY 2 FISCAL YEARS THEREAFTER.

(d) The fee shall be paid annually during the term of the permit.

(e) (1) If the term of a permit which is renewed exceeds 5 years, the permittee shall pay additional fees, based on the formula in subsection (c) of this section, for each 5-year portion of the term of the renewed permit.

(2) These additional fees shall be paid to the Department within 1 year before the completion of any 5-year portion of the term of the permit.

(f) If the Department denies an application to renew a permit, the Department shall give the permittee written notice of:

(1) The Department's determination;

(2) Any changes in the application that would make it acceptable; and

(3) The permittee's right to a hearing at a stated time and place.

(g) The date for the hearing may not be less than 15 days nor more than 30 days after the date of the notice unless the Department and the permittee mutually agree on another date.

15-819.

(a) When the interest of a permittee in any uncompleted mining operation is sold, leased, assigned, or otherwise disposed of, the Department may release the first permittee from all liabilities imposed upon him by this subtitle with reference to the operation and transfer the permit to the successor in interest, if both the permittee and the successor in interest have complied with the requirements of this subtitle and the successor in interest assumes the duties and responsibilities of the first permittee with reference to reclamation of the land according to the authorized mining and reclamation plan and posts suitable bond or other security required by § 15-823 of this subtitle.

(b) The successor in interest shall pay a [\$500] ~~\$1,000~~ \$750 fee on filing a transfer of permit.

(c) The Department shall approve and grant the permit transfer as expeditiously as possible but not later than 30 days after the application forms or any supplemental information required are filed with the Department.

(d) The Department may deny the permit transfer on finding:

(1) That either permittee has an uncorrected violation of the type listed in § 15–810(b)(7) of this subtitle;

(2) Failure of the successor permittee to submit an adequate mining and reclamation plan in light of conditions existing at the time of the modification; or

(3) Failure of the successor permittee to pay the transfer fee.

(e) If the Department denies an application to transfer a permit, the Department shall give the permittee and the successor in interest written notice of:

(1) The Department's determination;

(2) Any changes in the application which would make it acceptable; and

(3) The right of the permittee and the successor in interest to a hearing at a stated time and place.

(f) The date for the hearing may not be less than 15 days nor more than 30 days after the date of the notice unless the parties mutually agree on another date.

Article – Financial Institutions

13–1114.

(a) There is a Maryland Heritage Areas Authority Financing Fund.

(g) (1) In this subsection, “Program Open Space funds transferred to the Authority” means the money appropriated to the Fund from Program Open Space funds under § 5–903(a) of the Natural Resources Article.

(2) Except as provided in paragraph (3) of this subsection, Program Open Space funds transferred to the Authority may not be used to pay the operating expenses of the Authority, debt service of bonds issued by the Authority, or administrative expenses related to bonds issued by the Authority.

(3) (i) Up to 10% of Program Open Space funds transferred to the Authority may be used to pay the operating expenses of the Authority.

(ii) Up to 50% of Program Open Space funds transferred to the Authority may be expended for debt service on bonds issued by the Authority.

(iii) For fiscal year 2012 only, an additional \$500,000 of Program Open Space funds transferred to the Authority may be used to pay operating expenses in the Department of Planning.

(IV) FOR FISCAL YEAR 2026 ONLY, AN ADDITIONAL \$340,000 OF PROGRAM OPEN SPACE FUNDS TRANSFERRED TO THE AUTHORITY MAY BE USED TO PAY OPERATING EXPENSES IN THE DEPARTMENT OF PLANNING.

Article – Health – General

7–101.

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

(b) “Administration” means the Developmental Disabilities Administration.

(l) (1) “Individual–directed and family–directed goods and services” means services, equipment, activities, or supplies for individuals who self–direct services that:

(i) Relate to a need or goal identified in the person–centered plan of service;

(ii) Maintain or increase independence;

(iii) Promote opportunities for community living and inclusion; and

(iv) Are not available under another waiver service or services provided under the State plan established in Subtitle 3 of this title.

(2) “Individual–directed and family–directed goods and services” includes all goods or services authorized by regulations adopted or guidance issued by the federal Centers for Medicare and Medicaid Services under § 1915(c) of the Social Security Act.

7–205.

(a) (1) There is a continuing, nonlapsing Waiting List Equity Fund in the Maryland Department of Health.

(b) Subject to the appropriation process in the annual operating budget, the Department shall use the Waiting List Equity Fund for providing community–based services to individuals eligible for, but not receiving, services from the Developmental Disabilities Administration.

(e) (1) [(i)] The Department shall adopt regulations for the management and use of the money in the Fund.

[(ii)] (2) The regulations shall authorize the use of money in the Fund to provide services to individuals:

[1.] (I) Who are in crisis and need emergency services; and

[2.] (II) Who are not in crisis and do not need emergency services.

[(2)] The Waiting List Equity Fund may not be used to supplant funds appropriated for:

(i) Emergency community placements; or

(ii) Transitioning students.]

7-409.

(c) (1) Subject to paragraph (2) of this subsection, the Administration may not establish a limit on[:

(i) The dollar amount of individual-directed and family-directed goods and services provided to a recipient; or

(ii) The] **THE** number of hours of personal support services provided to a recipient who receives self-directed services that:

[1.] (I) Are necessary for the health and safety of the recipient; and

[2.] (II) Are authorized by regulations adopted or guidance issued by the federal Centers for Medicare and Medicaid Services under § 1915(c) of the Social Security Act.

(2) A recipient may not receive services or supports in excess of the recipient's annual approved budget.

7-717.

(a) (1) In this part, "low intensity support services" means a program designed to:

(i) Enable a family to provide for the needs of a child or an adult who is living in the home and has a severe chronic disability that:

1. Is attributable to a physical or mental impairment, other than the sole diagnosis of mental illness, or to a combination of physical and mental impairments; and

2. Is likely to continue indefinitely; or

(ii) Support an adult who is living in the community and has a severe chronic disability that:

1. Is attributable to a physical or mental impairment, other than the sole diagnosis of mental illness, or to a combination of physical and mental impairments; and

2. Is likely to continue indefinitely.

(2) “Low intensity support services” includes the services and items listed in §§ 7–701(d) and 7–706(c) of this subtitle.

(b) There is a Low Intensity Support Services Program in the Administration.

(c) Low intensity support services shall be flexible to meet the needs of individuals or families.

(d) (1) **(I) [The] THROUGH FISCAL YEAR 2025, THE** Administration shall establish a cap of no less than \$2,000 of low intensity support services per individual per fiscal year to a qualifying individual.

(II) FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, THE ADMINISTRATION SHALL ESTABLISH A CAP OF NO LESS THAN ~~\$500~~ \$1,000 OF LOW INTENSITY SUPPORT SERVICES PER INDIVIDUAL PER FISCAL YEAR TO A QUALIFYING INDIVIDUAL.

(2) The Administration may waive the cap on low intensity support services provided under paragraph (1) of this subsection.

(e) (1) An individual seeking low intensity support services is not required to:

(i) Submit an application to the Department as provided in § 7–403 of this title; or

(ii) Complete an application for the Medical Assistance Program if the low intensity support services will be provided to a minor.

(2) The Department may develop a simplified application process for low intensity support services.

(f) The Administration shall deliver services to an eligible individual seeking low intensity support services dependent on the availability and allocation of funds provided by the Administration.

10-101.

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

(b) “Administration” means the Behavioral Health Administration.

(f) “Director” means the Director of the Behavioral Health Administration.

10-1203.

(a) To the extent resources are available, the Director, after consultation with the Behavioral Health Advisory Council as established in Title 7.5, Subtitle 3 of this article and federal requirements mandated under P.L. 99-660, may initiate the development of core service agencies, local addictions authorities, or local behavioral health authorities as a mechanism for community planning, management, and financing of mental health and substance-related disorder services.

(c) To assure the continuing provision of appropriate services, the Director shall:

(1) Annually review and may approve the core service agencies’, local addictions authorities’, or local behavioral health authorities’ program plan;

(2) In conjunction with the appropriate authorities, establish and maintain a funding mechanism for the core service agencies, local addictions authorities, or local behavioral health authorities which may include the allocation of funds for inpatient services;

(3) Develop a mechanism whereby any unexpended funds remaining at the end of the year [shall] MAY remain with the core service agencies, local addictions authorities, or local behavioral health authorities or the community providers;

(4) Establish procedures to facilitate intraagency and interagency linkages at State and local levels with the core service agencies, local addictions authorities, or local behavioral health authorities; and

(5) Establish procedures within the Behavioral Health Administration for a process regarding program, policy, or contract disputes that gives all community mental health and substance-related disorder programs regulated by the Administration the right to:

(i) Access the mediation process established by the Administration;
and

(ii) If dissatisfied with the outcome of the mediation by the Administration, request a hearing with the Office of Administrative Hearings in accordance with Title 10, Subtitle 2 of the State Government Article.

~~13-1116.~~

~~(a) (1) (i) For each of fiscal years 2011 and 2012:~~

~~1. The Governor shall include at least \$2,400,000 in the annual budget in appropriations for the Statewide Academic Health Center Cancer Research Grants under this section; and~~

~~2. The Grants shall be distributed between the Statewide Academic Health Centers as follows:~~

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

~~B. \$392,700 to the Johns Hopkins Institutions.~~

~~(ii) For fiscal [year] YEARS 2013 [and each fiscal year thereafter] THROUGH 2025:~~

~~1. The Governor shall include at least \$13,000,000 in the annual budget in appropriations for the Statewide Academic Health Center Cancer Research Grants under this section; and~~

~~2. The Grants shall be distributed according to historical allocations between the Academic Health Centers.~~

~~(III) FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER:~~

~~1. THE GOVERNOR MAY INCLUDE AT LEAST \$13,000,000 IN THE ANNUAL BUDGET IN APPROPRIATIONS FOR THE STATEWIDE ACADEMIC HEALTH CENTER CANCER RESEARCH GRANTS UNDER THIS SECTION; AND~~

~~2. THE GRANTS SHALL BE DISTRIBUTED ACCORDING TO HISTORICAL ALLOCATIONS BETWEEN THE ACADEMIC HEALTH CENTERS.~~

~~(2) Subject to the other provisions of this section, the Department may distribute Statewide Academic Health Center Cancer Research Grants to the University of Maryland Medical Group and the Johns Hopkins Institutions for the purpose of enhancing cancer research activities that may lead to a cure for a targeted cancer and increasing the rate at which cancer research activities are translated into treatment protocols in the State.~~

1 13-4901.

2 (a) In this subtitle the following words have the meanings indicated.

3 (c) “Pilot Program” means the Behavioral Health Care Coordination Value-Based
4 Purchasing Pilot Program.

5 13-4906.

6 (a) For each of fiscal years 2025 through 2027, the Governor [shall] MAY include
7 in the annual budget bill an appropriation of \$600,000 for the Pilot Program.

8 (b) Beginning in fiscal year 2026, the Department [shall] MAY allocate a
9 percentage of the annual appropriation required under subsection (a) of this section to
10 reimbursement paid based on the achievement of the outcome measures described in §
11 13-4904(e)(3) of this subtitle.

12 (c) In fiscal year 2027, the Department [shall] MAY increase the percentage of the
13 annual appropriation required under subsection (a) of this section allocated to
14 reimbursement paid in accordance with subsection (b) of this section over the percentage
15 allocated in fiscal year 2026.

16 **15-157.**

17 (A) **IN THIS SECTION, “FUND” MEANS THE MEDICAID PRIMARY ~~CARD~~ CARE**
18 **PROGRAM FUND.**

19 (B) **THERE IS A MEDICAID PRIMARY ~~CARD~~ CARE PROGRAM FUND IN THE**
20 **DEPARTMENT.**

21 (C) **THE PURPOSE OF THE FUND IS TO SERVE AS THE FOUNDATION FOR**
22 **ADVANCING PRIMARY CARE IN THE STATE UNDER THE ADVANCING ALL-PAYER**
23 **HEALTH EQUITY APPROACHES AND DEVELOPMENT (AHEAD) MODEL.**

24 (D) **THE DEPARTMENT SHALL ADMINISTER THE FUND.**

25 (E) (1) **THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
26 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

27 (2) **THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**
28 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

29 (F) **THE FUND CONSISTS OF:**

(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

(2) HOSPITAL PAYMENTS ADMINISTERED ON A ONE-TIME BASIS, THROUGH A UNIFORM AND BROAD-BASED ASSESSMENT VIA THE MEDICARE SAVINGS COMPONENT FOR CALENDAR YEAR 2023 BY THE HEALTH SERVICES COST REVIEW COMMISSION; AND

(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(G) THE FUND MAY BE USED TO:

(1) IMPLEMENT A MEDICAID PRIMARY CARE ADVANCED PAYMENT MODEL PROGRAM AS REQUIRED UNDER THE AHEAD COOPERATIVE AGREEMENT; AND

(2) SUPPORT PRIMARY CARE PROVIDERS SERVING ENROLLEES OF THE MEDICAL ASSISTANCE PROGRAM THROUGH INVESTMENTS THAT INCLUDE INCREASED REIMBURSEMENT FOR EVALUATION AND MANAGEMENT CODES, CARE MANAGEMENT FEES TO ELIGIBLE PRACTICES, AND QUALITY INCENTIVES.

(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE GENERAL FUND OF THE STATE.

(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

15-1004.

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

(f) (1) Except as provided in paragraphs (2) and (3) of this subsection, the Fund may be used only for the administration, operation, and activities of the Program.

(2) For fiscal year 2025 and each fiscal year thereafter, excess funds not required for the administration, operation, and activities of the Program may be used only to subsidize:

(i) The Kidney Disease Program under Title 13, Subtitle 3 of this article; or

(ii) The provision of mental health services to the uninsured under Title 10, Subtitle 2 of this article.

(3) For fiscal year [2025 only] ~~2026~~ 2025 AND EACH FISCAL YEAR THEREAFTER, excess funds not required for the administration, operation, and activities of the Program may be used for health reimbursement accounts established in accordance with § 105(h) of the Internal Revenue Code under § 2-509.1 of the State Personnel and Pensions Article.

19–112.

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

(2) “Center” means a Patient Safety Center designated by the Commission.

(3) “Fund” means the Maryland Patient Safety Center Fund.

(d) (1) There is a Patient Safety Center Fund.

(2) The purpose of the Fund is to subsidize a portion of the costs of the Center so that the Center may perform the duties described under subsection (c) of this section.

(e) (1) **(I) For fiscal [year 2023 and each fiscal year thereafter] YEARS 2023 THROUGH 2025,** the Governor shall include in the annual budget bill an appropriation of \$1,000,000 for the Fund.

(II) FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR MAY INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$1,000,000 FOR THE FUND.

24–1101.

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

(c) “Trust Fund” means the Community Services Trust Fund.

24–1105.

(a) The Trust Fund may only be used in accordance with this section.

(b) In accordance with an appropriation approved by the General Assembly in the State budget, the Comptroller shall transfer:

(1) The investment earnings of the Developmental Disabilities Administration account of the Trust Fund into the Waiting List Equity Fund established under § 7–205 of this article; and

(2) The proceeds and investment earnings of the Behavioral Health Administration account of the Trust Fund into the Mental Hygiene Community–Based Services Fund established under § 10–208 of this article.

(C) FOR FISCAL YEAR 2026 ONLY, THE DEVELOPMENTAL DISABILITIES ADMINISTRATION MAY USE MONEY IN THE TRUST FUND FOR PROVIDER REIMBURSEMENTS.

Article – Health Occupations

8–206.

(a) There is a Board of Nursing Fund.

(e) (1) **[(i)]** The Board of Nursing Fund shall be used exclusively to cover the actual documented direct and indirect costs of fulfilling the statutory and regulatory duties of the Board as provided by the provisions of this title.

[(ii)] The Board of Nursing Fund may not be used to pay for infrastructure operations, as defined in § 1–203(b) of this article.]

(2) (i) The Board of Nursing Fund is a continuing, nonlapsing fund, not subject to § 7–302 of the State Finance and Procurement Article.

(ii) Any unspent portions of the Board of Nursing Fund may not be transferred or revert to the General Fund of the State, but shall remain in the Board of Nursing Fund to be used for the purposes specified in this title.

(3) No other State money may be used to support the Board of Nursing Fund.

Article – Housing and Community Development

4–511.

(a) In this section, “Fund” means the Continuing the CORE Partnership Fund.

(b) There is a Continuing the CORE Partnership Fund.

(c) The purpose of the Fund is to assist the Department, in conjunction with the Maryland Stadium Authority and Baltimore City, in expeditiously removing blighted property within Baltimore City.

(j) (1) For fiscal year 2020, the Governor may include in the annual budget bill an appropriation of \$30,000,000 to the Fund.

(2) For fiscal years 2021 through 2024, the Governor may include in the annual budget bill an appropriation of \$25,000,000 to the Fund.

(3) For fiscal year 2026 and each fiscal year thereafter, the Governor shall include in the annual budget bill **OR THE CAPITAL BUDGET BILL** an appropriation of \$50,000,000 to the Fund.

Article – Human Services

5–609.

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

(2) (i) “Personal identifying information” has the meaning stated in § 8–301 of the Criminal Law Article.

(ii) “Personal identifying information” includes an Electronic Benefits Transfer card number or personal identification number.

(3) “Skimming practices” includes:

(i) use of a skimming device, including a scanner, skimmer, reader, or other electronic device used to access, read, scan, obtain, memorize, or store, temporarily or permanently, personal identifying information; or

(ii) adding malicious code illegally to a website to capture Electronic Benefits Transfer card data or personal identifying information.

(4) “Theft” includes:

(i) physical theft of an Electronic Benefits Transfer card;

(ii) identity fraud, as defined in § 8–301 of the Criminal Law Article;
and

(iii) theft through skimming practices.

(5) “Two–way fraud alert” means the capability of the Department to communicate with households, and of households to communicate with the Department, through text messaging regarding potential fraudulent use or theft of an Electronic Benefits Transfer card.

1 **(B) FOR FISCAL YEAR 2025 AND EACH FISCAL YEAR THEREAFTER,**
2 ~~RESTORATION OF BENEFITS UNDER THIS SECTION IS SUBJECT TO THE LIMITATIONS~~
3 ~~OF THE STATE BUDGET~~ **THE TOTAL AMOUNT OF BENEFITS RESTORED UNDER THIS**
4 **SECTION IS LIMITED TO \$30,000,000 PER FISCAL YEAR.**

5 **[(b)] (C)** (1) If an investigation by the Department shows a household's
6 correctly issued benefits were lost due to theft, the Department [automatically] shall
7 restore the benefits without requiring further action from the household.

8 (2) As soon as practicable, but not later than 10 days after a household
9 informs the Department of the loss of benefits due to theft, the Department shall:

10 (i) notify the household in writing of the Department's decision as
11 to whether to restore benefits, the amount of benefits to be restored, and the right to and
12 method of requesting a hearing on the Department's decision in accordance with subsection
13 **[(c)] (D)** of this section;

14 (ii) if the Department determines that the household receives
15 benefits, restore benefits to the household in the amount of benefits that was lost; and

16 (iii) provide the household with a new Electronic Benefits Transfer
17 card.

18 (3) The Department may not:

19 (i) require a household to provide a police report as a condition of
20 restoration of benefits; or

21 (ii) limit the number of months in which a household can receive
22 restoration of benefits lost due to theft.

23 **[(c)] (D)** (1) If a household disputes the amount of benefits restored or the
24 Department's determination that no restoration is due, the household may request a
25 hearing with the Department within 90 days after the date of the Department's
26 determination.

27 (2) If a household requests a hearing under this subsection, the
28 Department shall restore the benefits for which the household claims entitlement while the
29 hearing is pending.

30 (3) If the hearing decision is unfavorable to the household, any benefits
31 improperly restored under paragraph (2) of this subsection may be recovered by the
32 Department by reducing the household's benefit at a rate that may not exceed the lesser of
33 \$10 or 5% of the household's monthly allotment of benefits.

1 ~~[(d)]~~ (E) In the procurement process for electronic benefits distribution or
2 administration, the State or State-aided or State-controlled entity shall give preference to
3 a vendor that:

4 (1) holds a form of insurance that can be used to reimburse a beneficiary
5 for identity fraud or theft; and

6 (2) provides identity access protections to protect an eligible beneficiary
7 against identity fraud and theft, which may include multifactor authentication.

8 ~~[(e)]~~ (F) The Department shall coordinate with vendors to take available
9 precautions to reduce the vulnerability of Electronic Benefits Transfer cards to theft by
10 utilizing enhanced technology.

11 ~~[(f)]~~ (G) On or before December 1 each year, the Department, in consultation
12 with local law enforcement agencies in the State, shall report to the General Assembly, in
13 accordance with § 2-1257 of the State Government Article, on:

14 (1) the accessibility and security of Electronic Benefits Transfer cards;

15 (2) actions taken to reduce the fraudulent use of Electronic Benefits
16 Transfer cards;

17 (3) the number of Electronic Benefits Transfer cards reissued due to fraud
18 in the immediately preceding year;

19 (4) the number of households reporting theft of benefits, by jurisdiction and
20 program;

21 (5) the number of households eligible for expedited Supplemental
22 Nutrition Assistance Program benefits that reported loss of benefits due to theft, by
23 jurisdiction and program;

24 (6) the total dollar amount of benefits reported lost due to theft, by
25 jurisdiction and program;

26 (7) the number of determinations of theft made by the Department, by
27 jurisdiction;

28 (8) the number of determinations made by the Department that theft did
29 not occur, by jurisdiction;

30 (9) the number of households reimbursed for benefits lost due to theft and
31 the total dollar amount of benefits restored, by jurisdiction and program;

(10) the average and maximum length of time, in days, between the report of theft and the restoration of benefits, by jurisdiction;

(11) the number of hearings requested and the number of households that received a restoration of benefits as an outcome of a hearing, by jurisdiction; and

(12) demographic data on households that experienced theft, including race, gender, number of households with children under the age of 18 years, and number of households with a member at least 60 years old.

~~10-1303.~~

~~(a) For fiscal year 2025 and each fiscal year thereafter, the Governor shall include in the annual budget bill an appropriation of [\$2,400,000] \$1,200,000 to manage the long term care and dementia care navigation programs statewide and to fund the programs locally.~~

~~(b) The funds appropriated under this section shall be distributed proportionally to each area agency based on a formula determined by the Department that considers the number of individuals who will likely need long term care or dementia care services in each jurisdiction.~~

Article – Labor and Employment

8-421.

(a) The Special Administrative Expense Fund shall consist of money appropriated in the State budget from:

(1) fines, interest, and other penalties collected under this title and paid from the clearing account under § 8-404(c) of this subtitle;

(2) money transferred from the Unemployment Insurance Administration Fund under § 8-422 of this subtitle; [and]

(3) any voluntary contribution to the Special Administrative Expense Fund; AND

(4) ADMINISTRATIVE FEE PAYMENTS DEPOSITED INTO THE SPECIAL ADMINISTRATIVE EXPENSE FUND IN ACCORDANCE WITH § 8-605.1 OF THIS TITLE AND ANY ASSOCIATED FINES, PENALTIES, AND INTEREST ESTABLISHED BY REGULATION.

(b) (1) Notwithstanding any other provision in this Part III of this subtitle, the Special Administrative Expense Fund may be used as a revolving account to cover costs

that are proper under the law for which federal money is requested but not yet received, if the costs are charged against the federal money when received.

(2) Subject to subsection (d) of this section, the Secretary:

(i) shall use the Special Administrative Expense Fund for reimbursement of interest on contributions that is collected erroneously;

(ii) shall use the Special Administrative Expense Fund to pay for costs of administration that are found to have been improperly charged against federal money credited to the Unemployment Insurance Administration Fund; and

(iii) may use the Special Administrative Expense Fund:

1. for replacement within a reasonable time of any money that the State receives under § 302 of the Social Security Act and that because of an action or contingency has been lost or has been used for purposes other than or in amounts exceeding those necessary for proper administration of this title; [or]

2. for administrative expenses of the Division of Unemployment Insurance ~~and Division of Workforce Development AND ADULT LEARNING, AND EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, THE DIVISION OF WORKFORCE DEVELOPMENT AND ADULT LEARNING,~~ in accordance with subsection (c) of this section; AND

3. TO COLLECT AND ADMINISTER THE ADMINISTRATIVE FEE ESTABLISHED UNDER § 8-605.1 OF THIS TITLE.

(c) (1) Subject to subsection (d) of this section, the Secretary may use the Special Administrative Expense Fund for administrative expenses necessary to administer this title.

(2) Administrative expenses include:

(i) expenses related to the acquisition of office space required for effective administration of this title, subject to approval by the Board of Public Works;

(ii) costs for furnishing, maintenance, repair, improvement, and enhancement of office space;

(iii) the purchase, leasing, and maintenance of information technology systems, including equipment, programs, and services;

(iv) the purchase, leasing, and maintenance of telecommunications systems, services, and equipment including connectivity costs and ongoing usage costs; and

(v) other administrative costs that the Secretary determines are necessary to administer solely the provisions of this title.

(d) (1) The Special Administrative Expense Fund may not be used in a manner that would result in a loss of federal money that, in the absence of money from the Special Administrative Expense Fund, would be available to pay for administrative costs of this title.

(2) THE SECRETARY SHALL IMPLEMENT COST ALLOCATION PLANS AS NECESSARY UNDER THIS PART III OF THIS SUBTITLE TO COMPLY WITH ALL APPLICABLE STATE AND FEDERAL LAW.

8-605.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "NEW EMPLOYER" HAS THE MEANING STATED IN § 8-609(A) OF THIS SUBTITLE.

(3) "TAXABLE WAGE BASE" HAS THE MEANING STATED IN § 8-601 OF THIS SUBTITLE.

(B) (1) (I) BEGINNING JANUARY 1, 2026, EACH EMPLOYING UNIT THAT IS DETERMINED TO BE LIABLE UNDER THIS SUBTITLE TO PAY CONTRIBUTIONS SHALL BE SUBJECT TO AN ANNUAL ADMINISTRATIVE FEE OF 0.15% OF ITS TAXABLE WAGE BASE.

(II) THE TIMING AND MANNER OF PAYMENT SHALL BE AS DETERMINED BY THE SECRETARY.

(2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, BEGINNING JANUARY 1, 2026, THE CONTRIBUTION RATE ASSIGNED TO EACH EMPLOYING UNIT UNDER THIS SUBTITLE, EXCLUSIVE OF ANY PENALTIES, FINES, OR INTEREST REQUIRED TO BE PAID BY AN EMPLOYING UNIT UNDER ANY OTHER PROVISION OF THIS TITLE, SHALL BE ADJUSTED BY SUBTRACTING 0.15% FROM EACH RATE.

(II) A NEW EMPLOYER SHALL PAY AT LEAST 1% OF ITS TAXABLE WAGE BASE.

(C) THE ADMINISTRATIVE FEE PAYMENTS COLLECTED UNDER THIS SECTION:

(1) SHALL BE CONSIDERED SEPARATE AND DISTINCT FROM CONTRIBUTIONS;

(2) MAY NOT BE CREDITED TO THE ACCOUNTS OF INDIVIDUAL EMPLOYING UNITS; AND

(3) SHALL BE DEPOSITED INTO THE SPECIAL ADMINISTRATIVE EXPENSE FUND ESTABLISHED UNDER § 8–419 OF THIS TITLE.

(D) (1) THE ADMINISTRATIVE FEES COLLECTED UNDER THIS SECTION MAY BE USED FOR ADMINISTRATIVE EXPENSES IN ACCORDANCE WITH § 8–421 OF THIS TITLE, INCLUDING EXPENSES TO IMPROVE CUSTOMER SERVICE, CONDUCT DATA ANALYSIS, SUPPORT INFORMATION TECHNOLOGY IMPROVEMENTS, COMBAT FRAUD, AND ACCELERATE REEMPLOYMENT.

(2) THE ADMINISTRATIVE FEES COLLECTED UNDER THIS SECTION MAY NOT BE USED FOR ADMINISTRATIVE EXPENSES OF THE DIVISION OF WORKFORCE DEVELOPMENT AND ADULT LEARNING.

(E) THE SECRETARY MAY ADOPT REGULATIONS NECESSARY TO CARRY OUT THIS SECTION.

8–609.

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

(3) “New employer” means an employing unit that does not qualify for an earned rate under § 8–610 of this subtitle.

(b) [A] SUBJECT TO § 8–605.1(B) OF THIS SUBTITLE, A new employer shall pay contributions at a rate that does not exceed 2.6% of the taxable wage base, and that is the highest of:

(1) 1% of the taxable wage base;

(2) the 5–year benefit cost rate of the State as computed under subsection (c) of this section; or

(3) the contribution rate under § 8–612 of this subtitle that applies to an employing unit with a benefit ratio of 0.000.

8–612.

(a) (1) Subject to paragraph (2) of this subsection, on the basis of the earned rating record of an employing unit that qualifies for an earned rate of contribution under §

8–610 of this subtitle, the Secretary shall compute to the 4th decimal place a benefit ratio for the employing unit in accordance with subsection (b) or (c) of this section.

(2) **[The] SUBJECT TO § 8–605.1(B) OF THIS SUBTITLE, THE** Secretary may not assign an earned rate of contribution that is less than 0.3% or more than 13.5%.

8–613.

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

(3) “Reorganized employer” means:

(i) an employer that alters its legal status, including changing from a sole proprietorship or a partnership to a corporation; or

(ii) an employer that otherwise changes its trade name or business identity while remaining under any of the same ownership.

(4) “Successor employer” means an employer that acquires, by sale or otherwise, all or part of the assets, business, organization, or trade of another employer.

(b) (1) A reorganized employer shall be liable for all contributions, interest, **[and] penalties, AND ADMINISTRATIVE FEES** owed by the employing unit before the reorganization.

(2) **[A] SUBJECT TO § 8–605.1(B) OF THIS SUBTITLE, A** reorganized employer shall continue to pay contributions at the contribution rate of the employing unit before the reorganization from the date of the reorganization through the next December 31.

(3) Beginning on the January 1 after the reorganization, the rate of contribution of the reorganized employer shall be based on its experience with payrolls and benefit charges, in combination with the experience with payrolls and benefit charges of the employing unit before the reorganization.

(d) If a successor employer was an employing unit before acquiring the assets, business, organization, or trade of a predecessor employer that is an employing unit, and has no common ownership, management, or control with the predecessor employer:

(1) **SUBJECT TO § 8–605.1(B) OF THIS SUBTITLE,** the successor employer shall continue to pay contributions at the previously assigned rate from the date of the transfer through the next December 31;

(2) beginning on the January 1 after the transfer, and for each calendar year thereafter, the rate of contribution of the successor employer shall be based on its

1 experience with payrolls and benefit charges in combination with the proportionate share
2 of payrolls and benefit charges acquired from the predecessor employer; and

3 (3) if two or more successor employers receive the transfer, beginning on
4 the January 1 after the transfer, and for each calendar year thereafter, the rate of
5 contribution of each successor employer shall be based on its experience with payrolls and
6 benefit charges in combination with the proportionate share of payrolls and benefit charges
7 acquired from the predecessor employer.

8 (f) If a predecessor employer does not remain in business after the transfer of all
9 or part of the assets, business, organization, or trade of the predecessor employer:

10 (1) the successor employer is liable for all contributions, interest, [and]
11 penalties, **AND ADMINISTRATIVE FEES** owed by the predecessor employer at the time of
12 the transfer; and

13 (2) if two or more successor employers receive the transfer, the successor
14 employers shall be liable in the same proportion as the payroll record of the unit being
15 transferred is to the total business of the predecessor employer.

16 (g) (1) **[A] SUBJECT TO § 8-605.1(B) OF THIS SUBTITLE**, A predecessor
17 employer shall continue to pay contributions at the previously assigned rate through the
18 next December 31 if the predecessor employer:

19 (i) transfers only part of the assets, business, organization, or trade
20 of the predecessor employer;

21 (ii) remains in business; and

22 (iii) has been assigned a contribution rate under this subtitle.

23 (2) **[If] SUBJECT TO § 8-605.1(B) OF THIS SUBTITLE**, IF a predecessor
24 employer has met each of the requirements to continue to pay contributions at the
25 previously assigned rate through the December 31 after the transfer, beginning on the
26 January 1 after the transfer the rate of contributions of the predecessor employer for each
27 calendar year shall be based on:

28 (i) its experience with payrolls and benefit charges; and

29 (ii) its experience incurred before the transfer less any experience
30 that was transferred to a successor employer.

31 11-606.

32 (b) (1) There is a Maryland New Start Grant Program in the Department.

(2) The Department shall administer the Program.

(c) The purpose of the Program is to provide grants to organizations to create or support existing entrepreneurship development programs to provide assistance to covered individuals.

(f) (1) (I) In [each of fiscal years 2024, 2025, 2026, 2027, and 2028] ~~FISCAL YEARS 2024 AND 2025~~ YEAR 2024, the Governor shall include in the annual budget bill an appropriation of at least \$200,000 for the Program.

(II) IN FISCAL YEARS ~~2026~~ 2025 THROUGH 2028, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST \$50,000 FOR THE PROGRAM.

(2) The Department may not utilize more than 10% of the money appropriated for the Program for administrative costs.

11–1302.

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

(e) (1) For fiscal year 2018 through fiscal year 2024, the Governor shall include in the annual budget bill an appropriation to the Fund of \$250,000 to support the operation of the Center.

(2) For fiscal year 2025 through fiscal year 2029, the Governor shall include in the annual budget bill an appropriation to the Fund of [~~\$625,000~~] \$531,250 to support the operation of the Center.

(f) The Fund may be used only to support the purposes of the Center.

11–1501.

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

(f) “Program” means the Career Pathways for Health Care Workers Program.

11–1506.

(a) (1) [For each] ~~THROUGH~~ fiscal year ~~2025~~ 2024, the Governor shall include in the annual budget bill an appropriation of at least \$1,000,000 for the Program.

(2) FOR FISCAL YEAR ~~2026~~ 2025 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST \$500,000 FOR THE PROGRAM.

