Laws

of the

State of Maryland

At the Session of the General Assembly Begun and Held in the
City of Annapolis on the Eleventh Day of January 2017
and Ending on the Tenth Day of April 2017

Bills vetoed by the Governor appear after the Laws

VOLUME VI

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Chapter 820

(House Bill 613)

AN ACT concerning

Pharmacists – Contraceptives – Prescribing and Dispensing

FOR the purpose of authorizing a pharmacist who meets the requirements of certain regulations to prescribe and dispense certain contraceptives; requiring the State Board of Pharmacy, on or before a certain date and in consultation with the State Board of Physicians, the State Board of Nursing, and certain stakeholders, to adopt regulations for pharmacists to prescribe and dispense certain contraceptives; establishing certain requirements for the regulations; requiring the Maryland Medical Assistance Program and the Maryland Children's Health Program to provide coverage for certain contraceptive services rendered by a licensed pharmacist to the same extent as the contraceptive services rendered by any other licensed health care practitioner; ~~requiring certain insurers, nonprofit health service plans, and health maintenance organizations to provide coverage for certain contraceptive services rendered by a licensed pharmacist to the same extent as the contraceptive services rendered by any other licensed health care practitioner;~~ altering and adding certain definitions; ~~providing for a delayed effective date;~~ and generally relating to the prescribing and dispensing of contraceptives by pharmacists.

BY repealing and reenacting, without amendments,
Article – Health – General
Section 15–101(a), (b), and (h)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY adding to
Article – Health – General
Section 15–148(c)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)
(As enacted by Chapters 436 and 437 of the Acts of the General Assembly of 2016)

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 12–101(u)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY adding to
Article – Health Occupations
Section 12–511

Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

~~BY adding to~~
~~Article – Insurance~~
~~Section 15–716~~
~~Annotated Code of Maryland~~
~~(2011 Replacement Volume and 2016 Supplement)~~

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

Article – Health – General

15–101.

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

(b) "Enrollee" means a program recipient who is enrolled in a managed care organization.

(h) "Program" means the Maryland Medical Assistance Program.

15–148.

(C) THE PROGRAM AND THE MARYLAND CHILDREN'S HEALTH PROGRAM SHALL PROVIDE COVERAGE FOR SERVICES RENDERED TO AN ENROLLEE BY A LICENSED PHARMACIST UNDER § 12–511 OF THE HEALTH OCCUPATIONS ARTICLE, TO THE SAME EXTENT AS SERVICES RENDERED BY ANY OTHER LICENSED HEALTH CARE PRACTITIONER, IN SCREENING AN ENROLLEE AND PRESCRIBING CONTRACEPTIVES FOR THE ENROLLEE.

Article – Health Occupations

12–101.

(u) (1) "Practice pharmacy" means to engage in any of the following activities:

(i) Providing pharmaceutical care;

(ii) Compounding, dispensing, or distributing prescription drugs or devices;

(iii) Compounding or dispensing nonprescription drugs or devices;

(iv) Monitoring prescriptions for prescription and nonprescription drugs or devices;

(v) Providing information, explanation, or recommendations to patients and health care practitioners about the safe and effective use of prescription or nonprescription drugs or devices;

(vi) Identifying and appraising problems concerning the use or monitoring of therapy with drugs or devices;

(vii) Acting within the parameters of a therapy management contract, as provided under Subtitle 6A of this title;

(viii) Administering vaccinations in accordance with § 12–508 of this title or self–administered drugs in accordance with § 12–509 of this title;

(ix) Delegating a pharmacy act to a registered pharmacy technician, pharmacy student, or an individual engaged in a Board approved pharmacy technician training program;

(x) Supervising a delegated pharmacy act performed by a registered pharmacy technician, pharmacy student, or an individual engaged in a Board approved pharmacy technician training program; **[**or**]**

(xi) Providing drug therapy management in accordance with § 19–713.6 of the Health – General Article**; OR**

(XII) PRESCRIBING AND DISPENSING CONTRACEPTIVE MEDICATIONS AND SELF–ADMINISTERED CONTRACEPTIVE DEVICES APPROVED BY THE U.S. FOOD AND DRUG ADMINISTRATION.

(2) "Practice pharmacy" does not include the operations of a person who holds a permit issued under § 12–6C–03 of this title.

12–511.

(A) IN THIS SECTION, "CONTRACEPTIVES" MEANS CONTRACEPTIVE MEDICATIONS AND SELF–ADMINISTERED CONTRACEPTIVE DEVICES APPROVED BY THE U.S. FOOD AND DRUG ADMINISTRATION.

(B) A PHARMACIST WHO MEETS THE REQUIREMENTS OF THE REGULATIONS ADOPTED UNDER THIS SECTION MAY PRESCRIBE AND DISPENSE CONTRACEPTIVES.

(C) (1) ~~THE~~ ON OR BEFORE SEPTEMBER 1, 2018, THE BOARD, IN CONSULTATION WITH THE STATE BOARD OF PHYSICIANS, THE STATE BOARD OF NURSING, THE MARYLAND CHAPTER OF THE AMERICAN COLLEGE OF

OBSTETRICIANS AND GYNECOLOGISTS, THE MARYLAND CHAPTER OF THE AMERICAN ACADEMY OF PEDIATRICS, THE MARYLAND PHARMACISTS ASSOCIATION, THE MARYLAND AFFILIATE OF THE AMERICAN COLLEGE OF NURSE–MIDWIVES, THE MARYLAND NURSES ASSOCIATION, PLANNED PARENTHOOD OF MARYLAND, *THE MARYLAND ASSOCIATION OF CHAIN DRUG STORES*, AND OTHER INTERESTED HEALTH PROFESSIONAL ASSOCIATIONS AND STAKEHOLDERS, SHALL ADOPT *FINAL* REGULATIONS ESTABLISHING ~~THE~~:

(I) STANDARD PROCEDURES THAT A PHARMACIST MUST USE TO SELECT THE APPROPRIATE CONTRACEPTIVE TO PRESCRIBE FOR A PATIENT OR TO REFER THE PATIENT TO A PRIMARY CARE PRACTITIONER OR REPRODUCTIVE HEALTH CARE PRACTITIONER FOR TREATMENT; AND

(II) THE CONDITIONS UNDER WHICH A PHARMACIST MAY PRESCRIBE AND DISPENSE CONTRACEPTIVES.

(2) THE REGULATIONS SHALL REQUIRE A PHARMACIST TO:

(I) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, COMPLETE A TRAINING PROGRAM APPROVED BY THE BOARD FOR PRESCRIBING AND DISPENSING CONTRACEPTIVES;

(II) PROVIDE A SELF–SCREENING RISK ASSESSMENT TOOL THAT A PATIENT MUST USE BEFORE A PHARMACIST MAY PRESCRIBE CONTRACEPTIVES FOR THE PATIENT;

(III) FOLLOW THE STANDARD PROCEDURES ESTABLISHED BY THE BOARD; AND

~~(III)~~ (IV) AFTER PRESCRIBING AND DISPENSING CONTRACEPTIVES FOR A PATIENT:

1. REFER THE PATIENT FOR ANY ADDITIONAL CARE TO:

A. THE PATIENT'S PRIMARY CARE PRACTITIONER OR REPRODUCTIVE HEALTH CARE PRACTITIONER; OR

B. IF THE PATIENT DOES NOT HAVE A PRIMARY CARE PRACTITIONER OR REPRODUCTIVE HEALTH CARE PRACTITIONER, A FAMILY PLANNING PROVIDER OR A LICENSED CLINICIAN WHO PROVIDES REPRODUCTIVE HEALTH CARE SERVICES;

2. PROVIDE THE PATIENT WITH:

A. ~~A~~ A WRITTEN RECORD OF THE CONTRACEPTIVES DISPENSED; AND

B. WRITTEN INFORMATION ABOUT THE IMPORTANCE OF SEEING THE PATIENT'S PRIMARY CARE PRACTITIONER OR REPRODUCTIVE HEALTH CARE PRACTITIONER TO OBTAIN RECOMMENDED TESTS AND SCREENINGS; ~~AND~~

3. RECORD THE PRESCRIBING AND DISPENSING OF THE CONTRACEPTIVES IN ANY ELECTRONIC HEALTH RECORD MAINTAINED ON THE PATIENT BY THE PHARMACIST; AND

4. PROVIDE THE PATIENT WITH A COPY OF THE RECORD OF THE ENCOUNTER THAT INCLUDES THE PATIENT'S COMPLETED SELF–ASSESSMENT TOOL AND THE CONTRACEPTIVE PRESCRIBED AND DISPENSED OR THE BASIS FOR NOT PRESCRIBING AND DISPENSING A CONTRACEPTIVE.

(3) THE REGULATIONS SHALL WAIVE THE REQUIREMENT TO COMPLETE A TRAINING PROGRAM FOR A PHARMACIST WHO ALREADY HAS UNDERGONE THE TRAINING AS PART OF THE PHARMACIST'S FORMAL EDUCATIONAL PROGRAM.

(4) THE REGULATIONS SHALL PROHIBIT A PHARMACIST FROM PRESCRIBING CONTRACEPTIVES BEFORE JANUARY 1, 2019.

~~**Article – Insurance**~~

~~**15–716.**~~

~~**(A) THIS SECTION APPLIES TO:**~~

~~**(1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT PROVIDE COVERAGE FOR CONTRACEPTIVE DRUGS AND DEVICES UNDER INDIVIDUAL, GROUP, OR BLANKET HEALTH INSURANCE POLICIES OR CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE; AND**~~

~~**(2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE COVERAGE FOR CONTRACEPTIVE DRUGS AND DEVICES UNDER INDIVIDUAL OR GROUP CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.**~~

~~**(B) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE COVERAGE FOR SERVICES RENDERED BY A LICENSED PHARMACIST UNDER § 12–511 OF THE HEALTH OCCUPATIONS ARTICLE TO AN INDIVIDUAL WHO IS COVERED UNDER A POLICY OR CONTRACT ISSUED OR DELIVERED BY THE ENTITY, TO THE SAME EXTENT AS SERVICES RENDERED BY ANY OTHER LICENSED HEALTH CARE PRACTITIONER, IN**~~

~~**SCREENING AN INDIVIDUAL AND PRESCRIBING CONTRACEPTIVES FOR THE INDIVIDUAL.**~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~January 1, 2018~~ *July 1, 2017*.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 821

(Senate Bill 363)

AN ACT concerning

Pharmacists – Contraceptives – Prescribing and Dispensing

FOR the purpose of authorizing a pharmacist who meets the requirements of certain regulations to prescribe and dispense certain contraceptives; requiring the State Board of Pharmacy, on or before a certain date and in consultation with the State Board of Physicians, the State Board of Nursing, and certain stakeholders, to adopt regulations for pharmacists to prescribe and dispense certain contraceptives; establishing certain requirements for the regulations; requiring the Maryland Medical Assistance Program and the Maryland Children's Health Program to provide coverage for certain contraceptive services rendered by a licensed pharmacist to the same extent as the contraceptive services rendered by any other licensed health care practitioner; ~~requiring certain insurers, nonprofit health service plans, and health maintenance organizations to provide coverage for certain contraceptive services rendered by a licensed pharmacist to the same extent as the contraceptive services rendered by any other licensed health care practitioner;~~ altering and adding certain definitions; ~~providing for a delayed effective date;~~ and generally relating to the prescribing and dispensing of contraceptives by pharmacists.

BY repealing and reenacting, without amendments,
Article – Health – General
Section 15–101(a), (b), and (h)
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(2015 Replacement Volume and 2016 Supplement)

BY adding to
Article – Health – General
Section 15–148(c)
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(As enacted by Chapters 436 and 437 of the Acts of the General Assembly of 2016)

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 12–101(u)
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BY adding to
Article – Health Occupations
Section 12–511
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

~~BY adding to~~
~~Article – Insurance~~
~~Section 15–716~~
~~Annotated Code of Maryland~~
~~(2011 Replacement Volume and 2016 Supplement)~~

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

Article – Health – General

15–101.

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

(b) "Enrollee" means a program recipient who is enrolled in a managed care organization.

(h) "Program" means the Maryland Medical Assistance Program.

15–148.

(C) THE PROGRAM AND THE MARYLAND CHILDREN'S HEALTH PROGRAM SHALL PROVIDE COVERAGE FOR SERVICES RENDERED TO AN ENROLLEE BY A LICENSED PHARMACIST UNDER § 12–511 OF THE HEALTH OCCUPATIONS ARTICLE, TO THE SAME EXTENT AS SERVICES RENDERED BY ANY OTHER LICENSED HEALTH CARE PRACTITIONER, IN SCREENING AN ENROLLEE AND PRESCRIBING CONTRACEPTIVES FOR THE ENROLLEE.

Article – Health Occupations

12–101.

(u) (1) "Practice pharmacy" means to engage in any of the following activities:

(i) Providing pharmaceutical care;

(ii) Compounding, dispensing, or distributing prescription drugs or devices;

(iii) Compounding or dispensing nonprescription drugs or devices;

(iv) Monitoring prescriptions for prescription and nonprescription drugs or devices;

(v) Providing information, explanation, or recommendations to patients and health care practitioners about the safe and effective use of prescription or nonprescription drugs or devices;

(vi) Identifying and appraising problems concerning the use or monitoring of therapy with drugs or devices;

(vii) Acting within the parameters of a therapy management contract, as provided under Subtitle 6A of this title;

(viii) Administering vaccinations in accordance with § 12–508 of this title or self–administered drugs in accordance with § 12–509 of this title;

(ix) Delegating a pharmacy act to a registered pharmacy technician, pharmacy student, or an individual engaged in a Board approved pharmacy technician training program;

(x) Supervising a delegated pharmacy act performed by a registered pharmacy technician, pharmacy student, or an individual engaged in a Board approved pharmacy technician training program; **[**or**]**

(xi) Providing drug therapy management in accordance with § 19–713.6 of the Health – General Article**; OR**

(XII) PRESCRIBING AND DISPENSING CONTRACEPTIVE MEDICATIONS AND SELF–ADMINISTERED CONTRACEPTIVE DEVICES APPROVED BY THE U.S. FOOD AND DRUG ADMINISTRATION.

(2) "Practice pharmacy" does not include the operations of a person who holds a permit issued under § 12–6C–03 of this title.

12–511.

(A) IN THIS SECTION, "CONTRACEPTIVES" MEANS CONTRACEPTIVE MEDICATIONS AND SELF–ADMINISTERED CONTRACEPTIVE DEVICES APPROVED BY THE U.S. FOOD AND DRUG ADMINISTRATION.

(B) A PHARMACIST WHO MEETS THE REQUIREMENTS OF THE REGULATIONS ADOPTED UNDER THIS SECTION MAY PRESCRIBE AND DISPENSE CONTRACEPTIVES.

(C) (1) ~~THE~~ ON OR BEFORE SEPTEMBER 1, 2018, THE BOARD, IN CONSULTATION WITH THE STATE BOARD OF PHYSICIANS, THE STATE BOARD OF NURSING, THE MARYLAND CHAPTER OF THE AMERICAN COLLEGE OF OBSTETRICIANS AND GYNECOLOGISTS, THE MARYLAND CHAPTER OF THE AMERICAN ACADEMY OF PEDIATRICS, THE MARYLAND PHARMACISTS ASSOCIATION, THE MARYLAND AFFILIATE OF THE AMERICAN COLLEGE OF NURSE–MIDWIVES, THE MARYLAND NURSES ASSOCIATION, PLANNED PARENTHOOD OF MARYLAND, THE MARYLAND ASSOCIATION OF CHAIN DRUG STORES, AND OTHER INTERESTED HEALTH PROFESSIONAL ASSOCIATIONS AND STAKEHOLDERS, SHALL ADOPT FINAL REGULATIONS ESTABLISHING ~~THE~~:

(I) STANDARD PROCEDURES THAT A PHARMACIST MUST USE TO SELECT THE APPROPRIATE CONTRACEPTIVE TO PRESCRIBE FOR A PATIENT OR TO REFER THE PATIENT TO A PRIMARY CARE PRACTITIONER OR REPRODUCTIVE HEALTH CARE PRACTITIONER FOR TREATMENT; AND

(II) THE CONDITIONS UNDER WHICH A PHARMACIST MAY PRESCRIBE AND DISPENSE CONTRACEPTIVES.

(2) THE REGULATIONS SHALL REQUIRE A PHARMACIST TO:

(I) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, COMPLETE A TRAINING PROGRAM APPROVED BY THE BOARD FOR PRESCRIBING AND DISPENSING CONTRACEPTIVES;

(II) PROVIDE A SELF–SCREENING RISK ASSESSMENT TOOL THAT A PATIENT MUST USE BEFORE A PHARMACIST MAY PRESCRIBE CONTRACEPTIVES FOR THE PATIENT;

(III) FOLLOW THE STANDARD PROCEDURES ESTABLISHED BY THE BOARD; AND

~~(III)~~ (IV) AFTER PRESCRIBING AND DISPENSING CONTRACEPTIVES FOR A PATIENT:

1. REFER THE PATIENT FOR ANY ADDITIONAL CARE TO:

A. THE PATIENT'S PRIMARY CARE PRACTITIONER OR REPRODUCTIVE HEALTH CARE PRACTITIONER; OR

B. IF THE PATIENT DOES NOT HAVE A PRIMARY CARE PRACTITIONER OR REPRODUCTIVE HEALTH CARE PRACTITIONER, A FAMILY PLANNING PROVIDER OR A LICENSED CLINICIAN WHO PROVIDES REPRODUCTIVE HEALTH CARE SERVICES;

2. PROVIDE THE PATIENT WITH:

A. ~~A~~ A WRITTEN RECORD OF THE CONTRACEPTIVES DISPENSED; AND

B. WRITTEN INFORMATION ABOUT THE IMPORTANCE OF SEEING THE PATIENT'S PRIMARY CARE PRACTITIONER OR REPRODUCTIVE HEALTH CARE PRACTITIONER TO OBTAIN RECOMMENDED TESTS AND SCREENINGS;

3. RECORD THE PRESCRIBING AND DISPENSING OF THE CONTRACEPTIVES IN ANY ELECTRONIC HEALTH RECORD MAINTAINED ON THE PATIENT BY THE PHARMACIST; AND

4. PROVIDE THE PATIENT WITH A COPY OF THE RECORD OF THE ENCOUNTER THAT INCLUDES THE PATIENT'S COMPLETED SELF–ASSESSMENT TOOL AND THE CONTRACEPTIVE PRESCRIBED AND DISPENSED OR THE BASIS FOR NOT PRESCRIBING AND DISPENSING A CONTRACEPTIVE.

(3) THE REGULATIONS SHALL WAIVE THE REQUIREMENT TO COMPLETE A TRAINING PROGRAM FOR A PHARMACIST WHO ALREADY HAS UNDERGONE THE TRAINING AS PART OF THE PHARMACIST'S FORMAL EDUCATIONAL PROGRAM.

(4) THE REGULATIONS SHALL PROHIBIT A PHARMACIST FROM PRESCRIBING CONTRACEPTIVES BEFORE JANUARY 1, 2019.

~~**Article – Insurance**~~

~~**15–716.**~~

~~**(A) THIS SECTION APPLIES TO:**~~

~~**(1) INSURERS AND NONPROFIT HEALTH SERVICE PLANS THAT PROVIDE COVERAGE FOR CONTRACEPTIVE DRUGS AND DEVICES UNDER INDIVIDUAL, GROUP, OR BLANKET HEALTH INSURANCE POLICIES OR CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE; AND**~~

~~(2) HEALTH MAINTENANCE ORGANIZATIONS THAT PROVIDE COVERAGE FOR CONTRACEPTIVE DRUGS AND DEVICES UNDER INDIVIDUAL OR GROUP CONTRACTS THAT ARE ISSUED OR DELIVERED IN THE STATE.~~

~~(B) AN ENTITY SUBJECT TO THIS SECTION SHALL PROVIDE COVERAGE FOR SERVICES RENDERED BY A LICENSED PHARMACIST UNDER § 12–511 OF THE HEALTH OCCUPATIONS ARTICLE TO AN INDIVIDUAL WHO IS COVERED UNDER A POLICY OR CONTRACT ISSUED OR DELIVERED BY THE ENTITY, TO THE SAME EXTENT AS SERVICES RENDERED BY ANY OTHER LICENSED HEALTH CARE PRACTITIONER, IN SCREENING AN INDIVIDUAL AND PRESCRIBING CONTRACEPTIVES FOR THE INDIVIDUAL.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~January 1, 2018~~ July 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 822

(Senate Bill 110)

AN ACT concerning

Public Health – Expedited Partner Therapy – *Trichomoniasis and* Pharmacist Dispensing

FOR the purpose of *authorizing, notwithstanding any other provision of law, certain health care providers to prescribe, dispense, or otherwise provide antibiotic therapy to a certain partner of a patient diagnosed with trichomoniasis without making a certain physical assessment;* authorizing, notwithstanding any other provision of law, a licensed pharmacist to dispense antibiotic therapy prescribed to certain partners of patients diagnosed with certain sexually transmitted infections without making a certain physical assessment; and generally relating to expedited partner therapy ~~and dispensing of antibiotic therapy by a licensed pharmacist~~.

BY repealing and reenacting, with amendments,
Article – Health – General
Section 18–214.1
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – Health – General

18–214.1.

(a) The purpose of expedited partner therapy is to provide antibiotic therapy to any partner of a patient diagnosed with a sexually transmitted infection identified in subsection (b) of this section in order to:

(1) Contain and stop the further spread of the infection; and

(2) Reduce the likelihood of reinfection in the diagnosed patient.

(b) Notwithstanding any other provision of law, the following health care providers may prescribe, dispense, or otherwise provide antibiotic therapy to any sexual partner of a patient diagnosed with chlamydia ~~or~~, gonorrhea***, OR TRICHOMONIASIS*** without making a personal physical assessment of the patient's partner:

(1) A physician licensed under Title 14 of the Health Occupations Article;

(2) An advanced practice registered nurse with prescriptive authority licensed under Title 8 of the Health Occupations Article acting in accordance with § 8–508 of the Health Occupations Article;

(3) An authorized physician assistant licensed under Title 15 of the Health Occupations Article acting in accordance with § 15–302.2 of the Health Occupations Article; and

(4) A registered nurse employed by a local health department who complies with:

(i) The formulary developed and approved under § 3–403(b) of this article; and

(ii) The requirements established under § 8–512 of the Health Occupations Article.

(c) This section may not be construed to otherwise expand the prescribing or dispensing authority of an advanced practice registered nurse with prescriptive authority or a physician assistant.

(D) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A PHARMACIST LICENSED UNDER TITLE 12 OF THE HEALTH OCCUPATIONS ARTICLE MAY DISPENSE ANTIBIOTIC THERAPY PRESCRIBED IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION.

[(d)**]** **(E)** The Secretary shall adopt regulations to implement the requirements of this section in public and private health care settings in the State.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 823

(House Bill 824)

AN ACT concerning

State Board of Morticians and Funeral Directors – Sunset Extension and Program Evaluation

FOR the purpose of continuing the State Board of Morticians and Funeral Directors in accordance with the provisions of the Maryland Program Evaluation Act (sunset law) by extending to a certain date the termination provisions relating to the statutory and regulatory authority of the Board; requiring that an evaluation of the Board and the statutes and regulations that relate to the Board be performed on or before a certain date; ~~altering the circumstances under which a body of a decedent may be transported for preparation or storage to a facility that is not within the jurisdiction of the State, licensed by the Board, or permitted by the Office of Cemetery Oversight;~~ requiring the Board to conduct a certain workload analysis and a certain fiscal analysis and submit a certain report to the Department of Legislative Services ~~and certain committees of the General Assembly~~ on or before a certain date; requiring the Board to report on or before certain dates to certain committees of the General Assembly on certain Board action and efforts *and the comparability of a certain provision of law to certain laws and regulations in other states* ~~and the comparability of a certain provision of law to certain laws and regulations in other states~~; and generally relating to the State Board of Morticians and Funeral Directors.

~~BY repealing and reenacting, with amendments,~~
~~Article – Health – General~~
~~Section 5–513(g)~~
~~Annotated Code of Maryland~~
~~(2015 Replacement Volume and 2016 Supplement)~~

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 7–702
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 8–405(b)(2)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

~~**Article – Health – General**~~

~~5–513.~~

~~(g) (1) Except as provided in paragraph (2) of this subsection, while the body of a decedent is in the custody of a funeral establishment or crematory in the State, the body may not be transported for preparation or storage to a facility that is not within the jurisdiction of the State, licensed by the State Board of Morticians and Funeral Directors, or permitted by the Office of Cemetery Oversight.~~

~~(2) The body of a decedent may be transported for preparation or storage to a facility that is not within the jurisdiction of the State, licensed by the State Board of Morticians and Funeral Directors, or permitted by the Office of Cemetery Oversight if:~~

~~(i) [The facility has entered into a written agreement with the State Board of Morticians and Funeral Directors or the Office of Cemetery Oversight to allow the State to make unannounced inspections of the facility; and~~

~~(ii)]~~ The person authorized to arrange for the final disposition of the body under § 5–509 of this subtitle:

~~1. Has given written permission for the body to be transported to the facility; or~~

~~2. A. Has given oral permission for the body to be transported to the facility; and~~

~~B. Within 36 hours after giving oral permission, provides written verification of the oral permission; AND~~

~~(II) THE PERMISSION REQUIRED UNDER ITEM (I) OF THIS PARAGRAPH IS GIVEN TO THE FUNERAL HOME OR CREMATORY IN THE STATE THAT HAS CUSTODY OF THE BODY BEFORE THE BODY IS TRANSPORTED.~~

Article – Health Occupations

7–702.

Subject to the evaluation and reestablishment provisions of the Program Evaluation Act, this title and all rules and regulations adopted under this title shall terminate and be of no effect after July 1, **[**2018**]** ~~**2028**~~ ~~**2023**~~ ***2028***.

Article – State Government

8–405.

(b) Each of the following governmental activities or units and the statutes and regulations that relate to the governmental activities or units are subject to full evaluation, in the evaluation year specified, without the need for a preliminary evaluation:

(2) Morticians and Funeral Directors, State Board of (§ 7–201 of the Health Occupations Article: **[**2016**]** ~~**2026**~~ ~~**2021**~~ ***2026***);

SECTION 2. AND BE IT FURTHER ENACTED, That on or before November 1, 2017, the State Board of Morticians and Funeral Directors shall report to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee, in accordance with § 2–1246 of the State Government Article, regarding the comparability of § 5–513(g)(2)(i) of the Health – General Article to the laws and regulations of other states. The report shall include a survey of other states, if any, that conduct inspections, either announced or unannounced, of out–of–state facilities to which the body of a decedent may be transported.

~~SECTION 2. AND BE IT FURTHER ENACTED, That on or before November 1, 2017, the State Board of Morticians and Funeral Directors shall report to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee, in accordance with § 2–1246 of the State Government Article, regarding the comparability of § 5–513(g)(2)(i) of the Health – General Article to the laws and regulations of other states. The report shall include a survey of other states, if any, that conduct inspections, either announced or unannounced, of out–of–state facilities to which the body of a decedent may be transported.~~

SECTION ~~3.~~ ~~2.~~ *3.* AND BE IT FURTHER ENACTED, That on or before January 1, 2018, the State Board of Morticians and Funeral Directors shall:

(1) conduct:

(i) a workload analysis to determine whether fees collected from each group regulated by the Board adequately reflect the costs associated with regulating that group; and

(ii) an internal fiscal analysis, including a reassessment of its fee schedule; and

(2) submit a report to the Department of Legislative Services ~~and, in accordance with § 2–1246 of the State Government Article, to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee~~ on:

(i) the findings of the Board's workload analysis;

(ii) the findings of the Board's internal fiscal analysis and reassessment of its fee schedule;

(iii) any proposed changes to the Board's fee schedule; and

(iv) the status of filling the vacant staff position and, if filled, the impact of filling the position on the Board's expenditures, the fund balance, and the number of overtime hours worked by Board staff.

~~SECTION 3. AND BE IT FURTHER ENACTED, That, on or before January 1, 2019, the State Board of Morticians shall report to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee, in accordance with § 2–1246 of the State Government Article, on Board efforts to:~~

~~(1) work with the Department of Health and Mental Hygiene to facilitate Board record keeping and improve the Board's Web site;~~

~~(2) work to improve the negative perception of the Board by some licensees; and~~

~~(3) further enhance communications with the industry.~~

SECTION 4. AND BE IT FURTHER ENACTED, That, on or before October 1, 2019, the State Board of Morticians and Funeral Directors shall report to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee, in accordance with § 2–1246 of the State Government Article, on:

(1) Board action taken in response to the findings of the workload analysis and internal fiscal analysis required to be conducted by the Board under Section 3 of this Act; and

~~(2) Board efforts to:~~

~~(i) ensure sufficient staff resources;~~

(2) Board efforts to:

(i) ensure sufficient staff resources;

(ii) work with the Department of Health and Mental Hygiene to facilitate Board record keeping and improve the Board's Web site;

(iii) work to improve the negative perception of the Board by some licensees; and

(iv) further enhance communications with the industry

~~(ii) work with the Department of Health and Mental Hygiene to facilitate Board record keeping and improve the Board's Web site;~~

~~(iii) work to improve the negative perception of the Board by some licensees; and~~

~~(iv) further enhance communications with the industry~~.

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 824

(Senate Bill 548)

AN ACT concerning

State Board of Morticians and Funeral Directors – Sunset Extension and Program Evaluation

FOR the purpose of continuing the State Board of Morticians and Funeral Directors in accordance with the provisions of the Maryland Program Evaluation Act (sunset law) by extending to a certain date the termination provisions relating to the statutory and regulatory authority of the Board; requiring that an evaluation of the Board and the statutes and regulations that relate to the Board be performed on or before a certain date; requiring the Board to conduct a certain workload analysis and a certain fiscal analysis and submit a certain report to the Department of Legislative Services on or before a certain date; requiring the Board to report on or before certain dates to certain committees of the General Assembly on certain Board action and efforts and the comparability of a certain provision of law to certain laws and regulations in other states; and generally relating to the State Board of Morticians and Funeral Directors.

BY repealing and reenacting, with amendments,
Article – Health Occupations

Section 7–702
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 8–405(b)(2)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Health Occupations

7–702.

Subject to the evaluation and reestablishment provisions of the Program Evaluation Act, this title and all rules and regulations adopted under this title shall terminate and be of no effect after July 1, **[**2018**] 2028**.

Article – State Government

8–405.

(b) Each of the following governmental activities or units and the statutes and regulations that relate to the governmental activities or units are subject to full evaluation, in the evaluation year specified, without the need for a preliminary evaluation:

(2) Morticians and Funeral Directors, State Board of (§ 7–201 of the Health Occupations Article: **[**2016**] 2026**);

SECTION 2. AND BE IT FURTHER ENACTED, That on or before November 1, 2017, the State Board of Morticians and Funeral Directors shall report to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee, in accordance with § 2–1246 of the State Government Article, regarding the comparability of § 5–513(g)(2)(i) of the Health – General Article to the laws and regulations of other states. The report shall include a survey of other states, if any, that conduct inspections, either announced or unannounced, of out–of–state facilities to which the body of a decedent may be transported.

SECTION 3. AND BE IT FURTHER ENACTED, That on or before January 1, 2018, the State Board of Morticians and Funeral Directors shall:

(1) conduct:

(i) a workload analysis to determine whether fees collected from each group regulated by the Board adequately reflect the costs associated with regulating that group; and

(ii) an internal fiscal analysis, including a reassessment of its fee schedule; and

(2) submit a report to the Department of Legislative Services on:

(i) the findings of the Board's workload analysis;

(ii) the findings of the Board's internal fiscal analysis and reassessment of its fee schedule;

(iii) any proposed changes to the Board's fee schedule; and

(iv) the status of filling the vacant staff position and, if filled, the impact of filling the position on the Board's expenditures, the fund balance, and the number of overtime hours worked by Board staff.

SECTION 4. AND BE IT FURTHER ENACTED, That, on or before October 1, 2019, the State Board of Morticians and Funeral Directors shall report to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee, in accordance with § 2–1246 of the State Government Article, on:

(1) Board action taken in response to the findings of the workload analysis and internal fiscal analysis required to be conducted by the Board under Section 3 of this Act; and

(2) Board efforts to:

(i) ensure sufficient staff resources;

(ii) work with the Department of Health and Mental Hygiene to facilitate Board record keeping and improve the Board's Web site;

(iii) work to improve the negative perception of the Board by some licensees; and

(iv) further enhance communications with the industry.

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 825

(House Bill 1626)

AN ACT concerning

Election Law – Early Voting – Registered Voter Updating the Voter's Address on an Existing Registration

FOR the purpose of altering a certain provision of the election law concerning a registered voter updating the voter's address during early voting to conform to other provisions of the election law applicable to a registered voter updating the voter's address and voting; repealing the requirement that a registered voter updating the voter's address on an existing registration during early voting must provide proof of residency; and generally relating to a registered voter updating the voter's address on an existing registration during early voting.

BY repealing and reenacting, with amendments,
Article – Election Law
Section 3–305
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

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

Article – Election Law

3–305.

(a) During early voting, an individual may appear in person at an early voting center in the individual's county of residence and apply to register to vote or change the voter's address on an existing voter registration.

(b) (1) When applying to register to vote **[**or change an address on an existing registration**]** during early voting, the applicant shall provide proof of residency.

(2) The applicant shall prove residency by showing the election judge:

(i) a Maryland driver's license or Maryland identification card that contains the applicant's current address; or

(ii) if the applicant does not have a driver's license or identification card that contains the applicant's current address, a copy of an official document that:

1. meets the requirements established by the State Board; and

2. contains the applicant's name and current address.

(c) (1) When an individual applies to register to vote at an early voting center, the election judge shall determine whether the applicant resides in the county in which the applicant applied and is qualified to become a registered voter.

(2) If the voter is a resident of the county and is qualified to register to vote, the election judge shall:

(i) issue the voter a voter authority card;

(ii) have the voter sign the voter authority card; and

(iii) issue the voter a ballot.

(d) (1) When a voter applies to change the voter's address during early voting, the election judge shall determine whether the voter resides in the county in which the voter seeks to vote.

(2) If the voter is a resident of the county, the election judge shall:

(i) issue the voter a voter authority card;

(ii) have the voter sign the voter authority card; and

(iii) issue the voter the appropriate ballot for the voter's new address.

(e) The State Board shall adopt regulations and procedures in accordance with the requirements of this section for the administration of voter registration during early voting.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 826

(House Bill 224)

AN ACT concerning

Higher Education – AmeriCorps Program Participants – In–State Tuition

FOR the purpose of waiving the residency requirement for in–State tuition purposes at a public senior higher education institution in the State for students who complete an AmeriCorps Program in the State; establishing certain circumstances when a student is responsible for paying in–State tuition; defining a certain term; and generally relating to the residency requirement for in–State tuition purposes.

BY adding to
Article – Education
Section 15–106.9
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

15–106.9.

(A) IN THIS SECTION, "RESIDENCY REQUIREMENT" MEANS THE REQUIREMENT OF A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION THAT A STUDENT HAS RESIDED IN THE STATE FOR 12 CONSECUTIVE MONTHS TO BE CONSIDERED A RESIDENT AND RECEIVE IN–STATE TUITION STATUS.

(B) FOR IN–STATE TUITION PURPOSES, A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION SHALL WAIVE THE IN–STATE RESIDENCY REQUIREMENT FOR AN INDIVIDUAL WHO HAS COMPLETED ALL SERVICE HOURS FOR AN AMERICORPS PROGRAM IN THE STATE.

(C) A STUDENT IS RESPONSIBLE FOR THE DIFFERENCE BETWEEN IN–STATE AND OUT–OF–STATE TUITION IF THE STUDENT DOES NOT RETAIN RESIDENCE IN THE STATE FOR THE REMAINDER OF THE SCHOOL YEAR FOR WHICH IN–STATE TUITION WAS RECEIVED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 827

(House Bill 212)

AN ACT concerning

Consumer Protection – Credit Report Security Freezes – Prohibition on Fees and Required Notices

FOR the purpose of prohibiting a consumer reporting agency from charging a consumer a fee for placing a security freeze *if the consumer has not previously requested the placement of a security freeze from the consumer reporting agency*; ~~temporarily lifting a security freeze a certain number of times, or removing a security freeze if the consumer has received a certain notice of a breach of the security of a system under certain provisions of State law or from or on behalf of a federal agency and provides a copy of the notice to the consumer reporting agency;~~ altering the contents of a certain notice that must be included with a certain summary of rights provided to a consumer; ~~requiring that certain notices relating to the breach of the security of a system include certain information about limitations on the fees that may be charged by a consumer reporting agency for placing, temporarily lifting, or removing a security freeze;~~ and generally relating to fees charged by consumer reporting agencies for services relating to a security freeze and notices about the fees.

BY repealing and reenacting, without amendments,
Article – Commercial Law
Section 14–1212.1(a)(1) and (3) ~~and 14–3504(a) and (b)(1) and (2)~~
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Commercial Law
Section 14–1212.1(i) and (j) ~~and 14–3504(g)~~
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

~~BY repealing and reenacting, without amendments,~~
~~Article – State Government~~
~~Section 10–1305(a) and (b)(1) and (2)~~
~~Annotated Code of Maryland~~
~~(2014 Replacement Volume and 2016 Supplement)~~

~~BY repealing and reenacting, with amendments,~~
~~Article – State Government~~
~~Section 10–1305(g)~~
~~Annotated Code of Maryland~~
~~(2014 Replacement Volume and 2016 Supplement)~~

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

Article – Commercial Law

14–1212.1.

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

(3) "Security freeze" means a restriction placed on a consumer's consumer report at the request of the consumer that prohibits a consumer reporting agency from releasing the consumer's consumer report or any information derived from the consumer's consumer report without the express authorization of the consumer.

(i) (1) Except as provided in paragraph (2) of this subsection, a consumer may not be charged for any service relating to a security freeze.

(2) A consumer reporting agency may charge a reasonable fee, not exceeding $5, for each placement, temporary lift, or removal of a security freeze.

(3) Notwithstanding paragraph (2) of this subsection, a consumer reporting agency may not charge any fee under this section to a consumer who:

(i) ***1.*** Has obtained a report of alleged identity fraud against the consumer under § 8–304 of the Criminal Law Article or an identity theft passport under § 8–305 of the Criminal Law Article; and

~~(ii)~~ ***2.*** Provides a copy of the report or passport to the consumer reporting agency***; OR***

(II) REQUESTS THE PLACEMENT OF A SECURITY FREEZE IF THE CONSUMER HAS NOT PREVIOUSLY REQUESTED THE PLACEMENT OF A SECURITY FREEZE FROM THE CONSUMER REPORTING AGENCY.

~~(4) NOTWITHSTANDING PARAGRAPH (2) OF THIS SUBSECTION, A CONSUMER REPORTING AGENCY MAY NOT CHARGE ANY FEE UNDER THIS SECTION TO A CONSUMER FOR A PLACEMENT OR REMOVAL OF A SECURITY FREEZE OR FOR THE FIRST TWO TEMPORARY LIFTS OF A SECURITY FREEZE IN A CALENDAR YEAR IF THE CONSUMER:~~

~~(I) HAS RECEIVED NOTICE OF A BREACH OF THE SECURITY OF A SYSTEM UNDER § 14–3504 OF THIS TITLE OR § 10–1305 OF THE STATE GOVERNMENT ARTICLE OR FROM OR ON BEHALF OF A FEDERAL GOVERNMENT AGENCY; AND~~

~~(II) PROVIDES A COPY OF THE NOTICE TO THE CONSUMER REPORTING AGENCY.~~

(j) At any time that a consumer is entitled to receive a summary of rights under § 609 of the federal Fair Credit Reporting Act or § 14–1206 of this subtitle, the following notice shall be included:

"NOTICE

You have a right, under § 14–1212.1 of the Commercial Law Article of the Annotated Code of Maryland, to place a security freeze on your credit report. The security freeze will prohibit a consumer reporting agency from releasing your credit report or any information derived from your credit report without your express authorization. The purpose of a security freeze is to prevent credit, loans, and services from being approved in your name without your consent.

You may elect to have a consumer reporting agency place a security freeze on your credit report by written request sent by certified mail or by electronic mail or the Internet if the consumer reporting agency provides a secure electronic connection. The consumer reporting agency must place a security freeze on your credit report within 3 business days after your request is received. Within 5 business days after a security freeze is placed on your credit report, you will be provided with a unique personal identification number or password to use if you want to remove the security freeze or temporarily lift the security freeze to release your credit report to a specific person or for a specific period of time. You also will receive information on the procedures for removing or temporarily lifting a security freeze.

If you want to temporarily lift the security freeze on your credit report, you must contact the consumer reporting agency and provide all of the following:

(1) The unique personal identification number or password provided by the consumer reporting agency;

(2) The proper identifying information to verify your identity; and

(3) The proper information regarding the person who is to receive the credit report or the period of time for which the credit report is to be available to users of the credit report.

A consumer reporting agency must comply with a request to temporarily lift a security freeze on a credit report within 3 business days after the request is received, or within 15 minutes for certain requests. A consumer reporting agency must comply with a request to remove a security freeze on a credit report within 3 business days after the request is received.

If you are actively seeking credit, you should be aware that the procedures involved in lifting a security freeze may slow your own applications for credit. You should plan ahead and lift a security freeze, either completely if you are seeking credit from a number of sources, or just for a specific creditor if you are applying only to that creditor, a few days before actually applying for new credit.

A consumer reporting agency may charge a reasonable fee not exceeding $5 for each placement, temporary lift, or removal of a security freeze. However, a consumer reporting agency may not charge any fee to a consumer who, at the time of a request to place, temporarily lift, or remove a security freeze, presents to the consumer reporting agency a police report of alleged identity fraud against the consumer or an identity theft passport. **A CONSUMER REPORTING AGENCY ALSO MAY NOT CHARGE ANY FEE TO A CONSUMER FOR ~~PLACING OR REMOVING~~ *THE FIRST PLACEMENT OF* A SECURITY FREEZE ~~OR FOR THE FIRST TWO TEMPORARY LIFTS OF A SECURITY FREEZE IN A CALENDAR YEAR IF, AT THE TIME OF A REQUEST TO PLACE, TEMPORARILY LIFT, OR REMOVE A SECURITY FREEZE, THE CONSUMER PRESENTS TO THE~~ *WITH THE* CONSUMER REPORTING AGENCY ~~A COPY OF A NOTICE THAT THERE HAS BEEN A BREACH OF THE SECURITY OF A SYSTEM THAT MAY COMPROMISE THE SECURITY, CONFIDENTIALITY, OR INTEGRITY OF THE CONSUMER'S PERSONAL INFORMATION~~.**

A security freeze does not apply if you have an existing account relationship and a copy of your credit report is requested by your existing creditor or its agents or affiliates for certain types of account review, collection, fraud control, or similar activities."

~~14–3504.~~

~~(a) In this section:~~

~~(1) "Breach of the security of a system" means the unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of the personal information maintained by a business; and~~

~~(2) "Breach of the security of a system" does not include the good faith acquisition of personal information by an employee or agent of a business for the purposes of the business, provided that the personal information is not used or subject to further unauthorized disclosure.~~

~~(b) (1) A business that owns or licenses computerized data that includes personal information of an individual residing in the State, when it discovers or is notified of a breach of the security of a system, shall conduct in good faith a reasonable and prompt investigation to determine the likelihood that personal information of the individual has been or will be misused as a result of the breach.~~

~~(2) If, after the investigation is concluded, the business determines that misuse of the individual's personal information has occurred or is reasonably likely to occur as a result of a breach of the security of a system, the business shall notify the individual of the breach.~~

~~(g) The notification required under subsection (b) of this section shall include:~~

~~(1) To the extent possible, a description of the categories of information that were, or are reasonably believed to have been, acquired by an unauthorized person, including which of the elements of personal information were, or are reasonably believed to have been, acquired;~~

~~(2) Contact information for the business making the notification, including the business' address, telephone number, and toll–free telephone number if one is maintained;~~

~~(3) The toll–free telephone numbers and addresses for the major consumer reporting agencies; [and]~~

~~(4) (i) The toll–free telephone numbers, addresses, and Web site addresses for:~~

~~1. The Federal Trade Commission; and~~

~~2. The Office of the Attorney General; and~~

~~(ii) A statement that an individual can obtain information from these sources about steps the individual can take to avoid identity theft; AND~~

~~(5) A NOTICE THAT A CONSUMER REPORTING AGENCY MAY NOT CHARGE ANY FEE TO A CONSUMER FOR PLACING OR REMOVING A SECURITY FREEZE OR FOR THE FIRST TWO TEMPORARY LIFTS OF A SECURITY FREEZE IN A CALENDAR YEAR IF, AT THE TIME OF A REQUEST TO PLACE, TEMPORARILY LIFT, OR REMOVE A SECURITY FREEZE, THE CONSUMER PRESENTS TO THE CONSUMER REPORTING AGENCY A COPY OF THIS NOTIFICATION.~~

~~Article – State Government~~

~~10–1305.~~

~~(a) (1) In this section, "breach of the security of a system" means the unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of the personal information maintained by a unit.~~

~~(2) "Breach of the security of a system" does not include the good faith acquisition of personal information by an employee or agent of a unit for the purposes of the unit, provided that the personal information is not used or subject to further unauthorized disclosure.~~

~~(b) (1) If a unit that collects computerized data that includes personal information of an individual discovers or is notified of a breach of the security of a system, the unit shall conduct in good faith a reasonable and prompt investigation to determine~~

~~whether the unauthorized acquisition of personal information of the individual has resulted in or is likely to result in the misuse of the information.~~

~~(2) (i) Except as provided in subparagraph (ii) of this paragraph, if after the investigation is concluded, the unit determines that the misuse of the individual's personal information has occurred or is likely to occur, the unit or the nonaffiliated third party, if authorized under a written contract or agreement with the unit, shall notify the individual of the breach.~~

~~(ii) Unless the unit or nonaffiliated third party knows that the encryption key has been broken, a unit or the nonaffiliated third party is not required to notify an individual under subparagraph (i) of this paragraph if:~~

~~1. the personal information of the individual was secured by encryption or redacted; and~~

~~2. the encryption key has not been compromised or disclosed.~~

~~(g) The notification required under subsection (b) of this section shall include:~~

~~(1) to the extent possible, a description of the categories of information that were, or are reasonably believed to have been, acquired by an unauthorized person, including which of the elements of personal information were, or are reasonably believed to have been, acquired;~~

~~(2) contact information for the unit making the notification, including the unit's address, telephone number, and toll–free telephone number if one is maintained;~~

~~(3) the toll–free telephone numbers and addresses for the major consumer reporting agencies; [and]~~

~~(4) (i) the toll–free telephone numbers, addresses, and Web site addresses for:~~

~~1. the Federal Trade Commission; and~~

~~2. the Office of the Attorney General; and~~

~~(ii) a statement that an individual can obtain information from these sources about steps the individual can take to avoid identity theft; AND~~

~~(5) A NOTICE THAT A CONSUMER REPORTING AGENCY MAY NOT CHARGE ANY FEE TO A CONSUMER FOR PLACING OR REMOVING A SECURITY FREEZE OR FOR THE FIRST TWO TEMPORARY LIFTS OF A SECURITY FREEZE IN A CALENDAR YEAR IF, AT THE TIME OF A REQUEST TO PLACE, TEMPORARILY LIFT, OR REMOVE A~~

~~SECURITY FREEZE, THE CONSUMER PRESENTS TO THE CONSUMER REPORTING AGENCY A COPY OF THIS NOTIFICATION.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 828

(Senate Bill 270)

AN ACT concerning

Consumer Protection – Credit Report Security Freezes – Prohibition on Fees and Required Notices

FOR the purpose of prohibiting a consumer reporting agency from charging a consumer a fee for placing a security freeze if the consumer has not previously requested the placement of a security freeze from the consumer reporting agency;~~, temporarily lifting a security freeze a certain number of times, or removing a security freeze if the consumer has received a certain notice of a breach of the security of a system under certain provisions of State law or from or on behalf of a federal agency and provides a copy of the notice to the consumer reporting agency;~~ altering the contents of a certain notice that must be included with a certain summary of rights provided to a consumer; ~~requiring that certain notices relating to the breach of the security of a system include certain information about limitations on the fees that may be charged by a consumer reporting agency for placing, temporarily lifting, or removing a security freeze;~~ and generally relating to fees charged by consumer reporting agencies for services relating to a security freeze and notices about the fees.

BY repealing and reenacting, without amendments,
Article – Commercial Law
Section 14–1212.1(a)(1) and (3) ~~and 14–3504(a) and (b)(1) and (2)~~
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Commercial Law
Section 14–1212.1(i) and (j) ~~and 14–3504(g)~~
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

~~BY repealing and reenacting, without amendments,~~
~~Article – State Government~~

~~Section 10–1305(a) and (b)(1) and (2)~~
~~Annotated Code of Maryland~~
~~(2014 Replacement Volume and 2016 Supplement)~~

~~BY repealing and reenacting, with amendments,~~
~~Article – State Government~~
~~Section 10–1305(g)~~
~~Annotated Code of Maryland~~
~~(2014 Replacement Volume and 2016 Supplement)~~

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

Article – Commercial Law

14–1212.1.

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

(3) "Security freeze" means a restriction placed on a consumer's consumer report at the request of the consumer that prohibits a consumer reporting agency from releasing the consumer's consumer report or any information derived from the consumer's consumer report without the express authorization of the consumer.

(i) (1) Except as provided in paragraph (2) of this subsection, a consumer may not be charged for any service relating to a security freeze.

(2) A consumer reporting agency may charge a reasonable fee, not exceeding $5, for each placement, temporary lift, or removal of a security freeze.

(3) Notwithstanding paragraph (2) of this subsection, a consumer reporting agency may not charge any fee under this section to a consumer who:

(i) **1.** Has obtained a report of alleged identity fraud against the consumer under § 8–304 of the Criminal Law Article or an identity theft passport under § 8–305 of the Criminal Law Article; and

~~(ii)~~ **2.** Provides a copy of the report or passport to the consumer reporting agency**; OR**

(II) REQUESTS THE PLACEMENT OF A SECURITY FREEZE IF THE CONSUMER HAS NOT PREVIOUSLY REQUESTED THE PLACEMENT OF A SECURITY FREEZE FROM THE CONSUMER REPORTING AGENCY.

~~(4) NOTWITHSTANDING PARAGRAPH (2) OF THIS SUBSECTION, A CONSUMER REPORTING AGENCY MAY NOT CHARGE ANY FEE UNDER THIS SECTION~~

~~TO A CONSUMER FOR A PLACEMENT OR REMOVAL OF A SECURITY FREEZE OR FOR THE FIRST TWO TEMPORARY LIFTS OF A SECURITY FREEZE IN A CALENDAR YEAR IF THE CONSUMER:~~

~~(I) HAS RECEIVED NOTICE OF A BREACH OF THE SECURITY OF A SYSTEM UNDER § 14–3504 OF THIS TITLE OR § 10–1305 OF THE STATE GOVERNMENT ARTICLE OR FROM OR ON BEHALF OF A FEDERAL GOVERNMENT AGENCY; AND~~

~~(II) PROVIDES A COPY OF THE NOTICE TO THE CONSUMER REPORTING AGENCY.~~

(j) At any time that a consumer is entitled to receive a summary of rights under § 609 of the federal Fair Credit Reporting Act or § 14–1206 of this subtitle, the following notice shall be included:

"NOTICE

You have a right, under § 14–1212.1 of the Commercial Law Article of the Annotated Code of Maryland, to place a security freeze on your credit report. The security freeze will prohibit a consumer reporting agency from releasing your credit report or any information derived from your credit report without your express authorization. The purpose of a security freeze is to prevent credit, loans, and services from being approved in your name without your consent.

You may elect to have a consumer reporting agency place a security freeze on your credit report by written request sent by certified mail or by electronic mail or the Internet if the consumer reporting agency provides a secure electronic connection. The consumer reporting agency must place a security freeze on your credit report within 3 business days after your request is received. Within 5 business days after a security freeze is placed on your credit report, you will be provided with a unique personal identification number or password to use if you want to remove the security freeze or temporarily lift the security freeze to release your credit report to a specific person or for a specific period of time. You also will receive information on the procedures for removing or temporarily lifting a security freeze.

If you want to temporarily lift the security freeze on your credit report, you must contact the consumer reporting agency and provide all of the following:

(1) The unique personal identification number or password provided by the consumer reporting agency;

(2) The proper identifying information to verify your identity; and

(3) The proper information regarding the person who is to receive the credit report or the period of time for which the credit report is to be available to users of the credit report.

A consumer reporting agency must comply with a request to temporarily lift a security freeze on a credit report within 3 business days after the request is received, or within 15 minutes for certain requests. A consumer reporting agency must comply with a request to remove a security freeze on a credit report within 3 business days after the request is received.

If you are actively seeking credit, you should be aware that the procedures involved in lifting a security freeze may slow your own applications for credit. You should plan ahead and lift a security freeze, either completely if you are seeking credit from a number of sources, or just for a specific creditor if you are applying only to that creditor, a few days before actually applying for new credit.

A consumer reporting agency may charge a reasonable fee not exceeding $5 for each placement, temporary lift, or removal of a security freeze. However, a consumer reporting agency may not charge any fee to a consumer who, at the time of a request to place, temporarily lift, or remove a security freeze, presents to the consumer reporting agency a police report of alleged identity fraud against the consumer or an identity theft passport. **A CONSUMER REPORTING AGENCY ALSO MAY NOT CHARGE ANY FEE TO A CONSUMER FOR ~~PLACING OR REMOVING~~ THE FIRST PLACEMENT OF A SECURITY FREEZE ~~OR FOR THE FIRST TWO TEMPORARY LIFTS OF A SECURITY FREEZE IN A CALENDAR YEAR IF, AT THE TIME OF A REQUEST TO PLACE, TEMPORARILY LIFT, OR REMOVE A SECURITY FREEZE, THE CONSUMER PRESENTS TO THE~~ WITH THE CONSUMER REPORTING AGENCY ~~A COPY OF A NOTICE THAT THERE HAS BEEN A BREACH OF THE SECURITY OF A SYSTEM THAT MAY COMPROMISE THE SECURITY, CONFIDENTIALITY, OR INTEGRITY OF THE CONSUMER'S PERSONAL INFORMATION~~.**

A security freeze does not apply if you have an existing account relationship and a copy of your credit report is requested by your existing creditor or its agents or affiliates for certain types of account review, collection, fraud control, or similar activities."

~~14–3504.~~

~~(a) In this section:~~

~~(1) "Breach of the security of a system" means the unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of the personal information maintained by a business; and~~

~~(2) "Breach of the security of a system" does not include the good faith acquisition of personal information by an employee or agent of a business for the purposes of the business, provided that the personal information is not used or subject to further unauthorized disclosure.~~

~~(b) (1) A business that owns or licenses computerized data that includes personal information of an individual residing in the State, when it discovers or is notified of a breach of the security of a system, shall conduct in good faith a reasonable and prompt investigation to determine the likelihood that personal information of the individual has been or will be misused as a result of the breach.~~

~~(2) If, after the investigation is concluded, the business determines that misuse of the individual's personal information has occurred or is reasonably likely to occur as a result of a breach of the security of a system, the business shall notify the individual of the breach.~~

~~(g) The notification required under subsection (b) of this section shall include:~~

~~(1) To the extent possible, a description of the categories of information that were, or are reasonably believed to have been, acquired by an unauthorized person, including which of the elements of personal information were, or are reasonably believed to have been, acquired;~~

~~(2) Contact information for the business making the notification, including the business' address, telephone number, and toll–free telephone number if one is maintained;~~

~~(3) The toll–free telephone numbers and addresses for the major consumer reporting agencies; [and]~~

~~(4) (i) The toll–free telephone numbers, addresses, and Web site addresses for:~~

~~1. The Federal Trade Commission; and~~

~~2. The Office of the Attorney General; and~~

~~(ii) A statement that an individual can obtain information from these sources about steps the individual can take to avoid identity theft; AND~~

~~(5) A NOTICE THAT A CONSUMER REPORTING AGENCY MAY NOT CHARGE ANY FEE TO A CONSUMER FOR PLACING OR REMOVING A SECURITY FREEZE OR FOR THE FIRST TWO TEMPORARY LIFTS OF A SECURITY FREEZE IN A CALENDAR YEAR IF, AT THE TIME OF A REQUEST TO PLACE, TEMPORARILY LIFT, OR REMOVE A SECURITY FREEZE, THE CONSUMER PRESENTS TO THE CONSUMER REPORTING AGENCY A COPY OF THIS NOTIFICATION.~~

~~Article – State Government~~

~~10–1305.~~

~~(a) (1) In this section, "breach of the security of a system" means the unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of the personal information maintained by a unit.~~

~~(2) "Breach of the security of a system" does not include the good faith acquisition of personal information by an employee or agent of a unit for the purposes of the unit, provided that the personal information is not used or subject to further unauthorized disclosure.~~

~~(b) (1) If a unit that collects computerized data that includes personal information of an individual discovers or is notified of a breach of the security of a system, the unit shall conduct in good faith a reasonable and prompt investigation to determine whether the unauthorized acquisition of personal information of the individual has resulted in or is likely to result in the misuse of the information.~~

~~(2) (i) Except as provided in subparagraph (ii) of this paragraph, if after the investigation is concluded, the unit determines that the misuse of the individual's personal information has occurred or is likely to occur, the unit or the nonaffiliated third party, if authorized under a written contract or agreement with the unit, shall notify the individual of the breach.~~

~~(ii) Unless the unit or nonaffiliated third party knows that the encryption key has been broken, a unit or the nonaffiliated third party is not required to notify an individual under subparagraph (i) of this paragraph if:~~

~~1. the personal information of the individual was secured by encryption or redacted; and~~

~~2. the encryption key has not been compromised or disclosed.~~

~~(g) The notification required under subsection (b) of this section shall include:~~

~~(1) to the extent possible, a description of the categories of information that were, or are reasonably believed to have been, acquired by an unauthorized person, including which of the elements of personal information were, or are reasonably believed to have been, acquired;~~

~~(2) contact information for the unit making the notification, including the unit's address, telephone number, and toll–free telephone number if one is maintained;~~

~~(3) the toll–free telephone numbers and addresses for the major consumer reporting agencies; [and]~~

~~(4) (i) the toll–free telephone numbers, addresses, and Web site addresses for:~~

~~1. the Federal Trade Commission; and~~

~~2. the Office of the Attorney General; and~~

~~(ii) a statement that an individual can obtain information from these sources about steps the individual can take to avoid identity theft;~~ **AND**

~~(5)~~ ~~A NOTICE THAT A CONSUMER REPORTING AGENCY MAY NOT CHARGE ANY FEE TO A CONSUMER FOR PLACING OR REMOVING A SECURITY FREEZE OR FOR THE FIRST TWO TEMPORARY LIFTS OF A SECURITY FREEZE IN A CALENDAR YEAR IF, AT THE TIME OF A REQUEST TO PLACE, TEMPORARILY LIFT, OR REMOVE A SECURITY FREEZE, THE CONSUMER PRESENTS TO THE CONSUMER REPORTING AGENCY A COPY OF THIS NOTIFICATION.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 829

(House Bill 232)

AN ACT concerning

Correctional Services – Commissioner's Duties – Staffing Report

FOR the purpose of requiring the Commissioner of Correction to submit a certain security and staffing report to the Secretary of Public Safety, the Governor, and the General Assembly at a certain time; requiring the report to be based on a certain survey; requiring the report to include certain information; and generally relating to the duties of the Commissioner of Correction.

BY adding to
Article – Correctional Services
Section 3–207.1
Annotated Code of Maryland
(2008 Replacement Volume and 2016 Supplement)

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

Article – Correctional Services

3–207.1.

(A) ON OR BEFORE OCTOBER 31, 2017, AND ON OR BEFORE OCTOBER 31 IN EVERY ODD–NUMBERED YEAR THEREAFTER, THE COMMISSIONER SHALL SUBMIT A SECURITY AND STAFFING REPORT COVERING THE PRIOR 2–YEAR PERIOD TO THE SECRETARY, THE GOVERNOR, AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

(B) THE REPORT SHALL BE BASED ON A JOINT SURVEY CONDUCTED BY THE ADMINISTRATION OF THE DIVISION OF CORRECTION AND THE EXCLUSIVE COLLECTIVE BARGAINING REPRESENTATIVE OF THE EMPLOYEES.

(C) THE REPORT SHALL INCLUDE:

(1) A POST–BY–POST ANALYSIS THAT IDENTIFIES THE ACTUAL NUMBER OF POSITIONS NEEDED TO SAFELY AND SECURELY STAFF EACH INSTITUTION;

(2) THE AMOUNT OF OVERTIME CURRENTLY BEING USED TO MEET MINIMUM STANDARDS;

(3) AN ACCOUNTING OF ALL INSTITUTION ACTIVITIES THAT HAVE BEEN IMPACTED BY STAFFING LEVELS;

(4) AN ASSESSMENT OF EXPECTED FUTURE TURNOVER IN PERSONNEL; AND

(5) AN ANALYSIS OF THE NEED FOR ADDITIONAL STAFF.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 830

(House Bill 554)

AN ACT concerning

Anne Arundel County – Alcoholic Beverages – Board of License Commissioners – Attorneys

FOR the purpose of increasing by a certain amount the salary of an attorney employed by the Board of License Commissioners for Anne Arundel County; authorizing the Board to hire an attorney on a contractual basis to perform certain work under certain conditions; prohibiting the Board from spending more than a certain amount each year to hire a certain attorney; and generally relating to the Board of License Commissioners for Anne Arundel County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 11–101(a) and (b) and 11–102
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 11–204(b)
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

11–101.

(a) In this title:

(1) the definitions in § 1–101 of this article apply without exception or variation; and

(2) the following words have the meanings indicated.

(b) "Board" means the Board of License Commissioners for Anne Arundel County.

11–102.

This title applies only in Anne Arundel County.

11–204.

(b) (1) The Board may employ:

(i) no more than two full–time administrators whose annual salaries shall be fixed by the Board as in a general county classified salary schedule, within pay grade 16;

(ii) inspectors, subject to § 11–206 of this subtitle; and

(iii) clerical and other assistants as are necessary.

(2) The Board shall employ:

(i) a full–time secretary whose annual salary shall be fixed by the Board as in a general county classified salary schedule, within pay grade 13; and

(ii) an attorney at an annual salary of **[**$20,000**] $60,000**.

(3) **(I) THE BOARD MAY HIRE AN ATTORNEY ON A CONTRACTUAL BASIS TO PERFORM WORK THAT THE ATTORNEY EMPLOYED BY THE BOARD IS UNABLE TO PERFORM BECAUSE OF A CONFLICT OF INTEREST.**

(II) THE BOARD MAY SPEND NOT MORE THAN $30,000 EACH YEAR TO HIRE A CONTRACTUAL ATTORNEY UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

(4) Except as otherwise provided in this subtitle, the Board may set the compensation of the employees.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 831

(Senate Bill 374)

AN ACT concerning

Anne Arundel County – Alcoholic Beverages – Board of License Commissioners – Attorneys

FOR the purpose of increasing by a certain amount the salary of an attorney employed by the Board of License Commissioners for Anne Arundel County; authorizing the Board to hire an attorney on a contractual basis to perform certain work under certain conditions; prohibiting the Board from spending more than a certain amount each year to hire a certain attorney; and generally relating to the Board of License Commissioners for Anne Arundel County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages
Section 11–101(a) and (b) and 11–102
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 11–204(b)
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

11–101.

(a) In this title:

(1) the definitions in § 1–101 of this article apply without exception or variation; and

(2) the following words have the meanings indicated.

(b) "Board" means the Board of License Commissioners for Anne Arundel County.

11–102.

This title applies only in Anne Arundel County.

11–204.

(b) (1) The Board may employ:

(i) no more than two full–time administrators whose annual salaries shall be fixed by the Board as in a general county classified salary schedule, within pay grade 16;

(ii) inspectors, subject to § 11–206 of this subtitle; and

(iii) clerical and other assistants as are necessary.

(2) The Board shall employ:

(i) a full–time secretary whose annual salary shall be fixed by the Board as in a general county classified salary schedule, within pay grade 13; and

(ii) an attorney at an annual salary of **[**$20,000**]** **$60,000**.

(3) **(I) THE BOARD MAY HIRE AN ATTORNEY ON A CONTRACTUAL BASIS TO PERFORM WORK THAT THE ATTORNEY EMPLOYED BY THE BOARD IS UNABLE TO PERFORM BECAUSE OF A CONFLICT OF INTEREST.**

(II) THE BOARD MAY SPEND NOT MORE THAN $30,000 EACH YEAR TO HIRE A CONTRACTUAL ATTORNEY UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

(4) Except as otherwise provided in this subtitle, the Board may set the compensation of the employees.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 832

(House Bill 1309)

AN ACT concerning

Environment – Recycling – Special Events

FOR the purpose of ~~altering the application of certain provisions of law relating to recycling at special events;~~ requiring the State, a county, a municipality, or any other local government to provide a certain written statement before issuing a certain permit for a special event; ~~requiring a county, a municipality, or any other local government to enforce certain provisions of law relating to recycling at a special event;~~ altering a certain ~~penalties~~ penalty; ~~making stylistic changes;~~ and generally relating to recycling at special events.

BY repealing and reenacting, with amendments,
Article – Environment
Section 9–1712
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Environment

9–1712.

(a) (1) This section applies to any special event that:

(i) Includes temporary or periodic use of a public street, publicly owned site or facility, or public park;

(ii) Serves food or drink; and

(iii) Is expected to have ~~[~~200~~]~~ **~~100~~** or more persons in attendance.

(2) This section does not affect the authority of a county, a municipality, or any other local government to enact and enforce recycling requirements, including establishing civil penalties, for a special event that are more stringent than the requirements of this section.

(b) **(1) BEFORE ISSUING A PERMIT FOR A SPECIAL EVENT, THE STATE, A COUNTY, A MUNICIPALITY, OR ANY OTHER LOCAL GOVERNMENT SHALL PROVIDE TO THE ORGANIZER OF THE SPECIAL EVENT A WRITTEN STATEMENT THAT DESCRIBES THE REQUIREMENTS AND PENALTIES UNDER THIS SECTION.**

[(1)**]** **(2)** In addition to any other conditions required as part of a special events or other permit, the organizer of a special event shall:

(i) Provide a recycling receptacle immediately adjacent to each trash receptacle at the special event;

(ii) Ensure that all recycling receptacles are clearly distinguished from trash receptacles by color or signage; and

(iii) Ensure that all recyclable materials deposited into recycling receptacles at the special event are collected for recycling.

[(2)**]** **(3)** A county may require the organizer of a special event that provides for recycling to report to the county on recycling activities in a manner determined by the county.

(c) The recycling required under subsection (b) of this section shall be carried out in accordance with the recycling plan required under § 9–1703 of this subtitle for the county in which the special event takes place.

(d) A person **OR AN ORGANIZATION** that violates subsection (b) or (c) of this section is subject to a civil penalty ~~[~~not exceeding ~~$50~~ **$300** for each day on which the violation exists~~]~~ ~~OF:~~

~~(1) FOR EVENTS THAT HAVE 100 TO 499 PERSONS IN ATTENDANCE, $500;~~

~~(2) FOR EVENTS THAT HAVE 500 TO 999 PERSONS IN ATTENDANCE, $1,000;~~

~~(3) FOR EVENTS THAT HAVE 1,000 TO 9,999 PERSONS IN ATTENDANCE, $10,000;~~

~~(4) FOR EVENTS THAT HAVE 10,000 TO 99,999 PERSONS IN ATTENDANCE, $100,000; AND~~

~~(5) FOR EVENTS THAT HAVE 100,000 OR MORE PERSONS IN ATTENDANCE, $500,000~~.

(e) ~~(1) A COUNTY, A MUNICIPALITY, OR ANY OTHER LOCAL GOVERNMENT THAT ISSUES A SPECIAL EVENTS OR OTHER PERMIT AUTHORIZING A SPECIAL EVENT SHALL ENFORCE THIS SECTION.~~

~~(2)~~ An enforcement unit, officer, or official of a county, a municipality, or any other local government may conduct inspections of a special event location to enforce **[**subsection (b) of**]** this section.

(f) Any penalties collected under subsection (d) of this section shall be paid to the county, municipality, or other local government that brought the enforcement action.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 833

(Senate Bill 885)

AN ACT concerning

Environment – Recycling – Special Events

FOR the purpose of ~~altering the application of certain provisions of law relating to recycling at special events;~~ requiring the State, a county, a municipality, or any other local government to provide a certain written statement before issuing a certain permit for a special event; ~~requiring a county, a municipality, or any other local government~~

~~to enforce certain provisions of law relating to recycling at a special event;~~ altering a certain ~~penalties~~ penalty; ~~making stylistic changes;~~ and generally relating to recycling at special events.

BY repealing and reenacting, with amendments,
Article – Environment
Section 9–1712
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Environment

9–1712.

(a) (1) This section applies to any special event that:

(i) Includes temporary or periodic use of a public street, publicly owned site or facility, or public park;

(ii) Serves food or drink; and

(iii) Is expected to have **[**200**]** ~~**100**~~ or more persons in attendance.

(2) This section does not affect the authority of a county, a municipality, or any other local government to enact and enforce recycling requirements, including establishing civil penalties, for a special event that are more stringent than the requirements of this section.

(b) **(1) BEFORE ISSUING A PERMIT FOR A SPECIAL EVENT, THE STATE, A COUNTY, A MUNICIPALITY, OR ANY OTHER LOCAL GOVERNMENT SHALL PROVIDE TO THE ORGANIZER OF THE SPECIAL EVENT A WRITTEN STATEMENT THAT DESCRIBES THE REQUIREMENTS AND PENALTIES UNDER THIS SECTION.**

[(1)**] (2)** In addition to any other conditions required as part of a special events or other permit, the organizer of a special event shall:

(i) Provide a recycling receptacle immediately adjacent to each trash receptacle at the special event;

(ii) Ensure that all recycling receptacles are clearly distinguished from trash receptacles by color or signage; and

(iii) Ensure that all recyclable materials deposited into recycling receptacles at the special event are collected for recycling.

[(2)**]** **(3)** A county may require the organizer of a special event that provides for recycling to report to the county on recycling activities in a manner determined by the county.

(c) The recycling required under subsection (b) of this section shall be carried out in accordance with the recycling plan required under § 9–1703 of this subtitle for the county in which the special event takes place.

(d) A person **OR AN ORGANIZATION** that violates subsection (b) or (c) of this section is subject to a civil penalty **[**not exceeding ~~$50~~ **$300** for each day on which the violation exists**]** ~~OF:~~

~~(1) FOR EVENTS THAT HAVE 100 TO 499 PERSONS IN ATTENDANCE, $500;~~

~~(2) FOR EVENTS THAT HAVE 500 TO 999 PERSONS IN ATTENDANCE, $1,000;~~

~~(3) FOR EVENTS THAT HAVE 1,000 TO 9,999 PERSONS IN ATTENDANCE, $10,000;~~

~~(4) FOR EVENTS THAT HAVE 10,000 TO 99,999 PERSONS IN ATTENDANCE, $100,000; AND~~

~~(5) FOR EVENTS THAT HAVE 100,000 OR MORE PERSONS IN ATTENDANCE, $500,000~~.

(e) ~~(1) A COUNTY, A MUNICIPALITY, OR ANY OTHER LOCAL GOVERNMENT THAT ISSUES A SPECIAL EVENTS OR OTHER PERMIT AUTHORIZING A SPECIAL EVENT SHALL ENFORCE THIS SECTION.~~

~~(2)~~ An enforcement unit, officer, or official of a county, a municipality, or any other local government may conduct inspections of a special event location to enforce **[**subsection (b) of**]** this section.

(f) Any penalties collected under subsection (d) of this section shall be paid to the county, municipality, or other local government that brought the enforcement action.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 834

(Senate Bill 746)

AN ACT concerning

District Court Commissioners – Residency in Contiguous County

FOR the purpose of providing that, subject to ~~a~~ certain ~~exception~~ *exceptions*, a District Court Commissioner may be a resident of a county contiguous to the county in which the commissioner serves; and generally relating to District Court Commissioners.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 2–607(b)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

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

Article – Courts and Judicial Proceedings

2–607.

(b) (1) **(I)** ~~Commissioners~~ **EXCEPT AS PROVIDED IN ~~SUBPARAGRAPH~~ *SUBPARAGRAPHS* (II), *(III), AND (IV)* OF THIS PARAGRAPH, COMMISSIONERS** shall be adult residents of the **[**counties**]** **COUNTY OR A COUNTY CONTIGUOUS TO THE COUNTY** in which they serve, but they need not be lawyers.

(II) ***IN ANNE ARUNDEL COUNTY, COMMISSIONERS SHALL BE ADULT RESIDENTS OF ANNE ARUNDEL COUNTY OR A COUNTY CONTIGUOUS TO ANNE ARUNDEL COUNTY, EXCEPT BALTIMORE CITY, BUT THEY NEED NOT BE LAWYERS.***

(III) **IN BALTIMORE CITY, COMMISSIONERS SHALL BE ADULT RESIDENTS OF BALTIMORE CITY, BUT THEY NEED NOT BE LAWYERS.**

(IV) IN BALTIMORE COUNTY, COMMISSIONERS SHALL BE ADULT RESIDENTS OF BALTIMORE COUNTY OR A COUNTY CONTIGUOUS TO BALTIMORE COUNTY, EXCEPT BALTIMORE CITY, BUT THEY NEED NOT BE LAWYERS.

(2) Each commissioner shall hold office at the pleasure of the Chief Judge of the District Court, and has the powers and duties prescribed by law.

(3) Except without additional compensation, unless otherwise fixed by law, an employee of the District Court, who is an adult, may be granted, in the same manner, commissioner powers and duties in the county where the employee is employed.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 835

(House Bill 192)

AN ACT concerning

Task Force to Study Bicycle Safety on Maryland Highways

FOR the purpose of establishing the Task Force to Study Bicycle Safety on Maryland Highways; providing for the composition, chair, and staffing of the Task Force; prohibiting a member of the Task Force from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Task Force to study and make recommendations on certain issues related to bicycle safety on highways in the State; requiring the Task Force to report its findings and recommendations to the Governor and the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to the Task Force to Study Bicycle Safety on Maryland Highways.

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

(a) There is a Task Force to Study Bicycle Safety on Maryland Highways.

(b) The Task Force consists of the following members:

(1) two members of the Senate of Maryland, appointed by the President of the Senate;

(2) two members of the House of Delegates, appointed by the Speaker of the House;

(3) the Motor Vehicle Administrator, or the Administrator's designee;

(4) the State Highway Administrator, or the Administrator's designee;

(5) the Secretary of State Police, or the Secretary's designee; and

(6) the following members, appointed by the Governor:

(i) four bicycle advocates who are State residents, at least two of whom represent urban or suburban areas of the State;

(ii) a representative of the motor vehicle insurance industry;

(iii) a representative of AAA Mid–Atlantic;

(iv) a representative of the Maryland Association of Counties;

(v) a representative of the Maryland Municipal League;

(vi) a representative of the Maryland Chiefs of Police Association; ~~and~~

(vii) a representative of the Maryland Motor Truck Association;

(viii) a representative of the Maryland Sheriff's Association;

(ix) a civil engineer with experience in the design of mixed–use development infrastructure; and

(x) a traffic engineer who is familiar with mixed–use development infrastructure and who has experience with the Maryland Manual on Uniform Traffic Control Devices.

(c) The Governor shall designate the chair of the Task Force.

(d) The Maryland Department of Transportation shall provide staff for the Task Force.

(e) A member of the Task Force:

(1) may not receive compensation as a member of the Task Force; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) The Task Force shall study and make recommendations it considers necessary regarding:

(1) safety issues related to bicycle operators on highways in the State;

(2) the appropriate operation of bicycles on highways in the State;

(3) the appropriate operation of motor vehicles in relation to bicycles on highways in the State;

(4) the adequacy of the current and future capacity and use of bike lanes, bike paths, and protected cycle tracks in the State;

(5) past, current, and future implementation of Complete Streets strategies related to facilitating safe travel for all bicyclists regardless of age, ability, or mode of travel;

(6) issues related to traffic control devices governing the operation of and behavior towards bicycles on highways in the State;

(7) public education and outreach related to the operation of bicycles on highways in the State; ~~and~~

(8) potential funding sources to support and encourage the safe operation of bicycles in the State;

(9) the effects of bike lanes, bike paths, and protected cycle tracks on street parking and pedestrian and vehicular traffic flow;

(10) the siting of utilities and other infrastructure along bike lanes, bike paths, and protected cycle tracks; and

(11) best practices for ensuring access to retail, residential, commercial, and other points of interest adjacent to bike lanes, bike paths, and protected cycle tracks.

(g) On or before December 31, 2017, the Task Force shall report its findings and recommendations to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017. It shall remain effective for a period of 1 year and, at the end of May 31, 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 836

(Senate Bill 142)

AN ACT concerning

Task Force to Study Bicycle Safety on Maryland Highways

FOR the purpose of establishing the Task Force to Study Bicycle Safety on Maryland Highways; providing for the composition, chair, and staffing of the Task Force; prohibiting a member of the Task Force from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Task Force to study and make recommendations on certain issues related to bicycle safety on highways in the State; requiring the Task Force to report its findings and recommendations to the Governor and the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to the Task Force to Study Bicycle Safety on Maryland Highways.

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

(a) There is a Task Force to Study Bicycle Safety on Maryland Highways.

(b) The Task Force consists of the following members:

(1) two members of the Senate of Maryland, appointed by the President of the Senate;

(2) two members of the House of Delegates, appointed by the Speaker of the House;

(3) the Motor Vehicle Administrator, or the Administrator's designee;

(4) the State Highway Administrator, or the Administrator's designee;

(5) the Secretary of State Police, or the Secretary's designee; and

(6) the following members, appointed by the Governor:

(i) four bicycle advocates who are State residents, at least two of whom represent urban or suburban areas of the State;

(ii) a representative of the motor vehicle insurance industry;

(iii) a representative of AAA Mid–Atlantic;

(iv) a representative of the Maryland Association of Counties;

(v) a representative of the Maryland Municipal League;

(vi) a representative of the Maryland Chiefs of Police Association; ~~and~~

(vii) a representative of the Maryland Motor Truck Association*;*

(viii) a representative of the Maryland Sheriff's Association;

(ix) a civil engineer with experience in the design of mixed–use development infrastructure; and

(x) a traffic engineer who is familiar with mixed–use development infrastructure and who has experience with the Maryland Manual on Uniform Traffic Control Devices.

(c) The Governor shall designate the chair of the Task Force.

(d) The Maryland Department of Transportation shall provide staff for the Task Force.

(e) A member of the Task Force:

(1) may not receive compensation as a member of the Task Force; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) The Task Force shall study and make recommendations it considers necessary regarding:

(1) safety issues related to bicycle operators on highways in the State;

(2) the appropriate operation of bicycles on highways in the State;

(3) the appropriate operation of motor vehicles in relation to bicycles on highways in the State;

(4) the adequacy of the current and future capacity and use of bike lanes, bike paths, and protected cycle tracks in the State;

(5) past, current, and future implementation of Complete Streets strategies related to facilitating safe travel for all bicyclists regardless of age, ability, or mode of travel;

(6) issues related to traffic control devices governing the operation of and behavior towards bicycles on highways in the State;

(7) public education and outreach related to the operation of bicycles on highways in the State; ~~and~~

(8) potential funding sources to support and encourage the safe operation of bicycles in the State;

(9) the effects of bike lanes, bike paths, and protected cycle tracks on street parking and pedestrian and vehicular traffic flow;

(10) the siting of utilities and other infrastructure along bike lanes, bike paths, and protected cycle tracks; and

(11) best practices for ensuring access to retail, residential, commercial, and other points of interest adjacent to bike lanes, bike paths, and protected cycle tracks.

(g) On or before December 31, 2017, the Task Force shall report its findings and recommendations to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017. It shall remain effective for a period of 1 year and, at the end of May 31, 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 837

(House Bill 1149)

AN ACT concerning

Maryland Securities Act – Vulnerable Adults

FOR the purpose of establishing the Securities Act Registration Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Securities Commissioner of the Division of Securities to administer the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purpose for which the Fund may be used; providing for the investment of money in and expenditures from the Fund; altering the authority of the Commissioner to define by rule certain unlawful practices; altering a requirement that a certain person must have certain knowledge in order for certain statements to be unlawful; providing that it is unlawful for a person engaged in certain businesses to engage in dishonest or unethical practices; requiring, under certain circumstances, that certain individuals who believe that certain eligible adults are being subjected to financial exploitation to notify certain entities and individuals; requiring that a certain notification be given within a certain time period or, under certain circumstances, immediately; providing for the

construction of certain provisions of this Act; prohibiting certain individuals, under certain circumstances, from notifying certain individuals; authorizing, under certain circumstances, certain broker–dealers or investment advisers to delay disbursements from the accounts of certain eligible adults; requiring a broker–dealer or an investment adviser that delays a certain disbursement to provide certain notices and continue a certain review; requiring a broker–dealer or an investment adviser to provide, ~~within a certain number of days after a disbursement request,~~ on request, a status report of a certain internal review to the Securities Commissioner of the Division of Securities and a certain local department; providing that a delay of a certain disbursement request will continue for a certain period of time; providing certain qualified individuals, broker–dealers, and investment advisers certain immunity from liability; requiring a broker–dealer or an investment adviser, under certain circumstances, to provide certain records to certain entities; providing that certain records may not be considered public records; providing that certain federal exempt broker–dealers are not required to register as broker–dealers; providing that a federal exempt broker–dealer is not subject to certain prohibitions and requirements that apply to certain broker–dealers; providing that it is unlawful for certain broker–dealers and certain issuers to employ or associate with certain individuals; requiring a person, before acting as a certain private fund adviser, to file certain documents and pay a certain fee; authorizing the Commissioner to publish a certain announcement in a certain manner; increasing and imposing certain fees; providing for the distribution of a certain fee; authorizing the Commissioner to perform a certain audit or inspection in a certain manner; authorizing the Commissioner to deny, suspend, or revoke a certain individual's registration if the individual is the subject of certain orders, barred by certain entities, subject to certain requests, or refuses to allow or impedes certain actions of the Commissioner; altering a certain limitation on the time within which the Commissioner may institute a certain suspension or revocation; repealing a requirement that the Commissioner provide the State Department of Assessments and Taxation with a certain list; authorizing a certain issuer that fails to timely file certain items to file the items late and pay a certain late fee; providing that an issuer that complies with certain provisions will terminate certain rights and liabilities; establishing certain late fees; altering the types of securities that are exempt from certain provisions of the Maryland Securities Act; authorizing the Commissioner to take certain action against a certain person the Commissioner determines is in violation of certain laws; providing that an action for certain remedies is not subject to a certain statute of limitations; defining certain terms; altering certain definitions; and generally relating to vulnerable adults and the Maryland Securities Act.

BY repealing and reenacting, with amendments,
Article – Corporations and Associations
Section 11–101, 11–302(a) and (c), 11–401(a) and (d), 11–402(a) and (c), 11–405(c) through (f), 11–407(a) and (b), 11–411(f), 11–412(a)(6), (10), and (11) and (b), 11–503.1, 11–506(b), 11–510.1, 11–601(11), 11–701.1, and 11–702
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY adding to
Article – Corporations and Associations
Section 11–208, 11–306, 11–307, 11–401(d), 11–402(c), 11–405(c), and 11–412(a)(12), (13), and (14)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Corporations and Associations
Section 11–411(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing
Article – Corporations and Associations
Section 11–418
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Family Law
Section 14–101(a) and (q), 14–201, 14–302(c), and 14–309
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Family Law
Section 14–101(j)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Corporations and Associations

11–101.

(a) In this title, unless the context requires otherwise, the following words have the meanings indicated.

(b) (1) "Agent" means an individual other than a broker–dealer who represents a broker–dealer or issuer in effecting or attempting to effect the purchase or sale of securities.

(2) "Agent" includes a partner, officer, or director of a broker–dealer or issuer, or a person occupying a similar status or performing similar functions, only if the person otherwise comes within this definition.

(3) "Agent" does not include an individual who represents:

(i) An issuer in:

1. Effecting a transaction in a security exempted by § 11–601(1), (2), (3), (9)(i), (10), (11), or (14)(i) of this title;

2. Effecting a transaction exempted by § 11–602 of this title;

3. Effecting a transaction with an existing employee, partner, or director of the issuer if no commission or other remuneration is paid or given directly or indirectly for soliciting a person in this State; or

4. Effecting a transaction in a federal covered security under § 18(b)(3) or § **[**18(b)(4)(D)**]** ~~**18(B)(4)(E)**~~ **18(B)(4)(F)** of the Securities Act of 1933 if no commission or other remuneration is paid or given directly or indirectly for soliciting a person in this State; or

(ii) A broker–dealer in effecting a transaction described in § 15(h)(2) of the Securities Exchange Act of 1934.

(c) (1) "Broker–dealer" means a person engaged in the business of effecting transactions in securities for the account of others or for his own account.

(2) "Broker–dealer" does not include:

(i) An agent;

(ii) An issuer;

(iii) A bank, savings institution, or trust company; or

(iv) A person who has no place of business in this State if:

1. He effects transactions in this State exclusively with or through the issuer of the securities involved in the transactions, another broker–dealer, or a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit–sharing trust, or other financial institution or institutional buyer, whether acting for itself or as trustee; or

2. During any period of 12 consecutive months, he does not direct more than 15 offers to sell or buy into the State in any manner, other than to the

persons specified in paragraph (2)(iv)1 of this subsection, whether or not the offeror or any offeree is then present in the State.

(d) "Commissioner" means the Securities Commissioner of the Division of Securities.

(e) "Federal covered adviser" means a person who is registered under § 203 of the Investment Advisers Act of 1940.

(f) "Federal covered security" means a covered security under § 18(b) of the Securities Act of 1933.

(G) "FEDERAL EXEMPT BROKER–DEALER" MEANS A PERSON WHO WOULD QUALIFY FOR THE EXEMPTION FROM REGISTRATION AS A BROKER OR DEALER UNDER § 4(C) OF THE SECURITIES ACT OF 1933.

[(g)**] (H)** "Guaranteed" means guaranteed as to payment of principal, interest, or dividends.

[(h)**] (I)** (1) "Investment adviser" means a person who, for compensation:

(i) Engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as a part of a regular business, issues or promulgates analyses or reports concerning securities; or

(ii) 1. Provides or offers to provide, directly or indirectly, financial and investment counseling or advice, on a group or individual basis;

2. Gathers information relating to investments, establishes financial goals and objectives, processes and analyzes the information gathered, and recommends a financial plan; or

3. Holds out as an investment adviser in any way, including indicating by advertisement, card, or letterhead, or in any other manner indicates that the person is, a financial or investment "planner", "counselor", "consultant", or any other similar type of adviser or consultant.

