

HOUSE BILL 1546

P1, P3

EMERGENCY BILL

5lr3640

By: **Delegates Moon, J. Lewis, Atterbeary, Barnes, Clippinger, Korman, Pena-Melnyk, and Wilson**

Introduced and read first time: February 25, 2025

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Board of Public Works – Central Collection Unit – Delinquent Federal Funds**

3 FOR the purpose of reserving jurisdiction with respect to certain federal land in the State
4 under certain conditions; requiring the Central Collection Unit to be responsible for
5 the collection of certain delinquent federal funds; authorizing the Central Collection
6 Unit to place liens on certain federal property in the State under certain
7 circumstances; authorizing the Board of Public Works to determine the federal
8 government to be delinquent in federal funds owed to the State under certain
9 circumstances; and generally relating to federal property in the State and delinquent
10 federal funds.

11 BY repealing and reenacting, with amendments,
12 Article – General Provisions
13 Section 6–202
14 Annotated Code of Maryland
15 (2019 Replacement Volume and 2024 Supplement)

16 BY adding to
17 Article – General Provisions
18 Section 6–204
19 Annotated Code of Maryland
20 (2019 Replacement Volume and 2024 Supplement)

21 BY repealing and reenacting, without amendments,
22 Article – State Finance and Procurement
23 Section 3–206(a), (b), and (d), 3–302(a)(1), 3–304(b), and 10–101
24 Annotated Code of Maryland
25 (2021 Replacement Volume and 2024 Supplement)

26 BY adding to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – State Finance and Procurement
Section 3–302(d) and 10–208
Annotated Code of Maryland
(2021 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 3–304(a)
Annotated Code of Maryland
(2021 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,
Article – State Government
Section 6–106.1(a)
Annotated Code of Maryland
(2021 Replacement Volume and 2024 Supplement)

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

Article – General Provisions

6–202.

Notwithstanding § 6–201(a) [or], § 6–203, **OR § 6–204** of this subtitle, for the purpose of enforcing the civil or criminal laws of the State, the Governor may enter into an agreement with the United States to establish full or partial concurrent jurisdiction of the State and the United States over any land in the State held by the United States.

6–204.

FOR DELINQUENT FEDERAL FUNDS AS DETERMINED UNDER § 10–208 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, THE STATE RESERVES JURISDICTION WITH RESPECT TO LAND THAT THE UNITED STATES OR ANY UNIT OF THE UNITED STATES LEASES OR OTHERWISE HOLDS IN THE STATE WHEN THE FEDERAL GOVERNMENT IS FOUND NOT IN COMPLIANCE WITH COURT DECISIONS UPHOLDING FEDERAL CONGRESSIONALLY APPROVED SPENDING.

Article – State Finance and Procurement

3–206.

(a) The Attorney General is legal adviser to the Department.

(b) (1) With the advice of the Secretary, the Attorney General shall assign at least 1 assistant Attorney General to the Central Collection Unit.

(2) At the request of the Governor, the Attorney General shall assign to the Department:

(i) at least 1 assistant Attorney General; and

(ii) any other assistant Attorneys General authorized by law to be assigned to the Department.

(d) Each assistant Attorney General who is assigned to the Central Collection Unit shall devote full time to the duties with that Unit and may have no other duties.

3-302.

(a) (1) Except as otherwise provided in subsection (b) of this section, paragraph (2)(ii) of this subsection, or in other law, the Central Collection Unit is responsible for the collection of each delinquent account or other debt that is owed to the State or any of its officials or units.

(D) THE CENTRAL COLLECTION UNIT SHALL BE RESPONSIBLE FOR THE COLLECTION OF DELINQUENT FEDERAL FUNDS IN ACCORDANCE WITH § 3-304 OF THIS SUBTITLE, § 10-208 OF THIS ARTICLE, AND § 6-204 OF THE GENERAL PROVISIONS ARTICLE.

3-304.

(a) In carrying out its responsibilities, the Central Collection Unit may:

(1) (i) institute, in its name, any action that is available under State law for collection of a debt or claim; or

(ii) without suit, settle the debt or claim;

(2) for all debts or claims collected on or after June 1, 1992:

(i) in addition to the outstanding principal and interest, assess and collect from the debtor a fee, which may not exceed 20% of the outstanding principal and interest, sufficient to cover all collection and administrative costs; and

(ii) prior to crediting any amount to any agency which refers a debt for any purpose, withhold a fee sufficient to cover all collection and administrative costs;

(3) waive or reduce any fee assessed under paragraph (2) of this subsection;

[and]

(4) certify a debt or claim and the debtor responsible for the debt or claim to:

(i) the Comptroller for income tax refund interception in accordance with Title 13, Subtitle 9 of the Tax – General Article; and

(ii) the State Lottery and Gaming Control Agency for State lottery prize interception in accordance with § 3–307 of this subtitle; AND

(5) IN THE EVENT OF FEDERAL NONCOMPLIANCE WITH COURT DECISIONS UPHOLDING CONGRESSIONALLY APPROVED SPENDING, AND IN CONSULTATION WITH THE ATTORNEY GENERAL, PLACE LIENS ON FEDERAL PROPERTY IN THE STATE.

(b) In addition to the authority provided under subsection (a) of this section, and notwithstanding that the Central Collection Unit is a unit of the State government and that assistant Attorneys General represent the Unit, the Unit may enforce a statutory or written contractual obligation of a debtor to pay costs in addition to principal, including collection costs, counsel fees, or interest penalties.

10–101.

In this title, “Board” means the Board of Public Works.

10–208.

THE BOARD MAY DETERMINE THE FEDERAL GOVERNMENT TO BE DELINQUENT IN FEDERAL FUNDS OWED TO THE STATE IN THE EVENT OF FEDERAL NONCOMPLIANCE WITH COURT DECISIONS UPHOLDING CONGRESSIONALLY APPROVED SPENDING.

Article – State Government

6–106.1.

(a) The General Assembly finds that:

(1) the federal government’s action or failure to take action may pose a threat to the health and welfare of the residents of the State; and

(2) the State should investigate and obtain relief from any arbitrary, unlawful, or unconstitutional federal action or inaction and prevent such action or inaction from harming the residents of the State.

SECTION 2. AND BE IT FURTHER ENACTED, That, if any provision of this Act or the application of any provision of this Act to any person or circumstance is held invalid for

1 any reason in a court of competent jurisdiction, the invalidity does not affect other
2 provisions or any other application of this Act that can be given effect without the invalid
3 provision or application, and for this purpose the provisions of this Act are declared
4 severable.

5 SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency
6 measure, is necessary for the immediate preservation of the public health or safety, has
7 been passed by a yea and nay vote supported by three-fifths of all the members elected to
8 each of the two Houses of the General Assembly, and shall take effect from the date it is
9 enacted.