(b) Appropriations and expenditures made for the purpose of implementing the Program, including the use of any funds received by a person under any component of the Program, are subject to audit by the Office of Legislative Audits as provided in § 2–1220 of the State Government Article.

Article – Local Government

16–503.

(A) The Governor shall include in the budget bill for [each] fiscal year **2025** a General Fund appropriation for the following teacher retirement supplemental grants to the following counties:

- (1) Allegany County – \$1,632,106;
- (2) Baltimore City – \$10,047,596;
- (3) Baltimore County – \$3,000,000;
- (4) Caroline County – \$685,108;
- (5) Dorchester County – \$308,913;
- (6) Garrett County – \$406,400;
- (7) Prince George’s County – \$9,628,702;
- (8) Somerset County – \$381,999; and
- (9) Wicomico County – \$1,567,837.

(B) FOR FISCAL YEAR 2026, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL A GENERAL FUND APPROPRIATION FOR THE FOLLOWING TEACHER RETIREMENT SUPPLEMENTAL GRANTS TO THE FOLLOWING COUNTIES:

- (1) ALLEGANY COUNTY – \$816,053;**
- (2) BALTIMORE CITY – \$5,023,798;**
- (3) BALTIMORE COUNTY – \$1,500,000;**
- (4) CAROLINE COUNTY – \$342,554;**
- (5) DORCHESTER COUNTY – \$154,457;**
- (6) GARRETT COUNTY – \$203,200;**

(7) PRINCE GEORGE'S COUNTY – \$4,814,351;

(8) SOMERSET COUNTY – \$191,000; AND

(9) WICOMICO COUNTY – \$783,919.

Article – Natural Resources

3–103.

(a) (1) There is a body politic and corporate known as the “Maryland Environmental Service”.

(h) (1) The Service:

(i) May create and establish 1 or more project reserve funds in such amounts as the Board considers appropriate, including the following project reserve funds:

1. An Eastern Correctional Institution Turbine Project Contingency Fund;

2. A Department of Natural Resources Project Contingency Fund; and

3. A Reimbursable Project Contingency Fund; and

(ii) Subject to paragraph (2) of this subsection, may pay into such funds:

1. Any money appropriated and made available by the State for the purposes of such funds;

2. Any proceeds from the sale of bonds or notes, to the extent provided in the resolution authorizing the issuance of the bonds or notes;

3. Revenues derived from a project of the Service; and

4. Any other money that may be received by or otherwise made available to the Service from any other source or sources which the Service has designated for deposit into such funds.

(2) Money held in or credited to a project reserve fund established under this subsection shall be used solely to accomplish the purposes of this subtitle, as determined by the Board and, subject to paragraph (3) of this subsection, may be retained

by the Service in the appropriate project reserve fund based on the project for which the money was received by the Service.

(3) (i) The Service may credit to a project reserve fund established under paragraph (1)(i) 1 through 3 of this subsection only money that is reimbursable to the State.

(ii) The Service may not retain more than:

1. ~~[\$1,500,000]~~ **\$5,000,000** in the Eastern Correctional Institution Turbine Project Contingency Fund;

2. \$500,000 in the Department of Natural Resources Project Contingency Fund; or

3. ~~[\$1,000,000]~~ **\$3,000,000** in the Reimbursable Project Contingency Fund.

(iii) If at the end of a fiscal year the balance in a project reserve fund exceeds the limits stated in subparagraph (ii) of this paragraph, the Service shall revert the excess to the State fund from which the money in the project reserve fund was originally appropriated.

(4) Money appropriated or made available to the Service by the State shall be expended in accordance with the provisions of this subtitle.

5-903.

(a) (1) (i) Of the funds distributed to Program Open Space under § 13-209 of the Tax – Property Article, up to \$3,000,000 may be transferred by an appropriation in the State budget, or by an amendment to the State budget under Title 7, Subtitle 2 of the State Finance and Procurement Article, to the Maryland Heritage Areas Authority Financing Fund established under Title 13, Subtitle 11 of the Financial Institutions Article to be used for the purposes provided in that subtitle.

(ii) Of the amount transferred under subparagraph (i) of this paragraph, up to \$300,000 may be distributed to the Maryland Historical Trust within the Department of Planning to be awarded as noncapital historic preservation grants.

(2) (i) 1. Of the remaining funds not appropriated under paragraph (1)(i) of this subsection:

A. One half of the funds shall be used for recreation and open space purposes by the Department and the Historic St. Mary's City Commission; and

1 B. 20% of the funds or \$21,000,000, whichever is greater,
2 shall be appropriated to the Forest and Park Service in the Department to operate State
3 forests and parks.

4 2. Except as otherwise provided in this section, any funds the
5 General Assembly appropriates to the State under this subsection shall be used only for
6 land acquisition projects.

7 (iii) 1. A portion of the State's share of funds available under
8 subparagraph (i)1A of this paragraph for this program not to exceed \$8,000,000 for each
9 fiscal year may be transferred by an appropriation in the State budget to the Rural Legacy
10 Program under Subtitle 9A of this title.

11 2. In each fiscal year, up to \$2 million of the funds
12 transferred under this subparagraph to the Rural Legacy Program may be used to purchase
13 zero coupon bonds for easements.

14 3. Sums allocated to the Rural Legacy Program may not
15 revert to the General Fund of the State.

16 5–2001.

17 (a) In this section, “Fund” means the Maryland Forestry Education Fund.

18 (b) There is a Maryland Forestry Education Fund.

19 (c) The purpose of the Fund is to expand and enhance:

20 (1) The Maryland Forestry Foundation's capacity to provide education and
21 resources that support Maryland's forest landowners;

22 (2) The ability of district forestry boards and the knowledge of local
23 governments in Maryland to achieve:

24 (i) Environmental, economic, and social sustainability of forest
25 health; and

26 (ii) The sustainable management of forest resources; and

27 (3) The ability of businesses to test innovative best management practices
28 in forestry.

29 (k) For fiscal [years] **YEAR** 2025 [and 2026], the Governor shall include in the
30 annual budget bill an appropriation of \$250,000 to the Fund.

31 8–2A–02.

(a) There is a Chesapeake and Atlantic Coastal Bays 2010 Trust Fund.

(b) The purpose of the Trust Fund is to provide financial assistance necessary to advance Maryland's progress in meeting the goals established in the 2014 Chesapeake Bay Watershed Agreement for the restoration of the Chesapeake Bay and its tributaries, including the Patuxent River, and to restore the health of the Atlantic Coastal Bays and their tributaries, by focusing limited financial resources on nonpoint source pollution control projects in all regions of the State.

(f) (1) The Trust Fund may be used only for the implementation of nonpoint source pollution control projects to:

(i) Support State and local watershed implementation plans by targeting limited financial resources on the most effective nonpoint source pollution control projects; and

(ii) Improve the health of the Atlantic Coastal Bays and their tributaries.

(2) It is the intent of the General Assembly that, when possible, money in the Trust Fund shall be granted to local governments and other political subdivisions for agricultural, forestry, stream and wetland restoration, and urban and suburban stormwater nonpoint source pollution control projects, including up to 25% in matching funds to local governments and other political subdivisions that have enacted a stormwater remediation fee under § 4–202.1 of the Environment Article.

(3) (i) In each fiscal year from 2023 through 2031, inclusive, \$1,250,000 from the Trust Fund shall be used to fund:

1. The 5 Million Tree Program Coordinator position in the Department of the Environment; and

2. Subject to subparagraph (ii) of this paragraph, 13 contractor positions in the Forest Service of the Department to provide technical assistance, planning, and coordination related to tree plantings, tree buffer management, and forest management, including invasive vine removal, on public, private, and agricultural lands and in “underserved areas” as defined in § 8–1911 of this article.

(ii) The Department shall make reasonable efforts to ensure that contractors hired under subparagraph (i)2 of this paragraph reflect the geographic and demographic diversity of the State.

(4) (i) In each fiscal year from 2024 through 2031, inclusive, \$2,500,000 from the Trust Fund shall be used, subject to the requirements of subparagraph (ii) of this paragraph, for tree plantings on public and private land.

(ii) The money appropriated under this paragraph:

more than \$125,000 may be expended for small projects under § 8–707(a)(3) and (4) of this subtitle, subject to the limitation that a single project of this kind may not exceed \$5,000 in cost to the Waterway Improvement Fund, and a sum of not more than \$100,000 may be expended for boating safety and education.

(c) Notwithstanding the provisions of subsection (a) of this section, the Department may propose an appropriation from the Waterway Improvement Fund to support marine operations of the Natural Resources Police not exceeding:

(1) \$1,700,000 in the Department’s fiscal year 2006 budget; [and]

(2) \$2,000,000 in the Department’s fiscal year 2007 [budget, and every year thereafter] **THROUGH FISCAL YEAR 2025 BUDGETS; AND**

(3) \$2,100,000 IN THE DEPARTMENT’S FISCAL YEAR 2026 BUDGET, AND EVERY YEAR THEREAFTER.

Article – Public Safety

4–1011.

(a) In this section, “local law enforcement agency” means:

(1) a police department of a county or municipal corporation in the State; or

(2) the office of the sheriff that provides a law enforcement function in a county or municipal corporation in the State.

(b) **(1)** For fiscal [years 2024 through 2026, each year] **2024**, the Governor shall include in the annual budget bill an appropriation of \$2,000,000 for local law enforcement agencies to be used as grants for warrant apprehension efforts.

(2) FOR FISCAL YEARS 2025 AND 2026, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF \$1,000,000 FOR LOCAL LAW ENFORCEMENT AGENCIES TO BE USED AS GRANTS TO WARRANT APPREHENSION EFFORTS.

(c) (1) The Governor’s Office of Crime Prevention and Policy shall administer the grant funds in accordance with § 4–1008 of this subtitle.

(2) Local law enforcement agencies may use the grant funds for the following purposes:

(i) to reduce warrants in the agency’s jurisdiction;

(ii) to increase coordination and cooperation between local law enforcement and State and federal agencies regarding outstanding warrants; and

(iii) to reduce the number of outstanding warrants related to violent crimes.

~~Article – Real Property~~

~~§ 1006.~~

~~For each of fiscal years 2026 through 2028, the Governor [shall] MAY include in the annual budget bill an appropriation of:~~

~~(1) \$100,000 to the designated organization for Montgomery County to be used for the Pilot Program; and~~

~~(2) \$100,000 to the designated organization for Prince George's County to be used for the Pilot Program.~~

Article – State Finance and Procurement

3.5–309.

(a) There is an Information Technology Investment Fund.

(b) The purpose of the Fund is to support major information technology development projects and expedited projects.

(j) Notwithstanding subsection (b) of this section and except for the cost incurred in administering the Fund, each fiscal year up to \$1,000,000 of this Fund may be used for:

(1) educationally related information technology projects;

(2) application service provider initiatives as provided for in Title 9, Subtitle 22 of the State Government Article; or

(3) information technology projects, including:

(i) pilots; and

(ii) prototypes.

(k) A unit of State government or local government may submit a request to the Secretary to support the cost of an information technology project with money under subsection (j) of this section.

1 ~~[(l)]~~ (1) Each fiscal year, at least 20% of the amount included in the Governor's
2 allowance and appropriated to the Fund shall be set aside to be used for expedited projects.

3 (2) Any amount set aside under paragraph (1) of this subsection that is not
4 used in the fiscal year that it is set aside shall remain set aside in the Fund and available
5 to be used for future expedited projects.】

6 ~~[(m)]~~ (L) (1) Notwithstanding subsection (b) of this section and in accordance
7 with paragraph (2) of this subsection, money paid into the Fund under subsection (e)(2) of
8 this section shall be used to support:

9 (i) the State telecommunication and computer network established
10 under § 3.5–404 of this title, including program development for these activities; and

11 (ii) the Statewide Public Safety Interoperability Radio System, also
12 known as Maryland First (first responder interoperable radio system team), under Title 1,
13 Subtitle 5 of the Public Safety Article.

14 (2) The Secretary may determine the portion of the money paid into the
15 Fund that shall be allocated to each program described in paragraph (1) of this subsection.

16 ~~[(n)]~~ (M) (1) On or before November 1 of each year, the Secretary shall report
17 to the Governor and the Secretary of Budget and Management and, in accordance with §
18 2–1257 of the State Government Article, to the Senate Budget and Taxation Committee,
19 the Senate Committee on Education, Energy, and the Environment, the House
20 Appropriations Committee, the House Health and Government Operations Committee, and
21 the Joint Committee on Cybersecurity, Information Technology, and Biotechnology.

22 (2) The report shall include:

23 (i) the financial status of the Fund and a summary of its operations
24 for the preceding fiscal year;

25 (ii) an accounting for the preceding fiscal year of all money from each
26 of the revenue sources specified in subsection (e) of this section, including any expenditures
27 made from the Fund; and

28 (iii) for each project receiving money from the Fund in the preceding
29 fiscal year and for each major information technology development project or expedited
30 project receiving funding from any source other than the Fund in the preceding fiscal year:

31 1. the status of the project and project funding decisions;

32 2. a comparison of estimated and actual costs of the project;

1 3. any known or anticipated changes in scope or costs of the
2 project;

3 4. an evaluation of whether the project is using best
4 practices; and

5 5. a summary of any monitoring and oversight of the project
6 from outside the agency in which the project is being developed, including a description of
7 any problems identified by any external review and any corrective actions taken.

8 **[(o)] (N)** On or before January 15 of each year, for each major information
9 technology development project or expedited project currently in development or for which
10 operations and maintenance funding is being provided in accordance with subsection (i)(3)
11 of this section, subject to § 2–1257 of the State Government Article, the Secretary shall
12 provide a summary report to the Department of Legislative Services with the most
13 up-to-date project information including:

14 (1) project funding decisions and project status;

15 (2) any schedule, cost, and scope changes since the last annual report;

16 (3) a risk assessment including any problems identified by any internal or
17 external review and any corrective actions taken; and

18 (4) any change in the monitoring or oversight status.

19 **[(p)] (O)** (1) The Secretary may adopt regulations necessary to carry out this
20 section.

21 (2) The Secretary shall adopt regulations necessary to establish a process
22 for units of State government to request and receive funding for an expedited project
23 aligned with the State Modernization Plan that shall:

24 (i) allow units of State government to apply for project funding
25 biannually;

26 (ii) be consistent with the goals and preferences established under
27 Title 14 of this article and encourage small and minority business enterprise vendors; and

28 (iii) provide measures that ensure compliance with this subtitle and
29 the Department's regulations by both vendors and units of State government.

30 5A–303.

31 (d) (1) (i) In this subsection the following words have the meanings
32 indicated.

(ii) “Reserve Fund” means the Historic Revitalization Tax Credit Reserve Fund established under paragraph (2) of this subsection.

(iii) “Trust Account” means the Small Commercial Project Trust Account established under paragraph (4) of this subsection.

(2) (i) There is a Historic Revitalization Tax Credit Reserve Fund that is a continuing, nonlapsing special fund that is not subject to § 7-302 of this article.

(3) (i) Subject to the provisions of this subsection, the Director shall issue an initial credit certificate for each commercial rehabilitation for which a plan of proposed rehabilitation is approved and the fees charged under subsection (b)(7)(i) of this section are paid.

(iv) 1. Subject to [subsubparagraph 2] SUBSUBPARAGRAPHS 2 AND 3 of this subparagraph, for each of fiscal years 2018 through 2031, the Governor shall include in the budget bill an appropriation to the Reserve Fund.

2. For each of fiscal years 2023 through 2025 AND 2029 THROUGH 2031, the Governor shall include in the budget bill an appropriation to the Reserve Fund of at least \$20,000,000.

3. FOR EACH OF FISCAL YEARS 2026 THROUGH 2028, THE GOVERNOR SHALL INCLUDE IN THE BUDGET BILL AN APPROPRIATION TO THE RESERVE FUND OF AT LEAST \$16,500,000.

[3.] 4. The [amount] AMOUNTS described under [subsubparagraph 2] SUBSUBPARAGRAPHS 2 AND 3 of this subparagraph shall be in addition to the appropriations to the Trust Account required under paragraph (4) of this subsection.

6-104.

(e) (1) Beginning with the revenue estimate for fiscal year 2020, the Bureau shall calculate the share of General Fund revenues represented by nonwithholding income tax revenues in accordance with this subsection.

(2) (i) For each fiscal year, the Bureau shall calculate the 10-year average share of General Fund revenues represented by nonwithholding income tax revenues.

(ii) 1. For each fiscal year, the 10-year average shall use the 10 most recently completed fiscal years for which data are available when the estimate is prepared in the September before the beginning of the fiscal year.

2. The same 10-year average shall be used in all subsequent revisions to the revenue estimate for that fiscal year.

(3) (i) Subject to subparagraph (ii) of this paragraph, for each fiscal year, if the Bureau's estimate of the share of General Fund revenues from nonwithholding income tax revenues is above the 10-year average share, the Bureau shall adjust the revenue estimate by reducing General Fund revenues from nonwithholding income tax revenues by an amount sufficient to align the estimated share of General Fund revenues from nonwithholding income tax revenues with the 10-year average share of General Fund revenues from nonwithholding income taxes.

(ii) The adjustment made under subparagraph (i) of this paragraph may not exceed the following percentage of total General Fund revenues or dollar value in a specified fiscal year:

1. 0.225% for fiscal year 2020;
2. \$0 for fiscal year 2021;
3. \$80,000,000 for fiscal year 2022;
4. \$100,000,000 for fiscal year 2023;
5. \$0 for fiscal [year 2024] **YEARS 2024 THROUGH 2029;**
6. [\$0 for fiscal year 2025; and
- 7.] 2% for fiscal year [2026] **2030** and each fiscal year thereafter.

(iii) The capped estimate calculated under this paragraph shall be incorporated in the revenue estimate the Bureau shall report to the Board in the report required under subsection (b)(2) of this section.

7-114.2.

(A) ~~When~~ EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, WHEN a proposed budget includes expenditure reductions to be applied across multiple Executive Branch agencies, the budget bill ~~[shall]~~ ~~MAY~~ specify how the savings will be achieved and with the exception of position abolitions and items requiring collective bargaining ~~[shall]~~ ~~MAY~~ include a separate schedule for each reduction allocating the reduction for each agency in a level of detail not less than the 3-digit R*Stars financial agency code and by each fund type.

(B) FOR FISCAL YEAR 2026 ONLY, WHEN A PROPOSED BUDGET INCLUDES EXPENDITURE REDUCTIONS TO BE APPLIED ACROSS MULTIPLE EXECUTIVE BRANCH AGENCIES, THE BUDGET BILL MAY SPECIFY HOW THE SAVINGS WILL BE ACHIEVED AND WITH THE EXCEPTION OF POSITION ABOLITIONS AND ITEMS REQUIRING COLLECTIVE BARGAINING MAY INCLUDE A SEPARATE SCHEDULE FOR EACH REDUCTION ALLOCATING THE REDUCTION FOR EACH AGENCY IN A LEVEL OF DETAIL NOT LESS THAN THE 3-DIGIT R*STARS FINANCIAL AGENCY CODE AND BY EACH FUND TYPE.

7-311.

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

(2) “Account” means the Revenue Stabilization Account.

(3) “Estimated General Fund revenues” means the estimated General Fund revenues for a fiscal year stated in the report of the Board of Revenue Estimates submitted to the Governor under § 6-106 of this article in December preceding the fiscal year.

(4) “Unappropriated General Fund surplus” does not include the amount of nonwithholding income tax revenues that exceed the capped estimate determined under § 6-104(e) of this article.

(b) (1) The Revenue Stabilization Account is established to retain State revenues for future needs and reduce the need for future tax increases by moderating revenue growth.

(2) It is the goal of the State that 10% of estimated General Fund revenues in each fiscal year be retained in the Account.

(e) (1) Except as provided in subsection (f) of this section, for each fiscal year, **EXCEPT FISCAL YEAR 2026:**

(i) if the Account balance is below 3% of the estimated General Fund revenues for that fiscal year, the Governor shall include in the budget bill an appropriation to the Account equal to at least \$100,000,000; and

(ii) if the Account balance is at least 3% but less than 7.5% of the estimated General Fund revenues for that fiscal year, the Governor shall include in the budget bill an appropriation to the Account equal to at least the lesser of \$50,000,000 or whatever amount is required for the Account balance to exceed 7.5% of the estimated General Fund revenues for that fiscal year.

(2) At the end of fiscal year 2020 and each fiscal year thereafter, if the amount of nonwithholding income tax revenues exceeds the capped estimate determined

under § 6–104(e) of this article, the State Comptroller shall distribute funds as provided in § 7–329(c) and (d) of this subtitle.

(f) (1) The appropriations required by subsection (e)(1) of this section are not required when the Account balance exceeds 7.5% of the estimated General Fund revenues.

(2) The distributions required by subsection (e)(2) of this section are not required when the Account balance exceeds 10% of the estimated General Fund revenues for that fiscal year.

(j) (1) Except as provided in paragraph (2) of this subsection, for fiscal [year 2007 and for each subsequent fiscal year] **YEARS 2007 THROUGH 2023**, the Governor shall include in the budget bill an appropriation:

(i) for fiscal year 2017, 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 item;

(iii) for fiscal year 2021, to the Account in the amount of \$291,439,149;

(iv) except as provided in item (v) of this paragraph, for fiscal year 2022 and each fiscal year thereafter:

1. to the accumulation funds of the State Retirement and Pension System an amount, up to a maximum of \$25,000,000, that is equal to one-quarter of the amount by which the unappropriated General Fund surplus as of June 30 of the second preceding fiscal year exceeds \$10,000,000;

2. to the Postretirement Health Benefits Trust Fund established under § 34–101 of the State Personnel and Pensions Article an amount, up to a maximum of \$25,000,000, that is equal to one-quarter 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

3. 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 appropriations under items 1 and 2 of this item; and

(v) for fiscal year 2024:

1. to the Maryland Equity Investment Fund established under § 10–487 of the Economic Development Article an amount, up to \$10,000,000, that is equal to 10% of the amount by which the unappropriated General Fund surplus as of June 30 of the second preceding fiscal year exceeds \$10,000,000;

2. to the accumulation funds of the State Retirement and Pension System an amount, up to a maximum of \$15,000,000, that is equal to 15% 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

3. to the Postretirement Health Benefits Trust Fund established under § 34–101 of the State Personnel and Pensions Article an amount, up to a maximum of \$25,000,000, that is equal to 25% of 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.

7–317.

(a) There is a Cigarette Restitution Fund.

(g) (1) Amounts may only be expended from the Fund through appropriations in the State budget bill as provided in this subsection.

(2) The Governor shall include in the annual budget bill appropriations from the Fund equivalent to the lesser of \$100,000,000 or 90% of the funds estimated to be available to the Fund in the fiscal year for which the appropriations are made.

(3) For each fiscal year for which appropriations are made, at least 50% of the appropriations shall be made for those purposes enumerated in subsection (f)(1)(i), (ii), and (v)1 through 9 of this section subject to the requirement of subsection (e)(2) of this section.

(4) (I) **THIS PARAGRAPH DOES NOT APPLY IN FISCAL YEAR 2026.**

(II) For each fiscal year for which appropriations are made, at least 30% of the appropriations shall be made for the purposes of the Maryland Medical Assistance Program.

(5) For each fiscal year for which appropriations are made, 0.15% of the Fund shall be appropriated for the purposes of enforcement of Title 16, Subtitle 5 of the Business Regulation Article.

(6) For each of fiscal years 2025 through 2029, the Governor shall include in the annual budget bill an appropriation of \$8,000,000 to the Maryland Community Health Resources Commission Fund.

(7) Any additional appropriations, not subject to paragraph (3), paragraph (4), or paragraph (5) of this subsection, may be made for any lawful purpose.

(h) (1) The Fund shall include a separate account consisting of payments received by the State as a result of litigation by participating manufacturers related to the State's diligent enforcement of Title 16, Subtitle 4 of the Business Regulation Article.

(2) (I) [Distributions] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, DISTRIBUTIONS from the separate account may be used only to supplant the General Fund appropriation to the historically black colleges and universities required under § 15–126 of the Education Article.

(II) FOR FISCAL YEAR 2026 ONLY, DISTRIBUTIONS FROM THE SEPARATE ACCOUNT MAY BE USED TO SUPPORT MEDICAID EXPENSES.

~~7–325.~~

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

(2) ~~“Council” means the Maryland State Arts Council.~~

(3) ~~“General fund growth adjustment” means the percentage by which the projected total General Fund revenues for the upcoming fiscal year exceed the revised estimate of total General Fund revenues for the current fiscal year, as contained in the report of estimated State revenues submitted by the Board of Revenue Estimates to the Governor under § 6–106(b) of this article.~~

(b) (1) ~~For fiscal years 2013 through 2024, the Governor shall include in the annual budget bill a General Fund appropriation for the Council in an amount not less than the amount of the General Fund appropriation for the Council for the immediately preceding fiscal year increased by the general fund growth adjustment.~~

(2) ~~For fiscal year 2025 [and each fiscal year thereafter], the Governor shall include in the annual budget bill a General Fund appropriation for the Council in an amount not less than the result of the following calculation:~~

~~(i) any funds distributed to the Council in the immediately preceding fiscal year in accordance with § 2-202 of the Tax General Article increased by the general fund growth adjustment; plus~~

~~(ii) the amount of the General Fund appropriation for the Council for the immediately preceding fiscal year increased by the general fund growth adjustment; minus~~

~~(iii) the amount of funds distributed to the Council in the immediately preceding fiscal year in accordance with § 2-202 of the Tax General Article.~~

~~(e) The Legislative Auditor has the authority to conduct a review or audit of any recipient of a grant from the Council.~~

7-328.

(a) There is a Mortgage Loan Servicing Practices Settlement Fund.

(f) (1) The Mortgage Loan Servicing Practices Settlement Fund shall be used for housing and foreclosure-relief purposes and for related investigation and enforcement activities, including:

(i) the provision of housing counseling;

(ii) legal assistance related to foreclosure, EVICTIONS, and housing activities;

(iii) criminal or civil investigations of fraud related to housing and the securitization of mortgage loans;

(iv) relevant enforcement activities;

(v) foreclosure prevention, remediation, and restitution;

(vi) programs to address community blight;

(vii) programs reasonably targeted to benefit persons harmed by mortgage fraud; and

(viii) any other public purpose reasonably related to housing and foreclosure relief.

(2) THE MORTGAGE LOAN SERVICING PRACTICES SETTLEMENT FUND MAY BE USED TO PROVIDE LEGAL ASSISTANCE RELATED TO ANY TYPE OF LEGAL PROCEEDING.

~~(2)~~ (3) The provisions of this subsection may not be construed to affect the Governor's powers with respect to a request for an appropriation in the annual budget bill.

7-331.

(a) In this section, "Fund" means the Opioid Restitution Fund.

(b) There is an Opioid Restitution Fund.

(i) (1) (I) **THIS PARAGRAPH DOES NOT APPLY IN FISCAL YEARS 2025 AND 2026.**

(II) Money expended from the Fund for the programs and services described under subsection (f) of this section is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for the programs and services.

(2) Except as specified in subsection (f) of this section, money expended from the Fund may not be used for administrative expenses.

10-501.

(a) (1) On receipt of an order by an administrative law judge granting a petition under subsection (b) of this section, **SUBJECT TO PARAGRAPH (5) OF THIS SUBSECTION,** the Board of Public Works shall compensate an individual erroneously convicted, sentenced, and confined under State law for a crime the individual did not commit in an amount equal to the product of the total number of days that the individual was wrongfully confined after the erroneous conviction multiplied by a daily rate of the State's most recent annual median household income as published in the American Community Survey of the U.S. Census Bureau in the year the order of eligibility is issued under subsection (b) of this section and divided by 365 days to the nearest whole cent.

(2) In addition to the compensation awarded under paragraph (1) of this subsection, the administrative law judge issuing an order under subsection (b) of this section may direct the appropriate State agency or service provider to provide to the individual free of charge any of the following benefits:

(i) a State identification card and any other document necessary for the individual's health or welfare on the individual's release from confinement;

(ii) housing accommodations for a period not exceeding 5 years after the date the order of eligibility is issued under subsection (b) of this section;

(iii) education and training relevant to life skills, job and vocational training, or financial literacy for a period of time until the individual elects to no longer receive the education and training;

(iv) health care and dental care for at least 5 years after the date the order of eligibility is issued under subsection (b) of this section;

(v) access to enrollment at and payment of tuition and fees for attending a public senior higher education institution, a regional higher education center, or the Baltimore City Community College for a period of enrollment not exceeding 8 years; and

(vi) reimbursement for court fines, fees, and restitution paid by the individual for the crime for which the individual was erroneously convicted, sentenced, and confined.

(3) (i) If an individual previously received a monetary award from a civil suit or entered into a settlement agreement with the State or a political subdivision of the State for an erroneous conviction, sentence, or confinement, the amount owed to the individual under this subsection shall be reduced by the amount of the monetary award or settlement that was paid to the individual less any amount paid for attorney's fees and costs for litigating the award or settlement.

(ii) 1. If, after receiving compensation under this subsection, an individual receives a monetary award from a civil suit or enters into a settlement agreement with the State or a political subdivision of the State for an erroneous conviction, sentence, or confinement, the individual shall reimburse the State the amount of money paid under this section less any amount paid for attorney's fees and costs for litigating the award or settlement.

2. Reimbursement required under subsubparagraph 1 of this subparagraph may not exceed the amount of the monetary award the individual received in the civil suit or settlement agreement.

3. The State may obtain a lien against the monetary award from a civil suit or settlement agreement to satisfy an obligation under subsubparagraph 1 of this subparagraph.

(4) If an individual eligible for compensation and benefits under this subsection is deceased, the individual's estate has standing to be compensated under this subsection.

(5) (I) BEGINNING IN FISCAL YEAR 2026, THE COUNTY ~~OR~~ BALTIMORE CITY GOVERNMENT IN THE COUNTY ~~OR~~ CITY IN WHICH THE CONVICTION OF AN INDIVIDUAL OCCURRED SHALL PAY TO THE STATE 50% OF THE AMOUNT OF COMPENSATION AWARDED TO THE INDIVIDUAL UNDER PARAGRAPH (1) OF THIS SUBSECTION.

1 (II) THE PAYMENT SHALL BE REMITTED ANNUALLY TO THE
2 COMPTROLLER BY JUNE 30 EQUAL TO 100% OF THE COUNTY'S SHARE OF COSTS FOR
3 THAT FISCAL YEAR.

4 (III) ON OCTOBER 1, DECEMBER 1, MARCH 1, AND JUNE 1 OF
5 EACH FISCAL YEAR, THE BOARD OF PUBLIC WORKS SHALL NOTIFY THE
6 COMPTROLLER AND EACH COUNTY OF THE COUNTY'S SHARE OF EACH ERRONEOUS
7 CONVICTION AWARD DURING THE FISCAL YEAR.

8 (IV) THE COMPTROLLER MAY WITHHOLD A PORTION OF A LOCAL
9 INCOME TAX DISTRIBUTION OF A COUNTY THAT FAILS TO MAKE TIMELY PAYMENT IN
10 ACCORDANCE WITH THIS SECTION.

11 (b) (1) An administrative law judge shall issue an order that an individual is
12 eligible for compensation and benefits from the State under subsection (a) of this section if:

13 (i) the individual has received from the Governor a full pardon
14 stating that the individual's conviction has been shown conclusively to be in error; or

15 (ii) subject to paragraph (2) of this subsection, the administrative
16 law judge finds that the individual has proven by clear and convincing evidence that:

17 1. the individual was convicted, sentenced, and subsequently
18 confined for a felony or conspiracy to commit a felony;

19 2. the judgment of conviction for the felony or conspiracy to
20 commit a felony was reversed or vacated and:

21 A. the order reversing or vacating the judgment of conviction
22 did not allow for retrial;

23 B. the charges against the individual were dismissed; or

24 C. on retrial, the individual was found not guilty;

25 3. the individual did not commit the felony or conspiracy to
26 commit a felony for which they were convicted, sentenced, and subsequently confined and
27 was not an accessory or accomplice to the felony or conspiracy to commit a felony; and

28 4. subject to paragraph (2)(ii) of this subsection, the
29 individual did not commit or suborn perjury, fabricate evidence, or by the individual's own
30 conduct cause or bring about the conviction.

31 (d) (1) If an administrative law judge orders that an individual is eligible for
32 compensation and benefits under this section, the order shall include:

(i) the monetary award owed to the individual under subsection (a)(1) of this section;

(ii) reasonable attorney's fees and expenses associated with the action brought under this section;

(iii) benefits to be awarded under subsection (a)(2) of this section; and

(iv) if the administrative law judge determines that it is in the interests of the individual, a recommendation for an expedited payment schedule.

(e) The Board of Public Works shall pay the compensation ordered under subsection (d) of this section in:

(1) one initial payment equal to the annual amount of the State's most recent median household income to be paid within 60 days after receiving the order; and

(2) (i) after the initial payment under item (1) of this subsection, installments paid over a period not to exceed 6 fiscal years; or

(ii) in accordance with an expedited payment schedule recommended under subsection (d)(1)(iv) of this section.

Article – State Government

2-1230.

(a) *In this Part V the following words have the meanings indicated.*

(d) *“Office” means the Office of Program Evaluation and Government Accountability.*

(f) (1) *“Unit” includes each State department, agency, unit, and program, including EACH CLERK OF THE COURT, each register of wills, and each local school system.*

(2) *“Unit” does not include a department, an agency, or a unit in the Legislative [or Judicial] Branch of State government.*

2-1234.

(a) (1) *The Office shall conduct a performance evaluation of units of State government, in accordance with the work plan developed by the Director in consultation with the Joint Audit and Evaluation Committee.*

9-120.

(a) The Comptroller shall distribute, or cause to be distributed, the State Lottery Fund to pay:

(1) on a pro rata basis for the daily and nondaily State lottery games, the expenses of administering and operating the State lottery, as authorized under this subtitle and the State budget; and

(2) then, except as provided in § 10–113.1 of the Family Law Article, § 11–618 of the Criminal Procedure Article, and § 3–307 of the State Finance and Procurement Article, the holder of each winning ticket or share.