(2) "Investment adviser" does not include:

(i) An investment adviser representative;

(ii) A bank, savings institution, or trust company;

(iii) A lawyer, certified public accountant, engineer, insurance producer, or teacher whose performance of investment advisory services is solely incidental

to the practice of the profession, provided that the performance of such services is not solely incidental unless:

1. The investment advisory services rendered are connected with and reasonably related to the other professional services rendered;

2. The fee charged for the investment advisory services is based on the same factors as those used to determine the fee for other professional services; and

3. The lawyer, certified public accountant, engineer, insurance producer, or teacher does not hold out as an investment adviser;

(iv) A broker–dealer or its agent whose performance of these services is solely incidental to the conduct of business as a broker–dealer and who receives no special compensation for them;

(v) A publisher of any bona fide newspaper, news column, newsletter, news magazine, or business or financial publication or service, whether communicated in hard copy form, or by electronic means, or otherwise, that does not consist of the rendering of advice on the basis of the specific investment situation of each client;

(vi) A federal covered adviser; or

(vii) Any other person not within the intent of this subsection as the Commissioner by rule or order designates.

[(i)**] (J)** (1) "Investment adviser representative" or "representative" means any partner, officer, director of (or a person occupying a similar status or performing similar functions) or other individual who is employed by or associated with an investment adviser, or who has a place of business located in this State and is employed by or associated with a federal covered adviser, and who:

(i) Makes any recommendations or otherwise renders investment advice to clients;

(ii) Represents an investment adviser in rendering the services described under subsection (h)(1) of this section;

(iii) Manages accounts or portfolios of clients;

(iv) Determines which recommendation or investment advice should be given with respect to a particular client account;

(v) Solicits, offers or negotiates for the sale of or sells investment advisory services;

(vi) Directly supervises employees who perform any of the foregoing; or

(vii) Holds out as an investment adviser.

(2) "Investment adviser representative" or "representative" does not include:

(i) Any other person not within the intent of this subsection as the Commissioner designates by rule or order; or

(ii) Clerical or ministerial personnel.

[(j)**] (K)** "Investment Company Act of 1940" and "Investment Advisers Act of 1940" mean the federal statutes of those names, as amended.

[(k)**] (L)** "Issuer" means any person who issues or proposes to issue a security, except that:

(1) With respect to certificates of deposit, voting–trust certificates, or collateral–trust certificates or with respect to certificates of interest or shares in an unincorporated investment trust not having a board of directors or persons performing similar functions or of the fixed, restricted management, or unit type, the term "issuer" means the person performing the acts and assuming the duties of depositor or manager under the provisions of the trust or other agreement or instrument under which the security is issued; and

(2) With respect to certificates of interest or participation in oil, gas, or mining titles or leases or in payments out of production under the titles or leases, there is not considered to be any "issuer".

[(l)**] (M)** "Nonissuer distribution" and "nonissuer transaction" mean a distribution or transaction, as the case may be, not directly or indirectly for the benefit of the issuer.

[(m)**] (N)** "Offer" or "offer to sell", except as provided in § 11–102(a) of this subtitle, includes every attempt or offer to dispose of or solicitation of an offer to buy, a security or interest in a security for value.

[(n)**] (O)** "Person" means an individual, a corporation, a partnership, an association, a joint–stock company, a trust where the interests of the beneficiaries are evidenced by a security, an unincorporated organization, a government, or a political subdivision of a government.

[(o)**] (P)** "Public Utility Holding Company Act of 1935" means the federal statute of that name, as amended.

[(p)**] (Q)** "Sale" or "sell", except as provided in § 11–102(a) of this subtitle, includes every contract of sale of, contract to sell, or disposition of a security or interest in a security for value.

[(q)**] (R)** "Securities Act of 1933" and "Securities Exchange Act of 1934" mean the federal statutes of those names, as amended.

[(r)**] (S)** (1) "Security" means any:

(i) Note;

(ii) Stock;

(iii) Treasury stock;

(iv) Bond;

(v) Debenture;

(vi) Evidence of indebtedness;

(vii) Certificate of interest or participation in any profit–sharing agreement;

(viii) Collateral–trust certificate;

(ix) Preorganization certificate or subscription;

(x) Transferable share;

(xi) Investment contract;

(xii) Voting–trust certificate;

(xiii) Certificate of deposit for a security;

(xiv) Certificate of interest or participation in an oil, gas, or mining title or lease or in payments out of production under the title or lease;

(xv) In general, any interest or instrument commonly known as a "security"; or

(xvi) Certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase any of the preceding.

(2) "Security" does not include any insurance or endowment policy or annuity contract under which an insurance company promises to pay money either in a lump sum, periodically for life, or some other specified period.

[(s)**] (T)** "State" means any state, territory, or possession of the United States, the District of Columbia, and Puerto Rico.

11–208.

(A) IN THIS SECTION, "FUND" MEANS THE SECURITIES ACT REGISTRATION FUND.

(B) THERE IS A SECURITIES ACT REGISTRATION FUND.

(C) THE PURPOSE OF THE FUND IS TO HELP FUND THE DIRECT AND INDIRECT COSTS OF ADMINISTERING AND ENFORCING THE MARYLAND SECURITIES ACT.

(D) THE COMMISSIONER SHALL ADMINISTER THE FUND.

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

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

(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.

(J) MONEY EXPENDED FROM THE FUND USED TO ADMINISTER AND ENFORCE THE MARYLAND SECURITIES ACT IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED TO ADMINISTER AND ENFORCE THE MARYLAND SECURITIES ACT.

11–302.

(a) It is unlawful for any person who receives, directly or indirectly, any consideration from another person for advising the other person as to the value of securities or their purchase or sale, or for acting as an investment adviser or representative under **[**§ 11–101(h) and (i)**]** **§ 11–101(I) AND (J)** of this title, whether through the issuance of analyses, reports, or otherwise, to:

(1) Employ any device, scheme, or artifice to defraud the other person;

(2) Engage in any act, practice, or course of business which operates or would operate as a fraud or deceit on the other person;

(3) Engage in dishonest or unethical practices **[**as the Commissioner may define by rule**]**; or

(4) When acting as principal for the person's own account knowingly sell any security to or purchase any security from a client, or when acting in an agency capacity for a person other than such client knowingly effect any sale or purchase of any security for the account of such client, without disclosing to such client in writing before the completion of such transaction the capacity in which the person is acting and obtaining the consent of the client to such transaction.

(c) In the solicitation of or in dealings with advisory clients, it is unlawful for any person **[**knowingly**]** **WILLFULLY** to make any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading.

11–306.

A PERSON WHO ENGAGES IN THE BUSINESS OF EFFECTING TRANSACTIONS IN SECURITIES FOR THE ACCOUNT OF OTHERS OR FOR THE PERSON'S OWN ACCOUNT OR WHO ACTS AS A BROKER–DEALER OR AGENT MAY NOT ENGAGE IN DISHONEST OR UNETHICAL PRACTICES IN THE SECURITIES OR INVESTMENT ADVISORY BUSINESS.

11–307.

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

(2) "ELIGIBLE ADULT" MEANS AN INDIVIDUAL WHO RESIDES IN THE STATE AND IS:

(I) AT LEAST 65 YEARS OLD; OR

(II) A VULNERABLE ADULT.

(3) "FINANCIAL EXPLOITATION" MEANS:

(I) THE WRONGFUL OR UNAUTHORIZED TAKING, WITHHOLDING, APPROPRIATION, OR USE OF MONEY, ASSETS, OR PROPERTY OF AN ELIGIBLE ADULT; OR

(II) AN ACT OR OMISSION BY A PERSON, INCLUDING THROUGH THE USE OF A POWER OF ATTORNEY, GUARDIANSHIP, OR CONSERVATORSHIP OF AN ELIGIBLE ADULT, TO:

1. OBTAIN CONTROL, THROUGH DECEPTION, INTIMIDATION, OR UNDUE INFLUENCE, OVER THE ELIGIBLE ADULT'S MONEY, ASSETS, OR PROPERTY IN ORDER TO DEPRIVE THE ELIGIBLE ADULT OF THE OWNERSHIP, USE, BENEFIT, OR POSSESSION OF THE MONEY, ASSETS, OR PROPERTY; OR

2. CONVERT MONEY, ASSETS, OR PROPERTY OF THE ELIGIBLE ADULT IN ORDER TO DEPRIVE THE ELIGIBLE ADULT OF THE OWNERSHIP, USE, BENEFIT, OR POSSESSION OF THE MONEY, ASSETS, OR PROPERTY.

(4) "LAW ENFORCEMENT AGENCY" MEANS A STATE, COUNTY, OR MUNICIPAL POLICE DEPARTMENT, BUREAU, OR AGENCY.

(5) "LOCAL DEPARTMENT" HAS THE MEANING STATED IN § 14–101 OF THE FAMILY LAW ARTICLE.

(6) "QUALIFIED INDIVIDUAL" MEANS AN AGENT, AN INVESTMENT ADVISER REPRESENTATIVE, OR A PERSON WHO SERVES IN A SUPERVISORY, COMPLIANCE, OR LEGAL CAPACITY FOR A BROKER–DEALER OR AN INVESTMENT ADVISER.

(7) "VULNERABLE ADULT" HAS THE MEANING STATED IN § 14–101 OF THE FAMILY LAW ARTICLE.

(B) (1) A BROKER–DEALER, AN INVESTMENT ADVISER, OR A QUALIFIED INDIVIDUAL THAT REASONABLY BELIEVES THAT AN ELIGIBLE ADULT HAS BEEN, IS CURRENTLY, OR WILL BE THE SUBJECT OF FINANCIAL EXPLOITATION OR ATTEMPTED FINANCIAL EXPLOITATION:

~~(1)~~ (I) SHALL ~~PROMPTLY~~ NOTIFY:

~~(II)~~ 1. THE COMMISSIONER; AND

~~(III)~~ 2. A LOCAL DEPARTMENT UNDER § 14–302 OF THE FAMILY LAW ARTICLE; AND

~~(2)~~ (II) MAY NOTIFY A THIRD PARTY DESIGNATED BY THE ELIGIBLE ADULT AND ANY OTHER THIRD PARTY PERMITTED UNDER STATE OR FEDERAL LAWS OR REGULATIONS, OR THE RULES OF A SELF–REGULATORY ORGANIZATION, IF THE THIRD PARTY IS NOT SUSPECTED OF FINANCIAL EXPLOITATION, ABUSE, NEGLECT, OR OTHER EXPLOITATION OF THE ELIGIBLE ADULT.

(2) THE NOTICE REQUIRED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION SHALL BE GIVEN:

(I) WITHIN 5 DAYS AFTER THE BROKER–DEALER, INVESTMENT ADVISER, OR QUALIFIED INDIVIDUAL DEVELOPS THE REASONABLE BELIEF THAT THE ELIGIBLE ADULT HAS BEEN, IS CURRENTLY, OR WILL BE THE SUBJECT OF FINANCIAL EXPLOITATION OR ATTEMPTED FINANCIAL EXPLOITATION; OR

(II) IMMEDIATELY ON CONFIRMATION THAT THE ELIGIBLE ADULT HAS BEEN, IS CURRENTLY, OR WILL BE THE SUBJECT OF FINANCIAL EXPLOITATION OR ATTEMPTED FINANCIAL EXPLOITATION IF THE CONFIRMATION IS MADE BEFORE THE 5–DAY PERIOD SPECIFIED IN ITEM (I) OF THIS PARAGRAPH EXPIRES.

(3) THIS SUBSECTION MAY NOT BE CONSTRUED TO REQUIRE MORE THAN ONE NOTIFICATION UNDER PARAGRAPH (1)(I) FOR EACH OCCURRENCE.

(C) (1) A BROKER–DEALER OR AN INVESTMENT ADVISER MAY DELAY A DISBURSEMENT FROM AN ACCOUNT OF AN ELIGIBLE ADULT OR AN ACCOUNT ON WHICH AN ELIGIBLE ADULT IS A BENEFICIARY IF:

(I) THE BROKER–DEALER, THE INVESTMENT ADVISER, OR A QUALIFIED INDIVIDUAL REASONABLY BELIEVES, AFTER INITIATING AN INTERNAL REVIEW OF THE REQUESTED DISBURSEMENT AND ANY SUSPECTED FINANCIAL

EXPLOITATION, THAT THE REQUESTED DISBURSEMENT MAY RESULT IN THE FINANCIAL EXPLOITATION OF AN ELIGIBLE ADULT; AND

(II) THE BROKER–DEALER, THE INVESTMENT ADVISER, OR A QUALIFIED INDIVIDUAL:

1. WITHIN 2 BUSINESS DAYS AFTER THE REQUESTED DISBURSEMENT:

A. SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, PROVIDES WRITTEN NOTICE OF THE REASON FOR THE DELAY TO ALL PARTIES AUTHORIZED TO TRANSACT BUSINESS ON THE ACCOUNT; AND

B. NOTIFIES THE COMMISSIONER AND THE LOCAL DEPARTMENT UNDER § 14–302 OF THE FAMILY LAW ARTICLE; AND

2. CONTINUES AN INTERNAL REVIEW OF THE SUSPECTED FINANCIAL EXPLOITATION OF THE ELIGIBLE ADULT.

(2) THE BROKER–DEALER, INVESTMENT ADVISER, OR QUALIFIED INDIVIDUAL:

(I) MAY NOT PROVIDE THE WRITTEN NOTICE REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO A PARTY THE BROKER–DEALER, INVESTMENT ADVISER, OR QUALIFIED INDIVIDUAL REASONABLY BELIEVES OR SUSPECTS IS ENGAGING IN OR ATTEMPTING TO ENGAGE IN THE FINANCIAL EXPLOITATION OF THE ELIGIBLE ADULT; AND

(II) SHALL PROVIDE, ~~WITHIN 7 BUSINESS DAYS AFTER THE DATE OF THE DISBURSEMENT REQUEST, THE RESULT~~ ON REQUEST, A STATUS REPORT OF THE INTERNAL REVIEW REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO THE COMMISSIONER AND THE LOCAL DEPARTMENT.

(D) (1) A DELAY OF A DISBURSEMENT AUTHORIZED UNDER THIS SECTION SHALL EXPIRE:

(I) ON A DETERMINATION BY THE BROKER–DEALER OR INVESTMENT ADVISER THAT THE DISBURSEMENT WILL NOT RESULT IN THE FINANCIAL EXPLOITATION OF THE ELIGIBLE ADULT; OR

(II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, 15 BUSINESS DAYS AFTER THE DATE OF THE DISBURSEMENT REQUEST.

(2) (I) THE COMMISSIONER OR THE LOCAL DEPARTMENT MAY REQUEST THE DELAY OF A DISBURSEMENT FOR UP TO 25 BUSINESS DAYS AFTER THE DATE OF THE DISBURSEMENT REQUEST.

(II) IF A REQUEST IS MADE UNDER THIS PARAGRAPH, THE DELAY SHALL CONTINUE FOR 25 BUSINESS DAYS AFTER THE DATE OF THE DISBURSEMENT REQUEST ~~OR UNTIL~~ UNLESS THE COMMISSIONER, THE LOCAL DEPARTMENT, OR A COURT OF COMPETENT JURISDICTION ENTERS AN ORDER THAT TERMINATES OR EXTENDS THE DELAY~~, WHICHEVER HAPPENS FIRST~~.

(E) (1) A BROKER–DEALER, AN INVESTMENT ADVISER, OR A QUALIFIED INDIVIDUAL THAT IN GOOD FAITH AND EXERCISING REASONABLE CARE PROVIDES NOTICE UNDER SUBSECTION (B) OF THIS SECTION SHALL HAVE IMMUNITY FROM ANY ADMINISTRATIVE OR CIVIL LIABILITY THAT MIGHT OTHERWISE ARISE FROM THE NOTICE.

(2) A BROKER–DEALER OR INVESTMENT ADVISER THAT IN GOOD FAITH AND EXERCISING REASONABLE CARE DELAYS A DISBURSEMENT UNDER SUBSECTION (C) OF THIS SECTION SHALL HAVE IMMUNITY FROM ANY ADMINISTRATIVE OR CIVIL LIABILITY THAT MIGHT OTHERWISE ARISE FROM THE DELAY.

(F) (1) A BROKER–DEALER OR AN INVESTMENT ADVISER SHALL PROVIDE ACCESS TO OR COPIES OF RECORDS THAT ARE RELEVANT TO THE SUSPECTED FINANCIAL EXPLOITATION OF AN ELIGIBLE ADULT:

(I) AS PART OF THE REFERRAL TO THE COMMISSIONER AND A LOCAL DEPARTMENT UNDER SUBSECTION (C) OF THIS SECTION; OR

(II) AT THE REQUEST OF THE COMMISSIONER, A LOCAL DEPARTMENT, OR A LAW ENFORCEMENT AGENCY.

(2) THE RECORDS UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY INCLUDE HISTORICAL RECORDS AND RECORDS THAT RELATE TO THE MOST RECENT TRANSACTIONS THAT MAY DEMONSTRATE THE FINANCIAL EXPLOITATION OF AN ELIGIBLE ADULT.

(3) A RECORD MADE AVAILABLE UNDER THIS SUBSECTION IS NOT A PUBLIC RECORD UNDER TITLE 4 OF THE GENERAL PROVISIONS ARTICLE.

(4) THIS SUBSECTION MAY NOT BE INTERPRETED TO LIMIT THE AUTHORITY OF THE COMMISSIONER TO ACCESS OR EXAMINE THE BOOKS OR RECORDS OF A BROKER–DEALER OR INVESTMENT ADVISER.

11–401.

(a) **[**A**]** **EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A** person may not transact business in this State as a broker–dealer or agent unless the person is registered under this subtitle.

(D) A PERSON THAT TRANSACTS BUSINESS IN THIS STATE AS A FEDERAL EXEMPT BROKER–DEALER IS NOT REQUIRED TO REGISTER UNDER SUBSECTION (A) OF THIS SECTION.

[(d)**]** **(E)** By rule or order, the Commissioner may modify the requirements of this section or exempt any broker–dealer, investment adviser, or federal covered adviser from the requirements of this section if the Commissioner determines that:

(1) Compliance with this section is not necessary or appropriate for the protection of investors; and

(2) The exemption is consistent with the public interest and within the purposes fairly intended by the policy and provisions of this title.

11–402.

(a) (1) **[**A**]** **EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, A** broker–dealer or issuer may not employ or associate with an agent unless the agent is registered.

(2) **[**When**]** **EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, WHEN** an agent terminates a connection with a broker–dealer or issuer or terminates those activities which make the individual an agent, the agent and the broker–dealer or issuer shall promptly notify the Commissioner.

(3) THIS SUBSECTION DOES NOT APPLY TO A FEDERAL EXEMPT BROKER–DEALER.

(C) (1) IT IS UNLAWFUL FOR A BROKER–DEALER OR ISSUER ENGAGED IN OFFERING, OFFERING TO PURCHASE, PURCHASING, OR SELLING SECURITIES IN THIS STATE OR AN INVESTMENT ADVISER OFFERING OR PROVIDING INVESTMENT ADVICE IN THIS STATE, DIRECTLY OR INDIRECTLY, TO EMPLOY OR ASSOCIATE WITH AN INDIVIDUAL WHO IS PARTICIPATING IN THE SECURITIES TRANSACTION OR INVESTMENT ADVICE IN THIS STATE IF:

(I) THE REGISTRATION OF THE INDIVIDUAL IS SUSPENDED OR REVOKED; OR

(II) THE INDIVIDUAL IS BARRED FROM EMPLOYMENT OR ASSOCIATION WITH A BROKER–DEALER, AN ISSUER, AN INVESTMENT ADVISER, OR A FEDERAL COVERED ADVISER BY AN ORDER OF THE COMMISSIONER UNDER THIS TITLE, THE SECURITIES AND EXCHANGE COMMISSION, OR A SELF–REGULATORY ORGANIZATION.

(2) A BROKER–DEALER, AN INVESTMENT ADVISER, OR AN ISSUER MAY NOT BE CONSIDERED TO HAVE VIOLATED THIS SUBSECTION IF THE BROKER–DEALER, INVESTMENT ADVISER, OR ISSUER DID NOT KNOW, AND IN THE EXERCISE OF REASONABLE CARE COULD NOT HAVE KNOWN, OF THE SUSPENSION, REVOCATION, OR BAR.

(3) ON REQUEST FROM A BROKER–DEALER, AN INVESTMENT ADVISER, OR AN ISSUER AND FOR GOOD CAUSE, THE COMMISSIONER, BY ORDER UNDER SUBSECTION (D) OF THIS SECTION, MAY MODIFY OR WAIVE, IN WHOLE OR IN PART, THE PROHIBITIONS OF THIS SUBSECTION.

[(c)**] (D)** By rule or order, the Commissioner may modify the requirements of this section or exempt any broker–dealer, agent, investment adviser, federal covered adviser, or investment adviser representative from the requirements of this section if the Commissioner determines that:

(1) Compliance with this section is not necessary or appropriate for the protection of investors; and

(2) The exemption is consistent with the public interest and within the purposes fairly intended by the policy and provisions of this title.

11–405.

(C) (1) FOR PURPOSES OF THIS SUBSECTION, "PRIVATE FUND ADVISER" MEANS AN INVESTMENT ADVISER THAT PROVIDES ADVICE SOLELY TO ONE OR MORE QUALIFYING PRIVATE FUNDS, AS DEFINED IN SECURITIES AND EXCHANGE COMMISSION RULE 203(M)–1 (17 C.F.R. 275.203(M)–1).

(2) BEFORE ACTING AS A PRIVATE FUND ADVISER, A PERSON WHO IS NOT A FEDERAL COVERED ADVISER SHALL PAY THE FEE REQUIRED UNDER § 11–407 OF THIS SUBTITLE AND SHALL FILE THE FOLLOWING DOCUMENTS AS THE COMMISSIONER MAY REQUIRE BY RULE OR ORDER:

(I) THE DOCUMENTS THAT THE PERSON FILED WITH THE SECURITIES AND EXCHANGE COMMISSION; AND

(II) A CONSENT TO SERVICE OF PROCESS UNDER § 11–802(A) OF THIS TITLE.

[(c)**] (D)** Notwithstanding the provisions of subsection (a) of this section, a registered broker–dealer who is also a registered investment adviser in this State may effect the initial registration of any or all of its registered agents in this State as investment adviser representatives by the filing of:

(1) A notice with the Commissioner designating the registered agents as representatives of the investment adviser;

(2) A consent to service of process under § 11–802(a) of this title; and

(3) Such other information as the Commissioner by rule or order may require.

[(d)**] (E)** Notwithstanding the provisions of subsection (a) of this section, a registered broker–dealer who is also a federal covered adviser that has filed a notice under subsection (b) of this section may effect the initial registration of its registered agents with a place of business in this State as investment adviser representatives by the filing of:

(1) A notice with the Commissioner designating the registered agents as representatives of the federal covered adviser;

(2) A consent to service of process under § 11–802(a) of this title; and

(3) Such other information as the Commissioner by rule or order may require.

[(e)**] (F)** The Commissioner in the Commissioner's discretion may publish an announcement of the applicants for registration in the **[**newspapers**]** **MEDIA** the Commissioner determines.

[(f)**] (G)** If a denial order is not in effect and a proceeding is not pending under §§ 11–412 through 11–414 of this subtitle, registration becomes effective at noon of the 30th day after an application is filed. The Commissioner by rule or order may specify an earlier effective date, and the Commissioner by order may defer the effective date until noon of the 30th day after the filing of any amendment.

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 **[**$35**] $50**.

(II) FROM THE FEE PAID UNDER THIS PARAGRAPH, $15 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.

11–411.

(a) (1) A registered broker–dealer shall make and keep correspondence, memoranda, papers, books, and other records that the Commissioner requires by rule.

(2) The Commissioner's authority to adopt rules under paragraph (1) of this subsection is subject to the limitations of § 15 of the Securities Exchange Act of 1934.

(3) A registered investment adviser shall make, keep, and preserve accounts, correspondence, memoranda, papers, books, and other records that the Commissioner requires by rule.

(4) The Commissioner's authority to adopt rules under paragraph (3) of this subsection is subject to the limitations of § 222 of the Investment Advisers Act of 1940.

(f) (1) **(I)** All the records referred to in subsection (a) of this section are subject at any time or from time to time to the reasonable periodic, special, or other examinations by representatives of the Commissioner, within or without this State, which the Commissioner considers necessary or appropriate in the public interest or for the protection of investors.

(II) THE COMMISSIONER MAY PERFORM AN AUDIT OR INSPECTION AT ANY TIME AND WITHOUT PRIOR NOTICE.

(III) THE COMMISSIONER MAY COPY AND REMOVE FOR AUDIT OR INSPECTION COPIES OF ALL RECORDS THE COMMISSIONER REASONABLY CONSIDERS NECESSARY OR APPROPRIATE TO CONDUCT THE AUDIT OR INSPECTION.

(2) For the purpose of avoiding unnecessary duplication of examinations, the Commissioner, to the extent the Commissioner considers it practicable in administering

this subsection, may cooperate with the securities administrators of other states, the Securities and Exchange Commission, and any national securities exchange or national securities association registered under the Securities Exchange Act of 1934.

11–412.

(a) The Commissioner by order may deny, suspend, or revoke any registration if the Commissioner finds that the order is in the public interest and that the applicant or registrant or, in the case of a broker–dealer or investment adviser, any partner, officer, or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the broker–dealer or investment adviser:

(6) Is the subject of an order entered within the past five years by the securities administrator or any other financial services regulator of any state or by the Securities and Exchange Commission denying**, SUSPENDING,** or revoking registration as a broker–dealer, investment adviser, investment adviser representative, or agent or the substantial equivalent of those terms as defined in this title, or any other financial services license or registration, or is the subject of an order by the Commodity Futures Trading Commission denying, suspending, or revoking registration under the Commodity Exchange Act, or is suspended **[**or**],** expelled**, OR BARRED** from a national securities exchange or national securities association registered under the Securities Exchange Act of 1934 either by action of a national securities exchange or national securities association, the effect of which action has not been stayed by appeal or otherwise, or by order of the Securities and Exchange Commission, or is the subject of a United States post office fraud order, but:

(i) The Commissioner may not institute a revocation or suspension proceeding under this item (6) more than one year from the date of the order or action relied on; and

(ii) The Commissioner may not enter an order under this item (6) on the basis of an order under another state act unless that order was based on facts which would currently constitute a ground for an order under this section;

(10) Has failed reasonably to supervise the broker–dealer's agents, if the person is a broker–dealer, or the investment adviser's representatives, if the person is an investment adviser; **[**or**]**

(11) Has failed to pay the proper fee, but the Commissioner may enter only a denial order under this item (11), and the Commissioner shall vacate the order when the deficiency is corrected**;**

(12) IS SUBJECT TO A REQUEST FROM THE CHILD SUPPORT ENFORCEMENT ADMINISTRATION TO SUSPEND OR REVOKE A REGISTRATION BASED ON FAILURE TO PAY SUPPORT OBLIGATIONS;

(13) REFUSES TO ALLOW THE COMMISSIONER TO CONDUCT OR OTHERWISE IMPEDES THE COMMISSIONER IN CONDUCTING AN AUDIT OR INSPECTION UNDER § 11–411(F) OF THIS SUBTITLE OR REFUSES ACCESS TO A REGISTRANT'S OFFICE TO CONDUCT AN AUDIT OR INSPECTION UNDER § 11–411(F) OF THIS SUBTITLE; OR

(14) IS THE SUBJECT OF A CEASE AND DESIST ORDER ISSUED BY THE SECURITIES AND EXCHANGE COMMISSION OR ISSUED UNDER THE SECURITIES, COMMODITIES, INVESTMENT, FRANCHISE, BANKING, FINANCE, OR INSURANCE LAWS OF A STATE.

(b) (1) In this subsection, "final administrative order" does not include an order that is stayed or subject to further review or appeal.

(2) If an applicant for initial registration discloses the existence of a final judicial or administrative order to the Commissioner before the effective date of the initial registration, the Commissioner may not institute a suspension or revocation proceeding based solely on the judicial or administrative order unless the proceeding is initiated within **[**90 days immediately following**]** **ONE YEAR AFTER** the effective date of the applicant's initial registration.

[11–418.

(a) By August 31 of each year, the Commissioner shall provide to the Department of Assessments and Taxation a list of broker–dealers and investment advisers registered as broker–dealers or investment advisers during the previous fiscal year, to assist the Department of Assessments and Taxation in identifying new businesses within the State.

(b) The list provided under this section shall:

(1) Be provided free of charge; and

(2) Include, for each person on the list:

(i) The name and mailing address of the person; and

(ii) The federal tax identification number of the person or, if the person does not have a federal tax identification number, the Social Security number of the person.**]**

11–503.1.

(a) A person may not offer or sell a federal covered security in this State unless the documents required by this section are filed and the fees required by § 11–506 or § 11–510.1 of this subtitle are paid.

(b) With respect to a federal covered security specified in § 18(b)(2) of the Securities Act of 1933, the Commissioner may require, by rule, order, or otherwise, the filing of the following documents:

(1) Before the initial offer of the federal covered security in this State:

(i) A notice in a form that the Commissioner requires or the documents filed with the Securities and Exchange Commission under the Securities Act of 1933;

(ii) A consent to service of process signed by the issuer; and

(iii) The fee required under § 11–510.1 of this subtitle; and

(2) After the initial offer of the federal covered security in this State:

(i) Any document that is part of an amendment filed with the Securities and Exchange Commission under the Securities Act of 1933; and

(ii) As necessary to compute fees, an annual or periodic report of the value of the federal covered securities offered or sold in this State together with any fee required under § 11–510.1(b) and (c) of this subtitle.

(c) With respect to a security that is a federal covered security specified in § 18(b)(3) or (4) of the Securities Act of 1933, the Commissioner may require, by rule, order, or otherwise, the issuer to file:

(1) A consent to service of process signed by the issuer;

(2) The fee required under § 11–506 of this subtitle; and

(3) Any document filed with the Securities and Exchange Commission under the Securities Act of 1933.

(D) (1) IF AN ISSUER FAILS TO TIMELY FILE THE ITEMS UNDER SUBSECTION (B) OR (C) OF THIS SECTION AND A STOP ORDER HAS NOT BEEN ISSUED UNDER SUBSECTION (E) OF THIS SECTION, THE ISSUER MAY SATISFY THE REQUIREMENTS OF SUBSECTION (B) OR (C) OF THIS SECTION, AS APPLICABLE, BY MAKING A LATE FILING AND PAYING THE FEES REQUIRED FOR A LATE FILING UNDER § 11–506 OR § 11–510.1 OF THIS SUBTITLE.

(2) AN ISSUER THAT MAKES A LATE FILING IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION WILL TERMINATE ANY RIGHT OR LIABILITY THAT ACCRUES BASED ON THE FAILURE TO SATISFY THE REQUIREMENTS OF SUBSECTION (B) OR (C) OF THIS SECTION IF:

(I) THERE IS NO ACTION PENDING UNDER SUBSECTION (E) OF THIS SECTION OR ANY OTHER PROVISION OF THIS TITLE;

(II) A PERSON WITH THE RIGHT HAS NOT RELIED DETRIMENTALLY ON THE ABSENCE OF THE FILING; AND

(III) THE LATE FILING IS MADE WITHIN 1 YEAR OF THE ORIGINAL DUE DATE OF THE FILING.

[(d)**] (E)** Except for a federal covered security specified in § 18(b)(1) of the Securities Act of 1933, the Commissioner may issue a stop order suspending the offer and sale of a federal covered security, if the Commissioner finds that:

(1) The order is in the public interest; and

(2) There is a failure to comply with any condition established under this section.

[(e)**] (F)** The Commissioner may waive, by rule, order, or otherwise, the filing of any document required under this section.

11–506.

(b) (1) Except as provided in paragraph (2) of this subsection, a person required to submit a filing in accordance with an exemption granted under this title shall pay a fee of $400 for each filing.

(2) A person required to submit a filing in accordance with the exemption granted under § 11–601(16) of this title shall pay a fee of $100 for each filing.

(3) A person required to submit a notice of the offer or sale of federal covered securities under § 11–503.1(c) of this subtitle shall pay**:**

(I) [a**] A** fee of $100 for each filing**; AND**

(II) AN ADDITIONAL FEE OF $150 FOR EACH FILING MADE AFTER THE FILING DUE DATE.

11–510.1.

(a) A face–amount certificate company, an open–end management company, a closed–end management company that is not a federal covered security under § 18(b)(1) of the Securities Act of 1933, or a unit investment trust, as those terms are defined in the Investment Company Act of 1940, shall comply with the requirements of this section, if the company or trust files:

(1) A notice under § 11–503.1 of this subtitle of the offer or sale in this State of an indefinite amount of federal covered securities specified in § 18(b)(2) of the Securities Act of 1933; or

(2) An application to register under § 11–503 of this subtitle the offer and sale in this State of an indefinite amount of securities.

(b) (1) **[**A**]** **EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, A** face–amount certificate company or an open–end management company, at the time of filing, shall pay an initial fee of $500 and within 60 days after the issuer's fiscal year end during which its registration statement is effective or notice required by § 11–503.1(b) of this subtitle is filed:

(i) Pay a fee of $1,300; or

(ii) 1. File a report on a form the Commissioner by rule adopts, reporting all sales of securities to persons within this State during the fiscal year; and

2. Pay a fee of 0.1 percent of the maximum aggregate offering price at which the securities were sold in this State.

(2) (i) When calculating the fee in accordance with paragraph (1)(ii)2 of this subsection, the initial fee of $500 shall be deducted from the aggregate fee due.

(ii) Except as provided in **PARAGRAPH (3) OF THIS SUBSECTION AND** subsection (d) of this section, the aggregate fee due under this paragraph may not exceed $1,500.

(iii) **[**If**]** **EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION AND SUBSECTION (D) OF THIS SECTION, IF** the amount due under paragraph (1)(ii)2 of this subsection is less than $500, no additional amount may be payable, and no credit or refund may be allowed or returned.

(3) IF A FILING REQUIRED UNDER SUBSECTION (A) OF THIS SECTION AND § 11–503.1 OF THIS SUBTITLE IS NOT RECEIVED BY THE COMMISSIONER BY THE DEADLINE ESTABLISHED, THE ISSUER, IN ADDITION TO THE FEE REQUIRED UNDER THIS SECTION, SHALL PAY A LATE FEE OF $500.

(c) (1) **[**At**]** **EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, AT** the time of filing, a unit investment trust, or a closed–end management company that is not a federal covered security under § 18(b)(1) of the Securities Act of 1933, shall pay an initial fee of $500.

(2) Within 60 days after the anniversary of the date on which the issuer's offer became effective or its notice filed under § 11–503(b) of this subtitle was accepted, a

unit investment trust, or a closed–end management company that is not a federal covered security under § 18(b)(1) of the Securities Act of 1933, shall:

(i) Pay a fee of $1,300; or

(ii) 1. File a report on a form the Commissioner by rule adopts, reporting all sales of securities to persons within this State during the effective period of the registration statement or the acceptance period of the notice filed under § 11–503.1(b) of this subtitle; and

2. Pay a fee of 0.1 percent of the maximum aggregate offering price at which the securities were sold in this State.

(3) (i) When calculating the fee in accordance with paragraph (1)(ii)2 of this subsection, the initial $500 fee shall be deducted from the aggregate fee due.

(ii) Except as provided in **PARAGRAPH (4) OF THIS SUBSECTION AND** subsection (d) of this section, the aggregate fee due under this paragraph may not exceed $1,500.

(iii) Except as provided in **PARAGRAPH (4) OF THIS SUBSECTION AND** subsection (d) of this section, if the amount due under paragraph (1)(ii)2 of this subsection is less than $500, no additional amount may be payable, and no credit or refund may be allowed or returned.

(4) IF A FILING REQUIRED UNDER SUBSECTION (A) OF THIS SECTION AND § 11–503.1 OF THIS SUBTITLE IS NOT RECEIVED BY THE COMMISSIONER BY THE DEADLINE ESTABLISHED IN PARAGRAPH (2) OF THIS SUBSECTION, THE ISSUER, IN ADDITION TO THE FEE REQUIRED UNDER THIS SECTION, SHALL PAY A LATE FEE OF $500.

(d) (1) The Commissioner, by rule, order, or otherwise, may extend the length of the renewal period to a period not exceeding 2 years for the effectiveness of a registered offering or for a notice filed under § 11–503.1 of this subtitle.

(2) If the Commissioner extends a renewal period in excess of 1 year, the fee shall be prorated to the extended renewal period.

11–601.

The following securities are exempted from §§ 11–205 and 11–501 of this title:

(11) **[**Any investment contract or other security issued in connection with an employee's stock purchase, savings, pension, profit–sharing, or similar benefit plan if, in the case of plans which are not qualified under § 401 of the Internal Revenue Code and which provide for contributions by employees, the Commissioner is notified in writing 30

days before the inception of the plan in this State**] ANY INVESTMENT CONTRACT OR OTHER SECURITY ISSUED IN CONNECTION WITH AN EMPLOYEE'S STOCK PURCHASE, SAVINGS, PENSION, PROFIT–SHARING, STOCK OPTION, EQUITY COMPENSATION, OR SIMILAR BENEFIT PLAN IF:**

(I) NO COMMISSION OR OTHER REMUNERATION IS PAID IN CONNECTION WITH THE OFFERING; AND

(II) 1. THE PLAN IS QUALIFIED UNDER THE INTERNAL REVENUE CODE;

2. THE PLAN COMPLIES WITH RULE 701 UNDER THE SECURITIES ACT OF 1933; OR

3. THE SECURITY IS EFFECTIVELY REGISTERED UNDER §§ 6 THROUGH 8 OF THE SECURITIES ACT OF 1933 AND IS OFFERED AND SOLD IN COMPLIANCE WITH THE PROVISIONS OF § 5 OF THE SECURITIES ACT OF 1933;

11–701.1.

(a) Whenever the Commissioner determines that a person has engaged or is about to engage in any act or practice constituting a violation of any provision of this title or any rule or order under this title **OR THAT A PERSON HAS ~~MATERIALLY AIDED, IS MATERIALLY AIDING, OR IS ABOUT TO MATERIALLY AID~~ KNOWINGLY OR RECKLESSLY PROVIDED SUBSTANTIAL ASSISTANCE, IS KNOWINGLY OR RECKLESSLY PROVIDING SUBSTANTIAL ASSISTANCE, OR IS ABOUT TO KNOWINGLY OR RECKLESSLY PROVIDE SUBSTANTIAL ASSISTANCE TO ANOTHER PERSON IN CONNECTION WITH AN ACT, A PRACTICE, OR A COURSE OF BUSINESS CONSTITUTING A VIOLATION OF THIS TITLE OR A RULE ADOPTED OR AN ORDER ISSUED UNDER THIS TITLE**, and that immediate action against such person is in the public interest, the Commissioner may in his discretion issue, without a prior hearing, a summary order directing such person to cease and desist from engaging in such activity, provided that the summary cease and desist order gives the person:

(1) Notice of the opportunity for a hearing before the Commissioner to determine whether the summary cease and desist order should be vacated, modified, or entered as final; and

(2) Notice that the summary cease and desist order will be entered as final if such person does not request a hearing within 15 days of receipt of the summary cease and desist order.

(b) Whenever the Commissioner determines after notice and a hearing (unless the right to notice and a hearing is waived) that a person has engaged in any act or practice constituting a violation of any provision of this title or any rule or order under this title **OR**

THAT A PERSON HAS ~~MATERIALLY AIDED~~ KNOWINGLY OR RECKLESSLY PROVIDED SUBSTANTIAL ASSISTANCE TO ANOTHER PERSON IN CONNECTION WITH AN ACT, A PRACTICE, OR A COURSE OF BUSINESS CONSTITUTING A VIOLATION OF THIS TITLE OR A RULE ADOPTED OR AN ORDER ISSUED UNDER THIS TITLE, the Commissioner may in his discretion and in addition to taking any other action authorized under this title:

(1) Issue a final cease and desist order against such person;

(2) Censure such person if such person is registered under this title;

(3) Bar such person from engaging in the securities business or investment advisory business in this State;

(4) Issue a penalty order against such person imposing a civil penalty up to the maximum amount of $5,000 for any single violation of this title; or

(5) Take any combination of the actions specified in this subsection.

11–702.

(a) Whenever it appears to the Commissioner that any person is about to engage in any act or practice constituting a violation of any provision of this title or any rule or order under this title **OR THAT THE PERSON IS ABOUT TO KNOWINGLY OR RECKLESSLY PROVIDE SUBSTANTIAL ASSISTANCE TO ANOTHER PERSON IN CONNECTION WITH AN ACT, A PRACTICE, OR A COURSE OF BUSINESS CONSTITUTING A VIOLATION OF THIS TITLE OR A RULE ADOPTED OR AN ORDER ISSUED UNDER THIS TITLE**, he may in his discretion bring an action to obtain 1 or more of the following remedies:

(1) A temporary restraining order; or

(2) A temporary or permanent injunction.

(b) Whenever it appears to the Commissioner that any person has engaged in any act or practice constituting a violation of any provision of this title or any rule or order under this title **OR THAT A PERSON HAS ~~MATERIALLY AIDED, IS MATERIALLY AIDING, OR IS ABOUT TO MATERIALLY AID~~ KNOWINGLY OR RECKLESSLY PROVIDED SUBSTANTIAL ASSISTANCE, IS KNOWINGLY OR RECKLESSLY PROVIDING SUBSTANTIAL ASSISTANCE, OR IS ABOUT TO KNOWINGLY OR RECKLESSLY PROVIDE SUBSTANTIAL ASSISTANCE TO ANOTHER PERSON IN CONNECTION WITH AN ACT, A PRACTICE, OR A COURSE OF BUSINESS CONSTITUTING A VIOLATION OF THIS TITLE OR A RULE ADOPTED OR AN ORDER ISSUED UNDER THIS TITLE**, the Commissioner may in the Commissioner's discretion bring an action to obtain one or more of the following remedies:

(1) A temporary restraining order;

(2) A temporary or permanent injunction;

(3) A civil penalty up to a maximum amount of $5,000 for any single violation of this title;

(4) A declaratory judgment;

(5) The appointment of a receiver or conservator for the defendant or the defendant's assets;

(6) A freeze of the defendant's assets;

(7) Rescission;

(8) Restitution; **[**and**]**

(9) DISGORGEMENT;

(10) PAYMENT OF PREJUDGMENT AND POSTJUDGMENT INTEREST; AND

[(9)**] (11)** Any other relief as the court deems just.

(c) **AN ACTION UNDER THIS SECTION IS NOT SUBJECT TO THE PROVISIONS OF § 5–107 OF THE COURTS AND JUDICIAL PROCEEDINGS ARTICLE.**

(D) The Commissioner may not be required to post a bond in any action under this section.

Article – Family Law

14–101.

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

(j) Except as provided in §§ 14–201, 14–402, and 14–403 of this title, "local department" means the local department that has jurisdiction in the county:

(1) where the vulnerable adult lives; **[**or**]**

(2) **FOR PURPOSES OF A NOTICE RECEIVED UNDER § 11–307 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE, WHERE AN INDIVIDUAL WHO IS AT LEAST 65 YEARS OLD LIVES; OR**

(3) where the abuse is alleged to have taken place.

(q) "Vulnerable adult" means an adult who lacks the physical or mental capacity to provide for the adult's daily needs.

14–201.

To implement the policy set out in § 14–102 of this title, the Secretary, with the advice of the Secretary of Health and Mental Hygiene and the Secretary of Aging, shall develop, supervise, and cause each local department to implement a program of protective services for disabled individuals and vulnerable adults.

14–302.

(c) Any individual other than a health practitioner, human service worker, or police officer who has reason to believe that an alleged vulnerable adult has been subjected to abuse, neglect, self–neglect, or exploitation may file with the local department an oral or written report of the suspected abuse, neglect, self–neglect, or exploitation.

14–309.

Any person who makes or participates in making a report under this subtitle or participates in an investigation or a judicial proceeding resulting from a report under this subtitle shall have the immunity from liability described under § 5–622 of the Courts and Judicial Proceedings Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 838

(Senate Bill 951)

AN ACT concerning

Maryland Securities Act – Vulnerable Adults

FOR the purpose of establishing the Securities Act Registration Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Securities Commissioner of the Division of Securities to administer the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purpose for which the Fund may be used; providing for the investment of money in and expenditures from the Fund; altering the authority of the Commissioner to define by rule certain unlawful practices; altering a requirement that a certain person must have certain knowledge

in order for certain statements to be unlawful; providing that it is unlawful for a person engaged in certain businesses to engage in dishonest or unethical practices; requiring, under certain circumstances, that certain individuals who believe that certain eligible adults are being subjected to financial exploitation to notify certain entities and individuals; requiring that a certain notification be given within a certain time period or, under certain circumstances, immediately; providing for the construction of certain provisions of this Act; prohibiting certain individuals, under certain circumstances, from notifying certain individuals; authorizing, under certain circumstances, certain broker–dealers or investment advisers to delay disbursements from the accounts of certain eligible adults; requiring a broker–dealer or an investment adviser that delays a certain disbursement to provide certain notices and continue a certain review; requiring a broker–dealer or an investment adviser to provide, ~~within a certain number of days after a disbursement request,~~ on request, a status report of a certain internal review to the Securities Commissioner of the Division of Securities and a certain local department; providing that a delay of a certain disbursement request will continue for a certain period of time; providing certain qualified individuals, broker–dealers, and investment advisers certain immunity from liability; requiring a broker–dealer or an investment adviser, under certain circumstances, to provide certain records to certain entities; providing that certain records may not be considered public records; providing that certain federal exempt broker–dealers are not required to register as broker–dealers; providing that a federal exempt broker–dealer is not subject to certain prohibitions and requirements that apply to certain broker–dealers; providing that it is unlawful for certain broker–dealers and certain issuers to employ or associate with certain individuals; requiring a person, before acting as a certain private fund adviser, to file certain documents and pay a certain fee; authorizing the Commissioner to publish a certain announcement in a certain manner; increasing and imposing certain fees; providing for the distribution of a certain fee; authorizing the Commissioner to perform a certain audit or inspection in a certain manner; authorizing the Commissioner to deny, suspend, or revoke a certain individual's registration if the individual is the subject of certain orders, barred by certain entities, subject to certain requests, or refuses to allow or impedes certain actions of the Commissioner; altering a certain limitation on the time within which the Commissioner may institute a certain suspension or revocation; repealing a requirement that the Commissioner provide the State Department of Assessments and Taxation with a certain list; authorizing a certain issuer that fails to timely file certain items to file the items late and pay a certain late fee; providing that an issuer that complies with certain provisions will terminate certain rights and liabilities; establishing certain late fees; altering the types of securities that are exempt from certain provisions of the Maryland Securities Act; authorizing the Commissioner to take certain action against a certain person the Commissioner determines is in violation of certain laws; providing that an action for certain remedies is not subject to a certain statute of limitations; defining certain terms; altering certain definitions; and generally relating to vulnerable adults and the Maryland Securities Act.

BY repealing and reenacting, with amendments,
Article – Corporations and Associations

Section 11–101, 11–302(a) and (c), 11–401(a) and (d), 11–402(a) and (c), 11–405(c) through (f), 11–407(a) and (b), 11–411(f), 11–412(a)(6), (10), and (11) and (b), 11–503.1, 11–506(b), 11–510.1, 11–601(11), 11–701.1, and 11–702
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY adding to
Article – Corporations and Associations
Section 11–208, 11–306, 11–307, 11–401(d), 11–402(c), 11–405(c), and 11–412(a)(12), (13), and (14)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Corporations and Associations
Section 11–411(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing
Article – Corporations and Associations
Section 11–418
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Family Law
Section 14–101(a) and (q), 14–201, 14–302(c), and 14–309
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Family Law
Section 14–101(j)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Corporations and Associations

11–101.

(a) In this title, unless the context requires otherwise, the following words have the meanings indicated.

(b) (1) "Agent" means an individual other than a broker–dealer who represents a broker–dealer or issuer in effecting or attempting to effect the purchase or sale of securities.

(2) "Agent" includes a partner, officer, or director of a broker–dealer or issuer, or a person occupying a similar status or performing similar functions, only if the person otherwise comes within this definition.

(3) "Agent" does not include an individual who represents:

(i) An issuer in:

1. Effecting a transaction in a security exempted by § 11–601(1), (2), (3), (9)(i), (10), (11), or (14)(i) of this title;

2. Effecting a transaction exempted by § 11–602 of this title;

3. Effecting a transaction with an existing employee, partner, or director of the issuer if no commission or other remuneration is paid or given directly or indirectly for soliciting a person in this State; or

4. Effecting a transaction in a federal covered security under § 18(b)(3) or § **[**18(b)(4)(D)**]** ~~**18(B)(4)(E)**~~ **18(B)(4)(F)** of the Securities Act of 1933 if no commission or other remuneration is paid or given directly or indirectly for soliciting a person in this State; or

(ii) A broker–dealer in effecting a transaction described in § 15(h)(2) of the Securities Exchange Act of 1934.

(c) (1) "Broker–dealer" means a person engaged in the business of effecting transactions in securities for the account of others or for his own account.

(2) "Broker–dealer" does not include:

(i) An agent;

(ii) An issuer;

(iii) A bank, savings institution, or trust company; or

(iv) A person who has no place of business in this State if:

1. He effects transactions in this State exclusively with or through the issuer of the securities involved in the transactions, another broker–dealer, or a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit–sharing trust, or other financial institution or institutional buyer, whether acting for itself or as trustee; or

2. During any period of 12 consecutive months, he does not direct more than 15 offers to sell or buy into the State in any manner, other than to the persons specified in paragraph (2)(iv)1 of this subsection, whether or not the offeror or any offeree is then present in the State.

(d) "Commissioner" means the Securities Commissioner of the Division of Securities.

(e) "Federal covered adviser" means a person who is registered under § 203 of the Investment Advisers Act of 1940.

(f) "Federal covered security" means a covered security under § 18(b) of the Securities Act of 1933.

(G) "FEDERAL EXEMPT BROKER–DEALER" MEANS A PERSON WHO WOULD QUALIFY FOR THE EXEMPTION FROM REGISTRATION AS A BROKER OR DEALER UNDER § 4(C) OF THE SECURITIES ACT OF 1933.

[(g)**] (H)** "Guaranteed" means guaranteed as to payment of principal, interest, or dividends.

[(h)**] (I)** (1) "Investment adviser" means a person who, for compensation:

(i) Engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as a part of a regular business, issues or promulgates analyses or reports concerning securities; or

(ii) 1. Provides or offers to provide, directly or indirectly, financial and investment counseling or advice, on a group or individual basis;

2. Gathers information relating to investments, establishes financial goals and objectives, processes and analyzes the information gathered, and recommends a financial plan; or

3. Holds out as an investment adviser in any way, including indicating by advertisement, card, or letterhead, or in any other manner indicates that the person is, a financial or investment "planner", "counselor", "consultant", or any other similar type of adviser or consultant.

(2) "Investment adviser" does not include:

(i) An investment adviser representative;

(ii) A bank, savings institution, or trust company;

(iii) A lawyer, certified public accountant, engineer, insurance producer, or teacher whose performance of investment advisory services is solely incidental to the practice of the profession, provided that the performance of such services is not solely incidental unless:

1. The investment advisory services rendered are connected with and reasonably related to the other professional services rendered;

2. The fee charged for the investment advisory services is based on the same factors as those used to determine the fee for other professional services; and

3. The lawyer, certified public accountant, engineer, insurance producer, or teacher does not hold out as an investment adviser;

(iv) A broker–dealer or its agent whose performance of these services is solely incidental to the conduct of business as a broker–dealer and who receives no special compensation for them;

(v) A publisher of any bona fide newspaper, news column, newsletter, news magazine, or business or financial publication or service, whether communicated in hard copy form, or by electronic means, or otherwise, that does not consist of the rendering of advice on the basis of the specific investment situation of each client;

(vi) A federal covered adviser; or

(vii) Any other person not within the intent of this subsection as the Commissioner by rule or order designates.

[(i)**] (J)** (1) "Investment adviser representative" or "representative" means any partner, officer, director of (or a person occupying a similar status or performing similar functions) or other individual who is employed by or associated with an investment adviser, or who has a place of business located in this State and is employed by or associated with a federal covered adviser, and who:

(i) Makes any recommendations or otherwise renders investment advice to clients;

(ii) Represents an investment adviser in rendering the services described under subsection (h)(1) of this section;

(iii) Manages accounts or portfolios of clients;

(iv) Determines which recommendation or investment advice should be given with respect to a particular client account;

(v) Solicits, offers or negotiates for the sale of or sells investment advisory services;

(vi) Directly supervises employees who perform any of the foregoing; or

(vii) Holds out as an investment adviser.

(2) "Investment adviser representative" or "representative" does not include:

(i) Any other person not within the intent of this subsection as the Commissioner designates by rule or order; or

(ii) Clerical or ministerial personnel.

[(j)**] (K)** "Investment Company Act of 1940" and "Investment Advisers Act of 1940" mean the federal statutes of those names, as amended.

[(k)**] (L)** "Issuer" means any person who issues or proposes to issue a security, except that:

(1) With respect to certificates of deposit, voting–trust certificates, or collateral–trust certificates or with respect to certificates of interest or shares in an unincorporated investment trust not having a board of directors or persons performing similar functions or of the fixed, restricted management, or unit type, the term "issuer" means the person performing the acts and assuming the duties of depositor or manager under the provisions of the trust or other agreement or instrument under which the security is issued; and

(2) With respect to certificates of interest or participation in oil, gas, or mining titles or leases or in payments out of production under the titles or leases, there is not considered to be any "issuer".

[(l)**] (M)** "Nonissuer distribution" and "nonissuer transaction" mean a distribution or transaction, as the case may be, not directly or indirectly for the benefit of the issuer.

[(m)**] (N)** "Offer" or "offer to sell", except as provided in § 11–102(a) of this subtitle, includes every attempt or offer to dispose of or solicitation of an offer to buy, a security or interest in a security for value.

[(n)**] (O)** "Person" means an individual, a corporation, a partnership, an association, a joint–stock company, a trust where the interests of the beneficiaries are evidenced by a security, an unincorporated organization, a government, or a political subdivision of a government.

[(o)**] (P)** "Public Utility Holding Company Act of 1935" means the federal statute of that name, as amended.

[(p)**] (Q)** "Sale" or "sell", except as provided in § 11–102(a) of this subtitle, includes every contract of sale of, contract to sell, or disposition of a security or interest in a security for value.

[(q)**] (R)** "Securities Act of 1933" and "Securities Exchange Act of 1934" mean the federal statutes of those names, as amended.

[(r)**] (S)** (1) "Security" means any:

(i) Note;

(ii) Stock;

(iii) Treasury stock;

(iv) Bond;

(v) Debenture;

(vi) Evidence of indebtedness;

(vii) Certificate of interest or participation in any profit–sharing agreement;

(viii) Collateral–trust certificate;

(ix) Preorganization certificate or subscription;

(x) Transferable share;

(xi) Investment contract;

(xii) Voting–trust certificate;

(xiii) Certificate of deposit for a security;

(xiv) Certificate of interest or participation in an oil, gas, or mining title or lease or in payments out of production under the title or lease;

(xv) In general, any interest or instrument commonly known as a "security"; or

(xvi) Certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase any of the preceding.

(2) "Security" does not include any insurance or endowment policy or annuity contract under which an insurance company promises to pay money either in a lump sum, periodically for life, or some other specified period.

[(s)**] (T)** "State" means any state, territory, or possession of the United States, the District of Columbia, and Puerto Rico.

11–208.

(A) IN THIS SECTION, "FUND" MEANS THE SECURITIES ACT REGISTRATION FUND.

(B) THERE IS A SECURITIES ACT REGISTRATION FUND.

(C) THE PURPOSE OF THE FUND IS TO HELP FUND THE DIRECT AND INDIRECT COSTS OF ADMINISTERING AND ENFORCING THE MARYLAND SECURITIES ACT.

(D) THE COMMISSIONER SHALL ADMINISTER THE FUND.

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

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

(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.

(J) MONEY EXPENDED FROM THE FUND USED TO ADMINISTER AND ENFORCE THE MARYLAND SECURITIES ACT IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED TO ADMINISTER AND ENFORCE THE MARYLAND SECURITIES ACT.

11–302.

(a) It is unlawful for any person who receives, directly or indirectly, any consideration from another person for advising the other person as to the value of securities or their purchase or sale, or for acting as an investment adviser or representative under **[**§ 11–101(h) and (i)**]** **§ 11–101(I) AND (J)** of this title, whether through the issuance of analyses, reports, or otherwise, to:

(1) Employ any device, scheme, or artifice to defraud the other person;

(2) Engage in any act, practice, or course of business which operates or would operate as a fraud or deceit on the other person;

(3) Engage in dishonest or unethical practices **[**as the Commissioner may define by rule**]**; or

(4) When acting as principal for the person's own account knowingly sell any security to or purchase any security from a client, or when acting in an agency capacity for a person other than such client knowingly effect any sale or purchase of any security for the account of such client, without disclosing to such client in writing before the completion of such transaction the capacity in which the person is acting and obtaining the consent of the client to such transaction.

(c) In the solicitation of or in dealings with advisory clients, it is unlawful for any person **[**knowingly**]** **WILLFULLY** to make any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading.

11–306.

A PERSON WHO ENGAGES IN THE BUSINESS OF EFFECTING TRANSACTIONS IN SECURITIES FOR THE ACCOUNT OF OTHERS OR FOR THE PERSON'S OWN ACCOUNT OR WHO ACTS AS A BROKER–DEALER OR AGENT MAY NOT ENGAGE IN DISHONEST OR UNETHICAL PRACTICES IN THE SECURITIES OR INVESTMENT ADVISORY BUSINESS.

11–307.

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

(2) "ELIGIBLE ADULT" MEANS AN INDIVIDUAL WHO RESIDES IN THE STATE AND IS:

(I) AT LEAST 65 YEARS OLD; OR

(II) A VULNERABLE ADULT.

(3) "FINANCIAL EXPLOITATION" MEANS:

(I) THE WRONGFUL OR UNAUTHORIZED TAKING, WITHHOLDING, APPROPRIATION, OR USE OF MONEY, ASSETS, OR PROPERTY OF AN ELIGIBLE ADULT; OR

(II) AN ACT OR OMISSION BY A PERSON, INCLUDING THROUGH THE USE OF A POWER OF ATTORNEY, GUARDIANSHIP, OR CONSERVATORSHIP OF AN ELIGIBLE ADULT, TO:

1. OBTAIN CONTROL, THROUGH DECEPTION, INTIMIDATION, OR UNDUE INFLUENCE, OVER THE ELIGIBLE ADULT'S MONEY, ASSETS, OR PROPERTY IN ORDER TO DEPRIVE THE ELIGIBLE ADULT OF THE OWNERSHIP, USE, BENEFIT, OR POSSESSION OF THE MONEY, ASSETS, OR PROPERTY; OR

2. CONVERT MONEY, ASSETS, OR PROPERTY OF THE ELIGIBLE ADULT IN ORDER TO DEPRIVE THE ELIGIBLE ADULT OF THE OWNERSHIP, USE, BENEFIT, OR POSSESSION OF THE MONEY, ASSETS, OR PROPERTY.

(4) "LAW ENFORCEMENT AGENCY" MEANS A STATE, COUNTY, OR MUNICIPAL POLICE DEPARTMENT, BUREAU, OR AGENCY.

(5) "LOCAL DEPARTMENT" HAS THE MEANING STATED IN § 14–101 OF THE FAMILY LAW ARTICLE.

(6) "QUALIFIED INDIVIDUAL" MEANS AN AGENT, AN INVESTMENT ADVISER REPRESENTATIVE, OR A PERSON WHO SERVES IN A SUPERVISORY, COMPLIANCE, OR LEGAL CAPACITY FOR A BROKER–DEALER OR AN INVESTMENT ADVISER.

(7) "VULNERABLE ADULT" HAS THE MEANING STATED IN § 14–101 OF THE FAMILY LAW ARTICLE.

(B) (1) A BROKER–DEALER, AN INVESTMENT ADVISER, OR A QUALIFIED INDIVIDUAL THAT REASONABLY BELIEVES THAT AN ELIGIBLE ADULT HAS BEEN, IS CURRENTLY, OR WILL BE THE SUBJECT OF FINANCIAL EXPLOITATION OR ATTEMPTED FINANCIAL EXPLOITATION:

~~(1)~~ (I) SHALL ~~PROMPTLY~~ NOTIFY:

~~(I)~~ 1. THE COMMISSIONER; AND

~~(II)~~ 2. A LOCAL DEPARTMENT UNDER § 14–302 OF THE FAMILY LAW ARTICLE; AND

~~(2)~~ (II) MAY NOTIFY A THIRD PARTY DESIGNATED BY THE ELIGIBLE ADULT AND ANY OTHER THIRD PARTY PERMITTED UNDER STATE OR FEDERAL LAWS OR REGULATIONS, OR THE RULES OF A SELF–REGULATORY ORGANIZATION, IF THE THIRD PARTY IS NOT SUSPECTED OF FINANCIAL EXPLOITATION, ABUSE, NEGLECT, OR OTHER EXPLOITATION OF THE ELIGIBLE ADULT.

(2) THE NOTICE REQUIRED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION SHALL BE GIVEN:

(I) WITHIN 5 DAYS AFTER THE BROKER–DEALER, INVESTMENT ADVISER, OR QUALIFIED INDIVIDUAL DEVELOPS THE REASONABLE BELIEF THAT THE ELIGIBLE ADULT HAS BEEN, IS CURRENTLY, OR WILL BE THE SUBJECT OF FINANCIAL EXPLOITATION OR ATTEMPTED FINANCIAL EXPLOITATION; OR

(II) IMMEDIATELY ON CONFIRMATION THAT THE ELIGIBLE ADULT HAS BEEN, IS CURRENTLY, OR WILL BE THE SUBJECT OF FINANCIAL EXPLOITATION OR ATTEMPTED FINANCIAL EXPLOITATION IF THE CONFIRMATION IS MADE BEFORE THE 5–DAY PERIOD SPECIFIED IN ITEM (I) OF THIS PARAGRAPH EXPIRES.

(3) THIS SUBSECTION MAY NOT BE CONSTRUED TO REQUIRE MORE THAN ONE NOTIFICATION UNDER PARAGRAPH (1)(I) FOR EACH OCCURRENCE.

(C) (1) A BROKER–DEALER OR AN INVESTMENT ADVISER MAY DELAY A DISBURSEMENT FROM AN ACCOUNT OF AN ELIGIBLE ADULT OR AN ACCOUNT ON WHICH AN ELIGIBLE ADULT IS A BENEFICIARY IF:

(I) THE BROKER–DEALER, THE INVESTMENT ADVISER, OR A QUALIFIED INDIVIDUAL REASONABLY BELIEVES, AFTER INITIATING AN INTERNAL REVIEW OF THE REQUESTED DISBURSEMENT AND ANY SUSPECTED FINANCIAL EXPLOITATION, THAT THE REQUESTED DISBURSEMENT MAY RESULT IN THE FINANCIAL EXPLOITATION OF AN ELIGIBLE ADULT; AND

(II) THE BROKER–DEALER, THE INVESTMENT ADVISER, OR A QUALIFIED INDIVIDUAL:

1. WITHIN 2 BUSINESS DAYS AFTER THE REQUESTED DISBURSEMENT:

A. SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, PROVIDES WRITTEN NOTICE OF THE REASON FOR THE DELAY TO ALL PARTIES AUTHORIZED TO TRANSACT BUSINESS ON THE ACCOUNT; AND

B. NOTIFIES THE COMMISSIONER AND THE LOCAL DEPARTMENT UNDER § 14–302 OF THE FAMILY LAW ARTICLE; AND

2. CONTINUES AN INTERNAL REVIEW OF THE SUSPECTED FINANCIAL EXPLOITATION OF THE ELIGIBLE ADULT.

(2) THE BROKER–DEALER, INVESTMENT ADVISER, OR QUALIFIED INDIVIDUAL:

(I) MAY NOT PROVIDE THE WRITTEN NOTICE REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO A PARTY THE BROKER–DEALER, INVESTMENT ADVISER, OR QUALIFIED INDIVIDUAL REASONABLY BELIEVES OR SUSPECTS IS ENGAGING IN OR ATTEMPTING TO ENGAGE IN THE FINANCIAL EXPLOITATION OF THE ELIGIBLE ADULT; AND

(II) SHALL PROVIDE, ~~WITHIN 7 BUSINESS DAYS AFTER THE DATE OF THE DISBURSEMENT REQUEST, THE RESULT~~ ON REQUEST, A STATUS REPORT OF THE INTERNAL REVIEW REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO THE COMMISSIONER AND THE LOCAL DEPARTMENT.

(D) (1) A DELAY OF A DISBURSEMENT AUTHORIZED UNDER THIS SECTION SHALL EXPIRE:

(I) ON A DETERMINATION BY THE BROKER–DEALER OR INVESTMENT ADVISER THAT THE DISBURSEMENT WILL NOT RESULT IN THE FINANCIAL EXPLOITATION OF THE ELIGIBLE ADULT; OR

(II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, 15 BUSINESS DAYS AFTER THE DATE OF THE DISBURSEMENT REQUEST.

(2) (I) THE COMMISSIONER OR THE LOCAL DEPARTMENT MAY REQUEST THE DELAY OF A DISBURSEMENT FOR UP TO 25 BUSINESS DAYS AFTER THE DATE OF THE DISBURSEMENT REQUEST.

(II) IF A REQUEST IS MADE UNDER THIS PARAGRAPH, THE DELAY SHALL CONTINUE FOR 25 BUSINESS DAYS AFTER THE DATE OF THE DISBURSEMENT REQUEST ~~OR UNTIL~~ UNLESS THE COMMISSIONER, THE LOCAL DEPARTMENT, OR A COURT OF COMPETENT JURISDICTION ENTERS AN ORDER THAT TERMINATES OR EXTENDS THE DELAY~~, WHICHEVER HAPPENS FIRST~~.

(E) (1) A BROKER–DEALER, AN INVESTMENT ADVISER, OR A QUALIFIED INDIVIDUAL THAT IN GOOD FAITH AND EXERCISING REASONABLE CARE PROVIDES NOTICE UNDER SUBSECTION (B) OF THIS SECTION SHALL HAVE IMMUNITY FROM ANY ADMINISTRATIVE OR CIVIL LIABILITY THAT MIGHT OTHERWISE ARISE FROM THE NOTICE.

(2) A BROKER–DEALER OR INVESTMENT ADVISER THAT IN GOOD FAITH AND EXERCISING REASONABLE CARE DELAYS A DISBURSEMENT UNDER SUBSECTION (C) OF THIS SECTION SHALL HAVE IMMUNITY FROM ANY ADMINISTRATIVE OR CIVIL LIABILITY THAT MIGHT OTHERWISE ARISE FROM THE DELAY.

(F) (1) A BROKER–DEALER OR AN INVESTMENT ADVISER SHALL PROVIDE ACCESS TO OR COPIES OF RECORDS THAT ARE RELEVANT TO THE SUSPECTED FINANCIAL EXPLOITATION OF AN ELIGIBLE ADULT:

(I) AS PART OF THE REFERRAL TO THE COMMISSIONER AND A LOCAL DEPARTMENT UNDER SUBSECTION (C) OF THIS SECTION; OR

(II) AT THE REQUEST OF THE COMMISSIONER, A LOCAL DEPARTMENT, OR A LAW ENFORCEMENT AGENCY.

(2) THE RECORDS UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY INCLUDE HISTORICAL RECORDS AND RECORDS THAT RELATE TO THE MOST RECENT TRANSACTIONS THAT MAY DEMONSTRATE THE FINANCIAL EXPLOITATION OF AN ELIGIBLE ADULT.

(3) A RECORD MADE AVAILABLE UNDER THIS SUBSECTION IS NOT A PUBLIC RECORD UNDER TITLE 4 OF THE GENERAL PROVISIONS ARTICLE.

(4) THIS SUBSECTION MAY NOT BE INTERPRETED TO LIMIT THE AUTHORITY OF THE COMMISSIONER TO ACCESS OR EXAMINE THE BOOKS OR RECORDS OF A BROKER–DEALER OR INVESTMENT ADVISER.

11–401.

(a) **[**A**] EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A** person may not transact business in this State as a broker–dealer or agent unless the person is registered under this subtitle.

(D) A PERSON THAT TRANSACTS BUSINESS IN THIS STATE AS A FEDERAL EXEMPT BROKER–DEALER IS NOT REQUIRED TO REGISTER UNDER SUBSECTION (A) OF THIS SECTION.

[(d)**] (E)** By rule or order, the Commissioner may modify the requirements of this section or exempt any broker–dealer, investment adviser, or federal covered adviser from the requirements of this section if the Commissioner determines that:

(1) Compliance with this section is not necessary or appropriate for the protection of investors; and

(2) The exemption is consistent with the public interest and within the purposes fairly intended by the policy and provisions of this title.

11–402.

(a) (1) **[**A**] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, A** broker–dealer or issuer may not employ or associate with an agent unless the agent is registered.

(2) **[**When**] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, WHEN** an agent terminates a connection with a broker–dealer or issuer or terminates those activities which make the individual an agent, the agent and the broker–dealer or issuer shall promptly notify the Commissioner.

(3) THIS SUBSECTION DOES NOT APPLY TO A FEDERAL EXEMPT BROKER–DEALER.

(C) (1) IT IS UNLAWFUL FOR A BROKER–DEALER OR ISSUER ENGAGED IN OFFERING, OFFERING TO PURCHASE, PURCHASING, OR SELLING SECURITIES IN THIS STATE OR AN INVESTMENT ADVISER OFFERING OR PROVIDING INVESTMENT ADVICE IN THIS STATE, DIRECTLY OR INDIRECTLY, TO EMPLOY OR ASSOCIATE WITH

AN INDIVIDUAL WHO IS PARTICIPATING IN THE SECURITIES TRANSACTION OR INVESTMENT ADVICE IN THIS STATE IF:

(I) THE REGISTRATION OF THE INDIVIDUAL IS SUSPENDED OR REVOKED; OR

(II) THE INDIVIDUAL IS BARRED FROM EMPLOYMENT OR ASSOCIATION WITH A BROKER–DEALER, AN ISSUER, AN INVESTMENT ADVISER, OR A FEDERAL COVERED ADVISER BY AN ORDER OF THE COMMISSIONER UNDER THIS TITLE, THE SECURITIES AND EXCHANGE COMMISSION, OR A SELF–REGULATORY ORGANIZATION.

(2) A BROKER–DEALER, AN INVESTMENT ADVISER, OR AN ISSUER MAY NOT BE CONSIDERED TO HAVE VIOLATED THIS SUBSECTION IF THE BROKER–DEALER, INVESTMENT ADVISER, OR ISSUER DID NOT KNOW, AND IN THE EXERCISE OF REASONABLE CARE COULD NOT HAVE KNOWN, OF THE SUSPENSION, REVOCATION, OR BAR.

(3) ON REQUEST FROM A BROKER–DEALER, AN INVESTMENT ADVISER, OR AN ISSUER AND FOR GOOD CAUSE, THE COMMISSIONER, BY ORDER UNDER SUBSECTION (D) OF THIS SECTION, MAY MODIFY OR WAIVE, IN WHOLE OR IN PART, THE PROHIBITIONS OF THIS SUBSECTION.

[(c)**] (D)** By rule or order, the Commissioner may modify the requirements of this section or exempt any broker–dealer, agent, investment adviser, federal covered adviser, or investment adviser representative from the requirements of this section if the Commissioner determines that:

(1) Compliance with this section is not necessary or appropriate for the protection of investors; and

(2) The exemption is consistent with the public interest and within the purposes fairly intended by the policy and provisions of this title.

11–405.

(C) (1) FOR PURPOSES OF THIS SUBSECTION, "PRIVATE FUND ADVISER" MEANS AN INVESTMENT ADVISER THAT PROVIDES ADVICE SOLELY TO ONE OR MORE QUALIFYING PRIVATE FUNDS, AS DEFINED IN SECURITIES AND EXCHANGE COMMISSION RULE 203(M)–1 (17 C.F.R. 275.203(M)–1).

(2) BEFORE ACTING AS A PRIVATE FUND ADVISER, A PERSON <u>WHO IS NOT A FEDERAL COVERED ADVISER</u> SHALL PAY THE FEE REQUIRED UNDER § 11–407 OF THIS SUBTITLE AND SHALL FILE THE FOLLOWING DOCUMENTS AS THE COMMISSIONER MAY REQUIRE BY RULE OR ORDER:

(I) THE DOCUMENTS THAT THE PERSON FILED WITH THE SECURITIES AND EXCHANGE COMMISSION; AND

(II) A CONSENT TO SERVICE OF PROCESS UNDER § 11–802(A) OF THIS TITLE.

[(c)**] (D)** Notwithstanding the provisions of subsection (a) of this section, a registered broker–dealer who is also a registered investment adviser in this State may effect the initial registration of any or all of its registered agents in this State as investment adviser representatives by the filing of:

(1) A notice with the Commissioner designating the registered agents as representatives of the investment adviser;

(2) A consent to service of process under § 11–802(a) of this title; and

(3) Such other information as the Commissioner by rule or order may require.

[(d)**] (E)** Notwithstanding the provisions of subsection (a) of this section, a registered broker–dealer who is also a federal covered adviser that has filed a notice under subsection (b) of this section may effect the initial registration of its registered agents with a place of business in this State as investment adviser representatives by the filing of:

(1) A notice with the Commissioner designating the registered agents as representatives of the federal covered adviser;

(2) A consent to service of process under § 11–802(a) of this title; and

(3) Such other information as the Commissioner by rule or order may require.

[(e)**] (F)** The Commissioner in the Commissioner's discretion may publish an announcement of the applicants for registration in the **[**newspapers**] MEDIA** the Commissioner determines.

[(f)**] (G)** If a denial order is not in effect and a proceeding is not pending under §§ 11–412 through 11–414 of this subtitle, registration becomes effective at noon of the 30th day after an application is filed. The Commissioner by rule or order may specify an earlier effective date, and the Commissioner by order may defer the effective date until noon of the 30th day after the filing of any amendment.

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 **[**$35**] $50**.

(II) FROM THE FEE PAID UNDER THIS PARAGRAPH, $15 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.

11–411.

(a) (1) A registered broker–dealer shall make and keep correspondence, memoranda, papers, books, and other records that the Commissioner requires by rule.

(2) The Commissioner's authority to adopt rules under paragraph (1) of this subsection is subject to the limitations of § 15 of the Securities Exchange Act of 1934.

(3) A registered investment adviser shall make, keep, and preserve accounts, correspondence, memoranda, papers, books, and other records that the Commissioner requires by rule.

(4) The Commissioner's authority to adopt rules under paragraph (3) of this subsection is subject to the limitations of § 222 of the Investment Advisers Act of 1940.

(f) (1) **(I)** All the records referred to in subsection (a) of this section are subject at any time or from time to time to the reasonable periodic, special, or other examinations by representatives of the Commissioner, within or without this State, which the Commissioner considers necessary or appropriate in the public interest or for the protection of investors.

(II) THE COMMISSIONER MAY PERFORM AN AUDIT OR INSPECTION AT ANY TIME AND WITHOUT PRIOR NOTICE.

(III) THE COMMISSIONER MAY COPY AND REMOVE FOR AUDIT OR INSPECTION COPIES OF ALL RECORDS THE COMMISSIONER REASONABLY CONSIDERS NECESSARY OR APPROPRIATE TO CONDUCT THE AUDIT OR INSPECTION.

(2) For the purpose of avoiding unnecessary duplication of examinations, the Commissioner, to the extent the Commissioner considers it practicable in administering this subsection, may cooperate with the securities administrators of other states, the Securities and Exchange Commission, and any national securities exchange or national securities association registered under the Securities Exchange Act of 1934.

11–412.

(a) The Commissioner by order may deny, suspend, or revoke any registration if the Commissioner finds that the order is in the public interest and that the applicant or registrant or, in the case of a broker–dealer or investment adviser, any partner, officer, or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the broker–dealer or investment adviser:

(6) Is the subject of an order entered within the past five years by the securities administrator or any other financial services regulator of any state or by the Securities and Exchange Commission denying**, SUSPENDING,** or revoking registration as a broker–dealer, investment adviser, investment adviser representative, or agent or the substantial equivalent of those terms as defined in this title, or any other financial services license or registration, or is the subject of an order by the Commodity Futures Trading Commission denying, suspending, or revoking registration under the Commodity Exchange Act, or is suspended **[**or**],** expelled**, OR BARRED** from a national securities exchange or national securities association registered under the Securities Exchange Act of 1934 either by action of a national securities exchange or national securities association, the effect of which action has not been stayed by appeal or otherwise, or by order of the Securities and Exchange Commission, or is the subject of a United States post office fraud order, but:

(i) The Commissioner may not institute a revocation or suspension proceeding under this item (6) more than one year from the date of the order or action relied on; and

(ii) The Commissioner may not enter an order under this item (6) on the basis of an order under another state act unless that order was based on facts which would currently constitute a ground for an order under this section;

(10) Has failed reasonably to supervise the broker–dealer's agents, if the person is a broker–dealer, or the investment adviser's representatives, if the person is an investment adviser; **[**or**]**

(11) Has failed to pay the proper fee, but the Commissioner may enter only a denial order under this item (11), and the Commissioner shall vacate the order when the deficiency is corrected**;**

(12) IS SUBJECT TO A REQUEST FROM THE CHILD SUPPORT ENFORCEMENT ADMINISTRATION TO SUSPEND OR REVOKE A REGISTRATION BASED ON FAILURE TO PAY SUPPORT OBLIGATIONS;

(13) REFUSES TO ALLOW THE COMMISSIONER TO CONDUCT OR OTHERWISE IMPEDES THE COMMISSIONER IN CONDUCTING AN AUDIT OR INSPECTION UNDER § 11–411(F) OF THIS SUBTITLE OR REFUSES ACCESS TO A REGISTRANT'S OFFICE TO CONDUCT AN AUDIT OR INSPECTION UNDER § 11–411(F) OF THIS SUBTITLE; OR

(14) IS THE SUBJECT OF A CEASE AND DESIST ORDER ISSUED BY THE SECURITIES AND EXCHANGE COMMISSION OR ISSUED UNDER THE SECURITIES, COMMODITIES, INVESTMENT, FRANCHISE, BANKING, FINANCE, OR INSURANCE LAWS OF A STATE.

(b) (1) In this subsection, "final administrative order" does not include an order that is stayed or subject to further review or appeal.

(2) If an applicant for initial registration discloses the existence of a final judicial or administrative order to the Commissioner before the effective date of the initial registration, the Commissioner may not institute a suspension or revocation proceeding based solely on the judicial or administrative order unless the proceeding is initiated within **[**90 days immediately following**]** **ONE YEAR AFTER** the effective date of the applicant's initial registration.

[11–418.

(a) By August 31 of each year, the Commissioner shall provide to the Department of Assessments and Taxation a list of broker–dealers and investment advisers registered as broker–dealers or investment advisers during the previous fiscal year, to assist the Department of Assessments and Taxation in identifying new businesses within the State.

(b) The list provided under this section shall:

(1) Be provided free of charge; and

(2) Include, for each person on the list:

(i) The name and mailing address of the person; and

(ii) The federal tax identification number of the person or, if the person does not have a federal tax identification number, the Social Security number of the person.**]**

11–503.1.

(a) A person may not offer or sell a federal covered security in this State unless the documents required by this section are filed and the fees required by § 11–506 or § 11–510.1 of this subtitle are paid.

(b) With respect to a federal covered security specified in § 18(b)(2) of the Securities Act of 1933, the Commissioner may require, by rule, order, or otherwise, the filing of the following documents:

(1) Before the initial offer of the federal covered security in this State:

(i) A notice in a form that the Commissioner requires or the documents filed with the Securities and Exchange Commission under the Securities Act of 1933;

(ii) A consent to service of process signed by the issuer; and

(iii) The fee required under § 11–510.1 of this subtitle; and

(2) After the initial offer of the federal covered security in this State:

(i) Any document that is part of an amendment filed with the Securities and Exchange Commission under the Securities Act of 1933; and

(ii) As necessary to compute fees, an annual or periodic report of the value of the federal covered securities offered or sold in this State together with any fee required under § 11–510.1(b) and (c) of this subtitle.

(c) With respect to a security that is a federal covered security specified in § 18(b)(3) or (4) of the Securities Act of 1933, the Commissioner may require, by rule, order, or otherwise, the issuer to file:

(1) A consent to service of process signed by the issuer;

(2) The fee required under § 11–506 of this subtitle; and

(3) Any document filed with the Securities and Exchange Commission under the Securities Act of 1933.

(D) (1) IF AN ISSUER FAILS TO TIMELY FILE THE ITEMS UNDER SUBSECTION (B) OR (C) OF THIS SECTION AND A STOP ORDER HAS NOT BEEN ISSUED UNDER SUBSECTION (E) OF THIS SECTION, THE ISSUER MAY SATISFY THE REQUIREMENTS OF SUBSECTION (B) OR (C) OF THIS SECTION, AS APPLICABLE, BY MAKING A LATE FILING AND PAYING THE FEES REQUIRED FOR A LATE FILING UNDER § 11–506 OR § 11–510.1 OF THIS SUBTITLE.

(2) AN ISSUER THAT MAKES A LATE FILING IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION WILL TERMINATE ANY RIGHT OR LIABILITY THAT ACCRUES BASED ON THE FAILURE TO SATISFY THE REQUIREMENTS OF SUBSECTION (B) OR (C) OF THIS SECTION IF:

(I) THERE IS NO ACTION PENDING UNDER SUBSECTION (E) OF THIS SECTION OR ANY OTHER PROVISION OF THIS TITLE;

(II) A PERSON WITH THE RIGHT HAS NOT RELIED DETRIMENTALLY ON THE ABSENCE OF THE FILING; AND

(III) THE LATE FILING IS MADE WITHIN 1 YEAR OF THE ORIGINAL DUE DATE OF THE FILING.

[(d)**] (E)** Except for a federal covered security specified in § 18(b)(1) of the Securities Act of 1933, the Commissioner may issue a stop order suspending the offer and sale of a federal covered security, if the Commissioner finds that:

(1) The order is in the public interest; and

(2) There is a failure to comply with any condition established under this section.

[(e)**] (F)** The Commissioner may waive, by rule, order, or otherwise, the filing of any document required under this section.

11–506.

(b) (1) Except as provided in paragraph (2) of this subsection, a person required to submit a filing in accordance with an exemption granted under this title shall pay a fee of $400 for each filing.

(2) A person required to submit a filing in accordance with the exemption granted under § 11–601(16) of this title shall pay a fee of $100 for each filing.

(3) A person required to submit a notice of the offer or sale of federal covered securities under § 11–503.1(c) of this subtitle shall pay**:**

(I) [a**] A** fee of $100 for each filing**; AND**

(II) AN ADDITIONAL FEE OF $150 FOR EACH FILING MADE AFTER THE FILING DUE DATE.

11–510.1.

(a) A face–amount certificate company, an open–end management company, a closed–end management company that is not a federal covered security under § 18(b)(1) of the Securities Act of 1933, or a unit investment trust, as those terms are defined in the Investment Company Act of 1940, shall comply with the requirements of this section, if the company or trust files:

(1) A notice under § 11–503.1 of this subtitle of the offer or sale in this State of an indefinite amount of federal covered securities specified in § 18(b)(2) of the Securities Act of 1933; or

(2) An application to register under § 11–503 of this subtitle the offer and sale in this State of an indefinite amount of securities.

(b) (1) **[**A**]** **EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, A** face–amount certificate company or an open–end management company, at the time of filing, shall pay an initial fee of $500 and within 60 days after the issuer's fiscal year end during which its registration statement is effective or notice required by § 11–503.1(b) of this subtitle is filed:

(i) Pay a fee of $1,300; or

(ii) 1. File a report on a form the Commissioner by rule adopts, reporting all sales of securities to persons within this State during the fiscal year; and

2. Pay a fee of 0.1 percent of the maximum aggregate offering price at which the securities were sold in this State.

(2) (i) When calculating the fee in accordance with paragraph (1)(ii)2 of this subsection, the initial fee of $500 shall be deducted from the aggregate fee due.

(ii) Except as provided in **PARAGRAPH (3) OF THIS SUBSECTION AND** subsection (d) of this section, the aggregate fee due under this paragraph may not exceed $1,500.

(iii) **[**If**]** **EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION AND SUBSECTION (D) OF THIS SECTION, IF** the amount due under paragraph (1)(ii)2 of this subsection is less than $500, no additional amount may be payable, and no credit or refund may be allowed or returned.

(3) IF A FILING REQUIRED UNDER SUBSECTION (A) OF THIS SECTION AND § 11–503.1 OF THIS SUBTITLE IS NOT RECEIVED BY THE COMMISSIONER BY THE DEADLINE ESTABLISHED, THE ISSUER, IN ADDITION TO THE FEE REQUIRED UNDER THIS SECTION, SHALL PAY A LATE FEE OF $500.

(c) (1) **[**At**]** **EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, AT** the time of filing, a unit investment trust, or a closed–end management

company that is not a federal covered security under § 18(b)(1) of the Securities Act of 1933, shall pay an initial fee of $500.

(2) Within 60 days after the anniversary of the date on which the issuer's offer became effective or its notice filed under § 11–503(b) of this subtitle was accepted, a unit investment trust, or a closed–end management company that is not a federal covered security under § 18(b)(1) of the Securities Act of 1933, shall:

(i) Pay a fee of $1,300; or

(ii) 1. File a report on a form the Commissioner by rule adopts, reporting all sales of securities to persons within this State during the effective period of the registration statement or the acceptance period of the notice filed under § 11–503.1(b) of this subtitle; and

2. Pay a fee of 0.1 percent of the maximum aggregate offering price at which the securities were sold in this State.

(3) (i) When calculating the fee in accordance with paragraph (1)(ii)2 of this subsection, the initial $500 fee shall be deducted from the aggregate fee due.

(ii) Except as provided in **PARAGRAPH (4) OF THIS SUBSECTION AND** subsection (d) of this section, the aggregate fee due under this paragraph may not exceed $1,500.

(iii) Except as provided in **PARAGRAPH (4) OF THIS SUBSECTION AND** subsection (d) of this section, if the amount due under paragraph (1)(ii)2 of this subsection is less than $500, no additional amount may be payable, and no credit or refund may be allowed or returned.

(4) IF A FILING REQUIRED UNDER SUBSECTION (A) OF THIS SECTION AND § 11–503.1 OF THIS SUBTITLE IS NOT RECEIVED BY THE COMMISSIONER BY THE DEADLINE ESTABLISHED IN PARAGRAPH (2) OF THIS SUBSECTION, THE ISSUER, IN ADDITION TO THE FEE REQUIRED UNDER THIS SECTION, SHALL PAY A LATE FEE OF $500.