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

(i) 1. after June 30, 2023, but not later than June 30, 2026, 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 \$14,200,000 in each fiscal year;

2. after June 30, 2023, but not later than June 30, 2026, from the money that remains in the State Lottery Fund after the distribution under subsection (a) of this section, an amount for each fiscal year not to exceed:

A. \$34,900,000 into the Camden Yards Football Sports Facility Supplemental Financing Fund established under § 10–652.1 of the Economic Development Article; and

B. \$40,900,000 into the Camden Yards Baseball Sports Facility Supplemental Financing Fund established under § 10–652.2 of the Economic Development Article;

3. after June 30, 2026, but not later than June 30, 2039, 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 \$3,360,000 in each fiscal year;

4. after June 30, 2026, but not later than June 30, 2039, from the money that remains in the State Lottery Fund after the distribution under subsection (a) of this section, an amount for each fiscal year not to exceed:

A. \$45,000,000 into the Camden Yards Football Sports Facility Supplemental Financing Fund established under § 10–652.1 of the Economic Development Article; and

1 B. \$41,640,000 into the Camden Yards Baseball Sports
2 Facility Supplemental Financing Fund established under § 10-652.2 of the Economic
3 Development Article; and

4 5. after June 30, 2039, from the money that remains in the
5 State Lottery Fund after the distribution under subsection (a) of this section, an amount
6 for each fiscal year not to exceed:

7 A. \$45,000,000 into the Camden Yards Football Sports
8 Facility Supplemental Financing Fund established under § 10-652.1 of the Economic
9 Development Article; and

10 B. \$45,000,000 into the Camden Yards Baseball Sports
11 Facility Supplemental Financing Fund established under § 10-652.2 of the Economic
12 Development Article;

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

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

24 (iv) after June 30, 2021, into the Racing and Community
25 Development Financing Fund established under § 10-657.2 of the Economic Development
26 Article from the money that remains in the State Lottery Fund, after the distribution under
27 subsection (a) of this section, an amount equal to \$17,000,000 in each fiscal year until the
28 bonds issued for a racing facility have matured;

29 (v) after June 30, 2020, into the Michael Erin Busch Sports Fund
30 established under § 10-612.2 of the Economic Development Article from the money that
31 remains in the State Lottery Fund from the proceeds of all lotteries after the distributions
32 under subsection (a) of this section and items (i) through (iv) of this paragraph, an amount
33 equal to \$1,000,000 in each fiscal year;

34 (vi) after June 30, 2021, a grant to the Maryland Humanities Council
35 for Maryland History Day and other programming from the money that remains in the
36 State Lottery Fund after the distributions under subsection (a) of this section and items (i)
37 through (v) of this paragraph, an amount equal to \$150,000 in each fiscal year;

(vii) after June 30, 2021, to Anne Arundel County or Baltimore City each fiscal year the amount required to be distributed under § 9–1A–31(a)(7)(ii) of this title to be used as required under § 9–1A–31 of this title;

(viii) after June 30, 2022, into the Maggie McIntosh School Arts Fund established under § 5–243 of the Education Article from the money that remains in the State Lottery Fund from the proceeds of all other lotteries after the distributions under subsection (a) of this section and items (i) through (vii) of this paragraph, an amount equal to \$250,000 in each fiscal year;

(ix) after June 1, 2022, to the Sports Entertainment Facilities Financing Fund established under § 10–657.5 of the Economic Development Article from 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) through (viii) of this paragraph, an amount not to exceed \$25,000,000 to be paid in two installments not later than November 1 and June 1 of each fiscal year;

(x) after June 30, 2022, to the Major Sports and Entertainment Event Program Fund established under § 10–611.2 of the Economic Development Article from 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) through (ix) of this paragraph:

1. for fiscal year 2023, an amount equal to \$10,000,000; ~~and~~

2. for ~~each fiscal year thereafter~~ **FISCAL YEARS 2024 AND 2025**, the amount necessary to restore the Major Sports and Entertainment Event Program Fund to a balance of \$10,000,000;

~~3. FOR FISCAL YEAR 2026, THE AMOUNT NECESSARY TO RESTORE THE MAJOR SPORTS AND ENTERTAINMENT EVENT PROGRAM FUND TO A BALANCE OF \$7,500,000; AND~~

~~4. FOR EACH FISCAL YEAR THEREAFTER, AN AMOUNT EQUAL TO \$5,000,000;~~

(xi) after June 30, 2024, into the Bus Rapid Transit Fund established under § 2–802.1 of the Transportation Article for bus rapid transit system grants in accordance with § 2–802 of the Transportation Article from 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) through (x) of this paragraph~~[,]~~:

1. **FOR FISCAL YEAR 2025**, an amount equal to \$27,000,000 in each fiscal year; **AND**

**2. FOR EACH FISCAL YEAR THEREAFTER, AN AMOUNT
EQUAL TO \$17,000,000 IN EACH FISCAL YEAR;**

(xii) after June 30, 2024, into the Prince George's County Blue Line Corridor Facility Fund established under § 10-657.6 of the Economic Development Article from 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) through (xi) of this paragraph, \$27,000,000;

(xiii) after June 30, 2024, a supplemental local impact grant of \$3,000,000 each fiscal year to the County Executive and County Council of Prince George's County from 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) through (xi) of this paragraph to be distributed in Prince George's County in accordance with § 9-1A-31 of this title; and

(xiv) 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) through (xiii) 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.

(c) The regulations of the Agency shall apportion the money in the State Lottery Fund in accordance with subsection (b) of this section.

~~9-1A-27.~~

~~(d) (1) Each video lottery operation licensee shall retain [80%] 75% of the proceeds of table games at the video lottery facility.~~

~~(2) On a properly approved transmittal prepared by the Commission, the Comptroller shall pay the following amounts from the proceeds of table games at each video lottery facility:~~

~~(i) 5% to the local jurisdiction in which the video lottery facility is located, provided that:~~

~~1. 50% of the proceeds paid to Baltimore City shall be used to fund school construction projects; and~~

~~2. 50% of the proceeds paid to Baltimore City shall be used to fund the maintenance, operation, and construction of recreational facilities; [and]~~

~~(H) 5% TO THE GENERAL FUND THROUGH FISCAL YEAR 2027;~~

~~AND~~

~~[(ii)] (iii) [15%] THE REMAINDER to the Education Trust Fund established under § 9-1A-30 of this subtitle.~~

9-1E-06.

(c) (1) The term of a sports wagering license under this section is 5 years.

(2) On application by the sports wagering licensee and payment of the license renewal fee under paragraph (3) of this subsection, the Commission shall renew for 5 years a sports wagering license if the licensee complies with all statutory and regulatory requirements.

(3) The license renewal fee is equal to 1% of the [licensee's] average annual [proceeds from sports wagering] AMOUNT THE LICENSEE RETAINED UNDER § 9-1E-12(B)(1)(II), (III), OR (IV) OF THIS SUBTITLE for the preceding 3-year period [less any proceeds remitted by the licensee in accordance with § 9-1E-12 of this subtitle].

9-1E-12.

(b) (1) (i) Except as provided in subparagraphs (ii), (iii), and (iv) of this paragraph, all proceeds from sports wagering shall be electronically transferred monthly into the State Lottery Fund established under Subtitle 1 of this title.

(ii) A Class A-1 and A-2 sports wagering facility licensee shall retain 85% of the proceeds from sports wagering conducted at the locations described in § 9-1E-09(a) of this subtitle.

(iii) A Class B-1 and B-2 sports wagering facility licensee shall retain 85% of the proceeds from sports wagering conducted at the location described in the licensee's application.

(iv) A mobile sports wagering licensee shall retain [85%] ~~70%~~ 80% of the proceeds from online sports wagering received by the licensee.

(2) (I) **[All] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, ALL** proceeds from sports wagering in the State Lottery Fund established under Subtitle 1 of this title shall be distributed on a monthly basis, on a properly approved transmittal prepared by the Commission to the Blueprint for Maryland's Future Fund established under § 5-206 of the Education Article.

(II) ~~THROUGH FISCAL YEAR 2027, 15% FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, 5% OF THE PROCEEDS ATTRIBUTABLE TO MOBILE SPORTS WAGERING SHALL BE DEPOSITED IN THE GENERAL FUND.~~

9-20B-05.

1 (a) There is a Maryland Strategic Energy Investment Fund.

2 (e) The Fund consists of:

3 (1) all of the proceeds from the sale of allowances under § 2–1002(g) of the
4 Environment Article;

5 (2) money appropriated in the State budget to the Program;

6 (3) repayments and prepayments of principal and interest on loans made
7 from the Fund;

8 (4) [interest and investment earnings on the Fund;

9 (5)] compliance fees paid under § 7–705 of the Public Utilities Article;

10 [(6)] (5) money received from any public or private source for the benefit
11 of the Fund;

12 [(7)] (6) money transferred from the Public Service Commission under §
13 7–207.2(c)(3) of the Public Utilities Article; and

14 [(8)] (7) money distributed under § 2–614.1 of the Tax – General Article.

15 (f) The Administration shall use the Fund:

16 (1) to invest in the promotion, development, and implementation of:

17 (i) cost-effective energy efficiency and conservation programs,
18 projects, or activities, including measurement and verification of energy savings;

19 (ii) renewable and clean energy resources;

20 (iii) climate change programs directly related to reducing or
21 mitigating the effects of climate change; and

22 (iv) demand response programs that are designed to promote
23 changes in electric usage by customers in response to:

24 1. changes in the price of electricity over time; or

25 2. incentives designed to induce lower electricity use at times
26 of high wholesale market prices or when system reliability is jeopardized;

(2) to provide targeted programs, projects, activities, and investments to reduce electricity consumption by customers in the low-income and moderate-income residential sectors;

(3) to provide supplemental funds for low-income energy assistance through the Electric Universal Service Program established under § 7-512.1 of the Public Utilities Article and other electric assistance programs in the Department of Human Services;

(4) to provide rate relief by offsetting electricity rates of residential customers, including an offset of surcharges imposed on ratepayers under Title 7, Subtitle 2, Part II of the Public Utilities Article;

(5) to provide grants, loans, and other assistance and investment as necessary and appropriate to implement the purposes of the Program as set forth in § 9-20B-03 of this subtitle;

(6) to implement energy-related public education and outreach initiatives regarding reducing energy consumption and greenhouse gas emissions;

(7) to provide rebates under the Electric Vehicle Recharging Equipment Rebate Program established under § 9-2009 of this title;

(8) to provide grants to encourage combined heat and power projects at industrial facilities;

(9) to provide at least \$1,200,000 in each fiscal year for fiscal year 2025 through fiscal year 2028 to the Climate Technology Founder's Fund established under § 10-858 of the Economic Development Article;

(10) subject to subsection (f-2) of this section, to provide at least \$2,100,000 in funding each fiscal year to the Maryland Energy Innovation Fund established under § 10-835 of the Economic Development Article;

(11) to provide at least \$500,000 each year to the Resiliency Hub Grant Program Fund under § 9-2011 of this title;

(12) to provide grants through the Customer-Sited Solar Program under § 9-2016 of this title; [and]

(13) NOTWITHSTANDING SUBSECTION (G) OF THIS SECTION, TO PAY COSTS ASSOCIATED WITH THE AIR AND RADIATION ADMINISTRATION WITHIN THE DEPARTMENT OF THE ENVIRONMENT; AND

[(13)] (14) to pay the expenses of the Program.

(i) (1) Except as provided in [paragraph (2)] PARAGRAPHS (2) AND (3) of this subsection, compliance fees paid under § 7-705(b) of the Public Utilities Article may be used only to make loans and grants to support the creation of new Tier 1 renewable energy sources in the State that are owned by or directly benefit:

(i) low- to moderate-income communities located in a census tract with an average median income at or below 80% of the average median income for the State; or

(ii) overburdened or underserved communities, as defined in § 1-701 of the Environment Article.

(2) Compliance fees paid under § 7-705(b)(2)(i)2 of the Public Utilities Article shall be accounted for separately within the Fund and may be used only to make loans and grants to support the creation of new solar energy sources in the State that are owned by or directly benefit:

(i) low- to moderate-income communities located in a census tract with an average median income at or below 80% of the average median income for the State;

(ii) overburdened or underserved communities, as defined in § 1-701 of the Environment Article; or

(iii) households with low to moderate income, as defined in § 9-2016 of this title.

(3) FOR FISCAL YEAR 2026 ONLY, UP TO \$100,000,000 OF COMPLIANCE FEES PAID UNDER §§ 7-705(B) AND 7-705(B)(2)(I)2 OF THE PUBLIC UTILITIES ARTICLE SHALL BE ACCOUNTED FOR SEPARATELY WITHIN THE FUND AND MAY BE USED FOR SOLAR DEVELOPMENT ON STATE GOVERNMENT PROPERTY AND LOCAL GOVERNMENT CLEAN ENERGY PROJECTS.

(j) (1) The Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any investment earnings of the Fund shall be paid into the Fund.

(3) Any repayment of principal and interest on loans made from the Fund shall be paid into the Fund.

(4) Balances in the Fund shall be held for the benefit of the Program, shall be expended solely for the purposes of the Program, and may not be used for the general obligations of government.

9-3209.

(a) There is a Performance Incentive Grant Fund.

(b) (1) The purpose of the Fund is to make use of the savings from the implementation of the recommendations of the Justice Reinvestment Coordinating Council.

(2) Subject to paragraph (3) of this subsection, **AND EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION**, the Board may recommend to the Executive Director that grants be made to:

(i) ensure that the rights of crime victims are protected and enhanced;

(ii) provide for pretrial risk assessments;

(iii) provide for services to reduce pretrial detention;

(iv) provide for diversion programs, including mediation and restorative justice programs;

(v) provide for recidivism reduction programming;

(vi) provide for evidence-based practices and policies;

(vii) provide for specialty courts;

(viii) provide for reentry programs;

(ix) provide for substance use disorder and community mental health service programs; and

(x) provide for any other program or service that will further the purposes established in paragraph (1) of this subsection.

(3) (i) At least 5% of the grants provided to a county under this section shall be used to fund programs and services to ensure that the rights of crime victims are protected and enhanced.

(ii) The grants shall be used to supplement, but not supplant, funds received from other sources.

(4) FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, UP TO \$1,000,000 OF THE FUND MAY BE USED EACH YEAR TO SUPPORT THE AGENCY OPERATIONS OF THE OFFICE OF THE CORRECTIONAL OMBUDSMAN.

[(4)] (5) The Governor's Office of Crime Prevention and Policy shall receive from the Fund each fiscal year the amount necessary to offset the costs of

administering the Fund, including the costs incurred in an agreement to collect and interpret data as authorized by § 9–3207 of this subtitle.

21–205.

(a) (1) There is a Young Adult Service Year Option Pathway in the Program.

(2) The purpose of the Young Adult Service Year Option Pathway is to:

(i) provide service placements to eligible young adults as an additional option to immediately pursuing postsecondary education or career and technical training;

(ii) equip corps participants with professional development, mentoring, job training, financial literacy skills, and other supports while working in high-impact service placements;

(iii) assist in addressing the State's greatest challenges by channeling the next generation of Maryland citizens into impactful public service; and

(iv) strengthen a pipeline of talent into State and local governments to fill present and future staffing needs.

(c) (1) The Department shall set targets for participation in the YA Pathway under this section, including:

(i) 200 corps participants in the first year of implementation; [and]

(II) 750 CORPS PARTICIPANTS IN THE THIRD YEAR OF IMPLEMENTATION;

(III) 1,500 CORPS PARTICIPANTS IN THE FOURTH YEAR OF IMPLEMENTATION; AND

[(ii)] (IV) 2,000 corps participants in the [fourth] FIFTH year of implementation.

(2) The Department shall prioritize for participation in the YA Pathway under this section:

(i) individuals historically underrepresented in:

1. higher education enrollment or completion; or

2. employment:

A. by large-scale and community employers;

B. by participating organizations; or

C. in professions and occupations that require licensure or certification; and

(ii) organizations that provide wraparound services to corps participants.

21–206.

(a) (1) There is a Maryland Service Year Option Pathway in the Program.

(2) The purpose of the Maryland Service Year Option Pathway is to:

(i) equip corps participants with professional development, mentoring, job training, financial literacy skills, and other supports while working in high-impact service placements;

(ii) assist in addressing the State's greatest challenges by channeling the talents of individuals into impactful public service; and

(iii) strengthen a pipeline of talent into State and local governments to fill present and future staffing needs.

(f) (1) The Governor shall include in the annual budget bill an appropriation to the MSY Pathway Fund of:

(i) \$5,000,000 for fiscal year 2024;

(ii) \$10,000,000 for fiscal year 2025;

(iii) **[\$15,000,000] \$13,000,000** for fiscal year 2026; and

(iv) \$20,000,000 for fiscal year 2027 and each fiscal year thereafter.

(2) It is the intent of the General Assembly that appropriations made under paragraph (1) of this subsection are in addition to any federal funding received for State service or volunteer programming.

(3) Appropriations made under paragraph (1) of this subsection and other funding received by the Department for the MSY Pathway under this section shall be used to:

(i) provide stipends to corps participants with a service placement in the MSY Pathway under this section;

(ii) provide Program completion awards to corps participants who have completed the Program;

(iii) cover expenses incurred by the Department, including expenses incurred in marketing and recruitment; and

(iv) cover programmatic expenses to expand service opportunities throughout the State, including expanding the Chesapeake Conservation Corps Program, as provided under §§ 8–1913 through 8–1924 of the Natural Resources Article.

Article – State Personnel and Pensions

21–304.

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

(2) With respect to local employees, “aggregate annual earnable compensation” means the total annual earnable compensation payable by a local employer to all of its local employees, calculated as of June 30 of the second prior fiscal year before the fiscal year for which the calculation is made under this section, adjusted by any actuarial assumed salary increases that were used in the actuarial valuation prepared under § 21–125(b) of this title for the immediate prior fiscal year.

(3) “Local employee” means a member of the Teachers’ Retirement System or the Teachers’ Pension System who is an employee of a day school in the State under the authority and supervision of a county board of education or the Baltimore City Board of School Commissioners, employed as:

(i) a clerk;

(ii) a helping teacher;

(iii) a principal;

(iv) a superintendent;

(v) a supervisor; or

(vi) a teacher.

(4) “Local employer” means a county board of education or the Baltimore City Board of School Commissioners.

(5) “State member” does not include a member on whose behalf a participating governmental unit is required to make an employer contribution under § 21–305 or § 21–306 of this subtitle.

(6) “Total employer contribution for local employees” means that portion of the employer contribution calculated under subsection (b) of this section that is attributable to all local employees.

(b) (1) Subject to paragraphs (4) and (5) of this subsection, each fiscal year, on behalf of the State members of each State system, the State shall pay to the appropriate accumulation fund an amount equal to or greater than the sum of the amount, if any, required to be included in the budget bill under § 3–501(c)(2)(ii) of this article and the product of multiplying:

(i) the aggregate annual earnable compensation of the State members of that State system; and

(ii) the sum of the normal contribution rate and the accrued liability contribution rate for State members of that State system, as determined under this section.

(4) (i) Subject to § 21–309.1 of this subtitle, beginning on July 1, 2012, and each fiscal year thereafter, each local employer shall pay to the appropriate accumulation fund an amount equal to the local share of the total employer contribution for local employees as provided in this paragraph.

(iii) Beginning in fiscal year 2017, each local employer shall pay to the Board of Trustees its local share equal to the normal contribution rate for the Teachers’ Retirement System and the Teachers’ Pension System multiplied by the aggregate annual earnable compensation of the local employees of that local employer.

(5) ~~(4)~~ [The] ~~EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH~~ **PARAGRAPH (6) OF THIS SUBSECTION, THE** difference between the total employer contribution for local employees and the local share of the total employer contribution for all local employees shall be the obligation of the State.

~~(II) BEGINNING IN FISCAL YEAR 2026, EACH COUNTY GOVERNMENT SHALL PAY TO THE BOARD OF TRUSTEES THE FOLLOWING AMOUNTS, WHICH SHALL REDUCE THE OBLIGATION OF THE STATE BY THE SAME AMOUNTS:~~

(6) (I) SUBJECT TO § 21–309.2 OF THIS SUBTITLE AND AS PROVIDED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, BEGINNING IN FISCAL YEAR 2026, EACH COUNTY GOVERNMENT SHALL PAY TO THE BOARD OF TRUSTEES THE FOLLOWING AMOUNTS:

COUNTY
GOVERNMENT

ALLEGANY	754,195
ANNE ARUNDEL	9,738,875

1	BALTIMORE CITY	8,802,114
2	BALTIMORE	10,352,112
3	CALVERT	1,647,480
4	CAROLINE	561,645
5	CARROLL	2,624,055
6	CECIL	1,327,122
7	CHARLES	2,786,366
8	DORCHESTER	590,506
9	FREDERICK	5,925,608
10	GARRETT	269,208
11	HARFORD	3,685,077
12	HOWARD	6,830,167
13	KENT	165,489
14	MONTGOMERY	20,861,475
15	PRINCE GEORGE'S	13,000,062
16	QUEEN ANNE'S	691,279
17	ST. MARY'S	1,562,014
18	SOMERSET	314,066
19	TALBOT	452,957
20	WASHINGTON	2,397,889
21	WICOMICO	1,704,888
22	WORCESTER	699,872

23 **(II) 1. FOR FISCAL YEAR 2026, EACH COUNTY GOVERNMENT**
 24 **SHALL PAY TO THE BOARD OF TRUSTEES ON OR BEFORE JANUARY 1, 2026, THE**
 25 **AMOUNT REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.**

26 **2. BEGINNING IN FISCAL YEAR 2027, EACH COUNTY**
 27 **GOVERNMENT SHALL PAY TO THE BOARD OF TRUSTEES ON OR BEFORE EACH**
 28 **SEPTEMBER 1 THE AMOUNT REQUIRED UNDER SUBPARAGRAPH (I) OF THIS**
 29 **PARAGRAPH.**

30 **(III) EACH FISCAL YEAR, THE AMOUNTS PAID UNDER**
 31 **SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL REDUCE THE OBLIGATIONS OF THE**
 32 **STATE WITH RESPECT TO THE TEACHERS' PENSION SYSTEM AND THE TEACHERS'**
 33 **RETIREMENT SYSTEM BY THE SAME AMOUNTS.**

34 21-308.

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

36 (i) certify to the Governor and the Secretary of Budget and
 37 Management the rates to be used to determine the amounts to be paid by the State to the
 38 accumulation fund of each of the several systems during the next fiscal year, including a

1 separate certification of the normal contribution rate for the Teachers' Retirement System
2 and the Teachers' Pension System; and

3 (ii) provide to the Secretary of Budget and Management a statement
4 of the total amount to be paid by the State as determined under § 21–304 of this subtitle to
5 the Teachers' Retirement System and the Teachers' Pension System expressed as a
6 percentage of the payroll of all members of those State systems.

7 (2) The Governor shall include in the budget bill:

8 (i) the total amount of the State's contribution to each State system
9 as ascertained based on the rates certified by the Board of Trustees under paragraph (1) of
10 this subsection;

11 (ii) the additional amounts as ascertained under subsection (d) of
12 this section for the State's payment to the professional and clerical employees of the
13 Department of Public Libraries of Montgomery County who are members of the Employees'
14 Retirement System of Montgomery County and are excluded from membership in the
15 Teachers' Retirement System or the Teachers' Pension System; and

16 (iii) any additional amount required to be in the budget bill under §
17 3–501(c)(2)(ii) of this article.

18 (3) (i) For each of fiscal years 2016 through 2024, in addition to the
19 annual required contribution required under paragraph (2) of this subsection, the Governor
20 shall include in the budget bill a supplemental contribution of \$75,000,000.

21 (ii) For fiscal year 2025 [and each fiscal year thereafter], in addition
22 to the annual required contribution required under paragraph (2) of this subsection, the
23 Governor shall include in the budget bill a supplemental contribution of \$50,000,000 [until
24 the total actuarial value of assets for the several systems divided by the total actuarial
25 accrued liability for the several systems equals a funding ratio of 85%].

26 **21–309.2.**

27 **(A) FOR PURPOSES OF MAKING DETERMINATIONS UNDER THIS SECTION,**
28 **THE TEACHERS' PENSION SYSTEM AND THE TEACHERS' RETIREMENT SYSTEM**
29 **SHALL BE CONSIDERED TOGETHER AS ONE STATE SYSTEM.**

30 **(B) (1) FOR FISCAL YEAR 2026, EACH COUNTY GOVERNMENT SHALL PAY**
31 **TO THE BOARD OF TRUSTEES ON OR BEFORE JANUARY 1, 2026, THE AMOUNT**
32 **SPECIFIED FOR THAT COUNTY GOVERNMENT UNDER § 21–304(B)(6) OF THIS**
33 **SUBTITLE.**

34 **(2) BEGINNING IN FISCAL YEAR 2027, EACH COUNTY GOVERNMENT**
35 **SHALL PAY TO THE BOARD OF TRUSTEES ON OR BEFORE EACH SEPTEMBER 1 THE**

AMOUNT SPECIFIED FOR THAT COUNTY GOVERNMENT UNDER § 21-304(B)(6) OF THIS SUBTITLE.

(C) (1) THE SECRETARY OF THE BOARD OF TRUSTEES MAY ALLOW A GRACE PERIOD NOT TO EXCEED 10 CALENDAR DAYS FOR PAYMENT OF THE AMOUNTS CERTIFIED UNDER THIS SECTION.

(2) IF A COUNTY GOVERNMENT DOES NOT PAY THE AMOUNTS REQUIRED UNDER THIS SECTION WITHIN THE TIME REQUIRED, ON NOTIFICATION BY THE SECRETARY OF THE BOARD OF TRUSTEES THAT A DELINQUENCY EXISTS, THE STATE COMPTROLLER IMMEDIATELY SHALL:

(I) EXERCISE THE RIGHT OF SETOFF AGAINST ANY MONEY DUE OR COMING DUE TO THE DELINQUENT COUNTY GOVERNMENT; AND

(II) PAY TO THE BOARD OF TRUSTEES THE DELINQUENT AMOUNTS, INCLUDING INTEREST, WITHHELD IN ACCORDANCE WITH THIS PARAGRAPH.

(D) ON RECEIPT OF THE PAYMENTS FROM EACH COUNTY GOVERNMENT OR THE STATE COMPTROLLER, THE BOARD OF TRUSTEES SHALL CREDIT THE AMOUNTS RECEIVED TO THE ACCUMULATION FUNDS OF THE TEACHERS' PENSION SYSTEM AND THE TEACHERS' RETIREMENT SYSTEM.

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 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) for fiscal [year 2021 and each fiscal year thereafter] **YEARS 2021 THROUGH 2025**, the revenue attributable to a tax rate of 20% to the Maryland E–Nnovation Initiative Fund under § 6–604 of the Economic Development Article;

(II) FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, THE REVENUE ATTRIBUTABLE TO A TAX RATE OF 20% AS FOLLOWS:

1. \$8,500,000 TO THE MARYLAND E–NNOVATION INITIATIVE FUND UNDER § 6–604 OF THE ECONOMIC DEVELOPMENT ARTICLE; AND

[(ii)] (III) for fiscal year 2021 and each fiscal year thereafter, the revenue attributable to a tax rate of 5% as follows:

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

1. 80% of that revenue to the Authority; and
2. 20% to the county or municipal corporation.

2-606.

~~(a) After making the distributions required under §§ 2-604, 2-605, and 2-605.1 of this subtitle, from the remaining income tax revenue from individuals, the Comptroller shall distribute to an unallocated individual revenue account the income tax revenue:~~

- ~~(1) with respect to which an income tax return is not filed; and~~
- ~~(2) that is attributable to:~~
 - ~~(i) income tax withheld from salary, wages, or other compensation for personal services under Title 10 of this article; or~~
 - ~~(ii) estimated income tax payments by individuals.~~

(b) (1) In June of each year, from current collections, the Comptroller shall reserve an amount of unallocated revenue that the Comptroller estimates will be claimed on returns and refunded to taxpayers within 3 years of the date the income tax return was due to be filed, and distribute to each county, municipal corporation, and special taxing district a pro rata share of the balance of the unallocated individual income tax revenue.

(2) The Comptroller shall adjust the amount distributed under paragraph (1) of this subsection to a county, municipal corporation, or special taxing district to allow for the proportionate part of tax claim payments for a prior calendar year made after a distribution is made to the county, municipal corporation, or special taxing district for that year.

(H) (1) ON OR BEFORE JUNE 30, 2025, THE COMPTROLLER SHALL DISTRIBUTE \$230,000,000 FROM THE LOCAL RESERVE ACCOUNT ESTABLISHED TO COMPLY WITH THIS SECTION TO THE GENERAL FUND OF THE STATE.

(2) ON OR BEFORE JUNE 30, 2026, THE COMPTROLLER SHALL DISTRIBUTE \$40,567,430 FROM THE LOCAL RESERVE ACCOUNT ESTABLISHED TO COMPLY WITH THIS SECTION TO THE GENERAL FUND OF THE STATE.

(I) (1) ON OR BEFORE JULY 31, 2025, THE COMPTROLLER SHALL DISTRIBUTE \$37,300,000 FROM THE LOCAL RESERVE ACCOUNT ESTABLISHED TO COMPLY WITH THIS SECTION TO THE DIVISION OF PAID LEAVE WITHIN THE MARYLAND DEPARTMENT OF LABOR.

(2) THE MARYLAND DEPARTMENT OF LABOR SHALL REIMBURSE THE LOCAL RESERVE ACCOUNT WITHIN 2 YEARS AFTER CONTRIBUTIONS INTO THE DEPARTMENT'S FAMILY AND MEDICAL LEAVE INSURANCE FUND BEGIN.

~~[(h)]~~ ~~(H)~~ **(J)** In each of fiscal years 2026 through 2060, in addition to the amounts distributed under subsection (b) of this section, the Comptroller shall distribute \$10,000,000 of the remaining income tax revenue from individuals to the Local Reserve Account established to comply with this section to repay the \$350,000,000 transfer to the Education Trust Fund required under subsection (e) of this section.

~~[(i)]~~ ~~(I)~~ **(K)** For fiscal years 2024 through 2043, in addition to the amounts distributed under subsections (b) and ~~[(h)]~~ ~~(H)~~ **(J)** of this section, the Comptroller shall distribute \$10,000,000 of the remaining income tax revenue from individuals to the Local Reserve Account established to comply with this section.

~~(K)~~ **(L)** FOR FISCAL YEARS 2029 THROUGH 2038, IN ADDITION TO THE AMOUNTS DISTRIBUTED UNDER SUBSECTIONS (B), ~~(H)~~, AND ~~(J)~~ **(J)**, AND **(K)** OF THIS SECTION, THE COMPTROLLER SHALL DISTRIBUTE ~~\$23,000,000~~ **\$27,056,743** OF THE REMAINING INCOME TAX REVENUE FROM INDIVIDUALS TO THE LOCAL RESERVE ACCOUNT ESTABLISHED TO COMPLY WITH THIS SECTION TO REPAY THE

~~\$230,000,000~~ **\$270,567,430** TRANSFER TO THE GENERAL FUND OF THE STATE
REQUIRED UNDER SUBSECTION (H) OF THIS SECTION.

13-201.

In this subtitle, "tax information" means:

(1) any tax return, information return, declaration of estimated tax, extension of time to file a return, or claim for refund under this article that is filed with the tax collector by, on behalf of, or with respect to any person and any amendment or supplement thereto, including supporting schedules, attachments, or lists that are supplemental to or a part of the return;

(2) the amount of income or any other particulars disclosed in a tax return required under this article, if the return contains return information, as defined in § 6103 of the Internal Revenue Code;

(3) any return or return information, as defined in § 6103 of the Internal Revenue Code, required to be attached to or included in a tax return required under this article; or

(4) any information contained in:

(i) an admissions and amusement tax return;

(ii) an alcoholic beverage tax return;

(iii) a bay restoration fee return;

(iv) a boxing and wrestling tax return;

(v) a digital advertising gross revenues tax return;

(vi) an E-9-1-1 fee return;

(vii) a financial institution franchise tax return;

(viii) an inheritance tax return;

(ix) a Maryland estate tax return;

(x) a motor carrier tax return;

(xi) a motor fuel tax return;

(XII) A NEW TIRE FEE RETURN;

1 [(xii)] (XIII) an other tobacco products tax return;

2 [(xiii)] (XIV) a public service company franchise tax return;

3 [(xiv)] (XV) a sales and use tax return;

4 [(xv)] (XVI) a savings and loan association franchise tax return;

5 [(xvi)] (XVII) a tire recycling fee return;

6 [(xvii)] (XVIII) a tobacco tax return; or

7 [(xviii)] (XIX) a transportation services assessment return.

8 **Article – Tax – Property**

9 13–209.

10 (a) (4) In any fiscal year in which transfer tax revenue is used to pay debt
11 service on outstanding bonds under paragraph (1) of this subsection, the distribution of
12 revenues in the special fund under this section and as specified in § 5–903(a)(2)(i)1A of the
13 Natural Resources Article, for State land acquisition, or to the Agricultural Land
14 Preservation Fund to the extent any debt service is attributable to that Fund, shall be
15 reduced by an amount equal to the debt service for the fiscal year.

16 (c) (1) Subject to subsection (e) of this section, of the balance of the revenue in
17 the special fund, not required under subsection (b) of this section:

18 (i) for the fiscal year beginning July 1, 2002, \$47,268,585 shall be
19 allocated to the General Fund of the State and the remainder shall be allocated as provided
20 in subsection (d) of this section;

21 (ii) for the fiscal year beginning July 1, 2003, \$102,833,869 shall be
22 allocated to the General Fund of the State and the remainder shall be allocated as provided
23 in the State budget;

24 (iii) for the fiscal year beginning July 1, 2004, \$147,374,444 shall be
25 allocated to the General Fund of the State, and the remainder shall be allocated as provided
26 in the State budget; and

27 (iv) for the fiscal year beginning July 1, 2005, \$68,223,132 shall be
28 allocated to the General Fund of the State and the remainder shall be allocated as provided
29 in subsection (d) of this section.

(2) Subject to subsection (e) of this section, for the fiscal years beginning July 1, 2006 and each subsequent fiscal year, the balance of the revenue in the special fund, not required under subsection (b) of this section shall be allocated as provided in subsection (d) of this section.

(3) (I) SUBJECT TO SUBSECTION (E) OF THIS SECTION, FOR FISCAL YEARS 2026 THROUGH 2029, OF THE BALANCE OF THE REVENUE IN THE SPECIAL FUND NOT REQUIRED UNDER SUBSECTION (B) OF THIS SECTION, \$25,000,000 SHALL BE ALLOCATED TO THE GENERAL FUND OF THE STATE AND THE REMAINDER SHALL BE ALLOCATED AS PROVIDED IN SUBSECTION (D) OF THIS SECTION.

(II) FOR EACH OF FISCAL YEARS 2026 THROUGH 2029, THE ALLOCATION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL REDUCE THE AMOUNT ALLOCATED FOR PROGRAM OPEN SPACE LAND ACQUISITION PURPOSES IDENTIFIED IN SUBSECTION (D)(1)(II) OF THIS SECTION AND § 5-903(A)(2)(I)1A OF THE NATURAL RESOURCES ARTICLE, THE AGRICULTURAL LAND PRESERVATION FUND IDENTIFIED IN SUBSECTION (D)(2) OF THIS SECTION, AND THE RURAL LEGACY PROGRAM IDENTIFIED IN SUBSECTION (D)(3) OF THIS SECTION AND § 5-903(A)(2)(III) OF THE NATURAL RESOURCES ARTICLE BY AN AMOUNT THAT IS PROPORTIONAL TO THE AMOUNT OF REVENUE EACH PROGRAM IS ESTIMATED TO RECEIVE FOR THE FISCAL YEAR.

(d) Subject to subsections (d-1) and (e) of this section, for the fiscal year beginning July 1, 2002 and for each subsequent fiscal year, the balance of the revenue in the special fund, not required under subsection (b) of this section and not allocated to the General Fund under subsection (c)(1) AND (3) of this section shall be allocated in the State budget as follows:

(1) (i) 75.15% for the purposes specified in Title 5, Subtitle 9 of the Natural Resources Article (Program Open Space); and

(ii) an additional 1% for Program Open Space, for land acquisition purposes as specified in § 5-903(a)(2) of the Natural Resources Article;

(2) 17.05% for the Agricultural Land Preservation Fund established under § 2-505 of the Agriculture Article;

(3) 5% for the Rural Legacy Program established under § 5-9A-01 of the Natural Resources Article; and

(4) 1.8% for the Heritage Conservation Fund established under § 5-1501 of the Natural Resources Article.

(e) The sums allocated in subsection (d) of this section may not revert to the General Fund of the State.

1 (h) (1) [If] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS
2 SUBSECTION, IF an appropriation or a transfer from the special fund to the General Fund
3 occurs after the fiscal year ending June 30, 2018, the Governor shall include in the annual
4 budget bills for each of the 3 successive fiscal years following the fiscal year in which a
5 transfer is made a General Fund appropriation to the special fund equal to one-third of the
6 cumulative amount of the appropriation or transfer from the special fund to the General
7 Fund for the applicable fiscal year.

8 (2) The appropriation required under paragraph (1) of this subsection:

9 (i) represents reimbursement for the cumulative amount of any
10 appropriation or transfer from the special fund to the General Fund for the applicable fiscal
11 year;

12 (ii) is not subject to the provisions of subsections (a), (b), (c), and (f)
13 of this section;

14 (iii) shall be allocated as provided in subsection (d) of this section and
15 § 5-903 of the Natural Resources Article;

16 (iv) shall be made until the cumulative total appropriated under
17 paragraph (1) of this subsection is equal to the cumulative amount of any appropriation or
18 transfer from the special fund to the General Fund for the applicable fiscal year; and

19 (v) shall be reduced by the amount of any appropriation from the
20 General Fund to the special fund that:

21 1. exceeds the required appropriation under this subsection;
22 and

23 2. is identified as an appropriation for reimbursement under
24 this subsection.

25 (3) THE APPROPRIATION REQUIRED UNDER PARAGRAPH (1) OF THIS
26 SUBSECTION DOES NOT APPLY TO TRANSFERS FROM THE SPECIAL FUND TO THE
27 GENERAL FUND THAT OCCUR IN FISCAL YEARS 2026 THROUGH 2029.

28 Article – Transportation

29 2-103.1.

30 (m) (2) (iii) [1.] For the period beyond the budget request year, the
31 financial forecast:

[A.] 1. Shall maximize the use of funds for the capital program; AND

[B.] 2. Except as authorized by law, may not withhold or reserve funds for capital transportation grants to counties or municipal corporations[]; and

C. Except as provided in subsubparagraph 2 of this subparagraph, shall increase the operating expenses, net of availability payments paid to public-private partnership concessionaires, each year by at least the 5-year average annual rate of change in the operating expenses of the Department, ending with the most recently completed fiscal year.

2. The assumed rate of future operating budget growth under subsubparagraph 1C of this subparagraph may not increase or decrease by more than 0.5 percentage points from the growth rate assumed in the previous forecast].

3-202.

(a) The Department from time to time may issue its bonds on behalf of this State to finance the cost of any one or more or combination of transportation facilities.

(b) The bonds shall be known as "consolidated transportation bonds" and may be issued in any amount as long as the aggregate outstanding and unpaid principal balance of these bonds and bonds of prior issues does not exceed at any one time the sum of [\$4.5 billion] **\$5,000,000,000**.

(c) The preferred method of issuance of the Department's consolidated transportation bonds is by a public, competitive sale.

(d) The Department may issue its consolidated transportation bonds at a private, negotiated sale provided that:

(1) The Secretary determines that extraordinary credit market conditions exist that warrant the use of this method rather than a public, competitive sale; and

(2) The Secretary determines that the terms and conditions, including price, interest rates, and payment dates, that can be achieved by a private negotiated sale are more advantageous to the State.

(e) The maximum outstanding and unpaid principal balance of consolidated transportation bonds and bonds of prior issues as of June 30 for the next fiscal year:

(1) Shall be established each year by the General Assembly in the State budget; and

(2) May not exceed the limit established in subsection (b) of this section.

1 3-601.

2 (d) If the Department intends to pledge any future federal aid from any source to
3 support repayment of bonds issued under this subtitle:

4 (1) The aggregate outstanding and unpaid principal amount of debt issued
5 under this subtitle or Title 4, Subtitle 3 of this article that is secured by a pledge of future
6 federal aid may not exceed \$1,000,000,000 as of June 30 of any fiscal year, provided that
7 the proceeds may be used only for:

8 (i) Designing and constructing the Baltimore Red Line;

9 (ii) Procuring zero-emission buses consistent with § 7-406 of the
10 Transportation Article and constructing related infrastructure, including bus maintenance
11 facilities;

12 (iii) Developing and constructing the Southern Maryland Rapid
13 Transit Corridor;

14 (iv) Designing and constructing improvements to the Maryland
15 Route 2 and Route 4 corridor, including the Thomas Johnson Bridge;

16 (v) Designing and constructing improvements to the Maryland
17 Route 90 corridor; [or]

18 (vi) Designing and constructing improvements to the Interstate 81
19 corridor; OR

20 **(VII) MAJOR REHABILITATION OF THE EXISTING LIGHT RAIL**
21 **SYSTEM, INCLUDING REPLACEMENT LIGHT RAIL VEHICLES AND RELATED STATION**
22 **AND MAINTENANCE FACILITY IMPROVEMENTS;**

23 (2) The date of maturity may not be later than 15 years after the date of
24 issue; and

25 (3) No part of the tax levied under § 3-215 of this title may be repealed,
26 diminished, or applied to any other purpose until:

27 (i) The bonds issued under this subtitle and interest on them have
28 become due and fully paid; or

29 (ii) Adequate and complete provision for payment of the principal
30 and interest has been made.

31 **7-205.1.**

FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE STATE BUDGET AN APPROPRIATION OF \$10,000,000 FROM THE TRANSPORTATION TRUST FUND TO THE BUS RAPID TRANSIT FUND ESTABLISHED UNDER § 2-802.1 OF THIS ARTICLE FOR BUS RAPID TRANSIT SYSTEM GRANTS IN ACCORDANCE WITH § 2-802 OF THIS ARTICLE.

7-406.

(c) (1) Except as provided in paragraph (2) of this subsection, beginning in fiscal year ~~[2027]~~ **2032**, the Administration may not enter into a contract to purchase buses for the Administration's State transit bus fleet that are not zero-emission buses.

(2) If the Administration determines that a sufficient number of zero-emission buses or necessary electric vehicle supply equipment that meets the Administration's performance and contractual requirements are not commercially available in a particular year, the Administration may purchase an alternative-fuel bus for that use, including hybrid buses, to ensure that an appropriate number of buses are purchased each year to maintain the State transit bus fleet.

(3) The full cost of zero-emission and alternative-fuel buses purchased under this subsection shall be paid from the Transportation Trust Fund **OR BONDS BACKED BY FUTURE FEDERAL AID CONSISTENT WITH THIS SECTION AND § 3-601 OF THIS ARTICLE.**

12-120.

(a) In this section, "miscellaneous fees" means all fees collected by the Administration under this article other than:

(1) The vehicle titling tax;

(2) ~~One-half~~ **THREE-FOURTHS** of the certificate of title fee under ~~§ 13-802~~ **§§ 13-802 AND 13-805** of this article; and

(3) Vehicle registration fees under Part II of Title 13, Subtitle 9 of this article.

(b) Except as provided in this section, the Administration may not alter the miscellaneous fees that the Administration is authorized under this article to establish.

(c) (1) Subject to the limitations under subsection (d) of this section, before the start of any fiscal year the Administration by regulation may alter, effective beginning in the upcoming fiscal year, the levels of the miscellaneous fees that the Administration is authorized under this article to establish.

(2) The Administration shall alter the levels of miscellaneous fees for the upcoming fiscal year if the projected cost recovery under subsection (d) of this section exceeds [100%] ~~115%~~ 105%.

(d) The Administration shall set the levels of miscellaneous fees so that the total amount of projected revenues from all miscellaneous fees for the upcoming fiscal year is at least [95 percent] ~~95%~~ 100% but does not exceed [100 percent] ~~115%~~ 105% of the sum of:

(1) The operating budget of the Administration for that fiscal year as approved by the General Assembly in the annual State budget;

(2) The average annual capital program of the Administration as reported in the 6-year Consolidated Transportation Program described in § 2-103.1 of this article; and

(3) The Administration's portion of the cost for that fiscal year of the Department's data center operations, except for the cost of data center operations attributable to other administrations' activities.

(e) (1) The Administration may not alter miscellaneous fees more than once in any fiscal year.

(2) The Administration need not reduce fees for the upcoming fiscal year if legislative budget modifications cause the projected cost recovery percentage to exceed [100 percent] ~~115%~~ 105%.

(3) The level of a miscellaneous fee set by the Administration remains in effect until again altered by the Administration as provided under this section.

~~13-800.~~

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

~~(2) "Fair market value" means:~~

~~(i) As to the sale of any new or used vehicle by a licensed dealer, the total purchase price, as certified by the dealer;~~

~~(ii) Except as provided in item (iv) of this paragraph, as to a used vehicle that is sold by any person other than a licensed dealer and that has a designated model year that is 7 years old or older, the greater of:~~

~~1. The total purchase price; or~~

~~2. \$640;~~

~~(iii) Except as provided in item (iv) of this paragraph, as to any other used vehicle that is sold by any person other than a licensed dealer:~~

~~1. The total purchase price, if the total purchase price is less than \$500 below the retail value of the vehicle as shown in a national publication of used car values adopted for use by the Department; or~~

~~2. If the total purchase price is \$500 or more below the retail value of the vehicle as shown in a national publication of used car values adopted for use by the Department:~~

~~A. The total purchase price, if verified to the satisfaction of the Administration by a notarized bill of sale submitted in accordance with subsection (d)(2) of this section; or~~

~~B. The valuation shown in the national publication of used car values, if the Administration finds that the documentation submitted under subsection (d)(2) of this section fails to verify the total purchase price;~~

~~(iv) As to a used trailer, a motor scooter, a moped, or an off-highway recreational vehicle that is sold by any person other than a licensed dealer, the greater of:~~

~~1. The total purchase price; or~~

~~2. \$320; and~~

~~(v) In any other case, the valuation shown in a national publication of used car values adopted for use by the Department.~~

~~(3) (i) Subject to subparagraphs (ii) and (iii) of this paragraph, [“total purchase”] “PURCHASE price” means the price of a vehicle agreed on by the buyer and the seller, including any dealer processing charge[, less an allowance for trade-in but with no allowance for other nonmonetary consideration].~~

~~(ii) As to a person trading in a nonleased vehicle to enter into a lease for a period of more than 180 consecutive days, [“total purchase”] “PURCHASE price” means the retail value of the vehicle as certified by the dealer, including any dealer processing charge[, less an allowance for the trade-in of the nonleased vehicle but with no allowance for other nonmonetary consideration].~~

~~(iii) As to a person trading in a leased vehicle to enter into another lease for a period of more than 180 consecutive days with a different leasing company or to purchase a vehicle, [“total purchase”] “PURCHASE price” means the retail value of the vehicle as certified by the dealer, including any dealer processing charge[, less an allowance for the trade-in of the leased vehicle but with no allowance for other nonmonetary consideration].~~

~~(4) "TOTAL PURCHASE PRICE" MEANS:~~

~~(i) IF THE PURCHASE PRICE EXCEEDS \$15,000, THE PURCHASE PRICE; OR~~

~~(ii) IF THE PURCHASE PRICE IS \$15,000 OR LESS, THE PURCHASE PRICE LESS AN ALLOWANCE FOR A TRADE IN VEHICLE, BUT WITH NO ALLOWANCE FOR OTHER NONMONETARY CONSIDERATION.~~

~~[(4)] (5) "Trailer" has the meaning stated in § 11-169 of this article.~~

~~(b) (1) Except as otherwise provided in this part, in addition to any other charge required by the Maryland Vehicle Law, an excise tax is imposed:~~

~~(i) For each original and each subsequent certificate of title issued in this State for a motor vehicle, a trailer, a semitrailer, a moped, a motor scooter, or an off-highway recreational vehicle for which sales and use tax is not collected at the time of purchase; and~~

~~(ii) Except as provided in paragraph (2) of this subsection, for each motor vehicle, trailer, or semitrailer that is in interstate operation and registered under § 13-109(c) or (d) of this title without a certificate of title.~~

~~(d) Each applicant for a certificate of title or for registration under § 13-109(c) of this title shall submit to the Administration:~~

~~(1) The information that the Administration considers necessary as to:~~

~~(i) The time of purchase of the vehicle; and~~

~~(ii) The purchase price and other information relating to the determination of the fair market value of the vehicle which may include, but is not limited to:~~

~~1. Canceled checks;~~

~~2. Money order receipts;~~

~~3. Loan documents; or~~

~~4. A written description of the vehicle's condition; and~~

~~(2) If the excise tax is based on the total purchase price of the vehicle as provided in subsection (a)(2)(iii)2A of this section, a notarized bill of sale that:~~

~~(i) Is designed by, and obtained from, the Administration;~~

~~(ii) Is signed by the buyer and the seller; and~~

~~(iii) Includes a statement explaining why the vehicle was sold at the price stated in the bill of sale.~~

~~13-901.~~

~~(a) Subject to subsection (b) of this section, the fees specified in this subtitle for the registration of a classified vehicle or for any interchangeable registration shall be paid to the Administration:~~

~~(1) Before issuance of the registration and any registration plates and registration cards; and~~

~~(2) Except as otherwise expressly provided, during each registration year before the issuance or renewal of the registration.~~

~~(b) (1) The Administration shall allow for payment of registration fees, as specified in this subtitle, in installments throughout the registration period, as determined by the Administration.~~

~~(2) THE ADMINISTRATION SHALL COLLECT A REASONABLE INSTALLMENT FEE FOR UTILIZATION OF A PAYMENT PLAN AUTHORIZED IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION.~~

~~13-912.~~

(a) When registered with the Administration, every passenger car and station wagon, except as otherwise provided in this part, is a Class A (passenger) vehicle.

(b) For each Class A (passenger) vehicle, the annual registration fee is:

(1) For a vehicle with a manufacturer's shipping weight of 3,500 pounds or less:

(i) On or after July 1, 2024, but before July 1, 2025, \$70.50; and

(ii) On or after July 1, 2025, \$80.50;

(2) For a vehicle with a manufacturer's shipping weight of more than 3,500 pounds but not more than 3,700 pounds:

(i) On or after July 1, 2024, but before July 1, 2025, \$80.50; and

(ii) On or after July 1, 2025, \$85.50; and

(3) For a vehicle with a manufacturer's shipping weight of more than 3,700 pounds:

(i) On or after July 1, 2024, but before July 1, 2025, \$121.50; AND

(ii) On or after July 1, 2025, [but before July 1, 2026, \$126.50; and

(iii) On or after July 1, 2026,] \$151.50.

13–916.

(a) When registered with the Administration, every single unit truck with two or more axles is a Class E (truck) vehicle.

(b) (1) For each Class E (truck) vehicle, the annual registration fee is based on the maximum gross weight of the vehicle or combination of vehicles, as follows:

Maximum Gross Weight Limit (in Pounds)	Fee (per 1,000 Pounds or Fraction Thereof)
10,000 (minimum) – 18,000	\$9.00
18,001 – 26,000	11.75
26,001 – 40,000	12.75
40,001 – 60,000	14.75
60,001 – 80,000 (maximum)	16.00

(2) (i) On or after July 1, 2024, but before July 1, 2025, the annual registration fee under paragraph (1) of this subsection is increased by an additional \$45.00.

(ii) On or after July 1, 2025, [but before July 1, 2026, the annual registration fee under paragraph (1) of this subsection is increased by an additional \$50.00.

(iii) On or after July 1, 2026,] the annual registration fee under paragraph (1) of this subsection is increased by an additional \$75.00.

13–917.

Notwithstanding § 13–916(b) of this subtitle, for any Class E (truck) vehicle with a manufacturer's rated capacity of 3/4 ton or less and a maximum gross vehicle weight of 7,000 pounds or less, the annual registration fee is:

(1) For a vehicle with a maximum gross vehicle weight of 3,500 pounds or less:

(i) On or after July 1, 2024, but before July 1, 2025, \$83.75; and

(ii) On or after July 1, 2025, \$93.75;

(2) Except as provided in item (4) of this section, for a vehicle with a maximum gross vehicle weight of more than 3,500 pounds but not more than 5,000 pounds:

(i) On or after July 1, 2024, but before July 1, 2025, \$93.75; and

(ii) On or after July 1, 2025, \$98.75;

(3) Except as provided in item (4) of this section, for a vehicle with a maximum gross vehicle weight of more than 5,000 pounds:

(i) On or after July 1, 2024, but before July 1, 2025, \$108.75; **AND**

(ii) On or after July 1, 2025, [but before July 1, 2026, \$113.75; and

(iii) On or after July 1, 2026,] \$138.75; and

(4) For a vehicle, regardless of the vehicle's maximum gross vehicle weight, for which the owner certifies on the registration application that the vehicle for which the application is made will be used for construction activities:

(i) On or after July 1, 2024, but before July 1, 2025, \$83.75; and

(ii) On or after July 1, 2025, \$93.75.

13–937.

(a) When registered with the Administration, every multipurpose passenger vehicle is a Class M (multipurpose) vehicle.

(b) For each Class M (multipurpose) vehicle, the annual registration fee is:

(1) For a vehicle with a manufacturer's shipping weight of 3,500 pounds or less:

(i) On or after July 1, 2024, but before July 1, 2025, \$70.50; and

(ii) On or after July 1, 2025, \$80.50;

(2) For a vehicle with a manufacturer's shipping weight of more than 3,500 pounds but not more than 3,700 pounds:

(i) On or after July 1, 2024, but before July 1, 2025, \$80.50; and

(ii) On or after July 1, 2025, \$85.50; and

(3) For a vehicle with a manufacturer's shipping weight of more than 3,700 pounds:

(i) On or after July 1, 2024, but before July 1, 2025, \$121.50; AND

(ii) On or after July 1, 2025, [but before July 1, 2026, \$126.50; and

(iii) On or after July 1, 2026,] \$151.50.

(c) The Administration may by rule and regulation provide for the registration under this section of all multipurpose passenger vehicles registered under another classification.

13-939.1.

Notwithstanding any other provision of this subtitle, for a rental vehicle as defined in § 11-148.1 of this article, the annual registration fee [is:

(1) For a Class A (passenger) vehicle with a manufacturer's shipping weight of:

(i) 3,700 pounds or less – \$27.00; and

(ii) More than 3,700 pounds – \$40.50;

(2) For a Class D (motorcycle) vehicle, the amount specified in § 13-915 of this subtitle;

(3) For a Class E (truck) vehicle with a manufacturer's rated capacity of 3/4 ton or less and a maximum gross vehicle weight of 7,000 pounds or less – \$33.75;

(4) Notwithstanding item (3) of this section, for a Class E (truck) vehicle:

<u>Maximum Gross Weight</u>	<u>Fee (per 1,000 Pounds</u>
<u>Limit (in Pounds)</u>	<u>or Fraction Thereof)</u>
<u>10,000 (minimum) – 18,000</u>	<u>\$ 4.75</u>
<u>18,001 – 26,000</u>	<u>7.50</u>
<u>26,001 – 40,000</u>	<u>8.50</u>
<u>40,001 – 60,000</u>	<u>10.50</u>
<u>60,001 – 80,000 (maximum)</u>	<u>11.75;</u>

(5) For a Class F (tractor) vehicle based on the maximum gross weight of the vehicle in combination with a trailer or semitrailer as follows:

<u>Maximum Gross Weight</u>	<u>Fee (per 1,000 Pounds</u>
<u>Limit (in Pounds)</u>	<u>or Fraction Thereof)</u>
<u>40,000 (minimum) – 60,000</u>	<u>\$ 14.50</u>
<u>60,001 – 80,000 or more</u>	<u>16.00;</u>

(6) For a Class G (trailer) vehicle based on the maximum gross weight as follows:

(i) For a nonfreight trailer or semitrailer:

<u>Maximum Gross Weight</u>	<u>Fee</u>
<u>Limit (in Pounds)</u>	
<u>3,000 or less</u>	<u>\$ 13.50</u>
<u>3,001 – 5,000</u>	<u>27.00</u>
<u>5,001 – 10,000</u>	<u>47.25</u>
<u>10,001 – 20,000</u>	<u>81.00; and</u>

(ii) For a freight trailer or semitrailer – \$20.25; and

(7) For a Class M (multipurpose) vehicle with a manufacturer's shipping weight of:

(i) 3,700 pounds or less – \$27.00; and

(ii) More than 3,700 pounds – \$40.50] IS THE SAME AS THE ANNUAL REGISTRATION FEE BASED ON THE CLASS OF VEHICLE UNDER THIS PART II OF THIS SUBTITLE.

13–955.

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

(e) [The] **EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, 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.

(F) FOR FISCAL YEARS 2025 AND 2026, THE MONEY IN THE FUND MAY BE USED TO SUPPORT GENERAL OPERATIONS OF THE DEPARTMENT OF STATE POLICE, SPECIAL OPERATIONS BUREAU, AVIATION COMMAND.

~~17-106.~~

~~(a) If the required security for any vehicle lapses at any time, the registration of that vehicle:~~

~~(1) Is suspended automatically as of the date of the lapse effective not later than 60 days after notification to the Administration that the lapse has occurred; and~~

~~(2) Remains suspended until:~~

~~(i) The required security is replaced and the vehicle owner submits evidence of replaced security on a form as prescribed by the Administration and certified by an insurer or insurance producer; and~~

~~(ii) Any uninsured motorist penalty fee assessed is paid to the Administration.~~

~~(b) (1) Except as provided in paragraph (2) of this subsection, each insurer or other provider of required security immediately shall notify the Administration electronically of those terminations or other lapses that are final.~~

~~(2) Each insurer or other provider of required security for a vehicle registered as a Class B (for hire) vehicle under Title 13 of this article shall notify the Administration within 45 days after a termination or other lapse that is final and occurs anytime after the required security is issued or provided.~~

~~(c) On receipt of a notice under subsection (b) of this section, the Administration shall:~~

~~(1) Make a reasonable effort to notify the owner of the vehicle that his registration has been suspended; and~~

~~(2) Provide electronically the information contained in the notice of the suspension to the Uninsured Division of the Maryland Automobile Insurance Fund.~~

~~(d) (1) Within 48 hours after an owner is notified by the Administration of the suspension of registration, the owner shall surrender all evidences of that registration to the Administration.~~

~~(2) If the owner fails to surrender the evidences of registration within the 48-hour period, the Administration:~~

~~(i) Shall attempt to recover from the owner the evidences of registration; and~~

~~(ii) May suspend his license to drive until he returns to the Motor Vehicle Administration the evidences of registration.~~

~~(3) The Administration may enter into contracts with private parties to procure the services of independent agents to assist in the recovery of the evidences of registration as authorized in paragraph (2) of this subsection.~~

~~(e) (1) (i) 1. Except as provided in subparagraphs (iv) and (v) of this paragraph, in addition to any other penalty provided for in the Maryland Vehicle Law, if the required security for a vehicle terminates or otherwise lapses during its registration year, the Administration may assess the owner of the vehicle with a penalty of \$200 for each vehicle without the required security for a period of 1 to 30 days.~~

~~2. If a fine is assessed, beginning on the 31st day the fine shall increase by a rate of \$7 for each day.~~

~~(ii) Each period during which the required security for a vehicle terminates or otherwise lapses shall constitute a separate violation.~~

~~(iii) The penalty imposed under this subsection may not exceed \$3,500 for each violation in a 12-month period.~~

~~(iv) The Administration may not assess a penalty under this subsection if:~~

~~1. The registration plates of the vehicle are returned to the Administration within 10 days after the termination or lapse of the required security, as shown by the records of the Administration; and~~

~~2. A. The certificate of title for the vehicle has been transferred to a new owner;~~

~~B. The registered owner has moved out of state and the registration plates are returned by mail;~~

~~C. A salvage certificate has been issued for the vehicle; or~~

~~D. A licensed dealer has taken possession of the vehicle with an obligation to return the registration plates.~~

~~(v) Before the Administration may assess a penalty under this subsection, the Administration shall first verify that the registration plates for the vehicle were not returned to the Administration within 10 days after the termination or lapse of the required security.~~

~~(2) (i) Except as provided under paragraph (3) of this subsection, a penalty assessed under this subsection shall be paid as follows:~~

~~1. 70% to be allocated as provided in subparagraph (ii) of this paragraph; and~~

~~2. 30% to the Administration, which may be used by the Administration, subject to subsection (f) of this section, to provide funding for contracts with independent agents to assist in the recovery of evidences of registration as authorized in subsection (d)(3) of this section.~~

~~(ii) For each fiscal year beginning on or after July 1, 2014, the percentage of the penalties specified under subparagraph (i)1 of this paragraph shall be allocated among the Safe Schools Fund, the Vehicle Theft Prevention Fund, the Maryland Automobile Insurance Fund, [the Driver Education in Public High Schools Fund, the State Aided Institutions Field Trip Fund,] and the General Fund as follows:~~

~~1. \$600,000 to the Safe Schools Fund;~~

~~2. \$2,000,000 to the Vehicle Theft Prevention Fund;~~

~~3. The amounts specified under subparagraph (iii) of this paragraph to the Maryland Automobile Insurance Fund; AND~~

~~4. [\$2,000,000 to the Driver Education in Public High Schools Fund;~~

~~5. \$600,000 to the State Aided Institutions Field Trip Fund; and~~

~~6.] The balance to the General Fund.~~

~~(iii) 1. Except for fiscal year 2024 and except as provided under subsubparagraph 3 of this subparagraph, the amount distributed to the Maryland Automobile Insurance Fund under subparagraph (ii)3 of this paragraph shall equal the amount distributed to the Maryland Automobile Insurance Fund in the prior fiscal year under the provisions of this paragraph adjusted by the change for the calendar year~~

~~preceding the fiscal year in the Consumer Price Index — All Urban Consumers — Medical Care as published by the United States Bureau of Labor Statistics.~~

~~2. For fiscal year 2024, the amount distributed to the Maryland Automobile Insurance Fund under subparagraph (ii)3 of this paragraph shall equal the amount distributed to the Maryland Automobile Insurance Fund in the prior fiscal year under the provisions of this paragraph adjusted by the change for the calendar year preceding the fiscal year in the Consumer Price Index — All Urban Consumers — Medical Care as published by the United States Bureau of Labor Statistics plus an additional \$2,000,000.~~

~~3. For fiscal year 2025, the amount distributed to the Maryland Automobile Insurance Fund under subparagraph (ii)3 of this paragraph shall equal the amount distributed to the Maryland Automobile Insurance Fund calculated in accordance with subsubparagraph 1 of this subparagraph.~~

~~A. Plus an additional \$3,000,000 dedicated to the exclusive use of the Uninsured Division, which shall become part of the base amount used to calculate the amount distributed under subsubparagraph 1 of this subparagraph in subsequent fiscal years; but~~

~~B. Excluding the \$2,000,000 distributed to the Fund in fiscal year 2024.~~

22-421.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “FIRST SALE” MEANS A SALE OF A NEW TIRE THAT IS NOT A SALE TO A WHOLESALE OR OUT-OF-STATE RETAILER.

(3) “TIRE DEALER” MEANS A PERSON WHO SELLS NEW TIRES TO:

(I) A SELLER OF TIRES IN THE STATE THAT IS NOT A TIRE WHOLESALE; OR

(II) A CONSUMER OF A TIRE ON WHICH A RECYCLING FEE HAS NOT BEEN PAID.

(4) “TIRE WHOLESALE” MEANS A PERSON WHO TRANSFERS TIRES TO A PERSON WHO IS NOT A CONSUMER.

(B) (1) BEGINNING ON JANUARY 1, 2026, A NEW TIRE FEE SHALL BE IMPOSED ON THE FIRST SALE OF A NEW TIRE IN THE STATE BY A TIRE DEALER,

1 INCLUDING NEW TIRES SOLD AS A PART OF A NEW OR USED VEHICLE, TRAILER, FARM
2 IMPLEMENT, OR SIMILAR MACHINERY.

3 (2) A COUNTY, MUNICIPAL CORPORATION, OR ANY AGENCY OF A
4 COUNTY OR MUNICIPAL CORPORATION MAY NOT IMPOSE ANY TAX, FEE, OR OTHER
5 CHARGE ON THE SALE OF A NEW TIRE BY A TIRE DEALER.

6 (C) THE NEW TIRE FEE ON THE SALE OF A NEW TIRE DEALER IS \$5 PER TIRE.

7 (D) FOR A SALE MADE BY A TIRE DEALER TO A PERSON WHO RESELLS TIRES,
8 THE TIRE DEALER SHALL SEPARATELY STATE THE NEW TIRE FEES PAID BY THE TIRE
9 DEALER ON THE INVOICE OR OTHER DOCUMENT OF SALE.

10 (E) (1) EACH TIRE DEALER SHALL:

11 (I) PAY THE NEW TIRE FEE; AND

12 (II) COMPLETE AND SUBMIT, UNDER OATH, A RETURN AND
13 REMIT THE FEES TO THE COMPTROLLER ON OR BEFORE THE 21ST DAY OF THE
14 MONTH THAT FOLLOWS THE MONTH IN WHICH THE SALE WAS MADE, AND FOR OTHER
15 PERIODS AND ON OTHER DATES THAT THE COMPTROLLER SPECIFIES BY
16 REGULATION, INCLUDING PERIODS FOR WHICH NO FEES WERE DUE.

17 (2) A TIRE DEALER SHALL FILE A NEW TIRE FEE RETURN
18 ELECTRONICALLY.

19 (F) IF THE AMOUNT OF THE NEW TIRE FEE IS SEPARATELY STATED IN A
20 RETAIL SALE, THE NEW TIRE FEE IS NOT SUBJECT TO ANY TAX UNDER TITLE 13 OF
21 THIS ARTICLE OR TITLE 11 OF THE TAX – GENERAL ARTICLE.

22 (G) THE COMPTROLLER SHALL FORWARD ALL NEW TIRE FEES, LESS THE
23 COSTS OF ADMINISTRATION, TO THE TRANSPORTATION TRUST FUND.

24 (H) EXCEPT TO THE EXTENT INCONSISTENT WITH THIS SECTION, THE
25 PROVISIONS OF TITLES 1, 2, 11, AND 13 OF THE TAX – GENERAL ARTICLE
26 APPLICABLE TO THE SALES AND USE TAX SHALL GOVERN THE ADMINISTRATION,
27 COLLECTION, AND ENFORCEMENT OF THE NEW TIRE FEE UNDER THIS SECTION.

28 (I) THE COMPTROLLER:

29 (1) SHALL ADMINISTER THE NEW TIRE FEE; AND

30 (2) MAY ADOPT REGULATIONS NECESSARY TO ADMINISTER, COLLECT,
31 AND ENFORCE THE NEW TIRE FEE.