(d) (1) The Commissioner, by rule, order, or otherwise, may extend the length of the renewal period to a period not exceeding 2 years for the effectiveness of a registered offering or for a notice filed under § 11–503.1 of this subtitle.

(2) If the Commissioner extends a renewal period in excess of 1 year, the fee shall be prorated to the extended renewal period.

11–601.

The following securities are exempted from §§ 11–205 and 11–501 of this title:

(11) **[**Any investment contract or other security issued in connection with an employee's stock purchase, savings, pension, profit–sharing, or similar benefit plan if, in the case of plans which are not qualified under § 401 of the Internal Revenue Code and which provide for contributions by employees, the Commissioner is notified in writing 30 days before the inception of the plan in this State**] ANY INVESTMENT CONTRACT OR OTHER SECURITY ISSUED IN CONNECTION WITH AN EMPLOYEE'S STOCK PURCHASE, SAVINGS, PENSION, PROFIT–SHARING, STOCK OPTION, EQUITY COMPENSATION, OR SIMILAR BENEFIT PLAN IF:**

(I) NO COMMISSION OR OTHER REMUNERATION IS PAID IN CONNECTION WITH THE OFFERING; AND

(II) 1. THE PLAN IS QUALIFIED UNDER THE INTERNAL REVENUE CODE;

2. THE PLAN COMPLIES WITH RULE 701 UNDER THE SECURITIES ACT OF 1933; OR

3. THE SECURITY IS EFFECTIVELY REGISTERED UNDER §§ 6 THROUGH 8 OF THE SECURITIES ACT OF 1933 AND IS OFFERED AND SOLD IN COMPLIANCE WITH THE PROVISIONS OF § 5 OF THE SECURITIES ACT OF 1933;

11–701.1.

(a) Whenever the Commissioner determines that a person has engaged or is about to engage in any act or practice constituting a violation of any provision of this title or any rule or order under this title **OR THAT A PERSON HAS ~~MATERIALLY AIDED, IS MATERIALLY AIDING, OR IS ABOUT TO MATERIALLY AID~~ KNOWINGLY OR RECKLESSLY PROVIDED SUBSTANTIAL ASSISTANCE, IS KNOWINGLY OR RECKLESSLY PROVIDING SUBSTANTIAL ASSISTANCE, OR IS ABOUT TO KNOWINGLY OR RECKLESSLY PROVIDE SUBSTANTIAL ASSISTANCE TO ANOTHER PERSON IN CONNECTION WITH AN ACT, A PRACTICE, OR A COURSE OF BUSINESS CONSTITUTING A VIOLATION OF THIS TITLE OR A RULE ADOPTED OR AN ORDER ISSUED UNDER THIS TITLE**, and that immediate action against such person is in the public interest, the Commissioner may in his discretion issue, without a prior hearing, a summary order directing such person to cease and desist from engaging in such activity, provided that the summary cease and desist order gives the person:

(1) Notice of the opportunity for a hearing before the Commissioner to determine whether the summary cease and desist order should be vacated, modified, or entered as final; and

(2) Notice that the summary cease and desist order will be entered as final if such person does not request a hearing within 15 days of receipt of the summary cease and desist order.

(b) Whenever the Commissioner determines after notice and a hearing (unless the right to notice and a hearing is waived) that a person has engaged in any act or practice constituting a violation of any provision of this title or any rule or order under this title **OR THAT A PERSON HAS ~~MATERIALLY AIDED~~ KNOWINGLY OR RECKLESSLY PROVIDED SUBSTANTIAL ASSISTANCE TO ANOTHER PERSON IN CONNECTION WITH AN ACT, A PRACTICE, OR A COURSE OF BUSINESS CONSTITUTING A VIOLATION OF THIS TITLE OR A RULE ADOPTED OR AN ORDER ISSUED UNDER THIS TITLE**, the Commissioner may in his discretion and in addition to taking any other action authorized under this title:

(1) Issue a final cease and desist order against such person;

(2) Censure such person if such person is registered under this title;

(3) Bar such person from engaging in the securities business or investment advisory business in this State;

(4) Issue a penalty order against such person imposing a civil penalty up to the maximum amount of $5,000 for any single violation of this title; or

(5) Take any combination of the actions specified in this subsection.

11–702.

(a) Whenever it appears to the Commissioner that any person is about to engage in any act or practice constituting a violation of any provision of this title or any rule or order under this title **OR THAT THE PERSON IS ABOUT TO KNOWINGLY OR RECKLESSLY PROVIDE SUBSTANTIAL ASSISTANCE TO ANOTHER PERSON IN CONNECTION WITH AN ACT, A PRACTICE, OR A COURSE OF BUSINESS CONSTITUTING A VIOLATION OF THIS TITLE OR A RULE ADOPTED OR AN ORDER ISSUED UNDER THIS TITLE**, he may in his discretion bring an action to obtain 1 or more of the following remedies:

(1) A temporary restraining order; or

(2) A temporary or permanent injunction.

(b) Whenever it appears to the Commissioner that any person has engaged in any act or practice constituting a violation of any provision of this title or any rule or order under this title **OR THAT A PERSON HAS ~~MATERIALLY AIDED, IS MATERIALLY AIDING, OR IS ABOUT TO MATERIALLY AID~~ KNOWINGLY OR RECKLESSLY PROVIDED SUBSTANTIAL ASSISTANCE, IS KNOWINGLY OR RECKLESSLY PROVIDING SUBSTANTIAL ASSISTANCE, OR IS ABOUT TO KNOWINGLY OR RECKLESSLY PROVIDE SUBSTANTIAL ASSISTANCE TO ANOTHER PERSON IN CONNECTION WITH AN ACT, A**

PRACTICE, OR A COURSE OF BUSINESS CONSTITUTING A VIOLATION OF THIS TITLE OR A RULE ADOPTED OR AN ORDER ISSUED UNDER THIS TITLE, the Commissioner may in the Commissioner's discretion bring an action to obtain one or more of the following remedies:

(1) A temporary restraining order;

(2) A temporary or permanent injunction;

(3) A civil penalty up to a maximum amount of $5,000 for any single violation of this title;

(4) A declaratory judgment;

(5) The appointment of a receiver or conservator for the defendant or the defendant's assets;

(6) A freeze of the defendant's assets;

(7) Rescission;

(8) Restitution; **[**and**]**

(9) DISGORGEMENT;

(10) PAYMENT OF PREJUDGMENT AND POSTJUDGMENT INTEREST; AND

[(9)**] (11)** Any other relief as the court deems just.

(c) **AN ACTION UNDER THIS SECTION IS NOT SUBJECT TO THE PROVISIONS OF § 5–107 OF THE COURTS AND JUDICIAL PROCEEDINGS ARTICLE.**

(D) The Commissioner may not be required to post a bond in any action under this section.

Article – Family Law

14–101.

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

(j) Except as provided in §§ 14–201, 14–402, and 14–403 of this title, "local department" means the local department that has jurisdiction in the county:

(1) where the vulnerable adult lives; **[**or**]**

(2) **FOR PURPOSES OF A NOTICE RECEIVED UNDER § 11–307 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE, WHERE AN INDIVIDUAL WHO IS AT LEAST 65 YEARS OLD LIVES; OR**

(3) where the abuse is alleged to have taken place.

(q) "Vulnerable adult" means an adult who lacks the physical or mental capacity to provide for the adult's daily needs.

14–201.

To implement the policy set out in § 14–102 of this title, the Secretary, with the advice of the Secretary of Health and Mental Hygiene and the Secretary of Aging, shall develop, supervise, and cause each local department to implement a program of protective services for disabled individuals and vulnerable adults.

14–302.

(c) Any individual other than a health practitioner, human service worker, or police officer who has reason to believe that an alleged vulnerable adult has been subjected to abuse, neglect, self–neglect, or exploitation may file with the local department an oral or written report of the suspected abuse, neglect, self–neglect, or exploitation.

14–309.

Any person who makes or participates in making a report under this subtitle or participates in an investigation or a judicial proceeding resulting from a report under this subtitle shall have the immunity from liability described under § 5–622 of the Courts and Judicial Proceedings Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 839

(Senate Bill 856)

AN ACT concerning

Maryland Legal Services Corporation Funding – Abandoned Property Funds

FOR the purpose of increasing the amount that the State Comptroller is required to distribute of certain abandoned property funds each year to the Maryland Legal Services Corporation Fund; and generally relating to Maryland Legal Services Corporation funding.

BY repealing and reenacting, with amendments,
Article – Commercial Law
Section 17–317
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Human Services
Section 11–402
Annotated Code of Maryland
(2007 Volume and 2016 Supplement)

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

Article – Commercial Law

17–317.

(a) (1) All funds received under this title, including the proceeds of the sale of abandoned property under § 17–316 of this subtitle, shall be credited by the Administrator to a special fund. The Administrator shall retain in the special fund at the end of each fiscal year, from the proceeds received, an amount not to exceed $50,000, from which sum the Administrator shall pay any claim allowed under this title.

(2) After deducting all costs incurred in administering this title from the remaining net funds the Administrator shall distribute **[**$1,500,000**]** ~~**$3,000,000**~~ **$2,000,000** to the Maryland Legal Services Corporation Fund established under § 11–402 of the Human Services Article.

(3) (i) Subject to subparagraph (ii) of this paragraph, the Administrator shall distribute all unclaimed money from judgments of restitution under Title 11, Subtitle 6 of the Criminal Procedure Article to the State Victims of Crime Fund established under § 11–916 of the Criminal Procedure Article to assist victims of crimes and delinquent acts to protect the victims' rights as provided by law.

(ii) If a victim entitled to restitution that has been treated as abandoned property under § 11–614 of the Criminal Procedure Article is located after the money has been distributed under this paragraph, the Administrator shall reduce the next distribution to the State Victims of Crime Fund by the amount recovered by the victim.

(4) After making the distributions required under paragraphs (2) and (3) of this subsection, the Administrator shall distribute the remaining net funds not retained under paragraph (1) of this subsection to the General Fund of the State.

(b) Before making the distribution, the Administrator shall record the name and last known address, if any, of the owners of funds so distributed and the type of property which the funds distributed represent. The record shall be available for public inspection during reasonable business hours by any person who claims a legal interest in any property held by the Administrator, provided that the person gives prior notice to the Administrator.

Article – Human Services

11–402.

(a) There is a Maryland Legal Services Corporation Fund.

(b) The Administrative Office of the Courts shall administer the Fund.

(c) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(d) The Fund consists of:

(1) money deposited to the Fund from the surcharge assessed in civil cases under §§ 7–202 and 7–301 of the Courts Article;

(2) money distributed to the Fund under § 17–317 of the Commercial Law Article;

(3) interest on attorney trust accounts paid to the Fund under § 10–303 of the Business Occupations and Professions Article; and

(4) investment earnings of the Fund.

(e) The Corporation shall use the Fund to provide funding for civil legal services to indigents under this title.

(f) The Treasurer shall:

(1) invest and reinvest the Fund in the same manner as other State funds; and

(2) credit any investment earnings to the Fund and may not charge interest against the Fund if the average daily net cash balance for the month is less than zero.

(g) Expenditures from the Fund shall be made in accordance with an appropriation requested by the Judicial Branch of the State government under § 7–108 of

the State Finance and Procurement Article and approved by the General Assembly in the State budget or by the budget amendment procedure under § 7–208.1 of the State Finance and Procurement Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 840

(Senate Bill 969)

AN ACT concerning

Electricity – Construction of Overhead Transmission Lines – Condemnation Authority

FOR the purpose of authorizing a person to which a *certain* certificate of public convenience and necessity is issued for the construction of a certain overhead transmission line to acquire certain property or rights by condemnation ~~subject to approval by the Public Service Commission~~; *providing for the application of this Act;* and generally relating to the construction of overhead transmission lines.

BY repealing and reenacting, with amendments,
Article – Public Utilities
Section 7–207(b)(3)
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

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

Article – Public Utilities

7–207.

(b) (3) (i) Except as provided in paragraph (4) of this subsection, unless a certificate of public convenience and necessity for the construction is first obtained from the Commission, a person may not begin construction of an overhead transmission line that is designed to carry a voltage in excess of 69,000 volts or exercise a right of condemnation with the construction.

(ii) For construction related to an existing overhead transmission line, the Commission may waive the requirement in subparagraph (i) of this paragraph for good cause.

(iii) Notwithstanding subparagraph (i) of this paragraph and subject to subparagraph (iv) of this paragraph, the Commission may issue a certificate of public convenience and necessity for the construction of an overhead transmission line only if the applicant for the certificate of public convenience and necessity:

1. is an electric company; or

2. is or, on the start of commercial operation of the overhead transmission line, will be subject to regulation as a public utility by an officer or an agency of the United States.

(iv) The Commission may not issue a certificate of public convenience and necessity for the construction of an overhead transmission line in the electric distribution service territory of an electric company to an applicant other than an electric company if:

1. the overhead transmission line is to be located solely within the electric distribution service territory of that electric company; and

2. the cost of the overhead transmission line is to be paid solely by that electric company and its ratepayers.

(V) ***1. THIS SUBPARAGRAPH APPLIES TO THE CONSTRUCTION OF AN OVERHEAD TRANSMISSION LINE FOR WHICH A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY IS REQUIRED UNDER THIS SECTION.***

2. **ON ISSUANCE OF A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE CONSTRUCTION OF AN OVERHEAD TRANSMISSION LINE, A PERSON MAY ACQUIRE BY CONDEMNATION, IN ACCORDANCE WITH TITLE 12 OF THE REAL PROPERTY ARTICLE ~~AND SUBJECT TO APPROVAL BY THE COMMISSION~~, ANY PROPERTY OR RIGHT NECESSARY FOR THE CONSTRUCTION OR MAINTENANCE OF THE TRANSMISSION LINE.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 841

(House Bill 1415)

AN ACT concerning

Commercial Law – Maryland Antitrust Act – Indirect Purchasers

FOR the purpose of altering the circumstances under which a person, whose business or property has been injured or threatened with injury by a violation of certain provisions of law, may maintain an action for damages, an injunction, or both, against any person who has committed the violation, regardless of whether the person maintaining the action dealt directly or indirectly with the person who has committed the violation; altering a certain defense that a defendant may raise in certain actions for damages; making stylistic changes; and generally relating to civil actions to enforce State antitrust laws.

BY repealing and reenacting, with amendments,
Article – Commercial Law
Section 11–209(b)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

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

Article – Commercial Law

11–209.

(b) (1) The United States, the State, and any political subdivision organized under the authority of the State is a person having standing to bring an action under this subsection.

(2) (i) A person whose business or property has been injured or threatened with injury by a violation of § 11–204 of this subtitle may maintain an action for damages or for an injunction or both against any person who has committed the violation**[**.

(ii) The United States, the State, or any political subdivision organized under the authority of this State may maintain an action under subparagraph (i) of this paragraph for damages or for an injunction or both**]** regardless of whether **[**it**]** **THE PERSON MAINTAINING THE ACTION** dealt directly or indirectly with the person who has committed the violation.

(II) In any action under this subsection **FOR DAMAGES BY AN INTERMEDIATE PURCHASER OR SELLER IN THE CHAIN OF MANUFACTURE, PRODUCTION, OR DISTRIBUTION**, any defendant, as a partial or complete defense **[**against a damage claim**]**, may, in order to avoid duplicative liability, prove that all or any part of an alleged overcharge was **[**ultimately**]** passed on to **[**the United States, the State, or any political subdivision organized under the authority of this State,**]** **A LATER PURCHASER OR ULTIMATE END–USER ALSO MAINTAINING AN ACTION FOR DAMAGES UNDER THIS SUBSECTION** **[**by a purchaser or seller in the chain of manufacture, production, or distribution who paid an alleged overcharge**]**.

(3) If an injunction is issued, the complainant shall be awarded costs and reasonable attorney's fees.

(4) In an action for damages, if an injury due to a violation of § 11–204 of this subtitle is found, the person injured shall be awarded three times the amount of actual damages which results from the violation, with costs and reasonable attorney's fees.

(5) The Attorney General may bring an action on behalf of the State or any of its political subdivisions or as parens patriae on behalf of persons residing in the State to recover the damages provided for by this subsection or any comparable provision of federal law.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 842

(Senate Bill 858)

AN ACT concerning

Commercial Law – Maryland Antitrust Act – Indirect Purchasers

FOR the purpose of altering the circumstances under which a person, whose business or property has been injured or threatened with injury by a violation of certain provisions of law, may maintain an action for damages, an injunction, or both, against any person who has committed the violation, regardless of whether the person maintaining the action dealt directly or indirectly with the person who has committed the violation; altering a certain defense that a defendant may raise in certain actions for damages; making stylistic changes; and generally relating to civil actions to enforce State antitrust laws.

BY repealing and reenacting, with amendments,
Article – Commercial Law
Section 11–209(b)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

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

Article – Commercial Law

11–209.

(b) (1) The United States, the State, and any political subdivision organized under the authority of the State is a person having standing to bring an action under this subsection.

(2) (i) A person whose business or property has been injured or threatened with injury by a violation of § 11–204 of this subtitle may maintain an action for damages or for an injunction or both against any person who has committed the violation**[**.

(ii) The United States, the State, or any political subdivision organized under the authority of this State may maintain an action under subparagraph (i) of this paragraph for damages or for an injunction or both**]** regardless of whether **[**it**]** **THE PERSON MAINTAINING THE ACTION** dealt directly or indirectly with the person who has committed the violation.

(II) In any action under this subsection **FOR DAMAGES BY AN INTERMEDIATE PURCHASER OR SELLER IN THE CHAIN OF MANUFACTURE, PRODUCTION, OR DISTRIBUTION**, any defendant, as a partial or complete defense **[**against a damage claim**]**, may, in order to avoid duplicative liability, prove that all or any part of an alleged overcharge was **[**ultimately**]** passed on to **[**the United States, the State, or any political subdivision organized under the authority of this State,**]** **A LATER PURCHASER OR ULTIMATE END–USER ALSO MAINTAINING AN ACTION FOR DAMAGES UNDER THIS SUBSECTION** **[**by a purchaser or seller in the chain of manufacture, production, or distribution who paid an alleged overcharge**]**.

(3) If an injunction is issued, the complainant shall be awarded costs and reasonable attorney's fees.

(4) In an action for damages, if an injury due to a violation of § 11–204 of this subtitle is found, the person injured shall be awarded three times the amount of actual damages which results from the violation, with costs and reasonable attorney's fees.

(5) The Attorney General may bring an action on behalf of the State or any of its political subdivisions or as parens patriae on behalf of persons residing in the State to recover the damages provided for by this subsection or any comparable provision of federal law.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 843

(Senate Bill 651)

AN ACT concerning

Public Schools – Suspensions and Expulsions

FOR the purpose of prohibiting the suspension or expulsion of prekindergarten, kindergarten, first grade, or second grade students from public schools with certain exceptions for an expulsion required by federal law or a suspension for not more than a certain number of days under certain circumstances; requiring the principal or school administration to contact a student's parent or guardian under certain circumstances; ~~authorizing the suspension or expulsion of students in kindergarten, first grade, or second grade under certain circumstances; requiring the school to return a suspended student to school under a certain manner;~~ requiring the school to provide certain supports to address the student's behavior; requiring the school system to remedy the impact of the student's behavior through certain intervention methods; requiring the State Department of Education to adopt certain regulations on or before a certain date; defining certain terms; and generally relating to the suspension and expulsion of students in public schools.

BY repealing and reenacting, with amendments,
Article – Education
Section 4–319(d) and 7–305
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY adding to
Article – Education
Section 7–305.1
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

Preamble

WHEREAS, Maryland public schools should provide practices that build fair processes into decision making, facilitate student learning, and allow for accountability and skill building, cooperation, and mutual understanding; and

WHEREAS, It is the intent of the General Assembly that school systems shall utilize restorative practices as an alternative to traditional school disciplinary practices to ensure that developmentally appropriate, age–appropriate, and proportional consequences are applied to a child's misbehavior in a way that supports personal growth and positive learning opportunities for all students; now, therefore,

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

Article – Education

4–319.

(d) (1) Except as otherwise provided in **[**§ 7–305(g)**]** **§§ 7–305(G) AND 7–305.1** of this article, a student in the Baltimore City School System may be transferred to the Center if the student:

(i) Assaults a teacher, teacher's aide, student teacher, other professional or paraprofessional school employee, or other student;

(ii) Carries a gun, rifle, knife, or other deadly weapon onto school property; or

(iii) Commits any other act that would be a crime if committed by an adult.

(2) The Director shall review recommendations for admission of students to the Center and admit or deny admission for each student based on an assessment of the student's amenability to the services, programs, and treatment available in the Center.

7–305.

(a) (1) Except as provided in subsection (b) of this section **AND § 7–305.1 OF THIS SUBTITLE,** in accordance with the rules and regulations of the county board, each principal of a public school may suspend for cause, for not more than 10 school days, any student in the school who is under the direction of the principal.

(2) The student or the student's parent or guardian promptly shall be given a conference with the principal and any other appropriate personnel during the suspension period.

(3) The student or the student's parent or guardian promptly shall be given a community resources list provided by the county board in accordance with § 7–310 of this subtitle.

(b) (1) Except as provided in paragraph (2) of this subsection, a student may not be suspended or expelled from school solely for attendance–related offenses.

(2) Paragraph (1) of this subsection does not apply to in–school suspensions for attendance–related offenses.

(c) **[**At**]** **EXCEPT AS PROVIDED IN § 7–305.1 OF THIS SUBTITLE, AT** the request of a principal, a county superintendent may suspend a student for more than 10 school days or expel the student.

(d) (1) If a principal finds that a suspension of more than 10 school days or expulsion is warranted, the principal immediately shall report the matter in writing to the county superintendent.

(2) The county superintendent or the county superintendent's designated representative promptly shall make a thorough investigation of the matter.

(3) If after the investigation the county superintendent finds that a longer suspension or expulsion is warranted, the county superintendent or the county superintendent's designated representative promptly shall arrange a conference with the student and his parent or guardian.

(4) The student or the student's parent or guardian promptly shall be given a community resources list provided by the county board in accordance with § 7–310 of this subtitle.

(5) If after the conference the county superintendent or the county superintendent's designated representative finds that a suspension of more than 10 school days or expulsion is warranted, the student or the student's parent or guardian may:

(i) Appeal to the county board within 10 days after the determination;

(ii) Be heard before the county board, its designated committee, or a hearing examiner, in accordance with the procedures established under § 6–203 of this article; and

(iii) Bring counsel and witnesses to the hearing.

(6) Unless a public hearing is requested by the parent or guardian of the student, a hearing shall be held out of the presence of all individuals except those whose presence is considered necessary or desirable by the board.

(7) The appeal to the county board does not stay the decision of the county superintendent.

(8) The decision of the county board is final.

(e) (1) Any student expelled or suspended from school:

(i) Shall remain away from the school premises during those hours each school day when the school the student attends is in session; and

(ii) May not participate in school sponsored activities.

(2) The expelled or suspended student may return to the school premises during the prohibited hours only for attendance at a previously scheduled appointment, and if the student is a minor then only if accompanied by his parent or guardian.

(3) Any person who violates paragraph (1) or (2) of this subsection is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $100 for each violation.

(4) (i) If a student has been suspended or expelled, the principal or a designee of the principal may not return the student to the classroom without conferring with the teacher who referred the student to the principal, if the student was referred by a teacher, other teachers as appropriate, other appropriate school personnel, the student, and the student's parent or guardian.

(ii) If the disruptive behavior results in action less than suspension, the principal or a designee of the principal shall confer with the teacher who referred the student to the principal prior to returning the student to that teacher's classroom.

(5) A county superintendent may deny attendance to any student who is currently expelled from another school system for a length of time equal to that expulsion.

(6) A school system shall forward information to another school system relating to the discipline of a student, including information on an expulsion of the student, on receipt of the request for information.

(f) (1) In this subsection, "firearm" means a firearm as defined in 18 U.S.C. § 921.

(2) Except as provided in paragraph (3) of this subsection, if the county superintendent or the superintendent's designated representative finds that a student has brought a firearm onto school property, the student shall be expelled for a minimum of 1 year.

(3) The county superintendent may specify, on a case by case basis, a shorter period of expulsion or an alternative educational setting, if alternative educational

settings have been approved by the county board, for a student who has brought a firearm onto school property.

(4) The State Board shall adopt regulations to implement this subsection.

(g) (1) The discipline of a child with a disability, including the suspension, expulsion, or interim alternative placement of the child for disciplinary reasons, shall be conducted in conformance with the requirements of the Individuals with Disabilities Education Act of the United States Code.

(2) If a child with a disability is being considered for suspension or expulsion, the child or the child's parent or guardian shall be given a community resources list attached to the procedural safeguards notice required by regulation of the State Board.

(h) (1) This subsection does not apply if the student is referred to the Department of Juvenile Services.

(2) If a student violates a State or local law or regulation and during or as a result of the commission of that violation damaged, destroyed, or substantially decreased the value of school property or property of another that was on school property at the time of the violation, as part of a conference on the matter with the student, the student's parent or guardian and any other appropriate person, the principal shall require the student or the student's parent to make restitution.

(3) The restitution may be in the form of monetary restitution not to exceed the lesser of the fair market value of the property or $2,500, or the student's assignment to a school work project, or both.

7–305.1.

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

(2) "PUBLIC PREKINDERGARTEN PROGRAM" MEANS:

(I) ANY PUBLICLY FUNDED PREKINDERGARTEN PROGRAM ESTABLISHED UNDER § 7–101.1 OF THIS TITLE; OR

(II) ANY QUALIFIED VENDOR OF PREKINDERGARTEN SERVICES AS DEFINED IN § 7–101.2(A)(7) OF THIS TITLE.

(3) "RESTORATIVE PRACTICES" MEANS PRACTICES CONDUCTED IN A WHOLE–SCHOOL ETHOS OR CULTURE THAT SUPPORTS PEACEMAKING AND SOLVES CONFLICT BY BUILDING A COMMUNITY AND ADDRESSING HARM IN A SCHOOL SETTING AND THAT:

(I) ARE CONDUCTED BY TRAINED STAFF;

(II) FOCUS ON REPAIRING THE HARM TO THE COMMUNITY THROUGH DIALOGUE THAT EMPHASIZES INDIVIDUAL ACCOUNTABILITY; AND

(III) HELP BUILD A SENSE OF BELONGING, SAFETY, AND SOCIAL RESPONSIBILITY IN THE SCHOOL COMMUNITY.

~~**(B) (1) A STUDENT MAY NOT BE SUSPENDED OR EXPELLED FROM SCHOOL IF THE STUDENT IS ENROLLED IN A PUBLIC PREKINDERGARTEN PROGRAM.**~~

~~**(2) A STUDENT MAY BE SUSPENDED OR EXPELLED FROM SCHOOL IF THE STUDENT:**~~

~~**(I) IS ENROLLED IN KINDERGARTEN, FIRST GRADE, OR SECOND GRADE; AND**~~

~~**(II) 1. HAS KNOWINGLY BROUGHT A FIREARM TO SCHOOL; OR**~~

~~**2. HAS KNOWINGLY POSSESSED A FIREARM AT SCHOOL.**~~

(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A STUDENT ENROLLED IN A PUBLIC PREKINDERGARTEN PROGRAM, KINDERGARTEN, FIRST GRADE, OR SECOND GRADE MAY NOT BE SUSPENDED OR EXPELLED FROM SCHOOL.

(2) A STUDENT DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY ONLY BE:

(I) EXPELLED FROM SCHOOL IF REQUIRED BY FEDERAL LAW; OR

(II) SUSPENDED FOR NOT MORE THAN 5 SCHOOL DAYS IF THE SCHOOL ADMINISTRATION, IN CONSULTATION WITH A SCHOOL PSYCHOLOGIST OR OTHER MENTAL HEALTH PROFESSIONAL, DETERMINES THAT THERE IS AN IMMINENT THREAT OF SERIOUS HARM TO OTHER STUDENTS OR STAFF THAT CANNOT BE REDUCED OR ELIMINATED THROUGH INTERVENTIONS AND SUPPORTS.

(3) THE PRINCIPAL OR SCHOOL ADMINISTRATION SHALL PROMPTLY CONTACT THE PARENT OR GUARDIAN OF A STUDENT SUSPENDED OR EXPELLED UNDER PARAGRAPH (2) OF THIS SUBSECTION.

~~(C) THE SCHOOL SHALL RETURN ANY STUDENT SUSPENDED UNDER SUBSECTION (B) OF THIS SECTION TO THE LOCAL SCHOOL SYSTEM BY A MEANS THAT MINIMIZES, TO THE GREATEST EXTENT POSSIBLE, ANY DISRUPTION OF THE STUDENT'S ACADEMIC INSTRUCTION.~~

~~(D)~~ (C) (1) THE SCHOOL SHALL PROVIDE INTERVENTION AND SUPPORT TO ADDRESS THE STUDENT'S BEHAVIOR IF THE STUDENT IS:

(I) SUSPENDED UNDER SUBSECTION (B) OF THIS SECTION; OR

(II) ENROLLED IN PREKINDERGARTEN, KINDERGARTEN, FIRST GRADE, OR SECOND GRADE AND:

1. IS DISRUPTIVE TO THE SCHOOL ENVIRONMENT; OR

2. COMMITS AN ACT THAT WOULD BE CONSIDERED AN OFFENSE SUBJECT TO SUSPENSION BUT FOR THE STUDENT'S GRADE.

(2) ~~SUPPORT~~ INTERVENTION AND SUPPORT PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION INCLUDES:

(I) POSITIVE BEHAVIOR INTERVENTIONS AND SUPPORTS;

(II) A BEHAVIOR INTERVENTION PLAN;

(III) A REFERRAL TO A STUDENT SUPPORT TEAM;

(IV) A REFERRAL TO AN INDIVIDUALIZED EDUCATION PROGRAM TEAM; AND

(V) A REFERRAL FOR APPROPRIATE COMMUNITY–BASED SERVICES.

~~(E)~~ (D) THE SCHOOL SYSTEM SHALL REMEDY THE IMPACT OF A STUDENT'S BEHAVIOR THROUGH APPROPRIATE INTERVENTION METHODS INCLUDING RESTORATIVE PRACTICES.

~~(F)~~ (E) ON OR BEFORE MAY 1, 2018, THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE REQUIREMENTS OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 844

(House Bill 425)

AN ACT concerning

Public Schools – Suspensions and Expulsions

FOR the purpose of prohibiting the suspension or expulsion of prekindergarten, kindergarten, first grade, or second grade students from public schools ~~except if required by federal law; prohibiting the suspension of certain students for a certain time period except~~ *with certain exceptions for an expulsion required by federal law or a suspension for not more than a certain number of days* under certain circumstances; requiring the principal or school administration to contact a student's parent or guardian *under certain circumstances*; ~~authorizing the suspension or expulsion of students in kindergarten, first grade, or second grade under certain circumstances; requiring the school to return a suspended student to school under a certain manner;~~ requiring the school to provide certain supports to address the student's behavior; requiring the school system to remedy the impact of the student's behavior through certain intervention methods; requiring the State Department of Education to adopt certain regulations on or before a certain date; defining certain terms; and generally relating to the suspension and expulsion of students in public schools.

BY repealing and reenacting, with amendments,
Article – Education
Section 4–319(d) and 7–305
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY adding to
Article – Education
Section 7–305.1
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

Preamble

WHEREAS, Maryland public schools should provide practices that build fair processes into decision making, facilitate student learning, and allow for accountability and skill building, cooperation, and mutual understanding; and

WHEREAS, It is the intent of the General Assembly that school systems shall utilize restorative practices as an alternative to traditional school disciplinary practices to ensure that developmentally appropriate, age–appropriate, and proportional consequences are applied to a child's misbehavior in a way that supports personal growth and positive learning opportunities for all students; now, therefore,

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

Article – Education

4–319.

(d) (1) Except as otherwise provided in **[**§ 7–305(g)**]** **§§ 7–305(G) AND 7–305.1** of this article, a student in the Baltimore City School System may be transferred to the Center if the student:

(i) Assaults a teacher, teacher's aide, student teacher, other professional or paraprofessional school employee, or other student;

(ii) Carries a gun, rifle, knife, or other deadly weapon onto school property; or

(iii) Commits any other act that would be a crime if committed by an adult.

(2) The Director shall review recommendations for admission of students to the Center and admit or deny admission for each student based on an assessment of the student's amenability to the services, programs, and treatment available in the Center.

7–305.

(a) (1) Except as provided in subsection (b) of this section **AND § 7–305.1 OF THIS SUBTITLE,** in accordance with the rules and regulations of the county board, each principal of a public school may suspend for cause, for not more than 10 school days, any student in the school who is under the direction of the principal.

(2) The student or the student's parent or guardian promptly shall be given a conference with the principal and any other appropriate personnel during the suspension period.

(3) The student or the student's parent or guardian promptly shall be given a community resources list provided by the county board in accordance with § 7–310 of this subtitle.

(b) (1) Except as provided in paragraph (2) of this subsection, a student may not be suspended or expelled from school solely for attendance–related offenses.

(2) Paragraph (1) of this subsection does not apply to in–school suspensions for attendance–related offenses.

(c) **[**At**]** **EXCEPT AS PROVIDED IN § 7–305.1 OF THIS SUBTITLE, AT** the request of a principal, a county superintendent may suspend a student for more than 10 school days or expel the student.

(d) (1) If a principal finds that a suspension of more than 10 school days or expulsion is warranted, the principal immediately shall report the matter in writing to the county superintendent.

(2) The county superintendent or the county superintendent's designated representative promptly shall make a thorough investigation of the matter.

(3) If after the investigation the county superintendent finds that a longer suspension or expulsion is warranted, the county superintendent or the county superintendent's designated representative promptly shall arrange a conference with the student and his parent or guardian.

(4) The student or the student's parent or guardian promptly shall be given a community resources list provided by the county board in accordance with § 7–310 of this subtitle.

(5) If after the conference the county superintendent or the county superintendent's designated representative finds that a suspension of more than 10 school days or expulsion is warranted, the student or the student's parent or guardian may:

(i) Appeal to the county board within 10 days after the determination;

(ii) Be heard before the county board, its designated committee, or a hearing examiner, in accordance with the procedures established under § 6–203 of this article; and

(iii) Bring counsel and witnesses to the hearing.

(6) Unless a public hearing is requested by the parent or guardian of the student, a hearing shall be held out of the presence of all individuals except those whose presence is considered necessary or desirable by the board.

(7) The appeal to the county board does not stay the decision of the county superintendent.

(8) The decision of the county board is final.

(e) (1) Any student expelled or suspended from school:

(i) Shall remain away from the school premises during those hours each school day when the school the student attends is in session; and

(ii) May not participate in school sponsored activities.

(2) The expelled or suspended student may return to the school premises during the prohibited hours only for attendance at a previously scheduled appointment, and if the student is a minor then only if accompanied by his parent or guardian.

(3) Any person who violates paragraph (1) or (2) of this subsection is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $100 for each violation.

(4) (i) If a student has been suspended or expelled, the principal or a designee of the principal may not return the student to the classroom without conferring with the teacher who referred the student to the principal, if the student was referred by a teacher, other teachers as appropriate, other appropriate school personnel, the student, and the student's parent or guardian.

(ii) If the disruptive behavior results in action less than suspension, the principal or a designee of the principal shall confer with the teacher who referred the student to the principal prior to returning the student to that teacher's classroom.

(5) A county superintendent may deny attendance to any student who is currently expelled from another school system for a length of time equal to that expulsion.

(6) A school system shall forward information to another school system relating to the discipline of a student, including information on an expulsion of the student, on receipt of the request for information.

(f) (1) In this subsection, "firearm" means a firearm as defined in 18 U.S.C. § 921.

(2) Except as provided in paragraph (3) of this subsection, if the county superintendent or the superintendent's designated representative finds that a student has brought a firearm onto school property, the student shall be expelled for a minimum of 1 year.

(3) The county superintendent may specify, on a case by case basis, a shorter period of expulsion or an alternative educational setting, if alternative educational settings have been approved by the county board, for a student who has brought a firearm onto school property.

(4) The State Board shall adopt regulations to implement this subsection.

(g) (1) The discipline of a child with a disability, including the suspension, expulsion, or interim alternative placement of the child for disciplinary reasons, shall be conducted in conformance with the requirements of the Individuals with Disabilities Education Act of the United States Code.

(2) If a child with a disability is being considered for suspension or expulsion, the child or the child's parent or guardian shall be given a community resources list attached to the procedural safeguards notice required by regulation of the State Board.

(h) (1) This subsection does not apply if the student is referred to the Department of Juvenile Services.

(2) If a student violates a State or local law or regulation and during or as a result of the commission of that violation damaged, destroyed, or substantially decreased the value of school property or property of another that was on school property at the time of the violation, as part of a conference on the matter with the student, the student's parent or guardian and any other appropriate person, the principal shall require the student or the student's parent to make restitution.

(3) The restitution may be in the form of monetary restitution not to exceed the lesser of the fair market value of the property or $2,500, or the student's assignment to a school work project, or both.

7–305.1.

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

(2) "PUBLIC PREKINDERGARTEN PROGRAM" MEANS:

(I) ANY PUBLICLY FUNDED PREKINDERGARTEN PROGRAM ESTABLISHED UNDER § 7–101.1 OF THIS TITLE; OR

(II) ANY QUALIFIED VENDOR OF PREKINDERGARTEN SERVICES AS DEFINED IN § 7–101.2(A)(7) OF THIS TITLE.

(3) "RESTORATIVE PRACTICES" MEANS PRACTICES CONDUCTED IN A WHOLE–SCHOOL ETHOS OR CULTURE THAT SUPPORTS PEACEMAKING AND SOLVES CONFLICT BY BUILDING A COMMUNITY AND ADDRESSING HARM IN A SCHOOL SETTING AND THAT:

(I) ARE CONDUCTED BY TRAINED STAFF;

(II) FOCUS ON REPAIRING THE HARM TO THE COMMUNITY THROUGH DIALOGUE THAT EMPHASIZES INDIVIDUAL ACCOUNTABILITY; AND

(III) HELP BUILD A SENSE OF BELONGING, SAFETY, AND SOCIAL RESPONSIBILITY IN THE SCHOOL COMMUNITY.

~~(B) (1) A STUDENT MAY NOT BE SUSPENDED OR EXPELLED FROM SCHOOL IF THE STUDENT IS ENROLLED IN A PUBLIC PREKINDERGARTEN PROGRAM.~~

~~(2) A STUDENT MAY BE SUSPENDED OR EXPELLED FROM SCHOOL IF THE STUDENT:~~

~~(I) IS ENROLLED IN KINDERGARTEN, FIRST GRADE, OR SECOND GRADE; AND~~

~~(II) 1. HAS KNOWINGLY BROUGHT A FIREARM TO SCHOOL; OR~~

~~2. HAS KNOWINGLY POSSESSED A FIREARM AT SCHOOL.~~

(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A STUDENT ENROLLED IN A PUBLIC PREKINDERGARTEN PROGRAM, KINDERGARTEN, FIRST GRADE, OR SECOND GRADE MAY NOT BE SUSPENDED OR EXPELLED FROM SCHOOL.

(2) A STUDENT DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY ONLY BE:

(I) ~~SUSPENDED OR EXPELLED~~ *EXPELLED* FROM SCHOOL IF REQUIRED BY FEDERAL LAW; OR

(II) SUSPENDED FOR ~~NO~~ *NOT* MORE THAN ~~9~~ *5* SCHOOL DAYS IF THE SCHOOL ADMINISTRATION, IN CONSULTATION WITH A SCHOOL PSYCHOLOGIST OR OTHER MENTAL HEALTH PROFESSIONAL, DETERMINES THAT THERE IS AN IMMINENT THREAT OF SERIOUS HARM TO OTHER STUDENTS OR STAFF THAT CANNOT BE REDUCED OR ELIMINATED THROUGH INTERVENTIONS AND SUPPORTS.

(3) THE PRINCIPAL OR SCHOOL ADMINISTRATION SHALL PROMPTLY CONTACT THE PARENT OR GUARDIAN OF A STUDENT SUSPENDED OR EXPELLED UNDER PARAGRAPH (2) OF THIS SUBSECTION.

~~(C) THE SCHOOL SHALL RETURN ANY STUDENT SUSPENDED UNDER SUBSECTION (B) OF THIS SECTION TO THE LOCAL SCHOOL SYSTEM BY A MEANS THAT MINIMIZES, TO THE GREATEST EXTENT POSSIBLE, ANY DISRUPTION OF THE STUDENT'S ACADEMIC INSTRUCTION.~~

~~(D)~~ (C) (1) THE SCHOOL SHALL PROVIDE INTERVENTION AND SUPPORT TO ADDRESS THE STUDENT'S BEHAVIOR IF THE STUDENT IS:

(I) SUSPENDED UNDER SUBSECTION (B) OF THIS SECTION; OR

(II) ENROLLED IN PREKINDERGARTEN, KINDERGARTEN, FIRST GRADE, OR SECOND GRADE AND:

1. IS DISRUPTIVE TO THE SCHOOL ENVIRONMENT; OR

2. COMMITS AN ACT THAT WOULD BE CONSIDERED AN OFFENSE SUBJECT TO SUSPENSION BUT FOR THE STUDENT'S GRADE.

(2) ~~SUPPORT~~ INTERVENTION AND SUPPORT PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION INCLUDES:

(I) POSITIVE BEHAVIOR INTERVENTIONS AND SUPPORTS;

(II) A BEHAVIOR INTERVENTION PLAN;

(III) A REFERRAL TO A STUDENT SUPPORT TEAM;

(IV) A REFERRAL TO AN INDIVIDUALIZED EDUCATION PROGRAM TEAM; AND

(V) A REFERRAL FOR APPROPRIATE COMMUNITY–BASED SERVICES.

~~(E)~~ (D) THE SCHOOL SYSTEM SHALL REMEDY THE IMPACT OF A STUDENT'S BEHAVIOR THROUGH APPROPRIATE INTERVENTION METHODS THAT MAY INCLUDE RESTORATIVE PRACTICES.

~~(F)~~ (E) ON OR BEFORE MAY 1, 2018, THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE REQUIREMENTS OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 845

(House Bill 1227)

AN ACT concerning

The Problem Gambling Funding and Treatment Act of 2017

FOR the purpose of ~~increasing a certain annual fee paid by video lottery operation licensees for certain video lottery terminals to the Problem Gambling Fund; increasing the maximum amount of a certain annual fee that may be paid by a video lottery operation licensee for certain table games to the Fund;~~ specifying that the primary purpose of the *Problem Gambling* Fund is to provide money for certain problem gambling treatment and prevention programs; requiring the Department of Health and Mental Hygiene to use certain funds to establish a certain outreach program for certain individuals; providing that certain programs developed and implemented by the Department be free or reduced cost programs; requiring a certain organization to make a certain report to the General Assembly by a certain date; *stating the intent of the General Assembly;* and generally relating to ~~fees assessed on video lottery terminals and table games and~~ the Problem Gambling Fund.

BY repealing and reenacting, with amendments,
Article – State Government
Section 9–1A–33
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – State Government

9–1A–33.

(a) (1) The Commission shall:

(i) establish an annual fee of ~~**[**~~$425~~**]**~~ ~~**$500**~~, to be paid by each video lottery operation licensee, for each video lottery terminal operated by the licensee during the year, based on the maximum number of terminal positions in use during the year; and

(ii) distribute the fees collected under item (i) of this paragraph to the Problem Gambling Fund established in subsection (b) of this section.

(2) The Commission may establish an annual fee of up to ~~**[**~~$500~~**]**~~ ~~**$700**~~ for each table game to be paid by each video lottery operation licensee and distributed to the Problem Gambling Fund under subsection (b) of this section in order to ensure sufficient funds are available to provide requested services.

(b) (1) **(I)** There is a Problem Gambling Fund in the Department of Health and Mental Hygiene.

(II) THE PURPOSE OF THE FUND IS PRIMARILY TO PROVIDE FUNDING FOR PROBLEM GAMBLING TREATMENT AND PREVENTION PROGRAMS, INCLUDING:

1. INPATIENT AND RESIDENTIAL SERVICES;

2. OUTPATIENT SERVICES;

3. INTENSIVE OUTPATIENT SERVICES;

4. CONTINUING CARE SERVICES;

5. EDUCATIONAL SERVICES;

6. SERVICES FOR VICTIMS OF DOMESTIC VIOLENCE; AND

7. OTHER PREVENTIVE OR REHABILITATIVE SERVICES OR TREATMENT.

(2) The Problem Gambling Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(3) Money in the Problem Gambling Fund shall be invested and reinvested by the Treasurer, and interest and earnings shall accrue to the Fund.

(4) Except as provided in paragraph (5) of this subsection, expenditures from the Problem Gambling Fund shall be made only by the Department of Health and Mental Hygiene to:

(i) establish a 24–hour hotline for compulsive and problem gamblers and to provide counseling and other support services for compulsive and problem gamblers; **[**and**]**

(ii) **ESTABLISH AN OUTREACH PROGRAM FOR COMPULSIVE AND PROBLEM GAMBLERS, INCLUDING INDIVIDUALS WHO REQUESTED PLACEMENT ON THE VOLUNTARY EXCLUSION LIST ESTABLISHED BY THE COMMISSION UNDER § 9–1A–24 OF THIS SUBTITLE, FOR THE PURPOSE OF PARTICIPATING IN PROBLEM GAMBLING TREATMENT AND PREVENTION PROGRAMS; AND**

(III) develop and implement **FREE OR REDUCED COST** problem gambling treatment and prevention programs, including the programs established under Title 19, Subtitle 8 of the Health – General Article.

(5) After satisfying the requirements of paragraph (4) of this subsection, any unspent funds in the Problem Gambling Fund may be expended by the Department of Health and Mental Hygiene on drug and other addiction treatment services.

(6) Expenditures from the Problem Gambling Fund shall be made in accordance with an appropriation approved by the General Assembly in the annual State budget or by the budget amendment procedure provided for in § 7–209 of the State Finance and Procurement Article.

SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Center of Excellence on Problem Gambling, on or before December 31, 2017, shall report to the General Assembly, in accordance with § 2–1246 of the State Government Article, on the geographic breakdown by county of the Maryland Center of Excellence on Problem Gambling's public awareness and outreach efforts during fiscal year 2017.

SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that, if the expanded purpose of the Problem Gambling Fund as enacted by this Act results in the need for additional funds, the General Assembly will consider legislation to increase the fees established under § 9–1A–33(a) of the State Government Article during the 2018 legislative session.

SECTION ~~3.~~ *4.* AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 846

(House Bill 1464)

AN ACT concerning

Make Office Vacancies Extinct Program

FOR the purpose of establishing the Make Office Vacancies Extinct Program in the Department of Commerce; providing for the purposes of the Program; establishing qualifications for participation in the Program; ~~providing for~~ authorizing the Program to provide certain grants to certain businesses ~~under the Program~~ on a first–come, first–served basis, subject to a certain limitation; providing for the coordination of certain activities of the Program with comparable county programs; providing that a certain grant recipient may be required to return certain funds under certain circumstances; establishing a Make Office Vacancies Extinct Matching Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Secretary of Commerce to administer the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the

Fund; specifying the purpose for which the Fund may be used; providing for the investment of money in and expenditures from the Fund; requiring interest earnings of the Fund to be credited to the Fund; exempting the Fund from a certain provision of law requiring interest earnings on State money to accrue to the General Fund of the State; requiring the Secretary to review and evaluate the Program on a periodic basis; authorizing the Secretary to submit certain recommendations to the Governor and the General Assembly; authorizing the Secretary to adopt certain regulations; defining certain terms; and generally relating to the Make Office Vacancies Extinct Program.

BY repealing and reenacting, with amendments,
Article – Economic Development
Section 5–102
Annotated Code of Maryland
(2008 Volume and 2016 Supplement)

BY adding to
Article – Economic Development
Section 5–1501 through 5–1507 to be under the new subtitle "Subtitle 15. Make Office Vacancies Extinct Program"
Annotated Code of Maryland
(2008 Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(i)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)94. and 95.
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY adding to
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)96.
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – Economic Development

5–102.

The Department shall administer the State's economic development and financial assistance programs and funds including:

(1) the BRAC Revitalization and Incentive Zone Program, under Subtitle 13 of this title;

(2) the Enterprise Fund, under Subtitle 6 of this title;

(3) the Enterprise Zones Program, under Subtitle 7 of this title;

(4) **THE MAKE OFFICE VACANCIES EXTINCT PROGRAM, UNDER SUBTITLE 15 OF THIS TITLE;**

(5) the Maryland Economic Adjustment Fund, under Subtitle 2 of this title;

[(5)**] (6)** the Maryland Economic Development Assistance Authority and Fund, under Subtitle 3 of this title;

[(6)**] (7)** the Maryland Industrial Development Financing Authority, under Subtitle 4 of this title;

[(7)**] (8)** the Maryland Small Business Development Financing Authority, under Subtitle 5 of this title;

[(8)**] (9)** the Appalachian Regional Development Program, under Title 13, Subtitle 1 of this article;

[(9)**] (10)** jointly with the Department of Housing and Community Development, the Community Development Block Grant for Economic Development;

[(10)**] (11)** the Regional Institution Strategic Enterprise Zone Program under Subtitle 14 of this title; and

[(11)**] (12)** any other programs or funds designated by statute, the Governor, or the Secretary.

SUBTITLE 15. MAKE OFFICE VACANCIES EXTINCT PROGRAM.

5–1501.

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

(B) "FUND" MEANS THE MAKE OFFICE VACANCIES EXTINCT MATCHING FUND.

(C) "PROGRAM" MEANS THE MAKE OFFICE VACANCIES EXTINCT PROGRAM.

5–1502.

(A) THERE IS A MAKE OFFICE VACANCIES EXTINCT PROGRAM IN THE DEPARTMENT.

(B) THE PURPOSE OF THE PROGRAM IS TO ENCOURAGE THE LOCATION OF NEW BUSINESSES IN THE STATE IN COUNTIES THAT PROVIDE COMPARABLE OFFICE SPACE SUPPORT TO THE BUSINESSES.

5–1503.

(A) IN ORDER TO QUALIFY FOR PARTICIPATION IN THE PROGRAM, A NEW BUSINESS MUST MEET THE CRITERIA IN THIS SECTION.

(B) THE BUSINESS MUST:

(1) BE LOCATED IN A COUNTY THAT HAS A COMPARABLE SUPPORT PROGRAM TO REDUCE OFFICE SPACE VACANCIES IN THE COUNTY;

(2) BE:

(I) A HOME–BASED START–UP ENTERPRISE OCCUPYING ITS FIRST COMMERCIAL SPACE IN THE COUNTY; ~~OR~~

(II) A BUSINESS RELOCATING ~~OR~~ FROM OUTSIDE THE STATE; OR

(III) A BUSINESS SIGNIFICANTLY EXPANDING ITS OPERATIONS IN THE COUNTY;

(3) (I) EXECUTE A DIRECT LEASE WITH THE LANDLORD FOR AT LEAST 3 YEARS OF NOT MORE THAN 10,000 SQUARE FEET; OR

(II) OBTAIN AN OCCUPANCY PERMIT, IF SHARING OFFICE SPACE WITH ANOTHER BUSINESS; AND

(4) APPLY FOR SUPPORT FROM THE PROGRAM WITHIN 90 DAYS AFTER SIGNING THE LEASE OR OBTAINING THE OCCUPANCY PERMIT.

(C) ~~THE FOLLOWING BUSINESSES ARE NOT ELIGIBLE FOR SUPPORT FROM THE PROGRAM:~~

~~(1) A RETAIL ESTABLISHMENT;~~

~~(2) A RESTAURANT;~~

~~(3) AN INDEPENDENT FINANCIAL BROKER OR AGENT; OR~~

~~(4) AN INSURANCE PRODUCER.~~

~~(D)~~ **THE PROGRAM MAY EXCLUDE FROM SUPPORT A BUSINESS THAT IS RELOCATING FROM ONE COUNTY ~~THAT HAS A COMPARABLE PROGRAM~~ TO ANOTHER COUNTY ~~THAT HAS A COMPARABLE PROGRAM~~ WITHIN THE STATE.**

~~(E)~~ **(D) A GRANT RECIPIENT THAT FAILS TO FULFILL THE ELIGIBILITY AND MAINTENANCE REQUIREMENTS OF THE PROGRAM OR OF THE COUNTY COMPARABLE PROGRAM THAT SUPPORTS THE RECIPIENT MAY BE REQUIRED TO RETURN ALL OR PART OF THE GRANT TO THE PROGRAM.**

5–1504.

(A) (1) AN APPLICANT SHALL SUBMIT AN APPLICATION FOR A PROGRAM GRANT ON THE FORM THAT THE SECRETARY REQUIRES.

(2) THE APPLICANT MAY SUBMIT AN APPLICATION TO THE PROGRAM AT THE SAME TIME THE APPLICANT APPLIES FOR SUPPORT FROM A COUNTY COMPARABLE PROGRAM.

(B) THE PROGRAM SHALL REVIEW THE APPLICATION AND ALL SUPPORTING MATERIALS IN ORDER TO EVALUATE WHETHER THE APPLICANT QUALIFIES FOR A GRANT FROM THE PROGRAM.

(C) (1) ~~THE~~ SUBJECT TO THE AVAILABILITY OF MONEY IN THE FUND, THE PROGRAM ~~SHALL~~ MAY PROVIDE TO AN ELIGIBLE BUSINESS A GRANT THAT EQUALS THE AMOUNT OF THE GRANT THAT THE COUNTY COMPARABLE PROGRAM PROVIDES TO THE BUSINESS.

(2) THE PROGRAM SHALL PROVIDE THE GRANTS DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION ON A FIRST–COME, FIRST–SERVED BASIS.

(D) THE PROGRAM SHALL COORDINATE WITH COUNTY COMPARABLE PROGRAMS TO EVALUATE APPLICATIONS AND TO PROVIDE ASSISTANCE TO ELIGIBLE BUSINESSES UNDER THIS SUBTITLE.

5–1505.

(A) THERE IS A MAKE OFFICE VACANCIES EXTINCT MATCHING FUND.

(B) THE PURPOSE OF THE FUND IS TO PROVIDE MATCHING FUNDS TO REDUCE VACANT OFFICE SPACE IN COUNTIES OF THE STATE THAT PROVIDE COMPARABLE SUPPORT TO NEW BUSINESSES.

(C) THE SECRETARY SHALL ADMINISTER THE FUND.

(D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO REVERSION UNDER § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

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

(E) THE FUND CONSISTS OF:

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

(2) MONEY RECAPTURED FROM BUSINESSES THAT FAIL TO FULFILL THE TERMS AND CONDITIONS OF A GRANT MADE FROM THE PROGRAM;

(3) INTEREST EARNINGS OF THE FUND; AND

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

(F) THE FUND MAY BE USED ONLY FOR:

(1) MATCHING GRANTS THAT COUNTIES PROVIDE TO ELIGIBLE BUSINESSES UNDER COMPARABLE VACANCY REDUCTION PROGRAMS; AND

(2) ADMINISTRATIVE EXPENSES OF THE PROGRAM.

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

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

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

5–1506.

(A) AT LEAST ONCE EVERY 3 YEARS, THE SECRETARY SHALL REVIEW AND EVALUATE THE PROGRAM, INCLUDING THE NUMBER OF PARTICIPATING COUNTIES WITH COMPARABLE SUPPORT PROGRAMS AND THE NUMBER AND SIZE OF ELIGIBLE BUSINESSES THAT RECEIVE SUPPORT FROM THE PROGRAM.

(B) BASED ON THE REVIEW AND EVALUATION, THE SECRETARY MAY SUBMIT RECOMMENDATIONS TO THE GOVERNOR AND, SUBJECT TO § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE CONTINUED EFFECTIVENESS OF THE PROGRAM AND THE LEVEL OF MATCHING FUNDING THAT SHOULD BE PROVIDED TO PARTICIPATING COUNTIES UNDER THE PROGRAM.

5–1507.

THE SECRETARY MAY ADOPT REGULATIONS TO CARRY OUT THIS SUBTITLE.

Article – State Finance and Procurement

6–226.

(a) (2) (i) 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, net interest on all State money allocated by the State Treasurer under this section 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.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

94. the Community Program Fund; **[**and**]**

95. the Maryland Corps Program Fund**; AND**

96. THE MAKE OFFICE VACANCIES EXTINCT MATCHING FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 847

(House Bill 1595)

AN ACT concerning

Baltimore City Community College – ~~Restructuring~~ Realignment

FOR the purpose of ~~repealing the Board of Trustees of Baltimore City Community College; establishing the Restructuring Board of Baltimore City Community College and transferring the powers and duties of the Board of Trustees to the Restructuring Board; providing for the composition and duties of the Restructuring Board; requiring each member of the Restructuring Board to serve for the duration of the Restructuring Board; altering a certain authority of the Maryland Higher Education Commission; requiring the Restructuring Board to elect one of its members as its chair, select a certain president and develop a certain strategic plan on or before a certain date;~~ altering the membership of the Board of Trustees of the Baltimore City Community College; providing, to the extent practicable, for the composition of the Board of Trustees; requiring the chair of the Board of Trustees to be jointly appointed by the President of the Senate and Speaker of the House of Delegates; requiring the Board of Trustees to review and focus certain offerings on certain needs, make workforce development and job placement a certain priority, improve student pathways to success, enter into certain memoranda of understanding, align a certain budget with certain projections, engage in a certain review of positions and staff, establish certain relationships with certain stakeholders, ~~rebuild~~ develop and market a certain brand, address certain information technology needs, develop or sell certain real estate holdings, and identify certain barriers that impede the efficient and effective operation of the College~~, recommend a certain structure and composition of a newly constructed Board of Trustees, and ensure a certain transition;~~; requiring the Board of Trustees to make a certain determination about certain property for a certain purpose; requiring the President of the College to meet certain criteria; ~~prohibiting the President of the College from being a member of the Restructuring Board or a member of the Board of Trustees as it existed on a certain date;~~ requiring the ~~Restructuring~~ Board of Trustees to submit a certain report to the Governor and to certain committees of the General Assembly, on or before a certain date, annually, regarding its progress in implementing its duties and responsibilities; ~~altering certain definitions; making certain conforming changes;~~ requiring the members of the Board of Trustees whose terms have expired on or before a certain date to be replaced and for seats vacant as of a certain date to be appointed on or before a certain date; providing for the expiration of ~~the~~ certain terms of the members of the Board of Trustees; ~~requiring the publisher of the Annotated Code of Maryland, in consultation with the Department of Legislative Services, to correct cross–references and terminology in the Code that are rendered incorrect by this Act;~~ prohibiting the Board of Trustees from appointing a new President of the College except under certain circumstances; making this Act an emergency measure; ~~providing for the termination of this Act;~~ and generally relating to the restructuring of Baltimore City Community College.

BY repealing and reenacting, with amendments,
Article – Education

~~Section 10–101(e), 11–105(i)(1), 16–302.1(a)(3), 16–502, 16–504, 16–505, 16–506, 16–507(a) and (e), 16–511, 16–512(c) and (d)(3), and 16–513(c) and (d)~~
Section 16–504 and 16–505
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

~~BY repealing and reenacting, without amendments,~~
~~Article – Education~~
~~Section 16–501~~
~~Annotated Code of Maryland~~
~~(2014 Replacement Volume and 2016 Supplement)~~

BY adding to
Article – Education
Section 16–505.1 and 16–505.2
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

~~10–101.~~

~~(e) "Governing board" means:~~

~~(1) The Board of Regents of the University System of Maryland;~~

~~(2) The Board of Regents of Morgan State University;~~

~~(3) The Board of Trustees of St. Mary's College of Maryland; and~~

~~(4) The **RESTRUCTURING** Board **[**of Trustees**]** of Baltimore City Community College.~~

~~11–105.~~

~~(i) (1) On or before a date set by the Commission, each of the following governing boards and agencies shall submit to the Commission its annual operating budget requests and proposals for capital projects, by constituent institutions and affiliated regional higher education centers for the next fiscal year:~~

~~(i) The Board of Regents of the University System of Maryland;~~

~~(ii) The Board of Regents of Morgan State University;~~

~~(iii) The Board of Trustees of St. Mary's College of Maryland;~~

~~(iv) The State Advisory Council for Title I of the Higher Education Act of 1965;~~

~~(v) The~~ **RESTRUCTURING** ~~Board~~ **[**~~of Trustees~~**]** ~~of Baltimore City Community College;~~

~~(vi) The Board of the Maryland Higher Education Investment Program; and~~

~~(vii) The governing body of each regional higher education center.~~

~~16–302.1.~~

~~(a) (3) "Board" means:~~

~~(i) A board of community college trustees established under § 16–101 of this title;~~

~~(ii) A board of regional community college trustees established under § 16–202 of this title;~~

~~(iii) The~~ **RESTRUCTURING** ~~Board~~ **[**~~of Trustees~~**]** ~~of~~ **[**~~the~~**]** ~~Baltimore City Community College established under § 16–504 of this title; and~~

~~(iv) The Board of Trustees of the College of Southern Maryland established under § 16–604 of this title.~~

~~16–501.~~

~~(a) The establishment of Baltimore City Community College is based on the findings and policies set forth in this section.~~

~~(b) (1) Public higher education should be accessible to all those who seek and qualify for admission.~~

~~(2) There is a need for an effective comprehensive urban community college in Baltimore City offering educational programs that will stimulate the participation of individuals, be responsive to the needs of the community, and afford open access to individuals with a variety of educational backgrounds.~~

~~(3) Businesses in the Baltimore metropolitan area are undergoing an economic transition and need and must be ready to make extensive use of and provide financial support for an effective, well–managed urban institution to train and educate their employees and prospective employees in skills and fields of study of importance to the region's business community.~~

~~(4) A partnership between the State and business community is essential to attain the requisite level of financial support to create and sustain a quality institution that is responsive to the technological and continuing education needs of businesses.~~

~~(c) The purpose of the College is to provide quality, accessible, and affordable education to the citizens of Baltimore in the areas of basic skills, technical and career education, continuing education, and the arts and sciences.~~

~~16–502.~~

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

~~(b) "Board [of Trustees]" means the~~ **RESTRUCTURING** ~~Board [of Trustees] of Baltimore City Community College.~~

~~(c) "College" means Baltimore City Community College, formerly known as the New Community College of Baltimore.~~

~~(d) "Commission" means the Maryland Higher Education Commission.~~

~~(e) "Full–time equivalent student" means the quotient of the number of student credit hours produced in the fiscal year 2 years prior to the fiscal year for which the State appropriation is calculated divided by 30, as certified by the Maryland Higher Education Commission.~~

~~(f) "Officer" means the president and the vice presidents of the College and other officers as shall be appointed by the Board [of Trustees].~~

~~(g) "Secretary" means the Secretary of Higher Education.~~

~~(h) "State appropriation" means the amount of money for Baltimore City Community College operating funds to be provided each fiscal year to the Board [of Trustees] by the State.~~

~~(i) "Student credit hours" means student credit hours or contact hours which are eligible, under the regulations issued by the Maryland Higher Education Commission, for inclusion in State funding calculations.~~

16–504.

(a) The government of the College is vested in the Board ~~[~~of Trustees of the College~~]~~.

(b) (1) The Board ~~[~~of Trustees consists of nine **VOTING** members**:**

(I) **SIX MEMBERS** appointed by the Governor with the advice and consent of the Senate**, INCLUDING THE STUDENT MEMBER;**

(II) ONE MEMBER JOINTLY APPOINTED BY THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF DELEGATES, WHO SHALL SERVE AS CHAIR OF THE BOARD;

(III) THE CHIEF EXECUTIVE OFFICER OF THE BALTIMORE CITY PUBLIC SCHOOLS, OR THE CHIEF EXECUTIVE OFFICER'S DESIGNEE, WHO SHALL SERVE AS AN EX OFFICIO MEMBER; AND

(IV) THE EXECUTIVE DIRECTOR OF THE MAYOR'S OFFICE OF ECONOMIC DEVELOPMENT, WHO SHALL SERVE AS AN EX OFFICIO MEMBER.

(2) Of the members:

(i) Each shall be a resident of the State;

(ii) A majority shall be residents of Baltimore City; and

(iii) One shall be a regularly enrolled student in good standing at the College~~] CONSISTS OF SEVEN MEMBERS APPOINTED JOINTLY BY THE GOVERNOR AND THE MAYOR OF BALTIMORE CITY WITH THE ADVICE AND CONSENT OF THE SENATE~~.

~~(2)~~ **(3) THE MEMBERS OF THE BOARD SHALL** ~~BE AS FOLLOWS~~**, TO THE EXTENT PRACTICABLE, CONSIST OF AT LEAST:**

(I) ONE ~~FORMER PRESIDENT OF AN INSTITUTION OF HIGHER EDUCATION IN THE STATE~~ **INDIVIDUAL WITH A BACKGROUND IN HIGHER EDUCATION;**

(II) ONE INDIVIDUAL WITH A BACKGROUND IN PROCUREMENT AND FINANCE;

(III) ONE INDIVIDUAL WITH A BACKGROUND IN WORKFORCE DEVELOPMENT; AND

(IV) ONE HIGH LEVEL EXECUTIVE FROM A LARGE EMPLOYER LOCATED IN BALTIMORE CITY;

~~**(V) ONE INDIVIDUAL WITH A BACKGROUND IN REORGANIZATION AND RESTRUCTURING; AND**~~

~~(VI) TWO MEMBERS OF THE BOARD OF TRUSTEES OF BALTIMORE CITY COMMUNITY COLLEGE AS IT EXISTED ON FEBRUARY 1, 2017.~~

(c) ~~[~~(1) The student member shall have a term of 1 year beginning July 1 and ending on June 30.

(2) Except for the student member, the term is 6 years from July 1 of the year of appointment and until a successor is appointed and qualifies.

(3) The terms of the members are staggered, as required by the terms provided for members of the Board on July 1, ~~1992~~ **2017**.

(4) A member appointed to fill a vacancy in an unexpired term serves only for the remainder of that term or until a successor is appointed and qualifies.

(5) A member may be reappointed but may not serve more than 2 consecutive full terms~~] EACH MEMBER OF THE BOARD SHALL SERVE FOR THE DURATION OF THE BOARD~~.

(d) Each member of the Board ~~[~~of Trustees~~]~~:

(1) Serves without compensation; and

(2) Is entitled to reimbursement for expenses in accordance with the Standard State Travel Regulations.

(e) **[**Each year the**]** ~~THE~~ **EXCEPT AS PROVIDED IN SUBSECTION (B)(1)(II) OF THIS SECTION, THE** Board ~~[~~of Trustees~~]~~:

~~(1) Shall elect one of its [nonstudent] members as its [chairman] CHAIR; and~~

~~(2)~~ ~~May~~ **MAY** elect any other officers it requires.

(f) (1) The Board ~~[~~of Trustees~~]~~ shall meet regularly at such times and places as it determines.

(2) The Board ~~[~~of Trustees~~]~~ may adopt rules for the conduct of its meetings and the transaction of business.

(g) A majority of the voting members shall constitute a quorum for the transaction of business.

16–505.

(a) In addition to the other powers granted and duties imposed by this title, ~~[~~and subject to the authority of the Commission,~~]~~ the Board ~~[~~of Trustees~~]~~ has the powers and duties set forth in this section.

(b) ~~[~~(1)~~]~~ The Board ~~[~~of Trustees~~]~~ shall exercise general control over the College and establish broad policy and long–range planning to effect the efficient operation of the College.

~~[~~(2) The Board of Trustees may not participate in the day–to–day operations of the College.~~]~~

(c) (1) ~~[~~The~~]~~ ~~NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS SUBTITLE, THE~~ Board ~~[~~of Trustees~~]~~ shall:

(I) ON OR BEFORE DECEMBER 1, 2018:

~~1. SELECT A NEW PRESIDENT IN ACCORDANCE WITH THE CRITERIA LISTED UNDER § 16–505.1(A) OF THIS SUBTITLE AND SUBJECT TO THE LIMITATION OF § 16–505.1(B) OF THIS SUBTITLE; AND~~

~~2. DEVELOP A NEW STRATEGIC PLAN FOR THE COLLEGE IN CONSULTATION WITH THE NEW PRESIDENT SELECTED UNDER ITEM 1 OF THIS ITEM;~~**, REVIEW, REVISE, AND UPDATE THE STRATEGIC PLAN FOR THE COLLEGE;**

(II) REVIEW~~, ELIMINATE IF NEEDED,~~ AND STRATEGICALLY ~~FOCUS CORE~~ ALIGN CORE COURSE OFFERINGS OF THE COLLEGE, CONSISTENT WITH ACCREDITATION REQUIREMENTS, AND FOCUSED ON THE NEEDS OF:

1. STUDENTS AT THE COLLEGE; AND

2. THE WORKFORCE IN BALTIMORE CITY;

(III) MAKE WORKFORCE DEVELOPMENT AND JOB PLACEMENT TOP EDUCATIONAL PRIORITIES OF THE COLLEGE;

(IV) IMPROVE STUDENT PATHWAYS TO SUCCESS, INCLUDING REMEDIAL EDUCATION, ATTAINMENT OF A DEGREE OR A POSTSECONDARY CERTIFICATE, AND TRANSFER TO 4–YEAR INSTITUTIONS OF HIGHER EDUCATION;

(V) ENTER INTO MEMORANDA OF UNDERSTANDING IN ORDER TO ESTABLISH STUDENT PATHWAYS TO SUCCESS WITH THE BALTIMORE CITY PUBLIC SCHOOL SYSTEM, INSTITUTIONS OF HIGHER EDUCATION, AND EMPLOYERS;

(VI) ALIGN THE BUDGET OF THE COLLEGE WITH REALISTIC ENROLLMENT PROJECTIONS;

(VII) ENGAGE IN A COMPREHENSIVE REVIEW OF ALL POSITIONS, FACULTY, AND STAFF AT THE COLLEGE;

(VIII) ESTABLISH STRONG RELATIONSHIPS WITH KEY STAKEHOLDERS, INCLUDING:

1. THE MAYOR OF BALTIMORE CITY;

2. THE MAYOR'S OFFICE OF EMPLOYMENT DEVELOPMENT;

3. THE BALTIMORE CITY PUBLIC SCHOOL SYSTEM;

4. INSTITUTIONS OF HIGHER EDUCATION LOCATED IN BALTIMORE CITY;

5. STATE AGENCIES, INCLUDING THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION;

6. PRIVATE EMPLOYERS; AND

7. BUSINESS AND COMMUNITY ORGANIZATIONS;

(IX) ~~REBUILD~~ DEVELOP AND MARKET ~~THE~~ A BRAND ~~OF~~ FOR THE COLLEGE;

(X) ADDRESS THE INFORMATION TECHNOLOGY AND INFRASTRUCTURE NEEDS OF THE COLLEGE, INCLUDING WHETHER OVERSIGHT BY THE DEPARTMENT OF INFORMATION TECHNOLOGY IS ADVISABLE;

(XI) DEVELOP OR SELL ALL UNUSED OR UNDERUTILIZED REAL ESTATE HOLDINGS, INCLUDING THE INNER HARBOR SITE;

(XII) IDENTIFY ANY BARRIERS IN STATE OR LOCAL LAWS OR REGULATIONS THAT IMPEDE THE ABILITY OF THE COLLEGE TO OPERATE EFFICIENTLY AND EFFECTIVELY, INCLUDING PROCUREMENT AND CAPITAL CONSTRUCTION PROJECTS;

~~**(XIII) RECOMMEND THE APPROPRIATE STRUCTURE AND COMPOSITION OF A NEWLY CONSTITUTED BOARD OF TRUSTEES;**~~

~~**(XIV) ENSURE A SEAMLESS TRANSITION BETWEEN THE RESTRUCTURING BOARD AND THE NEWLY CONSTITUTED BOARD OF TRUSTEES;**~~

~~**[**(i)**]** **(XV)**~~ **(XIII)** Adopt reasonable rules, regulations, and bylaws to carry out the provisions of this subtitle and §§ 10–204 and 10–211 of this article; and

[(ii)**]** ~~**(XVI)**~~ **(XIV)** Keep separate records and minutes.

(2) Except with respect to skilled service employee grievance appeals, Title 10, Subtitles 1 and 2 of the State Government Article ("Administrative Procedure Act") does not apply to the Board ~~**[**~~of Trustees~~**]**~~.

(d) (1) Subject to the provisions of paragraph (2) of this subsection and the provisions of § 16–511(d)(3) of this subtitle, the Board ~~**[**~~of Trustees~~**]**~~ may receive, purchase, lease, or otherwise acquire property it considers necessary or useful for the operation of the College.

(2) Subject to appropriations and the prior approval of the Board of Public Works, the Board ~~**[**~~of Trustees~~**]**~~ may receive, purchase, lease, or otherwise acquire real property.

(e) (1) The Board ~~**[**~~of Trustees~~**]**~~ may sell, lease, encumber, or otherwise dispose of assets or property of the College, other than any real property, improvement to real property, or license.

(2) Subject to the prior approval of the Board of Public Works, the Board may sell, lease, encumber, or otherwise dispose of any real property, improvement to real property, or license of the College.

(3) (i) All proceeds and income from any sale, lease, disposition, encumbrance, or development of any property, right, or interest of the College shall be used for the benefit of the College and may not revert to the general funds of the State or be applied to the Annuity Bond Fund of the State.

(ii) 1. The proceeds and income from the sale of any real property, improvement to real property, or license of the College shall be deposited in a special fund.

2. The principal of the special fund may be used for capital expenditures, subject to the approval of the Board of Public Works on a pay–as–you–go basis, and may not be used to pay the operating expenses of the College.

3. The Board ~~**[**~~of Trustees~~**]**~~ shall develop the commercial potential of the Inner Harbor site **OR DETERMINE THAT THE INNER HARBOR SITE SHOULD BE SOLD** to maximize revenue to the College without jeopardizing the educational mission of the College.

(f) The Board [of Trustees] may apply for, accept, and spend any gift or grant from any government, foundation, or person.

(g) (1) The Board [of Trustees] shall fix the tuition and fees to be paid by students and shall do so with a view to making college education available at low cost.

(2) (i) Except as otherwise provided in paragraph (4) of this subsection, the Board [of Trustees] shall assess each student who is not a resident of this State, in addition to the student tuition and fees paid by residents, an out–of–state fee at least equal to 60 percent of the amount of State support for the College per full–time equivalent student.

(ii) The Board [of Trustees] may waive the out–of–state fee as determined in subparagraph (i) of this paragraph for a student who is employed by a business located in the City of Baltimore.

(iii) Any student attending the College who receives a tuition waiver as provided by subparagraph (ii) of this paragraph shall not be included as an in–State resident for computation of State aid to the College in accordance with § 16–512 of this subtitle.

(iv) The Board [of Trustees] may waive the out–of–state fee as determined in subparagraph (i) of this paragraph for a student who resides in the State but does not meet the in–State residency requirement for tuition purposes and has moved to the State as an employee or a family member of an employee as part of the Base Realignment and Closure process as announced by the United States Department of Defense.

(v) Any student attending the College who receives a tuition waiver under subparagraph (iv) of this paragraph shall be included as an in–State resident for computation of State aid to the College in accordance with § 16–512 of this subtitle.

(3) For purposes of this subsection, the number of full–time equivalent students is the quotient of the number of student credit hours produced in the fiscal year divided by 30.

(4) A student who is not a resident of the State shall be considered a resident for purposes of assessing tuition and fees to the extent that such student would be eligible for in–county status under the provisions of § 16–310(a)(3) or (f) of this title.

(5) The Board [of Trustees] shall set tuition and fees for students who are residents of counties in this State other than Baltimore City at the same rate as the tuition and fees charged to students who reside in Baltimore City.

(h) (1) **[**The**]** **IN ACCORDANCE WITH § 16–505.1 OF THIS SUBTITLE, THE** Board **[**of Trustees**]** shall appoint a President of the College who shall be the Chief Executive Officer of the College and the Chief of Staff for the Board **[**of Trustees**]**.

(2) The Board **[**of Trustees**]** may create other offices in the College and provide for the appointment of qualified persons to those offices.

(3) (i) The Board **[**of Trustees**]** shall appoint an interim president to carry out the duties of the President within 90 days after the office of the President becomes vacant.

(ii) The interim president may not be a member of the Board **[**of Trustees**]**.

(4) (i) Notwithstanding any other provision of law, the Board **[**of Trustees**]** may create any position to the extent that the cost of the position, including any fringe benefit costs, is funded from grant or special project funds.

(ii) The Board **[**of Trustees**]** shall abolish a position created under this paragraph when the grant or special project funds are insufficient to fund the cost of the position, including any fringe benefit costs.

(iii) This paragraph may not be construed to require any additional State General Fund support.

(iv) By September 1 of each year, the Board **[**of Trustees**]** shall submit an annual position accountability report to the Department of Budget and Management, in accordance with § 2–1246 of the State Government Article, the Department of Legislative Services, and the Commission reporting the total positions created and the cost and the funding source for any positions created by the College in the previous fiscal year.

(v) The total number of positions authorized under this paragraph shall be limited as specified annually in the State budget bill.

(i) Subject to the authority of the Commission, the Board **[**of Trustees**]** may:

(1) Establish entrance requirements for the College;

(2) Approve courses and programs;

(3) Adopt and change curricula;

(4) Establish and change requirements for the awarding of credits and degrees and for graduation;

(5) Work with the Commission to establish cooperative program agreements that qualify as statewide programs in accordance with § 16–310(d) of this title; and

(6) Develop effective relationships and cooperative programs with the Baltimore City Public School System to assure that high school students are encouraged to enroll in the College.

(j) The Board ~~[~~of Trustees~~]~~ may fix the salaries and terms of employment of the President, faculty, and officers of the College.

(k) In addition to any performance evaluation required by regulation of the Department of Budget and Management, the Board ~~[~~of Trustees~~]~~ shall evaluate the performance of the faculty of the College in a form developed in cooperation with the Commission.

(l) The Board ~~[~~of Trustees~~]~~ may enter into contracts or delegate that authority to the President.

(m) On the recommendation of the President, the Board ~~[~~of Trustees~~]~~ shall designate one or more representatives to participate as a party in collective bargaining on behalf of the College in accordance with Title 3 of the State Personnel and Pensions Article.

16–505.1.

~~(A)~~ AT A MINIMUM, THE PRESIDENT OF THE COLLEGE SHALL MEET THE FOLLOWING CRITERIA:

(1) A COMMITMENT TO LIFELONG LEARNING AND ACHIEVEMENT;

(2) ACADEMIC LEADERSHIP SKILLS TO DETERMINE FUTURE PRIORITIES, STRATEGIC INITIATIVES, NEW PROGRAMS OR METHODS OF PROGRAM DELIVERY, AND EVALUATION OF ACCOUNTABILITY FOR CURRENT PROGRAMS;

(3) THE VISION AND SKILLS TO DEVELOP AND IMPLEMENT A FOCUS, VISION, AND STRATEGIES FOR THE COLLEGE THAT ADDRESS THE CRITICAL ACADEMIC, CAREER, AND CONTINUING EDUCATION ROLES OF THE COLLEGE;

(4) THE ABILITY TO ARTICULATE EFFECTIVELY THE COLLEGE'S FOCUS, VISION, AND STRATEGIES FOR THE FUTURE TO A WIDE RANGE OF STAKEHOLDERS AND THE PUBLIC;

(5) THE ABILITY TO DEVELOP NEW AND IMPROVED PARTNERSHIPS BETWEEN THE COLLEGE AND BALTIMORE CITY, THE BALTIMORE CITY PUBLIC SCHOOL SYSTEM, INSTITUTIONS OF HIGHER EDUCATION LOCATED IN BALTIMORE

CITY, BUSINESS AND WORKFORCE SECTORS, RELIGIOUS, CIVIC, AND PROFESSIONAL COMMUNITIES, AND THE STATE;

(6) THE ABILITY TO ENHANCE THE COLLEGE'S ROLE IN THE CONTINUING ECONOMIC AND WORKFORCE DEVELOPMENT OF THE REGION, INCLUDING UPGRADING THE SKILLS OF YOUNG PEOPLE AND ADULTS TO OBTAIN EMPLOYMENT THAT SUPPORTS FAMILIES AND ATTRACTS NEW EMPLOYERS TO THE REGION; AND

(7) A DEDICATION TO SERVING ALL OF THE STAKEHOLDERS OF THE COLLEGE IN BALTIMORE CITY AND THE STATE.

~~**(B) THE NEW PRESIDENT OF THE COLLEGE MAY NOT BE A MEMBER OF THE RESTRUCTURING BOARD OR A MEMBER OF THE BOARD OF TRUSTEES OF THE COLLEGE, AS IT EXISTED ON FEBRUARY 1, 2017.**~~

16–505.2.

ON OR BEFORE DECEMBER 1 EACH YEAR, THE BOARD SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE APPROPRIATIONS COMMITTEE OF THE GENERAL ASSEMBLY REGARDING ITS PROGRESS IN IMPLEMENTING THE DUTIES AND RESPONSIBILITIES LISTED UNDER § 16–505(C) OF THIS SUBTITLE.

~~16–506.~~

~~(a) The President of the College shall:~~

~~(1) Report directly to the Board [of Trustees] and be the sole liaison between the Board [of Trustees] and the College's faculty, administrators, and staff;~~

~~(2) Be responsible and accountable to the Board [of Trustees] for the discipline and successful conduct of the College and supervision of each of its departments;~~

~~(3) Take every initiative in:~~

~~(i) Implementing the policies of the Board [of Trustees] and the College; and~~

~~(ii) Promoting the development and efficiency of the College;~~

~~(4) Hire and discharge faculty and employees as authorized by the Board [of Trustees];~~

~~(5) Attend all meetings of the Board [of Trustees], except that the President may be excused by the Board [of Trustees] from discussions concerning the President or the position of President; and~~

~~(6) Carry out other duties as authorized by the Board [of Trustees].~~

~~(b) The President may delegate any portion of the President's authority to other officers of the College, subject to the right of the President or the Board [of Trustees] to rescind or modify the delegation in whole or in part at any time.~~

~~16–507.~~

~~(a) For each fiscal year, the President shall prepare and the Board [of Trustees] shall review, modify, as necessary, and approve an operating budget and a capital budget for the College.~~

~~(c) The President and Board [of Trustees] shall submit the operating and capital budgets to the Commission in accordance with the provisions of § 11–105(i) of this article.~~

~~16–511.~~

~~(a) The College possesses all of the property, assets, immunities, defenses, licenses, credits, and rights of the New Community College of Baltimore, including those transferred to the Board of Trustees of the New Community College of Baltimore by the City of Baltimore and the Board of Trustees of the Community College of Baltimore under Chapter 220 of the Acts of the General Assembly of 1990.~~

~~(b) (1) (i) The Board [of Trustees of the College] may, in its discretion, assume such liabilities and obligations of the Community College of Baltimore as the Board considers necessary or useful.~~

~~(ii) Except as otherwise provided in subsection (d) of this section, the Board [of Trustees] may assume such liabilities or obligations only if the nature and terms of the obligations or liabilities to be assumed are consistent with the laws and regulations of the State.~~

~~(2) No liability, contract, or obligation of the Community College of Baltimore shall be a liability, contract, or obligation of the College unless such liability, contract, or obligation is expressly assumed by action of the Board [of Trustees of the College].~~

~~(c) Baltimore City shall indemnify and hold harmless the State, THE BOARD, the Board of Trustees of the New Community College of Baltimore, the New Community College of Baltimore, the Board of Trustees of Baltimore City Community College, and Baltimore City Community College for any judgments, damages, liens, settlements, and other costs, including attorney's fees, arising from the operations of the Community College~~

~~of Baltimore, or the actions of the Board of Trustees of the Community College of Baltimore, or their employees, officers, or agents.~~

~~(d) (1) In this subsection, "procurement" and "procurement contract" have the meanings stated in § 11–101 of the State Finance and Procurement Article.~~

~~(2) Before July 1, 1991, the Board [of Trustees] may, in its discretion, assume as assignee any procurement contract entered into by or on behalf of the Community College of Baltimore prior to July 1, 1990. The Board [of Trustees] may assume such procurement contracts without regard to whether the contracts conform to the requirements of Division II of the State Finance and Procurement Article (The "General Procurement Law") and the regulations adopted under that law.~~

~~(3) Except for contracts assumed under paragraph (2) of this subsection, procurement by the College shall be in accordance with Division II of the State Finance and Procurement Article and the regulations issued pursuant to that article.~~

~~16–512.~~

~~(c) The State shall distribute the State appropriation under this subsection to the Board [of Trustees of Baltimore City Community College] on a quarterly basis.~~

~~(d) (3) (i) Beginning on July 1, 2006, the City of Baltimore shall be responsible for providing at least $1,000,000 in each fiscal year to support education at the College.~~

~~(ii) Of this amount, in each fiscal year, at least $400,000 shall be expended and administered by the College for tuition reimbursement or scholarships to attend classes at the College, and the remaining balance shall be expended in a manner consistent with the educational mission of the College.~~

~~(iii) The source of the $1,000,000 is not limited to tax or fee revenues generated by the City of Baltimore.~~

~~(iv) The Board [of Trustees] shall submit an annual report on or before December 31 to the Director of Finance for the City of Baltimore regarding the expenditures made under this paragraph.~~

~~16–513.~~

~~(c) (1) In consultation with the Secretary of State Police and the Maryland Police Training Commission, the Board [of Trustees] shall adopt standards, qualifications, and prerequisites of character, training, education, human and public relations, and experience for Baltimore City Community College police officers, including standards for the performance of their duties.~~

~~(2) To the extent practicable, the Board shall adopt standards that are similar to the standards adopted for the Department of State Police.~~

~~(d) The Board [of Trustees] shall adopt regulations governing the operation and conduct of the Baltimore City Community College police force and of Baltimore City Community College police officers.~~

SECTION 2. AND BE IT FURTHER ENACTED, That ~~the terms of each member of the Board of Trustees of Baltimore City Community College shall expire on the effective date of this Act~~ the members of the Board of Trustees of the Baltimore City Community College whose terms have expired as of the effective date of this Act shall be replaced, and any seats vacant as of the effective date of this Act shall be appointed, on or before July 1, 2017, in accordance with § 16–504(b) of the Education Article, as enacted by Section 1 of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That the ~~publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct, with no further action required by the General Assembly, cross–references and terminology rendered incorrect by this Act or any other Act of the General Assembly of 2017 that affects provisions enacted by this Act. The publisher shall adequately describe any such correction in an editor's note following the section affected.~~ terms of the members of the Board of Trustees of the Baltimore City Community College appointed under Section 2 of this Act shall expire as follows:

(1) except as provided in item (2) of this section, the terms of the members appointed under § 16–504(b)(1)(i) of the Education Article, as enacted by Section 1 of this Act, shall expire on June 30, 2021;

(2) the terms of the members appointed under § 16–504(b)(1)(i) of the Education Article, as enacted by Section 1 of this Act, to a seat that was vacant on or before January 1, 2017, shall expire on June 30, 2022; and

(3) the term of a member appointed under § 16–504(b)(1)(ii) of the Education Article, as enacted by Section 1 of this Act, shall expire on June 30, 2023.