~~TITLE 18.8. RETAIL DELIVERY FEE.~~

~~18.8-101.~~

~~(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.~~

~~(B) "MARKETPLACE FACILITATOR" HAS THE MEANING STATED IN § 11-101 OF THE TAX GENERAL ARTICLE.~~

~~(C) "MARKETPLACE SELLER" HAS THE MEANING STATED IN § 11-101 OF THE TAX GENERAL ARTICLE.~~

~~(D) (1) "RETAIL DELIVERY" MEANS A DELIVERY TO A PERSON LOCATED IN THE STATE OF TANGIBLE PERSONAL PROPERTY PURCHASED BY A PERSON LOCATED IN THE STATE AS PART OF A RETAIL SALE THAT IS SUBJECT TO THE SALES AND USE TAX.~~

~~(2) "RETAIL DELIVERY" DOES NOT INCLUDE PICKUP BY THE BUYER AT THE VENDOR'S PLACE OF BUSINESS, INCLUDING CURBSIDE DELIVERY.~~

~~(E) "RETAIL DELIVERY FEE" MEANS THE FEE IMPOSED UNDER THIS TITLE ON A RETAIL DELIVERY.~~

~~(F) "RETAIL SALE" INCLUDES A SALE FOR USE, AS DEFINED IN § 11-101 OF THE TAX GENERAL ARTICLE.~~

~~(G) "SALES AND USE TAX" MEANS THE TAX IMPOSED UNDER TITLE 11 OF THE TAX GENERAL ARTICLE.~~

~~(H) "TANGIBLE PERSONAL PROPERTY" HAS THE MEANING STATED IN § 11-101 OF THE TAX GENERAL ARTICLE.~~

~~(I) "VENDOR" HAS THE MEANING STATED IN § 11-101 OF THE TAX GENERAL ARTICLE.~~

~~18.8-102.~~

~~A RETAIL DELIVERY FEE AND THE REQUIREMENTS OF THIS TITLE APPLY ONLY TO:~~

~~(1) A VENDOR THAT MADE RETAIL SALES TOTALING \$500,000 OR MORE;~~

~~(I) IN THE PREVIOUS CALENDAR YEAR; OR~~

~~(II) SUBJECT TO § 18.8 105(A)(2) OF THIS SUBTITLE, IN THE
CURRENT CALENDAR YEAR; OR~~

~~(2) A MARKETPLACE FACILITATOR THAT FACILITATED RETAIL SALES
OF MARKETPLACE SELLERS TOTALING \$100,000 OR MORE;~~

~~(I) IN THE PREVIOUS CALENDAR YEAR; OR~~

~~(II) SUBJECT TO § 18.8 105(A)(3) OF THIS SUBTITLE, IN THE
CURRENT CALENDAR YEAR.~~

~~18.8 103.~~

~~(A) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A VENDOR OR
MARKETPLACE FACILITATOR SHALL PAY A RETAIL DELIVERY FEE EQUAL TO 75
CENTS ON EACH RETAIL DELIVERY TRANSACTION THE VENDOR OR MARKETPLACE
FACILITATOR MAKES IN THE STATE.~~

~~(2) (I) THE RETAIL DELIVERY FEE SHALL BE INCREASED JULY 1,
2026, AND EACH JULY 1 THEREAFTER IN ACCORDANCE WITH THIS PARAGRAPH.~~

~~(II) ON OR BEFORE JUNE 1 EACH YEAR, THE COMPTROLLER
SHALL DETERMINE AND ANNOUNCE:~~

~~1. THE GROWTH IN THE CONSUMER PRICE INDEX FOR
ALL URBAN CONSUMERS AS DETERMINED BY THE COMPTROLLER UNDER
SUBPARAGRAPH (III) OF THIS PARAGRAPH; AND~~

~~2. THE RETAIL DELIVERY FEE EFFECTIVE FOR THE
FISCAL YEAR BEGINNING ON THE FOLLOWING JULY 1 AS DETERMINED BY THE
COMPTROLLER UNDER SUBPARAGRAPH (IV) OF THIS PARAGRAPH.~~

~~(III) 1. IN THIS SUBPARAGRAPH, "CONSUMER PRICE INDEX
FOR ALL URBAN CONSUMERS" MEANS THE INDEX PUBLISHED MONTHLY BY THE
BUREAU OF LABOR STATISTICS OF THE U.S. DEPARTMENT OF LABOR THAT IS THE
U.S. CITY AVERAGE OF ALL ITEMS IN A BASKET OF CONSUMER GOODS AND
SERVICES.~~

~~2. THE PERCENTAGE GROWTH IN THE CONSUMER
PRICE INDEX FOR ALL URBAN CONSUMERS SHALL BE DETERMINED BY COMPARING~~

~~THE AVERAGE OF THE INDEX FOR THE 12 MONTHS ENDING ON THE PRECEDING
APRIL 30 TO THE AVERAGE OF THE INDEX FOR THE PRIOR 12 MONTHS.~~

~~(IV) SUBJECT TO SUBPARAGRAPH (V) OF THIS PARAGRAPH, ON
JULY 1 EACH YEAR, THE RETAIL DELIVERY FEE SHALL BE INCREASED BY THE
AMOUNT, ROUNDED TO THE NEAREST ONE TENTH OF A CENT, THAT EQUALS THE
PRODUCT OF MULTIPLYING:~~

~~1. THE RETAIL DELIVERY FEE IN EFFECT ON THE DATE
OF THE COMPTROLLER'S ANNOUNCEMENT UNDER SUBPARAGRAPH (H) OF THIS
PARAGRAPH; AND~~

~~2. THE PERCENTAGE GROWTH IN THE CONSUMER
PRICE INDEX FOR ALL URBAN CONSUMERS.~~

~~(V) IF THERE IS A DECLINE OR NO GROWTH IN THE CONSUMER
PRICE INDEX FOR ALL URBAN CONSUMERS, THE RETAIL DELIVERY FEE SHALL
REMAIN UNCHANGED.~~

~~(B) (1) A VENDOR OR MARKETPLACE FACILITATOR SHALL:~~

~~(I) COLLECT THE RETAIL DELIVERY FEE FROM A BUYER; OR~~

~~(II) PAY THE RETAIL DELIVERY FEE ON BEHALF OF A BUYER.~~

~~(2) IF A VENDOR OR MARKETPLACE FACILITATOR COLLECTS THE
RETAIL DELIVERY FEE FROM THE BUYER, THE RETAIL DELIVERY FEE SHALL BE:~~

~~(I) CHARGED IN ADDITION TO ANY OTHER DELIVERY FEE
ASSESSED BY THE VENDOR OR MARKETPLACE FACILITATOR;~~

~~(II) ITEMIZED AS A SEPARATE LINE ITEM ON THE BUYER'S
RECEIPT, INVOICE, OR OTHER BILL OF SALE, DISTINCT FROM THE SALES PRICE,
SALES AND USE TAX, OR ANY OTHER TAX OR FEE IMPOSED; AND~~

~~(III) LISTED ON THE RECEIPT, INVOICE, OR OTHER BILL OF SALE
AS "DELIVERY IMPACT FEE".~~

~~(C) A RETAIL DELIVERY FEE SHALL BE ASSESSED ONLY ONCE PER
TRANSACTION REGARDLESS OF WHETHER:~~

~~(1) THE TANGIBLE PERSONAL PROPERTY PURCHASED IS DELIVERED
IN ONE SHIPMENT OR MULTIPLE SHIPMENTS; OR~~

~~(2) THE PURCHASE CONTAINS ONE ITEM OR MULTIPLE ITEMS OF TANGIBLE PERSONAL PROPERTY.~~

~~(D) THE RETAIL DELIVERY FEE MAY NOT BE REFUNDED TO THE BUYER UNLESS THE RETAIL DELIVERY IS CANCELED BY THE BUYER, VENDOR, MARKETPLACE FACILITATOR, OR DELIVERY PROVIDER.~~

~~18.8-104.~~

~~THE RETAIL DELIVERY FEE UNDER THIS TITLE DOES NOT APPLY TO THE SALE OR PURCHASE OF TANGIBLE PERSONAL PROPERTY THAT IS EXEMPT FROM THE SALES AND USE TAX.~~

~~18.8-105.~~

~~(A) (1) (i) A VENDOR OR MARKETPLACE FACILITATOR SHALL COLLECT AND REMIT THE RETAIL DELIVERY FEE TO THE COMPTROLLER IN THE MANNER PRESCRIBED BY THE COMPTROLLER.~~

~~(ii) THE REQUIREMENTS OF § 11-403.1 OF THE TAX GENERAL ARTICLE RELATING TO THE COLLECTION OF THE SALES AND USE TAX BY A MARKETPLACE FACILITATOR APPLY TO THE COLLECTION OF THE RETAIL DELIVERY FEE BY A MARKETPLACE FACILITATOR.~~

~~(2) A VENDOR THAT DID NOT MAKE RETAIL SALES TOTALING \$500,000 OR MORE IN THE PREVIOUS CALENDAR YEAR SHALL REMIT THE RETAIL DELIVERY FEE TO THE COMPTROLLER BEGINNING ON OR BEFORE THE FIRST DAY OF THE MONTH THAT IS 60 DAYS AFTER THE MONTH IN WHICH THE VENDOR MAKES RETAIL SALES TOTALING \$500,000 OR MORE IN CURRENT CALENDAR YEAR.~~

~~(3) A MARKETPLACE FACILITATOR THAT DID NOT FACILITATE RETAIL SALES OF MARKETPLACE SELLERS TOTALING \$100,000 OR MORE IN THE PREVIOUS CALENDAR YEAR SHALL REMIT THE RETAIL DELIVERY FEE TO THE COMPTROLLER BEGINNING ON OR BEFORE THE FIRST DAY OF THE MONTH THAT IS 60 DAYS AFTER THE MONTH IN WHICH THE MARKETPLACE FACILITATOR FACILITATES THE RETAIL SALES OF MARKETPLACE SELLERS TOTALING \$100,000 OR MORE IN THE CURRENT CALENDAR YEAR.~~

~~(B) (1) A VENDOR OR MARKETPLACE FACILITATOR SHALL:~~

~~(i) REPORT THE RETAIL DELIVERY FEE ON A RETURN AS PRESCRIBED BY THE COMPTROLLER; AND~~

~~(ii) REMIT THE RETAIL DELIVERY FEE WITH THE RETURN.~~

~~(2) A VENDOR OR MARKETPLACE FACILITATOR SHALL FILE AND PAY THE RETAIL DELIVERY FEE USING THE FILING CYCLE AND DUE DATES PRESCRIBED BY THE COMPTROLLER IN ACCORDANCE WITH SUBSECTION (A) OF THIS SECTION.~~

~~(C) (1) A VENDOR OR MARKETPLACE FACILITATOR THAT COLLECTS THE RETAIL DELIVERY FEE FROM THE BUYER SHALL COLLECT THE RETAIL DELIVERY FEE IN THE SAME MANNER AS THE SALES AND USE TAX.~~

~~(2) A VENDOR OR MARKETPLACE FACILITATOR THAT USES A THIRD PARTY ENTITY TO COLLECT AND REMIT THE SALES AND USE TAX MAY ELECT TO HAVE THE THIRD PARTY ENTITY COLLECT AND REMIT THE RETAIL DELIVERY FEE.~~

~~(3) A VENDOR OR MARKETPLACE FACILITATOR THAT PAYS THE RETAIL DELIVERY FEE ON BEHALF OF A BUYER SHALL REMIT THE RETAIL DELIVERY FEE TO THE COMPTROLLER AS IF THE RETAIL DELIVERY FEE HAD BEEN COLLECTED FROM THE BUYER ON THE DATE OF THE RETAIL DELIVERY.~~

~~18.8 106.~~

~~(A) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, THE AUDIT, ASSESSMENT, LIABILITY OR PAYMENT, REFUND, PENALTY, INTEREST, ENFORCEMENT, COLLECTION REMEDIES, APPEAL, AND ADMINISTRATIVE PROVISIONS THAT ARE APPLICABLE TO THE SALES AND USE TAX APPLY TO THE RETAIL DELIVERY FEE.~~

~~(B) FROM THE REVENUE ATTRIBUTABLE TO THE RETAIL DELIVERY FEE, THE COMPTROLLER SHALL DISTRIBUTE THE AMOUNT NECESSARY TO PAY REFUNDS RELATING TO THE RETAIL DELIVERY FEE TO A REFUND ACCOUNT.~~

~~(C) AFTER MAKING THE DISTRIBUTION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION, THE COMPTROLLER SHALL DISTRIBUTE THE AMOUNT NECESSARY TO ADMINISTER THE RETAIL DELIVERY FEE TO AN ADMINISTRATIVE FEE ACCOUNT.~~

~~(D) AFTER MAKING THE DISTRIBUTIONS REQUIRED UNDER SUBSECTIONS (B) AND (C) OF THIS SECTION, THE COMPTROLLER SHALL DEPOSIT THE BALANCE OF THE REVENUE ATTRIBUTABLE TO THE RETAIL DELIVERY FEE INTO THE TRANSPORTATION TRUST FUND ESTABLISHED UNDER § 3-216 OF THIS ARTICLE.~~

23-205.

1 (a) (1) Subject to paragraph (2) of this subsection, the Administration and the
2 Secretary shall set the fee to be charged for each vehicle to be inspected and tested by a
3 facility.

4 (2) The fee established under this subsection:

5 (i) [During the period from January 1, 1995 through May 31, 1997,
6 may not exceed \$12; and

7 (ii)] During the period [after] **FROM** May 31, 1997, **THROUGH JUNE**
8 **30, 2025**, may not exceed \$14;

9 **(II) DURING THE PERIOD FROM JULY 1, 2025, THROUGH JUNE**
10 **30, 2026, MAY NOT EXCEED \$30; AND**

11 **(III) EXCEPT AS PROVIDED IN PARAGRAPH (4)(III) OF THIS**
12 **SUBSECTION, DURING THE PERIOD AFTER JULY 1, 2026, SHALL EQUAL AT LEAST**
13 **THE AMOUNT IN THE IMMEDIATELY PRECEDING FISCAL YEAR ADJUSTED FOR**
14 **INFLATION IN ACCORDANCE WITH PARAGRAPH (3) OF THIS SUBSECTION.**

15 **(3) DURING THE PERIOD AFTER JUNE 30, 2026, THE FEE**
16 **ESTABLISHED UNDER THIS SUBSECTION SHALL EQUAL AT LEAST THE AMOUNT IN**
17 **THE IMMEDIATELY PRECEDING FISCAL YEAR ADJUSTED FOR INFLATION IN**
18 **ACCORDANCE WITH PARAGRAPH (4) OF THIS SUBSECTION.**

19 (4) (I) **THE INFLATION ADJUSTMENT SHALL EQUAL THE PRODUCT**
20 **OF MULTIPLYING THE AMOUNT OF FUNDING IN THE IMMEDIATELY PRECEDING**
21 **FISCAL YEAR BY THE PERCENTAGE INCREASE IN THE CONSUMER PRICE INDEX FOR**
22 **ALL URBAN CONSUMERS.**

23 **(II) THE PERCENTAGE INCREASE IN THE CONSUMER PRICE**
24 **INDEX FOR ALL URBAN CONSUMERS SHALL BE DETERMINED BY COMPARING THE**
25 **AVERAGE OF THE INDEX FOR THE 12 MONTHS ENDING APRIL 30 IMMEDIATELY**
26 **PRECEDING THE FISCAL YEAR FOR WHICH THE FUNDING AMOUNT IS BEING**
27 **CALCULATED TO THE AVERAGE INDEX FOR THE PRIOR 12 MONTHS.**

28 **(III) IF THERE IS A DECLINE OR NO GROWTH IN THE CONSUMER**
29 **PRICE INDEX FOR ALL URBAN CONSUMERS, THE FEE AMOUNT UNDER THIS**
30 **PARAGRAPH SHALL REMAIN UNCHANGED.**

31 (b) The fee shall be collected in a manner established by the Administration and
32 the Secretary.

(c) A specific portion of the fee shall be paid to or retained by the Administration to cover the cost of administration and enforcement of the emissions control program, as provided in the contract between the contractor and the State.

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

Article – Tax – General

~~7-300.~~

~~(a) Notwithstanding an Act of Congress that repeals or reduces the federal credit under § 2011 of the Internal Revenue Code, the provisions of this subtitle in effect before the passage of the Act of Congress shall apply with respect to a decedent who dies after the effective date of the Act of Congress so as to continue the Maryland estate tax in force without reduction in the same manner as if the federal credit had not been repealed or reduced.~~

~~(b) (1) Except as provided in paragraphs (2) through (9) of this subsection and subsection (c) of this section, after the effective date of an Act of Congress described in subsection (a) of this section, the Maryland estate tax shall be determined using:~~

~~(i) the federal credit allowable by § 2011 of the Internal Revenue Code as in effect before the reduction or repeal of the federal credit pursuant to the Act of Congress; and~~

~~(ii) other provisions of federal estate tax law as in effect on the date of the decedent's death.~~

~~(2) Except as provided in paragraphs (3) through (9) of this subsection and subsection (c) of this section, if the federal estate tax is not in effect on the date of the decedent's death, the Maryland estate tax shall be determined using:~~

~~(i) the federal credit allowable by § 2011 of the Internal Revenue Code as in effect before the reduction or repeal of the federal credit pursuant to the Act of Congress; and~~

~~(ii) other provisions of federal estate tax law as in effect on the date immediately preceding the effective date of the repeal of the federal estate tax.~~

~~(3) (i) Notwithstanding any increase in the unified credit allowed against the federal estate tax for decedents dying after 2003, the unified credit used for determining the Maryland estate tax for a decedent may not exceed the applicable credit amount corresponding to an applicable exclusion amount, within the meaning of § 2010(c) of the Internal Revenue Code, of:~~

~~1. \$1,000,000 for a decedent dying before January 1, 2015;~~

~~2. \$1,500,000 for a decedent dying on or after January 1, 2015, but before January 1, 2016;~~

~~3. \$2,000,000 for a decedent dying on or after January 1, 2016, but before January 1, 2017;~~

~~4. \$3,000,000 for a decedent dying on or after January 1, 2017, but before January 1, 2018;~~

~~5. \$4,000,000 for a decedent dying on or after January 1, 2018, but before January 1, 2019; [and]~~

~~6. \$5,000,000 for a decedent dying on or after January 1, 2019, BUT BEFORE JULY 1, 2025; AND~~

~~7. \$2,000,000 FOR A DECEDENT DYING ON OR AFTER JULY 1, 2025, plus any deceased spousal unused exclusion amount calculated in accordance with paragraph (9) of this subsection.~~

~~(ii) The Maryland estate tax shall be determined without regard to any deduction for State death taxes allowed under § 2058 of the Internal Revenue Code.~~

~~(iii) Unless the federal credit allowable by § 2011 of the Internal Revenue Code is in effect on the date of the decedent's death, the federal credit used to determine the Maryland estate tax may not exceed 16% of the amount by which the decedent's taxable estate, as defined in § 2051 of the Internal Revenue Code, exceeds:~~

~~1. \$1,000,000 for a decedent dying before January 1, 2015;~~

~~2. \$1,500,000 for a decedent dying on or after January 1, 2015, but before January 1, 2016;~~

~~3. \$2,000,000 for a decedent dying on or after January 1, 2016, but before January 1, 2017;~~

~~4. \$3,000,000 for a decedent dying on or after January 1, 2017, but before January 1, 2018;~~

~~5. \$4,000,000 for a decedent dying on or after January 1, 2018, but before January 1, 2019; [and]~~

~~6. \$5,000,000 for a decedent dying on or after January 1, 2019, BUT BEFORE JULY 1, 2025; AND~~

~~7. \$2,000,000 FOR A DECEDENT DYING ON OR AFTER
JULY 1, 2025, plus any deceased spousal unused exclusion amount calculated in
accordance with paragraph (9) of this subsection.~~

~~(4) (i) With regard to an election to value property as provided in § 2032
of the Internal Revenue Code, if a federal estate tax return is not required to be filed:~~

~~1. an irrevocable election made on a timely filed Maryland
estate tax return shall be deemed to be an election as required by § 2032(d) of the Internal
Revenue Code;~~

~~2. the provisions of § 2032(e) of the Internal Revenue Code
do not apply; and~~

~~3. an election may not be made under item 1 of this
subparagraph unless that election will decrease:~~

~~A. the value of the gross estate; and~~

~~B. the Maryland estate tax due with regard to the transfer of
a decedent's Maryland estate.~~

~~(ii) An election to value property as provided in § 2032 of the Internal
Revenue Code for Maryland estate tax purposes must be the same as the election made for
federal estate tax purposes.~~

~~(5) (i) With regard to an election to treat property as marital deduction
qualified terminable interest property in calculating the Maryland estate tax, an
irrevocable election made on a timely filed Maryland estate tax return shall be deemed to
be an election as required by § 2056(b)(7)(B)(i), (iii), and (v) of the Internal Revenue Code.~~

~~(ii) An election under this paragraph made on a timely filed
Maryland estate tax return shall be recognized for purposes of calculating the Maryland
estate tax even if an inconsistent election is made for the same decedent for federal estate
tax purposes.~~

~~(6) (i) For purposes of calculating Maryland estate tax, a decedent shall
be deemed to have had a qualifying income interest for life under § 2044(a) of the Internal
Revenue Code with regard to any property for which a marital deduction qualified
terminable interest property election was made for the decedent's predeceased spouse on a
timely filed Maryland estate tax return under paragraph (5) of this subsection.~~

~~(ii) For the purpose of apportioning Maryland estate tax under §
7-308 of this subtitle, any property as to which a decedent is deemed to have had a
qualifying income interest for life under subparagraph (i) of this paragraph shall be deemed
to be included in both the estate and the taxable estate of the decedent.~~

~~(7) For purposes of calculating Maryland estate tax, amounts allowable under § 2053 or § 2054 of the Internal Revenue Code as a deduction in computing the taxable estate of a decedent may not be allowed as a deduction or as an offset against the sales price of property in determining gain or loss if the amount has been allowed as a deduction in computing the federal taxable income of the estate or of any other person.~~

~~(8) Notwithstanding any contrary definition of “marriage” and “spouse” under any applicable provision of federal law, for purposes of calculating Maryland estate tax under this subsection, the surviving “spouse” of a decedent shall include any individual to whom, at the time of the decedent’s death, the decedent was lawfully married as determined under the laws of the State.~~

~~(9) (i) In this paragraph, “deceased spousal unused exclusion amount” means the applicable exclusion amount in effect at the time of the death of the last predeceased spouse of the decedent under paragraph (3) of this subsection reduced by the taxable estate of the last predeceased spouse:~~

~~1. as reported on a Maryland estate tax return filed with the Comptroller; or~~

~~2. as reported on a federal estate tax return, if:~~

~~A. the last predeceased spouse was not a Maryland resident and no property with a Maryland estate tax situs was includible in the gross estate of the last predeceased spouse; or~~

~~B. the last predeceased spouse died before January 1, 2010, and no Maryland estate tax return was required to be filed with respect to the predeceased spouse’s estate.~~

~~(ii) The deceased spousal unused exclusion amount may not be taken into account under paragraph (3) of this subsection unless:~~

~~1. if the last predeceased spouse died on or after January 1, 2010, a Maryland estate tax return is timely filed for the last predeceased spouse, on which the deceased spousal unused exclusion amount is calculated and an irrevocable election is made that the deceased spousal unused exclusion amount may be taken into account; or~~

~~2. if the last predeceased spouse died before January 1, 2010, or was not a Maryland resident and no property with a Maryland estate tax situs was includible in the gross estate of the last predeceased spouse, an election was made under § 2010(c) of the Internal Revenue Code on the federal estate tax return of the last predeceased spouse.~~

~~(iii) 1. Notwithstanding any other provision of this article, the Comptroller may examine a Maryland estate tax return of a predeceased spouse after the time for assessing a tax under this title has expired under § 13-1101 of this article solely~~

~~for the purposes of determining the validity of the deceased spousal unused exclusion election and the amount to be taken into account under paragraph (3) of this subsection.~~

~~2. This subparagraph may not be construed to authorize the assessment of any additional tax with respect to the predeceased spouse's Maryland estate tax return if the period of limitation under § 13-1101 of this article has expired.~~

10-730.

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

(4) (i) "Film production activity" means:

1. the production of a film or video project that is intended for nationwide commercial distribution; and

2. for a television series, each season of the television series.

(ii) "Film production activity" includes the production of:

1. a feature film;

2. a television project;

3. a commercial;

4. a corporate film;

5. a music video;

6. a digital animation project;

7. a documentary; or

8. a talk, reality, or game show.

(iii) "Film production activity" does not include production of:

1. a student film;

2. a noncommercial personal video;

3. a sports broadcast;

4. a broadcast of a live event;

5. a video, computer, or social networking game;

1 6. pornography;

2 7. an infomercial;

3 8. a digital project or an animation project other than a
4 digital animation project; or

5 9. a multimedia project.

6 (7) “Qualified film production entity” means an entity that:

7 (i) is carrying out a film production activity; and

8 (ii) the Secretary determines to be eligible for the tax credit under
9 this section in accordance with subsection (c) of this section.

10 (8) “Secretary” means the Secretary of Commerce.

11 (b) (1) A qualified film production entity may claim a credit against the State
12 income tax for film production activities in the State in an amount equal to the amount
13 stated in the final tax credit certificate approved by the Secretary for film production
14 activities.

15 (2) If the tax credit allowed under this section in any taxable year exceeds
16 the total tax otherwise payable by the qualified film production entity for that taxable year,
17 the qualified film production entity may claim a refund in the amount of the excess.

18 (f) (1) Except as provided in paragraph (2) of this subsection, the Secretary
19 may not issue tax credit certificates for credit amounts in the aggregate totaling more than:

20 (i) for fiscal year 2014, \$25,000,000;

21 (ii) for fiscal year 2015, \$7,500,000;

22 (iii) for fiscal year 2016, \$7,500,000;

23 (iv) for fiscal year 2019, \$8,000,000;

24 (v) for fiscal year 2020, \$11,000,000;

25 (vi) for fiscal years 2021 through 2023, \$12,000,000;

26 (vii) for fiscal year 2024, \$15,000,000;

27 (viii) for fiscal year 2025, \$17,500,000; AND

(ix) [for fiscal year 2026, \$20,000,000; and

(x)] for fiscal year [2027] 2026 and each fiscal year thereafter,
\$12,000,000.

(2) If the aggregate credit amounts under the tax credit certificates issued by the Secretary total less than the maximum provided under paragraph (1) of this subsection in any fiscal year, any excess amount may be carried forward and issued under tax credit certificates in a subsequent fiscal year.

(3) The Secretary may not issue tax credit certificates for credit amounts totaling more than \$10,000,000 in the aggregate for a single film production activity.

(4) (i) For fiscal year 2019 and each fiscal year thereafter, the Secretary shall make 10% of the credit amount authorized under paragraph (1) of this subsection available for Maryland small or independent film entities.

(ii) If the total amount of credits applied for by Maryland small or independent film entities is less than the amount made available under subparagraph (i) of this paragraph, the Secretary shall make available the unused amount of credits for use by qualified film production entities.

10–740.

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

(2) “Commission” means the Maryland Higher Education Commission.

(3) “Qualified taxpayer” means an individual who has:

(i) incurred at least \$20,000 in undergraduate or graduate student loan debt or both; and

(ii) has at least \$5,000 in outstanding undergraduate or graduate student loan debt or both when submitting an application under subsection (c) of this section.

(b) Subject to the limitations of this section, a qualified taxpayer may claim a credit against the State income tax for the taxable year in which the Commission certifies a tax credit under this section.

(c) (1) (i) By September 15 of each year, an individual shall submit an application to the Commission for the credit allowed under this section.

(ii) The individual shall submit with the application an assurance that the individual will use any credit approved under this section for the repayment of the individual’s undergraduate or graduate student loan debt or both as soon as practicable.

(iii) 1. The total amount of the credit claimed under this section shall be recaptured if the individual does not use the credit approved under this section for the repayment of the individual's undergraduate or graduate student loan debt or both within 3 years from the close of the taxable year for which the credit is claimed.

2. The individual who claimed the credit shall pay the total amount of the credit claimed as taxes payable to the State for the taxable year in which the event requiring recapture of the credit occurs.

(2) By December 15 of each year the Commission shall certify to the individual the amount of any tax credit approved by the Commission under this section, not to exceed \$5,000.

(3) (I) **FOR TAX YEAR 2025, THE TOTAL AMOUNT OF TAX CREDITS APPROVED BY THE COMMISSION UNDER THIS SECTION MAY NOT EXCEED \$9,000,000.**

(II) For any taxable year **AFTER 2025**, the total amount of tax credits approved by the Commission under this section may not exceed \$18,000,000.

(4) (i) Except as provided in subparagraph (ii) of this paragraph, the Commission shall reserve \$9,000,000 of the tax credits authorized under paragraph (3) of this subsection for the following individuals in the following order of priority:

1. State employees who graduated from institutions of higher education in the State where at least 40% of the attendees are eligible to receive federal Pell Grants; and

2. all other State employees not described under item 1 of this subparagraph.

(ii) If the total amount of tax credits applied for by individuals described under subparagraph (i) of this paragraph is less than \$9,000,000 for a taxable year, the Commission may make available the unused amount of credits for use by other qualified taxpayers.

(5) To claim the tax credit allowed under this section, an individual shall attach a copy of the Commission's certification of the approved credit amount to the income tax return.

(g) (1) On or before January 1 each year, the Commission shall report to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly on:

1 [(1)] (I) the number of applicants for the tax credit authorized under this
2 section;

3 [(2)] (II) the number and amounts of tax credits awarded under this
4 section to qualified taxpayers;

5 [(3)] (III) a breakdown of the age, gender, race, income, and counties of
6 residency of qualified taxpayers who receive the credit; and

7 [(4)] (IV) any additional information that the Commission deems relevant.

8 **(2) ON OR BEFORE JANUARY 1, 2026, THE COMMISSION SHALL**
9 **REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE**
10 **GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY RECOMMENDATIONS FOR**
11 **CHANGES TO STATUTE OR REGULATIONS THAT WOULD BETTER TARGET THE**
12 **ALLOCATION OF TAX CREDITS UNDER THIS PROGRAM.**

13 (i) The tax credit under this section shall be referred to as the Student Loan Debt
14 Relief Tax Credit.

15 10–741.

16 (d) (1) In this subsection, “Reserve Fund” means the More Jobs for
17 Marylanders Tax Credit Reserve Fund established under paragraph (2) of this subsection.

18 (2) (i) There is a More Jobs for Marylanders Tax Credit Reserve Fund
19 that is a special continuing, nonlapsing fund that is not subject to § 7–302 of the State
20 Finance and Procurement Article.

21 (ii) The money in the Reserve Fund shall be invested and reinvested
22 by the Treasurer, and interest and earnings shall be credited to the General Fund.

23 (3) (i) Subject to the limitations of this subsection, the Department
24 shall issue an initial tax credit certificate in an amount equal to a percentage of total wages
25 paid for each qualified position at an eligible project as calculated under subsection (b)(2)
26 of this section.

27 (ii) An initial tax credit certificate issued under this subsection shall
28 state the maximum amount of tax credit for which the qualified business entity is eligible.

29 (iii) 1. Except as otherwise provided in this subparagraph, for
30 any fiscal year, the Department may not issue initial tax credit certificates for credit
31 amounts in the aggregate totaling more than:

1 A. with respect to qualified business entities provided a
2 certificate under § 6–805 of the Economic Development Article before June 1, 2022,
3 \$9,000,000 in a fiscal year; and

4 B. with respect to qualified business entities provided a
5 certificate under § 6–805 of the Economic Development Article on or after June 1, 2022,
6 \$5,000,000 in a fiscal year.

7 2. ~~[(i) THROUGH FISCAL YEAR 2025, IF~~ the aggregate
8 credit amounts under initial tax credit certificates issued in a fiscal year total less than the
9 maximum provided under subsubparagraph 1 of this subparagraph, any excess amount
10 shall remain in the Reserve Fund.

11 ~~3. FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR~~
12 ~~THEREAFTER, IF THE AGGREGATE CREDIT AMOUNTS UNDER INITIAL TAX CREDIT~~
13 ~~CERTIFICATES ISSUED IN A FISCAL YEAR TOTAL LESS THAN THE MAXIMUM~~
14 ~~PROVIDED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, ANY EXCESS~~
15 ~~AMOUNT SHALL REVERT TO THE GENERAL FUND OF THE STATE AT THE CLOSE OF~~
16 ~~THE FISCAL YEAR.~~

17 ~~[(3.) 4.~~ For any fiscal year, if funds are transferred from the
18 Reserve Fund under the authority of any provision of law other than under paragraph (4)
19 of this subsection, the maximum credit amounts in the aggregate for which the Department
20 may issue initial tax credit certificates shall be reduced by the amount transferred.

21 (iv) For fiscal year 2019 and each fiscal year thereafter, the Governor
22 shall include in the annual budget bill an appropriation to the Reserve Fund in an amount
23 that is no less than the amount the Department reports is necessary under subsection (e)
24 of this section to:

25 1. maintain the current level of manufacturing activity in the
26 State;

27 2. attract new manufacturing activity to the State; and

28 3. attract new businesses to and encourage the expansion of
29 existing businesses within opportunity zones in the State.

30 (v) Notwithstanding the provisions of § 7–213 of the State Finance
31 and Procurement Article, the Governor may not reduce an appropriation to the Reserve
32 Fund in the State budget as approved by the General Assembly.

33 (vi) Based on an amount equal to a percentage of the total actual
34 wages paid for each qualified position at an eligible project as calculated under subsection
35 (b)(2) of this section, the Department shall issue a final tax credit certificate to the qualified
36 business entity.

(4) (i) Except as provided in this paragraph, money appropriated to the Reserve Fund shall remain in the Fund.

(ii) 1. Within 15 days after the end of each calendar quarter, the Department shall notify the Comptroller as to each final credit certificate issued during the quarter:

A. the maximum credit amount stated in the initial tax credit certificate for the qualified business entity; and

B. the final certified credit amount for the qualified business entity.

2. On notification that a final credit amount has been certified, the Comptroller shall transfer an amount equal to the credit amount stated in the ~~final~~ **INITIAL** tax credit certificate for the qualified business entity from the Reserve Fund to the General Fund.

Article – Tax – Property

2–106.

(a) Each county shall provide the supervisor of the county with an office in the county seat or in Baltimore City, for the supervisor of Baltimore City. The Department is responsible for providing each supervisor with clerical staff, equipment, and other facilities and assistance that the Department considers necessary and as provided in the State budget.

(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 § 3.5–309 of the State Finance and Procurement Article.

(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.