SECTION 4. AND BE IT FURTHER ENACTED, That the Board of Trustees of the Baltimore City Community College may not appoint a new President of the College under § 16–505(h) of the Education Article, as enacted by Section 1 of this Act, until the members of the Board of Trustees have been appointed in accordance with the requirements of Section 2 of this Act.

SECTION ~~4.~~ 5. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three–fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted. ~~It shall remain effective through June 30, 2020, and, at the end of June 30, 2020,~~

~~with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.~~

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 848

(Senate Bill 1127)

AN ACT concerning

Baltimore City Community College – ~~Restructuring~~ Realignment

FOR the purpose of ~~repealing the Board of Trustees of Baltimore City Community College; establishing the Restructuring Board of Baltimore City Community College and transferring the powers and duties of the Board of Trustees to the Restructuring Board; providing for the composition and duties of the Restructuring Board; requiring each member of the Restructuring Board to serve for the duration of the Restructuring Board; altering a certain authority of the Maryland Higher Education Commission; requiring the Restructuring Board to elect one of its members as its chair, select a certain president and develop a certain strategic plan on or before a certain date,~~ altering the membership of the Board of Trustees of the Baltimore City Community College; providing, to the extent practicable, for the composition of the Board of Trustees; requiring the chair of the Board of Trustees to be jointly appointed by the President of the Senate and Speaker of the House of Delegates; requiring the Board of Trustees to review and focus certain offerings on certain needs, make workforce development and job placement a certain priority, improve student pathways to success, enter into certain memoranda of understanding, align a certain budget with certain projections, engage in a certain review of positions and staff, establish certain relationships with certain stakeholders, ~~rebuild~~ develop and market a certain brand, address certain information technology needs, develop or sell certain real estate holdings, and identify certain barriers that impede the efficient and effective operation of the College~~, recommend a certain structure and composition of a newly constructed Board of Trustees, and ensure a certain transition;~~ requiring the Board of Trustees to make a certain determination about certain property for a certain purpose; requiring the President of the College to meet certain criteria; ~~prohibiting the President of the College from being a member of the Restructuring Board or a member of the Board of Trustees as it existed on a certain date;~~ requiring the ~~Restructuring~~ Board of Trustees to submit a certain report to the Governor and to certain committees of the General Assembly, on or before a certain date, annually, regarding its progress in implementing its duties and responsibilities; ~~altering certain definitions; making certain conforming changes;~~ requiring the members of the Board of Trustees whose terms have expired on or before a certain date to be replaced and for seats vacant as of a certain date to be appointed on or before a certain date; providing for the expiration of ~~the~~ certain

terms of the members of the Board of Trustees; ~~requiring the publisher of the Annotated Code of Maryland, in consultation with the Department of Legislative Services, to correct cross–references and terminology in the Code that are rendered incorrect by this Act;~~ prohibiting the Board of Trustees from appointing a new President of the College except under certain circumstances; making this Act an emergency measure; ~~providing for the termination of this Act;~~ and generally relating to the ~~restructuring~~ realignment of Baltimore City Community College.

BY repealing and reenacting, with amendments,
Article – Education
~~Section 10–101(e), 11–105(i)(1), 16–302.1(a)(3), 16–502, 16–504, 16–505, 16–506, 16–507(a) and (e), 16–511, 16–512(c) and (d)(3), and 16–513(c) and (d)~~
Section 16–504 and 16–505
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

~~BY repealing and reenacting, without amendments,~~
~~Article – Education~~
~~Section 16–501~~
~~Annotated Code of Maryland~~
~~(2014 Replacement Volume and 2016 Supplement)~~

BY adding to
Article – Education
Section 16–505.1 and 16–505.2
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

~~10–101.~~

~~(e) "Governing board" means:~~

~~(1) The Board of Regents of the University System of Maryland;~~

~~(2) The Board of Regents of Morgan State University;~~

~~(3) The Board of Trustees of St. Mary's College of Maryland; and~~

~~(4) The **RESTRUCTURING** Board **[**of Trustees**]** of Baltimore City Community College.~~

~~11–105.~~

~~(i) (1) On or before a date set by the Commission, each of the following governing boards and agencies shall submit to the Commission its annual operating budget requests and proposals for capital projects, by constituent institutions and affiliated regional higher education centers for the next fiscal year:~~

~~(i) The Board of Regents of the University System of Maryland;~~

~~(ii) The Board of Regents of Morgan State University;~~

~~(iii) The Board of Trustees of St. Mary's College of Maryland;~~

~~(iv) The State Advisory Council for Title I of the Higher Education Act of 1965;~~

~~(v) The~~ **RESTRUCTURING** ~~Board~~ **[**~~of Trustees~~**]** ~~of Baltimore City Community College;~~

~~(vi) The Board of the Maryland Higher Education Investment Program; and~~

~~(vii) The governing body of each regional higher education center.~~

~~16–302.1.~~

~~(a) (3) "Board" means:~~

~~(i) A board of community college trustees established under § 16–101 of this title;~~

~~(ii) A board of regional community college trustees established under § 16–202 of this title;~~

~~(iii) The~~ **RESTRUCTURING** ~~Board~~ **[**~~of Trustees~~**]** ~~of~~ **[**~~the~~**]** ~~Baltimore City Community College established under § 16–504 of this title; and~~

~~(iv) The Board of Trustees of the College of Southern Maryland established under § 16–604 of this title.~~

~~16–501.~~

~~(a) The establishment of Baltimore City Community College is based on the findings and policies set forth in this section.~~

~~(b) (1) Public higher education should be accessible to all those who seek and qualify for admission.~~

~~(2) There is a need for an effective comprehensive urban community college in Baltimore City offering educational programs that will stimulate the participation of individuals, be responsive to the needs of the community, and afford open access to individuals with a variety of educational backgrounds.~~

~~(3) Businesses in the Baltimore metropolitan area are undergoing an economic transition and need and must be ready to make extensive use of and provide financial support for an effective, well–managed urban institution to train and educate their employees and prospective employees in skills and fields of study of importance to the region's business community.~~

~~(4) A partnership between the State and business community is essential to attain the requisite level of financial support to create and sustain a quality institution that is responsive to the technological and continuing education needs of businesses.~~

~~(c) The purpose of the College is to provide quality, accessible, and affordable education to the citizens of Baltimore in the areas of basic skills, technical and career education, continuing education, and the arts and sciences.~~

~~16–502.~~

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

~~(b) "Board [of Trustees]" means the~~ **RESTRUCTURING** ~~Board [of Trustees] of Baltimore City Community College.~~

~~(c) "College" means Baltimore City Community College, formerly known as the New Community College of Baltimore.~~

~~(d) "Commission" means the Maryland Higher Education Commission.~~

~~(e) "Full–time equivalent student" means the quotient of the number of student credit hours produced in the fiscal year 2 years prior to the fiscal year for which the State appropriation is calculated divided by 30, as certified by the Maryland Higher Education Commission.~~

~~(f) "Officer" means the president and the vice presidents of the College and other officers as shall be appointed by the Board [of Trustees].~~

~~(g) "Secretary" means the Secretary of Higher Education.~~

~~(h) "State appropriation" means the amount of money for Baltimore City Community College operating funds to be provided each fiscal year to the Board [of Trustees] by the State.~~

~~(i) "Student credit hours" means student credit hours or contact hours which are eligible, under the regulations issued by the Maryland Higher Education Commission, for inclusion in State funding calculations.~~

16–504.

(a) The government of the College is vested in the Board ~~[~~of Trustees of the College~~]~~.

(b) (1) The Board ~~[~~of Trustees consists of nine **VOTING** members**:**

(I) SIX MEMBERS appointed by the Governor with the advice and consent of the Senate**, INCLUDING THE STUDENT MEMBER;**

(II) ONE MEMBER JOINTLY APPOINTED BY THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF DELEGATES, WHO SHALL SERVE AS CHAIR OF THE BOARD;

(III) THE CHIEF EXECUTIVE OFFICER OF THE BALTIMORE CITY PUBLIC SCHOOLS, OR THE CHIEF EXECUTIVE OFFICER'S DESIGNEE, WHO SHALL SERVE AS AN EX OFFICIO MEMBER; AND

(IV) THE EXECUTIVE DIRECTOR OF THE MAYOR'S OFFICE OF EMPLOYMENT DEVELOPMENT, WHO SHALL SERVE AS AN EX OFFICIO MEMBER.

(2) Of the members:

(i) Each shall be a resident of the State;

(ii) A majority shall be residents of Baltimore City; and

(iii) One shall be a regularly enrolled student in good standing at the College~~] CONSISTS OF SEVEN MEMBERS APPOINTED JOINTLY BY THE GOVERNOR AND THE MAYOR OF BALTIMORE CITY WITH THE ADVICE AND CONSENT OF THE SENATE~~.

~~(2)~~ (3) THE MEMBERS OF THE BOARD SHALL ~~BE AS FOLLOWS~~, TO THE EXTENT PRACTICABLE, CONSIST OF AT LEAST:

(I) ONE ~~FORMER PRESIDENT OF AN INSTITUTION OF HIGHER EDUCATION IN THE STATE~~ INDIVIDUAL WITH A BACKGROUND IN HIGHER EDUCATION;

(II) ONE INDIVIDUAL WITH A BACKGROUND IN PROCUREMENT AND FINANCE;

(III) ONE INDIVIDUAL WITH A BACKGROUND IN WORKFORCE DEVELOPMENT; AND

(IV) ONE HIGH LEVEL EXECUTIVE FROM A LARGE EMPLOYER LOCATED IN BALTIMORE CITY;

~~**(V) ONE INDIVIDUAL WITH A BACKGROUND IN REORGANIZATION AND RESTRUCTURING; AND**~~

~~**(VI) TWO MEMBERS OF THE BOARD OF TRUSTEES OF BALTIMORE CITY COMMUNITY COLLEGE AS IT EXISTED ON FEBRUARY 1, 2017.**~~

(c) ~~[~~(1) The student member shall have a term of 1 year beginning July 1 and ending on June 30.

(2) Except for the student member, the term is 6 years from July 1 of the year of appointment and until a successor is appointed and qualifies.

(3) The terms of the members are staggered, as required by the terms provided for members of the Board on July 1, ~~1992~~ **2017**.

(4) A member appointed to fill a vacancy in an unexpired term serves only for the remainder of that term or until a successor is appointed and qualifies.

(5) A member may be reappointed but may not serve more than 2 consecutive full terms~~] EACH MEMBER OF THE BOARD SHALL SERVE FOR THE DURATION OF THE BOARD~~.

(d) Each member of the Board ~~[~~of Trustees~~]~~:

(1) Serves without compensation; and

(2) Is entitled to reimbursement for expenses in accordance with the Standard State Travel Regulations.

(e) **[**Each year the**]** ~~THE~~ **EXCEPT AS PROVIDED IN SUBSECTION (B)(1)(II) OF THIS SECTION, THE** Board ~~[~~of Trustees~~]~~:

~~(1) Shall elect one of its [nonstudent] members as its [chairman] CHAIR; and~~

~~(2)~~ ~~May~~ **MAY** elect any other officers it requires.

(f) (1) The Board ~~[~~of Trustees~~]~~ shall meet regularly at such times and places as it determines.

(2) The Board ~~[~~of Trustees~~]~~ may adopt rules for the conduct of its meetings and the transaction of business.

(g) A majority of the voting members shall constitute a quorum for the transaction of business.

16–505.

(a) In addition to the other powers granted and duties imposed by this title, ~~[~~and subject to the authority of the Commission,~~]~~ the Board ~~[~~of Trustees~~]~~ has the powers and duties set forth in this section.

(b) ~~[~~(1)~~]~~ The Board ~~[~~of Trustees~~]~~ shall exercise general control over the College and establish broad policy and long–range planning to effect the efficient operation of the College.

~~[~~(2) The Board of Trustees may not participate in the day–to–day operations of the College.~~]~~

(c) (1) ~~[~~The~~]~~ ~~NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS SUBTITLE, THE~~ Board ~~[~~of Trustees~~]~~ shall:

(I) ON OR BEFORE DECEMBER 1, 2018:

~~1. SELECT A NEW PRESIDENT IN ACCORDANCE WITH THE CRITERIA LISTED UNDER § 16–505.1(A) OF THIS SUBTITLE AND SUBJECT TO THE LIMITATION OF § 16–505.1(B) OF THIS SUBTITLE; AND~~

~~2. DEVELOP A NEW STRATEGIC PLAN FOR THE COLLEGE IN CONSULTATION WITH THE NEW PRESIDENT SELECTED UNDER ITEM 1 OF THIS ITEM;~~**, REVIEW, REVISE, AND UPDATE THE STRATEGIC PLAN FOR THE COLLEGE;**

(II) REVIEW~~, ELIMINATE IF NEEDED,~~ AND STRATEGICALLY ~~FOCUS CORE~~ ALIGN CORE COURSE OFFERINGS OF THE COLLEGE, CONSISTENT WITH ACCREDITATION REQUIREMENTS, AND FOCUSED ON THE NEEDS OF:

1. STUDENTS AT THE COLLEGE; AND

2. THE WORKFORCE IN BALTIMORE CITY;

(III) MAKE WORKFORCE DEVELOPMENT AND JOB PLACEMENT TOP EDUCATIONAL PRIORITIES OF THE COLLEGE;

(IV) IMPROVE STUDENT PATHWAYS TO SUCCESS, INCLUDING REMEDIAL EDUCATION, ATTAINMENT OF A DEGREE OR A POSTSECONDARY CERTIFICATE, AND TRANSFER TO 4–YEAR INSTITUTIONS OF HIGHER EDUCATION;

(V) ENTER INTO MEMORANDA OF UNDERSTANDING IN ORDER TO ESTABLISH STUDENT PATHWAYS TO SUCCESS WITH THE BALTIMORE CITY PUBLIC SCHOOL SYSTEM, INSTITUTIONS OF HIGHER EDUCATION, AND EMPLOYERS;

(VI) ALIGN THE BUDGET OF THE COLLEGE WITH REALISTIC ENROLLMENT PROJECTIONS;

(VII) ENGAGE IN A COMPREHENSIVE REVIEW OF ALL POSITIONS, FACULTY, AND STAFF AT THE COLLEGE;

(VIII) ESTABLISH STRONG RELATIONSHIPS WITH KEY STAKEHOLDERS, INCLUDING:

1. THE MAYOR OF BALTIMORE CITY;

2. THE MAYOR'S OFFICE OF EMPLOYMENT DEVELOPMENT;

3. THE BALTIMORE CITY PUBLIC SCHOOL SYSTEM;

4. INSTITUTIONS OF HIGHER EDUCATION LOCATED IN BALTIMORE CITY;

5. STATE AGENCIES, INCLUDING THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION;

6. PRIVATE EMPLOYERS; AND

7. BUSINESS AND COMMUNITY ORGANIZATIONS;

(IX) ~~REBUILD~~ DEVELOP AND MARKET ~~THE~~ A BRAND ~~OF~~ FOR THE COLLEGE;

(X) ADDRESS THE INFORMATION TECHNOLOGY AND INFRASTRUCTURE NEEDS OF THE COLLEGE, INCLUDING WHETHER OVERSIGHT BY THE DEPARTMENT OF INFORMATION TECHNOLOGY IS ADVISABLE;

(XI) DEVELOP OR SELL ALL UNUSED OR UNDERUTILIZED REAL ESTATE HOLDINGS, INCLUDING THE INNER HARBOR SITE;

(XII) IDENTIFY ANY BARRIERS IN STATE OR LOCAL LAWS OR REGULATIONS THAT IMPEDE THE ABILITY OF THE COLLEGE TO OPERATE EFFICIENTLY AND EFFECTIVELY, INCLUDING PROCUREMENT AND CAPITAL CONSTRUCTION PROJECTS;

~~**(XIII) RECOMMEND THE APPROPRIATE STRUCTURE AND COMPOSITION OF A NEWLY CONSTITUTED BOARD OF TRUSTEES;**~~

~~**(XIV) ENSURE A SEAMLESS TRANSITION BETWEEN THE RESTRUCTURING BOARD AND THE NEWLY CONSTITUTED BOARD OF TRUSTEES;**~~

[~~(i)~~**] (XV) (XIII)** Adopt reasonable rules, regulations, and bylaws to carry out the provisions of this subtitle and §§ 10–204 and 10–211 of this article; and

[(ii)**] (XVI) (XIV)** Keep separate records and minutes.

(2) Except with respect to skilled service employee grievance appeals, Title 10, Subtitles 1 and 2 of the State Government Article ("Administrative Procedure Act") does not apply to the Board **[**of Trustees**]**.

(d) (1) Subject to the provisions of paragraph (2) of this subsection and the provisions of § 16–511(d)(3) of this subtitle, the Board **[**of Trustees**]** may receive, purchase, lease, or otherwise acquire property it considers necessary or useful for the operation of the College.

(2) Subject to appropriations and the prior approval of the Board of Public Works, the Board **[**of Trustees**]** may receive, purchase, lease, or otherwise acquire real property.

(e) (1) The Board **[**of Trustees**]** may sell, lease, encumber, or otherwise dispose of assets or property of the College, other than any real property, improvement to real property, or license.

(2) Subject to the prior approval of the Board of Public Works, the Board may sell, lease, encumber, or otherwise dispose of any real property, improvement to real property, or license of the College.

(3) (i) All proceeds and income from any sale, lease, disposition, encumbrance, or development of any property, right, or interest of the College shall be used for the benefit of the College and may not revert to the general funds of the State or be applied to the Annuity Bond Fund of the State.

(ii) 1. The proceeds and income from the sale of any real property, improvement to real property, or license of the College shall be deposited in a special fund.

2. The principal of the special fund may be used for capital expenditures, subject to the approval of the Board of Public Works on a pay–as–you–go basis, and may not be used to pay the operating expenses of the College.

3. The Board ~~[~~of Trustees~~]~~ shall develop the commercial potential of the Inner Harbor site **OR DETERMINE THAT THE INNER HARBOR SITE SHOULD BE SOLD** to maximize revenue to the College without jeopardizing the educational mission of the College.

(f) The Board ~~[~~of Trustees~~]~~ may apply for, accept, and spend any gift or grant from any government, foundation, or person.

(g) (1) The Board ~~[~~of Trustees~~]~~ shall fix the tuition and fees to be paid by students and shall do so with a view to making college education available at low cost.

(2) (i) Except as otherwise provided in paragraph (4) of this subsection, the Board ~~[~~of Trustees~~]~~ shall assess each student who is not a resident of this State, in addition to the student tuition and fees paid by residents, an out–of–state fee at least equal to 60 percent of the amount of State support for the College per full–time equivalent student.

(ii) The Board ~~[~~of Trustees~~]~~ may waive the out–of–state fee as determined in subparagraph (i) of this paragraph for a student who is employed by a business located in the City of Baltimore.

(iii) Any student attending the College who receives a tuition waiver as provided by subparagraph (ii) of this paragraph shall not be included as an in–State resident for computation of State aid to the College in accordance with § 16–512 of this subtitle.

(iv) The Board ~~[~~of Trustees~~]~~ may waive the out–of–state fee as determined in subparagraph (i) of this paragraph for a student who resides in the State but does not meet the in–State residency requirement for tuition purposes and has moved to the State as an employee or a family member of an employee as part of the Base Realignment and Closure process as announced by the United States Department of Defense.

(v) Any student attending the College who receives a tuition waiver under subparagraph (iv) of this paragraph shall be included as an in–State resident for computation of State aid to the College in accordance with § 16–512 of this subtitle.

(3) For purposes of this subsection, the number of full–time equivalent students is the quotient of the number of student credit hours produced in the fiscal year divided by 30.

(4) A student who is not a resident of the State shall be considered a resident for purposes of assessing tuition and fees to the extent that such student would be eligible for in–county status under the provisions of § 16–310(a)(3) or (f) of this title.

(5) The Board ~~[~~of Trustees~~]~~ shall set tuition and fees for students who are residents of counties in this State other than Baltimore City at the same rate as the tuition and fees charged to students who reside in Baltimore City.

(h) (1) **[**The**]** **IN ACCORDANCE WITH § 16–505.1 OF THIS SUBTITLE, THE** Board ~~[~~of Trustees~~]~~ shall appoint a President of the College who shall be the Chief Executive Officer of the College and the Chief of Staff for the Board ~~[~~of Trustees~~]~~.

(2) The Board ~~[~~of Trustees~~]~~ may create other offices in the College and provide for the appointment of qualified persons to those offices.

(3) (i) The Board ~~[~~of Trustees~~]~~ shall appoint an interim president to carry out the duties of the President within 90 days after the office of the President becomes vacant.

(ii) The interim president may not be a member of the Board ~~[~~of Trustees~~]~~.

(4) (i) Notwithstanding any other provision of law, the Board ~~[~~of Trustees~~]~~ may create any position to the extent that the cost of the position, including any fringe benefit costs, is funded from grant or special project funds.

(ii) The Board ~~[~~of Trustees~~]~~ shall abolish a position created under this paragraph when the grant or special project funds are insufficient to fund the cost of the position, including any fringe benefit costs.

(iii) This paragraph may not be construed to require any additional State General Fund support.

(iv) By September 1 of each year, the Board ~~[~~of Trustees~~]~~ shall submit an annual position accountability report to the Department of Budget and Management, in accordance with § 2–1246 of the State Government Article, the Department of Legislative Services, and the Commission reporting the total positions created and the cost and the funding source for any positions created by the College in the previous fiscal year.

(v) The total number of positions authorized under this paragraph shall be limited as specified annually in the State budget bill.

(i) Subject to the authority of the Commission, the Board ~~[~~of Trustees~~]~~ may:

(1) Establish entrance requirements for the College;

(2) Approve courses and programs;

(3) Adopt and change curricula;

(4) Establish and change requirements for the awarding of credits and degrees and for graduation;

(5) Work with the Commission to establish cooperative program agreements that qualify as statewide programs in accordance with § 16–310(d) of this title; and

(6) Develop effective relationships and cooperative programs with the Baltimore City Public School System to assure that high school students are encouraged to enroll in the College.

(j) The Board ~~[~~of Trustees~~]~~ may fix the salaries and terms of employment of the President, faculty, and officers of the College.

(k) In addition to any performance evaluation required by regulation of the Department of Budget and Management, the Board ~~[~~of Trustees~~]~~ shall evaluate the performance of the faculty of the College in a form developed in cooperation with the Commission.

(l) The Board ~~[~~of Trustees~~]~~ may enter into contracts or delegate that authority to the President.

(m) On the recommendation of the President, the Board ~~[~~of Trustees~~]~~ shall designate one or more representatives to participate as a party in collective bargaining on behalf of the College in accordance with Title 3 of the State Personnel and Pensions Article.

16–505.1.

~~(A)~~ AT A MINIMUM, THE PRESIDENT OF THE COLLEGE SHALL MEET THE FOLLOWING CRITERIA:

(1) A COMMITMENT TO LIFELONG LEARNING AND ACHIEVEMENT;

(2) ACADEMIC LEADERSHIP SKILLS TO DETERMINE FUTURE PRIORITIES, STRATEGIC INITIATIVES, NEW PROGRAMS OR METHODS OF PROGRAM DELIVERY, AND EVALUATION OF ACCOUNTABILITY FOR CURRENT PROGRAMS;

(3) THE VISION AND SKILLS TO DEVELOP AND IMPLEMENT A FOCUS, VISION, AND STRATEGIES FOR THE COLLEGE THAT ADDRESS THE CRITICAL ACADEMIC, CAREER, AND CONTINUING EDUCATION ROLES OF THE COLLEGE;

(4) THE ABILITY TO ARTICULATE EFFECTIVELY THE COLLEGE'S FOCUS, VISION, AND STRATEGIES FOR THE FUTURE TO A WIDE RANGE OF STAKEHOLDERS AND THE PUBLIC;

(5) THE ABILITY TO DEVELOP NEW AND IMPROVED PARTNERSHIPS BETWEEN THE COLLEGE AND BALTIMORE CITY, THE BALTIMORE CITY PUBLIC SCHOOL SYSTEM, INSTITUTIONS OF HIGHER EDUCATION LOCATED IN BALTIMORE CITY, BUSINESS AND WORKFORCE SECTORS, RELIGIOUS, CIVIC, AND PROFESSIONAL COMMUNITIES, AND THE STATE;

(6) THE ABILITY TO ENHANCE THE COLLEGE'S ROLE IN THE CONTINUING ECONOMIC AND WORKFORCE DEVELOPMENT OF THE REGION, INCLUDING UPGRADING THE SKILLS OF YOUNG PEOPLE AND ADULTS TO OBTAIN EMPLOYMENT THAT SUPPORTS FAMILIES AND ATTRACTS NEW EMPLOYERS TO THE REGION; AND

(7) A DEDICATION TO SERVING ALL OF THE STAKEHOLDERS OF THE COLLEGE IN BALTIMORE CITY AND THE STATE.

~~**(B) THE NEW PRESIDENT OF THE COLLEGE MAY NOT BE A MEMBER OF THE RESTRUCTURING BOARD OR A MEMBER OF THE BOARD OF TRUSTEES OF THE COLLEGE, AS IT EXISTED ON FEBRUARY 1, 2017.**~~

16–505.2.

ON OR BEFORE DECEMBER 1 EACH YEAR, THE BOARD SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE APPROPRIATIONS COMMITTEE OF THE GENERAL ASSEMBLY REGARDING ITS PROGRESS IN IMPLEMENTING THE DUTIES AND RESPONSIBILITIES LISTED UNDER § 16–505(C) OF THIS SUBTITLE.

~~16–506.~~

~~(a) The President of the College shall:~~

~~(1) Report directly to the Board [of Trustees] and be the sole liaison between the Board [of Trustees] and the College's faculty, administrators, and staff;~~

~~(2) Be responsible and accountable to the Board [of Trustees] for the discipline and successful conduct of the College and supervision of each of its departments;~~

~~(3) Take every initiative in:~~

~~(i) Implementing the policies of the Board [of Trustees] and the College; and~~

~~(ii) Promoting the development and efficiency of the College;~~

~~(4) Hire and discharge faculty and employees as authorized by the Board [of Trustees];~~

~~(5) Attend all meetings of the Board [of Trustees], except that the President may be excused by the Board [of Trustees] from discussions concerning the President or the position of President; and~~

~~(6) Carry out other duties as authorized by the Board [of Trustees].~~

~~(b) The President may delegate any portion of the President's authority to other officers of the College, subject to the right of the President or the Board [of Trustees] to rescind or modify the delegation in whole or in part at any time.~~

~~16–507.~~

~~(a) For each fiscal year, the President shall prepare and the Board [of Trustees] shall review, modify, as necessary, and approve an operating budget and a capital budget for the College.~~

~~(c) The President and Board [of Trustees] shall submit the operating and capital budgets to the Commission in accordance with the provisions of § 11–105(i) of this article.~~

~~16–511.~~

~~(a) The College possesses all of the property, assets, immunities, defenses, licenses, credits, and rights of the New Community College of Baltimore, including those transferred to the Board of Trustees of the New Community College of Baltimore by the City of Baltimore and the Board of Trustees of the Community College of Baltimore under Chapter 220 of the Acts of the General Assembly of 1990.~~

~~(b) (1) (i) The Board [of Trustees of the College] may, in its discretion, assume such liabilities and obligations of the Community College of Baltimore as the Board considers necessary or useful.~~

~~(ii) Except as otherwise provided in subsection (d) of this section, the Board [of Trustees] may assume such liabilities or obligations only if the nature and terms of the obligations or liabilities to be assumed are consistent with the laws and regulations of the State.~~

~~(2) No liability, contract, or obligation of the Community College of Baltimore shall be a liability, contract, or obligation of the College unless such liability,~~

~~contract, or obligation is expressly assumed by action of the Board [of Trustees of the College].~~

~~(e) Baltimore City shall indemnify and hold harmless the State, THE BOARD, the Board of Trustees of the New Community College of Baltimore, the New Community College of Baltimore, the Board of Trustees of Baltimore City Community College, and Baltimore City Community College for any judgments, damages, liens, settlements, and other costs, including attorney's fees, arising from the operations of the Community College of Baltimore, or the actions of the Board of Trustees of the Community College of Baltimore, or their employees, officers, or agents.~~

~~(d) (1) In this subsection, "procurement" and "procurement contract" have the meanings stated in § 11–101 of the State Finance and Procurement Article.~~

~~(2) Before July 1, 1991, the Board [of Trustees] may, in its discretion, assume as assignee any procurement contract entered into by or on behalf of the Community College of Baltimore prior to July 1, 1990. The Board [of Trustees] may assume such procurement contracts without regard to whether the contracts conform to the requirements of Division II of the State Finance and Procurement Article (The "General Procurement Law") and the regulations adopted under that law.~~

~~(3) Except for contracts assumed under paragraph (2) of this subsection, procurement by the College shall be in accordance with Division II of the State Finance and Procurement Article and the regulations issued pursuant to that article.~~

~~16–512.~~

~~(c) The State shall distribute the State appropriation under this subsection to the Board [of Trustees of Baltimore City Community College] on a quarterly basis.~~

~~(d) (3) (i) Beginning on July 1, 2006, the City of Baltimore shall be responsible for providing at least $1,000,000 in each fiscal year to support education at the College.~~

~~(ii) Of this amount, in each fiscal year, at least $400,000 shall be expended and administered by the College for tuition reimbursement or scholarships to attend classes at the College, and the remaining balance shall be expended in a manner consistent with the educational mission of the College.~~

~~(iii) The source of the $1,000,000 is not limited to tax or fee revenues generated by the City of Baltimore.~~

~~(iv) The Board [of Trustees] shall submit an annual report on or before December 31 to the Director of Finance for the City of Baltimore regarding the expenditures made under this paragraph.~~

~~16–513.~~

~~(c) (1) In consultation with the Secretary of State Police and the Maryland Police Training Commission, the Board [of Trustees] shall adopt standards, qualifications, and prerequisites of character, training, education, human and public relations, and experience for Baltimore City Community College police officers, including standards for the performance of their duties.~~

~~(2) To the extent practicable, the Board shall adopt standards that are similar to the standards adopted for the Department of State Police.~~

~~(d) The Board [of Trustees] shall adopt regulations governing the operation and conduct of the Baltimore City Community College police force and of Baltimore City Community College police officers.~~

SECTION 2. AND BE IT FURTHER ENACTED, That ~~the terms of each member of the Board of Trustees of Baltimore City Community College shall expire on the effective date of this Act~~ the members of the Board of Trustees of the Baltimore City Community College whose terms have expired as of the effective date of this Act shall be replaced, and any seats vacant as of the effective date of this Act shall be appointed, on or before July 1, 2017, in accordance with § 16–504(b) of the Education Article, as enacted by Section 1 of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That the ~~publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct, with no further action required by the General Assembly, cross–references and terminology rendered incorrect by this Act or any other Act of the General Assembly of 2017 that affects provisions enacted by this Act. The publisher shall adequately describe any such correction in an editor's note following the section affected.~~ terms of the members of the Board of Trustees of the Baltimore City Community College appointed under Section 2 of this Act shall expire as follows:

(1) except as provided in item (2) of this section, the terms of the members appointed under § 16–504(b)(1)(i) of the Education Article, as enacted by Section 1 of this Act, shall expire on June 30, 2021;

(2) the terms of the members appointed under § 16–504(b)(1)(i) of the Education Article, as enacted by Section 1 of this Act, to a seat that was vacant on or before January 1, 2017, shall expire on June 30, 2022; and

(3) the term of a member appointed under § 16–504(b)(1)(ii) of the Education Article, as enacted by Section 1 of this Act, shall expire on June 30, 2023.

SECTION 4. AND BE IT FURTHER ENACTED, That the Board of Trustees of the Baltimore City Community College may not appoint a new President of the College under § 16–505(h) of the Education Article, as enacted by Section 1 of this Act, until the members

of the Board of Trustees have been appointed in accordance with the requirements of Section 2 of this Act.

SECTION ~~4.~~ 5. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three–fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted. ~~It shall remain effective through June 30, 2020, and, at the end of June 30, 2020, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.~~

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 849

(Senate Bill 908)

AN ACT concerning

Maryland Education Development Collaborative – Established

FOR the purpose of establishing the Maryland Education Development Collaborative; providing that the Collaborative is an instrumentality of the State; providing for the purposes of the Collaborative; establishing a Governing Board of the Collaborative; providing for the composition, residency requirement, appointment considerations, removal, chair, and quorum requirements for the Governing Board; requiring the Governing Board to establish an Advisory Committee, made up of certain persons, to advise in certain matters; requiring the Collaborative to employ an Executive Director who meets certain qualifications; providing for the legal adviser for the Collaborative and the hiring of certain legal counsel; authorizing the Collaborative to retain certain professionals; exempting the Collaborative from certain provisions of law; providing that the Collaborative is subject to the Public Information Act; providing that the Governing Board and the officers and employees of the Collaborative are subject to the Public Ethics Law; providing that certain officers and employees of the Collaborative are not subject to certain provisions of law governing State personnel; providing that the Collaborative and its Governing Board and employees are subject to certain procurement policies and procedures governing certain exempt units of government; establishing the powers and duties of the Collaborative; providing that certain debts, claims, obligations, or liabilities of the Collaborative are not held against the State or a pledge of credit of the State; authorizing certain institutions of higher education to perform certain acts regarding the Collaborative; providing that the Collaborative is exempt from State and local taxes; providing that the books and records of the Collaborative are subject to a certain audit by certain entities at certain times; requiring the Collaborative to report certain information to the Governor, the State Department of Education, and

the General Assembly on or before a certain date each year; defining certain terms; providing for the termination of this Act; and generally relating to the establishment of the Maryland Education Development Collaborative.

BY adding to
Article – Education
Section 9.7–101 through 9.7–113 to be under the new title "Title 9.7. Maryland Education Development Collaborative"
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

Preamble

WHEREAS, Schools with freedom of curriculum and structure will innovate Maryland's education system and allow partnerships with outside businesses and social organizations to educate all students for the modern workforce; and

WHEREAS, The Maryland Commission on Innovation and Excellence in Education seeks to set forth a clear vision for Maryland's public school system in the 21st century; and

WHEREAS, Standardized accountability reform efforts have not generated sufficient innovation and workforce readiness in our public schools for students to compete effectively in a globalized economy; and

WHEREAS, The National Conference of State Legislatures (NCSL) "No Time to Lose" report has identified the essential elements of a world–class education system; and

WHEREAS, The Commission on Innovation and Excellence in Education, NCSL, and the National Center on Education and the Economy have partnered to focus statewide education reform efforts on building a world–class education system; and

WHEREAS, Most state education systems are falling dangerously behind the world in a number of international comparisons and on our own National Assessment of Educational Progress (NAEP); and

WHEREAS, Student performance on the international Programme for International Student Assessment (PISA) shows United States students ranking 24th in reading, 36th in mathematics, and 28th in science as compared to developed countries across the globe; and

WHEREAS, The federal Every Student Succeeds Act (ESSA) shifts accountability for student success to the states in designing turnaround strategies, creating next–generation assessments, and implementing best practices to improve student outcomes at low–performing schools; and

WHEREAS, The benefits of a public school education should extend to all students' needs and interests; now, therefore,

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

Article – Education

TITLE 9.7. MARYLAND EDUCATION DEVELOPMENT COLLABORATIVE.

9.7–101.

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

(B) "COLLABORATIVE" MEANS THE MARYLAND EDUCATION DEVELOPMENT COLLABORATIVE.

(C) "EVIDENCE–BASED" MEANS THAT A STRATEGY OR INTERVENTION HAS BEEN SHOWN TO BE EFFECTIVE BY RIGOROUS, PEER–REVIEWED QUALITATIVE OR QUANTITATIVE STUDIES.

~~(C)~~ *(D)* "GOVERNING BOARD" MEANS THE GOVERNING BOARD OF THE COLLABORATIVE.

9.7–102.

(A) THERE IS A MARYLAND EDUCATION DEVELOPMENT COLLABORATIVE.

(B) THE COLLABORATIVE IS A BODY POLITIC AND CORPORATE AND IS AN INSTRUMENTALITY OF THE STATE.

(C) THE PURPOSES OF THE COLLABORATIVE ARE TO:

(1) ADVISE AND MAKE RECOMMENDATIONS TO THE STATE BOARD, THE GENERAL ASSEMBLY, AND LOCAL SCHOOL SYSTEMS REGARDING STATUTORY AND REGULATORY POLICIES NECESSARY TO PROMOTE 21ST–CENTURY LEARNING AND TO ENHANCE SOCIOECONOMIC AND DEMOGRAPHIC DIVERSITY ACROSS THE STATE'S PUBLIC SCHOOLS;

(2) STUDY AND PROMOTE POLICIES OR PROGRAMS THAT INCREASE THE OPPORTUNITY FOR ENHANCING SOCIOECONOMIC AND DEMOGRAPHIC DIVERSITY OF STUDENT ENROLLMENT THROUGH 21ST–CENTURY LEARNING OPPORTUNITIES ACROSS ALL PUBLIC SCHOOLS AND BETWEEN LOCAL SCHOOL SYSTEMS IN THE STATE;

(3) SUPPORT THE COLLECTING AND TRANSMITTING OF KNOWLEDGE AND TECHNOLOGY BETWEEN LOCAL SCHOOL SYSTEMS, THE STATE BOARD, AND

LOCAL AND STATE POLICYMAKERS OF EVIDENCE–BASED BEST PRACTICES, PUBLIC SCHOOL PROGRAMS AND DESIGNS, AND 21ST–CENTURY LEARNING THAT SUPPORT THE ESSENTIAL ELEMENTS OF A WORLD–CLASS EDUCATION SYSTEM WHERE:

(I) CHILDREN COME TO SCHOOL READY TO LEARN, AND EXTRA SUPPORT IS GIVEN TO STRUGGLING STUDENTS TO ENSURE THAT ALL HAVE THE OPPORTUNITY TO ACHIEVE HIGH STANDARDS;

(II) A WORLD–CLASS TEACHING PROFESSION SUPPORTS WORLD–CLASS INSTRUCTIONAL SYSTEMS IN WHICH EVERY CHILD HAS ACCESS TO EFFECTIVE TEACHERS AND IS EXPECTED TO ACHIEVE;

(III) A HIGHLY EFFECTIVE, INTELLECTUALLY RIGOROUS SYSTEM OF CAREER AND TECHNICAL EDUCATION IS AVAILABLE TO THOSE PREFERRING AN APPLIED EDUCATION; ~~AND~~

(IV) STUDENTS WHO INTEND TO PURSUE HIGHER EDUCATION ARE FULLY PREPARED TO ATTEND A PUBLIC INSTITUTION OF HIGHER EDUCATION WITHOUT THE NEED FOR REMEDIAL COURSEWORK; AND

~~(IV)~~ *(V)* INDIVIDUAL EDUCATION REFORMS ARE CONNECTED AND ALIGNED AS PARTS OF A CLEARLY PLANNED AND CAREFULLY DESIGNED COMPREHENSIVE SYSTEM;

(4) FOSTER PARTNERSHIPS BETWEEN PUBLIC SCHOOLS, PRIVATE BUSINESSES, UNIVERSITIES, GOVERNMENT, AND NONPROFIT ENTITIES TO DEVELOP AND SUPPORT THE IMPLEMENTATION OF MODERN PUBLIC SCHOOL DESIGNS, 21ST–CENTURY CURRICULA, POSITIVE SCHOOL CULTURE, AND RESTORATIVE DISCIPLINE TO PROMOTE SOCIOECONOMIC AND DEMOGRAPHIC DIVERSITY AND 21ST–CENTURY LEARNING IN PUBLIC SCHOOLS IN THE STATE; AND

(5) AUTHORIZE FUNDS AND INNOVATION GRANTS TO SUPPORT AND DEVELOP, THROUGH PILOT PROGRAMS ~~AND INITIATIVES~~*, INITIATIVES, AND RESEARCH STUDIES*, 21ST–CENTURY PUBLIC SCHOOL PROGRAMS, MODERN PUBLIC SCHOOL DESIGNS, AND 21ST–CENTURY CURRICULA, TECHNOLOGIES, AND PRACTICES IN THE STATE.

(D) THE COLLABORATIVE SHALL PERFORM THE FOLLOWING FUNCTIONS AND DUTIES:

(1) COLLABORATE WITH LOCAL SCHOOL SYSTEMS, STATE AND LOCAL GOVERNMENT, EMPLOYERS, COMMUNITY ORGANIZATIONS, PARENTS, INSTITUTIONS OF HIGHER EDUCATION, *EDUCATORS, ORGANIZATIONS REPRESENTING EDUCATORS,* AND OTHER STAKEHOLDERS IN THE STATE TO PROVIDE A RESEARCH AND

DEVELOPMENT APPROACH TO 21ST–CENTURY LEARNING OPPORTUNITIES IN THE STATE'S PUBLIC SCHOOLS;

(2) WORK IN PARTNERSHIP WITH STAKEHOLDERS TO:

(I) DISSEMINATE INFORMATION ON BEST PRACTICES, PROGRAMS, AND RESOURCES;

(II) PROVIDE TECHNICAL ASSISTANCE AND TRAINING;

(III) COLLABORATE ON THE COLLECTION, ANALYSIS, AND INTEGRATION OF STATEWIDE, LOCAL SCHOOL SYSTEM, AND SCHOOL LEVEL DATA REGARDING 21ST–CENTURY LEARNING AND SOCIOECONOMIC DIVERSITY; AND

(IV) PROMOTE INTERAGENCY EFFORTS THAT SUPPORT 21ST–CENTURY LEARNING AND ENHANCE SOCIOECONOMIC DIVERSITY;

(3) ASSIST LOCAL SCHOOL SYSTEMS OR COHORTS OF PUBLIC SCHOOLS IN ASSESSING OPPORTUNITIES TO ENHANCE SOCIOECONOMIC DIVERSITY; AND

(4) DEVELOP A DATABASE OF EVIDENCE–BASED PROGRAMS AND INITIATIVES EXISTING IN THE STATE'S PUBLIC SCHOOLS THAT ENHANCE 21ST–CENTURY LEARNING AND SOCIOECONOMIC DIVERSITY.

9.7–103.

(A) A GOVERNING BOARD SHALL MANAGE THE COLLABORATIVE AND EXERCISE ITS ORGANIZATIONAL POWERS.

(B) THE GOVERNING BOARD CONSISTS OF THE FOLLOWING ~~NINE~~ *10* MEMBERS, APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE:

(1) ONE REPRESENTATIVE OF THE STATE BOARD;

(2) ONE INDIVIDUAL WITH EXPERIENCE IN A BUSINESS INVOLVED WITH INTERNATIONAL COMMERCE;

(3) ONE INDIVIDUAL WITH EXPERIENCE IN INTERNATIONAL EDUCATION SYSTEMS;

(4) ONE INDIVIDUAL ~~WITH A BACKGROUND IN EDUCATION REFORM POLICY~~ *WHO IS AN ACADEMIC RESEARCHER WITH EXPERIENCE IN EDUCATION REFORM*;

(5) ONE INDIVIDUAL WITH EXPERIENCE MANAGING A SYSTEM OF PRIMARY, SECONDARY, OR POSTSECONDARY EDUCATION;

(6) ONE INDIVIDUAL WITH EXPERIENCE IMPLEMENTING INNOVATIVE *PUBLIC* SCHOOL DESIGNS;

(7) ~~ONE INDIVIDUAL~~ *TWO INDIVIDUALS* WITH EXPERIENCE TEACHING IN OR ~~MANAGING~~ *ADMINISTERING* A PUBLIC SCHOOL, SELECTED FROM A LIST OF NAMES SUBMITTED JOINTLY BY THE MARYLAND STATE EDUCATION ASSOCIATION AND THE BALTIMORE TEACHERS UNION;

(8) ONE INDIVIDUAL WITH EXPERIENCE WITH A PHILANTHROPIC ORGANIZATION; AND

(9) ONE INDIVIDUAL WITH EXPERIENCE IN CAREER AND TECHNOLOGY EDUCATION, APPRENTICESHIPS, OR WORKFORCE DEVELOPMENT.

(C) A MEMBER OF THE GOVERNING BOARD SHALL RESIDE IN THE STATE.

(D) IN MAKING APPOINTMENTS TO THE GOVERNING BOARD, THE GOVERNOR SHALL CONSIDER:

(1) DIVERSITY; AND

(2) ALL GEOGRAPHIC REGIONS OF THE STATE.

(E) A MEMBER OF THE GOVERNING BOARD:

(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE GOVERNING BOARD; BUT

(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

(F) (1) THE TERM OF AN APPOINTED MEMBER IS 4 YEARS.

(2) AT THE END OF A TERM, AN APPOINTED MEMBER CONTINUES TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

(3) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

(G) THE GOVERNOR MAY REMOVE AN APPOINTED MEMBER FOR INCOMPETENCE, MISCONDUCT, OR FAILURE TO PERFORM THE DUTIES OF THE POSITION.

(H) THE GOVERNING BOARD SHALL ELECT A CHAIR FROM AMONG ITS MEMBERS.

(I) THE GOVERNING BOARD MAY ACT WITH AN AFFIRMATIVE VOTE OF ~~FIVE~~ *SIX* GOVERNING BOARD MEMBERS.

(J) (1) THE GOVERNING BOARD SHALL ESTABLISH AN ADVISORY COUNCIL TO PROVIDE ADVICE ON MATTERS RELATING TO 21ST–CENTURY LEARNING, DATA COLLECTION AND SHARING, AND ANY OTHER ISSUES RELATED TO THE COLLABORATIVE'S WORK.

(2) THE ADVISORY COUNCIL SHALL BE MADE UP OF EDUCATORS AND REPRESENTATIVES OF THE BUSINESS COMMUNITY, NONPROFIT ORGANIZATIONS, AND OTHER STAKEHOLDERS WITH WHOM THE COLLABORATIVE WORKS.

9.7–104.

(A) THE COLLABORATIVE SHALL EMPLOY AN EXECUTIVE DIRECTOR.

(B) THE EXECUTIVE DIRECTOR SHALL HAVE EXPERIENCE WITH AND POSSESS QUALIFICATIONS RELEVANT TO THE ACTIVITIES AND PURPOSES OF THE COLLABORATIVE.

9.7–105.

(A) THE ATTORNEY GENERAL IS THE LEGAL ADVISER TO THE COLLABORATIVE.

(B) WITH THE APPROVAL OF THE ATTORNEY GENERAL, THE COLLABORATIVE MAY RETAIN ANY NECESSARY LAWYERS.

9.7–106.

THE COLLABORATIVE MAY RETAIN ANY NECESSARY ACCOUNTANTS, FINANCIAL ADVISERS, OR OTHER CONSULTANTS.

9.7–107.

(A) EXCEPT AS PROVIDED IN SUBSECTIONS (B), (C), AND (E) OF THIS SECTION, THE COLLABORATIVE IS EXEMPT FROM:

(1) TITLE 10 AND DIVISION II OF THE STATE FINANCE AND PROCUREMENT ARTICLE; AND

(2) §§ 3–301 AND 3–303 OF THE GENERAL PROVISIONS ARTICLE.

(B) THE COLLABORATIVE IS SUBJECT TO THE PUBLIC INFORMATION ACT.

(C) THE GOVERNING BOARD AND THE OFFICERS AND EMPLOYEES OF THE COLLABORATIVE ARE SUBJECT TO THE PUBLIC ETHICS LAW.

(D) THE OFFICERS AND EMPLOYEES OF THE COLLABORATIVE ARE NOT SUBJECT TO THE PROVISIONS OF DIVISION I OF THE STATE PERSONNEL AND PENSIONS ARTICLE THAT GOVERN THE STATE PERSONNEL MANAGEMENT SYSTEM.

(E) THE COLLABORATIVE AND ITS GOVERNING BOARD AND EMPLOYEES ARE SUBJECT TO TITLE 12, SUBTITLE 4 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

9.7–108.

THE COLLABORATIVE MAY:

(1) ADOPT BYLAWS FOR THE CONDUCT OF ITS BUSINESS;

(2) ADOPT A SEAL;

(3) MAINTAIN OFFICES AT A PLACE THE COLLABORATIVE DESIGNATES IN THE STATE;

(4) ACCEPT LOANS, GRANTS, OR ASSISTANCE OF ANY KIND FROM THE FEDERAL OR STATE GOVERNMENT, A LOCAL GOVERNMENT, AN INSTITUTION OF HIGHER EDUCATION, OR A PRIVATE SOURCE;

(5) ENTER INTO CONTRACTS AND OTHER LEGAL INSTRUMENTS;

(6) SUE OR BE SUED; AND

(7) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE POWERS GRANTED BY THIS TITLE.

9.7–109.

A DEBT, A CLAIM, AN OBLIGATION, OR A LIABILITY OF THE COLLABORATIVE IS NOT:

(1) A DEBT, A CLAIM, AN OBLIGATION, OR A LIABILITY OF THE STATE, A UNIT OR AN INSTRUMENTALITY OF THE STATE, OR A STATE OFFICER OR STATE EMPLOYEE; OR

(2) A PLEDGE OF THE CREDIT OF THE STATE.

9.7–110.

INSTITUTIONS OF HIGHER EDUCATION MAY:

(1) CONTRACT WITH THE COLLABORATIVE;

(2) ASSIGN TO THE COLLABORATIVE INTELLECTUAL PROPERTY AND OTHER RESOURCES TO ASSIST IN RESEARCH AND DEVELOPMENT AND ACTIVITIES; AND

(3) ASSIGN FACULTY AND STAFF TO THE COLLABORATIVE.

9.7–111.

THE COLLABORATIVE IS EXEMPT FROM STATE AND LOCAL TAXES.

9.7–112.

THE BOOKS AND RECORDS OF THE COLLABORATIVE ARE SUBJECT TO AUDIT:

(1) AT ANY TIME BY THE STATE; AND

(2) EACH YEAR BY AN INDEPENDENT AUDITOR.

9.7–113.

(A) ON OR BEFORE SEPTEMBER 1 EACH YEAR, THE COLLABORATIVE SHALL REPORT TO THE GOVERNOR, THE DEPARTMENT, AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

(B) THE REPORT SHALL INCLUDE:

(1) A COMPLETE OPERATING AND FINANCIAL STATEMENT COVERING THE OPERATIONS OF THE COLLABORATIVE;

(2) A SUMMARY OF THE COLLABORATIVE'S ACTIVITIES DURING THE PRECEDING FISCAL YEAR; AND

(3) AN EVALUATION OF THE IMPACT OF THE COLLABORATIVE'S ACTIVITIES TO PROMOTE AND ENHANCE 21ST–CENTURY LEARNING AND SOCIOECONOMIC DIVERSITY IN THE STATE'S PUBLIC SCHOOLS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017. It shall remain effective for a period of 4 years and, at the end of September 30, 2021, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 850

(House Bill 88)

AN ACT concerning

Education – Selection of Members to the Baltimore County School Board

FOR the purpose of prohibiting the Governor from appointing certain individuals as members to the Baltimore County Board of Education in an election year; prohibiting certain individuals from seeking appointment as members of the county board in an election year; requiring the Baltimore County School Board Nominating Commission to hold a certain number of meetings, each in a separate councilmanic district, each year; requiring the ~~Commission~~ *County Executive for Baltimore County*, instead of the Governor, to ~~appoint~~ *designate* the chair of the Commission; repealing the Governor's authority to reappoint the chair of the Commission; altering the terms of certain appointed members of the county board; requiring the Commission to convene its first meeting on a certain date; and generally relating to the membership of the Baltimore County Board of Education.

BY repealing and reenacting, without amendments,
Article – Education
Section 3–2A–01(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY adding to
Article – Education
Section 3–2A–01(b)(5)

Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Education
Section 3–2A–03(a) and (c)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Chapter 480 of the Acts of the General Assembly of 2014
Section 2

BY repealing and reenacting, with amendments,
Chapter 481 of the Acts of the General Assembly of 2014
Section 2

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

Article – Education

3–2A–01.

(a) The Baltimore County Board of Education consists of:

(1) Seven nonpartisan elected members;

(2) Four appointed members; and

(3) One student member.

(b) **(5) DURING AN ELECTION YEAR:**

(I) THE GOVERNOR MAY NOT APPOINT AS A MEMBER OF THE COUNTY BOARD AN INDIVIDUAL WHO FILES A CERTIFICATE OF CANDIDACY FOR ELECTION TO THE COUNTY BOARD; AND

(II) AN INDIVIDUAL WHO FILES A CERTIFICATE OF CANDIDACY FOR ELECTION TO THE COUNTY BOARD MAY NOT SEEK APPOINTMENT TO THE COUNTY BOARD BY THE GOVERNOR THROUGH NOMINATION BY THE BALTIMORE COUNTY SCHOOL BOARD NOMINATING COMMISSION.

3–2A–03.

(a) (1) There is a Baltimore County School Board Nominating Commission.

(2) The purpose of the Commission is to select nominees to be recommended to the Governor as qualified candidates for appointment to the Baltimore County Board of Education.

(3) The Commission shall hold at least **[**two**]** **THREE** public hearings**, EACH IN A DIFFERENT COUNCILMANIC DISTRICT,** on the selection of nominees before recommending to the Governor nominees for appointment to the county board.

(c) (1) The **[**Governor**]** ~~**COMMISSION**~~ ***THE COUNTY EXECUTIVE FOR BALTIMORE COUNTY*** shall designate **ONE OF** ~~**ITS**~~ ***THE COMMISSION'S*** **MEMBERS** as chair of the Commission **[**one of the eight members appointed by the Governor under subsection (b)(3) of this section**]** ~~**BY MAJORITY VOTE**~~.

(2) The term of the chair of the Commission is 4 years.

[(3) The Governor may reappoint the chair of the Commission for a second term.**]**

[(4)**] (3)** The term of a member of the Commission is 4 years.

Chapter 480 of the Acts of 2014

SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the appointed members of the Baltimore County Board of Education shall expire as follows:

(a) The terms of the four members appointed at large who are in office on the effective date of this Act**, OR THE TERMS OF THEIR SUCCESSORS,** shall expire **[**as follows:**] AT THE END OF DECEMBER 2, 2018, AND THE GOVERNOR SHALL APPOINT FOUR MEMBERS FROM A LIST OF NOMINEES SUBMITTED BY THE BALTIMORE COUNTY SCHOOL BOARD NOMINATING COMMISSION AS ESTABLISHED UNDER § 3–2A–03 OF THE EDUCATION ARTICLE TO SUCCEED THOSE FOUR DEPARTING MEMBERS, EACH TO SERVE FOR A TERM OF 4 YEARS BEGINNING ON DECEMBER 3, 2018, UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.**

[(1) the term of the member whose term is scheduled to expire on June 30, 2015, shall expire at the end of December 6, 2015, and the Governor shall appoint a member to succeed that member to serve for a term of 4 years beginning on December 7, 2015, until a successor is appointed and qualifies;

(2) the term of the member whose term is scheduled to expire on June 30, 2016, shall expire at the end of December 4, 2016, and the Governor shall appoint a member to succeed that member to serve for a term of 4 years beginning on December 5, 2016, until a successor is appointed and qualifies; and

(3) the terms of the two members whose terms are scheduled to expire on June 30, 2018, shall expire at the end of December 2, 2018, and the Governor shall appoint two members from a list of nominees submitted by the Baltimore County School Board Nominating Commission as established by Section 1 of this Act to succeed those two departing members, each to serve for a term of 4 years beginning on December 3, 2018, until a successor is appointed and qualifies.**]**

(b) The terms of the seven members appointed from councilmanic districts 1, 2, 3, 4, 5, 6, and 7 of Baltimore County, or their successors, who are in office on June 1, 2016, shall terminate at the end of December 2, 2018, and the members elected from those councilmanic/school board districts in Baltimore County at the general election in November 2018, shall succeed those appointed members and serve for a term of 4 years beginning on December 3, 2018, until a successor is elected and qualifies.

Chapter 481 of the Acts of 2014

SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the appointed members of the Baltimore County Board of Education shall expire as follows:

(a) The terms of the four members appointed at large who are in office on the effective date of this Act**, OR THE TERMS OF THEIR SUCCESSORS,** shall expire **[**as follows:**] AT THE END OF DECEMBER 2, 2018, AND THE GOVERNOR SHALL APPOINT FOUR MEMBERS FROM A LIST OF NOMINEES SUBMITTED BY THE BALTIMORE COUNTY SCHOOL BOARD NOMINATING COMMISSION AS ESTABLISHED UNDER § 3–2A–03 OF THE EDUCATION ARTICLE TO SUCCEED THOSE FOUR DEPARTING MEMBERS, EACH TO SERVE FOR A TERM OF 4 YEARS BEGINNING ON DECEMBER 3, 2018, UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.**

[(1) the term of the member whose term is scheduled to expire on June 30, 2015, shall expire at the end of December 6, 2015, and the Governor shall appoint a member to succeed that member to serve for a term of 4 years beginning on December 7, 2015, until a successor is appointed and qualifies;

(2) the term of the member whose term is scheduled to expire on June 30, 2016, shall expire at the end of December 4, 2016, and the Governor shall appoint a member to succeed that member to serve for a term of 4 years beginning on December 5, 2016, until a successor is appointed and qualifies; and

(3) the terms of the two members whose terms are scheduled to expire on June 30, 2018, shall expire at the end of December 2, 2018, and the Governor shall appoint two members from a list of nominees submitted by the Baltimore County School Board Nominating Commission as established by Section 1 of this Act to succeed those two departing members, each to serve for a term of 4 years beginning on December 3, 2018, until a successor is appointed and qualifies.**]**

(b) The terms of the seven members appointed from councilmanic districts 1, 2, 3, 4, 5, 6, and 7 of Baltimore County, or their successors, who are in office on June 1, 2016, shall terminate at the end of December 2, 2018, and the members elected from those councilmanic/school board districts in Baltimore County at the general election in November 2018, shall succeed those appointed members and serve for a term of 4 years beginning on December 3, 2018, until a successor is elected and qualifies.

SECTION 2. AND BE IT FURTHER ENACTED, That the Baltimore County School Board Nominating Commission shall first convene on October 1, 2017, to begin preparing its first set of recommendations to the Governor.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 851

(House Bill 1498)

AN ACT concerning

Campaign Finance – Political Organizations – <u>Compliance and</u> Disclosure

FOR the purpose of <u>authorizing a political action committee to establish one compliance account; providing that disbursements from a political action committee compliance account may be made only for purposes of complying with certain campaign finance laws; providing that donations to a political action committee compliance account may be made only if the donor consents to the use of the donation for certain purposes; providing that donations to a political action committee compliance account are not subject to certain limits; prohibiting a campaign finance entity from making a transfer to a political action committee compliance account; requiring the State Board of Elections to adopt regulations defining permissible disbursements from a political action committee compliance account and requiring disclosure of donations to a political action committee compliance account and disbursements from a political action committee compliance account;</u> requiring certain persons that make independent expenditures or disbursements for electioneering communications to identify a registered agent located in the State for service of process; providing that certain civil penalties for failure to file certain reports concerning independent expenditures and electioneering communications are the joint and several liability of certain persons; prohibiting certain individuals making independent expenditures or disbursements for electioneering communications who have failed to pay certain civil penalties or late fees from serving in certain roles in certain political organizations; requiring certain political action committees to include certain information concerning contributions and expenditures in certain

disclosure reports; requiring a registration form filed by certain participating organizations to include certain information; repealing certain provisions concerning the deadlines and contents of certain reports filed by participating organizations; defining certain terms; requiring a participating organization to file a report with the State Board ~~of Elections~~ within a certain period of time after making aggregate political disbursements of more than a certain amount; requiring a participating organization to file an additional report with the State Board within a certain period of time after making aggregate political disbursements of more than a certain amount after the closing date of the participating organization's previous report; requiring a report filed by a participating organization to include certain information; requiring a participating organization's reports to cover certain periods; providing that a participating organization is not required to file any reports if the participating organization provides a link to certain information on its Web site; requiring a participating organization report to be signed and filed by the treasurer or another individual designated by the participating organization; requiring certain participating organizations to identify a registered agent located in the State for service of process; requiring a participating organization to file an amended report under certain circumstances; authorizing the State Board to assess certain civil penalties for failure to file certain participating organization reports; providing for the payment and distribution of certain civil penalties; authorizing a participating organization to seek relief from certain civil penalties under certain circumstances; prohibiting certain individuals holding certain positions in a participating organization who have failed to pay certain civil penalties or late fees from serving in certain roles in certain political organizations; requiring a participating organization to keep certain records; authorizing the State Board to adopt certain regulations; and generally relating to compliance with campaign finance laws and disclosure requirements for political organizations.

BY adding to
Article – Election Law
Section 13–220.2
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Election Law
Section *1–101(o),* 13–306, 13–307, 13–309.1, and 13–309.2
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

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

Article – Election Law

1–101.

(o) (1) "Contribution" means the gift or transfer, or promise of gift or transfer, of money or other thing of value to a campaign finance entity to promote or assist in the promotion of the success or defeat of a candidate, political party, question, or prospective question.

(2) "Contribution" includes:

(i) proceeds from the sale of tickets to a campaign fund–raising event; and

(ii) a disbursement or deposit of money or a gift, a subscription, an advance, or anything of value that is made by a person in coordination with, or at the request or suggestion of, a candidate or a campaign finance entity of a candidate.

(3) "CONTRIBUTION" DOES NOT INCLUDE THE COSTS ASSOCIATED WITH THE ESTABLISHMENT, ADMINISTRATION, OR SOLICITATION OF VOLUNTARY CONTRIBUTIONS TO A POLITICAL ACTION COMMITTEE ESTABLISHED BY A CORPORATION, LIMITED LIABILITY COMPANY, GENERAL PARTNERSHIP, LIMITED PARTNERSHIP, MEMBERSHIP ORGANIZATION, TRADE ASSOCIATION, COOPERATIVE, OR CORPORATION WITHOUT CAPITAL STOCK AS LONG AS THE POLITICAL ACTION COMMITTEE ONLY SOLICITS CONTRIBUTIONS FROM EMPLOYEES OF THE ORGANIZATION THAT ESTABLISHED THE POLITICAL ACTION COMMITTEE, OR MEMBERS OF THE ORGANIZATION THAT ESTABLISHED THE POLITICAL ACTION COMMITTEE, AND THE EMPLOYEES OR MEMBERS ARE PARTICIPATING IN A PAYROLL DEDUCTION PROGRAM ESTABLISHED BY THE ~~ORGANIZATION~~ EMPLOYER OF THE EMPLOYEE OR MEMBER.

13–220.2.

(A) EACH POLITICAL ACTION COMMITTEE MAY ESTABLISH ONE COMPLIANCE ACCOUNT.

(B) DISBURSEMENTS FROM A POLITICAL ACTION COMMITTEE COMPLIANCE ACCOUNT MAY BE MADE ONLY FOR PURPOSES OF RECORD KEEPING, REPORTING, AND ANY OTHER WORK NECESSARY TO COMPLY WITH THE REQUIREMENTS OF THIS TITLE, INCLUDING ACCOUNTING AND LEGAL SERVICES.

(C) A DISBURSEMENT FROM A POLITICAL ACTION COMMITTEE COMPLIANCE ACCOUNT MAY NOT BE MADE FOR THE PURPOSE OF SOLICITING CONTRIBUTIONS FOR THE POLITICAL ACTION COMMITTEE.

(D) A DONATION TO A POLITICAL ACTION COMMITTEE COMPLIANCE ACCOUNT:

(1) MAY BE MADE ONLY IF THE DONOR IS AWARE THAT THE DONATION WILL BE USED FOR THE PURPOSES DESCRIBED IN SUBSECTION (B) OF THIS SECTION AND CONSENTS TO THAT USE BEFORE MAKING THE DONATION; AND

(2) IS NOT SUBJECT TO § 13–226 OF THIS SUBTITLE.

(E) A CAMPAIGN FINANCE ENTITY MAY NOT MAKE A TRANSFER TO A POLITICAL ACTION COMMITTEE COMPLIANCE ACCOUNT.

(F) THE STATE BOARD SHALL ADOPT REGULATIONS THAT:

(1) DEFINE PERMISSIBLE *DONATIONS TO AND* DISBURSEMENTS FROM A POLITICAL ACTION COMMITTEE COMPLIANCE ACCOUNT; AND

(2) REQUIRE DISCLOSURE OF:

(I) DONATIONS TO A POLITICAL ACTION COMMITTEE COMPLIANCE ACCOUNT; AND

(II) DISBURSEMENTS FROM A POLITICAL ACTION COMMITTEE COMPLIANCE ACCOUNT.

13–306.

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

(2) (i) "Donation" means the gift or transfer, or promise of gift or transfer, of money or other thing of value to a person who makes independent expenditures.

(ii) "Donation" does not include any amount of money or any other thing of value:

1. received by a person in the ordinary course of any trade or business conducted by the person, whether for profit or not for profit, or in the form of investments in the person's business; or

2. A. that the donor and the person receiving the money or thing of value expressly agree in writing may not be used for independent expenditures; and

B. in the case of a monetary donation, is deposited in a separate bank account that is never used for independent expenditures.

(3) "E–mail blast" means a transmission of electronic mail messages of an identical or substantially similar nature to 5,000 or more e–mail accounts simultaneously.

(4) "Mass mailing" means a mailing by United States mail or facsimile of more than 500 pieces of mail matter of an identical or substantially similar nature within any 30–day period.

(5) (i) "Person" includes an individual, a partnership, a committee, an association, a corporation, a labor organization, or any other organization or group of persons.

(ii) "Person" does not include a campaign finance entity organized under Subtitle 2, Part II of this title.

(6) (i) "Public communication" means a communication by means of any broadcast television or radio communication, cable television communication, satellite television or radio communication, newspaper, magazine, outdoor advertising facility, mass mailing, e–mail blast, text blast, or telephone bank to the general public, or any other form of general public political advertising.

(ii) "Public communication" does not include:

1. a news story, a commentary, or an editorial disseminated by a broadcasting station, including a cable television operator, programmer, or producer, satellite television or radio provider, Web site, newspaper, magazine, or other periodical publication, including any Internet or electronic publication, that is not controlled by a candidate or political party;

2. an internal membership communication by a business or other entity to its stockholders or members and executive and administrative personnel and their immediate families, or by a membership entity, as defined under § 13–243 of this title, to its members, executive and administrative personnel and their immediate families; or

3. a candidate debate or forum.

(7) "Telephone bank" means more than 500 telephone calls of an identical or substantially similar nature within any 30–day period.

(8) "Text blast" means a transmission of text messages of an identical or substantially similar nature to 5,000 or more telephone numbers simultaneously.

(b) Within 48 hours after a person makes aggregate independent expenditures of $5,000 or more in an election cycle for campaign material that is a public communication, the person shall file a registration form with the State Board.

(c) Within 48 hours after a day on which a person makes aggregate independent expenditures of $10,000 or more in an election cycle for campaign material that is a public communication, the person shall file an independent expenditure report with the State Board.

(d) A person who files an independent expenditure report under subsection (c) of this section shall file an additional independent expenditure report with the State Board within 48 hours after a day on which the person makes aggregate independent expenditures of $10,000 or more for campaign material that is a public communication following the closing date of the person's previous independent expenditure report.

(e) An independent expenditure report shall include the following information:

(1) the identity of the person making the independent expenditures and of **[**any**]** **THE** person exercising direction or control over the activities of the person making the independent expenditures;

(2) the business address of the person making the independent expenditures;

(3) the amount and date of each independent expenditure during the period covered by the report and the person to whom the expenditure was made;

(4) the candidate or ballot issue to which the independent expenditure relates and whether the independent expenditure supports or opposes that candidate or ballot issue; and

(5) the identity of each person who made cumulative donations of $6,000 or more to the person making the independent expenditures during the period covered by the report.

(f) For purposes of this section, a person shall be considered to have made an independent expenditure if the person has executed a contract to make an independent expenditure.

(g) The cost of creating and disseminating campaign material, including any design and production costs, shall be considered in determining the aggregate amount of independent expenditures made by a person for campaign material that is a public communication under this section.

(h) The treasurer or other individual designated by an entity required to file an independent expenditure report under this section:

(1) shall sign each independent expenditure report; and

(2) is responsible for filing independent expenditure reports in full and accurate detail.

(I) (1) WITHIN 48 HOURS AFTER A PERSON MAKES AGGREGATE INDEPENDENT EXPENDITURES OF $50,000 OR MORE IN AN ELECTION CYCLE FOR

CAMPAIGN MATERIAL THAT IS A PUBLIC COMMUNICATION, THE PERSON SHALL IDENTIFY A REGISTERED AGENT LOCATED IN THE STATE FOR SERVICE OF PROCESS.

(2) A ~~PARTICIPATING ORGANIZATION~~ PERSON MAKING INDEPENDENT EXPENDITURES SHALL IDENTIFY A REGISTERED AGENT ON A FORM PRESCRIBED BY THE STATE BOARD.

[(i)**] (J)** (1) A person who fails to provide on an independent expenditure report all of the information required by this section shall file an amended report as provided in § 13–327(b) of this subtitle.

(2) (i) Except as provided in subparagraph (ii) of this paragraph, in addition to any other sanction provided by law, the State Board may assess a civil penalty for failure to file properly an independent expenditure report or an amended independent expenditure report in an amount not exceeding the greater of:

1. $1,000 for each day or part of a day that an independent expenditure report or amended independent expenditure report is overdue; or

2. 10% of the amount of the donations or independent expenditures that were not reported in a timely manner.

(ii) If the failure to file properly an independent expenditure report or an amended independent expenditure report occurs more than 28 days before the day of a primary or general election, the State Board may assess a civil penalty in an amount not exceeding the greater of:

1. $100 for each day or part of a day that an independent expenditure report or amended independent expenditure report is overdue; or

2. 10% of the amount of the donations or disbursements for independent expenditures that were not reported in a timely manner.

(3) A civil penalty under paragraph (2) of this subsection shall be:

(i) assessed in the manner specified in § 13–604.1 of this title; **[**and**]**

(ii) distributed to the Fair Campaign Financing Fund established under § 15–103 of this article**; AND**

(III) THE JOINT AND SEVERAL LIABILITY OF:

1. THE PERSON MAKING INDEPENDENT EXPENDITURES;

2. THE TREASURER OR OTHER INDIVIDUAL WHO SIGNS AND FILES THE REPORTS REQUIRED BY THIS SECTION FOR THE PERSON MAKING INDEPENDENT EXPENDITURES; AND

3. THE PERSON EXERCISING DIRECTION OR CONTROL OVER THE ACTIVITIES OF THE PERSON MAKING INDEPENDENT EXPENDITURES.

(4) A person who fails to file properly an independent expenditure report or amended independent expenditure report under this section may seek relief from a penalty under paragraph (2) of this subsection for just cause as provided in § 13–337 of this subtitle.

(K) IF A TREASURER OF A PERSON MAKING INDEPENDENT EXPENDITURES OR A PERSON EXERCISING DIRECTION OR CONTROL OVER THE ACTIVITIES OF A PERSON MAKING INDEPENDENT EXPENDITURES HAS FAILED TO PAY ANY CIVIL PENALTY OR LATE FEE UNDER THIS TITLE FOR WHICH THE INDIVIDUAL IS RESPONSIBLE, THE INDIVIDUAL MAY NOT:

(1) SERVE AS THE RESPONSIBLE OFFICER OF A POLITICAL COMMITTEE;

(2) SERVE IN ANY POSITION OF RESPONSIBILITY IN ANY OTHER ENTITY SUBJECT TO REGULATION UNDER THIS TITLE; OR

(3) ASSIST IN THE FORMATION OF A POLITICAL COMMITTEE OR ANY OTHER ENTITY SUBJECT TO REGULATION UNDER THIS TITLE.

[(j)**] (L)** (1) An entity required to file an independent expenditure report under this section shall do at least one of the following, unless neither are applicable to the entity:

(i) if the entity submits regular, periodic reports to its shareholders, members, or donors, include in each report, in a clear and conspicuous manner, the information specified in subsection (e)(3) through (5) of this section for each independent expenditure made during the period covered by the report that must be included in an independent expenditure report; or

(ii) if the entity maintains an Internet site, post on that Internet site a hyperlink from its homepage to the Internet site where the entity's independent expenditure report information is publicly available.

(2) An entity shall post the hyperlink required under paragraph (1)(ii) of this subsection within 24 hours of the entity's independent expenditure report information being made publicly available on the Internet, and the hyperlink shall remain posted on

the entity's Internet site until the end of the election cycle during which the entity filed an independent expenditure report.

[(k)**] (M)** (1) A person required to file an independent expenditure report under this section shall keep detailed and accurate records of:

(i) all independent expenditures made by the person for campaign material that is a public communication; and

(ii) all donations received by the person.

(2) Records required to be kept under this subsection shall be preserved for 2 years after the end of the election cycle in which the person filed the independent expenditure report to which the records relate.

[(l)**] (N)** The State Board may adopt regulations as necessary to implement the requirements of this section.

13–307.

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

(2) (i) "Donation" means the gift or transfer, or promise of gift or transfer, of money or other thing of value to a person that makes disbursements for electioneering communications.

(ii) "Donation" does not include any amount of money or any other thing of value:

1. received by a person in the ordinary course of any trade or business conducted by the person, whether for profit or not for profit, or in the form of investments in the person's business; or

2. A. that the donor and the person receiving the money or thing of value expressly agree in writing may not be used for electioneering communications; and

B. in the case of a monetary donation, is deposited in a separate bank account that is never used for electioneering communications.

(3) (i) "Electioneering communication" means a broadcast television or radio communication, a cable television communication, a satellite television or radio communication, a mass mailing, an e–mail blast, a text blast, a telephone bank, or an advertisement in a print publication that:

1. refers to a clearly identified candidate or ballot issue;

2. is made within 60 days of an election day on which the candidate or ballot issue is on the ballot;

3. is capable of being received by:

A. 50,000 or more individuals in the constituency where the candidate or ballot issue is on the ballot, if the communication is transmitted by television or radio; or

B. 5,000 or more individuals in the constituency where the candidate or ballot issue is on the ballot, if the communication is a mass mailing, an e–mail blast, a text blast, a telephone bank, or an advertisement in a print publication; and

4. is not made in coordination with, or at the request or suggestion of, a candidate, a campaign finance entity of a candidate, an agent of a candidate, or a ballot issue committee.

(ii) "Electioneering communication" does not include:

1. an independent expenditure;

2. a news story, a commentary, or an editorial disseminated by a broadcasting station, including a cable television operator, programmer, or producer, or satellite television or radio provider that is not controlled by a candidate or political party;

3. a candidate debate or forum;

4. an internal membership communication by a business or other entity to its stockholders or members and executive and administrative personnel and their immediate families, or by a membership entity, as defined under § 13–243 of this title, to its members, executive and administrative personnel and their immediate families; or

5. a communication that proposes a commercial transaction.

(iii) For purposes of this paragraph, "clearly identified" means:

1. the name of a candidate appears;

2. a photograph or drawing of a candidate appears; or

3. the identity of a candidate or ballot issue is apparent by unambiguous reference.

(4) "E–mail blast" means a transmission of electronic mail messages of an identical or substantially similar nature to 5,000 or more e–mail accounts simultaneously.

(5) "Mass mailing" means a mailing by United States mail or facsimile of more than 5,000 pieces of mail matter of an identical or substantially similar nature within any 30–day period.

(6) (i) "Person" includes an individual, a partnership, a committee, an association, a corporation, a labor organization, or any other organization or group of persons.

(ii) "Person" does not include a campaign finance entity organized under Subtitle 2, Part II of this title.

(7) "Telephone bank" means more than 5,000 telephone calls of an identical or substantially similar nature within any 30–day period.

(8) "Text blast" means a transmission of text messages of an identical or substantially similar nature to 5,000 or more telephone numbers simultaneously.

(b) Within 48 hours after a person makes aggregate disbursements of $5,000 or more in an election cycle for electioneering communications, the person shall file a registration form with the State Board.

(c) Within 48 hours after a day on which a person makes aggregate disbursements of $10,000 or more in an election cycle for electioneering communications, the person shall file an electioneering communication report with the State Board.

(d) A person who files an electioneering communication report under subsection (c) of this section shall file an additional electioneering communication report with the State Board within 48 hours after a day on which the person makes aggregate disbursements of $10,000 or more for electioneering communications following the closing date of the person's previous electioneering communication report.

(e) An electioneering communication report shall include the following information:

(1) the identity of the person making disbursements for electioneering communications and of **[**any**]** **THE** person exercising direction or control over the activities of the person making the disbursements for electioneering communications;

(2) the business address of the person making the disbursements for electioneering communications;

(3) the amount and date of each disbursement for electioneering communications during the period covered by the report and the person to whom the disbursement was made;

(4) the candidate or ballot issue to which the electioneering communications relate;

(5) the identity of each person who made cumulative donations of $6,000 or more to the person making the disbursements for electioneering communications during the period covered by the report.

(f) (1) For purposes of this section, a person shall be considered to have made a disbursement for an electioneering communication if the person has executed a contract to make a disbursement for an electioneering communication.

(2) A person who makes a contribution to a campaign finance entity may not be considered to have made a disbursement for electioneering communications under this section because of the contribution.

(g) The cost of creating and disseminating electioneering communications, including any design and production costs, shall be considered in determining the aggregate amount of disbursements for electioneering communications made by a person under this section.

(h) The treasurer or other individual designated by an entity required to file an electioneering communication report under this section:

(1) shall sign each electioneering communication report; and

(2) is responsible for filing electioneering communication reports in full and accurate detail.

(I) (1) WITHIN 48 HOURS AFTER A PERSON MAKES AGGREGATE DISBURSEMENTS OF $50,000 OR MORE IN AN ELECTION CYCLE FOR ELECTIONEERING COMMUNICATIONS, THE PERSON SHALL IDENTIFY A REGISTERED AGENT LOCATED IN THE STATE FOR SERVICE OF PROCESS.

(2) A PERSON MAKING DISBURSEMENTS FOR ELECTIONEERING COMMUNICATIONS SHALL IDENTIFY A REGISTERED AGENT ON A FORM PRESCRIBED BY THE STATE BOARD.

[(i)**] (J)** (1) A person who fails to provide on an electioneering communication report all of the information required by this section shall file an amended report as provided in § 13–327(b) of this subtitle.

(2) (i) Except as provided in subparagraph (ii) of this paragraph, in addition to any other sanction provided by law, the State Board may assess a civil penalty for failure to file properly an electioneering communication report or an amended electioneering communication report in an amount not exceeding the greater of:

1. $1,000 for each day or part of a day that an electioneering communication report or amended electioneering communication report is overdue; or

2. 10% of the amount of the donations or disbursements for electioneering communications that were not reported in a timely manner.

(ii) If the failure to file properly an electioneering communication report or an amended electioneering communication report occurs more than 28 days before the day of a primary or general election, the State Board may assess a civil penalty in an amount not exceeding the greater of:

1. $100 for each day or part of a day that an electioneering communication report or amended electioneering communication report is overdue; or

2. 10% of the amount of the donations or disbursements for electioneering communications that were not reported in a timely manner.

(3) A penalty under paragraph (2) of this subsection shall be:

(i) assessed in the manner specified in § 13–604.1 of this title; **[**and**]**

(ii) distributed to the Fair Campaign Financing Fund established under § 15–103 of this article**; AND**

(III) THE JOINT AND SEVERAL LIABILITY OF:

1. THE PERSON MAKING DISBURSEMENTS FOR ELECTIONEERING COMMUNICATIONS;

2. THE TREASURER OR OTHER INDIVIDUAL WHO SIGNS AND FILES THE REPORTS REQUIRED BY THIS SECTION FOR THE PERSON MAKING DISBURSEMENTS FOR ELECTIONEERING COMMUNICATIONS; AND

3. THE PERSON EXERCISING DIRECTION OR CONTROL OVER THE ACTIVITIES OF THE PERSON MAKING DISBURSEMENTS FOR ELECTIONEERING COMMUNICATIONS.

(4) A person who fails to file properly an electioneering communication report or amended electioneering communication report under this section may seek relief from a penalty under paragraph (2) of this subsection for just cause as provided in § 13–337 of this subtitle.

(K) IF A TREASURER OF A PERSON MAKING DISBURSEMENTS FOR ELECTIONEERING COMMUNICATIONS OR A PERSON EXERCISING DIRECTION OR CONTROL OVER THE ACTIVITIES OF A PERSON MAKING DISBURSEMENTS FOR ELECTIONEERING COMMUNICATIONS HAS FAILED TO PAY ANY CIVIL PENALTY OR

LATE FEE UNDER THIS TITLE FOR WHICH THE INDIVIDUAL IS RESPONSIBLE, THE INDIVIDUAL MAY NOT:

(1) SERVE AS THE RESPONSIBLE OFFICER OF A POLITICAL COMMITTEE;

(2) SERVE IN ANY POSITION OF RESPONSIBILITY IN ANY OTHER ENTITY SUBJECT TO REGULATION UNDER THIS TITLE; OR

(3) ASSIST IN THE FORMATION OF A POLITICAL COMMITTEE OR ANY OTHER ENTITY SUBJECT TO REGULATION UNDER THIS TITLE.

[(j)**] (L)** (1) An entity required to file an electioneering communication report under this section shall do at least one of the following, unless neither are applicable to the entity:

(i) if the entity submits regular, periodic reports to its shareholders, members, or donors, include in each report in a clear and conspicuous manner, the information specified in subsection (e)(3) through (5) of this section for each disbursement for electioneering communications made during the period covered by the report that must be included in an electioneering communication report; or

(ii) if the entity maintains an Internet site, post on that Internet site a hyperlink from its homepage to the Internet site where the entity's electioneering communication report information is publicly available.

(2) (i) An entity shall post the hyperlink required under paragraph (1)(ii) of this subsection within 24 hours of the entity's electioneering communication report information being made publicly available on the Internet.

(ii) The hyperlink shall remain posted on the entity's Internet site until the end of the election cycle during which the entity filed an electioneering communication report.

[(k)**] (M)** (1) A person required to file an electioneering communication report under this section shall keep detailed and accurate records of:

(i) all disbursements for electioneering communications made by the person; and

(ii) all donations received by the person.

(2) Records required to be kept under this subsection shall be preserved until 2 years after the end of the election cycle in which the person filed the electioneering communication report to which the records relate.

[(l)**] (N)** The State Board may adopt regulations as necessary to implement the requirements of this section.

13–309.1.

(a) In this section, "electioneering communication" has the meaning stated in § 13–307(a) of this subtitle.

(b) This section applies to a political action committee that exclusively makes:

(1) independent expenditures; or

(2) disbursements for electioneering communications.

(c) For purposes of this section, a political action committee shall be considered to have made an expenditure if the political committee has executed a contract to make an expenditure.

(d) (1) The disclosure reports required under this section are in addition to the campaign finance reports required under § 13–309 of this subtitle.

(2) The political action committee shall include all of the information reported on a disclosure report on its regularly filed campaign finance reports.

(e) A political action committee shall file a disclosure report within 48 hours after a day on which the political action committee makes aggregate expenditures of $10,000 or more on campaign material during the reporting period covered by its next campaign finance report.

(f) A political action committee shall file an additional disclosure report within 48 hours after a day on which the political action committee makes aggregate expenditures of $10,000 or more on campaign material following the closing date of the immediately preceding disclosure report filed by the political action committee.

(G) A DISCLOSURE REPORT SHALL INCLUDE THE INFORMATION REQUIRED BY THE STATE BOARD WITH RESPECT TO ALL CONTRIBUTIONS RECEIVED AND ALL EXPENDITURES MADE BY OR ON BEHALF OF THE POLITICAL ACTION COMMITTEE DURING THE REPORTING PERIOD.

[(g)**] (H)** In addition to any other sanction provided by law, the State Board may assess a penalty for failure to file properly a disclosure report or an amended disclosure report required under this section in an amount not exceeding the greater of:

(1) $1,000 for each day or part of a day that a disclosure report or an amended campaign finance report is overdue; or

(2) 10% of the amount of the contributions or expenditures that were not reported in a timely manner.

[(h)**] (I)** A person who fails to file properly a disclosure report or an amended disclosure report under this section may seek relief from a penalty under subsection **[**(g)**] (H)** of this section for just cause as provided in § 13–337 of this subtitle.

[(i)**] (J)** A penalty under subsection **[**(g)**] (H)** of this section shall be:

(1) assessed in the manner specified in § 13–604.1 of this title; and

(2) distributed to the Fair Campaign Financing Fund established under § 15–103 of this article.

(K) IF A RESPONSIBLE OFFICER OF A POLITICAL ACTION COMMITTEE SUBJECT TO THIS SECTION HAS FAILED TO PAY ANY CIVIL PENALTY OR LATE FEE UNDER THIS TITLE FOR WHICH THE INDIVIDUAL IS RESPONSIBLE, THE INDIVIDUAL MAY NOT:

(1) SERVE AS THE RESPONSIBLE OFFICER OF ANY OTHER POLITICAL COMMITTEE;

(2) SERVE IN ANY POSITION OF RESPONSIBILITY IN ANY OTHER ENTITY SUBJECT TO REGULATION UNDER THIS TITLE; OR

(3) ASSIST IN THE FORMATION OF A POLITICAL COMMITTEE OR ANY OTHER ENTITY SUBJECT TO REGULATION UNDER THIS TITLE.

13–309.2.

(a) **(1)** In this section**[**,**]** **THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

(2) (I) "DONATION" MEANS THE GIFT OR TRANSFER, OR PROMISE OF GIFT OR TRANSFER, OF MONEY OR ANY OTHER THING OF VALUE TO A PARTICIPATING ORGANIZATION.

(II) "DONATION" DOES NOT INCLUDE ANY AMOUNT OF MONEY OR OTHER THING OF VALUE:

1. RECEIVED BY A PARTICIPATING ORGANIZATION IN THE ORDINARY COURSE OF ANY TRADE OR BUSINESS CONDUCTED BY THE PARTICIPATING ORGANIZATION, WHETHER FOR PROFIT OR NOT FOR PROFIT, OR IN THE FORM OF INVESTMENTS IN THE PARTICIPATING ORGANIZATION'S BUSINESS; OR

2. A. THAT THE DONOR AND THE PARTICIPATING ORGANIZATION EXPRESSLY AGREE IN WRITING MAY NOT BE USED FOR POLITICAL DISBURSEMENTS; AND

B. IN THE CASE OF A MONETARY DONATION, IS DEPOSITED IN A SEPARATE BANK ACCOUNT THAT IS NEVER USED FOR POLITICAL DISBURSEMENTS.

(3) ["participating**] "PARTICIPATING** organization" means any entity that:

(I) is organized under § 501(c)(4) or (6) or § 527 of the Internal Revenue Code**;** and

(II) makes **POLITICAL DISBURSEMENTS[**:**].**

(4) "POLITICAL DISBURSEMENTS" MEANS:

[(1)**] (I)** a contribution to a **[**campaign finance entity for the express purpose of causing the campaign finance entity to make a disbursement in**] POLITICAL COMMITTEE ORGANIZED UNDER THE LAWS OF** the State;

[(2)**] (II) [**a donation to a person for the express purpose of causing the person to make an**] A DISBURSEMENT TO A PERSON MAKING AN** independent expenditure or a disbursement for electioneering communications in the State; or

[(3)**] (III)** a **[**donation**] DISBURSEMENT** to an out–of–state political committee **[**for the express purpose of causing the political committee to make**] THAT MAKES** a disbursement in the State.

(b) **(1)** Within 48 hours after a participating organization makes **[**a contribution, donation, or disbursement**] AGGREGATE POLITICAL DISBURSEMENTS** of **MORE THAN** $6,000 **[**or more**]** in an election cycle**,** the participating organization shall file a registration form with the State Board.

(2) THE REGISTRATION FORM SHALL INCLUDE:

(I) A STATEMENT OF WHETHER THE PARTICIPATING ORGANIZATION PLANS TO FILE THE REPORTS REQUIRED UNDER SUBSECTION (C) OF THIS SECTION OR PROVIDE A LINK ON THE HOMEPAGE OF ITS WEB SITE AS SPECIFIED IN SUBSECTION (D) OF THIS SECTION; AND

(II) THE IDENTITY OF THE PERSON EXERCISING DIRECTION OR CONTROL OVER THE ACTIVITIES OF THE PARTICIPATING ORGANIZATION.

[(c) A participating organization shall file a report with the State Board in the year of the election for which it is participating for the periods and on or before the dates that a campaign finance entity for a candidate is required to file a campaign finance report under this subtitle.

(d) The report shall include all disbursements made to influence an election in the State and either:

(1) the name, address, and occupation, if any, of the five donors who gave the largest amount of money to the participating organization to influence an election in the State during the 1 year period that immediately precedes the date of the report; or

(2) if the participating organization made a filing with the State Board under subsection (b) of this section within 6 months of the date when a report otherwise would be required, describe how the public may access via the Internet the participating organization's reports that detail disbursements made and donations received.**]**

(C) (1) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, WITHIN 48 HOURS AFTER A PARTICIPATING ORGANIZATION MAKES AGGREGATE POLITICAL DISBURSEMENTS OF $10,000 OR MORE IN AN ELECTION CYCLE, THE PARTICIPATING ORGANIZATION SHALL FILE A PARTICIPATING ORGANIZATION REPORT WITH THE STATE BOARD.

(2) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A PARTICIPATING ORGANIZATION SHALL FILE AN ADDITIONAL PARTICIPATING ORGANIZATION REPORT WITH THE STATE BOARD WITHIN 48 HOURS AFTER THE PARTICIPATING ORGANIZATION MAKES AGGREGATE POLITICAL DISBURSEMENTS OF $10,000 OR MORE AFTER THE CLOSING DATE OF THE PARTICIPATING ORGANIZATION'S PREVIOUS PARTICIPATING ORGANIZATION REPORT.

(3) A PARTICIPATING ORGANIZATION REPORT SHALL INCLUDE:

(I) THE AMOUNT AND DATE OF EACH POLITICAL DISBURSEMENT MADE BY THE PERSON IN THE STATE OR TO INFLUENCE A STATE ELECTION DURING THE PERIOD COVERED BY THE REPORT;

(II) THE IDENTITY OF EACH PERSON THAT MADE CUMULATIVE DONATIONS OF ~~MORE THAN $6,000~~ ~~$25,000~~ *$10,000* OR MORE TO THE PARTICIPATING ORGANIZATION DURING THE PERIOD COVERED BY THE REPORT; AND

(III) ANY OTHER INFORMATION REQUIRED BY THE STATE BOARD CONCERNING THE POLITICAL DISBURSEMENTS AND DONATIONS OF THE PARTICIPATING ORGANIZATION.

(4) A PARTICIPATING ORGANIZATION REPORT SHALL COVER:

(I) FOR THE FIRST REPORT FILED BY A PARTICIPATING ORGANIZATION, THE PERIOD BEGINNING 2 YEARS BEFORE THE DATE THE REPORT IS FILED; AND

(II) FOR ANY SUBSEQUENT REPORTS FILED BY A PARTICIPATING ORGANIZATION, THE PERIOD AFTER THE CLOSING DATE OF THE PARTICIPATING ORGANIZATION'S PREVIOUS REPORT.

(D) (1) A PARTICIPATING ORGANIZATION IS NOT REQUIRED TO FILE ANY PARTICIPATING ORGANIZATION REPORTS IF THE PARTICIPATING ORGANIZATION PROVIDES A LINK ON THE HOMEPAGE OF ITS WEB SITE TO THE INFORMATION REQUIRED UNDER SUBSECTION (C)(3) OF THIS SECTION CONCERNING THE PARTICIPATING ORGANIZATION'S POLITICAL DISBURSEMENTS AND DONATIONS TO THE PARTICIPATING ORGANIZATION.

(2) A PARTICIPATING ORGANIZATION SHALL CONTINUALLY UPDATE THE INFORMATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 48 HOURS UNTIL THE END OF THE ELECTION CYCLE.

(E) THE TREASURER OR OTHER INDIVIDUAL DESIGNATED BY A PARTICIPATING ORGANIZATION TO FILE A REPORT REQUIRED UNDER THIS SECTION:

(1) SHALL SIGN EACH PARTICIPATING ORGANIZATION REPORT; AND

(2) IS RESPONSIBLE FOR FILING PARTICIPATING ORGANIZATION REPORTS IN FULL AND ACCURATE DETAIL.

(F) (1) WITHIN 48 HOURS AFTER A PARTICIPATING ORGANIZATION MAKES AGGREGATE POLITICAL DISBURSEMENTS OF $50,000 OR MORE IN AN ELECTION CYCLE, THE PARTICIPATING ORGANIZATION SHALL IDENTIFY A REGISTERED AGENT LOCATED IN THE STATE FOR SERVICE OF PROCESS.

(2) A PARTICIPATING ORGANIZATION SHALL IDENTIFY A REGISTERED AGENT ON A FORM PRESCRIBED BY THE STATE BOARD.

(G) (1) A PARTICIPATING ORGANIZATION THAT FAILS TO PROVIDE ON A PARTICIPATING ORGANIZATION REPORT ALL OF THE INFORMATION REQUIRED BY THIS SECTION SHALL FILE AN AMENDED REPORT AS PROVIDED IN § 13–327(B) OF THIS SUBTITLE.

(2) IN ADDITION TO ANY OTHER SANCTION PROVIDED BY LAW, THE STATE BOARD MAY ASSESS A CIVIL PENALTY FOR FAILURE TO FILE PROPERLY A PARTICIPATING ORGANIZATION REPORT OR AN AMENDED PARTICIPATING ORGANIZATION REPORT IN AN AMOUNT NOT EXCEEDING THE GREATER OF:

(I) $1,000 FOR EACH DAY OR PART OF A DAY THAT A PARTICIPATING ORGANIZATION REPORT OR AN AMENDED PARTICIPATING ORGANIZATION REPORT IS OVERDUE; OR

(II) 10% OF THE AMOUNT OF THE DONATIONS OR POLITICAL DISBURSEMENTS THAT WERE NOT REPORTED IN A TIMELY MANNER.

(3) A CIVIL PENALTY UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL BE:

(I) ASSESSED IN THE MANNER SPECIFIED IN § 13–604.1 OF THIS TITLE;

(II) DISTRIBUTED TO THE FAIR CAMPAIGN FINANCING FUND ESTABLISHED UNDER § 15–103 OF THIS ARTICLE; AND

(III) THE JOINT AND SEVERAL LIABILITY OF:

1. THE PARTICIPATING ORGANIZATION;

2. THE TREASURER OR OTHER INDIVIDUAL WHO SIGNS AND FILES THE REPORTS REQUIRED BY THIS SECTION FOR THE PARTICIPATING ORGANIZATION; AND

3. THE PERSON EXERCISING DIRECTION OR CONTROL OVER THE ACTIVITIES OF THE PARTICIPATING ORGANIZATION.

(4) A PARTICIPATING ORGANIZATION THAT FAILS TO FILE PROPERLY A PARTICIPATING ORGANIZATION REPORT OR AN AMENDED PARTICIPATING ORGANIZATION REPORT UNDER THIS SECTION MAY SEEK RELIEF FROM A PENALTY UNDER PARAGRAPH (2) OF THIS SUBSECTION FOR JUST CAUSE AS PROVIDED IN § 13–337 OF THIS SUBTITLE.

(H) IF A TREASURER OF A PARTICIPATING ORGANIZATION OR A PERSON EXERCISING DIRECTION OR CONTROL OVER THE ACTIVITIES OF A PARTICIPATING ORGANIZATION HAS FAILED TO PAY ANY CIVIL PENALTY OR LATE FEE UNDER THIS TITLE FOR WHICH THE INDIVIDUAL IS RESPONSIBLE, THE INDIVIDUAL MAY NOT:

(1) SERVE AS THE RESPONSIBLE OFFICER OF A POLITICAL COMMITTEE;

(2) SERVE IN ANY POSITION OF RESPONSIBILITY IN ANY OTHER ENTITY SUBJECT TO REGULATION UNDER THIS TITLE; OR

(3) ASSIST IN THE FORMATION OF A POLITICAL COMMITTEE OR ANY OTHER ENTITY SUBJECT TO REGULATION UNDER THIS TITLE.

(I) (1) A PARTICIPATING ORGANIZATION SUBJECT TO THIS SECTION SHALL KEEP DETAILED AND ACCURATE RECORDS OF:

(I) ALL POLITICAL DISBURSEMENTS MADE IN THE STATE OR AFFECTING A STATE ELECTION BY THE PARTICIPATING ORGANIZATION; AND

(II) ALL DONATIONS RECEIVED BY THE PARTICIPATING ORGANIZATION.

(2) RECORDS REQUIRED TO BE KEPT UNDER THIS SUBSECTION SHALL BE PRESERVED FOR 2 YEARS AFTER THE END OF THE ELECTION CYCLE IN WHICH THE PARTICIPATING ORGANIZATION MADE POLITICAL DISBURSEMENTS.

(J) THE STATE BOARD MAY ADOPT REGULATIONS AS NECESSARY TO IMPLEMENT THE REQUIREMENTS OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Chapter 852

(House Bill 898)

AN ACT concerning

Election Law – Campaign Finance – Coordinated Expenditures

FOR the purpose of prohibiting a person from making a coordinated expenditure in excess of certain limits or making a donation to a person for the purpose of furthering a coordinated expenditure in excess of certain limits; prohibiting a candidate or political party from being the beneficiary of a coordinated expenditure in excess of certain limits; providing that a person may not be considered to have made a

coordinated expenditure solely on certain grounds; providing that a person that makes a disbursement to promote the success or defeat of a candidate or political party at an election is presumed to have made a coordinated expenditure under certain circumstances; providing that a person may rebut the presumption that the person made a coordinated expenditure by obtaining a declaratory ruling from the State Board of Elections; providing that a person, candidate, or political party that willfully and knowingly violates this Act is guilty of a misdemeanor and on conviction is subject to certain fines; authorizing the State Board to investigate a potential violation of this Act in a certain manner; authorizing the State Board to impose a certain civil penalty for an unintentional violation of this Act or refer a suspected willful and knowing violation of this Act to the State Prosecutor; requiring a fine or penalty under this Act to be paid by certain persons and distributed to the Fair Campaign Financing Fund; authorizing the State Board to adopt regulations to implement this Act; altering certain definitions; defining certain terms; making a clarifying change; and generally relating to coordinated expenditures.

BY repealing and reenacting, with amendments,
Article – Election Law
Section 1–101(o) and (bb) and 13–604.1(d)
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

BY adding to
Article – Election Law
Section 13–249
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Election Law
Section 13–306(a)(6)
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

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

Article – Election Law

1–101.

(o) (1) "Contribution" means the gift or transfer, or promise of gift or transfer, of money or other thing of value to a campaign finance entity to promote or assist in the promotion of the success or defeat of a candidate, political party, question, or prospective question.

(2) "Contribution" includes:

(i) proceeds from the sale of tickets to a campaign fund–raising event; and

(ii) **[**a disbursement or deposit of money or a gift, a subscription, an advance, or anything of value that is made by a person in coordination with, or at the request or suggestion of, a candidate or a campaign finance entity of a candidate**]** **A COORDINATED EXPENDITURE AS DEFINED IN § 13–249 OF THIS ARTICLE**.

(bb) (1) "Independent expenditure" means **[**an expenditure**]** **A** ~~**DISBURSEMENT**~~ **GIFT, TRANSFER, DISBURSEMENT, OR PROMISE OF MONEY OR A THING OF VALUE** by a person expressly advocating the success or defeat of a clearly identified candidate or ballot issue if the **[**expenditure**]** ~~**DISBURSEMENT**~~ **GIFT, TRANSFER, DISBURSEMENT, OR PROMISE OF MONEY OR A THING OF VALUE** is not made in coordination**, COOPERATION, CONSULTATION, UNDERSTANDING, AGREEMENT, OR CONCERT** with, or at the request or suggestion of, a candidate, a campaign finance entity of a candidate, an agent of a candidate, or a ballot issue committee.

(2) For purposes of this subsection, "clearly identified" means:

(i) the name of the candidate appears;

(ii) a photograph or drawing of the candidate appears; or

(iii) the identity of the candidate or ballot issue is apparent by unambiguous reference.

13–249.

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

(2) (I) "CANDIDATE" HAS THE MEANING STATED IN § 1–101 OF THIS ARTICLE.

(II) FOR PURPOSES OF THIS SECTION, "CANDIDATE" INCLUDES A CANDIDATE, AN AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE, A SLATE COMMITTEE, AND AGENTS OF A CANDIDATE, AN AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE, OR A SLATE COMMITTEE.

(3) "COMMUNICATION" INCLUDES SOCIAL MEDIA INTERACTIONS WITH A CANDIDATE.

(4) (I) "COORDINATED EXPENDITURE" MEANS A DISBURSEMENT OR AN ACTION TO CAUSE A DISBURSEMENT THAT:

1. PROMOTES THE SUCCESS OR DEFEAT OF A CANDIDATE OR A POLITICAL PARTY AT AN ELECTION; AND

2. IS MADE IN COOPERATION, CONSULTATION, UNDERSTANDING, AGREEMENT, OR CONCERT WITH, OR AT THE REQUEST OR SUGGESTION OF, THE CANDIDATE OR POLITICAL PARTY THAT IS THE BENEFICIARY OF THE DISBURSEMENT.

(II) "COORDINATED EXPENDITURE" INCLUDES A DISBURSEMENT FOR ANY COMMUNICATION THAT REPUBLISHES OR DISSEMINATES, IN WHOLE OR IN PART, A VIDEO, A PHOTOGRAPH, AUDIO FOOTAGE, A WRITTEN GRAPHIC, OR ANY OTHER FORM OF CAMPAIGN MATERIAL PREPARED BY THE CANDIDATE OR POLITICAL PARTY THAT IS THE BENEFICIARY OF THE DISBURSEMENT.

(III) "COORDINATED EXPENDITURE" DOES NOT INCLUDE A DISBURSEMENT FOR ANY COMMUNICATION THAT IS NOT A PUBLIC COMMUNICATION.

(5) "COORDINATED SPENDER" MEANS A PERSON THAT MAKES A DISBURSEMENT TO PROMOTE THE SUCCESS OR DEFEAT OF A CANDIDATE OR POLITICAL PARTY AT AN ELECTION AND FOR WHICH ONE OF THE FOLLOWING APPLIES:

(I) DURING THE ELECTION CYCLE, THE PERSON WAS DIRECTLY OR INDIRECTLY FORMED OR ESTABLISHED BY OR AT THE REQUEST OR SUGGESTION OF, OR WITH THE ENCOURAGEMENT OF, THE CANDIDATE OR POLITICAL PARTY THAT IS THE BENEFICIARY OF THE DISBURSEMENT, INCLUDING DURING THE TIME BEFORE THE INDIVIDUAL BECAME A CANDIDATE; OR

(II) DURING THE ELECTION CYCLE, THE PERSON IS ESTABLISHED, FINANCED, DIRECTED, OR MANAGED BY A MEMBER OF THE IMMEDIATE FAMILY OF THE CANDIDATE WHO IS THE BENEFICIARY OF THE DISBURSEMENT, OR THE PERSON OR AN AGENT OF THE PERSON HAS HAD SUBSTANTIVE DISCUSSIONS ABOUT THE CANDIDATE'S CAMPAIGN WITH A MEMBER OF THE IMMEDIATE FAMILY OF THE CANDIDATE WHO IS THE BENEFICIARY OF THE DISBURSEMENT.

(6) "DISBURSEMENT" INCLUDES A DEPOSIT OF MONEY OR A GIFT, A SUBSCRIPTION, AN ADVANCE, OR OTHER THING OF VALUE.

(7) "DONATION" MEANS A GIFT OR TRANSFER, OR PROMISE OF GIFT OR TRANSFER, OF MONEY OR OTHER THING OF VALUE TO A PERSON.

(8) "IMMEDIATE FAMILY" HAS THE MEANING STATED IN § 9004(E) OF THE INTERNAL REVENUE CODE OF 1986.

(9) (I) "PERSON" INCLUDES AN INDIVIDUAL, A PARTNERSHIP, A POLITICAL COMMITTEE, AN ASSOCIATION, A CORPORATION, A LABOR ORGANIZATION, AND ANY OTHER ORGANIZATION OR GROUP OF PERSONS.

(II) "PERSON" DOES NOT INCLUDE A POLITICAL COMMITTEE THAT EXCLUSIVELY ACCEPTS CONTRIBUTIONS THAT ARE SUBJECT TO THE LIMITS UNDER § 13–226 OF THIS SUBTITLE.

(10) (I) "POLITICAL PARTY" HAS THE MEANING STATED IN § 1–101 OF THIS ARTICLE.

(II) FOR PURPOSES OF THIS SECTION, "POLITICAL PARTY" INCLUDES A POLITICAL PARTY, A CENTRAL COMMITTEE, A LEGISLATIVE PARTY CAUCUS COMMITTEE, AND AGENTS OF A POLITICAL PARTY, CENTRAL COMMITTEE, OR LEGISLATIVE PARTY CAUCUS COMMITTEE.

(11) (I) "PROFESSIONAL SERVICES" MEANS ANY PAID SERVICES IN SUPPORT OF A POLITICAL CAMPAIGN, INCLUDING ADVERTISING, MESSAGE, STRATEGY, POLICY, POLLING, COMMUNICATIONS DEVELOPMENT, ALLOCATION OF CAMPAIGN RESOURCES, FUND–RAISING, AND CAMPAIGN OPERATIONS.

(II) "PROFESSIONAL SERVICES" DOES NOT INCLUDE ACCOUNTING, LEGAL, PRINT, OR MAIL SERVICES.

(12) "PUBLIC COMMUNICATION" HAS THE MEANING STATED IN § 13–306 OF THIS TITLE.

(B) (1) A PERSON MAY NOT:

(I) MAKE A COORDINATED EXPENDITURE IN EXCESS OF THE LIMITS ESTABLISHED UNDER § 13–226 OF THIS SUBTITLE; OR

(II) MAKE A DONATION TO A PERSON FOR THE PURPOSE OF FURTHERING A COORDINATED EXPENDITURE IN EXCESS OF THE LIMITS UNDER § 13–226 OF THIS SUBTITLE.

(2) A CANDIDATE OR POLITICAL PARTY MAY NOT, DIRECTLY OR INDIRECTLY, BE THE BENEFICIARY OF A COORDINATED EXPENDITURE IN EXCESS OF THE LIMITS UNDER § 13–226 OF THIS SUBTITLE.

(C) A PERSON MAY NOT BE CONSIDERED TO HAVE MADE A COORDINATED EXPENDITURE SOLELY ON THE GROUNDS THAT THE PERSON OR THE PERSON'S AGENT ENGAGED IN DISCUSSIONS OR COMMUNICATIONS WITH A CANDIDATE REGARDING A POSITION ON A LEGISLATIVE OR POLICY MATTER, PROVIDED THAT THERE IS NO COMMUNICATION BETWEEN THE PERSON AND THE CANDIDATE REGARDING THE CANDIDATE'S CAMPAIGN ADVERTISING, MESSAGE, STRATEGY, POLLING, ALLOCATION OF CAMPAIGN RESOURCES, FUND–RAISING, OR OTHER CAMPAIGN ACTIVITIES.

(D) A PERSON THAT MAKES A DISBURSEMENT TO PROMOTE THE SUCCESS OR DEFEAT OF A CANDIDATE OR POLITICAL PARTY AT AN ELECTION IS PRESUMED TO HAVE MADE A COORDINATED EXPENDITURE IF:

(1) THE PERSON IS A COORDINATED SPENDER WITH RESPECT TO THE CANDIDATE OR POLITICAL PARTY THAT IS THE BENEFICIARY OF THE DISBURSEMENT;

(2) DURING THE 18–MONTH PERIOD PRECEDING THE DISBURSEMENT, THE PERSON EMPLOYS OR RETAINS A RESPONSIBLE OFFICER OF A POLITICAL COMMITTEE AFFILIATED WITH THE CANDIDATE OR POLITICAL PARTY THAT IS THE BENEFICIARY OF THE DISBURSEMENT;

(3) DURING THE 18–MONTH PERIOD PRECEDING THE DISBURSEMENT, THE PERSON EMPLOYS OR RETAINS A STRATEGIC POLITICAL CAMPAIGN, MEDIA, OR FUND–RAISING ADVISOR OR CONSULTANT OF THE CANDIDATE OR POLITICAL PARTY THAT IS THE BENEFICIARY OF THE DISBURSEMENT; OR

(4) (I) DURING THE 18–MONTH PERIOD PRECEDING THE DISBURSEMENT, THE PERSON HAS RETAINED THE PROFESSIONAL SERVICES OF A VENDOR, AN ADVISOR, OR A CONSULTANT THAT, DURING THE ELECTION CYCLE, HAS PROVIDED PROFESSIONAL SERVICES TO THE CANDIDATE OR POLITICAL PARTY THAT IS THE BENEFICIARY OF THE DISBURSEMENT; AND

(II) THE VENDOR, ADVISOR, OR CONSULTANT HAS NOT ESTABLISHED A FIREWALL TO RESTRICT THE SHARING OF STRATEGIC CAMPAIGN INFORMATION BETWEEN INDIVIDUALS WHO ARE EMPLOYED BY OR WHO ARE AGENTS OF THE PERSON AND THE CANDIDATE OR POLITICAL PARTY THAT IS THE BENEFICIARY OF THE DISBURSEMENT.

(E) A PERSON MAY REBUT THE PRESUMPTION UNDER SUBSECTION (D) OF THIS SECTION BY PRESENTING SUFFICIENT CONTRARY EVIDENCE AND OBTAINING A DECLARATORY RULING FROM THE STATE BOARD BEFORE MAKING A

DISBURSEMENT TO PROMOTE THE SUCCESS OR DEFEAT OF A CANDIDATE OR POLITICAL PARTY AT AN ELECTION.

(F) (1) A PERSON THAT WILLFULLY AND KNOWINGLY VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING:

(I) 300% OF THE AMOUNT BY WHICH THE COORDINATED EXPENDITURE MADE BY THE PERSON EXCEEDED THE APPLICABLE CONTRIBUTION LIMIT UNDER § 13–226 OF THIS SUBTITLE; OR

(II) 300% OF THE AMOUNT OF THE DONATION MADE TO A PERSON FOR THE PURPOSE OF FURTHERING A COORDINATED EXPENDITURE IN EXCESS OF THE LIMITS PRESCRIBED UNDER § 13–226 OF THIS SUBTITLE.

(2) A CANDIDATE OR POLITICAL PARTY THAT WILLFULLY AND KNOWINGLY VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING 300% OF THE AMOUNT BY WHICH THE COORDINATED EXPENDITURE OF WHICH THE CANDIDATE OR POLITICAL PARTY WAS THE BENEFICIARY EXCEEDED THE APPLICABLE CONTRIBUTION LIMIT UNDER § 13–226 OF THIS SUBTITLE.

(G) (1) THE STATE BOARD MAY INVESTIGATE A POTENTIAL VIOLATION OF THIS SECTION.

(2) THE STATE BOARD SHALL:

(I) NOTIFY A PERSON, CANDIDATE, OR POLITICAL PARTY THAT IS SUBJECT TO AN INVESTIGATION UNDER THIS SUBSECTION OF THE CIRCUMSTANCES THAT GAVE RISE TO THE INVESTIGATION; AND

(II) PROVIDE THE PERSON, CANDIDATE, OR POLITICAL PARTY AMPLE OPPORTUNITY TO BE HEARD AT A PUBLIC MEETING OF THE STATE BOARD.

(3) AT THE CONCLUSION OF THE INVESTIGATION AND FOLLOWING THE HEARING UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION, THE STATE BOARD SHALL ISSUE A PUBLIC REPORT OF ITS FINDINGS AND MAY:

(I) IMPOSE A CIVIL PENALTY AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION IF THE STATE BOARD DETERMINES THAT A PERSON, CANDIDATE, OR POLITICAL PARTY HAS UNINTENTIONALLY VIOLATED THIS SECTION; OR

(II) REFER THE MATTER FOR FURTHER INVESTIGATION BY THE STATE PROSECUTOR IF THE STATE BOARD HAS REASONABLE CAUSE TO BELIEVE THAT A PERSON, CANDIDATE, OR POLITICAL PARTY HAS WILLFULLY AND KNOWINGLY VIOLATED THIS SECTION.

(4) A CIVIL PENALTY UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION:

(I) SHALL BE ASSESSED IN THE MANNER SPECIFIED IN § 13–604.1 OF THIS TITLE; AND

(II) MAY NOT EXCEED:

1. 100% OF THE AMOUNT BY WHICH THE COORDINATED EXPENDITURE MADE BY THE PERSON EXCEEDED THE APPLICABLE CONTRIBUTION LIMIT UNDER § 13–226 OF THIS SUBTITLE;

2. 100% OF THE AMOUNT OF THE DONATION MADE TO A PERSON FOR THE PURPOSE OF FURTHERING A COORDINATED EXPENDITURE IN EXCESS OF THE LIMITS PRESCRIBED UNDER § 13–226 OF THIS SUBTITLE; OR

3. 100% OF THE AMOUNT BY WHICH THE COORDINATED EXPENDITURE OF WHICH THE CANDIDATE OR POLITICAL PARTY WAS THE BENEFICIARY EXCEEDED THE APPLICABLE CONTRIBUTION LIMIT UNDER § 13–226 OF THIS SUBTITLE.

(H) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A FINE OR PENALTY IMPOSED UNDER THIS SECTION SHALL BE PAID BY THE PERSON THAT COMMITTED THE VIOLATION OR BY A POLITICAL COMMITTEE OF THE CANDIDATE OR POLITICAL PARTY THAT COMMITTED THE VIOLATION.

(2) ~~A~~ SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A FINE OR PENALTY UNDER THIS SECTION IS THE JOINT AND SEVERAL LIABILITY OF THE CANDIDATE OR A DIRECTOR, A MANAGER, AN OFFICER, OR ANY OTHER INDIVIDUAL EXERCISING DIRECTION OR CONTROL OVER THE ACTIVITIES OF THE PERSON, AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE, OR POLITICAL PARTY IF THE PENALTY IS NOT PAID BY THE PERSON OR BY A POLITICAL COMMITTEE OF THE CANDIDATE OR POLITICAL PARTY BEFORE THE EXPIRATION OF THE 1–YEAR PERIOD THAT BEGINS ON THE LATER OF:

(I) THE DATE THE FINE OR PENALTY WAS IMPOSED; OR

(II) THE DATE OF THE FINAL JUDGMENT FOLLOWING ANY JUDICIAL REVIEW OF THE IMPOSITION OF THE FINE OR PENALTY.

(3) A CANDIDATE MAY NOT BE JOINTLY AND SEVERALLY LIABLE FOR A FINE OR PENALTY UNDER THIS SECTION UNLESS A COURT OR THE STATE BOARD FINDS THAT THE CANDIDATE ENGAGED IN CONDUCT THAT CONSTITUTES COORDINATION WITH A PERSON UNDER THIS SECTION.

(I) A FINE OR PENALTY IMPOSED UNDER THIS SECTION SHALL BE DISTRIBUTED TO THE FAIR CAMPAIGN FINANCING FUND ESTABLISHED UNDER § 15–103 OF THIS ARTICLE.

(J) THE STATE BOARD MAY ADOPT REGULATIONS AS NECESSARY TO IMPLEMENT THIS SECTION.

13–306.

(a) (6) (i) "Public communication" means a communication by means of any broadcast television or radio communication, cable television communication, satellite television or radio communication, newspaper, magazine, outdoor advertising facility, mass mailing, e–mail blast, text blast, or telephone bank to the general public, or any other form of general public political advertising.

(ii) "Public communication" does not include:

1. a news story, a commentary, or an editorial disseminated by a broadcasting station, including a cable television operator, programmer, or producer, satellite television or radio provider, Web site, newspaper, magazine, or other periodical publication, including any Internet or electronic publication, that is not controlled by a candidate or political party;

2. an internal membership communication by a business or other entity to its stockholders or members and executive and administrative personnel and their immediate families, or by a membership entity, as defined under § 13–243 of this title, to its members, executive and administrative personnel and their immediate families; or

3. a candidate debate or forum.

13–604.1.

(d) (1) Except as **OTHERWISE PROVIDED IN THIS TITLE OR AS** provided in paragraph (2) of this subsection, the amount of a civil penalty imposed under this section may not exceed $500 for each violation.

(2) As to a violation of § 13–235 of this title, the campaign finance entity that receives a contribution as a result of a violation shall:

(i) refund the contribution to the contributor; and

(ii) pay a civil penalty that equals $1,000 plus the amount of the contribution, unless the State Board at its discretion assesses a lesser penalty for good cause.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 27, 2017.

Joint Resolutions

Signed by the President of the Senate
and the Speaker of the House of Delegates
or Enacted by Operation of the Maryland Constitution

Joint Resolution 1

(Senate Joint Resolution 5)

A Senate Joint Resolution concerning

Attorney General – Powers – Maryland Defense Act of 2017

FOR the purpose of directing the Attorney General to take certain actions regarding civil and criminal suits and actions that are based on the federal government's action or inaction that threatens the public interest and welfare of the residents of the State; requiring the Attorney General, except under certain circumstances, to provide the Governor with certain notice and an opportunity to review and comment on certain suits and actions before commencing certain suits and actions; requiring the Governor, under certain circumstances, to provide in writing reasons for certain objections to the Attorney General within a certain time period; requiring the Attorney General, except under certain circumstances, to consider the Governor's objections before commencing a certain suit or action; and generally relating to the powers of the Attorney General.

WHEREAS, The General Assembly finds that 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

WHEREAS, The General Assembly finds that 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; now, therefore, be it

RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That the General Assembly directs the Attorney General to investigate, commence, and prosecute or defend any civil or criminal suit or action that is based on the federal government's action or inaction that threatens the public interest and welfare of the residents of the State with respect to:

(1) protecting the health of the residents of the State and ensuring the availability of affordable health care;

(2) safeguarding public safety and security;

(3) protecting civil liberties;

(4) preserving and enhancing the economic security of workers and retirees;

(5) protecting financial security of the residents of the State, including their pensions, savings, and investments, and ensuring fairness in mortgages, student loans, and the marketplace;

(6) protecting the residents of the State against fraud and other deceptive and predatory practices;

(7) protecting the natural resources and environment of the State;

(8) protecting the residents of the State against illegal and unconstitutional federal immigration and travel restrictions; or

(9) otherwise protecting, as parens patriae, the State's interest in the general health and well–being of its residents; and be it further

RESOLVED, That, unless the Attorney General determines that emergency circumstances require the immediate commencement of a suit or an action to protect the public interest and welfare of the residents of the State against the action or inaction of the federal government, before commencing the suit or an action, the Attorney General shall provide to the Governor:

(1) written notice of the intended suit or action; and

(2) an opportunity to review and comment on the intended suit or action; and be it further

RESOLVED, That, if the Governor objects to the intended suit or action for which notice was provided:

(1) the Governor shall provide in writing to the Attorney General the reasons for the objection within 10 days after receiving the notice; and

(2) unless emergency circumstances required the immediate commencement of the suit or action, the Attorney General shall consider the Governor's objection before commencing the suit or action; and be it further

RESOLVED, That, if the Attorney General determines that emergency circumstances require the immediate commencement of a suit or an action to protect the public interest and welfare of the residents of the State against the action or inaction of the federal government, the Attorney General shall provide to the Governor notice of the suit or action as soon as reasonably practicable; and be it further

RESOLVED, That a copy of this Resolution be forwarded by the Department of Legislative Services to the Honorable Lawrence J. Hogan, Jr., Governor of Maryland; the Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; the Honorable Michael E. Busch, Speaker of the House of Delegates; and the Honorable Brian E. Frosh, Attorney General of Maryland.

Signed by the President and the Speaker, February 15, 2017.

Joint Resolution 2

(Senate Joint Resolution 2)

A Senate Joint Resolution concerning

Constitutional Convention – ~~Amendment~~ Amendments – Repeal

FOR the purpose of repealing and withdrawing certain applications to Congress to call a Constitutional Convention; ~~and~~ urging the legislatures of certain other states to take certain actions; and generally relating to the repeal and withdrawal of certain applications to Congress for a convention to propose amendments to the Constitution of the United States.

WHEREAS, The Constitution of the United States has been, since its creation in 1787, the bulwark of American liberty and strength. It was the first written national Charter to clearly set forth the respective duties and powers of the Chief Executive, the Legislature, and the Judiciary, and is the basis of America's checks and balances system of government, assuring the rule of the majority while protecting the rights of the minority. It provides for the peaceful resolution of our basic political disputes and allows for an orderly succession of political leaders without bloodshed or revolution; and

WHEREAS, Since its ratification, the Constitution has been amended 27 times, each time by the proposal of an amendment by the Congress, often on initial petition by the states and always with subsequent ratification by the requisite number of state legislatures. Despite wrenching debate, political turmoil, and many grave political and economic problems – including the Great Depression – our nation has not had another Constitutional Convention since 1787; and

WHEREAS, The first Convention was called to make ~~corrections in~~ revisions to the Articles of Confederation and decided instead to discard that governmental system altogether and create an entirely new and extremely different one. In recent years, we have heard such diverse proposals as the elimination of portions of the Bill of Rights or granting the President the power to dissolve Congress; and

WHEREAS, ~~The~~ *Although historical records maintained by the State and the Library of Congress are incomplete and in some instances unclear as to the final disposition of legislation proposed by the General Assembly to initiate a call to Congress for a Constitutional Convention, it is reported that the* Maryland General Assembly has passed ~~four~~ *several such* calls for a Constitutional Convention since the 1930s. These calls include: (1) House Resolution (1939) *(unconfirmed)* calling for limitations on the federal taxing power; *(2) House Joint Resolution 40 (1964) calling for standards concerning the size and boundaries of congressional districts;* ~~(2)~~ *(3)* Senate Joint Resolution 1 (1965) calling for legislative autonomy concerning the apportionment of State legislative bodies; ~~(3) House Joint Resolution 61 (1973)~~ *(4) Senate Resolution 47 (1973) (unconfirmed), a memorial from the Senate of Maryland* calling for the allowance of school prayer in public schools; and ~~(4)~~ *(5)* Senate Joint Resolution 4 (1975) calling for a balanced federal budget. It is generally believed that these calls never expire, and current generations are now bound by decisions made in a different time and culture. The need to advance these various policy reforms should be debated anew, and not bind future generations without any consideration; now, therefore, be it

RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That this body does hereby rescind, repeal, cancel, void, nullify, and supersede~~, to the same effect as if they had never been passed,~~ any and all prior applications by the General Assembly to the Congress of the United States of America to call a convention to propose amendments to the Constitution of the United ~~State~~ States of America, *whether or not the calls are confirmed by the historical records maintained by the State or the Library of Congress,* pursuant to the terms of Article V thereof, regardless of when and regardless of whether such applications were for a more limited convention to propose one or more amendments regarding one or more specific subjects and purposes or for a general convention to propose an unlimited number of amendments upon an unlimited number of subjects; and be it further

RESOLVED, That the General Assembly urges the legislatures of each and every state which has applied to Congress to call a convention for either a general or limited Constitutional Convention to repeal and withdraw such applications; and be it further

RESOLVED, That a copy of this Resolution be forwarded by the Department of Legislative Services to the Honorable Lawrence J. Hogan, Jr., Governor of Maryland; the Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; and the Honorable Michael E. Busch, Speaker of the House of Delegates; and be it further

RESOLVED, That certified copies of this Joint Resolution be sent by the Secretary of State to:

(1) the Honorable Michael R. Pence, Vice President of the United States, President of the United States Senate, Suite S–212, United States Capitol Building, Washington, D.C. 20510; the Honorable Orrin Hatch, President Pro Tempore of the United States Senate, 104 Hart Office Building, Washington, D.C. 20510; and the Honorable Paul D. Ryan, Speaker of the United States House of Representatives, 1233 Longworth House Office Building, Washington, D.C. 20515; and

(2) the Maryland Congressional Delegation: Senators Benjamin L. Cardin and Christopher Van Hollen, Jr., Senate Office Building, Washington, D.C. 20510; and Representatives Andrew P. Harris, C. A. Dutch Ruppersberger III, John P. Sarbanes, Anthony G. Brown, Steny Hamilton Hoyer, John Delaney, Elijah E. Cummings, and Jamie Raskin, House Office Building, Washington, D.C. 20515; and

(3) the Honorable David S. Ferriero, Archivist of the United States, National Archives and Records Administration, 709 Pennsylvania Avenue, N.W., Washington, D.C. 20408; and

(4) the Honorable Julie E. Adams, Secretary of the United States Senate, United States Capitol Building, Suite S–312, Washington, D.C. 20510; the Honorable Elizabeth MacDonough, Parliamentarian of the United States Senate, United States Capitol Building, Suite S–133, Washington, D.C. 20510; the Honorable Karen L. Haas, Clerk of the United States House of Representatives, Suite H–154, United States Capitol Building, Washington, D.C. 20515; and the Honorable Thomas J. Wickham, Jr., Parliamentarian of the United States House of Representatives, Room H–209, United States Capitol Building, Washington, D.C. 20515, requesting that they publish this Joint Resolution in the Congressional Record and list this application in the official tally of state legislative applications that repeal and withdraw any prior application by a state legislature that calls for the Congress of the United States of America to call a convention to propose amendments to the Constitution of the United States, pursuant to the terms of Article V thereof, regardless of when and regardless of whether such applications were for a more limited convention to propose one or more amendments regarding one or more specific subjects and purposes or for a general convention to propose an unlimited number of amendments upon an unlimited number of subjects.

Signed by the President and the Speaker, May 25, 2017.

Joint Resolution 3

(House Joint Resolution 2)

A House Joint Resolution concerning

Constitutional Convention – ~~Amendment~~ Amendments – Repeal

FOR the purpose of repealing and withdrawing certain applications to Congress to call a Constitutional Convention; ~~and~~ urging the legislatures of certain other states to take certain actions; and generally relating to the repeal and withdrawal of certain applications to Congress for a convention to propose amendments to the Constitution of the United States.

WHEREAS, The Constitution of the United States has been, since its creation in 1787, the bulwark of American liberty and strength. It was the first written national

Charter to clearly set forth the respective duties and powers of the Chief Executive, the Legislature, and the Judiciary, and is the basis of America's checks and balances system of government, assuring the rule of the majority while protecting the rights of the minority. It provides for the peaceful resolution of our basic political disputes and allows for an orderly succession of political leaders without bloodshed or revolution; and

WHEREAS, Since its ratification, the Constitution has been amended 27 times, each time by the proposal of an amendment by the Congress, often on initial petition by the states and always with subsequent ratification by the requisite number of state legislatures. Despite wrenching debate, political turmoil, and many grave political and economic problems – including the Great Depression – our nation has not had another Constitutional Convention since 1787; and

WHEREAS, The first Convention was called to make ~~corrections in~~ revisions to the Articles of Confederation and decided instead to discard that governmental system altogether and create an entirely new and extremely different one. In recent years, we have heard such diverse proposals as the elimination of portions of the Bill of Rights or granting the President the power to dissolve Congress; and

WHEREAS, ~~The~~ Although historical records maintained by the State and by the Library of Congress are incomplete and in some instances unclear as to the final disposition of legislation proposed by the General Assembly to initiate a call to Congress for a Constitutional Convention, it is reported that the Maryland General Assembly has passed ~~four~~ several such calls for a Constitutional Convention since the 1930s. These calls include: (1) House Resolution (1939) (unconfirmed) calling for limitations on the federal taxing power; (2) House Joint Resolution 40 (1964) calling for standards concerning the size and boundaries of congressional districts; (3) Senate Joint Resolution 1 (1965) calling for legislative autonomy concerning the apportionment of State legislative bodies; (4) Senate Resolution 47 (1973) (unconfirmed), a memorial from the Senate of Maryland calling for the allowance of school prayer in public schools; and (5) Senate Joint Resolution 4 (1975) calling for a balanced federal budget. It is generally believed that these calls never expire, and current generations are now bound by decisions made in a different time and culture. The need to advance these various policy reforms should be debated anew, and not bind future generations without any consideration; now, therefore, be it

RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That this body does hereby rescind, repeal, cancel, void, nullify, and supersede~~, to the same effect as if they had never been passed,~~ any and all prior applications by the General Assembly to the Congress of the United States of America to call a convention to propose amendments to the Constitution of the United ~~State~~ States of America, whether or not the calls are confirmed by the historical records maintained by the State or the Library of Congress, pursuant to the terms of Article V thereof, regardless of when and regardless of whether such applications were for a more limited convention to propose one or more amendments regarding one or more specific subjects and purposes or for a general convention to propose an unlimited number of amendments upon an unlimited number of subjects; and be it further

RESOLVED, That the General Assembly urges the legislatures of each and every state which has applied to Congress to call a convention for either a general or limited Constitutional Convention to repeal and withdraw such applications; and be it further

RESOLVED, That a copy of this Resolution be forwarded by the Department of Legislative Services to the Honorable Lawrence J. Hogan, Jr., Governor of Maryland; the Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; and the Honorable Michael E. Busch, Speaker of the House of Delegates; and be it further

RESOLVED, That certified copies of this Joint Resolution be sent by the Secretary of State to:

(1) the Honorable Michael R. Pence, Vice President of the United States, President of the United States Senate, Suite S–212, United States Capitol Building, Washington, D.C. 20510; the Honorable Orrin Hatch, President Pro Tempore of the United States Senate, 104 Hart Office Building, Washington, D.C. 20510; and the Honorable Paul D. Ryan, Speaker of the United States House of Representatives, 1233 Longworth House Office Building, Washington, D.C. 20515; and

(2) the Maryland Congressional Delegation: Senators Benjamin L. Cardin and Christopher Van Hollen, Jr., Senate Office Building, Washington, D.C. 20510; and Representatives Andrew P. Harris, C. A. Dutch Ruppersberger III, John P. Sarbanes, Anthony G. Brown, Steny Hamilton Hoyer, John Delaney, Elijah E. Cummings, and Jamie Raskin, House Office Building, Washington, D.C. 20515; and

(3) the Honorable David S. Ferriero, Archivist of the United States, National Archives and Records Administration, 709 Pennsylvania Avenue, N.W., Washington, D.C. 20408; and

(4) the Honorable Julie E. Adams, Secretary of the United States Senate, United States Capitol Building, Suite S–312, Washington, D.C. 20510; the Honorable Elizabeth MacDonough, Parliamentarian of the United States Senate, United States Capitol Building, Suite S–133, Washington, D.C. 20510; the Honorable Karen L. Haas, Clerk of the United States House of Representatives, Suite H–154, United States Capitol Building, Washington, D.C. 20515; and the Honorable Thomas J. Wickham, Jr., Parliamentarian of the United States House of Representatives, Room H–209, United States Capitol Building, Washington, D.C. 20515, requesting that they publish this Joint Resolution in the Congressional Record and list this application in the official tally of state legislative applications that repeal and withdraw any prior application by a state legislature that calls for the Congress of the United States of America to call a convention to propose amendments to the Constitution of the United States, pursuant to the terms of Article V thereof, regardless of when and regardless of whether such applications were for a more limited convention to propose one or more amendments regarding one or more specific subjects and purposes or for a general convention to propose an unlimited number of amendments upon an unlimited number of subjects.

Signed by the President and the Speaker, May 25, 2017.

Joint Resolution 4

(Senate Joint Resolution 8)

A Senate Joint Resolution concerning

Chesapeake Bay Restoration – Federal Budget Blueprint Funding Reductions – Rescission Request

FOR the purpose of expressing the opposition of the General Assembly to the drastic cuts to the funding of the Chesapeake Bay Program and certain other federal programs proposed by the President of the United States in a certain budget blueprint; urging the Governor to publicly oppose the drastic cuts proposed by the President of the United States to the funding of the Chesapeake Bay Program and other federal programs supporting efforts to restore the Chesapeake Bay and its tributaries; requiring certain committees of the General Assembly to monitor and make recommendations regarding federal budget proposals and actions affecting the Chesapeake Bay and its tributaries; and generally relating to the federal budget and funding of Chesapeake Bay restoration programs.

WHEREAS, The Chesapeake Bay is the nation's largest estuary, approximately 200 miles long and varying in width from 3.4 miles across at its narrowest point to 35 miles across at its widest point; and

WHEREAS, The Chesapeake Bay and its tributaries provide a wide variety of economic and environmental benefits, employment opportunities, recreational opportunities, and ecological, cultural, and historic resources for regional residents and visitors; and

WHEREAS, Federal, State, and local governments have made substantial investments in restoring the Chesapeake Bay to increase economic benefits, provide clean water, and reduce health risks to residents of the region; and

WHEREAS, The value of Chesapeake Bay restoration to Maryland has been estimated to be approximately $20,400,000,000; and

WHEREAS, The Chesapeake Bay Program is a unique regional partnership that has led and directed the restoration of the Chesapeake Bay since 1983 and is critical to ongoing restoration efforts; and

WHEREAS, Partners in the Chesapeake Bay Program include the U.S. Environmental Protection Agency, Maryland, Pennsylvania, Delaware, New York, West Virginia, Virginia, the District of Columbia, local governments, the Chesapeake Bay Commission, academic institutions, citizen advisory groups, and various other entities; and

WHEREAS, Through the Chesapeake Bay Program, the U.S. Environmental Protection Agency has provided essential federal coordination, support, and oversight that has advanced and accelerated State and local efforts to restore the Chesapeake Bay and its tributaries; and

WHEREAS, The budget blueprint for fiscal year 2018 proposed by the President of the United States reduces the funding of the Chesapeake Bay Program from $73,000,000 to $0, eliminating the program and jeopardizing the recent progress made in restoring the Chesapeake Bay and its tributaries; and

WHEREAS, The proposed federal budget cuts could result in significant setbacks to Chesapeake Bay restoration efforts and a reversal of the progress that has been made in reducing pollution, improving water quality, restoring the oyster population, and maintaining other fisheries; now, therefore, be it

RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That the General Assembly of Maryland opposes the drastic cuts to the funding of the Chesapeake Bay Program and other federal programs proposed by the President of the United States in the budget blueprint for fiscal year 2018, which reflect the abdication of federal engagement, support, and oversight and will jeopardize the progress made in restoring the Chesapeake Bay; and be it further

RESOLVED, That the General Assembly of Maryland urges the Governor of Maryland to publicly oppose the drastic cuts proposed by the President of the United States to the funding of the Chesapeake Bay Program and other federal programs supporting efforts to restore the Chesapeake Bay and its tributaries; and be it further

RESOLVED, That the Senate Education, Health, and Environmental Affairs Committee and the House Environment and Transportation Committee shall monitor and make recommendations regarding federal budget proposals and actions affecting the Chesapeake Bay and its tributaries; and be it further

RESOLVED, That a copy of this Resolution be forwarded by the Department of Legislative Services to the Honorable Lawrence J. Hogan, Jr., Governor of Maryland, and the Maryland Congressional Delegation: Senators Benjamin L. Cardin and Christopher Van Hollen, Jr., Senate Office Building, Washington, D.C. 20510; and Representatives Andrew P. Harris, C. A. Dutch Ruppersberger, III, John P. Sarbanes, Anthony G. Brown, Steny Hamilton Hoyer, John Delaney, Elijah E. Cummings, and Jamie Raskin, House Office Building, Washington, D.C. 20515.

Signed by the President and the Speaker, May 25, 2017.

Joint Resolution 5

(House Joint Resolution 9)

A House Joint Resolution concerning

The Protection of the Federal Affordable Care Act

FOR the purpose of expressing the sharp disagreement of the General Assembly of Maryland with the repeal of the federal Affordable Care Act; urging the U.S. Congress to promptly protect certain provisions of the federal Affordable Care Act; urging the Governor of Maryland to join in urging the U.S. Congress to promptly protect certain provisions of the federal Affordable Care Act; and generally relating to the repeal of the federal Affordable Care Act.

WHEREAS, The repeal of the federal Affordable Care Act would eliminate health insurance coverage for approximately ~~20,000,000~~ 24,000,000 Americans; and

WHEREAS, The U.S. Congress has presented no other option to provide health care services for the more than 430,000 Marylanders covered under the federal Affordable Care Act; and

WHEREAS, The repeal of the federal Affordable Care Act would allow insurance companies to deny coverage for Marylanders with preexisting conditions; and

WHEREAS, The repeal of the federal Affordable Care Act would no longer allow 41,000 Marylanders who are under the age of 26 years to be covered by their parents' health insurance; and

WHEREAS, The repeal of the federal Affordable Care Act would end preventive health coverage for more than 2,900,000 Maryland residents; and

WHEREAS, The repeal of the federal Affordable Care Act would reduce the access of Maryland residents to mental health care; and

WHEREAS, The repeal of the federal Affordable Care Act would increase out–of–pocket health–related expenses for Maryland seniors and threatens Medicare prescription benefits for 900,000 Maryland beneficiaries; and

WHEREAS, The repeal of the federal Affordable Care Act would allow insurance companies to discriminate against Maryland's women; and

WHEREAS, The defunding of family planning and women's health care programs threatens services for thousands of women in Maryland; and

WHEREAS, The repeal of the federal Affordable Care Act jeopardizes over $7.7 billion in federal funding for Maryland health services over the next 5 years; and

WHEREAS, The repeal of the federal Affordable Care Act threatens $2.3 billion in Medicare and Medicaid payments into the Maryland health care system; now, therefore,

RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That the General Assembly of Maryland sharply disagrees with the repeal of the federal Affordable Care Act and urges the U.S. Congress to promptly protect provisions of the law that ensure all Marylanders have access to affordable health insurance coverage, free from discriminatory rates and policies; and be it further

RESOLVED, That the General Assembly of Maryland urges the Governor of Maryland to join in urging the U.S. Congress to promptly protect provisions of the law that ensure all Marylanders have access to affordable health insurance coverage, free from discriminatory rates and polices; and be it further

RESOLVED, That a copy of this Resolution be forwarded by the Department of Legislative Services to the Honorable Lawrence J. Hogan, Jr., Governor of Maryland and the Maryland Congressional Delegation: Senators Benjamin L. Cardin and Christopher Van Hollen, Jr., Senate Office Building, Washington, D.C. 20510; and Representatives Andrew P. Harris, C. A. Dutch Ruppersberger III, John P. Sarbanes, Anthony G. Brown, Steny Hamilton Hoyer, John K. Delaney, Elijah E. Cummings, and Jamie Raskin, House Office Building, Washington, D.C. 20515.

Signed by the President and the Speaker, May 25, 2017.

Vetoed Bills

and

Messages

from the

Governor of Maryland

A total of 86 bills were vetoed by the Governor following the 2017 Regular Session of the General Assembly. Of these vetoed bills, 42 originated in the Senate and 44 of them originated in the House of Delegates. Pursuant to the provisions of Article II, Section 17 of the Maryland Constitution, these bills will be returned to the General Assembly immediately after the Legislature has organized at the next Regular or Special Session to be reconsidered in order to determine whether the veto is sustained or overridden.

2017 Session

List of Senate Bills Vetoed

(Bill numbers in **bold** indicate policy vetoes. Bill numbers in *italics* indicate technical vetoes. All other vetoes are duplicative.)

List of House Bills Vetoed

(Bill numbers in **bold** indicate policy vetoes. Bill numbers in *italics* indicate technical vetoes. All other vetoes are duplicative.)

[1] Note: HB 978 was passed and presented to the Governor before the 2017 Regular Session ended. It was vetoed by him on April 5, 2017. The veto was overridden by both the House and the Senate on April 6, 2017, and the bill became chapter 29 of the 2017 Regular Session.

Vetoed Senate Bills and Messages

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 12 – *Vehicle Laws – Obstruction Hanging From Rearview Mirror – Enforcement.*

This bill provides for enforcement only as a secondary offense for a violation of the prohibition under certain circumstances against a person driving a vehicle on a highway with any object, material, or obstruction hanging from the rearview mirror.

House Bill 1335, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 12.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 12

AN ACT concerning

Vehicle Laws – Obstruction Hanging From Rearview Mirror – Enforcement

FOR the purpose of providing for enforcement only as a secondary offense for a violation of the prohibition under certain circumstances against a person driving a vehicle on a highway with any object, material, or obstruction hanging from the rearview mirror under certain circumstances.

BY repealing and reenacting, with amendments,
Article – Transportation
Section 21–1104
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Transportation

21–1104.

(a) A person may not drive a vehicle if it is so loaded or there is in the front seat so many passengers as to:

(1) Obstruct the view of the driver to the front or sides of the vehicle; or

(2) Interfere with the control of the driver over the driving mechanism of the vehicle.

(b) A passenger in a vehicle may not ride in any position where he:

(1) Interferes with the view of the driver to the front or sides of the vehicle; or

(2) Interferes with the control of the driver over the driving mechanism of the vehicle.

(c) (1) Except as provided in paragraph (2) of this subsection **AND SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION**, a person may not drive a vehicle on a highway with any object, material, or obstruction so located in or on the vehicle as to interfere with the clear view of the driver through the windshield.

(2) This subsection does not apply to:

(i) Required or permitted equipment of the vehicle;

(ii) Adjustable, nontransparent sun visors that are not attached to glass; or

(iii) Direction, destination, or termini signs on any passenger common carrier motor vehicle.

(3) (I) A PERSON MAY NOT DRIVE A VEHICLE ON A HIGHWAY WITH ANY OBJECT, MATERIAL, OR OBSTRUCTION HANGING FROM THE REARVIEW MIRROR THAT INTERFERES WITH THE CLEAR VIEW OF THE DRIVER THROUGH THE WINDSHIELD.

(II) A POLICE OFFICER MAY ENFORCE THIS PARAGRAPH ONLY AS A SECONDARY ACTION WHEN THE POLICE OFFICER DETAINS A DRIVER OF A MOTOR VEHICLE FOR A SUSPECTED VIOLATION OF ANOTHER PROVISION OF THE CODE.

(d) (1) Except as provided in paragraphs (2) and (3) of this subsection, a person may not drive a vehicle with any sign, poster, card, sticker, or other nontransparent material on the windshield, side wings, or side or rear windows of the vehicle.

(2) This subsection does not apply to:

(i) Materials placed on the windshield or rear window, within a 7 inch square area in the lower corner, or on the side windows of the vehicle to the rear of the driver, if the materials are placed so as not to interfere with the driver's clear view of traffic;

(ii) Direction, destination, or termini signs on any passenger common carrier motor vehicle; or

(iii) Electronic toll collection tags placed in the windshield of a vehicle in accordance with the regulations of the Maryland Transportation Authority.

(3) The Administration shall adopt regulations to exempt from the provisions of paragraph (1) of this subsection materials placed on the windshield of a vehicle in compliance with security measures required by a federal or State government agency and approved by the Administration.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 78 – *Vehicle Laws – School Crossing Guards – Authority to Direct Traffic.*

This bill authorizes a school crossing guard who meets certain qualifications to direct vehicles and pedestrians, on a highway or on school grounds, in order to assist non–school vehicles in entering and leaving school grounds.

House Bill 1301, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 78.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 78

AN ACT concerning

Vehicle Laws – School Crossing Guards – Authority to Direct Traffic

FOR the purpose of expanding the authority of school crossing guards to direct traffic by authorizing a school crossing guard who meets certain qualifications to direct vehicles and pedestrians on a highway or on school grounds in order to assist nonschool vehicles in entering and leaving school grounds; ~~providing for the application of this Act;~~ *providing for the application of this Act;* and generally relating to the authority of school crossing guards to direct traffic.

BY repealing and reenacting, with amendments,
Article – Transportation
Section 21–107
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Transportation

21–107.

(a) A school crossing guard who meets the qualifications in subsection (b) of this section may stop or otherwise direct vehicles and pedestrians on a highway or on school grounds to assist:

(1) Pedestrians in the safe crossing of highways at a school crossing; **[**and**]**

(2) School vehicles in entering and leaving school grounds**; AND**

(3) ~~EXCEPT IN BALTIMORE CITY, VEHICLES~~ ~~VEHICLES~~ *EXCEPT IN BALTIMORE CITY, VEHICLES* THAT ARE NOT SCHOOL VEHICLES IN ENTERING AND LEAVING SCHOOL GROUNDS.

(b) A school crossing guard is qualified to direct traffic as described in subsection (a) of this section if the school crossing guard:

(1) Is 18 years of age or older;

(2) Is under the control of a local law enforcement agency or a county school board;

(3) Has completed training to perform any traffic direction duties to which the guard is assigned as prescribed by the law enforcement agency or county school board that has control over the school crossing guard; and

(4) Is wearing an appropriate uniform as specified by the law enforcement agency or county school board that has control over the school crossing guard.

(c) A person may not willfully disobey a lawful direction of a school crossing guard exercising the authority granted in this section.

(d) Nothing in this section prohibits a school crossing guard who does not meet the qualifications specified in subsection (b) of this section from assisting a pedestrian to cross a highway, providing the school crossing guard does not attempt to do so by directing traffic.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 98 – *Railroad Grade Crossings – Exempt Highway–Rail Grade Crossing Plaque.*

This bill authorizes the State Highway Administration to erect an exempt highway–rail grade crossing plaque at each railroad grade crossing in the State that is no longer in use by a railroad. The design and placement of a plaque must conform to the federal Manual on Uniform Traffic Control Devices. The bill also exempts specified vehicles from stopping at a railroad grade crossing with an exempt plaque.

House Bill 534, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 98.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 98

AN ACT concerning

Railroad Grade Crossings – Exempt Highway–Rail Grade Crossing Plaque

FOR the purpose of authorizing the State Highway Administration to erect an exempt highway–rail grade crossing plaque at certain railroad grade crossings; specifying the design and placement of a plaque erected under this Act; exempting certain vehicles from the requirement to stop at certain railroad grade crossings if the railroad grade crossing has an exempt highway–rail grade crossing plaque; and generally relating to an exempt highway–rail grade crossing plaque at railroad grade crossings.

BY adding to
Article – Transportation
Section 8–644
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Transportation
Section 21–703
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Transportation

8–644.

(A) THE ADMINISTRATION MAY ERECT AN EXEMPT HIGHWAY–RAIL GRADE CROSSING PLAQUE AT EACH RAILROAD GRADE CROSSING IN THE STATE THAT IS NO LONGER IN USE BY A RAILROAD.

(B) THE DESIGN AND PLACEMENT OF A PLAQUE ERECTED UNDER THIS SECTION SHALL BE IN ACCORDANCE WITH THE FEDERAL MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES.

21–703.

(a) Except as provided in subsection (g) of this section, this section applies to:

(1) Every motor vehicle carrying a passenger for hire;

(2) Every school vehicle carrying any passenger;

(3) Every bus that is owned or operated by a church and carrying any passenger;

(4) Every vehicle carrying as cargo a flammable liquid or an explosive; and

(5) Every vehicle carrying hazardous materials of a type and quantity requiring placarding under federal hazardous materials regulations.

(b) If the driver of any vehicle described in subsection (a) of this section approaches a railroad grade crossing, the driver shall stop within 50 feet but not less than 15 feet from the nearest rail in the crossing.

(c) If the driver of any vehicle described in subsection (a) of this section approaches a railroad grade crossing, the driver, while stopped, shall listen and look in both directions along the track for any approaching or passing railroad train and for any signals indicating the approach or passage of a railroad train.

(d) If the driver of any vehicle described in subsection (a) of this section approaches a railroad grade crossing, the driver may not proceed until he can do so safely.

(e) If the driver of any vehicle described in subsection (a) of this section approaches a railroad grade crossing, the driver may proceed only in that gear of the vehicle in which it will be unnecessary to shift gears manually while passing through the crossing.

(f) If the driver of any vehicle described in subsection (a) of this section approaches a railroad grade crossing, the driver may not shift gears manually while passing over any track of the railroad.

(g) (1) This section does not apply to the vehicles described in subsection (a)(1), (4), and (5) of this section, at any railroad grade crossing in a business district or residential district.

(2) This section does not apply to school buses and church buses, as described in subsection (a)(2) and (3) of this section, at locations within Baltimore City

where complying with the provision of this section would conflict with the existing traffic signal indications.

(3) THIS SECTION DOES NOT APPLY TO THE VEHICLES DESCRIBED IN SUBSECTION (A) OF THIS SECTION, AT ANY RAILROAD GRADE CROSSING WITH AN EXEMPT HIGHWAY–RAIL GRADE CROSSING PLAQUE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 107 – *Carroll County – Huckster, Hawker, or Peddler License – Repeal*.

This bill repeals provisions of law that relate to the licensing and regulation of hucksters, hawkers, or peddlers selling fruits or vegetables in Carroll County.

House Bill 218, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 107.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 107

AN ACT concerning

Carroll County – Huckster, Hawker, or Peddler License – Repeal

FOR the purpose of repealing certain provisions of law that relate to licenses issued to hucksters, hawkers, or peddlers selling fruits or vegetables in Carroll County.

BY repealing

The Public Local Laws of Carroll County
Section 6–101
Article 7 – Public Local Laws of Maryland
(2014 Edition and January 2016 Supplement, as amended)

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

Article 7 – Carroll County

[6–101.

(a) No huckster, hawker or peddler shall sell or offer for sale any fruits or vegetables in Carroll County until the huckster, hawker or peddler shall have first taken out a license for that purpose in accordance with the provisions of this section; provided, however, that this section shall not apply to the farmers or growers selling their own fruits or vegetables.

(b) For every such license, the Clerk of the Circuit Court of Carroll County shall be paid fifteen dollars per annum. The receipts from the licenses shall be paid to the County Treasurer for the use of the county. Any person violating the provisions of this section shall, upon conviction, be fined not less than twenty–five dollars nor more than one hundred dollars, to be recovered as other fines are recovered.**]**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 109 – *Procurement – Prohibitions on Participation*.

This bill establishes that existing provisions that preclude participation in State procurements, under certain circumstances, apply for at least two years – following the issuance of the first relevant invitation for bids (IFB) or request for proposals (RFP) – until two years from the date of issuance or the awarding of a contract/reissuance. The

prohibitions do not apply to a subsequent IFB or RFP for which the specifications are reused after the initial prohibition is no longer applicable. The bill also clarifies that the existing prohibitions apply to a person that employs the individual during the period of assistance.

House Bill 283, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 109.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 109

AN ACT concerning

Procurement – Prohibitions on Participation

FOR the purpose of providing that certain prohibitions on participation in procurement apply only for a certain period of time following the issuance of an invitation for bids or a request for proposals; providing that certain prohibitions on participation in procurement do not apply to certain invitations for bids or requests for proposals; and generally relating to the prohibitions on participation in procurement.

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 13–212.1
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – State Finance and Procurement

13–212.1.

(a) **[**An**]** **EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, AN** individual who assists an executive unit in the drafting of specifications, an invitation for bids, a request for proposals for a procurement, or the selection or award made in response to an invitation for bids or a request for proposals, or a person that employs the individual **DURING THE PERIOD OF ASSISTANCE**, may not:

(1) submit a bid or proposal for that procurement; or

(2) assist or represent another person, directly or indirectly, who is submitting a bid or proposal for that procurement.

(b) For purposes of subsection (a) of this section, assisting in the drafting of specifications, an invitation for bids, or a request for proposals for a procurement does not include:

(1) providing descriptive literature, such as catalogue sheets, brochures, technical data sheets, or standard specification "samples", whether requested by an executive unit or provided unsolicited;

(2) submitting written or oral comments on a specification prepared by an executive unit or on a solicitation for a bid or proposal when comments are solicited from two or more persons as part of a request for information or a prebid or preproposal process;

(3) providing specifications for a sole source procurement made in accordance with § 13–107 of this article;

(4) providing architectural and engineering services for:

(i) programming, master planning, or other project planning services; or

(ii) the design of a construction project if:

1. the design services do not involve lead or prime design responsibilities or construction phase responsibilities on behalf of the State; and

2. A. the anticipated value of the procurement contract at the time of advertisement is at least $2,500,000 and not more than $100,000,000; or

B. regardless of the amount of the procurement contract, the payment to the individual or person for the design services does not exceed $500,000; or

(5) for a procurement of health, human, social, or educational services, comments solicited from two or more persons as part of a request for information, including written or oral comments on a draft specification, an invitation for bids, or a request for proposals.

(c) A unit that receives comments as described in subsection (b)(2) and (5) of this section shall retain:

(1) any written comments; and

(2) a record of any oral comments.

(D) (1) THE PROHIBITIONS ESTABLISHED UNDER SUBSECTION (A) OF THIS SECTION APPLY FROM THE DATE OF ISSUANCE OF THE FIRST INVITATION FOR

BIDS OR REQUEST FOR PROPOSALS FOR WHICH THE SPECIFICATIONS WERE INITIALLY DRAFTED UNTIL THE LATER OF:

(I) 2 YEARS FROM THE DATE OF ISSUANCE; OR

(II) THE SELECTION OR AWARD OF A PROCUREMENT CONTRACT IN RESPONSE TO THE ISSUANCE OF THE INVITATION FOR BIDS OR REQUEST FOR PROPOSALS OR A REISSUANCE OF THE INVITATION FOR BIDS OR REQUEST FOR PROPOSALS FOR WHICH THE SPECIFICATIONS WERE INITIALLY DRAFTED.

(2) THE PROHIBITIONS ESTABLISHED UNDER SUBSECTION (A) OF THIS SECTION DO NOT APPLY TO A SUBSEQUENT INVITATION FOR BIDS OR REQUEST FOR PROPOSALS FOR WHICH THE SPECIFICATIONS ARE REUSED AFTER THE INITIAL PROHIBITION IS NO LONGER APPLICABLE IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 138 – *Income Tax Credit – Security Clearances – Employer Costs – Extension*.

This bill extends through 2021 the number of taxable years for which an individual or corporation may claim a credit against the State income tax for certain costs incurred to obtain federal security clearances, to rent certain spaces, and to construct or renovate certain sensitive compartmented information facilities in the State.

House Bill 873, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 138.

Sincerely,

Lawrence J. Hogan, Jr.

Governor

Senate Bill 138

AN ACT concerning

Income Tax Credit – Security Clearances – Employer Costs – Extension

FOR the purpose of extending the number of taxable years for which an individual or corporation may claim a credit against the State income tax for certain costs incurred to obtain federal security clearances, to rent certain spaces, and to construct or renovate certain sensitive compartmented information facilities in the State; making certain stylistic changes; and generally relating to a credit against the State income tax for costs related to federal security clearances.

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 10–732
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Tax – General

10–732.

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

(2) "Costs" means the costs to an individual or corporation for:

(i) security clearance administrative expenses incurred with regard to an employee in the State including, but not limited to:

1. processing application requests for clearances for employees in the State;

2. maintaining, upgrading, or installing computer systems in the State required to obtain federal security clearances; and

3. training employees in the State to administer the application process; and

(ii) construction and equipment costs incurred to construct or renovate a sensitive compartmented information facility ("SCIF") located in the State as required by the federal government.

(3) "Department" means the Department of Commerce.

(4) "Secretary" means the Secretary of Commerce.

(5) "Small business" has the meaning stated in § 7–218 of this article.

(b) **(1)** Subject to the limitations of this section, for a taxable year beginning after December 31, 2012, but before January 1, **[**2017**] 2022**, an individual or a corporation may claim credits against the State income tax for:

[(1)**] (I)** security clearance administrative expenses, not to exceed $200,000;

[(2)**] (II)** expenses incurred for rental payments owed during the first year of a rental agreement for spaces leased in the State if the individual or corporation is a small business that performs security–based contracting, not to exceed $200,000; and

[(3) (i)**] (III) [**Subject to subparagraph (ii) of this paragraph**] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION**, construction and equipment costs incurred to construct or renovate a single SCIF in an amount equal to the lesser of 50% of the costs or $200,000.

[(ii)**] (2)** The total amount of construction and equipment costs incurred to construct or renovate multiple SCIFs for which an individual or a corporation is eligible to claim as a credit against the State income tax is $500,000.

(c) (1) By September 15 of the calendar year following the end of the taxable year in which the costs were incurred, an individual or a corporation shall submit an application to the Department for the credits allowed under subsection (b) of this section.

(2) (i) The total amount of credits approved by the Department under subsection (b) of this section may not exceed $2,000,000 for any calendar year.

(ii) If the total amount of credits applied for by all individuals and corporations under subsection (b) of this section exceeds the maximum specified under subparagraph (i) of this paragraph, the Department shall approve a credit under subsection (b) of this section for each applicant in an amount equal to the product of multiplying the credit applied for by the applicant times a fraction:

1. the numerator of which is the maximum specified under subparagraph (i) of this paragraph; and

2. the denominator of which is the total of all credits applied for by all applicants under subsection (b) of this section in the calendar year.

(3) By December 15 of the calendar year following the end of the taxable year in which the costs were incurred, the Department shall certify to the individual or corporation the amount of tax credits approved by the Department for the individual or corporation under this section.

(4) To claim the approved credits allowed under this section, an individual or a corporation shall:

(i) file an amended income tax return for the taxable year in which the costs were incurred; and

(ii) attach a copy of the Department's certification of the approved credit amount to the amended income tax return.

(d) If the credit allowed for any taxable year under this section exceeds the total tax otherwise due, an individual or corporation may apply the excess as a credit against the State income tax for succeeding taxable years until the full amount of the excess is used.

(e) The Department, in consultation with the Comptroller, shall adopt regulations to carry out the provisions of this section.

(f) In accordance with § 2.5–109 of the Economic Development Article, the Department shall submit a report on the number of credits certified in the previous calendar year.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 145 – *Education – Statewide Kindergarten Assessment – Completion.*

This bill alters the date by which the Kindergarten Readiness Assessment (KRA) must be completed when a local board of education, or a principal and teacher who are in mutual agreement, decide to assess all students entering kindergarten in a school year.

House Bill 654, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 145.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 145

AN ACT concerning

Education – Statewide Kindergarten Assessment – Completion

FOR the purpose of altering the date by which a certain statewide kindergarten assessment must be completed; and generally relating to the completion date of the statewide kindergarten assessment.

BY repealing and reenacting, with amendments,
Article – Education
Section 7–210
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

7–210.

(a) Except as provided in subsection (b) of this section, a statewide kindergarten assessment that is administered with the purpose of measuring school readiness:

(1) Shall be limited to a representative sample, as determined by the Department of kindergarten students from within each local school system in the State; and

(2) May include an evaluation of:

(i) Language and literacy skills;

(ii) Academic knowledge in mathematics, science, and social studies;

(iii) Physical development; and

(iv) Social development.

(b) A principal and a teacher who are in mutual agreement, or a county board, may administer a statewide kindergarten assessment with the purpose of measuring school readiness if:

(1) The assessment is completed on or before **[**October 1**]** **OCTOBER 10**; and

(2) The aggregate results are returned within 45 days after administration of the assessment.

(c) (1) Except as provided in paragraph (2) of this subsection, a statewide kindergarten assessment may not be administered to an enrolled prekindergarten student.

(2) A statewide kindergarten assessment may be administered to an enrolled prekindergarten student by a school psychologist or other school–based professional who intends to use the results in order to identify a disability.

(d) The Department shall adopt regulations to implement the requirements of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 166 – *Baltimore City – Civilian Review Board*.

This bill alters the time limit for filing a complaint for excessive force with the Baltimore City Civilian Review Board. This bill also repeals the requirement for a complaint to be

witnessed by a notary public, and requires that the complaint be signed and sworn to, under the penalty of perjury, by the complainant.

House Bill 1037, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 166.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 166

AN ACT concerning

Baltimore City – Civilian Review Board

FOR the purpose of ~~altering certain procedures for filing a complaint with the Baltimore City Civilian Review Board; repealing~~ modifying ~~certain time limits on filing a complaint~~ *a certain time limit on the filing of a certain complaint* with the Baltimore City Civilian Review Board; *repealing a requirement that a certain complaint be witnessed by a notary public; requiring a certain complaint to be sworn to, under penalty of perjury, by the complainant;* ~~authorizing the Board to review an incomplete complaint; authorizing a complainant to request that a complaint be confidential; providing that a certain report, under certain circumstances, remains subject to a certain review and certain recommendations by the Board; repealing a certain period of time within which the Board is required to submit a certain statement to the head of a certain law enforcement unit; repealing certain references to the Secretary of the Board;~~ making a certain stylistic ~~and technical changes; altering certain definitions~~ change; and generally relating to the Baltimore City Civilian Review Board.

~~BY repealing and reenacting, with amendments,~~
~~The Public Local Laws of Baltimore City~~
~~Section 16–41~~
~~Article 4 – Public Local Laws of Maryland~~
~~(1979 Edition and 1997 Supplement, and 2000 Supplement, as amended)~~
~~(As enacted by Chapter 499 of the Acts of the General Assembly of 2006, as amended by Chapter 130 of the Acts of the General Assembly of 2015)~~

BY repealing and reenacting, without amendments,
The Public Local Laws of Baltimore City
Section 16–42(a)
Article 4 – Public Local Laws of Maryland
(1979 Edition and 1997 Supplement, and 2000 Supplement, as amended)
(As enacted by Chapter 499 of the Acts of the General Assembly of 2006)

BY repealing and reenacting, with amendments,
The Public Local Laws of Baltimore City
Section 16–43(b)~~, 16–44(c) through (e), and 16–48(a)~~ and 16–44(b) and (c)
Article 4 – Public Local Laws of Maryland
(1979 Edition and 1997 Supplement, and 2000 Supplement, as amended)

~~BY repealing~~
~~The Public Local Laws of Baltimore City~~
~~Section 16–44(b)~~
~~Article 4 – Public Local Laws of Maryland~~
~~(1979 Edition and 1997 Supplement, and 2000 Supplement, as amended)~~

~~BY repealing and reenacting, without amendments,~~
~~The Public Local Laws of Baltimore City~~
~~Section 16–45~~
~~Article 4 – Public Local Laws of Maryland~~
~~(1979 Edition and 1997 Supplement, and 2000 Supplement, as amended)~~

~~BY repealing and reenacting, with amendments,~~
~~The Public Local Laws of Baltimore City~~
~~Section 16–46~~
~~Article 4 – Public Local Laws of Maryland~~
~~(1979 Edition and 1997 Supplement, and 2000 Supplement, as amended)~~
~~(As enacted by Chapter 499 of the Acts of the General Assembly of 2006)~~

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

Article 4 – Baltimore City

~~16–41.~~

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

~~(b) (1) "Abusive language" means [the use of remarks intended to be demeaning, humiliating, mocking, insulting, or belittling that may or may not be based on the actual or perceived race, color, religion, sex, national origin, sexual orientation, or gender identity of an individual]~~ **~~HARSH, VIOLENT, PROFANE, OR DEROGATORY LANGUAGE THAT WOULD DEMEAN THE DIGNITY OF AN INDIVIDUAL.~~**

~~(2) "ABUSIVE LANGUAGE" INCLUDES PROFANITY AND RACIAL, ETHNIC, OR SEXIST SLURS.~~

~~(c) (1) "Excessive force" means the use of greater physical force than reasonably necessary to repel an attacker or terminate resistance.~~

~~(2) "Excessive force" does not include force that is reasonably necessary to effect a lawful purpose.~~

~~(d) "False arrest" means an arrest made without legal justification.~~

~~(e) "False imprisonment" means the intentional restriction without legal justification of the freedom of movement of a person who is aware of the restriction and who does not consent.~~

~~(f) (1) "Harassment" means:~~

~~(i) repeated or unwarranted conduct that is intended to be overtly demeaning, humiliating, mocking, insulting, or belittling;~~ **[**~~or~~**]**

~~(ii) any conduct that is intended to cause unnecessary physical discomfort or injury~~**[**~~.~~**]; OR**

(III) UNWARRANTED THREATS OR UNWARRANTED DEMANDS.

~~(2) "Harassment" does not include conduct that is reasonably necessary to effect a lawful purpose.~~

~~(g) "Law enforcement unit" means:~~

~~(1) the Police Department of Baltimore City;~~

~~(2) the Baltimore City School Police;~~

~~(3) the Housing Authority of Baltimore City Police;~~

~~(4) the Baltimore City Sheriff's Department;~~

~~(5) the Baltimore City Watershed Police Force;~~

~~(6) the police force of the Baltimore City Community College; or~~

~~(7) the police force of Morgan State University.~~

~~(h) "Police officer" means a member of a law enforcement unit authorized to make arrests.~~

16–42.

(a) The Civilian Review Board of Baltimore City is established to provide a permanent, statutory agency in Baltimore City through which:

(1) complaints lodged by members of the public regarding abusive language, false arrest, false imprisonment, harassment, or excessive force by police officers of a law enforcement unit shall be processed, investigated under § 16–46 of this subheading, and evaluated; and

(2) policies of a law enforcement unit may be reviewed.

16–43.

(b) At its first meeting each year, the Board shall elect a **[**Chairman**]** **CHAIR** and Secretary.

16–44.

~~**[**~~(b) ~~(1) Except as provided in paragraph (2) of this subsection, a~~ **A** complaint shall be made within 1 year of the action giving rise to the complaint.

~~(2) A complaint for excessive force shall be made within 90 days of the alleged act of excessive force.~~**]**

~~**[**~~(c)~~**]** (B)~~ (1) **[**(i) The complaint shall be reduced to writing on a form authorized by the Board, signed by the complainant, and witnessed by a notary public.

(ii) In addition to the requirements of subparagraph (i) of this paragraph, a complaint for excessive force shall be sworn to by the complainant**]** **THE COMPLAINT SHALL BE REDUCED TO WRITING ON A FORM AUTHORIZED BY THE BOARD AND SIGNED AND SWORN TO, UNDER PENALTY OF PERJURY, BY THE COMPLAINANT**.

(2) The ~~FORM FOR THE~~ complaint ~~THAT IS AUTHORIZED BY THE BOARD~~ shall include ~~REQUESTS FOR THE FOLLOWING INFORMATION~~:

(i) the name of the complainant;

(ii) if known, the name of the police officer allegedly involved;

(iii) the date, time, and place of the alleged misconduct;

(iv) the circumstances of the alleged misconduct; and

(v) an explanation of the alleged misconduct that is deemed to be wrongful.

~~(3) THE BOARD MAY REVIEW AN INCOMPLETE COMPLAINT.~~

~~**(4) A COMPLAINANT MAY REQUEST THAT THE COMPLAINT BE KEPT CONFIDENTIAL.**~~

~~**[**(d)**] (C) (1)** One copy of the completed form shall be retained by the recipient of the complaint and a copy given to the complainant.~~

~~**(2) [**A**] EXCEPT FOR COMPLAINTS REQUESTED TO BE CONFIDENTIAL UNDER SUBSECTION (B)(4) OF THIS SECTION, A** copy shall be sent within 48 hours to the Internal Investigative Division and **[**the Secretary of**]** the Board.~~

~~**(3) A COPY OF A COMPLAINT THAT IS REQUESTED TO BE CONFIDENTIAL UNDER SUBSECTION (B)(4) OF THIS SECTION:**~~

~~**(I) SHALL BE SENT WITHIN 48 HOURS TO THE BOARD; AND**~~

~~**(II) MAY NOT BE SENT TO THE INTERNAL INVESTIGATIVE DIVISION UNTIL AFTER THE BOARD SENDS ITS FINAL RECOMMENDATION TO THE HEAD OF THE APPROPRIATE LAW ENFORCEMENT UNIT.**~~

~~**(4) A RECIPIENT OF A COMPLAINT THAT IS REQUESTED TO BE CONFIDENTIAL MAY NOT DISCLOSE THE INFORMATION IN THE COMPLAINT.**~~

~~**[**(e)**] (D)** The **[**Secretary of the**]** Board shall assign a consecutive number to each complaint, and within 48 hours, shall send a copy to each member of the Board. The **[**Secretary**] BOARD** shall also maintain on file a record of each complaint.~~

~~16–45.~~

~~(a) The Internal Investigative Division shall make a comprehensive investigation of each complaint and submit its Internal Investigative Division Report relating to the incident alleged to the Board within 90 days from the date of the complaint.~~

~~(b) For good cause shown, the Board may extend the time allowed to complete the report required under subsection (a) of this section.~~

~~16–46.~~

~~(a) (1) The Board shall review all complaints alleging police misconduct described in § 16–42(a)(1) of this subheading.~~

~~(2) The Board may investigate, simultaneously with the Internal Investigative Division, each complaint it deems appropriate and report its findings to the Internal Investigative Division.~~

~~**(3) THE BOARD SHALL INVESTIGATE INDEPENDENTLY A COMPLAINT THAT IS REQUESTED TO BE KEPT CONFIDENTIAL UNDER § 16–44(B)(4) OF THIS SUBTITLE.**~~

~~(b) (1) The Board may issue a subpoena, signed by the **[**Chairman**] CHAIR** of the Board, to compel:~~

~~(i) the attendance and testimony of a witness other than the accused officer; and~~

~~(ii) the production of any book, record, or other document.~~

~~(2) If a person fails to comply with a subpoena issued under this subsection, on petition of the Board, a court of competent jurisdiction may compel compliance with the subpoena.~~

~~(3) A police officer may submit a witness list to the Board 10 days or more before the Board takes testimony.~~

~~(4) The **[**Chairman or the Secretary of the Board**] CHAIR OR THE CHAIR'S DESIGNEE** may administer oaths in connection with any proceeding of the Board.~~

~~(5) The police officer or the police officer's representative shall have the right to question witnesses who testify about the complaint.~~

~~(6) All witness testimony shall be recorded.~~

~~(c) (1) The Board shall review the Internal Investigative Division's Report.~~

~~**(2) IF THE INTERNAL INVESTIGATIVE DIVISION INVESTIGATES AN EXCESSIVE FORCE INCIDENT WHERE THERE HAS NOT BEEN A FORMAL COMPLAINT FILED BY A CIVILIAN, THE INTERNAL INVESTIGATIVE DIVISION'S REPORT REMAINS SUBJECT TO REVIEW AND RECOMMENDATION BY THE CIVILIAN REVIEW BOARD IN ACCORDANCE WITH PARAGRAPH (3) OF THIS SUBSECTION.**~~

~~**[**(2)**] (3)** On review of the Internal Investigative Division Report and the Board's investigative report, if any, of each case, the Board shall recommend to the head of the appropriate law enforcement unit one of the following actions:~~

~~(i) sustain the complaint and may recommend the appropriate disciplinary action against the police officer;~~

~~(ii) not sustain the complaint;~~

~~(iii) exonerate the police officer;~~

~~(iv) find that the complaint is unfounded; or~~

~~(v) require further investigation by the Internal Investigative Division.~~

~~(d) The Board shall submit a statement of its findings and recommendations to the head of the appropriate law enforcement unit **[**within 30 days of receipt of the Internal Investigative Division Report**]**.~~

~~16–48.~~

~~(a) The head of the appropriate law enforcement unit has final decision–making responsibility for the appropriate disciplinary action in each case, but the head of the law enforcement unit may not take final action until after reviewing the recommendation of the Board under **[**§ 16–46(e)(2)**] § 16–46(C)(3)** of this subheading.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 195 – *State Board of Physicians – Medical Professional Liability Insurance Coverage – Verification, Publication, and Notification Requirements (Janet's Law).*

This bill requires that the public practitioner profile for each licensed physician in the State be maintained by the State Board of Physicians, including information regarding medical professional liability insurance, and requires certain physicians to provide the State Board of Physicians with verification or documentation of information within 25 business days upon request of the Board. This bill also requires each licensed physician practicing medicine in the State to notify a patient in writing if the physician does not carry professional liability insurance coverage, or if the physician's coverage has lapsed for any period of time and has not been renewed.

House Bill 957, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 195.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 195

AN ACT concerning

~~Physicians – Licensure – Liability Coverage~~
State Board of Physicians – Medical Professional Liability Insurance Coverage – ~~Publication~~ *Verification, Publication, and Notification Requirements*
(Janet's Law)

FOR the purpose of ~~requiring licensed physicians to maintain certain minimum amounts of professional liability insurance or attest to certain coverage as a condition of licensure and comply with certain regulations; requiring a licensed physician to notify the State Board of Physicians of the cancellation of the insurance or coverage within a certain time period; requiring a physician to provide the Board with certain verification or documentation on a certain application and at any other time on request of the Board; authorizing the Board to adopt certain regulations; authorizing the Board to take certain actions if verification or other documentation of insurance or coverage is not provided as required by certain provisions of this Act; authorizing the Board to conduct certain audits for certain purposes; providing for the construction of certain provisions of this Act; making conforming changes; and generally relating to physicians and liability coverage~~ requiring *a certain physician to provide the State Board of Physicians with certain verification or documentation within a certain number of days after the physician receives a certain request from the Board; requiring* the public individual profile of certain licensees of the ~~State~~ Board ~~of Physicians~~ to include *certain* information *as* reported ~~by the licensee~~ to the Board, *including information* regarding whether the licensee maintains medical professional liability insurance; *requiring certain licensees practicing medicine in the State to notify patients in writing of certain information relating to medical professional liability insurance coverage; requiring the notification to be provided at certain visits and as part of certain informed consents and signed by a patient at certain times; requiring a licensee to retain the notification as part of certain records and, under certain circumstances, to post certain information in a certain location at the licensee's place of practice; requiring the Board to develop certain language for a certain required notification;* and generally relating to ~~the publication of medical professional liability insurance coverage information~~ *physicians and liability coverage*.