(c) Costs under subsection (b) of this section shall be allocated among the counties and Baltimore City as follows:

(1) costs under subsection (b)(1)(i) and (iii) of this section will be allocated based on the number of real property accounts of a county or Baltimore City as a percentage of the total number of real property accounts statewide as of July 1 of the preceding fiscal year; and

(2) costs under subsection (b)(1)(ii) of this section will be allocated based on the business personal property assessable base of a county or Baltimore City as a percentage of the total business personal property assessable bases statewide as of July 1 of the preceding fiscal year.

(d) Each county and Baltimore City shall remit a quarterly payment to the Comptroller for 25% of the jurisdiction's share of costs on the following dates:

(1) July 1;

(2) October 1;

(3) January 1; and

(4) April 1.

(e) The Comptroller may withhold a portion of a local income tax distribution of a county or Baltimore City that fails to make timely payment in accordance with this section.

~~9-103.~~

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

~~(2) "Base year" means the taxable year immediately before the taxable year in which a property tax credit under this section is to be granted.~~

~~(3) (i) "Base year value" means the value of the property used to determine the assessment on which the property tax on real property was imposed for the base year.~~

~~(ii) "Base year value" does not include any new real property that was first assessed in the base year.~~

~~(4) (i) "Business entity" means a person who operates or conducts a trade or business.~~

~~(ii) "Business entity" includes a person who owns, operates, develops, constructs, or rehabilitates real property, if the real property:~~

~~1. is intended for use primarily as single or multifamily residential property located in the enterprise zone; and~~

~~2. is partially devoted to a nonresidential use.~~

~~(5) (i) "Eligible assessment" means the difference between the base year value and the actual value as determined by the Department for the applicable taxable year in which the tax credit under this section is to be granted.~~

~~(ii) For a business entity that is located on land or within improvements owned by the federal, State, county, or municipal government, "eligible assessment" means the difference between the base year value and the actual value reduced by the value of any property entitled to an exemption under Title 7 of this article as determined by the Department for the applicable taxable year in which the tax credit under this section is to be granted.~~

~~(6) (i) "Qualified property" means real property that is:~~

~~1. not used for residential purposes;~~

~~2. used in a trade or business by a business entity that meets the requirements of § 5-707 of the Economic Development Article; and~~

~~3. located in an enterprise zone that is designated under Title 5, Subtitle 7 of the Economic Development Article.~~

~~(ii) "Qualified property" includes personal property on real property that is located in a focus area as defined in § 5-701 of the Economic Development Article.~~

~~(e) (1) A tax credit under this section is available to a qualified property for no more than 10 consecutive years or, in the case of newly constructed qualified property that provides both office and retail space and became eligible for the credit under this section on or after January 1, 2019, but before January 1, 2022, no more than 13 consecutive years, beginning with:~~

~~(i) the taxable year following the calendar year in which the real property initially becomes a qualified property; or~~

~~(ii) the taxable year in which the real property initially becomes a qualified property, subject to the approval of the appropriate local governing body and the Secretary of Commerce.~~

~~(2) Even if the designation of an enterprise zone expires, the tax credit under this section continues to be available to a qualified property.~~

~~(3) Notwithstanding § 5-707(d) of the Economic Development Article but subject to § 5-707(b) and (c) of the Economic Development Article, a business entity operating in an enterprise zone when the designation of the enterprise zone expires may claim the credits allowed under this section for real property that:~~

~~(i) the business owns, operates, develops, constructs, or rehabilitates within 5 years after the date the designation of the enterprise zone expired; and~~

~~(ii) otherwise qualifies for the credits allowed under this section.~~

~~(4) State property tax imposed on real property is not affected by this section.~~

~~(5) NO NEW PROPERTIES MAY QUALIFY OR BE AWARDED TAX CREDITS AFTER JUNE 30, 2025.~~

~~(f) When an enterprise zone is designated by the Secretary of Commerce, the appropriate governing body shall certify to the Department of Assessments and Taxation:~~

~~(1) the real properties in the enterprise zone that are qualified properties for each taxable year for which the property tax credit under this section is to be granted; and~~

~~(2) the date that the real properties became qualified properties.~~

~~(3) NO PROPERTIES MAY BE DESIGNATED AS QUALIFIED PROPERTIES AFTER JUNE 30, 2025.~~

Article – Transportation

2–802.

(b) (1) Subject to paragraph (2) of this subsection, when a deposit or payment is made in accordance with § 9–120(b)(1)(xi) of the State Government Article into the Bus Rapid Transit Fund established under § 2–802.1 of this subtitle, and there is only one eligible grantee, then the Department shall award a grant to the eligible grantee equal to the amount distributed to the Department under § 9–120(b)(1)(xi) of the State Government Article.

(2) (i) If there are two eligible grantees, and one eligible grantee is Montgomery County, the Department shall distribute [\$20,000,000] \$25,000,000 to Montgomery County and the remaining amount of the deposit or payment under § 9–120(b)(1)(xi) of the State Government Article to the remaining eligible grantee.

~~3-216.~~

~~(e) (1) Except as otherwise provided in this subsection, this section is effective notwithstanding any other provision of law.~~

~~(2) Nothing in this section may adversely affect in any way the security of any of the following bonds while they are outstanding and unpaid:~~

~~(i) State highway construction bonds, second issue;~~

~~(ii) State highway construction bonds, third issue;~~

~~(iii) County highway construction bonds; [or]~~

~~(iv) County highway construction bonds, second issue; OR~~

~~(v) BUS RAPID TRANSIT BONDS ISSUED WITH FUNDING COMMITMENTS FROM THE BUS RAPID TRANSIT FUND ESTABLISHED UNDER § 2-802.1 OF THIS ARTICLE.~~

~~(3) It is the intent of the General Assembly that, as long as any of the bonds listed in paragraph (2) of this subsection are outstanding and unpaid:~~

~~(i) The sinking fund requirements established for the payment of the principal of and interest on those bonds shall remain unchanged, as if this section had not been enacted; and~~

~~(ii) The taxes and revenues pledged to the payment of the principal of and interest on those bonds as they become due and payable may not be repealed, diminished, or applied to any other purpose until:~~

~~1. The bonds and the interest on them have become due and fully paid; or~~

~~2. Adequate and complete provision for payment of the principal and interest has been made.~~

2-802.1.

(a) In this section, "Fund" means the Bus Rapid Transit Fund.

(b) There is a Bus Rapid Transit Fund.

(c) The purpose of the Fund is to [provide]:

1 (1) PROVIDE grants to eligible grantees, as defined under § 2-802 of this
2 subtitle; AND

3 (2) MAKE FUNDING COMMITMENTS FOR THE ISSUANCE OF BUS RAPID
4 TRANSIT BONDS.

5 8-402.

6 (a) There is a Gasoline and Motor Vehicle Revenue Account in the Transportation
7 Trust Fund.

8 (b) All revenues collected from the following, after deductions provided by law,
9 shall be credited to the Gasoline and Motor Vehicle Revenue Account:

10 (1) All of the motor vehicle fuel tax;

11 (2) Except as otherwise provided by law, two-thirds of the REVENUE
12 FROM THE vehicle titling tax, EXCLUDING REVENUE ATTRIBUTABLE TO:

13 (I) A VEHICLE TITLING TAX RATE IN EXCESS OF 6%; OR

14 (II) THE VEHICLE TITLING TAX IMPOSED ON RENTAL VEHICLES
15 UNDER § 13-809(C)(1)(II) OF THIS ARTICLE;

16 (3) Except for revenues collected under Title 13, Subtitle 9, Parts III and
17 IV of this article, vehicle registration fees;

18 (4) The revenue disbursed to this Account under § 2-614 of the Tax –
19 General Article; and

20 (5) 80% of the funds distributed on short-term vehicle rentals under §
21 2-1302.1 of the Tax – General Article to the Transportation Trust Fund from the sales and
22 use tax.

23 (c) For fiscal year 2020 and each fiscal year thereafter, revenue credited to the
24 Account shall be used as provided in § 3-216 of this article.

25 13-802.

26 (a) Except as provided in subsection (b) of this section and § 13-805 of this
27 subtitle, the fee for each certificate of title issued under this title is [\$100] \$200.

28 (b) (1) The fee for each certificate of title issued for a rental vehicle is [\$50]
29 \$100.

(2) The fee for each certificate of title issued for an off-highway recreational vehicle is ~~[\$35]~~ \$70.

(3) The fee for each certificate of title issued for a motor scooter or a moped is ~~[\$20]~~ \$40.

(4) The fee for each certificate of title issued for a trailer with a gross vehicle weight of 3,000 pounds or less is ~~[\$50]~~ \$100 if:

(i) The trailer is transferred to:

1. A spouse, child, grandchild, parent, sibling, grandparent, father-in-law, mother-in-law, son-in-law, or daughter-in-law of the transferor; or

2. A niece or nephew of the transferor if the transferor is at least 65 years of age at the time of the transfer; and

(ii) No money or other valuable consideration is involved in the transfer.

(5) On the death of a joint owner of a vehicle, the Administration may not charge a fee for a new certificate of title issued for the vehicle to another joint owner who is the surviving spouse.

(6) On the death of a sole owner of a vehicle, the Administration may not charge a fee for a new certificate of title issued for the vehicle to a surviving spouse if ownership of the vehicle is transferred in accordance with § 13-114 of this title.

(c) The Administration may not charge a fee for a certificate of title issued for a vehicle that is transferred to a trust or from a trust to one or more beneficiaries in accordance with § 14.5-1001 of the Estates and Trusts Article.

13-809.

(c) (1) Except as provided in subsection (b)(2) of this section, the tax imposed by this section is ~~[6 percent]~~:

(I) EXCEPT AS PROVIDED IN ITEM (II) OF THIS PARAGRAPH, ~~6.8%~~ 6.5% of the fair market value of the vehicle; OR

(II) FOR A RENTAL VEHICLE, 3.5% OF THE FAIR MARKET VALUE OF THE VEHICLE.

(2) If the vehicle formerly was a vehicle exempt from the tax imposed by this section, the tax shall be reduced by any amount previously paid by the present owner as a sales and use tax on the vehicle under Title 11 of the Tax – General Article.

1 (3) (i) If the vehicle was formerly titled and registered in another state
2 and the present owner has paid a sales or excise tax to that state at a rate less than that
3 imposed by this State, then the tax imposed shall apply but at a rate measured by the
4 difference only between the tax rate paid to the other state and the tax rate imposed by this
5 section, if the present owner has not been a Maryland resident for more than 60 days.

6 (ii) If the vehicle was formerly titled and registered in another state
7 and the present owner requests to transfer the vehicle in accordance with § 13–810(c)(1) of
8 this subtitle, the Administration shall change or correct the names contained in the
9 certificate of title:

10 1. At the time the excise tax that is credited or imposed
11 under this section is paid and a new title is issued; and

12 2. Without issuing multiple certificates of title or charging
13 additional fees.

14 (iii) Except as provided in subsection (b)(2) of this section, the
15 minimum tax imposed under this section shall be \$100.

16 13–810.

17 (a) On issuance in this State of an original or subsequent certificate of title for a
18 vehicle, the vehicle is exempt from the excise tax imposed by this part, if it is:

19 (24) A vehicle acquired by a religious, charitable, or volunteer organization
20 exempt from taxation under § 501(c) of the Internal Revenue Code, the Department of
21 Human Services, or a local department of social services for the purpose of transferring the
22 vehicle to a Family Investment Program recipient or an individual certified by the
23 Department of Human Services or a local department of social services as eligible for the
24 transfer; OR

25 [(25) A rental vehicle; or]

26 [(26)] **(25)** A vehicle that is transferred to a trust or from a trust to one or
27 more beneficiaries in accordance with § 14.5–1001 of the Estates and Trusts Article.

28 13–936.

29 (a) In this section, “historic motor vehicle” means a motor vehicle, including a
30 passenger vehicle, motorcycle, or truck that:

31 (1) Is [at least 20 years old] A MODEL YEAR OF 1999 OR EARLIER;

(2) Has not been substantially altered from the manufacturer's original design; and

(3) Meets criteria contained in regulations adopted by the Administration.

(b) In this section, "historic motor vehicle" does not include a vehicle that has been remanufactured or reconstructed as a replica of an original vehicle.

(c) If registered with the Administration under this section, every historic motor vehicle is a Class L (historic) vehicle.

(d) Except as provided in subsection (i) of this section, for each Class L (historic) vehicle, the annual registration fee is:

(1) On or after July 1, 2024, but before July 1, 2025, \$45.50; and

(2) On or after July 1, 2025, \$55.50.

(e) In applying for registration of a historic motor vehicle under this section, the owner of the vehicle shall submit with the application a certification that the vehicle for which the application is made:

(1) Will be maintained for use in exhibitions, club activities, parades, tours, and occasional transportation; and

(2) Will not be used:

(i) For general daily transportation;

(ii) Primarily for the transportation of passengers or property on highways;

(iii) For employment;

(iv) For transportation to and from employment or school; or

(v) For commercial purposes.

(f) Except as provided in § 13-936.1 of this subtitle, on registration of a vehicle under this section, the Administration shall issue a special, historic motor vehicle registration plate of the size and design that the Administration determines.

(g) Unless the presence of the equipment was specifically required by a statute of this State as a condition of sale when the vehicle was manufactured, the presence of any specific equipment is not required for the operation of a vehicle registered under this section.

(h) (1) A vehicle with a model year of 1985 or earlier registered under this section is exempt from any statute that requires vehicle inspections.

(2) A vehicle registered under this section is exempt from any statute that requires the use and inspection of emission controls.

(i) (1) For a motor vehicle manufactured at least 60 years prior to the current model year, there is a onetime registration fee of \$50.00.

(2) Registration of a motor vehicle manufactured under this subsection is not transferable to a subsequent owner.

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

Article – Tax – General

2-605.3.

AFTER MAKING THE DISTRIBUTIONS REQUIRED UNDER §§ 2-604, 2-605, 2-605.1, AND 2-605.2 OF THIS SUBTITLE, FROM THE REMAINING INCOME TAX REVENUE FROM INDIVIDUALS, THE COMPTROLLER SHALL DISTRIBUTE 37.5% OF THE INCOME TAX REVENUE ATTRIBUTABLE TO THE TAX IMPOSED UNDER § 10-105(A)(3) OF THIS ARTICLE TO THE TRANSPORTATION TRUST FUND.

2-606.

(a) After making the distributions required under §§ 2-604[, 2-605, and 2-605.1] THROUGH 2-605.3 of this subtitle, from the remaining income tax revenue from individuals, the Comptroller shall distribute to an unallocated individual revenue account the income tax revenue:

(1) with respect to which an income tax return is not filed; and

(2) that is attributable to:

(i) income tax withheld from salary, wages, or other compensation for personal services under Title 10 of this article; or

(ii) estimated income tax payments by individuals.

~~10-104.~~

~~(A) The income tax does not apply to the income of:~~

~~(1) a common trust fund, as defined in § 3-501(b) of the Financial Institutions Article;~~

~~(2) except as provided in §§ 10-101(c)(3) of this subtitle and 10-304(2) of this title, an organization that is exempt from taxation under § 408(c)(1) or § 501 of the Internal Revenue Code;~~

~~(3) a financial institution that is subject to the financial institution franchise tax;~~

~~(4) [a person subject to taxation under Title 6 of the Insurance Article;~~

~~(5) except as provided in § 10-102.1 of this subtitle, a partnership, as defined in § 761 of the Internal Revenue Code;~~

~~[(6)] (5) except as provided in § 10-102.1 of this subtitle and § 10-304(3) of this title, an S corporation;~~

~~[(7)] (6) except as provided in § 10-304(4) of this title, an investment conduit or a special exempt entity; or~~

~~[(8)] (7) except as provided in § 10-102.1 of this subtitle, a limited liability company as defined under Title 4A of the Corporations and Associations Article to the extent that the company is taxable as a partnership, as defined in § 761 of the Internal Revenue Code.~~

~~(B) THE INCOME TAX DOES NOT APPLY TO INCOME THAT IS SUBJECT TO TAXATION UNDER TITLE 6 OF THE INSURANCE ARTICLE.~~

10-105.

(a) (1) For an individual other than an individual described in paragraph (2) of this subsection, the State income tax rate is:

(i) ~~[(2%)] 4.7%~~ of Maryland taxable income of \$1 through ~~[\$1,000]~~ **\$100,000**;

(ii) ~~[(3%)]~~ 3% of Maryland taxable income of \$1,001 through \$2,000;

(iii) 4% of Maryland taxable income of \$2,001 through \$3,000;

(iv) 4.75% of Maryland taxable income of \$3,001 through \$100,000;

(v) ~~[(5%)]~~ 5% of Maryland taxable income of \$100,001 through \$125,000;

~~[(vi)] ~~(III)~~~~ 5.25% of Maryland taxable income of \$125,001 through
\$150,000;

~~[(vii)] ~~(IV)~~~~ 5.5% of Maryland taxable income of \$150,001 through
\$250,000; ~~and~~

~~(viii)] ~~(V)~~~~ 5.75% of Maryland taxable income [in excess of \$250,000]
OF \$250,001 THROUGH \$500,000;

~~(VI)] (IX)~~ **6.25% OF MARYLAND TAXABLE INCOME OF \$500,001
THROUGH \$1,000,000; AND**

~~(VII)] (X)~~ **6.50% OF MARYLAND TAXABLE INCOME IN EXCESS OF
\$1,000,000.**

(2) For spouses filing a joint return or for a surviving spouse or head of
household as defined in § 2 of the Internal Revenue Code, the State income tax rate is:

(i) ~~[(2%)] ~~4.7%~~~~ of Maryland taxable income of \$1 through ~~[(1,000)]
~~\$150,000;~~~~

(ii) ~~[(3%)]~~ 3% of Maryland taxable income of \$1,001 through \$2,000;

(iii) 4% of Maryland taxable income of \$2,001 through \$3,000;

(iv) 4.75% of Maryland taxable income of \$3,001 through \$150,000;

~~(v)]~~ 5% of Maryland taxable income of \$150,001 through \$175,000;

~~[(vi)] ~~(III)~~~~ 5.25% of Maryland taxable income of \$175,001 through
\$225,000;

~~[(vii)] ~~(IV)~~~~ 5.5% of Maryland taxable income of \$225,001 through
\$300,000; ~~and~~

~~(viii)] ~~(V)~~~~ 5.75% of Maryland taxable income [in excess of \$300,000]
OF \$300,001 THROUGH \$600,000;

~~(VI)] (IX)~~ **6.25% OF MARYLAND TAXABLE INCOME OF \$600,001
THROUGH \$1,200,000; AND**

~~(VII)] (X)~~ **6.50% OF MARYLAND TAXABLE INCOME IN EXCESS OF
\$1,200,000.**

(3) (i) EXCEPT AS PROVIDED IN SUBPARAGRAPH (ii) OF THIS PARAGRAPH, IF THE MARYLAND ~~TAXABLE INCOME~~ ADJUSTED GROSS INCOME OF AN INDIVIDUAL DESCRIBED IN PARAGRAPH (1) OR (2) OF THIS SUBSECTION INCLUDES ANY AMOUNT OF NET CAPITAL GAIN, AS DEFINED AND DETERMINED UNDER THE INTERNAL REVENUE CODE, THE STATE INCOME TAX FOR THE INDIVIDUAL IS THE SUM OF:

1. THE RATES SPECIFIED IN PARAGRAPH (1) OR (2) OF THIS SUBSECTION APPLIED TO MARYLAND TAXABLE INCOME; AND

2. AN ADDITIONAL ~~1%~~ 2% OF THE AMOUNT OF NET CAPITAL GAIN INCLUDED IN THE INDIVIDUAL'S MARYLAND ~~TAXABLE INCOME~~ ADJUSTED GROSS INCOME.

(ii) TO THE EXTENT INCLUDED IN CALCULATING NET CAPITAL GAIN FOR FEDERAL INCOME TAX PURPOSES, ANY AMOUNT OF CAPITAL GAIN FROM THE SALE OR EXCHANGE OF THE FOLLOWING ASSETS IS NOT SUBJECT TO THE ADDITIONAL ~~1%~~ 2% TAX RATE SPECIFIED IN SUBPARAGRAPH (i)2 OF THIS PARAGRAPH:

1. ANY RESIDENTIAL DWELLING SOLD FOR LESS THAN \$1,500,000 THAT IS THE INDIVIDUAL'S PRIMARY RESIDENCE, INCLUDING THE LAND ON WHICH THE DWELLING IS LOCATED AND ANY ACCESSORY DWELLING UNIT ASSOCIATED WITH THE RESIDENCE, IF THE DWELLING IS A SINGLE-FAMILY HOME, A TOWN HOUSE, A ROW HOME, A RESIDENTIAL CONDOMINIUM UNIT, OR A RESIDENTIAL COOPERATIVE UNIT;

2. ASSETS HELD IN:

A. A CASH OR DEFERRED ARRANGEMENT PLAN UNDER § 401(K) OF THE INTERNAL REVENUE CODE;

B. A TAX-SHELTERED ANNUITY OR CUSTODIAL ACCOUNT UNDER § 403(B) OF THE INTERNAL REVENUE CODE;

C. A DEFERRED COMPENSATION PLAN UNDER § 457(B) OF THE INTERNAL REVENUE CODE;

D. AN INDIVIDUAL RETIREMENT ACCOUNT OR INDIVIDUAL RETIREMENT ANNUITY UNDER § 408 OF THE INTERNAL REVENUE CODE;

E. A ROTH INDIVIDUAL RETIREMENT ACCOUNT UNDER § 408A OF THE INTERNAL REVENUE CODE; OR

F. A DEFINED CONTRIBUTION PLAN, A DEFINED BENEFIT PLAN, OR A SIMILAR RETIREMENT SAVINGS PLAN;

3. CATTLE, HORSES, OR BREEDING LIVESTOCK HELD FOR MORE THAN 12 MONTHS IF, FOR THE TAXABLE YEAR OF THE SALE OR EXCHANGE, MORE THAN 50% OF THE INDIVIDUAL'S GROSS INCOME FOR THE TAXABLE YEAR, INCLUDING INCOME FROM THE SALE OR EXCHANGE OF CAPITAL ASSETS, IS FROM FARMING OR RANCHING;

4. LAND THAT IS SUBJECT TO A CONSERVATION, AGRICULTURAL, OR FOREST PRESERVATION EASEMENT OR THAT WILL BE SUBJECT TO A CONSERVATION, AGRICULTURAL, OR FOREST PRESERVATION EASEMENT ON THE SALE OR EXCHANGE OF THE LAND;

5. PROPERTY USED IN A TRADE OR BUSINESS, THE COST OF WHICH IS DEDUCTIBLE UNDER § 179 OF THE INTERNAL REVENUE CODE; OR

6. AFFORDABLE HOUSING OWNED BY A NONPROFIT ORGANIZATION.

(4) THE PROVISIONS OF PARAGRAPH (3) OF THIS SUBSECTION SHALL APPLY ~~FOR TAXABLE YEARS 2025 THROUGH 2028~~ FOR INDIVIDUALS DESCRIBED IN PARAGRAPH (1) OR (2) OF THIS SUBSECTION WITH A FEDERAL ADJUSTED GROSS INCOME IN EXCESS OF \$350,000.

~~(b) The State income tax rate for a [corporation is 8.25% of Maryland taxable income] CORPORATION'S MARYLAND TAXABLE INCOME IS:~~

~~(1) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2024, BUT BEFORE JANUARY 1, 2027, 8.25%;~~

~~(2) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2026, BUT BEFORE JANUARY 1, 2028, 8.12%; AND~~

~~(3) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2027, 7.99%.~~

10-106.

(a) (1) Each county shall set, by ordinance or resolution, a county income tax equal to at least 2.25% but not more than [3.20%] 3.30% of an individual's Maryland taxable income for a taxable year beginning after December 31, 2001.

1 10-217.

2 (a) ~~f~~(1) (i) Except as otherwise provided in this subsection, an individual
3 may elect to use the standard deduction to compute Maryland taxable income whether or
4 not the individual itemizes deductions on the individual's federal income tax return in
5 determining federal taxable income.

6 (ii) If an individual elects to use the standard deduction on the
7 federal income tax return, the individual may not take any itemized deduction in § 10-218
8 of this subtitle.

9 (2) A fiduciary may not use the standard deduction.

10 (b) ~~Subject to the limitation in subsection (c) of this section, the standard~~
11 ~~deduction for an individual is an amount equal to 15% of the individual's Maryland adjusted~~
12 ~~gross income.~~

13 ~~(c)~~ (1) For an individual other than one described in paragraphs (2) and (3) of
14 this subsection, the standard deduction[:

15 (i) may not be less than \$1,500; and

16 (ii) may not exceed \$2,250] ~~IS \$5,600~~ \$3,350.

17 (2) For an individual described in § 2 of the Internal Revenue Code as a
18 head of household or as a surviving spouse, the standard deduction[:

19 (i) may not be less than \$3,000; and

20 (ii) may not exceed \$4,500] ~~IS \$11,200~~ \$6,700.

21 (3) For spouses on a joint return, the standard deduction[:

22 (i) may not be less than \$3,000; and

23 (ii) may not exceed \$4,500] ~~IS \$11,200~~ \$6,700.

24 [(d)] ~~(B)~~ (C) (1) For each taxable year beginning after December 31, ~~2018~~ 2025,
25 [each minimum and maximum] **THE** standard deduction [limitation] amount specified in
26 subsection [(c)] ~~(A)~~ (B) of this section shall be increased by an amount equal to the product
27 of multiplying the [minimum and maximum] standard deduction [limitation] amount by
28 the cost-of-living adjustment specified in this subsection.

29 (2) For purposes of this subsection, the cost-of-living adjustment is the
30 cost-of-living adjustment within the meaning of § 1(f)(3) of the Internal Revenue Code for
31 the calendar year in which a taxable year begins, as determined by the Comptroller, by

substituting “calendar year ~~2017~~ **2024**” for “calendar year 2016” in § 1(f)(3)(A) of the Internal Revenue Code.

(3) If any increase determined under paragraph (1) of this subsection is not a multiple of \$50, the increase shall be rounded down to the next lowest multiple of \$50.

10–218.

(a) Only an individual who itemizes deductions on the individual’s federal income tax return may elect to itemize deductions on the individual’s income tax return.

(b) ~~AN~~ **SUBJECT TO SUBSECTION (C) OF THIS SECTION, AN** individual who elects to itemize deductions is allowed as a deduction the sum of the individual’s federal itemized deductions:

(1) limited and reduced as required under the Internal Revenue Code;

(2) further reduced by any amount deducted under § 170 of the Internal Revenue Code for contributions of a preservation or conservation easement for which a credit is claimed under § 10–723 of this title; and

(3) further reduced by the amount claimed as taxes on income paid to a state or political subdivision of a state, after subtracting a pro rata portion of the reduction to itemized deductions required under § 68 of the Internal Revenue Code.†

(C) (1) IN THIS SUBSECTION, “APPLICABLE AMOUNT” MEANS:

(I) \$100,000 FOR A MARRIED INDIVIDUAL FILING SEPARATELY;

AND

(II) \$200,000 FOR ALL OTHER FILERS.

(2) THIS SUBSECTION DOES NOT APPLY TO A FIDUCIARY.

(3) IN THE CASE OF AN INDIVIDUAL WHOSE FEDERAL ADJUSTED GROSS INCOME EXCEEDS THE APPLICABLE AMOUNT, THE AMOUNT OF ITEMIZED DEDUCTIONS OTHERWISE ALLOWABLE FOR A TAXABLE YEAR SHALL BE REDUCED BY 7.5% OF THE EXCESS OF THE FEDERAL ADJUSTED GROSS INCOME OVER THE APPLICABLE AMOUNT.

(4) THIS SUBSECTION SHALL BE APPLIED AFTER THE APPLICATION OF ANY OTHER LIMITATION ON THE ALLOWANCE OF ANY ITEMIZED DEDUCTION.

10–219.

(a) A nonresident may claim and shall include only the part attributable to Maryland, as determined under this section, of:

(1) the subtractions from federal adjusted gross income under § 10–208 of this subtitle;

(2) the deduction for exemptions under § 10–211 or § 10–212 of this subtitle; and

(3) ~~[(i)]~~ the standard deduction under § 10–217 of this subtitle~~];~~ or

(ii) itemized deductions under § 10–218 of this subtitle~~].~~

(b) Unless the Comptroller requires or allows another method to compute the items listed in subsection (a) of this section, a nonresident shall prorate the items using a fraction:

(1) the numerator of which is the Maryland adjusted gross income of the nonresident; and

(2) the denominator of which is the federal adjusted gross income of the nonresident.

10–220.

(a) An individual who is a resident of the State for only a part of the taxable year may claim and shall include only the part attributable to Maryland, as determined under this section, of:

(1) the additions to federal adjusted gross income under § 10–204 of this subtitle;

(2) the subtractions from federal adjusted gross income under §§ 10–207 through 10–209 of this subtitle;

(3) the deduction for exemptions under § 10–211 or § 10–212 of this subtitle; and

(4) ~~[(i)]~~ the standard deduction under § 10–217 of this subtitle~~];~~ or

(ii) itemized deductions under § 10–218 of this subtitle~~].~~

(b) Unless the Comptroller requires or allows another method to compute the items listed in subsection (a) of this section, an individual who is a resident for only a part of the taxable year shall prorate the items using a fraction:

(1) the numerator of which is the number of months in which the individual was a resident; and

(2) the denominator of which is 12.

(c) An individual who is a resident for a period of more than 15 days in a month is deemed to be a resident for the full month.

10-751.

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

(2) “Qualified child” means a dependent of a taxpayer, if the dependent:

(i) is a dependent for purposes of § 152 of the Internal Revenue Code **IN EFFECT ON DECEMBER 31, 2024**; and

(ii) 1. is under the age of 6 years; or

2. A. is under the age of 17 years; and

B. is a child with a disability, as defined under § 8-401 of the Education Article.

(3) “Taxpayer” means:

(i) an individual filing an income tax return; or

(ii) a married couple filing a joint income tax return.

(b) A taxpayer who is a resident and has federal adjusted gross income [for the taxable year of \$15,000 or less may claim a credit against the State income tax for each qualified child in an amount equal to \$500] **LOWER THAN THE THRESHOLD AMOUNT OF \$15,000 MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR EACH QUALIFIED CHILD IN AN AMOUNT EQUAL TO \$500.**

(C) THE AMOUNT OF THE CREDIT SHALL BE REDUCED BY \$50 FOR EACH \$1,000, OR FRACTION THEREOF, BY WHICH THE TAXPAYER’S FEDERAL ADJUSTED GROSS INCOME EXCEEDS THE THRESHOLD AMOUNT, EXCEPT THAT THE REDUCTION CANNOT REDUCE THE CREDIT BELOW ZERO.

[(c)] (D) If the credit allowed under this section in any taxable year exceeds the State income tax for that taxable year, the taxpayer may claim a refund in the amount of the excess.

10-754.

1 (a) In this section, "eligible taxpayer" means a resident who, on the last day of the
2 taxable year, is at least 65 years old.

3 (b) Except as provided in subsection (c) of this section and subject to subsection (d)
4 of this section, an eligible taxpayer may claim a credit against the State income tax in an
5 amount equal to:

6 (1) \$1,000 for an eligible taxpayer, other than an individual described
7 under item (2) of this subsection, whose federal adjusted gross income does not exceed
8 \$100,000; or

9 (2) for spouses filing a joint return or for a surviving spouse or head of
10 household as defined in § 2 of the Internal Revenue Code whose federal adjusted gross
11 income does not exceed \$150,000:

12 (i) except as provided in item (ii) of this item, \$1,750; or

13 (ii) if only one of the individuals filing the joint return is an eligible
14 taxpayer, \$1,000.

15 (c) For a taxable year in which the September General Fund estimate for the
16 current fiscal year in the September Board of Revenue Estimates report issued during the
17 taxable year is more than [7.5%] 3.75% below the March General Fund estimate for the
18 current fiscal year in the March Board of Revenue Estimates report issued in the taxable
19 year, the amount of the credit allowed under subsection (b) of this section is limited to:

20 (1) \$500 for an eligible taxpayer, other than an individual described under
21 item (2) of this subsection, whose federal adjusted gross income is at least \$50,000 but does
22 not exceed \$100,000; or

23 (2) for spouses filing a joint return or for a surviving spouse or head of
24 household as defined in § 2 of the Internal Revenue Code whose federal adjusted gross
25 income is at least \$100,000 but does not exceed \$150,000:

26 (i) except as provided in item (ii) of this item, \$875; or

27 (ii) if only one of the individuals filing the joint return is an eligible
28 taxpayer, \$500.

29 (d) If the credit allowed under this section in any taxable year exceeds the State
30 income tax for that taxable year, the unused amount of the credit may not be carried over to
31 any other taxable year.

32 SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
33 as follows:

Article – Tax – General

2–1302.2.

After making the distributions required under §§ 2–1301 through 2–1302.1 of this subtitle, of the sales and use tax collected under § 11–104(k) of this article from the sale of cannabis, as defined in § 1–101 of the Alcoholic Beverages and Cannabis Article, the Comptroller quarterly shall distribute:

(1) ~~60%~~ 75% OF THE REVENUES AS FOLLOWS:

[(1)] (I) to the Cannabis Regulation and Enforcement Fund, established under § 36–206 of the Alcoholic Beverages and Cannabis Article, an amount necessary to defray the entire cost of the operations and administrative expenses of the Maryland Cannabis Administration established under Title 36 of the Alcoholic Beverages and Cannabis Article;

[(2)] (II) after making the distribution required under item [(1)] (I) of this [section] ITEM:

[(i)] 1. 35% to the Community Reinvestment and Repair Fund under § 1–322 of the Alcoholic Beverages and Cannabis Article for fiscal years 2024 through 2033;

[(ii)] 2. 5% to counties, which shall be allocated to each county based on the percentage of revenue collected from that county, except that a county shall distribute to a municipality located in the county 50% of the allocation received under this item that is attributable to the sales and use tax revenue generated by a dispensary located in that municipality;

[(iii)] 3. 5% to the Cannabis Public Health Fund established under § 13–4505 of the Health – General Article; and

[(iv)] 4. for fiscal years 2024 through 2028, 5% to the Cannabis Business Assistance Fund established under § 5–1901 of the Economic Development Article; and

[(3)] (III) any balance remaining after the distributions required under items [(1) and (2)] (I) AND (II) of this [section] ITEM to the General Fund of the State; AND

(2) ~~40%~~ 25% OF THE REVENUE TO THE GENERAL FUND OF THE STATE.