BY adding to
Article – Health Occupations
Section 14–312.1 and 14–508
Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section ~~14–205(b)(1), 14–309, 14–316(c), 14–317, and 14–404(a)(41) and (42)~~ 14–411.1(b)(6)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

~~BY adding to~~
~~Article – Health Occupations~~
~~Section 14–312.1 and 14–404(a)(43) and (44)~~
~~Annotated Code of Maryland~~
~~(2014 Replacement Volume and 2016 Supplement)~~

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

Article – Health Occupations

~~14–205.~~

~~(b) (1) In addition to the powers set forth elsewhere in this title, the Board may:~~

~~(i) Adopt regulations to regulate the performance of acupuncture, but only to the extent authorized by § 14–504 of this title;~~

~~(ii) After consulting with the State Board of Pharmacy, adopt rules and regulations regarding the dispensing of prescription drugs by a licensed physician;~~

~~(iii) Subject to the Administrative Procedure Act, deny a license to an applicant or, if an applicant has failed to renew the applicant's license, refuse to renew or reinstate an applicant's license for:~~

~~1. Any of the reasons that are grounds for action under § 14–404 of this title;~~ ~~**[**or**]**~~

~~2. Failure to submit to a criminal history records check in accordance with § 14–308.1 of this title;~~

~~**3. FAILURE TO PROVIDE THE BOARD WITH VERIFICATION OR DOCUMENTATION THAT THE PHYSICIAN MAINTAINS THE INSURANCE OR COVERAGE REQUIRED BY § 14–312.1 OF THIS TITLE; OR**~~

~~**4. PROVIDING THE BOARD WITH FALSE VERIFICATION OR DOCUMENTATION THAT THE PHYSICIAN MAINTAINS THE INSURANCE OR COVERAGE REQUIRED BY § 14–312.1 OF THIS TITLE;**~~

~~(iv) On receipt of a written and signed complaint, including a referral from the Commissioner of Labor and Industry, conduct an unannounced inspection of the office of a physician or acupuncturist, other than an office of a physician or acupuncturist in a hospital, related institution, freestanding medical facility, or a freestanding birthing center, to determine compliance at that office with the Centers for Disease Control and Prevention's guidelines on universal precautions; and~~

~~(v) Contract with others for the purchase of administrative and examination services to carry out the provisions of this title.~~

~~14–309.~~

~~(a) To apply for a license, an applicant shall:~~

~~(1) Submit to a criminal history records check in accordance with § 14–308.1 of this subtitle;~~

~~**(2) PROVIDE THE BOARD WITH VERIFICATION OR OTHER DOCUMENTATION THAT THE APPLICANT MAINTAINS THE INSURANCE OR COVERAGE REQUIRED BY § 14–312.1 OF THIS SUBTITLE;**~~

~~**[**(2)**] (3)** Submit an application to the Board on the form that the Board requires; and~~

~~**[**(3)**] (4)** Pay to the Board the application fee set by the Board.~~

~~(b) The Board may not release a list of applicants for licensure.~~

~~**14–312.1.**~~

~~**(A) THIS SECTION MAY NOT BE CONSTRUED TO APPLY TO, OR TO PREVENT THE RENDERING OF, EMERGENCY MEDICAL SERVICES BY A LICENSED PHYSICIAN IN ACCORDANCE WITH § 5–603 OF THE COURTS ARTICLE.**~~

~~**(B) EACH LICENSED PHYSICIAN SHALL:**~~

~~**(1) (I) MAINTAIN MEDICAL PROFESSIONAL LIABILITY INSURANCE IN THE AMOUNTS OF:**~~

~~**1. $500,000 PER OCCURRENCE OR CLAIM; AND**~~

~~**2. $1,500,000 PER ANNUAL AGGREGATE; OR**~~

~~**(II) ATTEST THAT THE LICENSED PHYSICIAN IS COVERED BY:**~~

~~**1. THE FEDERAL TORT CLAIMS ACT OR THE MARYLAND TORT CLAIMS ACT; OR**~~

~~**2. MEDICAL PROFESSIONAL LIABILITY INSURANCE PROVIDED BY THE LICENSED PHYSICIAN'S EMPLOYER IN THE AMOUNTS SPECIFIED IN ITEM (I) OF THIS ITEM;**~~

~~**(2) HAVE INSURANCE OR COVERAGE DESCRIBED IN ITEM (1)(I) OF THIS SUBSECTION THAT IS APPROPRIATE FOR THE INDIVIDUAL PHYSICIAN'S CIRCUMSTANCES; AND**~~

~~**(3) COMPLY WITH ANY REGULATIONS ADOPTED BY THE BOARD UNDER SUBSECTION (E) OF THIS SECTION.**~~

~~**(C) IF THE INSURANCE OR COVERAGE REQUIRED BY SUBSECTION (B) OF THIS SECTION IS CANCELED, THE LICENSED PHYSICIAN SHALL GIVE THE BOARD NOTICE OF THE CANCELLATION AT LEAST 10 BUSINESS DAYS BEFORE THE EFFECTIVE DATE OF THE CANCELLATION.**~~

~~**(D) (1) A PHYSICIAN SHALL PROVIDE THE BOARD WITH VERIFICATION OR OTHER DOCUMENTATION APPROVED BY THE BOARD THAT THE PHYSICIAN MAINTAINS THE INSURANCE OR COVERAGE REQUIRED BY SUBSECTION (B) OF THIS SECTION:**~~

~~**(I) ON THE PHYSICIAN'S APPLICATION FOR:**~~

~~**1. AN INITIAL LICENSE UNDER § 14–309 OF THIS SUBTITLE; AND**~~

~~**2. RENEWAL OR REINSTATEMENT OF A LICENSE UNDER § 14–316 OR § 14–317 OF THIS SUBTITLE; AND**~~

~~**(II) AT ANY OTHER TIME ON REQUEST OF THE BOARD.**~~

~~**(2) IF A PHYSICIAN FAILS TO SUBMIT VERIFICATION OR DOCUMENTATION AS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION OR FAILS TO MAINTAIN THE INSURANCE OR COVERAGE REQUIRED BY SUBSECTION (B) OF THIS SECTION:**~~

~~(I) THE BOARD SHALL PROVIDE THE PHYSICIAN WITH NOTICE; AND~~

~~(II) THE PHYSICIAN SHALL BE SUBJECT TO:~~

~~1. DENIAL OF LICENSURE BY THE BOARD UNDER § 14–205(B)(1)(III) OF THIS TITLE; OR~~

~~2. DISCIPLINE BY A DISCIPLINARY PANEL UNDER § 14–404 OF THIS TITLE.~~

~~(3) IN ACCORDANCE WITH GUIDELINES ADOPTED BY THE BOARD, THE BOARD MAY ENFORCE THIS SUBSECTION BY RANDOMLY AUDITING A PORTION OF LICENSED PHYSICIANS TO DETERMINE COMPLIANCE WITH SUBSECTION (B) OF THIS SECTION.~~

~~(4) IN ADDITION TO ANY OTHER AVAILABLE PENALTY, AN APPLICANT FOR AN INITIAL LICENSE OR FOR RENEWAL OR REINSTATEMENT OF A LICENSE WHO PROVIDES FALSE VERIFICATION OR DOCUMENTATION OF INSURANCE OR COVERAGE SHALL BE SUBJECT TO:~~

~~(I) DENIAL OF LICENSURE BY THE BOARD UNDER § 14–205(B)(1)(III) OF THIS TITLE; OR~~

~~(II) DISCIPLINE BY A DISCIPLINARY PANEL UNDER § 14–404 OF THIS TITLE.~~

~~(E) THE BOARD MAY ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.~~

~~14–316.~~

~~(c) Before the license expires, the licensee periodically may renew it for an additional term, if the licensee:~~

~~(1) Otherwise is entitled to be licensed;~~

~~(2) PROVIDES THE BOARD WITH VERIFICATION OR DOCUMENTATION THAT THE PHYSICIAN MAINTAINS THE INSURANCE OR COVERAGE REQUIRED BY § 14–312.1 OF THIS SUBTITLE;~~

~~[(2)] (3) Pays to the Board a renewal fee set by the Board; and~~

~~[(3)] (4) Submits to the Board:~~

~~(i) A renewal application on the form that the Board requires; and~~

~~(ii) Satisfactory evidence of compliance with any continuing education requirements set under this section for license renewal.~~

~~14–317.~~

~~The Board shall reinstate the license of a physician who has failed to renew the license for any reason if the physician:~~

~~(1) Meets the renewal requirements of § 14–316 of this subtitle;~~

~~(2)~~ PROVIDES THE BOARD WITH VERIFICATION OR DOCUMENTATION THAT THE PHYSICIAN MAINTAINS THE INSURANCE OR COVERAGE REQUIRED BY § 14–312.1 OF THIS SUBTITLE;

~~[~~~~(2)~~**] (3)** ~~Pays to the Board a reinstatement fee set by the Board; and~~

~~[~~~~(3)~~**] (4)** ~~Submits to the Board satisfactory evidence of compliance with the qualifications and requirements established under this title for license reinstatements.~~

~~14–404.~~

~~(a) Subject to the hearing provisions of § 14–405 of this subtitle, a disciplinary panel, on the affirmative vote of a majority of the quorum of the disciplinary panel, may reprimand any licensee, place any licensee on probation, or suspend or revoke a license if the licensee:~~

~~(41) Performs a cosmetic surgical procedure in an office or a facility that is not:~~

~~(i) Accredited by:~~

~~1. The American Association for Accreditation of Ambulatory Surgical Facilities;~~

~~2. The Accreditation Association for Ambulatory Health Care; or~~

~~3. The Joint Commission on the Accreditation of Healthcare Organizations; or~~

~~(ii) Certified to participate in the Medicare program, as enacted by Title XVIII of the Social Security Act;~~ **~~[~~**~~or~~**~~]~~**

~~(42) Fails to submit to a criminal history records check under § 14–308.1 of this title~~**;**

~~(43) FAILS TO:~~

~~(I) MAINTAIN THE INSURANCE OR COVERAGE REQUIRED BY § 14–312.1 OF THIS TITLE; OR~~

~~(II) PROVIDE THE BOARD WITH VERIFICATION OR DOCUMENTATION THAT THE PHYSICIAN MAINTAINS THE INSURANCE OR COVERAGE REQUIRED BY § 14–312.1 OF THIS TITLE; OR~~

~~(44) PROVIDES THE BOARD WITH FALSE VERIFICATION OR DOCUMENTATION THAT THE PHYSICIAN MAINTAINS THE INSURANCE OR COVERAGE REQUIRED BY § 14–312.1 OF THIS TITLE.~~

14–312.1.

ON REQUEST OF THE BOARD, A PHYSICIAN WHO REPORTS TO THE BOARD THAT THE PHYSICIAN MAINTAINS MEDICAL PROFESSIONAL LIABILITY INSURANCE FOR PURPOSES OF THE PUBLIC INDIVIDUAL PROFILE MAINTAINED BY THE BOARD UNDER § 14–411.1(B) OF THIS TITLE SHALL PROVIDE THE BOARD WITH VERIFICATION OR OTHER DOCUMENTATION THAT THE PHYSICIAN MAINTAINS THE INSURANCE WITHIN 25 BUSINESS DAYS AFTER THE PHYSICIAN RECEIVES A REQUEST FROM THE BOARD.

14–411.1.

(b) The Board shall create and maintain a public individual profile on each licensee that includes the following information:

(6) ~~Medical~~ ***AS REPORTED TO THE BOARD BY THE LICENSEE,*** education and practice information about the licensee including:

(i) The name of any medical school that the licensee attended and the date on which the licensee graduated from the school;

(ii) A description of any internship and residency training;

(iii) A description of any specialty board certification by a recognized board of the American Board of Medical Specialties or the American Osteopathic Association;

(iv) The name of any hospital where the licensee has medical privileges ~~as reported to the Board under § 14–413 of this subtitle~~;

(v) The location of the licensee's primary practice setting; **[**and**]**

(vi) Whether the licensee participates in the Maryland Medical Assistance Program**; AND**

(VII) WHETHER THE LICENSEE MAINTAINS MEDICAL PROFESSIONAL LIABILITY INSURANCE ~~AS REPORTED BY THE LICENSEE TO THE BOARD~~.

14–508.

(A) EACH LICENSEE PRACTICING MEDICINE IN THE STATE SHALL NOTIFY A PATIENT IN WRITING IF:

(1) THE LICENSEE DOES NOT MAINTAIN MEDICAL PROFESSIONAL LIABILITY INSURANCE COVERAGE; OR

(2) THE LICENSEE'S MEDICAL PROFESSIONAL LIABILITY INSURANCE COVERAGE HAS LAPSED FOR ANY PERIOD OF TIME AND THE LICENSEE'S COVERAGE HAS NOT BEEN RENEWED.

(B) THE WRITTEN NOTIFICATION PROVIDED TO THE PATIENT UNDER SUBSECTION (A) OF THIS SECTION MUST BE:

(1) PROVIDED:

(I) AT THE FIRST VISIT BY THE PATIENT DURING ANY PERIOD IN WHICH THE LICENSEE DOES NOT MAINTAIN MEDICAL PROFESSIONAL LIABILITY INSURANCE, UNLESS THE VISIT IS FOR THE PURPOSE OF RECEIVING INCIDENTAL MEDICAL CARE THAT WILL BE RENDERED FREE OF CHARGE; AND

(II) AS PART OF EACH INFORMED CONSENT OBTAINED BEFORE ANY PROCEDURE OR OPERATION DISCUSSED OR OFFERED FOR THE PATIENT'S CONSIDERATION IS PERFORMED;

(2) SIGNED BY THE PATIENT AT THE TIME OF THE PATIENT'S VISIT OR THE INFORMED CONSENT IS SIGNED; AND

(3) RETAINED BY THE LICENSEE AS PART OF THE LICENSEE'S PATIENT RECORDS.

(C) EACH LICENSEE PRACTICING MEDICINE IN THE STATE WHO DOES NOT MAINTAIN MEDICAL PROFESSIONAL LIABILITY INSURANCE COVERAGE SHALL POST THIS INFORMATION IN A CONSPICUOUS LOCATION IN THE LICENSEE'S PLACE OF PRACTICE.

SECTION 2. AND BE IT FURTHER ENACTED, That the State Board of Physicians shall develop appropriate language for the notification required under § 14–508 of the Health Occupations Article as enacted by Section 1 of this Act.

SECTION ~~2.~~ *3.* AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 209 – *Frederick County – Beer and Wine Licenses – Barbershops*.

This bill establishes a barbershop beer and wine license in Frederick County. It requires a licensee to be a holder of a barbershop permit, and authorizes the licensee to provide up to five ounces of beer and wine by the glass for on–premises consumption by a certain customer when a certain service is provided, or a certain fund–raising event is held. This bill also prohibits the license from being transferred to another location, specifies the hours that the license privilege may be exercised, specifies an annual license fee of $100, and provides that an establishment for which the license is issued is subject to alcohol awareness training requirements.

House Bill 179, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 209.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 209

AN ACT concerning

Frederick County – Beer and Wine Licenses – Barbershops

FOR the purpose of establishing in Frederick County a barbershop beer and wine license; requiring a recipient of the license to be a holder of a barbershop permit; authorizing a holder of the license to provide beer and wine by the glass for consumption by a certain customer when a certain service is provided or a certain fund–raising event is held; prohibiting the license from being transferred to another location; specifying the hours that the license privilege may be exercised; specifying an annual license fee; providing that an establishment for which the license is issued is subject to certain alcohol awareness training requirements; and generally relating to alcoholic beverages licenses in Frederick County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 20–102
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY adding to
Article – Alcoholic Beverages
Section 20–1001.2
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

20–102.

This title applies only in Frederick County.

20–1001.2.

(A) THERE IS A BARBERSHOP BEER AND WINE LICENSE.

(B) THE BOARD MAY ISSUE THE LICENSE TO A HOLDER OF A BARBERSHOP PERMIT UNDER § 4–501 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE.

(C) THE LICENSE AUTHORIZES THE LICENSE HOLDER TO PROVIDE NO MORE THAN 5 OUNCES OF BEER OR WINE BY THE GLASS FOR ON–PREMISES CONSUMPTION BY A BARBERSHOP CUSTOMER:

(1) WHEN THE CUSTOMER IS PROVIDED A SERVICE DESCRIBED IN § 4–101(L) OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE; OR

(2) WHILE THE CUSTOMER IS ATTENDING A FUND–RAISING EVENT AT THE BARBERSHOP FOR WHICH THE DEPARTMENT OF PERMITS AND INSPECTIONS, IF REQUIRED, HAS ISSUED A PERMIT.

(D) THE LICENSE MAY NOT BE TRANSFERRED TO ANOTHER LOCATION.

(E) THE LICENSE HOLDER MAY PROVIDE BEER AND WINE FOR ON–PREMISES CONSUMPTION DURING NORMAL BUSINESS HOURS BUT NOT LATER THAN 9 P.M.

(F) THE ESTABLISHMENT FOR WHICH A BARBERSHOP LICENSE IS ISSUED IS SUBJECT TO THE ALCOHOL AWARENESS TRAINING REQUIREMENTS UNDER § 4–505 OF THIS ARTICLE, SUBJECT TO § 20–1903 OF THIS TITLE.

(G) THE ANNUAL LICENSE FEE IS $100.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 232 – *Education – Pregnant and Parenting Students – Attendance Policy*.

This bill requires each county board of education to develop an attendance policy for pregnant and parenting students, which shall be published on the county board's web site. At a minimum, the attendance policy will provide for a number of lawful absences due to pregnancy or parenting needs, as well as authorize the completion and submission of make–up work.

House Bill 616, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 232.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 232

AN ACT concerning

Education – Pregnant and Parenting Students – Attendance Policy

FOR the purpose of specifying that certain absences from school are lawful absences under certain circumstances; requiring each county board of education to develop a certain attendance policy for pregnant and parenting students *that, at a minimum, excuses certain absences under certain circumstances and provides a certain number of days of excused absences for certain students under certain circumstances; authorizing certain schools to allow certain students to make up the work that the student missed in a certain time period and to choose the method by which to make up the work that the student missed; requiring each county board to publish its attendance policy for pregnant and parenting students on the county board's Web site* ~~that excuses certain absences under certain circumstances and provides a certain number of days of excused absences for certain students under certain circumstances; requiring certain schools to allow certain students to make up the work that the student missed in a certain time period and to choose the method by which to make up the work that the student missed~~; and generally relating to absences from school for pregnant and parenting students.

BY adding to
Article – Education
Section 7–301.1
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

7–301.1.

(A) A STUDENT'S ABSENCE DUE TO A STUDENT'S PREGNANCY OR PARENTING NEEDS IS A LAWFUL ABSENCE *AS PROVIDED UNDER* ~~AS PROVIDED UNDER IF TAKEN IN ACCORDANCE WITH A POLICY ADOPTED BY A COUNTY BOARD UNDER SUBSECTION (B) OF~~ THIS SECTION.

(B) EACH COUNTY BOARD SHALL DEVELOP A WRITTEN ATTENDANCE POLICY FOR PREGNANT AND PARENTING STUDENTS *THAT, AT A MINIMUM, MEETS*

THE REQUIREMENTS OF THIS SECTION ~~**THAT MEETS THE REQUIREMENTS OF THIS SECTION**~~**.**

(C) (1) THE POLICY DEVELOPED UNDER SUBSECTION (B) OF THIS SECTION SHALL:

(I) EXCUSE ALL ABSENCES DUE TO PREGNANCY– OR PARENTING–RELATED CONDITIONS, INCLUDING ABSENCES FOR:

1. LABOR;

2. DELIVERY;

3. RECOVERY; AND

4. PRENATAL AND POSTNATAL MEDICAL APPOINTMENTS;

(II) PROVIDE AT LEAST 10 DAYS OF EXCUSED ABSENCES FOR A PARENTING STUDENT AFTER THE BIRTH OF THE STUDENT'S CHILD;

(III) EXCUSE ANY PARENTING–RELATED ABSENCES DUE TO AN ILLNESS OR A MEDICAL APPOINTMENT OF THE STUDENT'S CHILD, INCLUDING UP TO 4 DAYS OF ABSENCES PER SCHOOL YEAR FOR WHICH THE SCHOOL MAY NOT REQUIRE A NOTE FROM A PHYSICIAN; AND

(IV) EXCUSE ANY ABSENCE DUE TO A LEGAL APPOINTMENT INVOLVING THE PREGNANT OR PARENTING STUDENT THAT IS RELATED TO FAMILY LAW PROCEEDINGS, INCLUDING ADOPTION, CUSTODY, AND VISITATION.

(2) IN ADDITION TO HOME AND HOSPITAL SERVICES, THE SCHOOL MAY ALLOW THE STUDENT TO:

(I) MAKE UP THE WORK THAT THE STUDENT MISSED IN A TIME PERIOD THAT EQUALS AT LEAST AS MANY DAYS THAT THE STUDENT WAS ABSENT; AND

(II) CHOOSE ONE OF THE FOLLOWING ALTERNATIVES TO MAKE UP WORK THAT THE STUDENT MISSED:

1. RETAKE A SEMESTER;

2. PARTICIPATE IN AN ONLINE COURSE CREDIT RECOVERY PROGRAM; OR

3. ALLOW THE STUDENT 6 WEEKS TO CONTINUE AT THE SAME PACE AND FINISH AT A LATER DATE.

(3) EACH COUNTY BOARD SHALL PUBLISH ITS WRITTEN ATTENDANCE POLICY FOR PREGNANT AND PARENTING STUDENTS ON THE COUNTY BOARD'S WEB SITE.

~~**(C) (1) THE POLICY DEVELOPED UNDER SUBSECTION (B) OF THIS SECTION SHALL:**~~

~~**(I) EXCUSE ALL ABSENCES DUE TO PREGNANCY– OR PARENTING–RELATED CONDITIONS, INCLUDING ABSENCES FOR:**~~

~~**1. LABOR;**~~

~~**2. DELIVERY;**~~

~~**3. RECOVERY; AND**~~

~~**4. PRENATAL AND POSTNATAL MEDICAL APPOINTMENTS;**~~

~~**(II) EXCUSE ANY PREGNANCY–RELATED ABSENCES THAT ARE DEEMED MEDICALLY NECESSARY BY THE STUDENT'S PHYSICIAN;**~~

~~**(III) PROVIDE AT LEAST 10 DAYS OF EXCUSED ABSENCES FOR A PARENTING STUDENT AFTER THE BIRTH OF THE STUDENT'S CHILD;**~~

~~**(IV) EXCUSE ANY PARENTING–RELATED ABSENCES DUE TO AN ILLNESS OR A MEDICAL APPOINTMENT OF THE STUDENT'S CHILD, INCLUDING UP TO 4 DAYS OF ABSENCES PER SCHOOL YEAR FOR WHICH THE SCHOOL MAY NOT REQUIRE A NOTE FROM A PHYSICIAN; AND**~~

~~**(V) EXCUSE ANY ABSENCE DUE TO A LEGAL APPOINTMENT INVOLVING THE PREGNANT OR PARENTING STUDENT THAT IS RELATED TO FAMILY LAW PROCEEDINGS, INCLUDING ADOPTION, CUSTODY, AND VISITATION.**~~

~~**(2) AT THE CONCLUSION OF ANY PREGNANCY– OR PARENTING–RELATED PERIOD OF ABSENCE, THE SCHOOL SHALL ALLOW THE STUDENT TO:**~~

~~(I) MAKE UP THE WORK THAT THE STUDENT MISSED IN A TIME PERIOD THAT EQUALS AT LEAST AS MANY DAYS THAT THE STUDENT WAS ABSENT; AND~~

~~(II) CHOOSE ONE OF THE FOLLOWING ALTERNATIVES TO MAKE UP WORK THAT THE STUDENT MISSED:~~

~~1. RETAKE A SEMESTER;~~

~~2. PARTICIPATE IN AN ONLINE COURSE CREDIT RECOVERY PROGRAM; OR~~

~~3. ALLOW THE STUDENT 6 WEEKS TO CONTINUE AT THE SAME PACE AND FINISH AT A LATER DATE.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 233 – *Maryland Council on Advancement of School–Based Health Centers*.

This bill transfers the Maryland Council on Advancement of School–Based Health Centers from the State Department of Education to the Department of Health and Mental Hygiene. This bill requires the Maryland Community Health Resources Commission to provide staff support for the Council and authorizes the Commission to seek expert assistance in school–based health care to provide additional staffing resources to the Commission and Council. In addition, the Council is required to report certain findings and recommendations to the Commission on or before December 31 of each year.

House Bill 221, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 233.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 233

AN ACT concerning

Maryland Council on Advancement of School–Based Health Centers

FOR the purpose of transferring the Maryland Council on Advancement of School–Based Health Centers from the State Department of Education to the Department of Health and Mental Hygiene; requiring the Maryland Community Health Resources Commission to provide staff support for the Council; authorizing the Commission to seek certain assistance to provide additional staffing resources to the Commission and the Council; requiring the Council to report certain findings and recommendations to the Commission on or before a certain date each year; defining a certain term; making conforming changes; and generally relating to the Maryland Council on Advancement of School–Based Health Centers.

BY transferring
Article – Education
Section 7–4A–01 through 7–4A–05, respectively, and the subtitle "Subtitle 4A. Maryland Council on Advancement of School–Based Health Centers", respectively
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)
to be
Article – Health – General
Section 19–22A–01 through 19–22A–05, respectively, and the subtitle "Subtitle 22A. Maryland Council on Advancement of School–Based Health Centers", respectively
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Health – General
Section 19–22A–01, 19–22A–02, 19–22A–03(a), and 19–22A–05
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)
(As enacted by Section 1 of this Act)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 7–4A–01 through 7–4A–05, respectively, and the subtitle "Subtitle 4A. Maryland Council on Advancement of School–Based Health Centers" of Article – Education of the Annotated Code of Maryland be transferred to be Section(s) 19–22A–01 through 19–22A–05, respectively, and the subtitle "Subtitle 22A. Maryland Council on

Advancement of School–Based Health Centers" of Article – Health – General of the Annotated Code of Maryland.

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

Article – Health – General

19–22A–01.

(A) In this subtitle**[**,**]** **THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

(B) "COMMISSION" MEANS THE MARYLAND COMMUNITY HEALTH RESOURCES COMMISSION.

(C) "Council" means the Maryland Council on Advancement of School–Based Health Centers.

19–22A–02.

(a) There is a Maryland Council on Advancement of School–Based Health Centers in the Department.

(b) The purpose of the Council is to improve the health and educational outcomes of students who receive services from school–based health centers by advancing the integration of school–based health centers into:

(1) The health care system at the State and local levels; and

(2) The educational system at the State and local levels.

(c) (1) Staff support for the Council shall be provided by the **[**Department**]** **COMMISSION**.

(2) The **[**Department**]** **COMMISSION** may seek the assistance of organizations with expertise in school–based health care or other matters within the duties of the Council provided in **[**§ 7–4A–05**] § 19–22A–05** of this subtitle to provide additional staffing resources to the **[**Department**]** **COMMISSION** and the Council.

19–22A–03.

(a) The Council consists of the following 15 voting members and 6 ex officio members:

(1) One member of the Senate of Maryland, appointed by the President of the Senate, as an ex officio member;

(2) One member of the House of Delegates, appointed by the Speaker of the House, as an ex officio member;

(3) The Secretary of Health and Mental Hygiene, or a designee of the Secretary, as an ex officio member;

(4) The State Superintendent of Schools as an ex officio member;

(5) The Executive Director of the Maryland Health Benefit Exchange as an ex officio member;

(6) The Chairman of the **[**Maryland Community Health Resources**]** Commission, or a designee of the Chairman, as an ex officio member; and

(7) The following 15 members, appointed by the Governor:

(i) The President of the Maryland Assembly on School–Based Health Care, or a designee of the President;

(ii) Three representatives of school–based health centers, nominated by the Maryland Assembly on School–Based Health Care:

1. From a diverse array of sponsoring organizations; and

2. For at least one of the representatives, from a nursing background;

(iii) One representative of the Public Schools Superintendents Association of Maryland;

(iv) One representative of the Maryland Association of Boards of Education;

(v) One elementary school principal of a school that has a school–based health center;

(vi) One secondary school principal of a school that has a school–based health center;

(vii) One representative of the Maryland Hospital Association;

(viii) One representative of the Maryland Association of County Health Officers;

(ix) One representative of a federally qualified health center, nominated by the Mid–Atlantic Association of Community Health Centers;

(x) One representative of a managed care organization;

(xi) One representative of a commercial health insurance carrier;

(xii) One pediatrician, nominated by the Maryland Chapter of the American Academy of Pediatrics; and

(xiii) One parent or guardian of a student who utilizes services at a school–based health center.

19–22A–05.

(a) The Council shall develop policy recommendations to improve the health and educational outcomes of students who receive services from school–based health centers by:

(1) Supporting local community efforts to establish or expand school–based health center capacity in primary care, behavioral health, and oral health;

(2) Integrating school–based health centers into existing and emerging patient–centered models of care;

(3) Promoting the inclusion of school–based health centers in networks of managed care organizations and commercial health insurance carriers;

(4) Advancing the public health goals of State and local health officials;

(5) Promoting the inclusion of school–based health centers into networks of school health services and coordinated student service models for the range of services offered in school settings;

(6) Supporting State and local initiatives to promote student success;

(7) Reviewing and revising best practice guidelines; and

(8) Supporting the long–term sustainability of school–based health centers.

(b) The Council shall review the collection and analysis of school–based health center data collected by the **STATE** Department **OF EDUCATION** to:

(1) Make recommendations on best practices for the collection and analysis of the data; and

(2) Provide guidance on the development of findings and recommendations based on the data.

(c) The Council shall conduct other activities the Council considers appropriate to meet the purpose of the Council.

(d) On or before December 31 of each year, the Council shall report the findings and recommendations of the Council to the Department of Health and Mental Hygiene, the State Department of Education, **THE COMMISSION,** and, in accordance with § 2–1246 of the State Government Article, the General Assembly on improving the health and educational outcomes of students who receive services from school–based health centers.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 234 – *St. Mary's County – Land Records – Repeal*.

This bill repeals a certain provision of law, superseded by State law, regarding the filing of a deed, mortgage, or deed of trust, for inclusion in the land records of St. Mary's County.

House Bill 404, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 234.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 234

AN ACT concerning

St. Mary's County – Land Records – Repeal

FOR the purpose of repealing a certain provision of law concerning the preparation of certain documents submitted for inclusion in the land records of St. Mary's County; and generally relating to land records in St. Mary's County.

BY repealing
The Public Local Laws of St. Mary's County
Section 73–1 and the chapter "Chapter 73. Land Records"
Article 19 – Public Local Laws of Maryland
(2007 Edition and March 2015 Supplement, as amended)

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

Article 19 – St. Mary's County

[Chapter 73.
Land Records**]**

[73–1.

The Clerk of the Circuit Court for St. Mary's County shall not accept for inclusion among the land records of St. Mary's County any deed, assignment, mortgage, deed of trust or other document concerning real property unless such instrument has been prepared by an attorney, duly admitted to practice before the Court of Appeals of Maryland, or by an employee of such attorney or by one (1) of the parties named in the instrument.**]**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 246 – *Somerset County – State's Attorney – Annual Salary*.

This bill increases the annual salary of the Somerset County State's Attorney, upon the next term of office and pursuant to constitutional requirements.

House Bill 439, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 246.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 246

AN ACT concerning

Somerset County – State's Attorney – Annual Salary

FOR the purpose of altering the annual salary of the State's Attorney for Somerset County; providing for the application of this Act; and generally relating to the salary of the State's Attorney for Somerset County.

BY repealing and reenacting, without amendments,
Article – Criminal Procedure
Section 15–420(a)
Annotated Code of Maryland
(2008 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Criminal Procedure
Section 15–420(b)
Annotated Code of Maryland
(2008 Replacement Volume and 2016 Supplement)

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

Article – Criminal Procedure

15–420.

(a) This section applies only in Somerset County.

(b) The State's Attorney's salary is **[**$98,000**] $113,066**.

SECTION 2. AND BE IT FURTHER ENACTED, That, pursuant to Article III, § 35 of the Maryland Constitution, this Act may not be construed to extend or apply to the salary or compensation of the State's Attorney for Somerset County while serving in a term of

office beginning before the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the State's Attorney for Somerset County shall take effect at the beginning of the next following term of office. This limitation does not apply to an individual appointed or elected after the effective date of this Act to fill out an unexpired term.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 276 – *Inheritance Tax – Exemption – Evidence of Domestic Partnership*.

This bill alters the type of documentation that must be provided as evidence of a domestic partnership in order to exempt from the State inheritance tax the value of a certain primary residence that passes to the domestic partner of a decedent.

House Bill 1104, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 276.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 276

AN ACT concerning

Inheritance Tax – Exemption – Evidence of Domestic Partnership

FOR the purpose of establishing that a certain affidavit ~~is not required~~ or certain other proof may be provided as evidence of a domestic partnership to qualify for an exemption from the inheritance tax on the receipt of an interest in certain real

property held in joint tenancy that passes from a decedent to a domestic partner; altering a certain definition; and generally relating to the inheritance tax.

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 7–203(l)
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Tax – General

7–203.

(l) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Domestic partner" means an individual with whom another individual has established a domestic partnership.

(iii) "Domestic partnership" means a relationship between two individuals that is a domestic partnership within the meaning of § **[**6–101**] 6–101(A)** of the Health – General Article.

(2) If the domestic partner of a decedent provides ~~evidence of the domestic partnership as described in § [6–101(b)]~~ **THE AFFIDAVIT DESCRIBED IN § 6–101(B)(1) OF THE HEALTH – GENERAL ARTICLE OR ANY TWO OF THE PROOFS OF DOMESTIC PARTNERSHIP LISTED UNDER 6–101(B)(2)** of the Health – General Article, the inheritance tax does not apply to the receipt of an interest in a joint primary residence that:

(i) at the time of death was held in joint tenancy by the decedent and the domestic partner; and

(ii) passes from the decedent to or for the use of the domestic partner.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 299 – *Motor Vehicle Registration – Exception for Golf Carts – Golden Beach Patuxent Knolls.*

This bill creates an exception from motor vehicle registration requirements, under certain times and circumstances, for golf carts on county highways within the community of Golden Beach Patuxent Knolls, St. Mary's County. This bill also authorizes the St. Mary's County Department of Public Works and Transportation, in consultation with the State Highway Administration, to designate the county highways in the community of Golden Beach Patuxent Knolls on which a person may operate a golf cart.

House Bill 176, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 299.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 299

AN ACT concerning

Motor Vehicle Registration – Exception for Golf Carts – Golden Beach Patuxent Knolls

FOR the purpose of creating an exception from motor vehicle registration requirements under certain circumstances for golf carts on county highways in the community of Golden Beach Patuxent Knolls, St. Mary's County; providing that a person who operates a golf cart on a county highway in the community of Golden Beach Patuxent Knolls may operate the golf cart only on certain county roads at certain times and only if the golf cart is equipped with certain lighting devices; requiring a person who operates a golf cart on a county highway in the community of Golden Beach Patuxent Knolls to keep as far to the right of the roadway as feasible and possess a valid driver's license; authorizing the St. Mary's County Department of Public Works and Transportation~~, in consultation with the State Highway Administration,~~ to designate the county highways in the community of Golden Beach Patuxent Knolls on which a person may operate a golf cart; and generally relating to an exception to motor vehicle registration requirements for golf carts in the community of Golden Beach Patuxent Knolls, St. Mary's County.

BY repealing and reenacting, without amendments,
Article – Transportation
Section 13–402(a)(1)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Transportation
Section 13–402(c)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY adding to
Article – Transportation
Section 21–104.3
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Transportation

13–402.

(a) (1) Except as otherwise provided in this section or elsewhere in the Maryland Vehicle Law, each motor vehicle, trailer, semitrailer, and pole trailer driven on a highway shall be registered under this subtitle.

(c) Registration under this subtitle is not required for:

(1) A vehicle that is driven on a highway:

(i) In conformity with the provisions of this title relating to manufacturers, transporters, dealers, secured parties, owners or operators of special mobile equipment, or nonresidents; or

(ii) Under a temporary registration card issued by the Administration;

(2) A vehicle owned and used by the United States, unless an authorized officer or employee of the United States requests registration of the vehicle;

(3) A farm tractor or any farm equipment;

(4) A vehicle the front or rear wheels of which are lifted from the highway;

(5) A towed vehicle that is attached to the towing vehicle by a tow bar and for which no driver is necessary;

(6) A vehicle owned by and in the possession of a licensed dealer for purpose of sale;

(7) A vehicle owned by a new resident of this State during the first 60 days of residency provided the vehicle displays valid registration issued by the jurisdiction of the resident's former domicile;

(8) New vehicles being operated as part of a shuttle, as defined in § 13–626 of this title, while following a registered vehicle displaying a shuttle permit issued by the Administration;

(9) A vehicle operated in connection with maritime commerce exclusively within any terminal owned or leased by the Maryland Port Administration;

(10) A snowmobile that is operated on highways and roadways as prescribed by § 25–102(a)(14) of this article;

(11) A golf cart that is operated on a highway on Smith Island, provided that the golf cart is equipped with lighting devices as required by the Administration if it is operated on a highway between dusk and dawn;

(12) A golf cart that is operated on a highway in the City of Crisfield, Somerset County, in accordance with § 21–104.2 of this article;

(13) **A GOLF CART THAT IS OPERATED ON A COUNTY HIGHWAY IN THE COMMUNITY OF GOLDEN BEACH PATUXENT KNOLLS, ST. MARY'S COUNTY, IN ACCORDANCE WITH § 21–104.3 OF THIS ARTICLE;**

(14) A golf cart that is operated on an Allegany County highway as allowed by the county under § 25–102(a)(16) of this article; or

[(14)**] (15)** A vehicle owned by an accredited consular or diplomatic officer of a foreign government and operated for official or personal purposes when the vehicle displays a valid diplomatic license plate issued by the United States government.

21–104.3.

(A) A PERSON WHO OPERATES A GOLF CART ON A COUNTY HIGHWAY IN THE COMMUNITY OF GOLDEN BEACH PATUXENT KNOLLS, ST. MARY'S COUNTY, WITHOUT REGISTRATION AS AUTHORIZED UNDER § 13–402(C)(13) OF THIS ARTICLE:

(1) MAY OPERATE THE GOLF CART ONLY:

(I) ON A COUNTY HIGHWAY ON WHICH THE MAXIMUM POSTED SPEED LIMIT DOES NOT EXCEED 35 MILES PER HOUR;

(II) BETWEEN DAWN AND DUSK; AND

(III) IF THE GOLF CART IS EQUIPPED WITH LIGHTING DEVICES AS REQUIRED BY THE ADMINISTRATION;

(2) SHALL KEEP THE GOLF CART AS FAR TO THE RIGHT OF THE ROADWAY AS FEASIBLE; AND

(3) SHALL POSSESS A VALID DRIVER'S LICENSE.

(B) THE ST. MARY'S COUNTY DEPARTMENT OF PUBLIC WORKS AND TRANSPORTATION~~, IN CONSULTATION WITH THE STATE HIGHWAY ADMINISTRATION,~~ MAY DESIGNATE THE COUNTY HIGHWAYS IN THE COMMUNITY OF GOLDEN BEACH PATUXENT KNOLLS ON WHICH A PERSON MAY OPERATE A GOLF CART.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 323 – *Carroll County – Public Facilities Bonds*.

This bill authorizes and empowers the County Commissioners of Carroll County to borrow not more than $25,000,000 in order to finance the construction, improvement, or development of certain public facilities in Carroll County, including water and sewer projects, to finance loans for fire or emergency–related equipment, buildings, and other facilities of volunteer fire departments in the County, and to effect such borrowing by the issuance and sale, at public or private sale, of its general obligation bonds.

House Bill 251, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 323.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 323

AN ACT concerning

Carroll County – Public Facilities Bonds

FOR the purpose of authorizing and empowering the County Commissioners of Carroll County, from time to time, to borrow not more than $25,000,000 in order to finance the construction, improvement, or development of certain public facilities in Carroll County, including water and sewer projects, to finance loans for fire or emergency–related equipment, buildings, and other facilities of volunteer fire departments in the County, and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds in like par amount; empowering the County to fix and determine, by resolution, the form, tenor, interest rate or rates or method of determining the same, terms, conditions, maturities, and all other details incident to the issuance and sale of the bonds; empowering the County to issue refunding bonds for the purchase or redemption of bonds in advance of maturity; providing that such borrowing may be undertaken by the County in the form of installment purchase obligations executed and delivered by the County for the purpose of acquiring agricultural land and woodland preservation easements; empowering and directing the County to levy, impose, and collect, annually, ad valorem taxes in rate and amount sufficient to provide funds for the payment of the maturing principal of and interest on the bonds; exempting the bonds and refunding bonds and the interest thereon and any income derived therefrom from all State, County, municipal, and other taxation in the State of Maryland; providing that nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes; and generally relating to the issuance and sale of such bonds.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, as used herein, the term "County" means the body politic and corporate of the State of Maryland known as the County Commissioners of Carroll County, and the term "construction, improvement, or development of public facilities" means the acquisition, alteration, construction, reconstruction, enlargement, equipping, expansion, extension, improvement, rehabilitation, renovation, upgrading, and repair of public buildings and facilities and public works projects, including, but not limited to, public works projects such as roads, bridges and storm drains, public school buildings and facilities, landfills, Carroll Community College buildings and facilities, public operational buildings and facilities such as buildings and facilities for County administrative use, public safety, health and social

services, libraries, refuse disposal buildings and facilities, water and sewer infrastructure facilities, easements or similar or related rights in land that restrict the use of agricultural land or woodland to maintain the character of the land as agricultural land or woodland, and parks and recreation buildings and facilities, together with the costs of acquiring land or interests in land as well as any related architectural, financial, legal, planning, or engineering services.

SECTION 2. AND BE IT FURTHER ENACTED, That the County is hereby authorized to finance any part or all of the costs of the construction, improvements or development of public facilities described in Section 1 of this Act, to make loans to each and every volunteer fire department in the County upon such terms and conditions as may be determined by the County for the purpose of financing certain fire or emergency–related equipment, buildings, or other facilities of volunteer fire departments, and to borrow money and incur indebtedness for those purposes, at one time or from time to time, in an amount not exceeding, in the aggregate, $25,000,000 and to evidence such borrowing by the issuance and sale upon its full faith and credit of general obligation bonds in like par amount, which may be issued at one time or from time to time, in one or more groups or series, as the County may determine.

SECTION 3. AND BE IT FURTHER ENACTED, That the bonds shall be issued in accordance with a resolution of the County, which shall describe generally the construction, improvement, or development of public facilities, including water and sewer projects, the fire or emergency–related equipment, buildings, or other facilities of volunteer fire departments in the County for which the proceeds of the bond sale are intended and the amount needed for those purposes. The County shall have and is hereby granted full and complete authority and discretion in the resolution to fix and determine with respect to the bonds of any issue: the designation, date of issue, denomination or denominations, form or forms, and tenor of the bonds which, without limitation, may be issued in registered form within the meaning of § 19–204 of the Local Government Article, as amended; the rate or rates of interest payable thereon, or the method of determining the same, which may include a variable rate; the date or dates and amount or amounts of maturity, which need not be in equal par amounts or in consecutive annual installments, provided only that no bond of any issue shall mature later than 30 years from the date of its issue; the manner of selling the bonds, which may be at either public or private sale, for such price or prices as may be determined to be for the best interests of Carroll County; the manner of executing and sealing the bonds, which may be by facsimile; the terms and conditions of any loans made to volunteer fire departments; the terms and conditions, if any, under which bonds may be tendered for payment or purchase prior to their stated maturity; the terms or conditions, if any, under which bonds may or shall be redeemed prior to their stated maturity; the place or places of payment of the principal of and the interest on the bonds, which may be at any bank or trust company within or without the State of Maryland; covenants relating to compliance with applicable requirements of federal income tax law, including (without limitation) covenants regarding the payment of rebate or penalties in lieu of rebate; covenants relating to compliance with applicable requirements of federal or State securities laws; and generally all matters incident to the terms, conditions, issuance, sale, and delivery thereof.

The bonds may be made redeemable before maturity, at the option of the County, at such price or prices and under such terms and conditions as may be fixed by the County prior to the issuance of the bonds, either in the resolution or in subsequent resolutions. The bonds may be issued in registered form, and provision may be made for the registration of the principal only. In case any officer whose signature appears on any bond ceases to be such officer before the delivery thereof, such signature shall nevertheless be valid and sufficient for all purposes as if the officer had remained in office until such delivery. The bonds and the issuance and sale thereof shall be exempt from the provisions of §§ 19–205 and 19–206 of the Local Government Article, as amended.

The borrowing authorized by this Act may also be undertaken by the County in the form of installment purchase obligations executed and delivered by the County for the purpose of acquiring easements or similar or related rights in land that restrict the use of agricultural land or woodland to maintain the character of the land as agricultural or woodland. The form of installment purchase obligations, the manner of accomplishing the acquisition of easements, which may be the direct exchange of installment purchase obligations for easement, and all matters incident to the execution and delivery of the installment purchase obligations and acquisition of the easements by the County shall be determined in the resolution. Except where the provisions of this Act would be inapplicable to installment purchase obligations, the term "bonds" used in this Act shall include installment purchase obligations and matters pertaining to the bonds under this Act, such as the security for the payment of the bonds, the exemption of the bonds from State, County, municipal, or other taxation, and authorization to issue refunding bonds and the limitation on the aggregate principal amount of bonds authorized for issuance, shall be applicable to installment purchase obligations.

The County may enter into agreements with agents, banks, fiduciaries, insurers, or others for the purpose of enhancing the marketability of any security for the bonds and for the purpose of securing any tender option that may be granted to holders of the bonds, all as may be determined and presented in the aforesaid resolution, which may (but need not) state as security for the performance by the County of any monetary obligations under such agreements the same security given by the County to bondholders for the performance by the County of its monetary obligations under the bonds.

If the County determines in the resolution to offer any of the bonds by solicitation of competitive bids at public sale, the resolution shall fix the terms and conditions of the public sale and shall adopt a form of notice of sale, which shall outline the terms and conditions, and a form of advertisement, which shall be published in one or more daily or weekly newspapers having a general circulation in the County and which may also be published in one or more journals having a circulation primarily among banks and investment bankers. At least one publication of the advertisement shall be made not less than 10 days before the sale of the bonds.

Upon delivery of any bonds to the purchaser or purchasers, payment therefor shall be made to the Comptroller of Carroll County or such other official of Carroll County as may be designated to receive such payment in a resolution passed by the County before such delivery.

SECTION 4. AND BE IT FURTHER ENACTED, That the net proceeds of the sale of bonds shall be used and applied exclusively and solely for the acquisition, construction, improvement, or development of public facilities, including water and sewer projects, to make loans to volunteer fire departments for the financing of fire or emergency–related equipment, buildings, or other facilities of volunteer fire departments in the County for which the bonds are sold. If the amounts borrowed shall prove inadequate to finance the projects described in the resolution, the County may issue additional bonds with the limitations hereof for the purpose of evidencing the borrowing of additional funds for such financing, provided the resolution authorizing the sale of additional bonds shall so recite, but if the net proceeds of the sale of any issue of bonds exceed the amount needed to finance the projects described in the resolution, the excess funds so borrowed and not expended shall be applied to the payment of the next principal maturity of the bonds or to the redemption of any part of the bonds which have been made redeemable or to the purchase and cancellation of bonds, unless the County shall adopt a resolution allocating the excess funds to the acquisition, construction, improvement, or development of other public facilities, including water and sewer projects, or to the making of loans for fire or emergency–related equipment, buildings, or other facilities of volunteer fire departments in the County, as defined and within the limits set forth in this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That the bonds hereby authorized shall constitute, and they shall so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing principal of and interest on the bonds as and when they become payable. In each and every fiscal year that any of the bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for or assure the payment, when due, of the principal of and interest on all the bonds maturing in each such fiscal year and, in the event the proceeds from the taxes so levied in any such fiscal year shall prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency. The County may apply to the payment of the principal of and interest on any bonds issued hereunder any funds received by it as loan repayments from volunteer fire departments and any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality thereof, or from any other source, if such funds are granted for the purpose of assisting the County in financing the acquisition, construction, improvement, or development of the public facilities defined in this Act, including the water and sewer projects or the making of loans for the aforementioned fire or emergency–related equipment, buildings, or other facilities for volunteer fire departments in the County and, to the extent of any such funds received or receivable in any fiscal year, the taxes that are required to be levied may be reduced accordingly.

SECTION 6. AND BE IT FURTHER ENACTED, That the County is further authorized and empowered, at any time and from time to time, to issue its bonds in the manner herein above described for the purpose of refunding, by payment at maturity or upon purchase or redemption, any bonds issued hereunder. The validity of any such refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the obligations so refunded. The powers herein granted with respect to the issuance of

bonds shall be applicable to the issuance of refunding bonds. Such refunding bonds may be issued by the County for the purpose of providing it with funds to pay any of its outstanding bonds issued hereunder at maturity, for the purpose of providing it with funds to purchase in the open market any of its outstanding bonds issued hereunder, prior to the maturity thereof, or for the purpose of providing it with funds for the redemption prior to maturity of any outstanding bonds issued hereunder which are, by their terms, redeemable, for the purpose of providing it with funds to pay interest on any outstanding bonds issued hereunder prior to their payment at maturity of purchase or redemption in advance of maturity, or for the purpose of providing it with funds to pay any redemption or purchase premium in connection with the refunding of any of its outstanding bonds issued hereunder. The proceeds of the sale of any such refunding bonds shall be segregated and set apart by the County as a separate trust fund to be used solely for the purpose of paying the purchase or redemption prices of the bonds to be refunded.

SECTION 7. AND BE IT FURTHER ENACTED, That the County may, prior to the preparation of definitive bonds, issue interim certificates or temporary bonds, exchangeable for definitive bonds when such bonds have been executed and are available for such delivery, provided, however, that any such interim certificates or temporary bonds shall be issued in all respects subject to the restrictions and requirements set forth in this Act. The County may, by appropriate resolution, provide for the replacement of any bonds issued hereunder which shall have become mutilated or lost or destroyed upon such conditions and after receiving such indemnity as the County may require.

SECTION 8. AND BE IT FURTHER ENACTED, That any and all obligations issued pursuant to the authority of this Act, their transfer, the interest payable thereon, and any income derived therefrom in the hands of the holders thereof from time to time (including any profit made in the sale thereof) shall be and are hereby declared to be at all times exempt from State, County, municipal, or other taxation of every kind and nature whatsoever within the State of Maryland. Nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes.

SECTION 9. AND BE IT FURTHER ENACTED, That the authority to borrow money and issue bonds conferred on the County by this Act shall be deemed to provide an additional and alternative authority for borrowing money and shall be regarded as supplemental and additional to powers conferred upon the County by other laws and shall not be regarded as in derogation of any power now existing; and all Acts of the General Assembly of Maryland heretofore passed authorizing the County to borrow money are hereby continued to the extent that the powers contained in such Acts have not been exercised, and nothing contained in this Act may be construed to impair, in any way, the validity of any bonds that may have been issued by the County under the authority of any said Acts, and the validity of the bonds is hereby ratified, confirmed, and approved. This Act, being necessary for the welfare of the inhabitants of Carroll County, shall be liberally construed to effect the purposes hereof. All Acts and parts of Acts inconsistent with the provisions of this Act are hereby repealed to the extent of such inconsistency.

SECTION 10. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 359 – *Education – Maryland Meals for Achievement In–Classroom Breakfast Program – Administration (Maryland Meals for Achievement for Teens Act of 2017).*

This bill authorizes secondary schools that participate in the Maryland Meals for Achievement In–classroom Breakfast Program to serve breakfast in any part of the school, including from "Grab and Go" carts, and clarifies when breakfast must be served.

House Bill 257, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 359.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 359

AN ACT concerning

Education – Maryland Meals for Achievement In–Classroom Breakfast Program – Administration
(Maryland Meals for Achievement for Teens Act of 2017)

FOR the purpose of authorizing participating secondary schools to serve breakfast in any part of the school, including from "Grab and Go" carts; clarifying when breakfast in the classroom should be served; and generally relating to the Maryland Meals for Achievement In–Classroom Breakfast Program.

BY repealing and reenacting, with amendments,
Article – Education

Section 7–704
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

7–704.

(a) In this section, "Program" means the Maryland Meals for Achievement In–Classroom Breakfast Program.

(b) (1) There is a school breakfast program in the State, known as the Maryland Meals for Achievement In–Classroom Breakfast Program.

(2) The Program is a joint effort of the Department and the county boards or sponsoring agencies for eligible nonpublic schools.

(c) (1) The purpose of the Program is to provide funding for a school that makes an in–classroom breakfast available to all students in the school.

(2) The funding is intended to complement the funding received by a school from the federal government for a school breakfast program.

(d) The Department shall:

(1) Develop an application form for a school that desires to participate in the Program;

(2) Ensure that the schools that participate in the Program represent geographic and socioeconomic balance statewide;

(3) Ensure that a school that participates in the Program is a school at which at least 40% of the registered students are eligible for the federal free or reduced price meal program;

(4) Select schools to participate in the Program, ensuring that an annual evaluation of the Program is conducted by the Department;

(5) Annually review and set the meal reimbursement rate for schools that participate in the Program to complement the federal meal reimbursement rate determined under § 7–703 of this subtitle; and

(6) Disburse the Program funds to the county board or the sponsoring agency.

(e) A county board or a sponsoring agency for an eligible nonpublic school shall:

(1) Apply to the Department for funds for schools within the jurisdiction of the board or for schools that are under the sponsoring agency that:

(i) Are eligible to participate in the Program; and

(ii) Apply to the board or to the sponsoring agency to participate in the Program; and

(2) Submit an annual report to the Department on the Program, including the manner in which the funds have been expended.

(f) A school that participates in the Program shall:

(1) Implement an in–classroom breakfast program in which all students in the school may participate regardless of family income;

(2) Serve a breakfast that meets the guidelines of the Department and the nutritional standards of the United States Department of Agriculture for schools that participate in the federal school breakfast program;

(3) **[**Serve**]** **EXCEPT AS PROVIDED IN SUBSECTION (G) OF THIS SECTION, SERVE** the breakfast in the classroom **[**upon**]** **AFTER** the arrival of students to the school;

(4) Collect the data that the county board or the sponsoring agency and the Department require from participants in the Program; and

(5) Submit an annual report to the county board or the sponsoring agency.

(G) SECONDARY SCHOOLS MAY SERVE BREAKFAST IN ANY PART OF THE SCHOOL, INCLUDING FROM "GRAB AND GO" CARTS AFTER THE ARRIVAL OF STUDENTS TO THE SCHOOL.

[(g)**](H)** The employee organization that is the exclusive representative of the certificated public school employees of a county board and the employee organization that is the exclusive representative of the noncertificated employees of a county board and the county board shall negotiate the terms of the participation of the employees in the Program.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 361 – *Hunger–Free Schools Act of 2017*.

This bill extends through fiscal 2022 the provision in law that altered the number of students used to calculate the State compensatory education grant for primary and secondary education for local boards of education that participate in the U.S. Department of Agriculture Community Eligibility Provision.

House Bill 287, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 361.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 361

AN ACT concerning

Hunger–Free Schools Act of 2017

FOR the purpose of altering a certain definition for certain fiscal years to determine the number of students used to calculate a certain grant for schools that participate in a certain federal program; ~~requiring the superintendent of each local school system to report certain information to the General Assembly on or before a certain date;~~ and generally relating to the compensatory education grant for primary and secondary education.

BY repealing and reenacting, with amendments,
Article – Education
Section 5–207(a)(3)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

5–207.

(a) (3) (i) Except as provided in subparagraph (ii) of this paragraph, "compensatory education enrollment count" means the number of students eligible for free or reduced price meals for the prior fiscal year.

(ii) For fiscal years 2017 **[**and 2018**]** **THROUGH 2022**, "compensatory education enrollment count" means:

1. The number of students eligible for free or reduced price meals for the prior fiscal year; or

2. For county boards that participate, in whole or in part, in the United States Department of Agriculture community eligibility provision, the number of students equal to the greater of:

A. The sum of the number of students in participating schools identified by direct certification for the prior fiscal year, plus the number of students identified by the income information provided by the family to the school system on an alternative form developed by the Department for the prior fiscal year, plus the number of students eligible for free and reduced price meals from any schools not participating in the community eligibility provision for the prior fiscal year; or

B. Subject to subparagraph (iii) of this paragraph, the number of students eligible for free and reduced price meals at schools not participating in the community eligibility provision for the prior fiscal year, plus the product of the percentage of students eligible for free and reduced price meals at participating schools for the fiscal year prior to opting into the community eligibility provision multiplied by the prior fiscal year enrollment.

(iii) For the purpose of the calculation under subparagraph (ii)2B of this paragraph, the schools participating in the community eligibility provision during the pilot year may use the percentage of students identified for free and reduced price meals during the pilot year.

~~SECTION 2. AND BE IT FURTHER ENACTED, That, on or before September 1, 2017, the superintendent of each local school system shall report to the General Assembly, in accordance with § 2–1246 of the State Government Article:~~

~~(1) for each school in the local school system:~~

~~(i) the total enrollment;~~

~~(ii) the enrollment by free and reduced–price meals status;~~

~~(iii) the identified student percentage that would be used to determine eligibility to participate in the United States Department of Agriculture community eligibility provision; and~~

~~(iv) whether each school is currently participating in the Maryland Meals for Achievement program and the amount of State funds provided under the program in the most recently completed fiscal year;~~

~~(2) for each school system that is not participating in the community eligibility provision in whole or in part:~~

~~(i) a summary of all meetings and public events held to discuss and gather feedback regarding whether the school system, in whole or in part, should elect to participate in the community eligibility provision;~~

~~(ii) a detailed financial analysis of participating, in whole or in part, in the community eligibility provision;~~

~~(iii) identified barriers to participating, in whole or in part, in the community eligibility provision, including, if applicable, the cost of overcoming the barrier; and~~

~~(iv) whether the principal or other appropriate administrator in a school that is eligible to participate in the community eligibility provision recommends that their school participate, including:~~

~~1. the anticipated impact on students, families, and school staff of students having access to free breakfast and lunch under the community eligibility provision; and~~

~~2. if student attendance, tardiness, engagement, test scores, or behavior problems are a concern in the school, the extent of that problem, identified causes, and how participating in the community eligibility provision might influence these concerns; and~~

~~(3) for each school system that is participating in the community eligibility provision in whole or in part:~~

~~(i) for each participating school, a detailed accounting of federal reimbursement received for meals for the fiscal years in which the school participated and cost of providing the meals; and~~

~~(ii) for each participating school, based on information provided by the principal or other appropriate administrator:~~

~~1. the positive and negative impacts of participating;~~

~~2. the impact on students, families, and school staff of students having access to free breakfast and lunch under the community eligibility provision; and~~

~~3. whether, since participating in the community eligibility provision, there has been a change in student attendance, tardiness, engagement, test scores, or behavior, including data to show the change.~~

SECTION ~~3.~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 386 – *Pollinator Habitat Plans – Plan Contents – Requirements and Prohibition.*

This bill requires that pollinator habitat plans established by the Department of Natural Resources, Maryland Environmental Service, and State Highway Administration must include specific best management practices for the designation of certain habitat areas. This bill also prohibits the use of certain pesticides, seeds, or plants in the pollinator habitat plan, or a certain pollinator habitat area.

House Bill 830, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 386.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 386

AN ACT concerning

Pollinator Habitat Plans – Plan Contents – ~~Requirement~~ Requirements and Prohibition

FOR the purpose of requiring a certain pollinator habitat plan to include certain best management practices for the designation of certain habitat areas; requiring that a certain pollinator habitat plan established by the Department of Natural Resources, the Maryland Environmental Service, and the State Highway Administration be as protective of pollinators as the Department of Agriculture's managed pollinator protection plan; prohibiting the use of certain pesticides, seeds, or plants in ~~the pollinator habitat plan~~ a certain pollinator habitat area, subject to certain exceptions; defining a certain term; making conforming changes; and generally relating to pollinator habitat plans.

BY repealing and reenacting, with amendments,
Article – Agriculture
Section 2–1801
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Agriculture

2–1801.

(a) **IN THIS SECTION, "NEONICOTINOID PESTICIDE" HAS THE MEANING STATED IN § 5–2A–01 OF THIS ARTICLE.**

(B) (1) On or before July 1, 2017, subject to paragraph (2) of this subsection, the Department of Natural Resources, the Maryland Environmental Service, and the State Highway Administration, in consultation with the Department, each shall establish a pollinator habitat plan.

(2) A pollinator habitat plan required under this subsection:

(i) Shall include best management practices for the **DESIGNATION,** maintenance, creation, enhancement, and restoration of pollinator ~~habitats~~ **HABITAT AREAS**;

(ii) Shall **[**adhere to**]** **BE AS PROTECTIVE OF POLLINATORS AS** the Department's managed pollinator protection plan;

(iii) May not require an action on land that is inconsistent with any federal, State, or local law, regulation, rule, or guidance that applies to the land; **[**and**]**

(iv) May not require the creation of pollinator habitat on productive farmland**; AND**

(V) ~~MAY~~ EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, MAY NOT ALLOW THE USE OF THE FOLLOWING PESTICIDES, SEEDS, OR PLANTS IN AN AREA DESIGNATED OR CREATED AS A POLLINATOR HABITAT AREA IN ACCORDANCE WITH A POLLINATOR HABITAT PLAN:

1. NEONICOTINOID PESTICIDES;

2. PESTICIDES LABELED AS TOXIC TO BEES OR OTHER POLLINATORS; OR

3. SEEDS OR PLANTS TREATED WITH A NEONICOTINOID PESTICIDE.

(3) (I) PESTICIDES LABELED AS TOXIC TO BEES OR OTHER POLLINATORS THAT ARE NOT NEONICOTINOID PESTICIDES MAY BE USED IN AN AREA DESIGNATED OR CREATED AS A POLLINATOR HABITAT AREA UNDER A POLLINATOR HABITAT PLAN IF THE SECRETARY OF HEALTH AND MENTAL HYGIENE DETERMINES THAT THE USE IS NECESSARY TO RESPOND TO A SPECIFIC INSTANCE OF THREAT TO PUBLIC HEALTH.

(II) A POLLINATOR HABITAT PLAN REQUIRED UNDER THIS SUBSECTION MAY NOT RESTRICT A FARMER, OR A PERSON WORKING UNDER THE SUPERVISION OF A FARMER, FROM USING THE PESTICIDES, SEEDS, OR PLANTS SPECIFIED UNDER PARAGRAPH (2)(V) OF THIS SUBSECTION FOR AGRICULTURAL PURPOSES, INCLUDING:

1. CROP PRODUCTION;

2. LIVESTOCK;

3. POULTRY;

4. EQUINE; AND

5. NONCROP AGRICULTURAL FIELDS.

[(b)**]** **(C)** The Department of Natural Resources, the Maryland Environmental Service, and the State Highway Administration each shall:

(1) On or before September 1, 2017, make available to the public on its Web site the pollinator habitat plan established in accordance with subsection **[**(a)**]** **(B)** of this section; and

(2) On or before July 1, 2018, implement the pollinator habitat plan established in accordance with subsection **[**(a)**]** **(B)** of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 394 – *St. Mary's County – Auditing Requirements – Repeal.*

This bill repeals certain provisions of local law regarding the appointment, salary, removal, and powers and duties of the county auditor for St. Mary's County. This bill also repeals certain provisions of local law concerning a specified annual audit and an accounting system in St. Mary's County.

House Bill 243, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 394.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 394

AN ACT concerning

St. Mary's County – Auditing Requirements – Repeal

FOR the purpose of repealing certain provisions of law that relate to the appointment, salary, removal, and powers of a county auditor for St. Mary's County; repealing

certain provisions of law concerning a certain annual audit and an accounting system in the county; and generally relating to auditing in St. Mary's County.

BY repealing
The Public Local Laws of St. Mary's County
Section 8–1, 8–2, and 8–4 and the chapter "Chapter 8. Auditor"
Article 19 – Public Local Laws of Maryland
(2007 Edition and March 2015 Supplement, as amended)

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

Article 19 – St. Mary's County

[Chapter 8.

Auditor.**]**

[8–1.

For the purpose of an annual audit of the official financial affairs of all persons and offices handling funds of St. Mary's County, on or before June 1 in each year, the County Commissioners of the county shall appoint a competent and reputable certified public accountant as Auditor, to conduct an audit in that year, at a salary which they shall determine and pay, together with his expenses, from a sum to be included for that purpose in the annual levy of taxes. The audit for that year shall be submitted to the County Commissioners by November 1. The Commissioners shall direct the Auditor to make an audit for the preceding fiscal year of the books, vouchers, accounts and records of each official who collects, receives, holds, deposits or disburses funds of the county, including the Treasurer, Sheriff and any other official handling the funds. The Commissioners may remove the auditor, in their discretion, and shall fill immediately all vacancies created by removal, death, resignation or otherwise.**]**

[8–2.

The officials whose finances are being so audited shall upon request produce, and the Auditor may require the production of, any and all books, vouchers, accounts and other records and papers in any way pertaining to said funds or an audit thereof; and the Auditor may summon, with or without directions to produce such books and records, and examine under oath or affirmation which he may administer, officials whose affairs are being so audited or any other person deemed necessary by him, upon the matters pertaining to said county funds or relating to the matters being audited; and for these purposes he shall have power to issue process compelling such witness to attend before him and produce his records and papers, which process shall be directed to, and served promptly by, the Sheriff of said county; and any person who shall refuse or neglect to produce any such books, vouchers, accounts or other records and papers, as required, or shall refuse to respond to the

summons, or to be sworn or affirmed, or, being sworn or affirmed, to answer the questions of said Auditor relating to said funds or the matters and finances to be audited, shall be guilty of a misdemeanor and, on conviction thereof before any court of competent jurisdiction, shall be fined, for each offense, not more than one hundred dollars ($100.00), provided that said Auditor must, wherever possible, require such production or such attendance and testimony at the office or place where the books and records are kept or where the official duties of the officials whose finances are being audited are principally carried on.**]**

[8–4.

Upon recommendation by said Auditor, the County Commissioners may direct and require the installation and maintenance of any system of bookkeeping or accounting by the officials subject to audit hereunder.**]**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 429 – *Higher Education – Student Loan Notification Letter*.

This bill requires institutions of higher education that receive State funds to provide specified student loan information to each undergraduate enrolled in the institution who applies for federal student aid. This bill also requires that such information be provided annually, with the student's financial aid award notice.

House Bill 509, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 429.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 429

AN ACT concerning

Higher Education – Student Loan Notification Letter

FOR the purpose of requiring institutions of higher education that receive State funds to provide certain information to students regarding their education loans; requiring the education loan information to be provided annually~~, concurrent with the student's first tuition bill of a calendar year; authorizing students to choose the delivery method for education loan information; providing that the information shall include certain assumptions and; providing that certain information may be included in~~ *with* a certain notice; providing that certain information may include a certain ~~statements~~ statement; prohibiting an institution of higher education from incurring a certain liability, under certain circumstances; defining a certain term; providing for a delayed effective date; and generally relating to notification of education loans to students by institutions of higher education.

BY adding to
Article – Education
Section 18–115
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

18–115.

(A) (1) IN THIS SECTION, "EDUCATION LOAN" MEANS A DIRECT LOAN ~~OR LOAN INSURED OR GUARANTEED UNDER A FEDERAL OR PRIVATE PROGRAM~~ ADMINISTERED BY THE U.S. DEPARTMENT OF EDUCATION THAT IS MADE TO ASSIST A STUDENT IN OBTAINING A POSTSECONDARY EDUCATION.

(2) "EDUCATION LOAN" DOES NOT INCLUDE A PARENT PLUS LOAN OR A PRIVATE STUDENT LOAN.

(B) THIS SECTION APPLIES ONLY TO AN INSTITUTION OF HIGHER EDUCATION THAT RECEIVES FUNDING FROM THE STATE.

(C) AN INSTITUTION OF HIGHER EDUCATION THAT RECEIVES EDUCATION LOAN INFORMATION ~~FOR A STUDENT ENROLLED IN THE INSTITUTION~~ FROM THE U.S. DEPARTMENT OF EDUCATION SHALL PROVIDE TO ~~THE STUDENT:~~

~~(1) AN ESTIMATE OF THE TOTAL AMOUNT OF EDUCATION LOANS TAKEN OUT BY THE STUDENT;~~

~~(2) AN ESTIMATE OF:~~

~~(I) THE POTENTIAL TOTAL PAYOFF AMOUNT OF THE EDUCATION LOANS INCURRED OR A RANGE OF THE TOTAL PAYOFF AMOUNT; AND~~

~~(II) MONTHLY REPAYMENT AMOUNTS THAT A SIMILARLY SITUATED BORROWER MAY INCUR, INCLUDING PRINCIPAL AND INTEREST, FOR THE AMOUNT OF LOANS THE STUDENT HAS TAKEN OUT AT THE TIME THE INFORMATION IS PROVIDED;~~

~~(3) THE PERCENTAGE OF THE BORROWING LIMIT THE STUDENT HAS REACHED AT THE TIME THE INFORMATION IS PROVIDED; AND~~ EACH UNDERGRADUATE STUDENT ENROLLED IN THE INSTITUTION WHO APPLIES FOR FEDERAL STUDENT AID IN THE APPLICABLE AWARD YEAR:

(1) THE INFORMATION REPORTED ON THE STUDENT'S STUDENT AID REPORT ISSUED BY THE U.S. DEPARTMENT OF EDUCATION FROM THE MOST RECENT AWARD YEAR, INCLUDING:

(I) THE TOTAL AMOUNT OF OUTSTANDING LOANS; AND

(II) THE MONTHLY PAYMENT AMOUNT FOR A 10–YEAR PERIOD FOR EVERY $1,000 OWED BY THE BORROWER;

(2) THE LIFETIME LOAN LIMIT FOR UNDERGRADUATE STUDENT BORROWERS;

(3) A STATEMENT THAT THE ACTUAL REPAYMENT AMOUNT IS DEPENDENT ON THE FOLLOWING FACTORS:

(I) THE TOTAL AMOUNT A STUDENT BORROWS;

(II) THE INTEREST RATE AT THE TIME THE FUNDS ARE BORROWED AND THE AMOUNT OF INTEREST THAT ACCRUES OVER THE COURSE OF THE LOAN;

(III) THE LENGTH OF THE REPAYMENT TERM OF THE LOAN; AND

(IV) THE DECISIONS A STUDENT MAKES RELATING TO:

1. INCOME–BASED REPAYMENT PLANS;

2. DEFERMENTS; AND

3. LOAN FORGIVENESS;

(4) A LINK TO THE NATIONAL STUDENT LOAN DATA SYSTEM FOR STUDENTS WEB SITE AND AN INCOME–DRIVEN REPAYMENT PLAN WEB SITE; AND

~~(4)~~ **(5) THE ADDRESS OF THE FINANCIAL AID OFFICE WHERE THE STUDENT MAY SEEK FINANCIAL AID COUNSELING.**

(D) ~~(1)~~ AN INSTITUTION OF HIGHER EDUCATION SHALL PROVIDE THE INFORMATION REQUIRED UNDER SUBSECTION (C) OF THIS SECTION TO STUDENTS ANNUALLY~~, CONCURRENT WITH THE STUDENT'S FIRST TUITION BILL OF A CALENDAR YEAR.~~

~~(2) THE STUDENT SHALL BE ABLE TO CHOOSE FROM EITHER E–MAIL OR U.S. MAIL AS THE DELIVERY METHOD FOR INFORMATION REQUIRED UNDER SUBSECTION (C) OF THIS SECTION.~~

~~(E) THE INFORMATION PROVIDED UNDER THIS SECTION:~~

~~(1) SHALL CLEARLY STATE ANY ASSUMPTIONS MADE IN CALCULATIONS TO DEVISE ESTIMATES; AND~~

~~(2) MAY INCLUDE A STATEMENT THAT THE ESTIMATES AND RANGES PROVIDED ARE GENERAL IN NATURE AND~~ ~~ON RECEIPT OF A STUDENT'S FREE APPLICATION FOR FEDERAL STUDENT AID.~~

~~(2) THE INFORMATION REQUIRED UNDER SUBSECTION (C) OF THIS SECTION MAY BE INCLUDED~~ WITH THE STUDENT'S FINANCIAL AID AWARD NOTICE.

(E) THE INFORMATION PROVIDED UNDER THIS SECTION MAY INCLUDE THE FOLLOWING STATEMENT:

"THE INFORMATION PROVIDED BY THE INSTITUTION OF HIGHER EDUCATION WAS OBTAINED FROM YOUR STUDENT AID REPORT ISSUED BY THE U.S. DEPARTMENT OF EDUCATION FOR THE MOST RECENT AWARD YEAR. IT IS BASED ON ASSUMPTIONS MADE BY THE U.S. DEPARTMENT OF EDUCATION AS REPORTED IN YOUR STUDENT AID REPORT AND IS NOT MEANT AS A GUARANTEE OR PROMISE. THIS INFORMATION DOES NOT INCLUDE PARENT PLUS LOANS OR PRIVATE STUDENT LOANS."

(F) ~~AN~~ IF AN INSTITUTION OF HIGHER EDUCATION INCLUDES THE STATEMENT UNDER SUBSECTION (E) OF THIS SECTION WITH THE INFORMATION REQUIRED UNDER SUBSECTION (C) OF THIS SECTION, THE INSTITUTION OF HIGHER EDUCATION DOES NOT INCUR LIABILITY FOR ANY INACCURATE REPRESENTATIONS MADE UNDER THIS SECTION IF THE REPRESENTATIONS WERE:

(1) MADE BASED ON INCORRECT INFORMATION PROVIDED BY THE U.S. DEPARTMENT OF EDUCATION; AND

(2) REASONABLY RELIED ON IN GOOD FAITH BY THE INSTITUTION OF HIGHER EDUCATION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, ~~2017~~ 2018.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 460 – *Education – Debt Service for Transferred Schools – County Reimbursement Grace Period*.

This bill establishes a delay period of two years by which a county government must reimburse the State for outstanding debt service on a school building that is transferred to the county in accordance with State law.

House Bill 441, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 460.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

AN ACT concerning

Education – Debt Service for Transferred Schools – County Reimbursement Grace Period

FOR the purpose of establishing a certain period of time during which a county government is not required to reimburse the State for certain outstanding debt service for certain school buildings that are transferred to a county government; requiring a county government to reimburse the State for a certain amount of outstanding debt service for certain school buildings after a certain period of time has elapsed; and generally relating to a grace period for counties for debt service for schools transferred to a county.

BY repealing and reenacting, with amendments,
Article – Education
Section 5–308
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

5–308.

(a) Notwithstanding the provisions of Title 10, Subtitle 3 of the State Finance and Procurement Article, this State may not require reimbursement of debt service from a county for a school that:

(1) Was initially constructed on or before February 1, 1971;

(2) Is no longer used for school purposes;

(3) Has had title transferred to a county government; and

(4) Is being used for local governmental purposes other than public education; provided, however, that if a former school building is sold by a county government the State shall be reimbursed for outstanding debt service, and if more than 10 percent of usable space within a former school is rented for an amount exceeding the cost of operating and maintaining such space, such rental profit shall be used toward retiring outstanding bonded indebtedness.

(b) **[**This**]** **SUBJECT TO SUBSECTION (C) OF THIS SECTION, THIS** State shall require reimbursement of outstanding debt service from a county for a school that:

(1) Was constructed under this subtitle;

(2) Was initially constructed or substantially altered by addition(s), alterations, or renovations and the cost of the construction at the time of execution exceeded $100,000 and the work was accomplished after February 1, 1971;

(3) Is no longer used for school purposes;

(4) Has had title transferred to a county government;

(5) Is being used for local governmental purposes by the State or a county or by any instrumentality of the State or a county other than public education; and

(6) Has outstanding debt which exceeds $5,000.

(C) (1) A COUNTY GOVERNMENT IS NOT REQUIRED TO REIMBURSE THE STATE FOR OUTSTANDING DEBT SERVICE FOR A SCHOOL BUILDING THAT IS TRANSFERRED TO THE COUNTY GOVERNMENT IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION UNTIL 2 YEARS AFTER THE SCHOOL BUILDING IS TRANSFERRED.

(2) AFTER THE 2–YEAR PERIOD IN PARAGRAPH (1) OF THIS SUBSECTION ENDS, THE COUNTY GOVERNMENT SHALL REIMBURSE THE STATE FOR OUTSTANDING DEBT SERVICE FOR A SCHOOL BUILDING IN THE AMOUNT THAT THE COUNTY GOVERNMENT WOULD HAVE BEEN REQUIRED TO PAY WHEN THE SCHOOL BUILDING WAS TRANSFERRED TO THE COUNTY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 481 – *Corporations – Maryland General Corporation Law – Miscellaneous Provisions.*

This bill provides that certain individuals, under specific circumstances, are deemed to have consented to the appointment of the resident agent of a Maryland corporation or a Maryland real estate investment trust or, if there is no resident agent, the State Department of Assessments and Taxation, as an agent on which service of process may be made in certain actions or proceedings.

This bill also requires the Department to collect an additional fee for processing a certified list of specified charter documents or certificates of business entities on an expedited basis, and alters various other provisions of the Corporations and Associations Article concerning the execution of documents, the certification of beneficial owners of stock, the forfeiture of a corporate charter, the consolidation or conversion of a nonstock corporation, and resident agents of corporations, limited partnerships, and statutory trusts. In addition, this bill establishes jurisdictional rules for adjudicating internal corporate claims and prohibits a Maryland corporation with capital stock from imposing liability on a stockholder under certain circumstances.

House Bill 744, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 481.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 481

AN ACT concerning

Corporations – Maryland General Corporation Law – Miscellaneous Provisions

FOR the purpose of providing that certain individuals, under certain circumstances, are deemed to have consented to the appointment of the resident agent of a Maryland corporation or a Maryland real estate investment trust or, if there is no resident agent, the State Department of Assessments and Taxation, as an agent on which service of process may be made in certain actions or proceedings; providing that a certain consent to service of process is effective under certain circumstances and has certain legal force and validity; providing that a certain appointment as an agent for service of process is irrevocable; requiring the Department to collect a certain additional fee for processing a certified list of certain charter documents or certificates of certain business entities on an expedited basis; altering certain requirements for the execution and signing of certain documents; altering certain requirements for the resident agent of a Maryland corporation, a limited partnership, and a Maryland statutory trust; prohibiting the charter or bylaws of a corporation <u>with capital stock</u> from imposing liability on a certain stockholder for the attorney's fees or expenses of the corporation or any other party in connection with a certain claim; authorizing the charter or bylaws of a corporation, consistent with certain requirements, to require that certain claims be brought only in certain courts;

prohibiting certain provisions of the charter or bylaws of a corporation from prohibiting certain claims from being brought in certain courts; altering the officers of a corporation required to countersign a stock certificate; authorizing the board of directors of a corporation to adopt a certain procedure by resolution unless the charter or bylaws provide otherwise; requiring a certain number of the last acting officers of a corporation, the charter of which has been forfeited for certain reasons, instead of the president or vice president, the secretary, and the treasurer, to sign and acknowledge articles of revival and file them with the Department; requiring that the directors manage the assets, rather than become the trustees of the assets, of a corporation for purposes of liquidating the assets when the corporation's charter has been forfeited; requiring the directors to take certain actions unless and until articles of revival are filed; repealing a provision of law authorizing the directors to sue or be sued in their own names as trustees; repealing a provision of law establishing that the director–trustees govern by majority vote; providing that forfeiture of the charter of a corporation does not subject a director of the corporation to a certain standard of conduct; authorizing a nonstock corporation to convert only into a certain foreign corporation; making certain provisions of this Act applicable to real estate investment trusts; providing for the application of certain provisions of this Act; making certain conforming changes; defining a certain term; and generally relating to the Maryland General Corporation Law and real estate investment trusts.

BY renumbering
Article – Corporations and Associations
Section 1–101(p) through (cc), respectively
to be Section 1–101(q) through (dd), respectively
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY adding to
Article – Corporations and Associations
Section 1–101(p) and 2–113
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Corporations and Associations
Section 1–203(b)(8), 1–301, 2–108(a), 2–212(a), 2–514(a), 3–507(b)(1), 3–515, 5–207, 8–601.1, 10–104(a), and 12–203(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY adding to
Article – Courts and Judicial Proceedings
Section 6–102.1
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 1–101(p) through (cc), respectively, of Article – Corporations and Associations of the Annotated Code of Maryland be renumbered to be Section(s) 1–101(q) through (dd), respectively.

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

Article – Corporations and Associations

1–101.

(P) "INTERNAL CORPORATE CLAIM" MEANS A CLAIM, INCLUDING A CLAIM BROUGHT BY OR IN THE RIGHT OF A CORPORATION:

(1) BASED ON AN ALLEGED BREACH BY A DIRECTOR, AN OFFICER, OR A STOCKHOLDER OF A DUTY OWED TO THE CORPORATION OR THE STOCKHOLDERS OF THE CORPORATION OR A STANDARD OF CONDUCT APPLICABLE TO DIRECTORS;

(2) ARISING UNDER THIS ARTICLE; OR

(3) ARISING UNDER THE CHARTER OR BYLAWS OF THE CORPORATION.

1–203.

(b) (8) For processing each of the following documents on an expedited basis, the additional fee is as indicated:

Recording any document, including financing statements, or submitting for preclearance any document listed in paragraph (1) or (4) of this subsection, if processing under § 1–203.2(b)(1) of this subtitle is requested	$425
Recording any document, including financing statements, or submitting for preclearance any document listed in paragraph (1) or (4) of this subsection, if processing under § 1–203.2(b)(1) is not requested	$50
Certificate of status of a corporation, partnership, limited partnership, limited liability partnership, or limited liability company, or a name reservation	$20

CERTIFIED LIST OF THE CHARTER DOCUMENTS OF A MARYLAND CORPORATION OR ANY CERTIFICATE OF A MARYLAND LIMITED PARTNERSHIP, LIMITED LIABILITY PARTNERSHIP, OR LIMITED

LIABILITY COMPANY RECORDED OR FILED WITH THE DEPARTMENT .. $20

A copy of any document recorded or filed with the Department, or a corporate abstract $20

Application for a ground rent redemption or a ground rent extinguishment, or payment of a redemption or extinguishment amount to the former owner of the ground rent..... $50

1–301.

(a) Articles supplementary and articles of amendment, restatement, amendment and restatement, consolidation, merger, share exchange, transfer, conversion, and extension and, except as provided in § 3–406(b) of this article, articles of dissolution shall be executed as follows:

(1) They shall be signed and acknowledged for each corporation, statutory trust, or real estate investment trust party to the articles, by its chairman or vice chairman of the board of directors or board of trustees, by its chief executive officer, chief operating officer, chief financial officer, president, or one of its vice presidents, or, if authorized by the bylaws or resolution of the board of directors or board of trustees **[**and the articles so state**]**, by any other officer or agent of the corporation, statutory trust, or real estate investment trust;

(2) They shall be witnessed or attested by the secretary, treasurer, chief financial officer, assistant treasurer, or assistant secretary of each corporation, statutory trust, or real estate investment trust party to the articles, or, if authorized by the bylaws or resolution of the board of directors or board of trustees **[**and the articles so state**]**, by any other officer or agent of the corporation, statutory trust, or real estate investment trust;

(3) They shall be signed and acknowledged for each other entity party to the articles by a person authorized to act for the entity by law or by the governing document; and

(4) Except as provided in subsection (b) of this section, the matters and facts set forth in the articles with respect to authorization and approval shall be verified under oath as follows:

(i) With respect to any Maryland corporation, statutory trust, or real estate investment trust party to the articles, by the chairman or the secretary of the meeting at which the articles or transaction were approved, by the chairman or vice chairman of the board of directors or board of trustees, by the chief executive officer, chief operating officer, chief financial officer, president, vice president, secretary, or assistant secretary of the corporation, statutory trust, or real estate investment trust, or, if authorized in accordance with item (1) of this subsection **[**and the articles so state**]**, by any other officer or agent of the corporation, statutory trust, or real estate investment trust;

(ii) With respect to any foreign corporation party to articles of consolidation, merger, or share exchange, by the chief executive officer, chief operating officer, chief financial officer, president, vice president, secretary, or assistant secretary of the corporation; and

(iii) With respect to any other Maryland or foreign entity party to the articles, by a person authorized by law or by the governing document to act for the entity.

(b) When articles of transfer are executed:

(1) With respect to the transferor corporation, the requirements of subsection (a)(4)(i) of this section apply;

(2) With respect to a transferee corporation, the matters and facts set forth in the articles with respect to authorization and approval shall be verified under oath by the chief executive officer, chief operating officer, president, vice president, secretary, or assistant secretary of the corporation; and

(3) With respect to a transferee which is not a corporation, the articles shall be signed and acknowledged by the transferee.

(c) All other instruments required to be filed with the Department may be signed:

(1) By the chairman or vice chairman of the board of directors, the chief executive officer, chief operating officer, president, or any vice president and witnessed or attested by the secretary or any assistant secretary, or by any other officer or agent of the corporation who is authorized by the bylaws or resolution of the board of directors to perform the duties usually performed by the secretary **[**and the instrument so states**]**;

(2) If it appears from the instrument that there are no such officers, by a majority of the directors or by such directors as may be designated by the board and the instrument so states; or

(3) If it appears from the instrument that there are no officers or directors, by the holders of a majority of outstanding stock.

2–108.

(a) Each Maryland corporation shall have:

(1) A principal office in this State; and

(2) At least one resident agent **[**who shall be either:

(i) A citizen of this State who resides here; or

(ii) A Maryland corporation**]**.

2–113.

(A) THE CHARTER OR BYLAWS OF A CORPORATION WITH CAPITAL STOCK MAY NOT IMPOSE LIABILITY ON A STOCKHOLDER WHO IS A PARTY TO AN INTERNAL CORPORATE CLAIM FOR THE ATTORNEY'S FEES OR EXPENSES OF THE CORPORATION OR ANY OTHER PARTY IN CONNECTION WITH AN INTERNAL CORPORATE CLAIM.

(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE CHARTER OR BYLAWS OF A CORPORATION MAY REQUIRE, CONSISTENT WITH APPLICABLE JURISDICTIONAL REQUIREMENTS, THAT ANY INTERNAL CORPORATE CLAIM BE BROUGHT ONLY IN COURTS SITTING IN ONE OR MORE SPECIFIED JURISDICTIONS.

(2) (I) THIS PARAGRAPH DOES NOT APPLY TO A PROVISION CONTAINED IN THE CHARTER OR BYLAWS OF A CORPORATION ON OCTOBER 1, 2017, UNLESS AND UNTIL THE PROVISION IS ALTERED OR REPEALED BY AN AMENDMENT TO THE CHARTER OR BYLAWS OF THE CORPORATION, AS APPLICABLE.

(II) THE CHARTER OR BYLAWS OF A CORPORATION MAY NOT PROHIBIT BRINGING AN INTERNAL CORPORATE CLAIM IN THE COURTS OF THIS STATE OR A FEDERAL COURT SITTING IN THIS STATE.