2–1302.5.

AFTER MAKING THE DISTRIBUTIONS REQUIRED UNDER §§ 2-1301 THROUGH 2-1302.4 OF THIS SUBTITLE, OF THE SALES AND USE TAX COLLECTED UNDER § 11-104(L) OF THIS ARTICLE, THE COMPTROLLER SHALL DISTRIBUTE THE REVENUE TO THE GENERAL FUND OF THE STATE.

2-1303.

After making the distributions required under §§ 2-1301 through [2-1302.4] 2-1302.5 of this subtitle, the Comptroller shall pay:

(1) revenues from the hotel surcharge into the Dorchester County Economic Development Fund established under § 10-130 of the Economic Development Article;

(2) to the Blueprint for Maryland's Future Fund established under § 5-206 of the Education Article, the following percentage of the remaining sales and use tax revenues:

(i) for fiscal year 2023, 9.2%;

(ii) for fiscal year 2024, 11.0%;

(iii) for fiscal year 2025, 11.3%;

(iv) for fiscal year 2026, 11.7%; and

(v) for fiscal year 2027 and each fiscal year thereafter, 12.1%; and

(3) the remaining sales and use tax revenue into the General Fund of the State.

11-101.

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

(c-1) "Customer tax address" means, with respect to a sale of a digital code [or], digital product, OR TAXABLE SERVICE DESCRIBED UNDER SUBSECTION (M)(14) OR (15) OF THIS SECTION:

(1) for a digital code [or], digital product, OR TAXABLE SERVICE DESCRIBED UNDER SUBSECTION (M)(14) OR (15) OF THIS SECTION that is received by a buyer at the business location of the vendor, the address of that business location;

(2) if item (1) of this subsection is not applicable and the primary use location of the digital code [or], digital product, DESCRIBED UNDER SUBSECTION (M)(14) OR (15) OF THIS SECTION is known by the vendor, that primary use location;

1 (3) if items (1) and (2) of this subsection are not applicable, the location
2 where the digital code [or], digital product, OR TAXABLE SERVICE DESCRIBED UNDER
3 SUBSECTION (M)(14) OR (15) OF THIS SECTION is received by the buyer, or by a donee of
4 the buyer that is identified by the buyer, if known to the vendor and maintained in the
5 ordinary course of the vendor's business;

6 (4) if items (1) through (3) of this subsection are not applicable, the location
7 indicated by an address for the buyer that is available from the business records of the
8 vendor that are maintained in the ordinary course of business of the vendor's business, when
9 use of the address does not constitute bad faith;

10 (5) if items (1) through (4) of this subsection are not applicable, the location
11 indicated by an address for the buyer obtained during the consummation of the sale,
12 including the address of the buyer's payment instrument, when use of the address does not
13 constitute bad faith; or

14 (6) if items (1) through (5) of this subsection are not applicable, including a
15 circumstance in which a vendor is without sufficient information to apply those items, one
16 of the following locations, as selected by the vendor, provided that the location is consistently
17 used by the vendor for all sales to which this item applies:

18 (i) the location in the United States of the headquarters of the
19 vendor's business;

20 (ii) the location in the United States where the vendor has the greatest
21 number of employees; or

22 (iii) the location in the United States from which the vendor makes
23 digital products available for electronic transfer.

24 (c-5) (1) "End user" means any person who receives or accesses a digital code [or],
25 digital product code, OR TAXABLE SERVICE DESCRIBED UNDER SUBSECTION (M)(14)
26 OR (15) OF THIS SECTION for use.

27 (2) "End user" does not include any person who receives a digital code [or],
28 digital product, OR TAXABLE SERVICE DESCRIBED UNDER SUBSECTION (M)(14) OR
29 (15) OF THIS SECTION for further commercial broadcast, rebroadcast, transmission,
30 retransmission, licensing, relicensing, distribution, redistribution, or exhibition of the
31 digital product.

32 (c-12) "NAICS" MEANS THE NORTH AMERICAN INDUSTRIAL
33 CLASSIFICATION SYSTEM, UNITED STATES MANUAL, 2022 EDITION, PUBLISHED BY
34 THE UNITED STATES OFFICE OF MANAGEMENT AND BUDGET.

1 ~~[(c-12)]~~ **(C-13)** “Permanent” means perpetual or for an indefinite or unspecified
2 length of time.

3 ~~(e-1)~~ **(1)** “Primary use location” means the street address representative of where
4 the buyer’s use of a digital code [or], digital product, **OR TAXABLE SERVICE DESCRIBED**
5 **UNDER SUBSECTION (M)(14) OR (15) OF THIS SECTION** will primarily occur, as
6 determined by:

7 (i) the residential street address or a business street address of the
8 actual end user of the digital code [or], digital product, **OR TAXABLE SERVICE DESCRIBED**
9 **UNDER SUBSECTION (M)(14) OR (15) OF THIS SECTION** including, if applicable, the
10 address of a donee of the buyer that is designated by the buyer; or

11 (ii) if the buyer is not an individual, the location of the buyer’s
12 [employees] **END USERS, INCLUDING EMPLOYEES,** or equipment that makes use of the
13 digital code [or], digital product, **OR TAXABLE SERVICE DESCRIBED UNDER**
14 **SUBSECTION (M)(14) OR (15) OF THIS SECTION.**

15 (2) “Primary use location” does not include the location of a person **WHO IS**
16 **NOT ANY END USER OR** who uses a digital code [or], digital product, **OR TAXABLE**
17 **SERVICE DESCRIBED UNDER SUBSECTION (M)(14) OR (15) OF THIS SECTION** as the
18 purchaser of a separate good or service from the buyer.

19 ~~(l)~~ **(1)** “Taxable price” means the value, in money, of the consideration of any
20 kind that is paid, delivered, payable, or deliverable by a buyer to a vendor in the
21 consummation and complete performance of a sale without deduction for any expense or
22 cost, including the cost of:

23 (i) any labor or service rendered;

24 (ii) any material used; or

25 (iii) any property, digital code, or digital product sold.

26 **(m)** “Taxable service” means:

27 (1) fabrication, printing, or production of tangible personal property or a
28 digital product by special order;

29 (2) commercial cleaning or laundering of textiles for a buyer who is engaged
30 in a business that requires the recurring service of commercial cleaning or laundering of
31 the textiles;

32 (3) cleaning of a commercial or industrial building;

33 (4) cellular telephone or other mobile telecommunications service;

(5) “900”, “976”, “915”, and other “900”-type telecommunications service;

(6) custom calling service provided in connection with basic telephone service;

(7) a telephone answering service;

(8) pay per view television service;

(9) credit reporting;

(10) a security service, including:

(i) a detective, guard, or armored car service; and

(ii) a security systems service;

(11) a transportation service for transmission, distribution, or delivery of electricity or natural gas, if the sale or use of the electricity or natural gas is subject to the sales and use tax;

(12) a prepaid telephone calling arrangement; [or]

(13) the privilege given to an individual under § 4-1102 of the Alcoholic Beverages and Cannabis Article to consume wine that is not purchased from or provided by a restaurant, club, or hotel;

(14) A DATA OR INFORMATION TECHNOLOGY SERVICE DESCRIBED UNDER NAICS SECTOR 518, 519, OR 5415; OR

(15) A SYSTEM SOFTWARE OR APPLICATION SOFTWARE PUBLISHING SERVICE DESCRIBED UNDER NAICS SECTOR 5132; OR

~~(16) THE LICENSING OF MEDIA OR SOFTWARE RIGHTS AND OTHER INTELLECTUAL PROPERTY, INCLUDING:~~

~~(I) LICENSING OF RIGHTS TO PRODUCE AND DISTRIBUTE COMPUTER SOFTWARE PROTECTED BY COPYRIGHT;~~

~~(II) LICENSING OF RIGHTS TO USE INTELLECTUAL PROPERTY, INCLUDING INTELLECTUAL PROPERTY PROTECTED BY TRADEMARK OR COPYRIGHT;~~

~~(III) LICENSING OF SPORTING EVENT BROADCAST AND OTHER MEDIA RIGHTS;~~

~~(IV) LICENSING OF RIGHTS TO BROADCAST TELEVISION PROGRAMS;~~

~~(V) LICENSING OF RIGHTS TO DISTRIBUTE SPECIALTY PROGRAMMING CONTENT; AND~~

~~(VI) LICENSING OF RIGHTS TO SYNDICATED MEDIA CONTENT.~~

11-103.

(a) *A rebuttable presumption exists that any sale in the State is subject to the sales and use tax imposed under § 11-102(a)(1) of this subtitle.*

(b) *The person required to pay the sales and use tax has the burden of proving that a sale in the State is not subject to the sales and use tax.*

(c) *The retail sale of a digital code [or], digital product, OR TAXABLE SERVICE DESCRIBED UNDER § 11-101(M)(14) OR (15) OF THIS SUBTITLE shall be presumed to be made in the state in which the customer tax address is located.*

11-104.

(k) The sales and use tax rate for cannabis, as defined in § 1-101 of the Alcoholic Beverages and Cannabis Article is[, for fiscal year 2024 and each fiscal year thereafter, 9%]:

(1) FOR FISCAL YEARS 2024 THROUGH ~~2026~~ 2025, 9%; AND

(2) FOR FISCAL YEAR ~~2027~~ 2026 AND EACH FISCAL YEAR THEREAFTER, ~~15%~~ 12%.

(L) (1) THE SALES AND USE TAX FOR A SALE OF A TAXABLE SERVICE DESCRIBED UNDER § 11-101(M)(14) THROUGH (16) AND (15) OF THIS SUBTITLE IS 3% OF THE TAXABLE PRICE.

(2) IF A DIFFERENT RATE FROM THE RATE SPECIFIED UNDER PARAGRAPH (1) OF THIS SUBSECTION COULD BE APPLIED TO A SALE OR USE OF TANGIBLE PERSONAL PROPERTY, A DIGITAL CODE, A DIGITAL PRODUCT, OR A TAXABLE SERVICE, THE HIGHER RATE SHALL APPLY TO THE SALE.

11-206.

[(g) (1) In this subsection, “snack food” means:

(i) potato chips and sticks;

(ii) corn chips;

(iii) pretzels;

(iv) cheese puffs and curls;

(v) pork rinds;

(vi) extruded pretzels and chips;

(vii) popped popcorn;

(viii) nuts and edible seeds; or

(ix) snack mixtures that contain any one or more of the foods listed in items (i) through (viii) of this paragraph.

(2) The sales and use tax does not apply to the sale of snack food through a vending machine.]

[(h)] (G) The sales and use tax does not apply to the sale through a vending machine of milk, fresh fruit, fresh vegetables, or yogurt.

11-214.1.

(b) The sales and use tax does not apply to a sale of precious metal bullion or coins if:

(1) the sale price is greater than \$1,000; AND

(2) THE SALE OCCURS AT THE BALTIMORE CONVENTION CENTER.

11-215.

(a) [The sales and use tax does not apply to a sale of photographic material for use in the production of an item that is used in:

(1) composition or printing; or

(2) production of another item used in printing.

(b)] (1) The sales and use tax does not apply to a sale of art works, electros, electrotypes, hand or machine compositions, lithographic plates or negatives, mats, photoengravings, stereotypes, or typographies:

(i) to a person engaged in the printing of tangible personal property for sale; and

(ii) for direct use by the person to produce that property for sale.

(2) A vendor who sells any item under paragraph (1) of this subsection is not entitled to any exclusion under § 11-101(h)(3)(ii) or (n)(3)(ii) of this title for material that the vendor buys to produce that item.

~~[(c)] (B)~~ (1) The sales and use tax does not apply to the printing and sale of newspapers that are distributed by the publisher at no charge.

(2) A publication is not a newspaper unless it is published and distributed at least once per month and it meets other criteria as defined by the Comptroller.

~~[(d)] (C)~~ The sales and use tax does not apply to:

(1) a sale of direct mail advertising literature and mail order catalogues that will be distributed outside the State, and a sale of computerized mailing lists to the extent used for the purpose of providing addresses to which direct mail advertising literature and mail order catalogues will be distributed outside the State; or

(2) a sale of government documents, publications, records, or copies by the federal or State or a local government or an instrumentality of the federal or State or a local government.

11-219.

(a) The sales and use tax does not apply to a personal, professional, or insurance service that:

(1) is not a taxable service; and

(2) involves a sale as an inconsequential element for which no separate charge is made.

(b) [The sales and use tax does not apply to a sale of custom computer software, regardless of the method transferred or accessed, or a service relating to custom computer software that:

(1) would otherwise be taxable under this title;

(2) is to be used by a specific person;

(3) (i) is created for that person; or

(ii) contains standard or proprietary routines requiring significant creative input to customize, configure, or modify the procedures and programs that are necessary to perform the functions required for the software to operate as intended; and

(4) do not constitute a program, procedure, or documentation that is mass produced and sold to:

(i) the general public; or

(ii) persons engaged in a trade, profession, or industry, except as provided in item (3) of this subsection.

(c) The sales and use tax does not apply to the sale of an optional computer software maintenance contract if the buyer does not have a right, as part of the contract, to receive at no additional cost software products that are separately priced and marketed by the vendor.

[(d)] (C) The sales and use tax does not apply to the use of a taxable service obtained by using a prepaid telephone calling arrangement.

(D) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(II) “CLOUD COMPUTING” MEANS A SERVICE THAT ENABLES ON-DEMAND, SELF-SERVICE NETWORK ACCESS TO A SHARED POOL OF CONFIGURABLE COMPUTER RESOURCES, INCLUDING DATA STORAGE, ANALYTICS, COMMERCE, STREAMING, E-MAIL, DOCUMENT SHARING, AND DOCUMENT EDITING.

(III) “QUALIFIED CYBERSECURITY BUSINESS” MEANS AN ENTITY ORGANIZED FOR PROFIT THAT IS ENGAGED PRIMARILY IN THE DEVELOPMENT OF INNOVATIVE PROPRIETARY CYBERSECURITY TECHNOLOGY OR THE PROVISION OF CYBERSECURITY SERVICES.

(2) THE SALES AND USE TAX IMPOSED ON A TAXABLE SERVICE DESCRIBED UNDER § 11-101(M)(14) OR (15) OF THIS TITLE DOES NOT APPLY TO A SALE OF CLOUD COMPUTING TO A QUALIFIED CYBERSECURITY BUSINESS.

11-246.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “EMERGING TECHNOLOGY DEVELOPMENT AREA” MEANS THE UNIVERSITY OF MARYLAND’S DISCOVERY DISTRICT LOCATED IN PRINCE GEORGE’S COUNTY.

(3) “QUALIFIED COMPANY” MEANS A COMPANY THAT CONTRACTS WITH THE UNIVERSITY OF MARYLAND’S APPLIED RESEARCH LABORATORY FOR INTELLIGENCE AND SECURITY TO DEVELOP SYSTEMS AND TECHNOLOGIES TO ADVANCE THE USE OF QUANTUM COMPUTERS.

(B) THE SALES AND USE TAX IMPOSED ON A TAXABLE SERVICE DESCRIBED UNDER § 11-101(M)(14) OR (15) OF THIS TITLE DOES NOT APPLY TO A SALE:

(1) TO A QUALIFIED COMPANY LOCATED IN AN EMERGING TECHNOLOGY DEVELOPMENT AREA MADE IN CONNECTION WITH THE WORK OF THE COMPANY; OR

(2) BY A QUALIFIED COMPANY LOCATED IN AN EMERGING TECHNOLOGY DEVELOPMENT AREA.

11-403.

(a) (1) In this section[, “sale”] THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “AFFILIATED GROUP” HAS THE MEANING STATED UNDER § 1504 OF THE INTERNAL REVENUE CODE AND INCLUDES RELATED PARTIES DESCRIBED UNDER § 267(B)(10), (11), OR (12) OF THE INTERNAL REVENUE CODE.

(3) “PASS-THROUGH ENTITY” HAS THE MEANING STATED IN § 10-102.1 OF THIS ARTICLE.

(4) “RELATED PASS-THROUGH ENTITIES” MEAN ONE OR MORE PASS-THROUGH ENTITIES CONNECTED THROUGH OWNERSHIP WITH A COMMON PARENT PASS-THROUGH ENTITY BUT ONLY IF THE COMMON PARENT:

(I) POSSESSES AT LEAST 80% OF THE TOTAL VOTING POWER OF THE PASS-THROUGH ENTITY; AND

(II) HAS A VALUE EQUAL TO AT LEAST 80% OF THE TOTAL VALUE OF THE PASS-THROUGH ENTITY.

(5) “SALES” includes a booking transaction made through a short-term rental platform.

(E) (1) A BUYER MAY PRESENT TO THE VENDOR A CERTIFICATE INDICATING MULTIPLE POINTS OF USE OF A DIGITAL CODE, DIGITAL PRODUCT, OR TAXABLE SERVICE DESCRIBED UNDER § 11-101(M)(14) OR (15) OF THIS TITLE, IF:

1 (I) THE BUYER KNOWS AT THE TIME OF PURCHASE THAT THE
2 DIGITAL CODE, DIGITAL PRODUCT, OR TAXABLE SERVICE DESCRIBED UNDER §
3 11-101(M)(14) OR (15) OF THIS TITLE WILL BE:

4 1. CONCURRENTLY AVAILABLE FOR USE BY THE BUYER
5 IN MORE THAN ONE TAXING JURISDICTION; OR

6 2. RESOLD IN ITS ORIGINAL FORM TO A MEMBER OF AN
7 AFFILIATED GROUP OR A RELATED PASS-THROUGH ENTITY OF WHICH THE BUYER IS
8 ALSO A MEMBER; AND

9 (II) THE BUYER DELIVERS TO THE VENDOR THE CERTIFICATE
10 INDICATING MULTIPLE POINTS OF USE AT THE TIME OF PURCHASE.

11 (2) ON RECEIPT OF THE FULLY COMPLETED CERTIFICATE INDICATING
12 MULTIPLE POINTS OF USE, THE VENDOR IS RELIEVED OF THE OBLIGATION TO
13 COLLECT, PAY, OR REMIT THE APPLICABLE TAX TO THE COMPTROLLER AND,
14 SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, THE BUYER IS OBLIGATED TO
15 COLLECT, PAY, OR REMIT THE APPLICABLE TAX TO THE COMPTROLLER.

16 (3) THE BUYER DELIVERING THE CERTIFICATE INDICATING
17 MULTIPLE POINTS OF USE MAY USE ANY REASONABLE BUT CONSISTENT AND
18 UNIFORM METHOD OF APPORTIONMENT THAT IS SUPPORTED BY THE BUYER'S
19 RECORDS AS THEY EXIST AT THE TIME OF THE SALE AND ACCURATELY REFLECTS THE
20 PRIMARY USE LOCATION IN THE STATE.

21 (4) (I) IF THE APPORTIONMENT ON THE CERTIFICATE INDICATING
22 MULTIPLE POINTS OF USE IS DETERMINED BASED ON A SUBSEQUENT RESALE TO ONE
23 OR MORE MEMBERS OF AN AFFILIATED GROUP OR RELATED PASS-THROUGH
24 ENTITIES, THE AFFILIATED MEMBER OR RELATED PASS-THROUGH ENTITY
25 RESELLING THE DIGITAL CODE, DIGITAL PRODUCT, OR TAXABLE SERVICE
26 DESCRIBED UNDER § 11-101(M)(14) OR (15) OF THIS TITLE TO ANOTHER
27 AFFILIATED MEMBER OR RELATED PASS-THROUGH ENTITY SHALL:

28 1. ASSUME OR ABSORB THE SALES AND USE TAX DUE
29 FROM THE AFFILIATED MEMBER OR MEMBERS OR RELATED PASS-THROUGH ENTITY
30 OR ENTITIES ON THAT PORTION OF THE SALE APPORTIONED TO THE STATE AND PAY
31 THE SALES AND USE TAX DUE ON BEHALF OF THE AFFILIATED MEMBER OR MEMBERS
32 OR RELATED PASS-THROUGH ENTITY OR ENTITIES; OR

33 2. BE LIABLE FOR THE SALES AND USE TAX DUE FROM
34 THE AFFILIATED MEMBER OR MEMBERS OR RELATED PASS-THROUGH ENTITY OR

ENTITIES IF THE SALES AND USE TAX DUE IS NOT PAID BY THE AFFILIATED MEMBER OR MEMBERS OR RELATED PASS-THROUGH ENTITY OR ENTITIES.

(II) IF THE SALES AND USE TAX IS PAID AS PROVIDED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE AFFILIATED MEMBER END USER OR RELATED PASS-THROUGH ENTITY END USER IS RELIEVED OF THE OBLIGATION TO PAY OR REMIT THE APPLICABLE TAX TO THE COMPTROLLER.

(5) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBSECTION, IF THE TAXABLE PRICE OF A SUBSEQUENT RESALE OF A DIGITAL CODE, DIGITAL PRODUCT, OR TAXABLE SERVICE DESCRIBED UNDER § 11-101(M)(14) OR (15) OF THIS TITLE TO AN AFFILIATED GROUP MEMBER OR RELATED PASS-THROUGH ENTITY IS HIGHER THAN THE TAXABLE PRICE ON WHICH THE SALES AND USE TAX WAS PAID, THE END USER SHALL BE LIABLE FOR THE ADDITIONAL SALES AND USE TAX DUE ON THE DIFFERENCE IN THE TAXABLE PRICE.

(6) THE CERTIFICATE INDICATING MULTIPLE POINTS OF USE SHALL INCLUDE ALL INFORMATION REQUIRED BY THE COMPTROLLER.

SECTION 5. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Tax – General

10-102.1.

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

(8) “Pass-through entity’s taxable income” means the portion of a pass-through entity’s income under the federal Internal Revenue Code, calculated without regard to any deduction for taxes based on net income that are imposed by any state or political subdivision of a state, that is:

(I) IN THE CASE OF A MEMBER WHO IS A RESIDENT, EQUAL TO THE MEMBER’S DISTRIBUTIVE OR PRO RATA SHARES OF THE PASS-THROUGH ENTITY; OR

(II) IN THE CASES OF A NONRESIDENT MEMBER, derived from or reasonably attributable to the trade or business of the pass-through entity in this State.

(b) (1) Subject to paragraph (2) of this subsection, in addition to any other tax imposed under this title, a tax is imposed on each pass-through entity.

(2) Each pass-through entity:

(i) shall pay the tax imposed under paragraph (1) of this subsection with respect to the distributive shares or pro rata shares of the nonresident and nonresident entity members of the pass-through entity; or

(ii) may elect to pay the tax imposed under paragraph (1) of this subsection with respect to the distributive shares or pro rata shares of all members of the pass-through entity.

~~SECTION 5. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:~~

~~Article Tax General~~

~~10 402.1.~~

~~(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.~~

~~(2) "COMBINED GROUP" MEANS A GROUP OF CORPORATIONS:~~

~~(I) THAT IS ENGAGED IN A UNITARY BUSINESS;~~

~~(H) IN WHICH MORE THAN 50% OF THE VOTING STOCK OF EACH MEMBER IS DIRECTLY OR INDIRECTLY OWNED BY:~~

~~1. A COMMON OWNER OR COMMON OWNERS, EITHER CORPORATE OR NONCORPORATE; OR~~

~~2. ONE OR MORE MEMBER CORPORATIONS OF THE GROUP;~~

~~(III) THE MEMBERS OF WHICH ARE SUBJECT TO THE INCOME TAX OR WOULD BE SUBJECT TO THE INCOME TAX IF DOING BUSINESS IN THE STATE; AND~~

~~(IV) CONSISTING OF ANY OTHER MEMBERS UNDER THE CIRCUMSTANCES AND TO THE EXTENT PROVIDED IN REGULATIONS ADOPTED BY THE COMPTROLLER TO PREVENT THE AVOIDANCE OF TAX OR TO REFLECT CLEARLY THE INCOME OF ANY MEMBER OF THE COMBINED GROUP FOR ANY PERIOD.~~

~~(3) "COMBINED RETURN" MEANS A TAX RETURN FOR THE COMBINED GROUP CONTAINING INFORMATION AS PROVIDED IN THIS SECTION OR OTHERWISE REQUIRED BY THE COMPTROLLER.~~

~~(4) "UNITARY BUSINESS" MEANS A SINGLE ECONOMIC ENTERPRISE THAT IS MADE EITHER OF SEPARATE PARTS OF A SINGLE BUSINESS ENTITY OR OF A~~

~~COMMONLY CONTROLLED GROUP OF BUSINESS ENTITIES THAT ARE SUFFICIENTLY INTERDEPENDENT, INTEGRATED, AND INTERRELATED THROUGH THEIR ACTIVITIES SO AS TO PROVIDE MUTUAL BENEFIT THAT PRODUCES A SHARING OR EXCHANGE OF VALUE AMONG THEM AND A SIGNIFICANT FLOW OF VALUE TO THE SEPARATE PARTS.~~

~~(B) (1) THE TERM "UNITARY BUSINESS" SHALL BE CONSTRUED TO THE BROADEST EXTENT ALLOWED UNDER THE U.S. CONSTITUTION.~~

~~(2) A BUSINESS CONDUCTED DIRECTLY OR INDIRECTLY BY ONE CORPORATION IS A UNITARY BUSINESS WITH RESPECT TO THAT PORTION OF A BUSINESS CONDUCTED BY ANOTHER CORPORATION THROUGH ITS DIRECT OR INDIRECT INTEREST IN A PARTNERSHIP IF THE REQUIREMENTS OF SUBSECTION (A)(4) OF THIS SECTION ARE SATISFIED, INCLUDING IF THERE IS SYNERGY AND AN EXCHANGE AND FLOW OF VALUE BETWEEN THE TWO PARTS OF THE BUSINESS AND THE TWO CORPORATIONS ARE MEMBERS OF THE SAME COMMONLY CONTROLLED GROUP.~~

~~(3) A BUSINESS CONDUCTED BY A PARTNERSHIP SHALL BE TREATED AS CONDUCTED BY ITS PARTNERS, WHETHER DIRECTLY HELD OR INDIRECTLY HELD THROUGH A SERIES OF PARTNERSHIPS, TO THE EXTENT OF THE PARTNER'S DISTRIBUTIVE SHARE OF THE PARTNERSHIP'S INCOME, REGARDLESS OF THE PERCENTAGE OF THE PARTNER'S OWNERSHIP INTEREST OR ITS DISTRIBUTIVE OR ANY OTHER SHARE OF PARTNERSHIP INCOME.~~

~~(C) (1) EXCEPT AS PROVIDED BY AND SUBJECT TO REGULATIONS ADOPTED BY THE COMPTROLLER, FOR ALL TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2027, A CORPORATION ENGAGED IN A UNITARY BUSINESS SHALL FILE A COMBINED RETURN, REPORTING AND PAYING TAX ON WORLDWIDE TAXABLE INCOME AS A COMBINED GROUP, REFLECTING THE AGGREGATE INCOME TAX LIABILITY OF ALL MEMBERS OF THE COMBINED GROUP THAT ARE ENGAGED IN A UNITARY BUSINESS.~~

~~(2) THE TAXABLE INCOME OF A CORPORATION REQUIRED TO FILE UNDER § 10-811(A)(2) OF THIS TITLE IS EQUAL TO THE COMBINED GROUP'S MARYLAND MODIFIED INCOME AS ADJUSTED UNDER SUBSECTION (D)(3) OF THIS SECTION.~~

~~(D) (1) THE MARYLAND MODIFIED TAXABLE INCOME OF THE COMBINED GROUP EQUALS THE PRODUCT OF:~~

~~(i) THE COMBINED GROUP'S APPORTIONABLE MARYLAND MODIFIED INCOME, AS DETERMINED UNDER PARAGRAPH (2) OF THIS SUBSECTION AND ADJUSTED UNDER PARAGRAPH (3) OF THIS SUBSECTION; AND~~

~~(H) THE COMBINED GROUP'S MARYLAND APPORTIONMENT FACTOR, AS DETERMINED UNDER PARAGRAPH (4) OF THIS SUBSECTION.~~

~~(2) (I) SUBJECT TO SUBPARAGRAPHS (II) THROUGH (IV) OF THIS PARAGRAPH, THE APPORTIONABLE MARYLAND MODIFIED INCOME OF THE COMBINED GROUP EQUALS THE SUM OF THE CORPORATION'S AND EACH MEMBER'S MARYLAND MODIFIED INCOME.~~

~~(II) 1. SUBJECT TO SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, FOR ANY MEMBER INCORPORATED IN THE UNITED STATES OR INCLUDED IN A CONSOLIDATED FEDERAL CORPORATE INCOME TAX RETURN, THE INCOME TO BE INCLUDED IN THE TOTAL APPORTIONABLE INCOME OF THE COMBINED GROUP IS THE MARYLAND MODIFIED INCOME AS CALCULATED UNDER § 10-304 OF THIS TITLE.~~

~~2. THE INCOME OF EACH MEMBER SHALL BE CALCULATED ON A SEPARATE RETURN BASIS AS IF THE MEMBER WERE NOT CONSOLIDATED FOR FEDERAL INCOME TAX PURPOSES.~~

~~(III) 1. FOR ANY MEMBER NOT INCLUDED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE INCOME TO BE INCLUDED IN THE TOTAL INCOME OF THE COMBINED GROUP IS DETERMINED AS PROVIDED UNDER THIS SUBPARAGRAPH.~~

~~2. A PROFIT AND LOSS STATEMENT SHALL BE PREPARED FOR EACH FOREIGN BRANCH OR CORPORATION IN THE CURRENCY IN WHICH THE BOOKS OF ACCOUNT OF THE BRANCH OR CORPORATION ARE REGULARLY MAINTAINED.~~

~~3. THE PROFIT AND LOSS STATEMENT SHALL BE ADJUSTED TO CONFORM TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AS ADOPTED BY THE U.S. FINANCIAL ACCOUNTING STANDARDS BOARD FOR THE PREPARATION OF THE PROFIT AND LOSS STATEMENTS, EXCEPT AS MODIFIED BY REGULATION.~~

~~4. EXCEPT AS OTHERWISE PROVIDED BY REGULATION, THE PROFIT AND LOSS STATEMENT OF EACH MEMBER OF THE COMBINED GROUP, AND THE APPORTIONMENT FACTORS RELATED TO EACH STATEMENT, WHETHER UNITED STATES OR FOREIGN, SHALL BE TRANSLATED INTO THE CURRENCY IN WHICH THE PARENT COMPANY MAINTAINS ITS BOOKS AND RECORDS.~~

~~5. INCOME APPORTIONED TO THE STATE SHALL BE EXPRESSED IN UNITED STATES DOLLARS.~~

~~(IV) IF A UNITARY BUSINESS INCLUDES INCOME FROM A PARTNERSHIP, THE INCOME TO BE INCLUDED IN THE TOTAL INCOME OF THE COMBINED GROUP EQUALS THE DIRECT AND INDIRECT DISTRIBUTIVE SHARE OF THE PARTNERSHIP'S UNITARY BUSINESS INCOME ALLOCATED TO ANY MEMBER OF THE COMBINED GROUP.~~

~~(3) THE COMBINED GROUP'S APPORTIONABLE MARYLAND MODIFIED INCOME SHALL BE ADJUSTED TO ELIMINATE INTERCOMPANY TRANSACTIONS AS DETERMINED UNDER THE INTERNAL REVENUE CODE.~~

~~(4) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE COMBINED GROUP'S MARYLAND APPORTIONMENT FACTOR IS A FRACTION:~~

~~1. THE NUMERATOR OF WHICH IS THE SUM OF THE CORPORATION'S AND EACH MEMBER'S MARYLAND FACTORS UNDER § 10-402 OF THIS SUBTITLE; AND~~

~~2. THE DENOMINATOR OF WHICH IS THE SUM OF THE CORPORATION'S AND EACH MEMBER'S FACTORS UNDER § 10-402 OF THIS SUBTITLE.~~

~~(II) THE APPORTIONMENT FACTORS OF PASS-THROUGH ENTITY MEMBERS ARE INCLUDED IN THE NUMERATOR UNDER SUBPARAGRAPH (I)1 OF THIS PARAGRAPH AND THE DENOMINATOR UNDER SUBPARAGRAPH (I)2 OF THIS PARAGRAPH TO THE EXTENT OF THE CORPORATION'S DIRECT AND INDIRECT DISTRIBUTIVE SHARE OF THAT ENTITY.~~

~~(E) (1) SUBJECT TO REGULATIONS ADOPTED BY THE COMPTROLLER, A CORPORATION THAT IS PART OF A COMBINED GROUP MAY ELECT TO DETERMINE ITS INCOME DERIVED FROM OR ATTRIBUTABLE TO TRADE OR BUSINESS IN THE STATE USING THE WATER'S EDGE METHOD AS DESCRIBED IN THIS SUBSECTION.~~

~~(2) UNDER THE WATER'S EDGE METHOD, THE COMBINED GROUP FOR PURPOSES OF THE COMBINED REPORTING METHOD REQUIRED UNDER THIS SECTION SHALL INCLUDE ONLY THE FOLLOWING AFFILIATED ENTITIES:~~

~~(I) CORPORATIONS THAT ARE INCORPORATED IN THE UNITED STATES, EXCLUDING CORPORATIONS MAKING AN ELECTION UNDER §§ 931 THROUGH 934 OF THE INTERNAL REVENUE CODE;~~

~~(II) DOMESTIC INTERNATIONAL SALES CORPORATIONS, AS DESCRIBED IN §§ 991 THROUGH 994 OF THE INTERNAL REVENUE CODE;~~

~~(III) ANY CORPORATION OTHER THAN A BANK, REGARDLESS OF THE PLACE WHERE IT IS INCORPORATED, IF THE AVERAGE OF THE CORPORATION'S~~