2–212.

(a) Each stock certificate shall be signed by the president, a vice president, the chief executive officer, the chief operating officer, the chief financial officer, the chairman of the board, or the vice chairman of the board and countersigned by the secretary, an assistant secretary, the treasurer, **[**or**]** an assistant treasurer**, OR ANY OTHER OFFICER**.

2–514.

(a) **[**If the**]** **THE** charter or bylaws of a corporation **[**so**]** **MAY** provide**[**,**]** **AND, UNLESS THE CHARTER OR BYLAWS PROVIDE OTHERWISE,** the board of directors may adopt by resolution a procedure by which a stockholder of the corporation may certify in writing to the corporation that any shares of stock registered in the name of the stockholder are held for the account of a specified person other than the stockholder.

3–507.

(b) (1) **[**The**]** **ANY TWO OF THE** last acting **[**president or vice president and secretary or treasurer**]** **OFFICERS** of the corporation shall sign and acknowledge articles of revival and file them for record with the Department.

3–515.

(a) When the charter of a Maryland corporation has been forfeited, until a court appoints a receiver, the directors of the corporation **[**become the trustees of**]** **SHALL MANAGE** its assets for purposes of liquidation.

(b) **[**The director–trustees are vested in their capacity as trustees with full title to all the assets of the corporation. They**]** **UNLESS AND UNTIL ARTICLES OF REVIVAL ARE FILED, THE DIRECTORS** shall:

(1) Collect and distribute the assets, applying them to the payment, satisfaction, and discharge of existing debts and obligations of the corporation, including necessary expenses of liquidation; and

(2) Distribute the remaining assets among the stockholders.

(c) The **[**director–trustees**]** **DIRECTORS** may:

(1) Carry out the contracts of the corporation;

(2) Sell all or any part of the assets of the corporation at public or private sale;

(3) Sue or be sued **[**in their own names as trustees or**]** in the name of the corporation; and

(4) Do all other acts consistent with law and the charter of the corporation necessary or proper to liquidate the corporation and wind up its affairs.

[(d) The director–trustees govern by majority vote.**]**

(D) FORFEITURE OF THE CHARTER OF A CORPORATION DOES NOT SUBJECT A DIRECTOR OF THE CORPORATION TO A STANDARD OF CONDUCT OTHER THAN THE STANDARD OF CONDUCT SET FORTH IN § 2–405.1 OF THIS ARTICLE.

5–207.

(a) A nonstock corporation may **[**consolidate**]:**

(1) CONSOLIDATE or merge only with another nonstock corporation**; AND**

(2) CONVERT ONLY INTO A FOREIGN CORPORATION THAT DOES NOT HAVE THE AUTHORITY TO ISSUE STOCK.

(b) A consolidation, merger, **[**or**]** transfer of assets**, OR CONVERSION** of a nonstock corporation shall be effected as provided in Title 3 of this article.

(c) Notwithstanding § 3–105(e) of this article, a proposed consolidation, merger, **[**or**]** transfer of assets**, OR CONVERSION** of a nonstock corporation organized to hold title to property for a labor organization, and for related purposes, shall be approved by the same affirmative vote of the members of the corporation that the constitution or bylaws of the labor organization requires for the same action.

8–601.1.

Sections **2–113,** 2–201(c), 2–313, 2–502(e), and 2–504(f) of this article and, except as otherwise provided in § 8–601 of this subtitle or in the declaration of trust, § 2–405.1 of this article shall apply to real estate investment trusts.

10–104.

(a) Each limited partnership shall have:

(1) A principal office in this State; and

(2) At least one resident agent **[**who shall be either:

(i) A citizen of the State who resides here; or

(ii) A Maryland corporation**]**.

12–203.

(a) A Maryland statutory trust shall have:

(1) A principal office in this State; and

(2) At least one resident agent **[**who is:

(i) An individual who resides in the State; or

(ii) A Maryland corporation**]**.

Article – Courts and Judicial Proceedings

6–102.1.

(A) THIS SECTION APPLIES TO AN INDIVIDUAL WHO, ON OR AFTER OCTOBER 1, 2017:

(1) ACCEPTS THE ELECTION OR APPOINTMENT AS A DIRECTOR OF A MARYLAND CORPORATION OR A TRUSTEE OF A MARYLAND REAL ESTATE INVESTMENT TRUST; OR

(2) SERVES AS A DIRECTOR OF A MARYLAND CORPORATION OR A TRUSTEE OF A MARYLAND REAL ESTATE INVESTMENT TRUST.

(B) AN INDIVIDUAL SUBJECT TO THIS SECTION IS DEEMED, BY THE ACCEPTANCE OR SERVICE, TO HAVE CONSENTED TO THE APPOINTMENT OF THE RESIDENT AGENT OF THE CORPORATION OR REAL ESTATE INVESTMENT TRUST OR, IF THERE IS NO RESIDENT AGENT, THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION, AS AN AGENT ON WHICH SERVICE OF PROCESS MAY BE MADE IN ANY CIVIL ACTION OR PROCEEDING BROUGHT IN THE STATE:

(1) (I) BY OR ON BEHALF OF, OR AGAINST, THE CORPORATION OR REAL ESTATE INVESTMENT TRUST; AND

(II) TO WHICH THE INDIVIDUAL IS A NECESSARY OR PROPER PARTY; OR

(2) AGAINST THE INDIVIDUAL FOR AN INTERNAL CORPORATE CLAIM AS DEFINED IN § 1–101 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE.

(C) THE CONSENT TO SERVICE OF PROCESS BY AN INDIVIDUAL UNDER SUBSECTION (B) OF THIS SECTION:

(1) IS EFFECTIVE WHETHER OR NOT THE INDIVIDUAL IS A DIRECTOR OR TRUSTEE AT THE TIME A CIVIL ACTION OR PROCEEDING IS COMMENCED; AND

(2) CONSTITUTES THE CONSENT OF THE INDIVIDUAL THAT ANY PROCESS SERVED IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION HAS THE SAME LEGAL FORCE AND VALIDITY AS IF SERVED ON THE INDIVIDUAL.

(D) THE APPOINTMENT UNDER SUBSECTION (B) OF THIS SECTION OF THE RESIDENT AGENT OF A CORPORATION OR A REAL ESTATE INVESTMENT TRUST OR THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION AS AN AGENT FOR SERVICE OF PROCESS IS IRREVOCABLE.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 492 – *Washington County – Alcoholic Beverages – Class CT (Cinema/Theater License).*

This bill clarifies the requirements for a Class CT (cinema/theater) license in Washington County so that the license may be issued only for a cinema or theater that is in a stand–alone building with certain characteristics. This bill also expands the days that a license holder may exercise the privileges of the license, establishes a Sunday permit, as well as an annual Sunday permit fee of $250, and repeals the previous termination date for provisions establishing the Class CT (cinema/theater) license.

House Bill 1430, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 492.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 492

AN ACT concerning

Washington County – Alcoholic Beverages – Class CT (Cinema/Theater License)

FOR the purpose of altering the requirements for a Class CT (cinema/theater) license in Washington County so that the license may be issued only for a cinema or theater that is ~~not in an enclosed shopping mall but rather~~ in a stand–alone building with certain characteristics; altering certain requirements for the sale of beer, wine, and liquor by the license holder; altering the days that a license holder may exercise the privileges of the license; establishing a Sunday permit and an annual Sunday permit fee; ~~altering~~ repealing the termination provisions of certain Acts regarding cinema/theater licenses; and generally relating to alcoholic beverages licenses in Washington County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 31–102
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 31–1001.1
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Chapter 586 of the Acts of the General Assembly of 2016
Section 2

BY repealing and reenacting, with amendments,
Chapter 587 of the Acts of the General Assembly of 2016
Section 2

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

Article – Alcoholic Beverages

31–102.

This title applies only in Washington County.

31–1001.1.

(a) There is a Class CT (cinema/theater) (on–sale) beer, wine, and liquor license.

(b) The Board may issue the license for use in a cinema or theater that:

(1) is ~~NOT IN AN ENCLOSED SHOPPING MALL BUT RATHER~~ in a **STAND–ALONE** building that is designed or used primarily for the exhibition of motion pictures to the public;

(2) has a capacity to hold at least 100 permanently installed seats; and

(3) has a minimum of six movie theater rooms.

(c) (1) Subject to paragraph (2) of this subsection, the license authorizes the license holder to sell beer, wine, and liquor for on–premises consumption~~.~~:

~~(i)~~ by the drink, bottle, and can~~;~~**:**

~~(ii)~~ **(I)** 1. in a designated area of the lobby, for 45 minutes before a movie starts; and

2. in a VIP room that holds special events, for the 45 minutes before a movie starts and during the showing of the movie; ~~and~~ **OR**

~~(iii)~~ **(II)** to an individual who has a ticket to a movie and proper identification.

(2) A license holder may exercise the privileges of the license **[**only on Thursdays**]:**

(I) FROM MONDAY THROUGH SATURDAY; AND

(II) ON SUNDAY, IF THE LICENSE HOLDER IS ISSUED A SUNDAY PERMIT.

(3) A license holder may sell beer, wine, and liquor without serving food.

(4) An individual serving beer, wine, and liquor:

(i) may not mix the contents of one bottle with the contents of another bottle; and

(ii) shall dispose of or destroy all empty bottles and cans.

(d) (1) A license holder shall:

(i) obtain a crowd control training certificate from a program that is certified by the Board; and

(ii) while selling beer, wine, and liquor, have one certified crowd control manager on the licensed premises for every 250 individuals present.

(2) Notwithstanding § 31–1903(a) of this title, a license holder shall require one individual who has completed a certified alcohol awareness program to be on the licensed premises at all times when alcohol is being served.

(e) **(1)** The annual license fee is $1,000.

(2) THE ANNUAL SUNDAY PERMIT FEE IS $250.

Chapter 586 of the Acts of 2016

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect on July 1, 2016. ~~It shall remain effective for a period of **[**15**] 2 YEARS AND 3** months and, at the end of October 1, **[**2017**] 2018**, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.~~

Chapter 587 of the Acts of 2016

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect on July 1, 2016. ~~It shall remain effective for a period of~~ **[**15**]** **2 YEARS AND** ~~3~~ months and, at the end of October 1, **[**2017**]** **2018**, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 516 – *State Government – Maryland Manual – Revisions (Maryland Manual Modernization Act).*

This bill requires State Archives to compile, edit, and publish the Maryland Manual exclusively online, thus codifying existing practice. This bill also requires that State Archives shall update the Maryland Manual as necessary to maintain its accuracy, as well as to annually preserve an electronic version that contains all changes to the manual from the preceding year. In addition, this bill requires the State Archivist to provide outreach to public schools, public libraries, and the general public to increase awareness and availability of the manual.

House Bill 78, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 516.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 516

AN ACT concerning

State Government – Maryland Manual – Revisions
(Maryland Manual Modernization Act)

FOR the purpose of altering certain provisions of law to require the State Archives to compile, edit, and publish an online Maryland Manual; altering the content of the Maryland Manual; requiring, as provided in the State budget, the State Archives to update the Maryland Manual as necessary to maintain the accuracy of the information and to annually preserve a version that contains certain changes; requiring the State Archivist, to the extent practicable, to provide certain outreach to certain persons; repealing certain provisions of law relating to the provision and distribution of the Maryland Manual by the State Archivist; and generally relating to the Maryland Manual.

BY repealing and reenacting, with amendments,
Article – State Government
Section 9–1026
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing
Article – State Government
Section 9–1027
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – State Government

9–1026.

(a) **[**Every 2 years, the**]** **THE** State Archives shall compile **[**and**],** edit **[**a**], AND PUBLISH AN ONLINE** Maryland Manual that**:**

(1) DESCRIBES:

(I) THE STATE AND ITS GOVERNMENT, INCLUDING STATE, INTERSTATE, REGIONAL, COUNTY, INTERCOUNTY, AND MUNICIPAL GOVERNMENT; AND

(II) FEDERAL OFFICIALS AND AGENCIES DIRECTLY RELATED TO THE STATE; AND

(2) contains:

[(1)**]** **(I)** a copy of the Maryland Constitution;

[(2)**]** **(II)** the name **[**and address**]** of each officer of the State **[**or**],** a county**, OR A MUNICIPALITY** who is:

[(i)**]** **1.** elected;

[(ii)**]** **2.** appointed by the Governor; or

[(iii)**]** **3.** appointed by the Board of Public Works; and

[(3)**]** **(III)** any other information that, in consultation with the Hall of Records Commission, the State Archivist considers necessary.

[(b) In accordance with Division II of the State Finance and Procurement Article, the Archives shall print the Maryland Manual, as provided in the State budget.**]**

(B) AS PROVIDED IN THE STATE BUDGET, THE STATE ARCHIVES SHALL:

(1) UPDATE THE MARYLAND MANUAL AS NECESSARY TO MAINTAIN THE ACCURACY OF THE INFORMATION; AND

(2) ANNUALLY PRESERVE A VERSION OF THE MARYLAND MANUAL THAT CONTAINS ALL CHANGES MADE TO THE MARYLAND MANUAL UNDER ITEM (1) OF THIS SUBSECTION IN THE IMMEDIATELY PRECEDING YEAR.

(C) TO THE EXTENT PRACTICABLE, THE STATE ARCHIVIST SHALL PROVIDE OUTREACH TO PUBLIC SCHOOLS, PUBLIC LIBRARIES, AND THE GENERAL PUBLIC TO INCREASE AWARENESS REGARDING THE AVAILABILITY AND CONTENT OF THE MARYLAND MANUAL.

[9–1027.

(a) The State Archivist shall provide, without charge:

(1) to the State Law Library, 25 cloth–bound copies of each new Maryland Manual;

(2) to each member of the General Assembly, 2 cloth–bound copies and 8 other copies of each new Maryland Manual;

(3) to each public or private educational institution in the State, 1 copy of each new Maryland Manual; and

(4) to the Legislative Library, 50 cloth–bound copies of each new Maryland Manual.

(b) If a former member of the General Assembly asks the State Archivist for a copy of the Maryland Manual, the State Archivist shall provide, without charge, a copy of the current Maryland Manual.

(c) The State Archivist and the Secretary of State may distribute other copies of the Maryland Manual as they consider necessary or desirable.**]**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller
President of the Senate
State House
Annapolis, MD 21401

The Honorable Michael E. Busch
Speaker of the House
State House
Annapolis, MD 21401

Dear Mr. President and Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 543/House Bill 694 – *Higher Education – Admissions Process – Criminal History (Maryland Fair Access to Education Act of 2017).*

This legislation prohibits colleges and universities from using an admissions application containing questions about a prospective student's criminal history — no matter how violent or lengthy that criminal history may be. Additionally, Senate Bill 543/House Bill 694 limits how a college can use a prospective or incoming student's criminal history information, curtailing its ability to ensure a safe campus environment.

Protecting our citizens must be a top priority of any government and Maryland's colleges and universities must be safe communities where students are free to learn and grow. When families send their children to college, they know they will be exposed to exciting new opportunities and challenges, but also to new dangers. In this, parents have an expectation that the school to which they entrust their child will do everything possible to keep its students safe.

Senate Bill 543/House Bill 694 jeopardizes student safety by dictating how and when schools can ask about and use criminal history information about potential students. This could lead to situations where a school unknowingly admits a student with a violent past or feels it must accept a student with a criminal history for fear of running afoul of the law.

Most alarmingly, the legislation does little to differentiate between those with a violent felony, such as a sexual assault conviction, and those with a nonviolent misdemeanor on their record.

Legislation barring colleges and universities from using admissions applications containing questions about misdemeanor or nonviolent convictions while still allowing questions about violent felonies would better balance opportunity with public safety.

Our laws must balance the opportunity for second chances with our most important duty of ensuring public safety. I have championed policies that recognize the innate potential of each and every Marylander no matter their criminal history. In 2015, I was proud to sign the Second Chance Act and provide individuals a clean slate by shielding from public knowledge certain low–level criminal offenses. Last year, together with your leadership, we were able to pass the Justice Reinvestment Act which lowers penalties for nonviolent drug offenders, emphasizes treatment and rehabilitation, and contains one of the largest expansions of expungement opportunities in recent history.

However, while measures like the Second Chance Act and Justice Reinvestment Act strike this crucial balance, Senate Bill 543/House Bill 694 tips the scales to the detriment of public safety. While individuals of all criminal backgrounds should be given educational, employment, and growth opportunities, colleges and universities must have the ability to know who they are accepting onto their campuses. We should not encourage schools to turn a blind eye to a prospective student's potentially violent criminal background.

For these reasons, I have vetoed Senate Bill 543 and House Bill 694.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 543

AN ACT concerning

Higher Education – Admissions Process – Criminal History
(Maryland Fair Access to Education Act of 2017)

FOR the purpose of prohibiting certain institutions of higher education from ~~inquiring into or considering~~ using information about the criminal history of applicants on certain admissions applications; providing for ~~a~~ certain ~~exception~~ exceptions to the ban on

~~inquiring into or considering~~ using certain criminal history information; ~~requiring certain institutions of higher education to provide certain notice to certain students as part of a certain application under certain circumstances;~~ allowing certain institutions of higher education to inquire into or consider the criminal history of students for purposes of admission and access to campus residency~~,~~ or offering certain counseling or services~~, and deciding whether students may participate in certain activities or aspects of campus life~~; prohibiting certain institutions of higher education from ~~using information on a student's criminal history to rescind admission or unreasonably restrict a student's access to certain activities or aspects of campus life~~ automatically or unreasonably restricting a student's admission; ~~requiring~~ authorizing certain institutions of higher education to adopt ~~an individualized~~ a process when denying or limiting certain students' access to campus residency ~~or a particular activity or aspect of campus life~~ or a certain academic program; ~~requiring~~ authorizing ~~an individualized~~ the process to be set forth in writing and include certain considerations; ~~requiring that certain negatively affected students have the right to appeal a denial or limitation of access to campus residency or a particular activity or aspect of campus life; requiring certain institutions of higher education to inform accepted students of their individualized processes and the students' right to present certain evidence in writing;~~ requiring certain institutions of higher education to consider the State's policy of promoting the admission of students with criminal records; providing for the application of this Act; defining certain terms; providing for a delayed effective date; and generally relating to the ~~prohibition against institutions of higher education considering criminal history during the admissions process~~ consideration of criminal history in the higher education admissions process.

BY adding to

Article – Education

Section 26–501 through 26–506 to be under the new subtitle "Subtitle 5. ~~Prohibition on Considering~~ Consideration of Criminal History ~~During~~ in the Admissions Process"

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

~~Preamble~~

~~WHEREAS, Higher education plays a critical role in developing good citizenship, creating economic and social opportunities, and enhancing public safety; and~~

~~WHEREAS, Barriers to education increase recidivism rates for individuals with criminal histories and national crime statistics demonstrate that higher education institutions that have eliminated pre–admission inquiry into criminal history have not experienced an increase in campus crime rates; and~~

~~WHEREAS, It is the policy of the State to encourage the continuing education of individuals with a criminal record and remove barriers to their ability to meaningfully reenter society and transition into the workforce; now, therefore,~~

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

Article – Education

SUBTITLE 5. ~~PROHIBITION ON CONSIDERING CRIMINAL HISTORY DURING THE ADMISSIONS PROCESS~~ CONSIDERATION OF CRIMINAL HISTORY IN THE ADMISSIONS PROCESS.

26–501.

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

(B) ~~(1)~~ ~~"ADMISSIONS PROCESS" MEANS THE PROCESS BY WHICH INSTITUTIONS OF HIGHER EDUCATION SELECT STUDENTS FOR ENROLLMENT.~~

~~(2)~~ ~~"ADMISSIONS PROCESS" INCLUDES THE SUBMISSION OF AN APPLICATION TO ATTEND AN INSTITUTION OF HIGHER EDUCATION, ALL DECISIONS MADE DURING THE REVIEW OF APPLICATIONS, AND THE SELECTION OF APPLICANTS TO MATRICULATE~~ "ADMISSIONS APPLICATION" MEANS AN INDIVIDUAL APPLICATION TO ENROLL AS AN UNDERGRADUATE STUDENT AT AN INSTITUTION OF HIGHER EDUCATION.

(C) "CRIMINAL HISTORY" MEANS AN ARREST~~, A CRIMINAL ACCUSATION,~~ OR A CRIMINAL CONVICTION.

~~(D) "DIRECT RELATIONSHIP" MEANS A CONNECTION BETWEEN THE NATURE OF THE CRIMINAL HISTORY OF AN ACCEPTED STUDENT AND AN ACTIVITY OR ASPECT OF CAMPUS LIFE THAT WOULD CREATE AN UNREASONABLE RISK TO THE SAFETY OR WELFARE OF THE ACCEPTED STUDENT, OTHER INDIVIDUALS ON CAMPUS, OR CAMPUS PROPERTY IF THE ACCEPTED STUDENT WERE AUTHORIZED TO PARTICIPATE WITHOUT CONDITION.~~

(D) "THIRD–PARTY ADMISSIONS APPLICATION" MEANS AN ADMISSIONS APPLICATION NOT CONTROLLED BY THE INSTITUTION.

26–502.

THIS SUBTITLE APPLIES TO INSTITUTIONS OF HIGHER EDUCATION THAT RECEIVE STATE FUNDS.

26–503.

(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, AN INSTITUTION OF HIGHER EDUCATION MAY NOT ~~INQUIRE INTO OR CONSIDER INFORMATION ABOUT THE CRIMINAL HISTORY OF AN INDIVIDUAL DURING THE ADMISSIONS PROCESS~~ USE AN ADMISSIONS APPLICATION THAT CONTAINS QUESTIONS ABOUT THE CRIMINAL HISTORY OF THE APPLICANT.

(B) AN INSTITUTION OF HIGHER EDUCATION MAY ~~CONSIDER INFORMATION ABOUT A CRIME COMMITTED BY AN APPLICANT IF THE INSTITUTION KNOWS OR SHOULD KNOW THAT THE CRIME IS ONGOING~~ USE A THIRD–PARTY ADMISSIONS APPLICATION THAT CONTAINS QUESTIONS ABOUT THE CRIMINAL HISTORY OF THE APPLICANT IF THE INSTITUTION POSTS A NOTICE ON ITS WEB SITE STATING THAT A CRIMINAL HISTORY DOES NOT DISQUALIFY AN APPLICANT FROM ADMISSION.

~~(C) AN INSTITUTION OF HIGHER EDUCATION SHALL PROVIDE NOTICE TO A PROSPECTIVE STUDENT AS PART OF THE ADMISSIONS APPLICATION, IF THE ADMISSIONS APPLICATION IS NOT A THIRD–PARTY ADMISSIONS APPLICATION, WHETHER THE PROFESSION FOR WHICH THE STUDENT IS SEEKING A DEGREE PROHIBITS LICENSURE OR CERTIFICATION ON THE BASIS OF A CRIMINAL HISTORY.~~

26–504.

(A) SUBJECT TO § 26–505 OF THIS SUBTITLE, AN INSTITUTION OF HIGHER EDUCATION MAY MAKE INQUIRIES INTO AND CONSIDER INFORMATION ABOUT A STUDENT'S CRIMINAL HISTORY FOR THE PURPOSE OF:

(1) MAKING DECISIONS REGARDING ADMISSION AND ACCESS TO CAMPUS RESIDENCY; OR

(2) OFFERING SUPPORTIVE COUNSELING OR SERVICES TO HELP REHABILITATE AND EDUCATE THE STUDENT ON BARRIERS A CRIMINAL RECORD MAY PRESENT~~; OR~~

~~(3) DECIDING WHETHER THE STUDENT MAY PARTICIPATE IN ACTIVITIES AND ASPECTS OF CAMPUS LIFE USUALLY OPEN TO STUDENTS~~.

(B) IN MAKING INQUIRIES OR CONSIDERING INFORMATION UNDER THIS SECTION, AN INSTITUTION OF HIGHER EDUCATION MAY NOT:

~~(1) USE ANY INFORMATION ABOUT A STUDENT'S CRIMINAL HISTORY TO RESCIND AN OFFER OF ADMISSION; OR~~

~~(2) AUTOMATICALLY~~ AUTOMATICALLY OR UNREASONABLY RESTRICT A STUDENT'S ~~ACTIVITIES OR ASPECTS OF CAMPUS LIFE~~ ADMISSION BASED ON THAT STUDENT'S CRIMINAL HISTORY.

26–505.

(A) IN DECIDING TO DENY OR LIMIT A STUDENT'S ADMISSION OR ACCESS TO CAMPUS RESIDENCY ~~OR PARTICIPATION IN A PARTICULAR ACTIVITY OR ASPECT OF CAMPUS LIFE~~ UNDER § 26–504 OF THIS SUBTITLE, AN INSTITUTION OF HIGHER EDUCATION ~~SHALL~~ ~~MAY~~ *SHALL* DEVELOP ~~AN INDIVIDUALIZED~~ A PROCESS FOR DETERMINING WHETHER THERE IS A ~~DIRECT~~ RELATIONSHIP BETWEEN A STUDENT'S CRIMINAL HISTORY AND CAMPUS RESIDENCY ~~OR A PARTICULAR ACTIVITY OR ASPECT OF CAMPUS LIFE~~ OR A SPECIFIC ACADEMIC PROGRAM.

(B) ~~AN INDIVIDUALIZED~~ THE PROCESS DEVELOPED UNDER THIS SECTION ~~SHALL~~ ~~MAY~~ *SHALL* BE SET FORTH IN WRITING AND ~~SHALL~~ ~~MAY~~ *SHALL* INCLUDE CONSIDERATION OF:

(1) THE AGE OF THE STUDENT AT THE TIME ANY ASPECT OF THE STUDENT'S CRIMINAL HISTORY OCCURRED;

(2) THE TIME THAT HAS ELAPSED SINCE ANY ASPECT OF THE STUDENT'S CRIMINAL HISTORY OCCURRED;

(3) THE NATURE OF THE CRIMINAL HISTORY ~~AND WHETHER IT BEARS A DIRECT RELATIONSHIP TO CAMPUS RESIDENCY, THE ACTIVITY, OR THE ASPECT OF CAMPUS LIFE AT ISSUE~~; AND

(4) ANY EVIDENCE OF REHABILITATION OR GOOD CONDUCT PRODUCED BY THE STUDENT.

~~(C) AN INDIVIDUALIZED PROCESS DEVELOPED UNDER THIS SECTION SHALL PROVIDE AN AFFECTED STUDENT WITH REASONABLE NOTICE AND AN OPPORTUNITY TO APPEAL A DENIAL OR LIMITATION OF CAMPUS RESIDENCY, AN ACTIVITY, OR AN ASPECT OF CAMPUS LIFE.~~

~~(D) INSTITUTIONS OF HIGHER EDUCATION SHALL INFORM ACCEPTED STUDENTS IN WRITING OF THE INDIVIDUALIZED PROCESS DEVELOPED UNDER THIS SECTION AND THE RIGHT STUDENTS HAVE TO PROVIDE EVIDENCE OF REHABILITATION AND GOOD CONDUCT.~~

26–506.

AN INSTITUTION OF HIGHER EDUCATION THAT INQUIRES INTO OR CONSIDERS INFORMATION ABOUT A STUDENT'S CRIMINAL HISTORY, IN A MANNER CONSISTENT WITH THIS SUBTITLE, SHALL CONSIDER THE STATE'S POLICY TO PROMOTE THE ADMISSION OF STUDENTS WITH CRIMINAL RECORDS, INCLUDING FORMERLY

INCARCERATED INDIVIDUALS, TO PROVIDE THESE STUDENTS WITH THE OPPORTUNITY TO OBTAIN THE KNOWLEDGE AND SKILLS NEEDED TO CONTRIBUTE TO THE STATE'S ECONOMY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~July~~ December 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 562 – *Health Care Decisions Act – Advance Directives and Surrogate Decision Making – Disqualified Individuals*

This bill expands the definition of "disqualified person" and prohibits an individual from serving as a health care agent, or surrogate decision maker, under specific circumstances.

House Bill 498, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 562.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 562

AN ACT concerning

Health Care Decisions Act – Advance Directives and Surrogate Decision Making – Disqualified Individuals

FOR the purpose of prohibiting certain individuals from serving as a health care agent under certain circumstances; establishing a certain exception; prohibiting certain individuals from making decisions about health care for certain individuals ~~who have been certified to be incapable of making an informed decision;~~ under certain circumstances; ~~providing that a health care provider may only be required to make~~

~~a certain inquiry under certain circumstances;~~ requiring a person who obtains certain information that would prohibit an individual from serving as a health care agent or making health care decisions for a certain individual to provide ~~that~~ *the* information to a certain health care provider or a certain health care facility; defining a certain term; and generally relating to the Health Care Decisions Act and decision making by health care agents and surrogates.

BY repealing and reenacting, without amendments,
Article – Health – General
Section 5–602(a)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Health – General
Section 5–602(b) and 5–605(a)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – Health – General

5–602.

(a) (1) Any competent individual may, at any time, make a written or electronic advance directive regarding the provision of health care to that individual, or the withholding or withdrawal of health care from that individual.

(2) Notwithstanding any other provision of law, in the absence of a validly executed or witnessed advance directive, any authentic expression made by an individual while competent of the individual's wishes regarding health care for the individual shall be considered.

(b) (1) **(I)** In this subsection**[**, "disqualified person" means:**]** **THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

(II) "DISQUALIFIED PERSON" MEANS:

[(i)**]** **1.** An owner, operator, or employee of a health care facility from which the declarant is receiving health care; or

[(ii)**]** **2.** A spouse, parent, child, or sibling of an owner, operator, or employee of a health care facility from which the declarant is receiving health care.

(III) "PERSON ELIGIBLE FOR RELIEF" HAS THE MEANING STATED IN § 4–501 OF THE FAMILY LAW ARTICLE.

(2) Any competent individual may, at any time, make a written or electronic advance directive appointing an agent to make health care decisions for the individual under the circumstances stated in the advance directive.

(3) **(I)** A disqualified person may not serve as a health care agent unless the person:

[(i)**]** **1.** Would qualify as a surrogate decision maker under § 5–605(a) of this subtitle; or

[(ii)**]** **2.** Was appointed by the declarant before the date on which the declarant received, or contracted to receive, health care from the facility.

(II) AN INDIVIDUAL MAY NOT SERVE AS A HEALTH CARE AGENT IF:

1. THE INDIVIDUAL IS THE SUBJECT OF AN INTERIM, TEMPORARY, OR FINAL PROTECTIVE ORDER AND THE DECLARANT IS A PERSON ELIGIBLE FOR RELIEF UNDER THE ORDER; OR

2. ~~THE~~ EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH, THE INDIVIDUAL IS THE SPOUSE OF THE DECLARANT AND:

A. THE INDIVIDUAL AND DECLARANT HAVE EXECUTED A SEPARATION AGREEMENT; OR

B. THE INDIVIDUAL OR DECLARANT HAS FILED AN APPLICATION FOR DIVORCE.

(III) AN INDIVIDUAL MAY SERVE AS A HEALTH CARE AGENT FOR A DECLARANT AFTER THE DATE OF THE EXECUTION OF A SEPARATION AGREEMENT OR THE FILING OF AN APPLICATION FOR DIVORCE IF THE DECLARANT:

1. IS ABLE TO MAKE A DECISION ABOUT THE INDIVIDUAL'S APPOINTMENT AS THE DECLARANT'S HEALTH CARE AGENT; OR

2. HAS OTHERWISE INDICATED AN INTENT TO HAVE THE INDIVIDUAL SERVE AS THE DECLARANT'S HEALTH CARE AGENT.

(4) An agent appointed under this subtitle has decision making priority over any individuals otherwise authorized under this subtitle to make health care decisions for a declarant.

(5) ~~(I) A HEALTH CARE PROVIDER MAY ONLY BE REQUIRED TO MAKE A REASONABLE INQUIRY AT THE TIME OF ADMISSION OF A DECLARANT TO A HEALTH CARE FACILITY OR AT THE TIME A NEW HEALTH CARE AGENT IS IDENTIFIED TO DETERMINE WHETHER AN INDIVIDUAL WOULD BE PROHIBITED FROM SERVING AS A HEALTH CARE AGENT FOR THE DECLARANT UNDER PARAGRAPH (3)(II) OF THIS SUBSECTION.~~

~~(II)~~ A PERSON WHO OBTAINS NEW INFORMATION THAT WOULD PROHIBIT AN INDIVIDUAL FROM SERVING AS A DECLARANT'S HEALTH CARE AGENT UNDER PARAGRAPH (3)(II) OF THIS SUBSECTION SHALL PROVIDE THE INFORMATION TO ANY HEALTH CARE PROVIDER OR HEALTH CARE FACILITY PROVIDING SERVICES TO THE DECLARANT.

5–605.

(a) (1) **(I)** In this subsection**[**, "unavailable" means:**]** **THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

(II) "PERSON ELIGIBLE FOR RELIEF" HAS THE MEANING STATED IN § 4–501 OF THE FAMILY LAW ARTICLE.

(III) "UNAVAILABLE" MEANS:

[(i)**]** **1.** After reasonable inquiry, a health care provider is unaware of the existence of a health care agent or surrogate decision maker;

[(ii)**]** **2.** After reasonable inquiry, a health care provider cannot ascertain the whereabouts of a health care agent or surrogate decision maker;

[(iii)**]** **3.** A health care agent or surrogate decision maker has not responded in a timely manner, taking into account the health care needs of the individual, to a written or oral message from a health care provider;

[(iv)**]** **4.** A health care agent or surrogate decision maker is incapacitated; or

[(v)**]** **5.** A health care agent or surrogate decision maker is unwilling to make decisions concerning health care for the individual.

(2) **[**The**]** **SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, THE** following individuals or groups, in the specified order of priority, may make decisions about health care for a person who has been certified to be incapable of making an informed decision and who has not appointed a health care agent in accordance with this subtitle or

whose health care agent is unavailable. Individuals in a particular class may be consulted to make a decision only if all individuals in the next higher class are unavailable:

(i) A guardian for the patient, if one has been appointed;

(ii) The patient's spouse or domestic partner;

(iii) An adult child of the patient;

(iv) A parent of the patient;

(v) An adult brother or sister of the patient; or

(vi) A friend or other relative of the patient who meets the requirements of paragraph (3) of this subsection.

(3) A friend or other relative may make decisions about health care for a patient under paragraph (2) of this subsection if the person:

(i) Is a competent individual; and

(ii) Presents an affidavit to the attending physician stating:

1. That the person is a relative or close friend of the patient; and

2. Specific facts and circumstances demonstrating that the person has maintained regular contact with the patient sufficient to be familiar with the patient's activities, health, and personal beliefs.

(4) AN INDIVIDUAL MAY NOT MAKE DECISIONS ABOUT HEALTH CARE FOR A PATIENT UNDER PARAGRAPH (2) OF THIS SUBSECTION IF:

(I) THE INDIVIDUAL IS THE SUBJECT OF AN INTERIM, TEMPORARY, OR FINAL PROTECTIVE ORDER AND THE PATIENT IS A PERSON ELIGIBLE FOR RELIEF UNDER THE ORDER; OR

(II) THE INDIVIDUAL IS THE SPOUSE OF THE PATIENT AND:

1. THE INDIVIDUAL AND PATIENT HAVE EXECUTED A SEPARATION AGREEMENT; OR

2. THE INDIVIDUAL OR PATIENT HAS FILED AN APPLICATION FOR DIVORCE.

[(4)**] (5)** The attending physician shall include the affidavit presented under paragraph (3) of this subsection in the patient's medical record.

(6) ~~(I)~~ ~~A HEALTH CARE PROVIDER MAY ONLY BE REQUIRED TO MAKE A REASONABLE INQUIRY AT THE TIME OF ADMISSION OF A PATIENT TO A HEALTH CARE FACILITY OR AT THE TIME A NEW HEALTH CARE AGENT IS IDENTIFIED TO DETERMINE WHETHER AN INDIVIDUAL WOULD BE PROHIBITED FROM MAKING HEALTH CARE DECISIONS FOR THE PATIENT UNDER PARAGRAPH (4) OF THIS SUBSECTION.~~

~~(II)~~ A PERSON WHO OBTAINS NEW INFORMATION THAT WOULD PROHIBIT AN INDIVIDUAL FROM MAKING HEALTH CARE DECISIONS FOR A PATIENT UNDER PARAGRAPH (4) OF THIS SUBSECTION SHALL PROVIDE THE INFORMATION TO ANY HEALTH CARE PROVIDER OR HEALTH CARE FACILITY PROVIDING SERVICES TO THE PATIENT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 631 – *Criminal Law – Animal Abuse Emergency Compensation Fund – Establishment.*

This bill establishes the Animal Abuse Emergency Compensation Fund to assist in paying costs associated with the removal and care of animals impounded under the State's animal abuse and neglect law. This bill provides for the uses, purposes, sources of funding, investment of money, and auditing of the Fund, and also authorizes the Executive Director of the Governor's Office of Crime Control and Prevention to administer the Fund.

House Bill 941, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 631.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 631

AN ACT concerning

Criminal Law – Animal Abuse Emergency Compensation Fund – Establishment

FOR the purpose of requiring certain fines to be remitted to the Animal Abuse Emergency Compensation Fund; establishing the Animal Abuse Emergency Compensation Fund; providing for the uses, purposes, sources of funding, investment of money, and auditing of the Fund; requiring the Executive Director of the Governor's Office of Crime Control and Prevention (GOCCP) to administer the Fund; providing that the Fund is a continuing, nonlapsing fund not subject to certain provisions of law; requiring interest earnings of the Fund to be credited to the Fund; exempting the Fund from a certain provision of law requiring interest on State money in special funds to accrue to the General Fund of the State; defining certain terms; providing for the termination of this Act; and generally relating to the Animal Abuse Emergency Compensation Fund.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 7–302(a)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

BY adding to
Article – Courts and Judicial Proceedings
Section 7–302(h)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

BY adding to
Article – Criminal Law
Section 10–626
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(i)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement

Section 6–226(a)(2)(ii)94. and 95.
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY adding to
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)96.
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – Courts and Judicial Proceedings

7–302.

(a) Except as provided in subsections (b) through **[**(g)**]** **(H)** of this section, the clerks of the District Court shall:

(1) Collect costs, fines, forfeitures, or penalties imposed by the court; and

(2) Remit them to the State under a system agreed upon by the Chief Judge of the District Court and the Comptroller.

(H) THE CLERKS OF THE DISTRICT COURT SHALL:

(1) COLLECT THE FINES, FORFEITURES, AND PENALTIES IMPOSED BY THE COURT FOR VIOLATIONS OF §§ 10–604, 10–606, 10–607, AND 10–608 OF THE CRIMINAL LAW ARTICLE; AND

(2) REMIT THE FINES, FORFEITURES, AND PENALTIES TO THE ANIMAL ABUSE EMERGENCY COMPENSATION FUND ESTABLISHED UNDER § 10–626 OF THE CRIMINAL LAW ARTICLE.

Article – Criminal Law

10–626.

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

(2) "ANIMAL CONTROL UNIT" HAS THE MEANING STATED IN § 10–617 OF THIS SUBTITLE.

(3) "ANIMAL WELFARE ORGANIZATION" MEANS A NOT–FOR–PROFIT ORGANIZATION ESTABLISHED TO PROMOTE ANIMAL WELFARE THAT HAS RECEIVED TAX EXEMPT STATUS UNDER § 501(C)(3) OF THE U.S. INTERNAL REVENUE CODE AND IS REGISTERED TO DO BUSINESS IN THE STATE.

(4) "FUND" MEANS THE ANIMAL ABUSE EMERGENCY COMPENSATION FUND ESTABLISHED UNDER THIS SECTION.

(5) "GOCCP" MEANS THE GOVERNOR'S OFFICE OF CRIME CONTROL AND PREVENTION.

(B) THERE IS AN ANIMAL ABUSE EMERGENCY COMPENSATION FUND.

(C) THE PURPOSE OF THE FUND IS TO ASSIST IN PAYING COSTS ASSOCIATED WITH THE REMOVAL AND CARE OF ANIMALS IMPOUNDED UNDER THIS SUBTITLE.

(D) (1) THE EXECUTIVE DIRECTOR OF GOCCP SHALL ADMINISTER THE FUND.

(2) THE EXECUTIVE DIRECTOR SHALL RECEIVE FROM THE FUND EACH FISCAL YEAR THE AMOUNT, NOT EXCEEDING $50,000 IN A FISCAL YEAR, NECESSARY TO OFFSET ITS COSTS IN ADMINISTERING THIS SUBTITLE.

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

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

(F) THE FUND CONSISTS OF:

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

(2) INTEREST EARNINGS OF THE FUND;

(3) FINES LEVIED AS A RESULT OF CONVICTION OF AN ANIMAL ABUSE CRIME; AND

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

(G) THE FUND MAY BE USED ONLY TO DEFRAY THE REASONABLE COSTS INCURRED BY AN ANIMAL CONTROL UNIT OR ANIMAL WELFARE ORGANIZATION IN

CARING FOR AN ANIMAL FROM THE TIME OF SEIZURE UNTIL THE OUTCOME OF THE CRIMINAL CASE INCLUDING:

(1) IMPOUND;

(2) TRANSPORTATION;

(3) MEDICAL CARE;

(4) FOOD;

(5) ROUTINE CARE; AND

(6) SHELTERING.

(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 FUND.

(I) THE FUND IS SUBJECT TO AUDIT BY THE OFFICE OF LEGISLATIVE AUDITS AS PROVIDED IN § 2–1220 OF THE STATE GOVERNMENT ARTICLE.

Article – State Finance and Procurement

6–226.

(a) (2) (i) 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, net interest on all State money allocated by the State Treasurer under this section 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.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

94. the Community Program Fund; **[**and**]**

95. the Maryland Corps Program Fund**; AND**

96. THE ANIMAL ABUSE EMERGENCY COMPENSATION FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017. It shall remain effective for a period of 3 years and, at the end of September 30, 2020, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 736 – *St. Mary's County – Public Facility Bonds.*

This bill authorizes and empowers the County Commissioners of St. Mary's County to borrow not more than $26,300,000 in order to finance the construction, improvement, or development of certain public facilities in St. Mary's County, and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds.

House Bill 892, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 736.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 736

AN ACT concerning

St. Mary's County – Public Facility Bonds

FOR the purpose of authorizing and empowering the County Commissioners of St. Mary's County, from time to time, to borrow not more than $26,300,000 in order to finance the construction, improvement, or development of certain public facilities in St. Mary's County, as herein defined, and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds in like par amount; empowering the County to fix and determine, by resolution, the form, tenor, interest rate or rates or method of determining the same, terms, conditions, maturities, and

all other details incident to the issuance and sale of the bonds; empowering the County to issue refunding bonds for the purchase or redemption of bonds in advance of maturity; empowering and directing the County to levy, impose, and collect, annually, ad valorem taxes in rate and amount sufficient to provide funds for the payment of the maturing principal of and interest on the bonds; exempting the bonds and refunding bonds and the interest thereon and any income derived therefrom from all State, county, municipal, and other taxation in the State of Maryland; providing that nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes; ~~making this Act subject to a certain contingency;~~ and generally relating to the issuance and sale of such bonds.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, as used herein, the term "County" means the body politic and corporate of the State of Maryland known as the County Commissioners of St. Mary's County, and the term "construction, improvement, or development of public facilities" means the acquisition, alteration, construction, reconstruction, enlargement, equipping, expansion, extension, improvement, rehabilitation, renovation, upgrading, and repair of public buildings and facilities and public works projects, including, but not limited to, public works projects such as highways, roads, bridges and storm drains, public school buildings and facilities, boating facilities, shore erosion and other marine property, landfills, and recycling facilities, public operational buildings and facilities such as buildings and facilities for County administrative use, capital improvements to the Wicomico Shores Taxing District, County athletic facilities, the community college, community swimming pools, public safety, health, and social services, libraries, commuter air service facilities, refuse disposal buildings and facilities, and parks and recreation buildings and facilities, together with the costs of acquiring land or interests in land as well as any related architectural, financial, legal, planning, or engineering services.

SECTION 2. AND BE IT FURTHER ENACTED, That the County is hereby authorized to finance any part or all of the costs of the public facilities described in Section 1 of this Act, and to borrow money and incur indebtedness for that purpose, at one time or from time to time, in an amount not exceeding, in the aggregate, $26,300,000 and to evidence such borrowing by the issuance and sale upon its full faith and credit of general obligation bonds in like par amount, which may be issued at one time or from time to time, in one or more groups or series, as the County may determine.

SECTION 3. AND BE IT FURTHER ENACTED, That the bonds shall be issued in accordance with a resolution of the County, which shall describe generally the construction, improvement, or development of public facilities for which the proceeds of the bond sale are intended and the amount needed for those purposes. The County shall have and is hereby granted full and complete authority and discretion in the resolution to fix and determine with respect to the bonds of any issue: the designation, date of issue, denomination or denominations, form or forms, and tenor of the bonds which, without limitation, may be issued in registered form within the meaning of § 19–204 of the Local Government Article of the Annotated Code of Maryland, as amended; the rate or rates of interest payable thereon, or the method of determining the same, which may include a variable rate; the

date or dates and amount or amounts of maturity, which need not be in equal par amounts or in consecutive annual installments, provided only that no bond of any issue shall mature later than 30 years from the date of its issue; the manner of selling the bonds, which may be at either public or private sale, for such price or prices as may be determined to be in the best interests of St. Mary's County; the manner of executing and sealing the bonds, which may be by facsimile; the terms and conditions, if any, under which bonds may be tendered for payment or purchase prior to their stated maturity; the terms or conditions, if any, under which bonds may or shall be redeemed prior to their stated maturity; the place or places of payment of the principal of and the interest on the bonds, which may be at any bank or trust company within or without the State of Maryland; covenants relating to compliance with applicable requirements of federal income tax law, including (without limitation) covenants regarding the payment of rebate or penalties in lieu of rebate; covenants relating to compliance with applicable requirements of federal or state securities laws; and generally all matters incident to the terms, conditions, issuance, sale, and delivery thereof.

The bonds may be made redeemable before maturity, at the option of the County, at such price or prices and under such terms and conditions as may be fixed by the County prior to the issuance of the bonds, either in the resolution or in a bond order pursuant to the bond resolution. The bonds may be issued in registered form and provision may be made for the registration of the principal only. In case any officer whose signature appears on any bond ceases to be such officer before the delivery thereof, such signature shall nevertheless be valid and sufficient for all purposes as if he had remained in office until such delivery. The bonds and the issuance and sale thereof shall be exempt from the provisions of §§ 19–205 and 19–206 of the Local Government Article of the Annotated Code of Maryland, as amended.

The County may enter into agreements with agents, banks, fiduciaries, insurers, or others for the purpose of enhancing the marketability of any security for the bonds and for the purpose of securing any tender option that may be granted to holders of the bonds, all as may be determined and presented in the aforesaid resolution, which may (but need not) state as security for the performance by the County of any monetary obligations under such agreements the same security given by the County to bondholders for the performance by the County of its monetary obligations under the bonds.

If the County determines in the resolution to offer any of the bonds by solicitation of competitive bids at public sale, the resolution shall fix the terms and conditions of the public sale and shall adopt a form of notice of sale, which shall outline the terms and conditions, and a form of advertisement, which shall be published in one or more daily or weekly newspapers having a general circulation in the County and which may also be published in one or more journals having a circulation primarily among banks and investment bankers. At least one publication of the advertisement shall be made not less than 10 days before the sale of the bonds.

Upon delivery of any bonds to the purchaser or purchasers, payment therefor shall be made to the Treasurer of St. Mary's County or such other official of St. Mary's County

as may be designated to receive such payment in a resolution passed by the County before such delivery.

SECTION 4. AND BE IT FURTHER ENACTED, That the net proceeds of the sale of bonds shall be used and applied exclusively and solely for the acquisition, construction, improvement, or development of public facilities for which the bonds are sold. If the amounts borrowed shall prove inadequate to finance the projects described in the resolution, the County may issue additional bonds with the limitations hereof for the purpose of evidencing the borrowing of additional funds for such financing, provided the resolution authorizing the sale of additional bonds shall so recite, but if the net proceeds of the sale of any issue of bonds exceed the amount needed to finance the projects described in the resolution, the excess funds so borrowed and not expended shall be applied to the payment of the next principal maturity of the bonds or to the redemption of any part of the bonds which have been made redeemable or to the purchase and cancellation of bonds, unless the County shall adopt a resolution allocating the excess funds to the acquisition, construction, improvement, or development of other public facilities, as defined and within the limits set forth in this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That the bonds hereby authorized shall constitute, and they shall so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing principal of and interest on the bonds as and when they become payable. In each and every fiscal year that any of the bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for or assure the payment, when due, of the principal of and interest on all the bonds maturing in each such fiscal year and, in the event the proceeds from the taxes so levied in any such fiscal year shall prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency. The County may apply to the payment of the principal of and interest on any bonds issued hereunder any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality thereof, or from any other source, if such funds are granted for the purpose of assisting the County in financing the acquisition, construction, improvement, or development of the public facilities defined in this Act and, to the extent of any such funds received or receivable in any fiscal year, the taxes that are required to be levied under this Act may be reduced accordingly.

SECTION 6. AND BE IT FURTHER ENACTED, That the County is further authorized and empowered, at any time and from time to time, to issue its bonds in the manner hereinabove described for the purpose of refunding, by payment at maturity or upon purchase or redemption, any bonds issued hereunder. The validity of any such refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the obligations so refunded. The powers herein granted with respect to the issuance of bonds shall be applicable to the issuance of refunding bonds. Such refunding bonds may be issued by the County in such an amount as shall be necessary for the purpose of providing it with funds to pay any of its outstanding bonds issued hereunder at maturity, for the purpose of providing it with funds to purchase in the open market any of its outstanding bonds issued hereunder, prior to the maturity thereof, or for the purpose of providing it

with funds for the redemption prior to maturity of any outstanding bonds issued hereunder which are, by their terms, redeemable, for the purpose of providing it with funds to pay interest on any outstanding bonds issued hereunder prior to their payment at maturity of purchase or redemption in advance of maturity, or for the purpose of providing it with funds to pay any redemption or purchase premium in connection with the refunding of any of its outstanding bonds issued hereunder. The proceeds of the sale of any such refunding bonds shall be segregated and set apart by the County as a separate trust fund to be used solely for the purpose of paying the purchase or redemption prices of the bonds to be refunded.

SECTION 7. AND BE IT FURTHER ENACTED, That the County may, prior to the preparation of definitive bonds, issue interim certificates or temporary bonds, exchangeable for definitive bonds when such bonds have been executed and are available for such delivery, provided, however, that any such interim certificates or temporary bonds shall be issued in all respects subject to the restrictions and requirements set forth in this Act. The County may, by appropriate resolution, provide for the replacement of any bonds issued hereunder which shall have become mutilated or lost or destroyed upon such conditions and after receiving such indemnity as the County may require.

SECTION 8. AND BE IT FURTHER ENACTED, That any and all obligations issued pursuant to the authority of this Act, their transfer, the interest payable thereon, and any income derived therefrom in the hands of the holders thereof from time to time (including any profit made in the sale thereof) shall be and are hereby declared to be at all times exempt from State, county, municipal, or other taxation of every kind and nature whatsoever within the State of Maryland. Nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes.

SECTION 9. AND BE IT FURTHER ENACTED, That the authority to borrow money and issue bonds conferred on the County by this Act shall be deemed to provide an additional and alternative authority for borrowing money and shall be regarded as supplemental and additional to powers conferred upon the County by other laws and shall not be regarded as in derogation of any power now existing; and all Acts of the General Assembly of Maryland heretofore passed authorizing the County to borrow money are hereby continued to the extent that the powers contained in such Acts have not been exercised, and nothing contained in this Act may be construed to impair, in any way, the validity of any bonds that may have been issued by the County under the authority of any said Acts, and the validity of the bonds is hereby ratified, confirmed, and approved. This Act, being necessary for the welfare of the inhabitants of St. Mary's County, shall be liberally construed to effect the purposes hereof. All Acts and parts of Acts inconsistent with the provisions of this Act are hereby repealed to the extent of such inconsistency.

~~SECTION 10. AND BE IT FURTHER ENACTED, That this Act shall take effect contingent on the County Commissioners of St. Mary's County repealing the ordinance imposing the sales and use tax on energy or fuel used or consumed in St. Mary's County authorized under § 20–606 of the Local Government Article. If the County Commissioners repeal the sales and use tax on or before June 1, 2022, the County Commissioners shall deliver a copy of the ordinance to the Department of Legislative Services. If the County~~

~~Commissioners do not repeal the sales and use tax on or before June 1, 2022, this Act, with no further action required by the General Assembly, shall be null and void and of no further force and effect. The County Commissioners, within 5 days after repealing the sales and use tax, shall forward a copy of the ordinance to the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401.~~

SECTION ~~11.~~ 10. AND BE IT FURTHER ENACTED, That~~, subject to Section 10 of this Act,~~ this Act shall take effect June 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 837 – *Washington County – Alcoholic Beverages – Penalties.*

This bill alters the penalties in Washington County for violation of the prohibition against selling or providing alcoholic beverages to an individual under the age of 21 years by imposing a $2,500 maximum fine on a license holder, and authorizes the Washington County Board of License Commissioners to suspend or revoke the license. This bill also imposes a maximum fine of $200 for a first offense, and $500 for each subsequent offense, for any employee of a license holder. In addition, this bill makes such violation a misdemeanor, and removes the mandatory court appearance for a first offense.

House Bill 1480, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 837.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 837

AN ACT concerning

Washington County – Alcoholic Beverages – Penalties

FOR the purpose of ~~authorizing the Washington County Board of License Commissioners to impose on a license holder or an employee of a license holder a certain fine for a first offense for selling or providing alcoholic beverages to an individual under the age of 21 years; specifying certain criminal procedures for a subsequent offense for a license holder or an employee of a license holder who sells or provides alcoholic beverages to an individual under the age of 21 years; providing that for each subsequent offense, a license holder or an employee of the license holder who violates a certain provision of law is guilty of a misdemeanor and is subject to a certain fine;~~ providing that in Washington County a violation of the prohibition against selling or providing alcoholic beverages to an individual under the age of 21 years is a misdemeanor; authorizing the Board of License Commissioners to impose certain penalties on an employee of a license holder or a license holder who violates the prohibition; authorizing the Board to suspend or revoke a license under certain conditions; and generally relating to alcoholic beverages in Washington County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 31–102
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 31–2702
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

31–102.

This title applies only in Washington County.

31–2702.

~~**(A) FOR A FIRST OFFENSE, IF A LICENSE HOLDER OR AN EMPLOYEE OF A LICENSE HOLDER VIOLATES § 6–304 OF THIS ARTICLE, THE BOARD MAY IMPOSE ON THE LICENSE HOLDER OR THE EMPLOYEE OF THE LICENSE HOLDER A FINE NOT EXCEEDING $200.**~~

~~**[**~~(a)~~**]**~~ ~~**(B)**~~ ~~**[**~~A~~**]** ~~**FOR EACH SUBSEQUENT OFFENSE, A**~~ license holder or an employee of a license holder who is charged with a violation of § 6–304 of this article:

(1) shall receive a summons to appear in court on a certain day to answer the charges placed against the license holder or employee; and

(2) may not be required to post bail pending trial in any court in the State.

~~[~~(b)~~]~~ ~~(C)~~ A license holder or an employee of a license holder may not be found guilty of a violation of § 6–304 of this article if:

(1) the license holder or employee establishes to the satisfaction of the finder of fact that the license holder or employee used due caution to establish that the individual was not under the age of 21 years; and

(2) the individual was not a resident of the State.

~~[~~(c)~~]~~ ~~(D)~~ ~~[If an employee of a license holder violates § 6–304 of this article, the Board may impose on the employee a fine not exceeding $200]~~ **FOR EACH SUBSEQUENT OFFENSE, A LICENSE HOLDER OR AN EMPLOYEE OF A LICENSE HOLDER WHO VIOLATES § 6–304 OF THIS ARTICLE IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING $500.**

(C) (1) A VIOLATION OF § 6–304 OF THIS ARTICLE IS A MISDEMEANOR.

(2) IF AN EMPLOYEE OF A LICENSE HOLDER VIOLATES § 6–304 OF THIS ARTICLE, THE BOARD MAY IMPOSE ON THE EMPLOYEE A FINE NOT EXCEEDING:

(I) FOR A FIRST OFFENSE, $200; AND

(II) FOR EACH SUBSEQUENT OFFENSE, $500.

(3) IF A LICENSE HOLDER VIOLATES § 6–304 OF THIS ARTICLE, THE BOARD MAY IMPOSE A FINE NOT EXCEEDING $2,500, SUSPEND OR REVOKE THE LICENSE, OR IMPOSE BOTH A FINE AND SUSPEND OR REVOKE THE LICENSE.

~~[~~(d)~~]~~ ~~(E)~~ The granting of probation before judgment to a license holder or an employee of the license holder for a violation of § 6–304 of this article does not bar the Board from proceeding administratively against the license holder for the violation.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 925 – *Vehicle Laws – Bicycles, Play Vehicles, and Unicycles – Operation on Sidewalks and in Crosswalks.*

This bill provides that, subject to certain provisions of law, as well as certain traffic control signals, the same right–of–way privileges granted to pedestrians apply to a person that lawfully rides a bicycle, play vehicle, or unicycle on a sidewalk, in a sidewalk area, or through crosswalk. This bill exempts such riders from the existing requirement for pedestrians to walk on a sidewalk, and not on an adjacent roadway, whenever a sidewalk is available, as well as the requirement to walk on the left shoulder, or left side of the roadway facing oncoming traffic, when no sidewalk is available.

House Bill 997, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 925.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 925

AN ACT concerning

Vehicle Laws – Bicycles, Play Vehicles, and Unicycles – Operation on Sidewalks and in Crosswalks

FOR the purpose of providing that, subject to certain provisions of law, a person has certain rights and is subject to certain restrictions applicable to pedestrians while the person is lawfully operating a bicycle, play vehicle, or unicycle on a sidewalk or sidewalk area or in or through a crosswalk; providing that, at an intersection, a person operating a bicycle, play vehicle, or unicycle is subject to certain traffic control signals; providing that a certain provision of law does not apply to a person operating a bicycle, play vehicle, or unicycle; altering a certain definition; and generally relating to the operation of bicycles, play vehicles, and unicycles.

BY repealing and reenacting, without amendments,
Article – Transportation
Section 21–101(a), (i), (o), and (w) and 21–506

Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Transportation
Section 21–101(m) and 21–1202
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Transportation

21–101.

(a) In this title and Title 25 of this article the following words have the meanings indicated.

(i) "Crosswalk" means that part of a roadway that is:

(1) Within the prolongation or connection of the lateral lines of sidewalks at any place where 2 or more roadways of any type meet or join, measured from the curbs or, in the absence of curbs, from the edges of the roadway;

(2) Within the prolongation or connection of the lateral lines of a bicycle way where a bicycle way and a roadway of any type meet or join, measured from the curbs or, in the absence of curbs, from the edges of the roadway; or

(3) Distinctly indicated for pedestrian crossing by lines or other markings.

(m) "Play vehicle" means a vehicle that:

(1) Has two or **[**three**]** **MORE** wheels;

(2) Is propelled only by human power; **[**and**]**

(3) Is not a bicycle, as defined in Title 11 of this article**[**.**]**; **AND**

(4) IS NOT A WHEELCHAIR.

(o) "Public bicycle area" means any highway, bicycle path, or other facility or area maintained by this State, a political subdivision of this State, or any of their agencies for the use of bicycles.

(w) "Sidewalk" means that part of a highway:

(1) That is intended for use by pedestrians; and

(2) That is between:

(i) The lateral curb lines or, in the absence of curbs, the lateral boundary lines of a roadway; and

(ii) The adjacent property lines.

21–506.

(a) Where a sidewalk is provided, a pedestrian may not walk along and on an adjacent roadway.

(b) Where a sidewalk is not provided, a pedestrian who walks along and on a highway may walk only on the left shoulder, if practicable, or on the left side of the roadway, as near as practicable to the edge of the roadway, facing any traffic that might approach from the opposite direction.

21–1202.

(A) Every person operating a bicycle or a motor scooter in a public bicycle area has all the rights granted to and is subject to all the duties required of the driver of a vehicle by this title, including the duties set forth in § 21–504 of this title, except:

(1) As otherwise provided in this subtitle; and

(2) For those provisions of this title that by their very nature cannot apply.

(B) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, A PERSON HAS THE RIGHTS AND IS SUBJECT TO THE RESTRICTIONS APPLICABLE TO PEDESTRIANS UNDER THIS TITLE WHILE THE PERSON IS LAWFULLY OPERATING A BICYCLE, PLAY VEHICLE, OR UNICYCLE:

(I) ON A SIDEWALK OR SIDEWALK AREA; OR

(II) IN OR THROUGH A CROSSWALK.

(2) AT AN INTERSECTION, A PERSON OPERATING A BICYCLE, PLAY VEHICLE, OR UNICYCLE IS SUBJECT TO ALL TRAFFIC CONTROL SIGNALS, AS PROVIDED IN §§ 21–202 AND 21–203 OF THIS TITLE.

(3) SECTION 21–506 OF THIS TITLE DOES NOT APPLY TO A PERSON OPERATING A BICYCLE, PLAY VEHICLE, OR UNICYCLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 966 – *Electric Universal Service Program – Unexpended Funds.*

This bill provides that the Public Service Commission has oversight responsibility over certain expenditures of the electric universal service program and requires the Department of Human Resources to expend certain funds collected for the program in certain fiscal years for certain purposes, including bill assistance and arrearage retirement, targeted weatherization, or arrearage management. This bill also establishes that the Commission may defer the return of certain funds for a certain number of years, and requires the Commission to establish a certain rate credit for the return of certain unexpended funds on or before a certain date. In addition, this bill establishes a joint legislative workgroup to monitor the disbursements made under the bill.

House Bill 1002, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 966.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 966

AN ACT concerning

Electric Universal Service Program – Unexpended Funds

FOR the purpose of providing that the Public Service Commission has oversight responsibility over certain expenditures of the electric universal service program; requiring the Department of Human Resources to expend certain funds collected for

the program in certain fiscal years for certain purposes, including bill assistance and arrearage retirement, targeted weatherization, or arrearage management; *providing that the Commission may defer the return of certain funds only for a certain number of years; requiring the Commission to combine certain amounts to be returned for certain years for certain purposes; requiring the Commission to establish a certain rate credit for the return of certain unexpended funds on or before a certain date; stating the intent of the General Assembly regarding the timing for expending certain unexpended bill assistance and arrearage funds; establishing a certain joint workgroup for certain purposes;* stating the intent of the General Assembly regarding the timing for expending certain unexpended bill assistance and arrearage funds; and generally relating to the electric universal service program.

BY repealing and reenacting, with amendments,
Article – Public Utilities
Section 7–512.1(a) ~~and (b)~~, *(b), and (f)*
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Public Utilities
Section 7–512.1(e) ~~and (f)~~
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

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

Article – Public Utilities

7–512.1.

(a) (1) The Commission shall establish an electric universal service program to assist electric customers with annual incomes at or below 175% of the federal poverty level.

(2) The components of the electric universal service program shall include:

(i) bill assistance;

(ii) low–income residential weatherization; and

(iii) the retirement of arrearages for electric customers who have not received assistance in retiring arrearages under the universal service program within the preceding 7 fiscal years.

(3) The Department of Housing and Community Development is responsible for administering the low–income residential weatherization component of the electric universal service program.

(4) (i) The Department of Human Resources, through the Office of Home Energy Programs, is responsible for administering the bill assistance and the arrearage retirement components of the electric universal service program.

(ii) The Department of Human Resources may:

1. establish minimum and maximum benefits available to an electric customer under the bill assistance and arrearage retirement components; and

2. coordinate benefits under the electric universal service program with benefits under the Maryland Energy Assistance Program and other available energy assistance programs.

(5) The Department of Human Resources may, with input from a panel or roundtable of interested parties, contract to assist in administering the bill assistance and the arrearage retirement components of the electric universal service program.

(6) The Commission has oversight responsibility for the bill assistance and the arrearage retirement components of the electric universal service program **AND ANY OTHER FUNDS EXPENDED UNDER THIS SECTION**.

(7) In a specific case, the electric universal service program may waive the income eligibility limitation under paragraph (1) of this subsection in order to provide assistance to an electric customer who would qualify for a similar waiver under the Maryland Energy Assistance Program established under Title 5, Subtitle 5A of the Human Services Article.

(b) (1) All customers shall contribute to the funding of the electric universal service program through a charge collected by each electric company.

(2) The Commission shall determine a fair and equitable allocation for collecting the charges among all customer classes pursuant to subsection (e) of this section.

(3) **[**In**]** **EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, IN** accordance with subsection (f)(6) of this section, any unexpended bill assistance and arrearage retirement funds returned to customers under subsection (f) of this section shall be returned to each customer class as a credit in the same proportion that the customer class contributed charges to the fund.

(4) **THE DEPARTMENT OF HUMAN RESOURCES SHALL EXPEND ANY UNEXPENDED BILL ASSISTANCE AND ARREARAGE FUNDS THAT WERE COLLECTED IN FISCAL YEARS 2010 THROUGH 2017, IN EXCESS OF THE TOTAL AMOUNT**

AUTHORIZED UNDER SUBSECTION (E) OF THIS SECTION, FOR ONE OR MORE OF THE FOLLOWING PURPOSES:

(I) BILL ASSISTANCE AND THE RETIREMENT OF ARREARAGES FOR CUSTOMERS WHO ARE ELIGIBLE TO RECEIVE ASSISTANCE AT THE TIME SERVICES ARE PROVIDED;

(II) TARGETED AND ENHANCED LOW–INCOME RESIDENTIAL WEATHERIZATION DESIGNED TO REMEDIATE HOUSEHOLDS THAT ARE CONSIDERED INELIGIBLE TO PARTICIPATE IN OTHER STATE ENERGY EFFICIENCY PROGRAMS DUE TO SIGNIFICANT HEALTH AND SAFETY HAZARDS; OR

(III) AN ARREARAGE MANAGEMENT PROGRAM FOR LOW–INCOME CUSTOMERS IN ARREARS, INCLUDING PROVIDING CREDITS OR MATCHING PAYMENTS FOR CUSTOMERS WHO MAKE TIMELY PAYMENTS ON CURRENT BILLS.

(5) An electric company shall recover electric universal service program costs in accordance with § 7–512 of this subtitle.

[(5)**] (6)** As determined by the Office of Home Energy Programs, bill assistance payments to an electric company may be on a monthly basis for each customer.

[(6)**] (7)** The Commission shall determine the allocation of the electric universal service charge among the generation, transmission, and distribution rate components of all classes.

[(7)**] (8)** The Commission may not assess the electric universal service surcharge on a per kilowatt–hour basis.

(e) The total amount of funds to be collected for the electric universal service program each year shall be $37 million, allocated in the following manner:

(1) $27.4 million shall be collected from the industrial and commercial classes; and

(2) $9.6 million shall be collected from the residential class.

(f) (1) In this subsection, "fund" means the electric universal service program fund.

(2) There is an electric universal service program fund.

(3) (i) 1. The Comptroller shall collect the revenue collected by electric companies under subsection (b) of this section and place the revenue into the fund.

2. The General Assembly may appropriate funds supplemental to the funds collected under subsubparagraph 1 of this subparagraph.

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

(iii) The purpose of the fund is to assist electric customers as provided in subsection (a)(1) of this section.

(4) The Department of Human Resources, with oversight by the Commission, shall disburse the bill assistance and arrearage retirement funds in accordance with the provisions of this section.

(5) The Comptroller annually shall disburse up to $1,000,000 of low–income residential weatherization funds to the Department of Housing and Community Development, as provided in the State budget.

(6) (i) At the end of a given fiscal year, any unexpended bill assistance and arrearage retirement funds that were collected for that fiscal year shall be retained in the fund and shall be made available for disbursement through the first 6 months of the next fiscal year to customers who:

1. qualify for assistance from the fund during the given fiscal year;

2. apply for assistance from the fund before the end of the given fiscal year; and

3. remain eligible for assistance at the time services are provided.

(ii) If the Commission determines that an extension is needed, the Commission may extend up to an additional 3 months the period in which unexpended bill assistance and arrearage retirement funds may be made available for disbursement under subparagraph (i) of this paragraph.

(iii) ***1.*** Any bill assistance and arrearage retirement funds collected for a given fiscal year that are retained under subparagraph (i) of this paragraph and that remain unexpended at the end of the period allowed under subparagraphs (i) and (ii) of this paragraph shall be returned to each customer class in the proportion that the customer class contributed charges to the fund for the given fiscal year in the form of a credit toward the charge assessed in the following fiscal year.

2. IF THE COMMISSION DETERMINES THAT IT IS IMPRACTICAL TO ESTABLISH A RATE CREDIT FOR THE AMOUNT TO BE RETURNED FOR

A GIVEN FISCAL YEAR TO CUSTOMERS UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, THE COMMISSION:

A. MAY DEFER THE RETURN FOR NOT MORE THAN 2 ADDITIONAL FISCAL YEARS; AND

B. SHALL COMBINE THE RETURNED AMOUNT FOR THAT FISCAL YEAR WITH AMOUNTS TO BE RETURNED FOR THE FOLLOWING FISCAL YEARS WHEN CALCULATING THE RATE CREDIT FOR THE FINAL FISCAL YEAR OF THE PERIOD.

SECTION 2. *AND BE IT FURTHER ENACTED, That, on or before October 1, 2020, the Public Service Commission shall establish a rate credit under § 7–512.1(f)(6)(iii)2 of the Public Utilities Article, as enacted by this Act, for the return of unexpended bill assistance and arrearage funds, in excess of the total amount authorized under § 7–512.1(e) of the Public Utilities Article, accumulated through the end of fiscal year 2019.*

SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Department of Human Resources shall expend any unexpended bill assistance and arrearage funds that were collected in fiscal years 2010 through 2017, in excess of the total amount authorized for disbursement, as required in Section 7–512.1(b)(4) of the Public Utilities Article as enacted by Section 1 of this Act, beginning in fiscal year 2019.

SECTION 4. AND BE IT FURTHER ENACTED, That a joint workgroup is established with members selected by the presiding officers from the Senate Finance Committee and the House Economic Matters Committee to monitor, as the committees consider appropriate, the disbursements made in accordance with this Act and related matters concerning the Electric Universal Service Program.

SECTION ~~2.~~ ~~3.~~ *5.* AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 968 – *Health Insurance – Coverage Requirements for Behavioral Health Disorders – Modifications*.

This bill alters certain coverage requirements applicable to specific health benefit plans for the diagnosis and treatment of mental illness and emotional, drug use, and alcohol use disorders.

House Bill 1127, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 968.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 968

AN ACT concerning

Health Insurance – Coverage Requirements for Behavioral Health Disorders – Modifications

FOR the purpose of altering certain coverage requirements applicable to certain health benefit plans for the diagnosis and treatment of mental illness and emotional, drug use, and alcohol use disorders; altering certain definitions; and generally relating to health insurance coverage for the diagnosis and treatment of mental illness and emotional, drug use, and alcohol use disorders.

BY repealing and reenacting, with amendments,
Article – Insurance
Section 15–802
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)

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

Article – Insurance

15–802.

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

(2) "Alcohol **[**abuse**]** **MISUSE**" has the meaning stated in § 8–101 of the Health – General Article.

(3) "Drug **[**abuse**]** **MISUSE**" has the meaning stated in § 8–101 of the Health – General Article.

(4) "Grandfathered health plan coverage" has the meaning stated in 45 C.F.R. § 147.140.

(5) "Health benefit plan":

(i) for a group or blanket plan, has the meaning stated in § 15–1401 of this title; and

(ii) for an individual plan, has the meaning stated in § 15–1301 of this title.

(6) "Managed care system" means a system of cost containment methods that a carrier uses to review and preauthorize a treatment plan developed by a health care provider for a covered individual in order to control utilization, quality, and claims.

(7) "Partial hospitalization" means the provision of medically directed intensive or intermediate short–term treatment:

(i) to an insured, subscriber, or member;

(ii) in a licensed or certified facility or program;

(iii) for mental illness, emotional disorders, drug **[**abuse**]** **MISUSE**, or alcohol **[**abuse**]** **MISUSE**; and

(iv) for a period of less than 24 hours but more than 4 hours in a day.

(8) "Small employer" has the meaning stated in § 31–101 of this article.

(b) With the exception of small employer grandfathered health plan coverage, this section applies to each individual, group, and blanket health benefit plan that is delivered or issued for delivery in the State by an insurer, a nonprofit health service plan, or a health maintenance organization.

(c) A health benefit plan subject to this section shall provide at least the following benefits for the diagnosis and treatment of a mental illness, emotional disorder, drug **[**abuse**]** **USE** disorder, or alcohol **[**abuse**]** **USE** disorder:

(1) inpatient benefits for services provided in a licensed or certified facility, including hospital inpatient **AND RESIDENTIAL TREATMENT CENTER** benefits;

(2) partial hospitalization benefits; and

(3) outpatient **AND INTENSIVE OUTPATIENT** benefits, including all office visits**, DIAGNOSTIC EVALUATION, OPIOID TREATMENT SERVICES, MEDICATION EVALUATION AND MANAGEMENT,** and psychological and neuropsychological testing for diagnostic purposes.

(d) (1) The benefits under this section are required only for expenses arising from the treatment of mental illnesses, emotional disorders, drug **[**abuse**]** **MISUSE**, or alcohol **[**abuse**]** **MISUSE** if, in the professional judgment of health care providers:

(i) the mental illness, emotional disorder, drug **[**abuse**]** **MISUSE**, or alcohol **[**abuse**]** **MISUSE** is treatable; and

(ii) the treatment is medically necessary.

(2) The benefits required under this section:

(i) shall be provided as one set of benefits covering mental illnesses, emotional disorders, drug **[**abuse**]** **MISUSE**, and alcohol **[**abuse**]** **MISUSE**;

(ii) shall comply with 45 C.F.R. § 146.136(a) through (d) **AND 29 C.F.R. § 2590.712(A) THROUGH (D)**;

(iii) subject to paragraph (3) of this subsection, may be delivered under a managed care system; and

(iv) for partial hospitalization under subsection (c)(2) of this section, may not be less than 60 days.

(3) The benefits required under this section may be delivered under a managed care system only if the benefits for physical illnesses covered under the health benefit plan are delivered under a managed care system.

(4) The processes, strategies, evidentiary standards, or other factors used to manage the benefits required under this section must be comparable as written and in operation to, and applied no more stringently than, the processes, strategies, evidentiary standards, or other factors used to manage the benefits for physical illnesses covered under the health benefit plan.

(5) An insurer, nonprofit health service plan, or health maintenance organization may not charge a copayment for methadone maintenance treatment that is greater than 50% of the daily cost for methadone maintenance treatment.

(e) An entity that issues or delivers a health benefit plan subject to this section shall provide on its Web site and annually in print to its insureds or members:

(1) notice about the benefits required under this section and the federal Mental Health Parity and Addiction Equity Act; and

(2) notice that the insured or member may contact the Administration for further information about the benefits.

(f) An entity that issues or delivers a health benefit plan subject to this section shall:

(1) post a release of information authorization form on its Web site; and

(2) provide a release of information authorization form by standard mail within 10 business days after a request for the form is received.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 997 – *Pharmacists – Substitution and Dispensing of Biological Products.*

This bill authorizes a pharmacist to substitute an interchangeable biological product for a brand name drug under certain circumstances, and requires a pharmacist or the pharmacist's designee to inform consumers of the availability of an interchangeable biological product, as well as the approximate cost difference. This bill also requires a pharmacist who makes a certain substitution to notify the patient in writing that a certain product is interchangeable, and to notify the prescriber of the specific biological product dispensed. In addition, this bill authorizes the Department of Health and Mental Hygiene to disqualify an interchangeable biological product from being used as a substitute, requires the Department to provide an opportunity for public comment under certain circumstances, and provides that a pharmacist who substitutes an interchangeable biological product in compliance with certain provisions of law incurs no greater liability than would be incurred in filling the prescription by dispensing a certain drug or device.

House Bill 1273, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 997.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 997

AN ACT concerning

Pharmacists – Substitution and Dispensing of Biological Products

FOR the purpose of authorizing a pharmacist to substitute an interchangeable biological product for a certain prescribed product under certain circumstances; requiring a pharmacist or the pharmacist's designee, except under certain circumstances, to inform certain consumers of the availability of an interchangeable biological product and the approximate cost difference as compared to a certain drug; requiring the State Board of Pharmacy to maintain on its Web site a link to certain lists of biological products; requiring a pharmacist who makes a certain substitution to notify the patient in writing that a certain product is interchangeable and to record and keep a record of certain information relating to the substitution; authorizing the Department of Health and Mental Hygiene to disqualify an interchangeable biological product from being used as a substitute in the State under certain circumstances; requiring the Department to provide an opportunity for public comment under certain circumstances; providing that a pharmacist who substitutes an interchangeable biological product in compliance with certain provisions of law incurs no greater liability than would be incurred in filling the prescription by dispensing a certain drug or device; requiring, within a certain period of time after dispensing a biological product to a patient, the dispensing pharmacist or the pharmacist's designee to communicate the specific biological product dispensed, including certain information, to the prescriber except under certain circumstances; specifying the methods by which the communication must be provided except under certain circumstances; defining certain terms; and generally relating to the substitution and dispensing of biological products.

BY renumbering
Article – Health Occupations
Section 12–101(c) through (j) and (k) through (aa), respectively
to be Section 12–101(d) through (k) and (n) through (dd), respectively
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Health Occupations

Section 12–101(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY adding to
Article – Health Occupations
Section 12–101(c), (l), and (m) and 12–504.1
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 12–504
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 12–101(c) through (j) and (k) through (aa), respectively, of Article – Health Occupations of the Annotated Code of Maryland be renumbered to be Section(s) 12–101(d) through (k) and (n) through (dd), respectively.

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

Article – Health Occupations

12–101.

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

(C) "BIOLOGICAL PRODUCT" HAS THE MEANING STATED IN 42 U.S.C. § 262.

(L) "DRUG" HAS THE MEANING STATED IN § 21–101 OF THE HEALTH – GENERAL ARTICLE.

(M) "INTERCHANGEABLE BIOLOGICAL PRODUCT" MEANS A BIOLOGICAL PRODUCT THAT IS:

(1) LICENSED AND DETERMINED BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION TO MEET THE STANDARDS FOR INTERCHANGEABILITY UNDER 42 U.S.C. § 262(K)(4); OR

(2) DETERMINED TO BE THERAPEUTICALLY EQUIVALENT AS STATED IN THE LATEST EDITION OF OR SUPPLEMENT TO THE UNITED STATES FOOD AND DRUG ADMINISTRATION'S APPROVED DRUG PRODUCTS WITH THERAPEUTIC EQUIVALENCE EVALUATIONS (THE "ORANGE BOOK").

12–504.

(a) In this section, "brand name" means the proprietary name a manufacturer places on a drug or device product or its container.

(b) (1) Subject to the provisions of this subtitle, a pharmacist, or the pharmacist's designee, who is under the direct supervision of the pharmacist, shall inform a retail consumer to the best of the pharmacist's or the pharmacist's designee's knowledge of the availability of a generically equivalent drug **OR AN INTERCHANGEABLE BIOLOGICAL PRODUCT** and shall inform a retail consumer of the approximate cost difference as compared to the brand name drug.

(2) The Board shall adopt procedures for:

(i) A consumer to notify the Board when a pharmacist fails to provide the information required under paragraph (1) of this subsection; and

(ii) Advising a pharmacist to bring the pharmacist into compliance with the requirements of paragraph (1) of this subsection.

(3) Paragraph (1) of this subsection does not apply:

(i) To a prescription that is written for a generic drug **OR AN INTERCHANGEABLE BIOLOGICAL PRODUCT**;

(ii) When the authorized prescriber states expressly that the prescription is to be dispensed only as directed;

(iii) To a pharmacist who works in a pharmacy, whether centralized or decentralized, which primarily serves public or private institutional recipients; or

(iv) When the cost of the prescription is reimbursed by a third party payer, including medical assistance.

(C) THE BOARD SHALL MAINTAIN A LINK ON ITS WEB SITE TO THE CURRENT LISTS OF BIOLOGICAL PRODUCTS DETERMINED BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION TO BE INTERCHANGEABLE WITH A SPECIFIC BIOLOGICAL PRODUCT.

[(c)**] (D)** A pharmacist may substitute a generically equivalent drug or device product **OR AN INTERCHANGEABLE BIOLOGICAL PRODUCT**, of the same dosage form and strength, for any brand name drug or device product prescribed, if:

(1) The authorized prescriber does not state expressly that the prescription is to be dispensed only as directed;

(2) The substitution is **[**recognized**]:**

(I) RECOGNIZED in the United States Food and Drug Administration's current list of approved drug or device products with therapeutic equivalence evaluations; **[**and**] OR**

(II) AN INTERCHANGEABLE BIOLOGICAL PRODUCT FOR THE BRAND NAME DRUG OR DEVICE PRODUCT PRESCRIBED; AND

(3) The consumer is charged less for the substituted drug or device **OR INTERCHANGEABLE BIOLOGICAL PRODUCT** than the price of the brand name drug or device.

[(d)**] (E)** If a drug or device product **OR AN INTERCHANGEABLE BIOLOGICAL PRODUCT** is substituted under this section, the pharmacist shall:

(1) Notify the patient in writing that the drug or device product **OR INTERCHANGEABLE BIOLOGICAL PRODUCT** dispensed is a generic equivalent of **OR IS INTERCHANGEABLE WITH** the prescribed drug or device product; and

(2) Record on the prescription and keep a record of the name and manufacturer of the substituted drug or device product **OR INTERCHANGEABLE BIOLOGICAL PRODUCT**.

[(e)**] (F)** The Department may list any additional drug or device products that are determined by the Department to meet requirements that are adequate to assure product quality and therapeutic equivalence, after an opportunity for public comment as provided in Title 10, Subtitle 1 of the State Government Article.

[(f)**] (G)** The Department may disqualify a drug or device product **OR AN INTERCHANGEABLE BIOLOGICAL PRODUCT** on the United States Food and Drug Administration's current list from being used in Maryland as a **[**generic**]** substitute if the Department determines that the drug or device **OR INTERCHANGEABLE BIOLOGICAL PRODUCT** is therapeutically nonequivalent **OR NOT INTERCHANGEABLE, RESPECTIVELY,** or has a negative physical or biological effect on the consumer of that drug or device product **OR INTERCHANGEABLE BIOLOGICAL PRODUCT**:

(1) After providing an opportunity for public comment as provided in Title 10, Subtitle 1 of the State Government Article; or

(2) Prior to providing an opportunity for public comment, if the Department believes that a particular generic drug or device product **OR INTERCHANGEABLE BIOLOGICAL PRODUCT** constitutes an imminent danger to the public health, safety or welfare, and the Department:

(i) Provides an opportunity for public comment as provided in Title 10, Subtitle 1 of the State Government Article within 30 days of disqualifying the drug or device product **OR INTERCHANGEABLE BIOLOGICAL PRODUCT**; and

(ii) After providing an opportunity for public comment, determines whether the drug or device product **OR INTERCHANGEABLE BIOLOGICAL PRODUCT** should remain disqualified.

[(g)**] (H)** For a drug or device product **OR AN INTERCHANGEABLE BIOLOGICAL PRODUCT** that the Department has disqualified from being used in Maryland as a **[**generic**]** substitute under subsection **[**(f)**] (G)** of this section, the Department shall provide an opportunity for public comment as provided in Title 10, Subtitle 1 of the State Government Article before reinstating the drug or device product **OR INTERCHANGEABLE BIOLOGICAL PRODUCT** for use in Maryland as a **[**generic**]** substitute.

[(h)**] (I)** A pharmacist who substitutes a drug or device product **OR AN INTERCHANGEABLE BIOLOGICAL PRODUCT** in compliance with this section incurs no greater liability in filling the prescription by dispensing the equivalent drug or device product **OR INTERCHANGEABLE BIOLOGICAL PRODUCT** than would be incurred in filling the prescription by dispensing the prescribed brand name drug or device.

12–504.1.

(A) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, WITHIN 5 BUSINESS DAYS AFTER DISPENSING A BIOLOGICAL PRODUCT TO A PATIENT, THE DISPENSING PHARMACIST OR THE PHARMACIST'S DESIGNEE SHALL COMMUNICATE THE SPECIFIC BIOLOGICAL PRODUCT DISPENSED, INCLUDING THE NAME AND MANUFACTURER OF THE BIOLOGICAL PRODUCT, TO THE PRESCRIBER.

(B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION:

(1) THE COMMUNICATION REQUIRED UNDER SUBSECTION (A) OF THIS SECTION SHALL BE PROVIDED BY MAKING AN ENTRY THAT IS ELECTRONICALLY ACCESSIBLE TO THE PRESCRIBER THROUGH:

(I) AN INTEROPERABLE ELECTRONIC MEDICAL RECORDS SYSTEM;

(II) AN ELECTRONIC PRESCRIBING TECHNOLOGY;

(III) A PHARMACY BENEFITS MANAGEMENT SYSTEM; OR

(IV) A PHARMACY RECORD; AND

(2) MAKING AN ENTRY THROUGH A MECHANISM LISTED IN PARAGRAPH (1) OF THIS SUBSECTION IS PRESUMED TO PROVIDE THE COMMUNICATION TO THE PRESCRIBER REQUIRED UNDER SUBSECTION (A) OF THIS SECTION.

(C) IF THE MECHANISMS LISTED IN SUBSECTION (B)(1) OF THIS SECTION ARE NOT AVAILABLE, THE COMMUNICATION REQUIRED UNDER SUBSECTION (A) OF THIS SECTION MAY BE PROVIDED BY FACSIMILE, TELEPHONE, ELECTRONIC TRANSMISSION, OR OTHER MEANS.

(D) THE COMMUNICATION REQUIREMENT UNDER SUBSECTION (A) OF THIS SECTION DOES NOT APPLY IF:

(1) THE UNITED STATES FOOD AND DRUG ADMINISTRATION HAS NOT APPROVED AN INTERCHANGEABLE BIOLOGICAL PRODUCT FOR THE BIOLOGICAL PRODUCT PRESCRIBED TO THE PATIENT; OR

(2) A REFILL PRESCRIPTION IS NOT CHANGED FROM THE BIOLOGICAL PRODUCT DISPENSED ON THE MOST RECENT FILLING OF THE PRESCRIPTION.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 1012 – *Baltimore City Board of School Commissioners – Members – Appointment and Removal.*

This bill establishes the Baltimore City Public School Board Community Panel, and authorizes the Mayor of Baltimore to appoint members, as well as to reconvene the board under certain circumstances. This bill requires the Mayor to appoint certain members of

the board, as well as to fill certain vacancies from a list of qualified individuals submitted by the panel. In addition, this bill repeals the Governor's role in making appointments to the Baltimore City Board of School Commissioners, as well as filling board vacancies and removing board members for certain causes.