~~PROPERTY, PAYROLL, AND SALES FACTORS WITHIN THE UNITED STATES IS 20% OR MORE;~~

~~(IV) EXPORT TRADE CORPORATIONS, AS DESCRIBED IN §§ 970 AND 971 OF THE INTERNAL REVENUE CODE;~~

~~(V) A FOREIGN CORPORATION DERIVING GAIN OR LOSS FROM DISPOSITION OF AN INTEREST IN REAL PROPERTY IN THE UNITED STATES TO THE EXTENT RECOGNIZED UNDER § 897 OF THE INTERNAL REVENUE CODE; AND~~

~~(VI) UNDER THE CIRCUMSTANCES AND TO THE EXTENT PROVIDED BY REGULATIONS THAT THE COMPTROLLER ADOPTS;~~

~~1. A CORPORATION NOT DESCRIBED IN ITEMS (I) THROUGH (V) OF THIS PARAGRAPH TO THE EXTENT OF THE CORPORATION'S INCOME DERIVED FROM OR ATTRIBUTABLE TO SOURCES WITHIN THE UNITED STATES AND THE CORPORATION'S FACTORS ASSIGNABLE TO A LOCATION WITHIN THE UNITED STATES; OR~~

~~2. AN AFFILIATED CORPORATION THAT IS A CONTROLLED FOREIGN CORPORATION, AS DEFINED IN § 957 OF THE INTERNAL REVENUE CODE.~~

~~(3) THE USE OF THE WATER'S EDGE METHOD IS SUBJECT TO THE TERMS AND CONDITIONS THAT THE COMPTROLLER REQUIRES BY REGULATION, INCLUDING ANY CONDITIONS THAT ARE NECESSARY OR APPROPRIATE TO PREVENT THE AVOIDANCE OF TAX OR TO REFLECT CLEARLY THE INCOME FOR ANY PERIOD.~~

~~(F) (1) (i) AN ELECTION TO USE THE WATER'S EDGE METHOD IN ACCORDANCE WITH SUBSECTION (E) OF THIS SECTION IS EFFECTIVE ONLY IF MADE ON A TIMELY FILED ORIGINAL RETURN FOR A TAX YEAR BY EVERY MEMBER OF THE UNITARY BUSINESS.~~

~~(ii) THE COMPTROLLER SHALL DEVELOP REGULATIONS GOVERNING THE IMPACT, IF ANY, ON THE SCOPE OR APPLICATION OF AN ELECTION TO USE THE WATER'S EDGE METHOD, INCLUDING TERMINATION OR DEEMED ELECTION, RESULTING FROM A CHANGE IN THE COMPOSITION OF THE UNITARY BUSINESS, THE COMBINED GROUP, THE TAXPAYER MEMBERS, OR ANY OTHER SIMILAR CHANGE.~~

~~(2) AN ELECTION TO USE THE WATER'S EDGE METHOD SHALL CONSTITUTE CONSENT TO THE REASONABLE PRODUCTION OF DOCUMENTS AND TAKING OF DEPOSITIONS IN ACCORDANCE WITH THE MARYLAND RULES.~~

~~(3) AT THE DISCRETION OF THE COMPTROLLER, AN ELECTION TO USE THE WATER'S EDGE METHOD MAY BE DISREGARDED IN PART OR IN WHOLE, AND THE INCOME AND APPORTIONMENT FACTORS OF ANY MEMBER OF THE TAXPAYER'S UNITARY GROUP MAY BE INCLUDED IN THE COMBINED REPORT WITHOUT REGARD TO THE PROVISIONS OF THIS SECTION, IF ANY MEMBER OF THE UNITARY GROUP FAILS TO COMPLY WITH ANY PROVISION OF THIS SECTION OR IF A PERSON OTHERWISE NOT INCLUDED IN THE WATER'S EDGE COMBINED GROUP WAS AVOIDED OF A SUBSTANTIAL OBJECTIVE OF AVOIDING STATE INCOME TAX.~~

~~(4) (i) SUBJECT TO SUBPARAGRAPHS (ii) THROUGH (iv) OF THIS PARAGRAPH, AN ELECTION TO USE THE WATER'S EDGE METHOD IS BINDING FOR AND APPLICABLE TO THE TAXABLE YEAR IN WHICH THE ELECTION IS MADE AND ALL TAXABLE YEARS THEREAFTER FOR A PERIOD OF 10 YEARS.~~

~~(ii) AN ELECTION TO USE THE WATER'S EDGE METHOD MAY BE WITHDRAWN OR REINSTITUTED AFTER WITHDRAWAL, BEFORE THE EXPIRATION OF THE 10-YEAR PERIOD, ONLY ON WRITTEN REQUEST FOR REASONABLE CAUSE AND ONLY WITH THE WRITTEN PERMISSION OF THE COMPTROLLER.~~

~~(iii) IF THE COMPTROLLER GRANTS A WITHDRAWAL OF THE ELECTION UNDER SUBPARAGRAPH (ii) OF THIS PARAGRAPH, THE COMPTROLLER SHALL IMPOSE REASONABLE CONDITIONS AS NECESSARY TO PREVENT THE EVASION OF TAX OR TO CLEARLY REFLECT INCOME FOR THE ELECTION PERIOD BEFORE OR AFTER THE WITHDRAWAL.~~

~~(iv) 1. SUBJECT TO SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, ON THE EXPIRATION OF THE 10-YEAR PERIOD, A TAXPAYER MAY WITHDRAW FROM THE ELECTION TO USE THE WATER'S EDGE METHOD.~~

~~2. THE WITHDRAWAL SHALL BE MADE IN WRITING WITHIN 1 YEAR BEFORE THE EXPIRATION OF THE ELECTION AND IS BINDING FOR A PERIOD OF 10 YEARS, SUBJECT TO THE SAME CONDITIONS AS APPLIED TO THE ORIGINAL ELECTION.~~

~~3. IF NO WITHDRAWAL IS PROPERLY MADE UNDER THIS SUBPARAGRAPH, THE ELECTION TO USE THE WATER'S EDGE METHOD SHALL REMAIN IN EFFECT FOR AN ADDITIONAL 10-YEAR PERIOD, SUBJECT TO THE SAME CONDITIONS AS APPLIED TO THE ORIGINAL ELECTION.~~

~~(c) (1) THE COMPTROLLER SHALL ADOPT REGULATIONS THAT ARE NECESSARY AND APPROPRIATE TO CARRY OUT THIS SECTION.~~

~~(2) THE REGULATIONS ADOPTED BY THE COMPTROLLER SHALL BE CONSISTENT WITH THE "PRINCIPLES FOR DETERMINING THE EXISTENCE OF A~~

~~UNITARY BUSINESS” (REG. IV.1.(B)) OF THE MODEL GENERAL ALLOCATION AND APPORTIONMENT REGULATIONS, AS ADOPTED BY THE MULTISTATE TAX COMMISSION.~~

~~10-811.~~

~~(A) (1) [Each member of] EXCEPT AS PROVIDED BY AND SUBJECT TO REGULATIONS ADOPTED BY THE COMPTROLLER, an affiliated group of corporations [shall file a separate income tax return] ENGAGED IN A UNITARY BUSINESS SHALL FILE A COMBINED INCOME TAX RETURN REFLECTING THE AGGREGATE INCOME TAX LIABILITY OF ALL THE MEMBERS OF THE AFFILIATED GROUP THAT ARE ENGAGED IN A UNITARY BUSINESS.~~

~~(2) THE RETURN REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE THE INCOME AND APPORTIONMENT FACTORS DETERMINED UNDER § 10-402.1(D) AND (E) OF THIS TITLE, AND ANY OTHER INFORMATION REQUIRED BY THE COMPTROLLER, FOR ALL MEMBERS OF THE COMBINED GROUP WHEREVER LOCATED OR DOING BUSINESS.~~

~~(3) (i) EXCEPT AS PROVIDED IN SUBPARAGRAPH (ii) OF THIS PARAGRAPH, THE COMBINED RETURN SHALL BE FILED UNDER THE NAME AND FEDERAL EMPLOYER IDENTIFICATION NUMBER OF THE PARENT CORPORATION IF THE PARENT IS A MEMBER OF THE COMBINED GROUP.~~

~~(ii) IF THERE IS NO PARENT CORPORATION OR IF THE PARENT IS NOT A MEMBER OF THE COMBINED GROUP, THE MEMBERS OF THE COMBINED GROUP SHALL CHOOSE A MEMBER TO FILE THE RETURN.~~

~~(iii) THE FILING MEMBER UNDER SUBPARAGRAPH (i) OR (ii) OF THIS PARAGRAPH SHALL CONTINUE TO FILE THE COMBINED RETURN UNLESS THE FILING MEMBER IS NO LONGER THE PARENT CORPORATION OR NO LONGER A MEMBER OF THE COMBINED GROUP.~~

~~(4) THE RETURN SHALL BE SIGNED BY A RESPONSIBLE OFFICER OF THE FILING MEMBER ON BEHALF OF THE COMBINED GROUP MEMBERS.~~

~~(5) MEMBERS OF THE COMBINED GROUP ARE JOINTLY AND SEVERALLY LIABLE FOR THE TAX LIABILITY OF THE COMBINED GROUP INCLUDED IN THE COMBINED RETURN.~~

~~(B) (1) THE COMPTROLLER MAY, BY REGULATION, REQUIRE THAT THE COMBINED RETURN INCLUDE THE INCOME AND ASSOCIATED APPORTIONMENT FACTORS OF ENTITIES THAT ARE NOT INCLUDED IN THE COMBINED REPORT BUT~~

~~THAT ARE MEMBERS OF A UNITARY BUSINESS IN ORDER TO REFLECT PROPER APPORTIONMENT OF INCOME OF THE ENTIRE UNITARY BUSINESS.~~

~~(2) IF THE COMPTROLLER DETERMINES THAT THE REPORTED INCOME OR LOSS OF A TAXPAYER ENGAGED IN A UNITARY BUSINESS WITH A MEMBER NOT INCLUDED IN THE COMBINED GROUP REPRESENTS AN AVOIDANCE OR EVASION OF TAX, THE COMPTROLLER MAY, ON A CASE BY CASE BASIS, REQUIRE THAT ALL OR PART OF THE INCOME AND ASSOCIATED APPORTIONMENT FACTORS OF THE MEMBER BE INCLUDED IN THE TAXPAYER'S COMBINED RETURN.~~

~~(3) THE COMPTROLLER MAY REQUIRE:~~

~~(I) THE EXCLUSION OF ONE OR MORE FACTORS, THE INCLUSION OF ONE OR MORE ADDITIONAL FACTORS, OR THE EMPLOYMENT OF ANY OTHER METHOD THAT WILL FAIRLY REPRESENT THE TAXPAYER'S BUSINESS IN THE STATE; OR~~

~~(II) THE EMPLOYMENT OF ANY OTHER METHOD TO EFFECTUATE A PROPER REFLECTION OF THE TOTAL AMOUNT OF INCOME SUBJECT TO APPORTIONMENT AND AN EQUITABLE ALLOCATION AND APPORTIONMENT OF THE COMBINED GROUP'S OR ITS MEMBERS' INCOME.~~

~~(C) THE COMPTROLLER SHALL ADOPT REGULATIONS THAT ARE NECESSARY AND APPROPRIATE TO CARRY OUT THIS SECTION.~~

SECTION 6. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Chapter 397 of the Acts of 2011, as amended by Chapter 425 of the Acts of 2013, Chapter 464 of the Acts of 2014, Chapter 489 of the Acts of 2015, Chapter 23 of the Acts of 2017, Chapter 10 of the Acts of 2018, Chapter 16 of the Acts of 2019, Chapter 538 of the Acts of 2020, and Chapter 103 of the Acts of 2023

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 Maryland Department of Health shall adopt policies that will provide up to \$389,825,000 in special fund revenues from hospital assessment and remittance revenue.

(2) For fiscal year 2017, the Governor shall reduce the budgeted Medicaid Deficit Assessment 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.

(4) For fiscal year 2019, the budgeted Medicaid Deficit Assessment shall be \$334,825,000.

(5) For fiscal year 2020, the budgeted Medicaid Deficit Assessment shall be \$309,825,000.

(6) [Except as provided in paragraph (7) of this subsection, for] **FOR** fiscal [year 2021, and each fiscal year thereafter] **YEARS 2021, 2022, AND 2023**, the budgeted Medicaid Deficit Assessment shall be \$294,825,000.

(7) For fiscal year 2024 only, the budgeted Medicaid Deficit Assessment shall be \$244,825,000.

(8) (I) FOR FISCAL YEAR 2025, THE BUDGETED MEDICAID DEFICIT ASSESSMENT SHALL BE \$344,825,000.

(II) FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, THE BUDGETED MEDICAID DEFICIT ASSESSMENT SHALL BE \$394,825,000.

(III) THE COMMISSION AND THE MARYLAND DEPARTMENT OF HEALTH MAY ADOPT AN ALTERNATIVE METHOD TO ACHIEVE THE EQUIVALENT AMOUNT OF REVENUE ACROSS THE 2 YEARS BY THE END OF FISCAL YEAR 2026.

[(8)] (9) 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.

[(9)] (10) To the maximum extent possible, the Commission and the Maryland Department of Health shall adopt policies that preserve the State's Medicare waiver.

Chapter 111 of the Acts of 2023, as amended by Chapter 410 of the Acts of 2024

SECTION 6. AND BE IT FURTHER ENACTED, That, except as provided in Section 5 of this Act, this Act shall take effect June 1, 2023. Section 2 of this Act shall remain effective for a period of [6] 2 years and 1 month and, at the end of June 30, [2029] 2025, Section 2 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Chapter 260 of the Acts of 2023

SECTION 2. AND BE IT FURTHER ENACTED, That, for fiscal year 2025, the Governor [shall] MAY include in the annual budget bill an appropriation of \$12,000,000 to the 9–8–8 Trust Fund established under § 7.5–5A–02 of the Health – General Article.

Chapter 261 of the Acts of 2023

SECTION 2. AND BE IT FURTHER ENACTED, That, for fiscal year 2025, the Governor [shall] **MAY** include in the annual budget bill an appropriation of \$12,000,000 to the 9–8–8 Trust Fund established under § 7.5–5A–02 of the Health – General Article.

~~**Chapter 275 of the Acts of 2023**~~

~~SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Maryland Department of Health shall apply to the Substance Abuse and Mental Health Services Administration at the Center for Mental Health Services for federal planning, development, and implementation grant funds related to certified community behavioral health clinics for fiscal year 2025.~~

~~SECTION 2. AND BE IT FURTHER ENACTED That the Maryland Department of Health shall apply to the Substance Abuse and Mental Health Services Administration at the Center for Mental Health Services for inclusion in the state certified community behavioral health clinic demonstration program for fiscal year 2026.~~

Chapter 717 of the Acts of 2024

SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement, or with the terms of a gift or settlement agreement, for fiscal years 2024 through 2028, net interest on all State money allocated by the State Treasurer under § 6–226 of the State Finance and Procurement Article to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State, with the exception of the following funds:

[(42) Strategic Energy Investment Fund;]

SECTION 9. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2025, the Governor may transfer to the General Fund [\$60,000,000] **\$80,000,000** from the reserve account established by the State to pay unemployment compensation benefits for State employees.

~~SECTION 7. AND BE IT FURTHER ENACTED, That Section(s) 24–204(d) of Article – Education of the Annotated Code of Maryland be repealed.~~

~~SECTION 8. AND BE IT FURTHER ENACTED, That Section(s) 7–717 of Article – Health – General of the Annotated Code of Maryland be repealed.~~

SECTION ~~9.~~ 7. AND BE IT FURTHER ENACTED, That Section(s) 16–503 of Article – Local Government of the Annotated Code of Maryland be repealed.

~~SECTION 10. AND BE IT FURTHER ENACTED, That Section(s) 2-701 and 2-702 and the subtitle "Subtitle 7. Inheritance Tax Revenue Distribution" and 7-201 through 7-234 and the subtitle "Subtitle 2. Inheritance Tax" of Article Tax General of the Annotated Code of Maryland be repealed.~~

~~SECTION 11. AND BE IT FURTHER ENACTED, That Section(s) 10-702 of Article Tax General of the Annotated Code of Maryland be repealed.~~

SECTION ~~12.~~ 8. AND BE IT FURTHER ENACTED, That, notwithstanding Section 8 of Chapter 717 of the Acts of the General Assembly of 2024 or any other provision of law, on or before June 30, 2025, the Governor may transfer to the General Fund the fiscal year 2025 interest earnings from the Strategic Energy Investment Fund established under § 9-20B-05 of the State Government Article.

SECTION ~~13.~~ 9. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2025, the Governor may transfer to the General Fund ~~\$203,365,440~~ \$197,365,440 from the Dedicated Purpose Account established under § 7-310 of the State Finance and Procurement Article, including:

(1) \$63,478,440 for cybersecurity;

(2) \$62,887,000 in capital pay-as-you-go funds for construction of a new State veterans home;

(3) \$25,000,000 in capital pay-as-you-go funds for the University of Maryland Medical System Comprehensive Cancer and Organ Transplant Center;

(4) \$20,000,000 for the relocation of State agencies out of State Center;

(5) \$11,000,000 in capital pay-as-you-go funds for Department of Natural Resources critical maintenance;

(6) \$10,000,000 in capital pay-as-you-go funds for Morgan State University deferred maintenance and site improvements; and

~~(7) \$6,000,000 in funding to implement Chapter 464 of the Acts of the General Assembly of 2022 (End the Wait Act); and~~

~~(8)~~ (7) \$5,000,000 in capital pay-as-you-go funds for Baltimore City Community College deferred maintenance.

SECTION ~~14.~~ 10. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2025, the Governor may transfer to the General Fund the following:

(1) ~~\$150,000,000~~ \$230,000,000 from the Renewable Portfolio Standard / ACP Account of the Strategic Energy Investment Fund established under § 9–20B–05 of the State Government Article;

~~(2) \$9,000,000 from the Resilient Maryland Revolving Loan Fund established under § 14–110.4 of the Public Safety Article;~~

~~(3) (2) \$7,000,000~~ \$5,000,000 from the Maryland Police Training and Standards Commission Fund established under § 3–206.1 of the Public Safety Article;

~~(4) (3) \$6,000,000~~ from the Maryland Innovation Investment Tax Credit Reserve Fund established under § 10–733 of the Tax – General Article;

~~(5) (4) \$5,000,000 from the Securities Act Registration Fund established under § 11–208 of the Corporations and Associations Article~~ Mortgage Loan Servicing Practices Settlement Fund established under § 7–328 of the State Finance and Procurement Article;

~~(6) (5) \$4,900,000~~ from the Maryland Violence Intervention and Prevention Program Fund established under § 4–902 of the Public Safety Article; and

~~(7) (6) \$4,300,000~~ from the More Jobs for Marylanders Tax Credit Reserve Fund established under § 10–741 of the Tax – General Article; ~~and~~

~~(8) \$4,000,000 from the Rape Kit Testing Grant Fund established under § 4–401 of the Public Safety Article.~~

~~SECTION 15. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, including Chapter 716 of the Acts of the General Assembly of 2024, authorization is hereby provided to the Maryland Department of Health to transfer funds amongst budgetary programs in the Department with an approved budget amendment for fiscal years 2025 and 2026.~~

~~SECTION 16. 11.~~ AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, the Governor may appropriate to the Department of Natural Resources up to \$16,400,000 from the Program Open Space State land acquisition fund balance for operating expenses in the Maryland Park Service in fiscal year 2026 only.

~~SECTION 17. 12.~~ AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2026, the Governor may transfer to the General Fund ~~\$10,000,000~~ \$13,100,000 from the Maternal and Child Health Population Health Improvement Fund established under § 19–210 of the Health – General Article.

~~SECTION 18. 13.~~ AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2026, the Governor may transfer to the Behavioral Health Administration within the Maryland Department of Health the following:

~~(1) \$96,654 from the Kidney Disease Fund established under § 13-310.1 of the Health General Article;~~

~~(2) (1) \$1,570,750 from the State Board of Physicians Fund established under § 14-207 of the Health Occupations Article;~~

~~(3) (2) \$720,938 \$837,313 from the State Board of Examiners for Audiologists, Hearing Aid Dispensers, Speech-Language Pathologists, and Music Therapists Fund established under § 2-206 of the Health Occupations Article;~~

~~(4) \$408,218 from the State Board of Social Work Examiners Fund established under § 19-206 of the Health Occupations Article;~~

~~(5) (3) \$371,904 \$418,756 from the State Board of Dietetic Practice Fund established under § 5-206 of the Health Occupations Article;~~

~~(6) (4) \$332,957 \$119,022 from the State Board of Acupuncture Fund established under § 1A-206 of the Health Occupations Article;~~

~~(7) \$284,592 from the State Board of Physical Therapy Examiners Fund established under § 13-207 of the Health Occupations Article;~~

~~(8) \$191,016 from the State Board of Examiners in Optometry Fund established under § 11-207 of the Health Occupations Article; and~~

~~(9) (5) \$40,699 from the State Board of Chiropractic Examiners Fund established under § 3-206 of the Health Occupations Article;~~

~~(6) \$4,497,322 \$2,848,653 from the State Board of Professional Counselors and Therapists Fund established under § 17-206 of the Health Occupations Article;~~

~~(7) \$1,059,742 \$633,191 from the State Board of Occupational Therapy Practice Fund established under § 10-206 of the Health Occupations Article; and~~

~~(8) \$946,269 \$465,315 from the State Board of Examiners for Psychologists Fund as established under § 18-207 of the Health Occupations Article.~~

SECTION 14. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2026, the Governor may transfer to the General Fund \$20,000,000 from the Circuit Court Real Property Records Improvement Fund established under § 13-602 of the Courts Article.

SECTION 15. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2026, the Governor may transfer to the General Fund \$1,000,000 from the State Used Tire Cleanup and Recycling Fund established under § 9-273 of the Environment Article.

SECTION 16. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2026, the Governor may transfer to the General Fund \$3,000,000 of the interest from the Racing and Community Development Financing Fund established under § 10-657.2 of the Economic Development Article.

SECTION 17. AND BE IT FURTHER ENACTED, That, notwithstanding § 7-311 of the State Finance and Procurement Article or any other provision of law, on or before June 30, 2026, if necessary, the Governor may transfer sufficient funds by budget amendment to the Annuity Bond Fund to ensure that the State Treasurer is able to pay debt service to the bondholders of the State.

~~SECTION 18. AND BE IT FURTHER ENACTED, That, notwithstanding Section 8 of Chapter 717 of the Acts of the General Assembly of 2024 or any other provision of law, on or before June 30, 2026, the Governor may transfer to the General Fund \$3,000,000 of interest earnings from the Racing and Community Development Financing Fund established under § 10-657.2 of the Economic Development Article.~~

SECTION 18. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2025, the Governor may transfer \$9,000,000 from the Resilient Maryland Revolving Loan Fund established under § 14-110.4 of the Public Safety Article to the Blueprint for Maryland's Future Fund established under § 5-206 of the Education Article.

SECTION 19. AND BE IT FURTHER ENACTED, That, for fiscal year 2026, payments to providers with rates set by the Interagency Rates Committee under § 8-417 of the Education Article may not increase over the rates in effect on January 1, 2025.

SECTION 20. AND BE IT FURTHER ENACTED, That the unexpended special fund appropriation for Outdoor Recreation Land Loan – Capital Appropriation (K00A05.10) within the Department of Natural Resources allocated to Baltimore City as part of the Program Open Space State allocation is reduced by a total of \$1,596,400 for the following projects:

(1) \$1,125,000 for the Herring Run Park project comprised of:

(i) \$400,000 allocated in fiscal year 2018 per a statutory requirement (Chapter 10 of 2016, as amended by Chapter 407 of 2017); and

(ii) \$725,000 allocated in fiscal year 2019 comprised of:

1. \$100,000 per a statutory requirement (Chapter 407 of 2017); and

2. \$625,000 in the fiscal year 2019 operating budget (Chapter 570 of 2018);

1 (2) \$300,000 allocated to the Druid Hill Trail Head project in fiscal year
2 2018 per a statutory requirement (Chapter 10 of 2016);

3 (3) \$100,000 appropriated to the Saint Charles Park project in the fiscal
4 year 2019 operating budget (Chapter 570 of 2018);

5 (4) \$21,400 remaining of the \$50,000 appropriated to the Bond Street Park
6 project in the fiscal year 2020 operating budget (Chapter 565 of 2019); and

7 (5) \$50,000 appropriated to the Warwick Park project in the fiscal year 2020
8 operating budget (Chapter 565 of 2019).

9 SECTION 21. AND BE IT FURTHER ENACTED, That \$12,000,000 in general funds
10 provided as a grant to the County Executive and County Council of Baltimore County for
11 infrastructure improvements to the Lansdowne Library under Section 19(1)(g)(viii) in the
12 fiscal year 2024 operating budget (Chapter 101 of 2023) are withdrawn.

13 ~~SECTION 19. 20. 22.~~ SECTION 22. AND BE IT FURTHER ENACTED, That:

14 (a) The transportation revenues raised in accordance with the provisions of this
15 Act shall remain allocated within the Maryland Department of Transportation.

16 (b) Notwithstanding § 8-402 of the Transportation Article or any other provision
17 of law, the revenue increases attributable to alterations to the titling tax provisions of this
18 Act may not be credited to the Gasoline and Motor Vehicle Revenue Account.

19 SECTION 23. AND BE IT FURTHER ENACTED, That, on the taking effect of the
20 termination provision of Section 6 of Chapter 111 of 2023, as amended by Section 6 of this
21 Act, all of the functions, powers, duties, books and records (including electronic records),
22 personal property, equipment, fixtures, assets, liabilities, obligations, credits, rights,
23 agreements, and privileges of the Maryland Thoroughbred Racetrack Operating Authority,
24 including those related to the Maryland Jockey Club, Inc., shall be transferred to the
25 Maryland Economic Development Corporation.

26 SECTION 24. AND BE IT FURTHER ENACTED, That, prior to the taking effect of
27 the termination provision of Section 6 of Chapter 111 of 2023, as amended by Section 6 of
28 this Act, all remaining funds in the Maryland Racing Operations Fund under § 10-1008 of
29 the Economic Development Article shall transfer to the Racing and Community Development
30 Facilities Fund under § 10-657.3 of the Economic Development Article.

31 SECTION 25. AND BE IT FURTHER ENACTED, That, except as otherwise provided
32 by law, all existing laws, regulations, proposed regulations, standards and guidelines,
33 policies, orders and other directives, forms, plans, memberships, contracts, property,
34 investigations, administrative and judicial responsibilities, rights to sue and be sued, and
35 all other duties and responsibilities associated with the functions of Maryland
36 Thoroughbred Racetrack Operating Authority prior to the taking effect of the termination
37 provision of Section 6 of Chapter 111 of 2023, as amended by Section 6 of this Act, shall

continue in effect and, as appropriate, are legal and binding on the Maryland Economic Development Corporation until completed, withdrawn, canceled, modified, or otherwise changed under the law.

SECTION ~~20, 21, 26~~. AND BE IT FURTHER ENACTED, That the Comptroller shall waive any interest or penalty imposed on an individual relating to payment of estimated income tax for calendar year 2025 to the extent that the Comptroller determines that the interest or penalty would not have been incurred but for an increase in the income tax rates for calendar year 2025 under Section 3 of this Act.

SECTION 27. AND BE IT FURTHER ENACTED, That the unexpended appropriation for Miscellaneous Grants to Local Government (D05E01) within the Board of Public Works for funding to the Baltimore City Mayor's Office of Art and Culture for the 2023 Artscape Festival that was included in the fiscal year 2024 operating budget (Chapter 101 of 2023) is reduced by \$326,456 in general funds.

SECTION 28. AND BE IT FURTHER ENACTED, That, notwithstanding § 10-106(b)(2) of the Tax – General Article, for a taxable year beginning after December 31, 2024, but before January 1, 2026, a county may set a county income tax rate in accordance with § 10-106(a)(1) of the Tax – General Article, as enacted by Section 3 of this Act, provided that the county:

(1) notifies the Comptroller in writing of the rate change on or before May 15, 2025; and

(2) is not requesting any other rate or bracket change for that taxable year.

SECTION 29. AND BE IT FURTHER ENACTED, That:

(a) Notwithstanding any other provision of law, if congressional action or other federal program changes result in a reduction of at least \$1,000,000,000 in the State's estimated federal fund revenues compared to the federal funding budgeted in fiscal year 2026, within 30 days of the determination or estimate of the State's federal fund revenues resulting from the federal policy change, the Secretary of Budget and Management shall certify whether the reduction is at least \$1,000,000,000.

(b) If the Secretary of Budget and Management certifies a reduction of at least \$1,000,000,000 in federal fund revenue in accordance with subsection (a) of this section, within 90 days of the certification, the Department of Budget and Management shall submit a report to the Legislative Policy Committee with a description of the impact of the reduced federal fund revenues by program and proposed actions, including reductions if appropriate.

SECTION 30. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, the Comptroller shall set the annual interest rate for a sales and use tax refund that is the result of a final decision in the matter of Potomac Edison v. Comptroller of the Treasury at a percentage, rounded to the nearest whole number, that is the percentage that equals the average prime rate of interest quoted by commercial banks to large businesses

during the 12 months immediately preceding the month in which the final decision is rendered, based on a determination by the Board of Governors of the Federal Reserve Bank.

SECTION 31. AND BE IT FURTHER ENACTED, That:

(a) On or before August 1, 2025, the Prince George's County Board of Education shall procure, using a competitive bidding process, an independent certified public accounting firm with expertise in school board finance and governance to conduct a performance (and/or financial) audit of the Prince George's County Board of Education.

(b) On award of the contract, and before commencement of the audit, the certified public accounting firm shall consult with the Joint Audit and Evaluation Committee established under Title 2, Subtitle 6 of the State Government Article and the Office of Legislative Audits established under Title 2, Subtitle 12 of the State Government Article in the development of the scope and objectives of the performance audit.

(c) A certified public accounting firm that provides services to the Prince George's County Board of Education may not bid on the procurement.

(d) The audit shall evaluate all revenues and expenditures of the Prince George's County Board of Education beginning with fiscal year 2024.

(e) On or before January 1, 2026, the audit report shall be submitted to the Joint Audit and Evaluation Committee, the Office of Legislative Audits, and the General Assembly, in accordance with § 2-1257 of the State Government Article.

SECTION 32. AND BE IT FURTHER ENACTED, That:

(a) If the Maryland Department of Health failed to comply in fiscal years 2023 and 2024 with § 19-1408 of the Health – General Article in regard to a nursing home in Montgomery County, Montgomery County may request and the Department shall delegate to Montgomery County the authority to conduct surveys and complaint investigations the Department is required to conduct under § 19-1408 of the Health – General Article.

(b) Within 90 days after receiving a request to delegate authority to Montgomery County due to the Maryland Department of Health's noncompliance with § 19-1408 of the Health – General Article, the Maryland Department of Health shall execute a memorandum of understanding with Montgomery County that:

(1) delegates to Montgomery County the requirement to conduct surveys and complaint investigations in compliance with § 19-1408 of the Health – General Article;

(2) subject to subsection (c) of this section, commits Montgomery County to paying 50% of the State costs for up to 60 months, with the total months of delegation committed under the memorandum determined by Montgomery County; and

(3) is modeled after a Maryland Department of Health Standard Memorandum of Understanding intra-agency or intergovernmental agreement that the Department executed with Montgomery County and existed as of July 1, 2019.

(c) (1) The Maryland Department of Health shall calculate the cost share for Montgomery County under this section in a manner that may not exceed 50% of the costs for conducting surveys and complaint investigations in fiscal year 2020, adjusted for inflation by the Consumer Price Index for all Urban Consumers for the Washington Metropolitan area, not to exceed 3% increase per fiscal year.

(2) The Maryland Department of Health shall ensure that the General Fund savings of shifting 50% of the State costs to Montgomery County under this section accrues to the Department for the immediately following fiscal year to comply with § 19-1408 of the Health – General Article on a statewide basis.

SECTION ~~21, 22,~~ 33. AND BE IT FURTHER ENACTED, That ~~Section 2~~ Sections 2 and 4 of this Act shall take effect July 1, 2025. Sections 13–802, 13–809, and 13–810 of the Transportation Article, as enacted by Section 2 of this Act, shall be applicable to all certificates of title issued on or after July 1, 2025, and to all motor vehicles, trailers, or semitrailers subject to the excise tax that are in interstate operation and registered under § 13–109(c) or (d) of the Transportation Article without a certificate of title on or after July 1, 2025.

SECTION ~~22, 23,~~ 34. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect July 1, 2025, and shall be applicable to all taxable years beginning after December 31, 2024.

SECTION 35. AND BE IT FURTHER ENACTED, That Section 5 of this Act shall take effect January 1, 2026, and shall be applicable to all taxable years beginning after December 31, 2025.

SECTION ~~23, 24,~~ 36. AND BE IT FURTHER ENACTED, That ~~Sections 4 and 9~~ Section ~~9~~ 7 of this Act shall take effect July 1, 2026.

~~SECTION 24, 25. AND BE IT FURTHER ENACTED, That Section 5 of this Act shall take effect July 1, 2027, and shall be applicable to all taxable years beginning after December 31, 2027.~~

~~SECTION 25. AND BE IT FURTHER ENACTED, That Section 10 9 of this Act shall take effect July 1, 2025, and shall be applicable to persons dying on or after July 1, 2025. Those statutes in effect on June 30, 2025, shall govern the administration, on and after July 1, 2025, of estates of persons who died before July 1, 2025, and shall govern the imposition, rate, administration, collection, enforcement, and distribution, on and after July 1, 2025, of the inheritance tax on property passing from persons who died before July 1, 2025.~~

1 SECTION ~~26~~, 37. AND BE IT FURTHER ENACTED, That, except as provided in
2 Sections ~~21, 22, 23, 24, and 25~~ 33, 34, 35, and 36 of this Act, this Act shall take effect June
3 1, 2025.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.