House Bill 562, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 1012.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 1012

AN ACT concerning

Baltimore City Board of School Commissioners – Members – Appointment and Removal

FOR the purpose of establishing the Baltimore City Public School Board Community Panel; providing for the purpose and composition of the panel; authorizing the Mayor of Baltimore City to request the panel to reconvene under certain circumstances; requiring the panel to reconvene for a certain purpose; repealing the role of the Governor in making certain appointments to, filling certain vacancies on, and removing certain members from the Baltimore City Board of School Commissioners; requiring the Mayor ~~of Baltimore City~~ to appoint certain members of the board and fill certain vacancies from a list of qualified individuals submitted by a certain panel; ~~establishing the Baltimore City Public School Board Community Panel; providing for the purpose and composition of the panel;~~ and generally relating to the appointment and removal of the members of the Baltimore City Board of School Commissioners.

BY repealing and reenacting, with amendments,
Article – Education
Section 3–108.1
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

3–108.1.

~~(a) In this section, "board" means the Baltimore City Board of School~~

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

(2) "BOARD" MEANS THE BALTIMORE CITY BOARD OF SCHOOL Commissioners of the Baltimore City Public School System.

(3) "MAYOR" MEANS THE MAYOR OF BALTIMORE CITY.

(4) "PANEL" MEANS THE BALTIMORE CITY PUBLIC SCHOOL BOARD COMMUNITY PANEL.

(B) (1) THERE IS A BALTIMORE CITY PUBLIC SCHOOL BOARD COMMUNITY PANEL.

(2) THE PURPOSE OF THE PANEL IS TO SELECT NOMINEES TO BE RECOMMENDED TO THE MAYOR AS QUALIFIED CANDIDATES FOR APPOINTMENT TO THE BOARD.

(3) THE MAYOR SHALL CONVENE THE PANEL.

(4) THE PANEL MAY INCLUDE A REPRESENTATIVE FROM EACH OF THE FOLLOWING ORGANIZATIONS, APPOINTED BY THE ORGANIZATION:

(I) THE BALTIMORE TEACHERS UNION;

(II) THE MAYOR'S OFFICE;

(III) THE BALTIMORE CITY COUNCIL EDUCATION AND YOUTH COMMITTEE;

(IV) THE BALTIMORE CITY PUBLIC SCHOOL ADMINISTRATORS AND SUPERVISORS ASSOCIATION;

(V) THE MARYLAND ALLIANCE OF PUBLIC CHARTER SCHOOLS;

(VI) THE DOWNTOWN BALTIMORE FAMILY ALLIANCE;

(VII) THE FUND FOR EDUCATIONAL EXCELLENCE;

(VIII) A PARENT MEMBER OF THE PTA COUNCIL OF BALTIMORE CITY;

(IX) THE AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES (AFSCME);

(X) THE ASSOCIATED STUDENT CONGRESS OF BALTIMORE CITY;

(XI) THE AMERICAN CIVIL LIBERTIES UNION;

(XII) THE PARENT AND COMMUNITY ADVISORY BOARD; AND

(XIII) DISABILITY RIGHTS MARYLAND.

(5) THE MAYOR MAY RECONVENE THE PANEL IF THE MAYOR ELECTS NOT TO APPOINT A MEMBER FROM THE LIST SUBMITTED BY THE PANEL UNDER SUBSECTIONS (D)(1)(I) OR (I)(6) OF THIS SECTION.

~~(b)~~ **(C)** There is a Baltimore City Board of School Commissioners of the Baltimore City Public School System.

~~(c)~~ **(D)** **(1)** The board consists of:

~~(1)~~ **(I)** ~~Nine~~ **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, NINE** voting members **[**jointly**]** appointed by the Mayor ~~of Baltimore City~~ **[**and the Governor**]** from a list of qualified individuals submitted to the Mayor **[**and the Governor**]** by the **[**State Board**]** ~~**BALTIMORE CITY PUBLIC SCHOOL BOARD COMMUNITY PANEL**~~ **PANEL**;

~~(2)~~ **(II)** Two elected voting members; and

~~(3)~~ **(III)** One voting student member appointed as provided in subsection ~~(i)~~ ***(M)*** of this section.

(2) IF THE MAYOR ELECTS NOT TO APPOINT A MEMBER FROM A LIST SUBMITTED BY THE PANEL UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION, THE MAYOR SHALL RECONVENE THE PANEL TO SUBMIT ADDITIONAL NAMES OF QUALIFIED CANDIDATES;

~~(d)~~ **(E)** Each member of the board shall be a resident of Baltimore City.

~~(e)~~ **(F)** The two elected voting members shall be elected at large by the voters of Baltimore City.

~~(f)~~ **(G)** To the extent practicable, the appointed members of the board shall reflect the demographic composition of Baltimore City.

~~(g)~~ **(H)** (1) At least four of the appointed voting members shall possess a high level of knowledge and expertise concerning the successful administration of a large business, nonprofit, or governmental entity and shall have served in a high level management position within such an entity.

(2) At least three of the appointed voting members shall possess a high level of knowledge and expertise concerning education.

(3) At least one appointed voting member shall be a parent of a student enrolled in the Baltimore City Public School System as of the date of appointment of the member.

(4) (i) Among the appointed voting members, at least one member shall also possess knowledge or experience in the education of children with disabilities.

(ii) The knowledge or experience may be derived from being the parent of a child with a disability.

~~(h)~~ **(I)** (1) (i) The term of an appointed voting member is 3 years.

(ii) The term of an elected member is 4 years.

(2) The terms of the appointed voting members are staggered as required by the terms provided for the appointed members of the board on June 1, 1997.

(3) At the end of a term, a voting member continues to serve until a successor is elected or appointed and qualifies.

(4) A voting member who is appointed after a term has begun serves only for the remainder of the term and until a successor is elected or appointed and qualifies.

(5) A voting member may not serve more than two consecutive full terms.

(6) **(I)** ~~To~~ **EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, TO** the extent practicable, **[**the Governor and**]** the Mayor ~~of Baltimore City~~ shall fill any vacancy for an appointed or elected member on the board within 60 days of the date of the vacancy from a list of qualified individuals submitted to the Mayor **[**and the Governor**]** by the ~~State Board~~ **PANEL**.

(II) IF THE MAYOR ELECTS NOT TO APPOINT A MEMBER FROM A LIST SUBMITTED BY THE PANEL UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE MAYOR SHALL RECONVENE THE PANEL TO SUBMIT ADDITIONAL NAMES OF QUALIFIED CANDIDATES.

(7) The elected members of the board shall be elected:

(i) At the general election in November 2022 and every 4 years thereafter; and

(ii) In accordance with Title 8, Subtitle 8 of the Election Law Article.

~~(i)~~ **(J)** (1) On the **[**joint**]** approval of the Mayor ~~of Baltimore City~~ **[**and the Governor**]**, an appointed member may be removed only for cause in accordance with § 3–108 of this subtitle.

(2) The State Board may remove an elected voting member for:

(i) Immorality;

(ii) Misconduct in office;

(iii) Incompetency; or

(iv) Willful neglect of duty.

~~(j)~~ **(K)** Each member of the board serves without compensation.

~~(k)~~ **(L)** Beginning on July 1, 1999 and every 2 years thereafter, from among its voting members the board shall elect a chairman.

~~(l)~~ **(M)** (1) The student member shall be a student enrolled in the Baltimore City Public School System who shall be selected by the Associated Student Congress of Baltimore City.

(2) The term of a student member is 1 year.

(3) A student member may not serve more than two consecutive full terms.

(4) The student member may vote on all matters before the board except those relating to:

(i) Personnel;

(ii) Capital and operating budgets;

(iii) School closings, reopenings, and boundaries;

(iv) Collective bargaining decisions;

(v) Student disciplinary matters; and

(vi) Appeals to the board as provided under §§ 4–205 and 6–202 of this article.

(5) The student member may not attend or participate in an executive or special session of the board.

~~(m)~~ **(N)** Any action by the board shall require:

(1) A quorum of a majority of the voting members then serving; and

(2) The affirmative vote of a majority of the voting members then serving.

~~(N) (1) THERE IS A BALTIMORE CITY PUBLIC SCHOOL BOARD COMMUNITY PANEL.~~

~~(2) THE PURPOSE OF THE PANEL IS TO SELECT NOMINEES TO BE RECOMMENDED TO THE MAYOR AS QUALIFIED CANDIDATES FOR APPOINTMENT TO THE BOARD.~~

~~(3) THE FOLLOWING ORGANIZATIONS EACH SHALL APPOINT ONE MEMBER TO THE PANEL:~~

~~(I) THE BALTIMORE TEACHERS UNION;~~

~~(II) THE BALTIMORE CITY PUBLIC SCHOOL ADMINISTRATORS AND SUPERVISORS ASSOCIATION;~~

~~(III) THE MARYLAND ALLIANCE OF PUBLIC CHARTER SCHOOLS;~~

~~(IV) THE DOWNTOWN BALTIMORE PUBLIC ALLIANCE;~~

~~(V) THE FUND FOR EDUCATIONAL EXCELLENCE;~~

~~(VI) A MEMBER OF THE BALTIMORE PARENT TEACHERS ASSOCIATION;~~

~~(VII) A MEMBER OF AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES (AFSCME);~~

~~(VIII) A MEMBER OF THE CITY COUNCIL EDUCATION AND YOUTH COMMITTEE; AND~~

~~(IX) A MEMBER OF THE STUDENT GOVERNMENT ASSOCIATION.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 8, 2017

The Honorable Thomas V. Mike Miller
President of the Senate
State House
Annapolis, Maryland 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 1023 – *Independent Congressional Redistricting Commission – Mid–Atlantic States Regional Districting Process.*

This legislation is a disingenuous attempt to fix a major problem plaguing Maryland's elections and, if enacted, would be a cynical effort to stifle meaningful redistricting reform just when it appears to be becoming more of a reality.

Overwhelming numbers of Maryland citizens have reached a consensus that transcends other political differences — redistricting reform in Maryland is desperately needed and has been overdue for decades. The current process is nothing less than a form of political subterfuge that deprives Maryland citizens of free and fair elections and has saddled our state with the dubious distinction of being home to the most gerrymandered districts in the nation. This inequitable process is currently the subject of an ongoing federal lawsuit, in which the former governor and senior elected officials have been deposed.

During our first year in office, we established the non–partisan Maryland Redistricting Reform Commission. We tasked members with traveling the state to hear what Marylanders wanted. In consultation with the commission, we introduced legislation that would make Maryland a leader in reform and develop a new process, independent from political influence. This process was modeled after meaningful redistricting reform in other states and would have gone a long way in restoring citizens' faith in the fairness of their congressional and legislative districts.

However, the General Assembly chose to give no consideration to my legislation, and instead snuffed out the chance of real reform by passing Senate Bill 1023. The fatal flaw in this legislation is making any reform here in Maryland contingent on New York, New Jersey, Virginia, North Carolina, and Pennsylvania taking action. Maryland is a leader in so many areas, since when do we wait for five other states to pass legislation before enacting something that the vast majority of our citizens want?

Marylanders should not have to wait for five other states to act, they want and deserve fair representation now! This provision is a simply a safeguard for lawmakers to ensure that true redistricting reform never comes to fruition. Marylanders deserve better.

Another troubling aspect of this legislation is that it would only apply to congressional districts and leaves the current system intact to draw state legislative districts. This process has not served the voters well either, which has been made evident by recent comments from none other than former Governor Martin O'Malley, who said: "*As a governor, I held that redistricting pen in my own Democratic hand. I was convinced that we should use our political power to pass a map that was more favorable for the election of Democratic candidates*."

Out–of–touch lawmakers have repeatedly turned a blind eye to the blatant political machinations of the previous governor's Redistricting Advisory Commission. Recent election cycles have resulted in numerous lawsuits. Maps were invalidated in 1994 for failing to create a majority–minority district as required by the Voting Rights Act of 1965. Again, maps were overturned in 2002 for repeated crossings of lines between Baltimore City and Baltimore County that improperly prioritized political goals over constitutional congruence standards.

The legislation we proposed addressed both congressional and legislative districts, giving Marylanders the opportunity to vote on a referendum in the next election. Senate Bill 1023 missed the mark by failing to include legislative districts, which, if not reformed, will continue to produce the same faulty maps.

Finally this bill purports to create a non–partisan independent redistricting process. In stark contrast to its misleading title, it actually does quite the opposite. The so–called "independent commission" proposed in Senate Bill 1023 would continue to be politically charged, with members being selected by leadership in the House of Delegates and Senate. This differs greatly from my legislation, which would remove legislators from having any control over the redistricting process.

I proudly and enthusiastically support redistricting reform and have done so since prior to my election. However, this legislation is an attempt by lawmakers to deceive the public into thinking they are sincere, when in fact they have zero intention of fixing the current process.

I simply refuse to lend my signature to a piece of legislation that deters and further delays Maryland from doing the right thing. I sincerely and respectfully ask you once again to join me next session to pass meaningful redistricting reform that will not mislead Marylanders and actually achieves the free and fair elections the voters deserve.

For these reasons, I have vetoed SB 1023.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

cc: The Honorable Michael E. Busch

Senate Bill 1023

AN ACT concerning

Independent Congressional Redistricting Commission – Mid–Atlantic States Regional Districting Process

FOR the purpose of requiring the Department of Legislative Services to obtain certain census data, adjust the census data for certain purposes, and provide the adjusted census data to a temporary redistricting commission within a certain time period; creating a temporary redistricting commission in the State; providing for the membership of the commission and the qualifications of its members; providing that individuals cease to be members of the commission under certain circumstances; providing that a member may be removed from the commission under certain circumstances and in a certain manner; providing that the commission is subject to certain laws governing open meetings and access to public records; requiring the commission to hold certain hearings to receive public testimony at certain times, in certain places, and in certain geographic areas to accommodate the public and to reflect certain demographics and characteristics of the population of the State; requiring the Department to staff and provide certain support for the commission; requiring the commission to use certain census data to prepare and adopt a districting plan for congressional districting within a certain time period; specifying that a certain districting plan is the plan for the State; requiring that a certain districting plan be filed with the Secretary of State within a certain time period; providing for the effectiveness of a certain districting plan; specifying certain criteria for the formation of the districts; providing for the application of this Act; making this Act contingent on the enactment of a similar independent redistricting process by certain states; defining certain terms; directing the Secretary of State to send copies of this Act to the presiding officers of both Houses of the legislature of certain states with a request that each of the states join Maryland in the enactment of a certain congressional redistricting process; and generally relating to the establishment of districts in Maryland for the election of members of Congress and a mid–Atlantic states regional compact.

BY adding to
Article – Election Law
Section 8–6A–01 through ~~8–6A–06~~ 8–6A–09 to be under the new subtitle "Subtitle 6A. Congressional Districting Process"
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

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

Article – Election Law

SUBTITLE 6A. CONGRESSIONAL DISTRICTING PROCESS.

8–6A–01.

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

(B) "COMMISSION" MEANS A TEMPORARY REDISTRICTING COMMISSION.

(C) "DEPARTMENT" MEANS THE DEPARTMENT OF LEGISLATIVE SERVICES.

8–6A–02.

NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IN THE YEAR IMMEDIATELY FOLLOWING THE DECENNIAL UNITED STATES CENSUS, THE DEPARTMENT SHALL:

(1) OBTAIN THE ADJUSTED CENSUS DATA ~~FROM THE UNITED STATES BUREAU OF THE CENSUS IN ACCORDANCE WITH P.L. 94–171~~ FOR THE STATE FOR THAT CENSUS; AND

~~(2) ADJUST THE CENSUS DATA TO MEET THE REQUIREMENTS OF § 8–701 OF THIS TITLE AND MAKE THE CENSUS DATA USABLE FOR PREPARING A DISTRICTING PLAN FOR CONGRESSIONAL DISTRICTS; AND~~

~~(3)~~ (2) PROVIDE THE ADJUSTED CENSUS DATA TO THE COMMISSION WITHIN 30 DAYS AFTER ~~THE DEPARTMENT HAS FINISHED ADJUSTING THE CENSUS DATA AS REQUIRED BY ITEM (2) OF THIS SECTION~~ THE DEPARTMENT RECEIVES THE DATA.

8–6A–03.

(A) THERE IS A TEMPORARY REDISTRICTING COMMISSION.

(B) (1) THE COMMISSION SHALL CONSIST OF ~~FIVE~~ NINE MEMBERS.

(2) BY FEBRUARY 1 OF THE FIRST YEAR FOLLOWING THE UNITED STATES CENSUS, ~~FOUR~~ EIGHT MEMBERS SHALL BE APPOINTED AS FOLLOWS:

(I) ~~ONE~~ TWO APPOINTED BY THE PRESIDENT OF THE SENATE;

(II) ~~ONE~~ TWO APPOINTED BY THE MINORITY LEADER OF THE SENATE;

(III) ~~ONE~~ TWO APPOINTED BY THE SPEAKER OF THE HOUSE OF DELEGATES; AND

(IV) ~~ONE~~ TWO APPOINTED BY THE MINORITY LEADER OF THE HOUSE OF DELEGATES.

(3) (I) WITHIN 30 DAYS OF THEIR APPOINTMENTS TO THE COMMISSION, BUT NOT LATER THAN MARCH 1 OF THAT YEAR, THE COMMISSION MEMBERS SHALL SELECT, BY VOTE OF AT LEAST ~~THREE~~ FIVE OF THE MEMBERS, THE ~~FIFTH~~ NINTH COMMISSION MEMBER, WHO:

1. SHALL SERVE AS CHAIR; AND

2. MAY NOT BE AFFILIATED WITH EITHER OF THE PRINCIPAL POLITICAL PARTIES IN THE STATE.

(II) IF THE COMMISSION IS UNABLE TO SELECT THE ~~FIFTH~~ NINTH MEMBER~~, THE CHIEF JUDGE OF THE COURT OF APPEALS SHALL MAKE THE APPOINTMENT~~:

1. THE COMMISSION SHALL SUBMIT A LIST OF THREE NAMES FOR THE APPOINTMENT OF THAT MEMBER TO:

A. THE CHIEF ADMINISTRATIVE LAW JUDGE OF THE OFFICE OF ADMINISTRATIVE HEARINGS;

B. THE CHAIR OF THE STATE ETHICS COMMISSION; AND

C. THE COCHAIRS OF THE JOINT COMMITTEE ON LEGISLATIVE ETHICS; AND

2. NO LATER THAN 10 DAYS AFTER RECEIPT OF THE LIST SUBMITTED BY THE COMMISSION TO THE ENTITIES DESIGNATED UNDER ITEM 1 OF THIS SUBPARAGRAPH, THE ENTITIES SHALL SELECT THE NINTH MEMBER AND CHAIR OF THE COMMISSION.

~~(4) AN INDIVIDUAL MAY NOT BE APPOINTED TO OR SERVE ON THE COMMISSION IF THE INDIVIDUAL:~~

~~(I) HOLDS AN ELECTIVE OR APPOINTIVE OFFICE IN THE EXECUTIVE BRANCH OR LEGISLATIVE BRANCH OF THE FEDERAL, STATE, OR A LOCAL GOVERNMENT;~~

~~(II) HOLDS A POLITICAL PARTY OFFICE; OR~~

~~(III) IS NOT A REGISTERED VOTER OF THE STATE.~~

8–6A–04.

(A) EACH MEMBER OF THE COMMISSION:

(1) (I) SHALL BE A VOTER WHO, FOR 5 OR MORE YEARS IMMEDIATELY PRECEDING THE DATE OF THE INDIVIDUAL'S APPOINTMENT, HAS BEEN REGISTERED CONTINUOUSLY IN THE STATE WITH THE SAME POLITICAL PARTY OR HAS BEEN UNAFFILIATED WITH A POLITICAL PARTY AND HAS NOT CHANGED POLITICAL PARTY AFFILIATION; AND

(II) IN THE 5 YEARS IMMEDIATELY PRECEDING THE DATE OF THE INDIVIDUAL'S APPOINTMENT, HAS VOTED IN AT LEAST TWO ELECTIONS; AND

(2) (I) MAY NOT HAVE BEEN A CANDIDATE FOR ELECTION TO OR SERVED AS GOVERNOR, AS A MEMBER OF THE GENERAL ASSEMBLY, OR AS A REPRESENTATIVE OF THE UNITED STATES CONGRESS FROM THIS STATE DURING THE 5 YEARS IMMEDIATELY PRECEDING THE DATE OF THE INDIVIDUAL'S APPOINTMENT, OR BE AN IMMEDIATE FAMILY MEMBER ESTABLISHED THROUGH BLOOD OR LEGAL RELATION OF SUCH CANDIDATE OR MEMBER;

(II) MAY NOT BE A REGULATED LOBBYIST IN THIS STATE, AS DESCRIBED IN § 5–702(A) OF THE GENERAL PROVISIONS ARTICLE, REGISTERED AS A LOBBYIST BEFORE A COUNTY OR MUNICIPAL GOVERNMENT IN THE STATE, OR REGISTERED AS A LOBBYIST BEFORE THE FEDERAL GOVERNMENT;

(III) MAY NOT BE OR HAVE SERVED AS STAFF OR A CONSULTANT TO A PERSON UNDER A CONTRACT WITH, OR ANY PERSON WITH AN IMMEDIATE FAMILY RELATIONSHIP THROUGH BLOOD OR LEGAL RELATION TO, THE GOVERNOR, A MEMBER OF THE GENERAL ASSEMBLY, OR A MEMBER OF THE UNITED STATES CONGRESS FROM THIS STATE;

(IV) MAY NOT HOLD AN APPOINTIVE OFFICE IN THE EXECUTIVE BRANCH OR LEGISLATIVE BRANCH OF THE FEDERAL, STATE, OR A LOCAL GOVERNMENT; AND

(V) MAY NOT HAVE MADE A CONTRIBUTION OF $2,000 OR MORE TO A POLITICAL COMMITTEE FOR ELECTORAL PURPOSES FOR A CONGRESSIONAL, STATE, OR LOCAL GOVERNMENT ELECTION IN THE STATE IN ANY YEAR, WHICH AMOUNT SHALL BE ADJUSTED EVERY 10 YEARS BY THE CUMULATIVE CHANGE IN THE MARYLAND CONSUMER PRICE INDEX OR ITS SUCCESSOR.

(B) THE TERM OF OFFICE OF EACH MEMBER OF THE COMMISSION EXPIRES ON THE APPOINTMENT OF THE FIRST MEMBER OF THE SUCCEEDING COMMISSION.

(C) (1) SEVEN MEMBERS OF THE COMMISSION SHALL CONSTITUTE A QUORUM.

(2) EXCEPT AS PROVIDED IN § 8–6A–03(B)(3) OF THIS SUBTITLE, SIX OR MORE AFFIRMATIVE VOTES OF THE COMMISSION SHALL BE REQUIRED FOR ANY OFFICIAL ACTION, INCLUDING ANY FINAL PROPOSED MAPS AND PLANS FOR CONGRESSIONAL DISTRICTS ADOPTED BY THE COMMISSION.

8–6A–05.

(A) (1) IN THE EVENT OF SUBSTANTIAL NEGLECT OF DUTY, GROSS MISCONDUCT IN OFFICE, OR INABILITY TO DISCHARGE THE DUTIES OF OFFICE, A MEMBER OF THE COMMISSION MAY BE REMOVED BY THE GOVERNOR WITH THE CONCURRENCE OF THE LEGISLATIVE POLICY COMMITTEE OF THE GENERAL ASSEMBLY AFTER HAVING BEEN SERVED WRITTEN NOTICE AND PROVIDED WITH AN OPPORTUNITY FOR A RESPONSE.

(2) A FINDING OF SUBSTANTIAL NEGLECT OF DUTY OR GROSS MISCONDUCT IN OFFICE MAY RESULT IN REFERRAL TO THE ATTORNEY GENERAL FOR CRIMINAL PROSECUTION OR THE APPROPRIATE ADMINISTRATIVE AGENCY FOR INVESTIGATION.

(B) A VACANCY, WHETHER CREATED BY REMOVAL, RESIGNATION, OR ABSENCE, IN A COMMISSION POSITION SHALL BE FILLED BY THE APPOINTING AUTHORITY FOR THAT MEMBER WITHIN 30 DAYS AFTER THE VACANCY OCCURS.

8–6A–06.

(A) (1) THE ACTIVITIES OF THE COMMISSION ARE SUBJECT TO APPLICABLE STATE LAW GOVERNING OPEN MEETINGS AND ACCESS TO PUBLIC INFORMATION.

(2) THE COMMISSION SHALL PROVIDE NOT LESS THAN 14 DAYS' PUBLIC NOTICE FOR EACH MEETING.

(B) (1) THE COMMISSION SHALL ESTABLISH AND IMPLEMENT AN OPEN HEARING PROCESS FOR PUBLIC INPUT AND DELIBERATION THAT IS DESIGNED TO ENCOURAGE CITIZEN OUTREACH AND SOLICIT BROAD PUBLIC PARTICIPATION IN THE REDISTRICTING PUBLIC REVIEW PROCESS.

(2) (I) 1. THE HEARING PROCESS SHALL INCLUDE HEARINGS TO RECEIVE PUBLIC INPUT BEFORE THE COMMISSION DRAWS ANY MAPS AND AT LEAST ONE HEARING FOLLOWING THE DRAWING AND DISPLAY OF ANY COMMISSION MAPS.

2. HEARINGS SHALL BE SUPPLEMENTED WITH OTHER ACTIVITIES AS APPROPRIATE TO FURTHER INCREASE OPPORTUNITIES FOR THE PUBLIC TO OBSERVE AND PARTICIPATE IN THE REVIEW PROCESS.

(II) THE COMMISSION SHALL:

1. DISPLAY THE MAPS FOR PUBLIC COMMENT IN A MANNER DESIGNED TO ACHIEVE THE WIDEST PUBLIC ACCESS REASONABLY POSSIBLE; AND

2. TAKE PUBLIC COMMENT FOR AT LEAST 14 DAYS FROM THE DATE OF PUBLIC DISPLAY OF ANY MAP.

(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, COMMISSION MEMBERS AND STAFF MAY NOT COMMUNICATE WITH OR RECEIVE COMMUNICATIONS ABOUT REDISTRICTING MATTERS FROM ANYONE OUTSIDE A PUBLIC HEARING.

(2) COMMUNICATION BETWEEN COMMISSION MEMBERS, STAFF, LEGAL COUNSEL, AND CONSULTANTS RETAINED BY THE COMMISSION IS ALLOWED.

~~(C)~~ (D) MEMBERS OF THE COMMISSION MAY NOT RECEIVE A SALARY BUT ARE ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

~~(D)~~ (E) INDIVIDUALS APPOINTED AS MEMBERS OF THE COMMISSION SHALL CEASE TO BE MEMBERS OF THE COMMISSION ON THE FILING OF THE DISTRICTING PLAN FOR CONGRESSIONAL DISTRICTS WITH THE SECRETARY OF STATE AS REQUIRED BY § ~~8–6A–05~~ 8–6A–08 OF THIS SUBTITLE.

~~(E)~~ (F) THE DEPARTMENT SHALL STAFF AND PROVIDE TECHNICAL SUPPORT FOR THE COMMISSION.

~~8–6A–04.~~

~~**(A) (1) THE COMMISSION SHALL USE THE CENSUS DATA PROVIDED TO THE COMMISSION BY THE DEPARTMENT UNDER § 8–6A–02 OF THIS SUBTITLE TO PREPARE AND ADOPT A DISTRICTING PLAN FOR CONGRESSIONAL DISTRICTS WITHIN 90 DAYS AFTER THE COMMISSION MEMBERS ARE APPOINTED OR THE CENSUS DATA IS RECEIVED BY THE COMMISSION, WHICHEVER IS LATER.**~~

~~**(2) A MAJORITY VOTE OF THE TOTAL NUMBER OF MEMBERS OF THE COMMISSION SHALL BE REQUIRED TO ADOPT A DISTRICTING PLAN FOR CONGRESSIONAL DISTRICTS UNDER PARAGRAPH (1) OF THIS SUBSECTION.**~~

8–6A–07.

(A) THE COMMISSION SHALL CONVENE ITS FIRST MEETING ON OR BEFORE MARCH 1 OF THE YEAR FOLLOWING EACH DECENNIAL CENSUS.

(B) (1) AT ITS FIRST MEETING, OR ON OR BEFORE 30 DAYS AFTER THE COMMISSION RECEIVES ADJUSTED CENSUS DATA FROM THE DEPARTMENT, WHICHEVER IS LATER, THE COMMISSION SHALL COMMENCE A SERIES OF PUBLIC HEARINGS TO RECEIVE PUBLIC TESTIMONY CONCERNING A REDISTRICTING PLAN.

(2) (I) ON OR BEFORE JULY 1 OF THE YEAR THAT THE COMMISSION RECEIVES THE ADJUSTED CENSUS DATA FROM THE DEPARTMENT, THE COMMISSION SHALL HOLD AT LEAST SIX HEARINGS THROUGHOUT THE STATE.

(II) THE HEARINGS REQUIRED UNDER THIS PARAGRAPH SHALL BE HELD AT TIMES THAT ARE LIKELY TO MAXIMIZE PUBLIC PARTICIPATION AND IN LOCATIONS THAT ENCOMPASS THE GEOGRAPHIC, RACIAL, AND ETHNIC DIVERSITY OF THE STATE.

(III) THE COMMISSION SHALL CONDUCT AN OPEN AND TRANSPARENT PROCESS ENABLING FULL PUBLIC CONSIDERATION OF AND COMMENT ON THE DRAWING OF DISTRICT LINES.

(3) FOLLOWING THE CONCLUSION OF THE PUBLIC HEARINGS REQUIRED UNDER SUBPARAGRAPH (2) OF THIS SUBSECTION, BUT NO LATER THAN SEPTEMBER 30 OF THE YEAR THAT THE COMMISSION RECEIVES THE ADJUSTED CENSUS DATA FROM THE DEPARTMENT, THE COMMISSION SHALL PREPARE AND ADOPT A DISTRICTING PLAN AND MAP FOR CONGRESSIONAL DISTRICTS.

(4) ON OR BEFORE OCTOBER 30 OF THE YEAR THAT THE COMMISSION RECEIVES THE ADJUSTED CENSUS DATA FROM THE DEPARTMENT, THE COMMISSION SHALL:

(I) PUBLISH THE PROPOSED FINAL DISTRICTING PLAN AND MAP ON THE WEB SITE OF THE DEPARTMENT OF LEGISLATIVE SERVICES;

(II) ISSUE WITH THE PROPOSED FINAL DISTRICTING PLAN AND MAP A REPORT THAT:

1. EXPLAINS THE BASIS ON WHICH THE COMMISSION MADE THE DECISIONS IN COMPLIANCE WITH THE CRITERIA REQUIRED UNDER THIS SUBTITLE; AND

2. INCLUDES DEFINITIONS OF THE TERMS AND STANDARDS THE COMMISSION USED IN PREPARING THE PROPOSED FINAL DISTRICTING PLAN AND MAP; AND

(III) 1. HOLD AT LEAST ONE PUBLIC HEARING ON THE PROPOSED FINAL DISTRICTING PLAN AND MAP TO RECEIVE PUBLIC TESTIMONY; AND

2. ALLOW THE PUBLIC TO SUBMIT COMMENTS TO THE COMMISSION THROUGH THE WEB SITE OF THE DEPARTMENT OF LEGISLATIVE SERVICES CONCERNING THE PROPOSED FINAL DISTRICTING PLAN AND MAP.

(5) ON OR BEFORE THE SECOND TUESDAY IN NOVEMBER OF THE YEAR THE COMMISSION RECEIVES THE ADJUSTED CENSUS DATA FROM THE DEPARTMENT, THE COMMISSION SHALL PUBLISH A FINAL CONGRESSIONAL DISTRICTING PLAN AND MAP ON THE WEB SITE OF THE DEPARTMENT OF LEGISLATIVE SERVICES.

~~(B)~~ **(C) (1) (I) CONGRESSIONAL DISTRICTS SHALL BE ESTABLISHED ON THE BASIS OF POPULATION.**

~~(II) EACH DISTRICT SHALL HAVE A POPULATION AS NEARLY EQUAL AS PRACTICABLE TO THE IDEAL DISTRICT POPULATION, DERIVED BY DIVIDING THE POPULATION OF THE STATE AS DETERMINED BY THE UNITED STATES CENSUS BY THE NUMBER OF DISTRICTS IN THE STATE AS APPORTIONED BY THE UNITED STATES CONGRESS.~~

~~(2) (I) A CONGRESSIONAL DISTRICT MAY NOT BE DRAWN FOR THE PURPOSE OF FAVORING A POLITICAL PARTY, AN ELECTED OFFICIAL, OR ANY OTHER PERSON OR GROUP, OR FOR THE PURPOSE OF AUGMENTING OR DILUTING THE VOTING STRENGTH OF A LANGUAGE OR RACIAL MINORITY GROUP.~~

~~(II) IN ESTABLISHING DISTRICTS, NO USE SHALL BE MADE OF ADDRESSES OF ELECTED OFFICIALS, POLITICAL AFFILIATIONS OF REGISTERED~~

~~VOTERS, POLLING DATA, PROPOSED DISTRICTING MAPS PREPARED BY PERSONS NOT EMPLOYED BY THE DEPARTMENT, AND DEMOGRAPHIC INFORMATION, OTHER THAN POPULATION HEAD COUNTS, EXCEPT AS REQUIRED BY THE CONSTITUTION OR LAWS OF THE UNITED STATES.~~

~~(C) (1) CONGRESSIONAL DISTRICTS SHALL CONSIST OF ADJOINING TERRITORY AND BE COMPACT IN FORM.~~

~~(2) WHERE PRACTICABLE, DUE REGARD SHALL BE GIVEN TO NATURAL BOUNDARIES AND THE BOUNDARIES OF POLITICAL SUBDIVISIONS.~~

(2) EACH CONGRESSIONAL DISTRICT SHALL:

(I) COMPLY WITH THE UNITED STATES CONSTITUTION;

(II) COMPLY WITH THE FEDERAL VOTING RIGHTS ACT;

(III) BE EQUAL IN POPULATION, EXCEPT WHERE DEVIATION IS REQUIRED TO COMPLY WITH THE FEDERAL VOTING RIGHTS ACT (42 U.S.C. SEC. 1971 AND FOLLOWING) OR IS ALLOWABLE BY LAW;

(IV) WITHOUT VIOLATING THE REQUIREMENTS OF THIS SECTION, RESPECT THE GEOGRAPHIC INTEGRITY OF ANY MUNICIPAL CORPORATION OR COUNTY, TO THE EXTENT POSSIBLE;

(V) BE GEOGRAPHICALLY CONTIGUOUS; AND

(VI) TO THE EXTENT PRACTICABLE, AND IF IT DOES NOT CONFLICT WITH THE CRITERIA SPECIFIED IN ITEMS (I) THROUGH (V) OF THIS PARAGRAPH, BE DRAWN TO ENCOURAGE GEOGRAPHIC COMPACTNESS.

(D) (1) A CONGRESSIONAL DISTRICT MAY NOT BE DRAWN FOR THE PURPOSE OF FAVORING A POLITICAL PARTY, AN ELECTED OFFICIAL, OR ANY OTHER PERSON OR GROUP, OR FOR THE PURPOSE OF AUGMENTING OR DILUTING THE VOTING STRENGTH OF A LANGUAGE OR RACIAL MINORITY GROUP.

(2) IN ESTABLISHING DISTRICTS, NO USE SHALL BE MADE OF ADDRESSES OF ELECTED OFFICIALS, POLITICAL AFFILIATIONS OF REGISTERED VOTERS, POLLING DATA, PROPOSED DISTRICTING MAPS PREPARED BY PERSONS NOT EMPLOYED BY THE DEPARTMENT, AND DEMOGRAPHIC INFORMATION, OTHER THAN POPULATION HEAD COUNTS, EXCEPT AS REQUIRED BY THE CONSTITUTION OR LAWS OF THE UNITED STATES.

~~(3)~~ (E) THE CHESAPEAKE BAY MAY NOT BE CONSIDERED TO BE A BARRIER TO CONTIGUITY.

~~(4)~~ (F) AREAS THAT MEET ONLY AT THE POINTS OF ADJOINING CORNERS ARE NOT CONTIGUOUS.

~~8–6A–05.~~ 8–6A–08.

THE DISTRICTING PLAN FOR CONGRESSIONAL DISTRICTS PREPARED AND ADOPTED BY THE COMMISSION UNDER ~~§ 8–6A–04~~ § 8–6A–07 OF THIS SUBTITLE SHALL:

(1) BE THE DISTRICTING PLAN FOR THE STATE;

(2) BE FILED WITH THE SECRETARY OF STATE WITHIN 7 DAYS OF THE PLAN BEING ADOPTED BY THE COMMISSION;

(3) BECOME EFFECTIVE ON THE FILING OF THE PLAN WITH THE SECRETARY OF STATE; AND

(4) REMAIN EFFECTIVE UNTIL THE ADOPTION OF A NEW DISTRICTING PLAN AFTER THE NEXT DECENNIAL CENSUS.

~~8–6A–06.~~ 8–6A–09.

(A) THIS SUBTITLE APPLIES ONLY IF THE DEPARTMENT, AFTER CONSULTATION WITH AND ON THE ADVICE OF THE ATTORNEY GENERAL, DETERMINES THAT EACH OF THE STATES OF NEW YORK, NEW JERSEY, PENNSYLVANIA, VIRGINIA, AND NORTH CAROLINA IN THE MID–ATLANTIC REGION ADOPTS A DISTRICTING PLAN FOR CONGRESSIONAL DISTRICTS THAT IS SUBSTANTIALLY SIMILAR TO THE PROCESS OUTLINED UNDER THIS ~~TITLE~~ SUBTITLE AND THE CRITERIA REQUIRED UNDER § 8–6A–07(C), (D), AND (F) OF THIS SUBTITLE FOR REDISTRICTING THE MARYLAND CONGRESSIONAL DISTRICTS.

(B) ~~A PROCESS~~ THE DISTRICTING PLAN FOR A STATE SHALL BE CONSIDERED SUBSTANTIALLY SIMILAR FOR THE PURPOSES OF SUBSECTION (A) OF THIS SECTION ONLY IF:

(1) THE DEPARTMENT DETERMINES THAT THE REDISTRICTING PLAN IN THAT STATE IS DEVELOPED AND PROPOSED BY AN INDEPENDENT DISTRICTING COMMISSION THAT USES A PROCESS AND CRITERIA, AS SPECIFIED UNDER SUBSECTION (A) OF THIS SECTION, TO ESTABLISH CONGRESSIONAL DISTRICTS; AND

(2) (I) THE REDISTRICTING PLAN DEVELOPED AND PROPOSED BY AN INDEPENDENT REDISTRICTING COMMISSION IN THAT STATE BECOMES EFFECTIVE ON THE FILING OF THE PLAN WITH THE CHIEF ELECTION OFFICIAL IN THAT STATE; OR

(II) NOTWITHSTANDING THAT THE STATE LEGISLATURE IN THAT STATE IS ALLOWED TO VOTE ON THE REDISTRICTING PLAN PROPOSED BY THE COMMISSION, ~~BUT~~ THE LEGISLATURE IN THAT STATE IS PROHIBITED FROM ALTERING THE PLAN.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is contingent on the enactment of a nonpartisan districting process for representatives in the United States House of Representatives in the mid–Atlantic region in each of the states of New York, New Jersey, Pennsylvania, Virginia, and North Carolina. The Secretary of State shall monitor the enactment of districting legislation by the states of New York, New Jersey, Pennsylvania, Virginia, and North Carolina and, after consultation with the Attorney General, notify the Department of Legislative Services within 5 days after the contingency is met. ~~If~~

SECTION 3. AND BE IT FURTHER ENACTED, That if the notice of the contingency described under Section 2 of this Act being met is not received by the Department of Legislative Services on or before December 31, 2020, this Act ~~shall be null and void without the necessity of further action by the General Assembly~~:

(a) may not be applied to the districting process for representatives from Maryland in the United States House of Representatives resulting from the 2020 decennial census; and

(b) the districting process for representatives from Maryland in the United States House of Representatives resulting from the 2020 decennial census set forth under the Maryland Constitution and provisions of Maryland law in effect on January 1, 2021, shall apply.

SECTION 4. AND BE IT FURTHER ENACTED, That if the Department of Legislative Services does not receive notice from the Secretary of State on or before December 31, 2032, that the contingency described in Section 2 of this Act is met, this Act shall be null and void without the necessity of further action by the General Assembly.

SECTION 5. AND BE IT FURTHER ENACTED, That the Secretary of State is directed to send copies of this Act to the presiding officers of both Houses of the legislature of each of the states of New York, New Jersey, Pennsylvania, Virginia, and North Carolina in the mid–Atlantic region, with the request that it be circulated among leaders in the legislative branches of those state governments; and with the further request that each of the states of New York, New Jersey, Pennsylvania, Virginia, and North Carolina in the mid–Atlantic region join the State of Maryland in the enactment of a nonpartisan

districting process for representatives in the United States House of Representatives in the mid–Atlantic region.

SECTION ~~3.~~ 6. AND BE IT FURTHER ENACTED, That, subject to ~~Section 2~~ Sections 2, 3, and 4 of this Act, this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 1075 – *Nonprofit Health Entity – Acquisition – Waiver of Waiting Period.*

This bill authorizes a certain regulating entity, under specific circumstances, to waive the waiting period between the date a determination is made on an acquisition of a nonprofit health entity and the date the determination takes effect.

House Bill 1553, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 1075.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 1075

AN ACT concerning

Nonprofit Health Entity – Acquisition – Waiver of Waiting Period

FOR the purpose of authorizing a certain regulating entity, under certain circumstances, to waive a certain waiting period between the date a determination is made on a certain acquisition of a nonprofit health entity and the date the determination takes effect; making conforming changes; making this Act an emergency measure; and generally relating to acquisitions of nonprofit health entities.

BY repealing and reenacting, with amendments,
Article – State Government
Section 6.5–203
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – State Government

6.5–203.

(a) (1) As soon as practicable, but no later than 90 days after receiving a complete application, including all necessary expert reports, the appropriate regulating entity shall hold a public hearing.

(2) If the nonprofit health entity is a hospital, the regulating entity shall hold the public hearing in the jurisdiction in which the hospital is located.

(b) A public hearing under this section shall be a quasi–legislative hearing and not a contested case hearing.

(c) Any person may file written comments and exhibits or make a statement at the public hearing.

(d) The regulating entity may:

(1) subpoena information and witnesses;

(2) require sworn statements;

(3) take depositions; and

(4) use related discovery procedures.

(e) (1) The regulating entity may contract with experts as reasonably necessary to:

(i) determine whether to approve an acquisition generally;

(ii) perform an independent valuation of the public or charitable assets of the transferor;

(iii) evaluate the impact of the acquisition on the affected community;

(iv) determine whether there has been due diligence by the transferor; and

(v) determine the existence of any conflicts of interest.

(2) The selection of an expert by a regulating entity under paragraph (1) of this subsection shall be subject to the State procurement laws.

(3) If a regulating entity contracts for expert assistance under paragraph (1) of this subsection, the transferee shall pay the reasonable cost of the expert assistance, as determined by the regulating entity.

(f) Within 60 days after the record, including the public hearing process, has been closed, the appropriate regulating entity shall:

(1) approve the acquisition, with or without modifications; or

(2) disapprove the acquisition.

(g) (1) Subject to paragraph (2) of this subsection, at its discretion, the regulating entity may extend for good cause for a 60–day period the time for making a determination under subsection (f) of this section.

(2) The regulating entity is limited to a maximum of two 60–day extensions for making a determination on the same application.

(h) **(1) [**A**]** **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A** determination made by the appropriate regulating entity under subsection (f) of this section may not take effect until **THE EARLIER OF:**

(I) 90 calendar days after the date the determination is made**;** or

(II) THE DATE when ratified or rejected by the General Assembly**[**, whichever is earlier**]**.

(2) THE APPROPRIATE REGULATING ENTITY MAY WAIVE THE WAITING PERIOD UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION IF THE APPROPRIATE REGULATING ENTITY DETERMINES THAT WAIVING THE WAITING PERIOD IS IN THE BEST INTEREST OF THE PUBLIC.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three–fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 1144 – *Procurement Preferences – Blind Industries and Services of Maryland – Janitorial Products.*

This bill clarifies the existing requirement that a prime contractor on a State contract that includes housekeeping or janitorial services procure janitorial products from Blind Industries and Services of Maryland applies only if the products are made, manufactured, remanufactured, or assembled by Blind Industries and Services of Maryland, and are available.

House Bill 1446, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 1144.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 1144

AN ACT concerning

Procurement Preferences – Blind Industries and Services of Maryland – Janitorial Products

FOR the purpose of clarifying that the requirement that a State or State aided or controlled entity include in certain maintenance contracts a requirement that a prime contractor procure certain products from the Blind Industries and Services of Maryland under certain circumstances applies to products made ~~or~~, manufactured, remanufactured, or assembled by the Blind Industries and Services of Maryland; ~~providing for the application of a certain provision of law;~~ providing for a delayed effective date; and generally relating to procurement preferences related to the Blind Industries and Services of Maryland.

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement
Section 14–103
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – State Finance and Procurement

14–103.

(a) A State or State aided or controlled entity shall buy supplies and services from:

(1) Maryland Correctional Enterprises, as provided in Title 3, Subtitle 5 of the Correctional Services Article, if Maryland Correctional Enterprises provides the supplies or services;

(2) Blind Industries and Services of Maryland, if:

(i) Blind Industries and Services of Maryland provides the supplies or services; and

(ii) Maryland Correctional Enterprises does not provide the supplies or services; or

(3) the Employment Works Program established under § 14–108 of this subtitle, if:

(i) a community service provider or an individual with disability owned business provides the supplies or services;

(ii) neither Maryland Correctional Enterprises nor Blind Industries and Services of Maryland provides the supplies or services; and

(iii) the State or a State aided or controlled entity is not required by law to buy the supplies or services from any other unit of the State government.

(b) A State or State aided or controlled entity shall give preference to the providers listed under subsection (a) of this section in the order that the providers are listed.

(c) ~~(1)~~ To the extent practicable, a State or State aided or controlled entity shall include in a maintenance contract that has a component for housekeeping or janitorial services, a requirement that a prime contractor procure janitorial products from Blind Industries and Services of Maryland **[**when**]** **IF** the specified products **ARE MADE** ~~**OR,**~~

MANUFACTURED, REMANUFACTURED, OR ASSEMBLED, BY BLIND INDUSTRIES AND SERVICES OF MARYLAND AND are available.

~~**(2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO ANY PRODUCT THAT BLIND INDUSTRIES AND SERVICES OF MARYLAND REPACKAGES BUT DOES NOT MAKE OR MANUFACTURE.**~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October 1, 2017~~ May 1, 2018.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 1148 – *Maryland Stadium Authority – Maryland Sports and Affiliated Foundations – Establishment*.

This bill establishes and codifies an office known as Maryland Sports within the Maryland Stadium Authority, and authorizes the Maryland Stadium Authority to establish one or more affiliated foundations to work with Maryland Sports. This bill also requires the Maryland Sports Authority to develop policies for the operation of each affiliated foundation it establishes, subject to review and, if appropriate, approval by the Attorney General, as well as the State Ethics Commission. In addition, this bill requires that an independent certified public accountant must be hired and paid for by the Maryland Stadium Authority in order to audit each affiliated foundation each year.

House Bill 1619, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 1148.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 1148

AN ACT concerning

Maryland Stadium Authority – Maryland Sports and Affiliated Foundations – Establishment

FOR the purpose of establishing an office known as Maryland Sports in the Maryland Stadium Authority; requiring Maryland Sports to implement a program to bring certain sporting events to the State for certain purposes; requiring Maryland Sports to act as the State's sports commission for the purpose of the National Association of Sports Commissions; authorizing Maryland Sports to request certain assistance and information from any State or local governmental entity, to accept a certain gift, bequest, or grant, to spend certain funds, to act as a host committee for certain sporting events, and to perform certain other tasks; encouraging Maryland Sports to promote private fund–raising by maintaining certain relationships with a certain affiliated foundation; authorizing the Authority to establish one or more affiliated foundations to work with Maryland Sports; establishing the purposes of an affiliated foundation; requiring the Authority to develop policies for the operation of each affiliated foundation the Authority establishes; requiring the Attorney General to review certain policies for form and legal sufficiency and, if appropriate, to approve the policies; *requiring the State Ethics Commission to review certain policies that pertain to conflicts of interest and, if appropriate, to approve the policies;* allowing an affiliated foundation to solicit and receive certain contributions; providing that an affiliated foundation may not be considered an agency or instrumentality of the State or a unit of the Executive Branch for any purpose; providing that a financial obligation or liability of an affiliated foundation may not be considered a debt or an obligation of the State, the Authority, or Maryland Sports; providing that the Public Ethics Law does not prohibit an Authority official or employee from working in certain capacities for an affiliated foundation; *prohibiting an official or employee of the Authority who serves in certain capacities for an affiliated foundation from being compensated by the affiliated foundation; authorizing an official or employee of the Authority who serves in certain capacities for an affiliated foundation to be reimbursed for certain expenses incurred in serving in certain capacities for an affiliated foundation; requiring the Authority to notify the Commission in a certain manner whenever the Authority permits an official or employee of the Authority to serve in certain capacities for an affiliated foundation; requiring the Commission to notify the Authority within a certain time of any objections or concerns pertaining to a certain notice; requiring the Authority to reexamine a certain matter on receipt of a certain notice; requiring the Authority to report annually to the Governor, the Legislative Policy Committee, and the Commission on certain information;* requiring an affiliated foundation to undergo a certain audit each year; authorizing the Authority to grant certain funds under certain circumstances; and generally relating to the establishment of Maryland Sports and affiliated foundations.

BY repealing and reenacting, without amendments,
Article – Economic Development

Section 10–604
Annotated Code of Maryland
(2008 Volume and 2016 Supplement)

BY adding to
Article – Economic Development
Section 10–611 and 10–612
Annotated Code of Maryland
(2008 Volume and 2016 Supplement)

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

Article – Economic Development

10–604.

(a) There is a Maryland Stadium Authority.

(b) (1) The Authority is a body politic and corporate and is an instrumentality of the State.

(2) The Authority is an independent unit in the Executive Branch of State government.

(3) The exercise by the Authority of its powers under this subtitle is an essential governmental function.

(c) The Authority is a public body under Title 5, Subtitle 4 of this article, the Maryland Industrial Development Financing Authority Act, for purposes of applying for, receiving, and making agreements in connection with:

(1) a loan;

(2) a grant;

(3) insurance; or

(4) any other form of financial assistance.

10–611.

(A) THERE IS AN OFFICE KNOWN AS MARYLAND SPORTS IN THE AUTHORITY.

(B) MARYLAND SPORTS SHALL IMPLEMENT A PROGRAM TO BRING REGIONAL, NATIONAL, AND INTERNATIONAL SPORTING EVENTS AT ALL LEVELS OF COMPETITION TO THE STATE FOR THE PURPOSES OF:

(1) UTILIZING SPORTS FACILITIES IN THE STATE;

(2) ENHANCING THE ECONOMIC DEVELOPMENT OF THE STATE; AND

(3) PROMOTING THE STATE AS A DESTINATION FOR AMATEUR AND PROFESSIONAL SPORTING EVENTS.

(C) MARYLAND SPORTS SHALL ACT AS THE STATE'S SPORTS COMMISSION FOR THE PURPOSE OF THE NATIONAL ASSOCIATION OF SPORTS COMMISSIONS.

(D) TO CARRY OUT THE PURPOSES OF THIS SECTION, MARYLAND SPORTS MAY:

(1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, REQUEST ANY STATE OR LOCAL GOVERNMENT BODY TO PROVIDE INFORMATION AND ASSISTANCE;

(2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ACCEPT A GIFT, BEQUEST, OR GRANT FROM A PUBLIC OR PRIVATE SOURCE;

(3) SPEND FUNDS MADE AVAILABLE IN THE STATE BUDGET;

(4) ACT AS THE HOST COMMITTEE FOR REGIONAL, NATIONAL, AND INTERNATIONAL SPORTING EVENTS TO BE HELD IN WHOLE OR IN PART IN THE STATE; AND

(5) PERFORM ANY OTHER ACT NECESSARY.

(E) MARYLAND SPORTS IS ENCOURAGED TO PROMOTE PRIVATE FUND–RAISING BY MAINTAINING RELATIONSHIPS WITH EACH AFFILIATED FOUNDATION ESTABLISHED UNDER § 10–612 OF THIS SUBTITLE.

10–612.

(A) THE AUTHORITY MAY ESTABLISH ONE OR MORE AFFILIATED FOUNDATIONS TO WORK WITH MARYLAND SPORTS, ESTABLISHED UNDER § 10–611 OF THIS SUBTITLE.

(B) THE PURPOSES OF AN AFFILIATED FOUNDATION ARE TO:

(1) SUPPORT THE STATE IN:

(I) SPORTS BID DEVELOPMENT;

(II) SPORTING EVENT RECRUITMENT AND RETENTION;

(III) ECONOMIC ANALYSIS AND RESEARCH RELATING TO SPORTING EVENTS;

(IV) SPONSORSHIP OF SPORTING EVENTS; AND

(V) DEVELOPMENT OF PARTNERSHIPS WITH PUBLIC AND PRIVATE ENTITIES DESIGNED TO SPONSOR SPORTING EVENTS;

(2) PROMOTE REGIONAL, NATIONAL, AND INTERNATIONAL SPORTING EVENTS TO BE HELD, IN WHOLE OR IN PART, IN THE STATE; AND

(3) RECRUIT, MARKET, PROMOTE, WORK TO RETAIN, AND MANAGE SPORTING EVENTS THAT HAVE A POSITIVE ECONOMIC OR CULTURAL IMPACT, OR OTHERWISE ENHANCE THE QUALITY OF LIFE OF THE STATE'S CITIZENS.

(C) (1) THE AUTHORITY SHALL DEVELOP POLICIES FOR THE OPERATION OF EACH AFFILIATED FOUNDATION THE AUTHORITY ESTABLISHES.

(2) THE ATTORNEY GENERAL SHALL REVIEW THE POLICIES THE AUTHORITY DEVELOPS UNDER PARAGRAPH (1) OF THIS SUBSECTION FOR FORM AND LEGAL SUFFICIENCY AND, IF APPROPRIATE, APPROVE THEM TO GOVERN THE AFFILIATED FOUNDATION.

(3) THE STATE ETHICS COMMISSION SHALL REVIEW THE POLICIES THE AUTHORITY DEVELOPS UNDER PARAGRAPH (1) OF THIS SUBSECTION THAT PERTAIN TO CONFLICTS OF INTEREST AND, IF APPROPRIATE, APPROVE THEM TO GOVERN AN OFFICIAL OR EMPLOYEE OF THE AUTHORITY ALSO SERVING AS A DIRECTOR OR OFFICIAL OF AN AFFILIATED FOUNDATION.

(D) AN AFFILIATED FOUNDATION MAY SOLICIT AND RECEIVE CONTRIBUTIONS FROM BUSINESSES, GOVERNMENTAL ENTITIES, NONPROFIT ORGANIZATIONS, AND INDIVIDUALS INTERESTED IN THE PROMOTION OF SPORTS IN THE STATE.

(E) (1) AN AFFILIATED FOUNDATION ESTABLISHED UNDER THIS SECTION MAY NOT BE CONSIDERED AN AGENCY OR INSTRUMENTALITY OF THE STATE OR A UNIT OF THE EXECUTIVE BRANCH FOR ANY PURPOSE.

(2) A FINANCIAL OBLIGATION OR LIABILITY OF AN AFFILIATED FOUNDATION ESTABLISHED AND OPERATED UNDER THIS SECTION MAY NOT BE CONSIDERED A DEBT OR AN OBLIGATION OF THE STATE, THE AUTHORITY, OR MARYLAND SPORTS.

(F) ***(1)*** **SECTIONS 5–501 THROUGH 5–504 OF THE GENERAL PROVISIONS ARTICLE DO NOT PROHIBIT AN OFFICIAL OR EMPLOYEE OF THE AUTHORITY FROM** ***ALSO*** **BECOMING A DIRECTOR~~,~~** ***OR*** **AN OFFICIAL~~, OR AN EMPLOYEE~~ OF AN AFFILIATED FOUNDATION ORGANIZED UNDER THIS SECTION.**

(2) AN OFFICIAL OR EMPLOYEE OF THE AUTHORITY WHO SERVES AS A DIRECTOR OR OFFICIAL OF AN AFFILIATED FOUNDATION ORGANIZED UNDER THIS SECTION:

(I) MAY NOT BE COMPENSATED, DIRECTLY OR INDIRECTLY, BY THE AFFILIATED FOUNDATION; AND

(II) MAY BE REIMBURSED FOR BONA FIDE EXPENSES INCURRED IN THE PERFORMANCE OF ACTIVITIES UNDERTAKEN ON BEHALF OF THE AFFILIATED FOUNDATION AS AUTHORIZED BY THE BOARD OF DIRECTORS OF THAT AFFILIATED FOUNDATION AND BY THE AUTHORITY.

(3) (I) THE AUTHORITY SHALL NOTIFY THE STATE ETHICS COMMISSION IN WRITING WHENEVER THE AUTHORITY PERMITS AN OFFICIAL OR EMPLOYEE OF THE AUTHORITY TO SERVE AS A DIRECTOR OR OFFICIAL OF AN AFFILIATED FOUNDATION.

(II) WITHIN 30 DAYS AFTER RECEIPT OF THE NOTICE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE STATE ETHICS COMMISSION SHALL NOTIFY THE AUTHORITY OF ANY OBJECTIONS OR CONCERNS PERTAINING TO THE JOINT SERVICE IDENTIFIED IN THE NOTICE.

(III) ON RECEIPT OF A NOTICE FROM THE STATE ETHICS COMMISSION UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE AUTHORITY SHALL REEXAMINE THE MATTER.

(4) THE AUTHORITY SHALL REPORT ANNUALLY TO THE GOVERNOR, THE LEGISLATIVE POLICY COMMITTEE OF THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, AND THE STATE ETHICS COMMISSION:

(I) THE NAMES OF THE OFFICIALS AND EMPLOYEES SERVING AS A DIRECTOR OR OFFICIAL OF AN AFFILIATED FOUNDATION; AND

(II) HOW THE POLICIES AND PROCEDURES ADOPTED UNDER SUBSECTION (C) OF THIS SECTION HAVE BEEN IMPLEMENTED IN THE PRECEDING YEAR.

(G) AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HIRED AND PAID BY THE AUTHORITY SHALL AUDIT AN AFFILIATED FOUNDATION ESTABLISHED UNDER THIS SECTION EACH YEAR.

(H) IN ANY FISCAL YEAR, AFTER ~~THE APPROVAL OF~~ PROVIDING THE BUDGET COMMITTEES OF THE GENERAL ASSEMBLY AN OPPORTUNITY FOR REVIEW AND COMMENT, THE AUTHORITY MAY GRANT UP TO $500,000 OF THE AUTHORITY'S AVAILABLE NONBUDGETED MONEY TO AFFILIATED FOUNDATIONS ESTABLISHED UNDER THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 1171 – *Harford County – Alcoholic Beverages – Waiver from School Distance Restrictions.*

This bill alters the circumstances under which the Board of License Commissioners for Harford County may issue a waiver from school distance restrictions for certain alcoholic beverages licenses, and requires that a public hearing must be held by the governing body of the municipality or county in which the restaurant is located. This bill also requires the governing body to make a recommendation, and that such recommendations and comments must be considered before a waiver may be issued.

House Bill 795, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 1171.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 1171

AN ACT concerning

Harford County – Alcoholic Beverages – Waiver From School Distance Restrictions

FOR the purpose of altering the circumstances under which the Board of License Commissioners for Harford County may issue a waiver from certain school distance restrictions for certain alcoholic beverages licenses; *requiring certain hearings to be held, certain recommendations to be made, and certain recommendations and comments to be considered before a certain waiver can be issued;* and generally relating to alcoholic beverages in Harford County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 22–102
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 22–1602
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

22–102.

This title applies only in Harford County.

22–1602.

(a) This section does not apply to:

(1) a license in effect on July 1, 1975, or the issuance or transfer of a Class B (on–sale) beer, wine, and liquor license for use on any premises licensed on July 1, 1975;

(2) a license in effect on July 1, 1977;

(3) the renewal, transfer, or upgrading of a license, unless the license is transferred to a new location; and

(4) the issuance of:

(i) a 1–day license that is to be used on the premises of a place of worship or school;

(ii) a Class GC (golf course) license; and

(iii) a Class CCFA (continuing care facility) license.

(b) (1) (i) Except as provided in paragraph (2) of this subsection, the Board may not issue a license for an establishment that is within 300 feet of a place of worship.

(ii) The distance from the establishment to the place of worship is to be measured from the nearest point of the building of the establishment to the nearest point of the building of the place of worship.

(2) Paragraph (1) of this subsection does not apply to the issuance of:

(i) a 1–day license for use in a building;

(ii) a license issued to a hotel, motel, restaurant, club, or caterer in a municipality; and

(iii) a Class H beer, wine, and liquor license issued to a caterer for use in a banquet facility in an establishment if:

1. the construction of the establishment was completed after July 1, 1991; and

2. the establishment is used for emergency operations by a volunteer fire company.

(c) (1) (i) Except as provided in paragraph (2) of this subsection, the Board may not issue a license to a business establishment that is within 1,000 feet of a public or private school building.

(ii) The distance from the establishment to the public or private school is to be measured from the nearest point of the building of the establishment to the nearest point of the building of the school.

(2) The Board may issue a license to a business establishment in Harford County and in a municipality in Harford County if the business establishment is not located within 300 feet of a public or private school.

(3) A decision of the County Board of Education to locate a public school building within 1,000 feet of the premises of a license holder may not be the basis to revoke or deny the renewal, transfer, or upgrading of the license.

(d) ***(1)*** ~~The~~ ***SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, THE*** Board may waive the distance restrictions from a public or private school building and issue a Class B (on–sale) restaurant license ~~if:~~

~~(1) the restaurant is located in a community shopping center that contains:~~

~~(i) six or more retail uses;~~

~~(ii) six or more retail and service uses; or~~

~~(iii) a gross floor area of more than 20,000 square feet; [and]~~

~~(2) THE RESTAURANT IS LOCATED ON A PARCEL OF LAND THAT FACES ONE OR MORE STATE HIGHWAYS ON TWO SIDES; AND~~

~~(3)~~ ~~the Board takes into account comments received from parents whose children attend the public or private school~~ ***OR A CLASS B CAFE LICENSE ON A CASE–BY–CASE BASIS.***

(2) BEFORE THE BOARD DECIDES WHETHER TO WAIVE THE DISTANCE RESTRICTIONS FROM A PUBLIC OR PRIVATE SCHOOL BUILDING UNDER PARAGRAPH (1) OF THIS SUBSECTION:

(I) A PUBLIC HEARING SHALL BE HELD BY THE GOVERNING BODY OF:

1. IF THE RESTAURANT IS LOCATED IN A MUNICIPALITY, THE MUNICIPALITY WHERE THE RESTAURANT IS LOCATED; OR

2. IF THE RESTAURANT IS LOCATED OUTSIDE THE BOUNDARIES OF A MUNICIPALITY, THE COUNTY WHERE THE RESTAURANT IS LOCATED;

(II) THE GOVERNING BODY SHALL MAKE A RECOMMENDATION TO THE BOARD REGARDING WHETHER THE DISTANCE RESTRICTIONS SHOULD BE WAIVED; AND

(III) AFTER RECEIVING THE RECOMMENDATION, THE BOARD SHALL HOLD A PUBLIC HEARING.

(3) IN MAKING A DECISION WHETHER TO WAIVE THE DISTANCE RESTRICTIONS FROM A PUBLIC OR PRIVATE SCHOOL BUILDING, THE BOARD SHALL TAKE INTO CONSIDERATION:

(I) THE RECOMMENDATION FROM THE GOVERNING BODY;

(II) COMMENTS RECEIVED FROM PARENTS WHOSE CHILDREN ATTEND THE PUBLIC OR PRIVATE SCHOOL; AND

(III) COMMENTS MADE AT THE PUBLIC HEARING HELD BY THE BOARD.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 1174 – *Public Health – Certificates of Birth – Births Outside an Institution.*

This bill requires an attending clinician, or designee of the attending clinician, to prepare a certificate of birth, secure certain signatures, and file the certificate within a certain time period after a birth occurs outside an institution, or en route to an institution.

House Bill 1632, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 1174.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Senate Bill 1174

AN ACT concerning

Public Health – Certificates of Birth – Births Outside an Institution

FOR the purpose of requiring the attending clinician or a designee of the attending clinician to prepare a certificate of birth, secure certain signatures, and file the certificate within a certain time period after a birth occurs outside an institution with an attending clinician; requiring the attending clinician, within a certain time period after the birth, to provide certain information that is required on a certificate of birth; requiring the attending clinician or a designee of the attending clinician to take certain actions on the birth of a child to an unmarried woman outside an institution with an attending clinician; providing that the attending clinician or a designee of the attending clinician may not be held liable in any cause of action arising out of the establishment of paternity; defining certain terms; making a conforming change; making a stylistic change; making this Act an emergency measure; and generally relating to certificates of birth for births outside an institution.

BY repealing and reenacting, with amendments,
Article – Health – General
Section 4–201 and 4–208(a) and (b)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – Health – General

4–201.

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

(B) "ATTENDING CLINICIAN" MEANS THE PHYSICIAN, NURSE MIDWIFE, OR DIRECT–ENTRY MIDWIFE IN CHARGE OF A BIRTH OUTSIDE AN INSTITUTION.

[(b)**] (C)** "Attending physician" means the physician in charge of the patient's care for the illness or condition which resulted in death.

[(c)**] (D)** "County registrar" means the registrar of vital records for a county.

[(d)**] (E)** (1) "Dead body" means:

(i) A dead human body; or

(ii) Parts or bones of a human body if, from their condition, an individual reasonably may conclude that death has occurred.

(2) "Dead body" does not include an amputated part.

(F) "DIRECT–ENTRY MIDWIFE" MEANS AN INDIVIDUAL LICENSED TO PRACTICE DIRECT–ENTRY MIDWIFERY UNDER TITLE 8, SUBTITLE 6C OF THE HEALTH OCCUPATIONS ARTICLE.

[(e)**] (G)** "Fetal death" means death of a product of human conception, before its complete expulsion or extraction from the mother, regardless of the duration of the pregnancy, as indicated by the fact that, after the expulsion or extraction, the fetus does not breathe or show any other evidence of life, such as heart beat, pulsation of the umbilical cord, or definite movement of voluntary muscle.

[(f)**] (H)** "File" means to present for registration any certificate, report, or other record including records transmitted by approved electronic media, including facsimile, of birth, death, fetal death, adoption, marriage, or divorce for which this subtitle provides and to have the Secretary accept the record.

[(g)**] (I)** "Filing date" means the date a vital record is accepted for registration by the Secretary.

[(h)**] (J)** "Final disposition" means the burial, cremation, or other final disposition of a body or fetus.

[(i)**] (K)** "Institution" means any public or private establishment:

(1) To which individuals are committed by law; or

(2) That provides to 2 or more unrelated individuals:

(i) Any inpatient or outpatient medical, surgical, or diagnostic care or treatment; or

(ii) Any nursing, custodial, or domiciliary care.

[(j)**] (L)** "Licensed health care practitioner" means:

(1) An individual who is:

(i) A physician licensed under Title 14 of the Health Occupations Article;

(ii) A psychologist licensed under Title 18 of the Health Occupations Article;

(iii) A registered nurse licensed and certified to practice as a nurse practitioner, nurse psychotherapist, or clinical nurse specialist under Title 8 of the Health Occupations Article;

(iv) A licensed certified social worker–clinical licensed under Title 19 of the Health Occupations Article; or

(2) An individual who:

(i) Is licensed to practice a profession listed in item (1) of this subsection in another state; and

(ii) Meets the requirements under the Health Occupations Article to qualify for a license to practice the profession in this State.

[(k)**] (M)** "Live birth" means the complete expulsion or extraction of a product of human conception from the mother, regardless of the period of gestation, if, after the expulsion or extraction, it breathes or shows any other evidence of life, such as heart beat, pulsation of the umbilical cord, or definite movement of voluntary muscle, whether or not the umbilical cord is cut or the placenta is attached.

[(l)**] (N)** "Mortician" means a funeral director, mortician, or other person who is authorized to make final disposition of a body.

(O) "NURSE MIDWIFE" MEANS AN INDIVIDUAL CERTIFIED TO PRACTICE AS A NURSE MIDWIFE UNDER TITLE 8 OF THE HEALTH OCCUPATIONS ARTICLE.

[(m)**] (P)** "Physician" means a person authorized or licensed to practice medicine or osteopathy pursuant to the laws of this State.

[(n)**] (Q)** "Physician assistant" means an individual who is licensed under Title 15 of the Health Occupations Article to practice medicine with physician supervision.

[(o)**] (R)** "Registration" means acceptance by the Secretary and incorporation in the records of the Department of any certificate, report, or other record of birth, death, fetal death, adoption, marriage, divorce, or dissolution or annulment of marriage for which this subtitle provides.

[(p)**] (S)** "Vital record" means a certificate or report of birth, death, fetal death, marriage, divorce, dissolution or annulment of marriage, adoption, or adjudication of paternity that is required by law to be filed with the Secretary.

[(q)**] (T)** "Vital statistics" means the data derived from certificates and reports of birth, death, fetal death, marriage, divorce, dissolution or annulment of marriage, and reports related to any of these certificates and reports.

4–208.

(a) (1) Within 5 calendar days after a birth occurs in an institution, or en route to the institution, **OR OUTSIDE AN INSTITUTION WITH AN ATTENDING CLINICIAN,** the administrative head of the institution or a designee of the administrative head**, OR THE ATTENDING CLINICIAN OR A DESIGNEE OF THE ATTENDING CLINICIAN,** shall:

(i) Prepare, on the form that the Secretary provides, a certificate of birth;

(ii) Secure each signature that is required on the certificate; and

(iii) File the certificate.

(2) The attending physician, physician assistant, nurse practitioner, **[**or**]** nurse midwife**, OR ATTENDING CLINICIAN** shall provide the date of birth and medical information that are required on the certificate within 5 calendar days after the birth.

(3) The results of the universal hearing screening of newborns shall be incorporated into the supplemental information required by the Department to be submitted as a part of the birth event.

(4) **[**Upon**] ON** the birth of a child to an unmarried woman in an institution **OR OUTSIDE AN INSTITUTION WITH AN ATTENDING CLINICIAN**, the administrative head of the institution or the designee of the administrative head**, OR THE ATTENDING CLINICIAN OR THE DESIGNEE OF THE ATTENDING CLINICIAN,** shall:

(i) Provide an opportunity for the child's mother and the father to complete a standardized affidavit of parentage recognizing parentage of the child on the standardized form provided by the Department of Human Resources under § 5–1028 of the Family Law Article;

(ii) Furnish to the mother written information prepared by the Child Support Enforcement Administration concerning the benefits of having the paternity of her child established, including the availability of child support enforcement services; and

(iii) Forward the completed affidavit to the Department of Health and Mental Hygiene, Division of Vital Records. The Department of Health and Mental Hygiene, Division of Vital Records shall make the affidavits available to the parents, guardian of the child, or a child support enforcement agency upon request.

(5) An institution, the administrative head of the institution, the designee of the administrative head of an institution, **[**and**]** an employee of an institution**, THE ATTENDING CLINICIAN, AND THE DESIGNEE OF THE ATTENDING CLINICIAN** may not be held liable in any cause of action arising out of the establishment of paternity.

(6) If the child's mother was not married at the time of either conception or birth or between conception and birth, the name of the father may not be entered on the certificate without an affidavit of paternity as authorized by § 5–1028 of the Family Law Article signed by the mother and the person to be named on the certificate as the father.

(7) In any case in which paternity of a child is determined by a court of competent jurisdiction, the name of the father and surname of the child shall be entered on the certificate of birth in accordance with the finding and order of the court.

(8) If the father is not named on the certificate of birth, no other information about the father shall be entered on the certificate.

(b) Within 5 calendar days after a birth occurs outside an institution **WITHOUT AN ATTENDING CLINICIAN**, the birth shall be verified by the Secretary and a certificate of birth shall be prepared, on the form that the Secretary provides, and filed by one of the following, in the indicated order of priority:

(1) The attending individual.

(2) In the absence of an attending individual, the father or mother.

(3) In the absence of the father and the inability of the mother, the individual in charge of the premises where the birth occurred.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three–fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Vetoed House Bills and Messages

May 25, 2017

The Honorable Michael E. Busch
Speaker of the House
State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 1 – *Labor and Employment – Maryland Healthy Working Families Act*.

While all of us agree that more workers need paid sick leave in Maryland, House Bill 1 is an irresponsible piece of legislation that unfairly penalizes the hundreds of thousands of hard working men and women who own and operate small businesses in our state. This bill mandates that every employer with 15 or more employees must institute a sick and safe leave policy for employees. This is a complicated, broad, and inflexible proposal that would have a significant impact on every employer in the state. We have made great progress in improving Maryland's business climate, creating nearly 100,000 new jobs since January 2015, and moving forward, we must strike a balance between the needs of workers while not harming our small businesses.

Marylanders deserve a common sense paid sick leave policy that is fair, bipartisan, and balanced – and our administration's proposal, the Common Sense Paid Sick Leave Act of 2017 is exactly that. It requires companies with more than 50 employees to provide paid sick leave and encourages small businesses, as defined by the widely accepted federal standards, to offer paid sick leave by providing tax incentives to offset the costs of providing those additional benefits. Our bill applies a uniform standard for all 24 jurisdictions and balances paid sick leave benefits that had the potential to cover nearly all working Marylanders without placing an unmanageable burden on job creators.

Conversely, House Bill 1 is not a compromise bill, but rather a worse version of a bill that failed to pass the Democratic controlled legislature on four previous occasions. This is an example of political opportunism at its worst and the results will harm, not help Marylanders. Under this proposal, the state will determine the specific procedures that businesses must follow or be found in violation of the law, which carries with it heavy civil penalties. This approach does not allow for flexibility or take into account the specific needs and structure of Maryland businesses today. Further, the requirements for seasonal employers were hastily developed and do not address the true needs of seasonal workers and employers.

The application of the sick and safe leave policy in the bill is overly broad and too ambiguous for effective and reasonable compliance and enforcement. Despite what certain Maryland legislators clearly believe, every business in Maryland is not the same. Different sick leave standards are needed across various industries (i.e. restaurant industry, tipped employees,

certain health care workers, non–profit and government grant recipients, etc.). For example, the employee calculation to determine if the employer is required to provide sick leave includes all employees, even those not eligible for sick leave benefits. Employees have to "regularly" work at least 12 hours per week and employee hours are based on a "normal" work week. "Regularly" and "normal" are undefined and overly ambiguous terms that will further complicate compliance.

These are just a few of the problems regarding the application of your sick and safe leave proposal. The complexities of tracking sick leave accrual and use is also an unnecessary burden for Maryland businesses. Employees accrue leave at different rates, can use the leave at different intervals, and the law allows for complex shift trading and modified schedule allowances. Maryland businesses need a common sense approach to affording valuable sick leave benefits to their workers and House Bill 1 does not provide this.

In addition, employers face unfair enforcement measures for actual and presumed violations. The employer is presumed to be in violation of the law if they somehow fail to keep sick and safe leave records for three years. These same employers also face extensive, burdensome and sometimes unknown damages for violations. An employer can be ordered to pay actual economic damages to an employee in addition to the monetary value of unpaid sick and safe leave. A court has overly broad discretion to award damages in a civil action including an award of three times the value of unpaid sick and safe leave. A court can also order punitive damages in any amount to be determined by the court, as well as any other relief that the court deems appropriate.

Further and perhaps most egregiously, workers may legally be required to provide a reason and be forced to verify that reason to access their sick and safe leave. For example, if a person is suffering from a sensitive medical issue, they could be forced to divulge this personal and/or protected information to their employer.

I remain committed to continuing to improve Maryland's business climate and preventing hardworking Marylanders from having to make difficult choices about their health and welfare. A balanced, fair, and common sense approach to paid sick leave benefits that are flexible for the employee and the employer are an important step in continuing to foster a more business–friendly climate in the state. This legislation does not get us there.

Fortunately, as drafted, House Bill 1 would not take effect until January 1, 2018. This gives both the Senate and the House the ability to work with our administration on a bipartisan proposal next session that would finally provide the employees and employers of our state with the benefits and protections they so clearly need and deserve. I view this as not the end of this discussion on this issue, but just the beginning.

We owe it to the citizens of our state to work together on this important issue, to compromise, and find the right balance between providing benefits and protecting our hardworking citizens. We can and we must find this balance. I am respectfully calling on both you and President Mike Miller to join with our administration in that effort.

For these reasons, I have vetoed House Bill 1.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 1

AN ACT concerning

Labor and Employment – Maryland Healthy Working Families Act

FOR the purpose of requiring certain employers to provide employees with certain earned sick and safe leave; *providing that, except under certain circumstances, certain employees of a unit of State or local government are subject to certain provisions of the unit's laws, regulations, policies, and procedures under certain circumstances; prohibiting an employer from being required to pay a tipped employee more than a certain wage for earned sick and safe leave;* providing for the method of determining whether an employer is required to provide paid or unpaid earned sick and safe leave; providing for the manner in which earned sick and safe leave is accrued by the employee and treated by the employer; authorizing an employer, under certain circumstances, to deduct the amount paid for earned sick and safe leave from the wages paid to an employee on the termination of employment under a certain provision of law; prohibiting an employer from being required to pay out on the termination of employment certain earned sick and safe leave; requiring an employer to allow an employee to use earned sick and safe leave for certain purposes; authorizing an employer to require an employee to provide certain notice under certain circumstances; requiring an employee, under certain circumstances, to provide certain notice to the employer; authorizing an employer to deny a request for leave under certain circumstances; prohibiting an employer from requiring that a certain employee search for or find an individual to work in the employee's stead during a certain period of time; authorizing an employee to work additional hours or trade shifts with another employee instead of taking earned sick and safe leave, under certain circumstances; providing that an employee is not required to accept a certain offer; *providing that an employer is not required to consent to a certain request under certain circumstances;* prohibiting an employer, under certain circumstances, from being required to pay more than a certain rate ~~or allowing an employee to work certain hours or shifts~~; prohibiting an employer, under certain circumstances, from deducting a certain absence from a certain employee's earned sick and safe leave; *requiring an employer to offer a certain employee employed in the restaurant industry the employee's base rate of pay for the employee's absence, except under certain circumstances; authorizing an employer, in lieu of offering to pay a certain employee the employee's base rate of pay, to offer an additional shift of the same number of hours within a certain time frame; authorizing an employer to deduct accrued earned sick and safe leave for leave taken under certain circumstances; authorizing an employee to take earned sick and safe leave in certain increments of time, subject to a certain limitation;* authorizing an employer, under certain circumstances, to require

an employee to provide certain verification; requiring an employer to notify the employees that the employees are entitled to certain earned sick and safe leave; specifying the information that must be included in the notice; requiring the Commissioner of Labor and Industry to create and make available a certain poster and notice; *requiring the Commissioner to develop a certain model sick and safe leave policy for use by certain employers for certain purposes; requiring the Commissioner to provide technical assistance to certain employers under certain circumstances; requiring the Department of Labor, Licensing, and Regulation to post a certain notice and model on a certain Web site in a certain format;* requiring an employer to keep certain records for a certain time period; authorizing the Commissioner to inspect certain records; establishing a *rebuttable* presumption that an employer has violated certain provisions of this Act under certain circumstances; ~~*prohibiting an employer from being assessed a certain civil penalty under certain circumstances; providing for the liability of certain payroll service providers*~~ *authorizing the Commissioner to waive a certain civil penalty under certain circumstances;* requiring and authorizing the Commissioner to take certain acts when the Commissioner receives a certain written complaint; specifying the contents that are required to be included and may be included in a certain order issued by the Commissioner; subjecting certain acts to certain hearing and notice requirements; requiring an employer to comply with a certain order within a certain time period; authorizing an employee to bring a civil action in a certain court against an employer for a violation of certain provisions of this Act within a certain time period; ~~requiring~~ *authorizing* a court to award certain damages, fees, and injunctive relief under certain circumstances; establishing certain prohibited acts; providing for certain criminal penalties; providing that certain protections apply to certain employees; authorizing the Commissioner to adopt regulations to carry out certain provisions of this Act; authorizing the Commissioner to conduct an investigation, under certain circumstances, to determine whether certain provisions of this Act have been violated; requiring the Commissioner, except under certain circumstances, to keep certain information confidential; providing for the construction of certain provisions of this Act; providing that this Act preempts the authority of a local jurisdiction to enact a law on or after a certain date that provides for certain sick and safe leave provided by certain employers; *authorizing certain jurisdictions to amend certain sick and safe leave laws enacted before a certain date;* providing for the application of this Act; providing for a delayed effective date; defining certain terms; and generally relating to earned sick and safe leave.

BY repealing and reenacting, with amendments,
Article – Labor and Employment
Section 2–106(b)
Annotated Code of Maryland
(2016 Replacement Volume)

BY adding to
Article – Labor and Employment
Section 3–103(k); and 3–1301 through 3–1311 to be under the new subtitle "Subtitle 13. Healthy Working Families Act"

Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Labor and Employment

2–106.

(b) Except as provided in subsection (c) of this section, and in addition to authority to adopt regulations that is set forth elsewhere, the Commissioner may adopt regulations that are necessary to carry out:

(1) Title 3, Subtitle 3 of this article;

(2) Title 3, Subtitle 5 of this article;

(3) TITLE 3, SUBTITLE 13 OF THIS ARTICLE;

[(3)**] (4)** Title 4, Subtitle 2, Parts I through III of this article;

[(4)**] (5)** Title 5 of this article;

[(5)**] (6)** Title 6 of this article; and

[(6)**] (7)** Title 7 of this article.

3–103.

(K) (1) THE COMMISSIONER MAY CONDUCT AN INVESTIGATION TO DETERMINE WHETHER SUBTITLE 13 OF THIS TITLE HAS BEEN VIOLATED ON RECEIPT OF A WRITTEN COMPLAINT BY AN EMPLOYEE.

(2) TO THE EXTENT PRACTICABLE, THE COMMISSIONER SHALL KEEP CONFIDENTIAL THE IDENTITY OF AN EMPLOYEE WHO HAS FILED A WRITTEN COMPLAINT ALLEGING A VIOLATION OF SUBTITLE 13 OF THIS TITLE UNLESS THE EMPLOYEE WAIVES CONFIDENTIALITY.

SUBTITLE 13. HEALTHY WORKING FAMILIES ACT.

3–1301.

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

(B) "ABUSE" HAS THE MEANING STATED IN § 4–501 OF THE FAMILY LAW ARTICLE.

(C) "DOMESTIC VIOLENCE" MEANS ABUSE AGAINST AN INDIVIDUAL ELIGIBLE FOR RELIEF.

(D) "EARNED SICK AND SAFE LEAVE" MEANS ~~PAID~~ LEAVE AWAY FROM WORK THAT IS PROVIDED BY AN EMPLOYER UNDER § 3–1304 OF THIS SUBTITLE.

(E) "EMPLOYEE" DOES NOT INCLUDE AN INDIVIDUAL WHO:

(1) PERFORMS WORK UNDER A CONTRACT OF HIRE THAT IS DETERMINED NOT TO BE COVERED EMPLOYMENT UNDER § 8–205 OF THIS ARTICLE;

(2) IS NOT A COVERED EMPLOYEE UNDER § 9–222 OF THIS ARTICLE;

(3) IS UNDER THE AGE OF 18 YEARS BEFORE THE BEGINNING OF THE YEAR; ~~OR~~

(4) IS EMPLOYED IN THE AGRICULTURAL SECTOR ON AN AGRICULTURAL OPERATION UNDER § 5–403(A) OF THE COURTS ARTICLE*;*

(5) IS EMPLOYED BY A TEMPORARY SERVICES AGENCY TO PROVIDE TEMPORARY STAFFING SERVICES TO ANOTHER PERSON IF THE TEMPORARY SERVICES AGENCY DOES NOT HAVE DAY–TO–DAY CONTROL OVER THE WORK ASSIGNMENTS AND SUPERVISION OF THE INDIVIDUAL WHILE THE INDIVIDUAL IS PROVIDING THE TEMPORARY STAFFING SERVICES; OR

***(6) IS DIRECTLY EMPLOYED BY AN EMPLOYMENT AGENCY TO PROVIDE PART–TIME OR TEMPORARY SERVICES TO ANOTHER PERSON*.**

(F) "EMPLOYER" INCLUDES:

(1) A UNIT OF STATE OR LOCAL GOVERNMENT; AND

(2) A PERSON THAT ACTS DIRECTLY OR INDIRECTLY IN THE INTEREST OF ANOTHER EMPLOYER WITH AN EMPLOYEE.

(G) "FAMILY MEMBER" MEANS:

(1) A BIOLOGICAL CHILD, AN ADOPTED CHILD, A FOSTER CHILD, OR A STEPCHILD OF THE EMPLOYEE;

(2) A CHILD FOR WHOM THE EMPLOYEE HAS LEGAL OR PHYSICAL CUSTODY OR GUARDIANSHIP;

(3) A CHILD FOR WHOM THE EMPLOYEE STANDS IN LOCO PARENTIS, REGARDLESS OF THE CHILD'S AGE;

(4) A BIOLOGICAL PARENT, AN ADOPTIVE PARENT, A FOSTER PARENT, OR A STEPPARENT OF THE EMPLOYEE OR OF THE EMPLOYEE'S SPOUSE;

(5) THE LEGAL GUARDIAN OF THE EMPLOYEE;

(6) AN INDIVIDUAL WHO ACTED AS A PARENT OR STOOD IN LOCO PARENTIS TO THE EMPLOYEE OR THE EMPLOYEE'S SPOUSE WHEN THE EMPLOYEE OR THE EMPLOYEE'S SPOUSE WAS A MINOR;

(7) THE SPOUSE OF THE EMPLOYEE;

(8) A BIOLOGICAL GRANDPARENT, AN ADOPTED GRANDPARENT, A FOSTER GRANDPARENT, OR A STEPGRANDPARENT OF THE EMPLOYEE;

(9) A BIOLOGICAL GRANDCHILD, AN ADOPTED GRANDCHILD, A FOSTER GRANDCHILD, OR A STEPGRANDCHILD OF THE EMPLOYEE; OR

(10) A BIOLOGICAL SIBLING, AN ADOPTED SIBLING, A FOSTER SIBLING, OR A STEPSIBLING OF THE EMPLOYEE.

(H) "PERSON ELIGIBLE FOR RELIEF" HAS THE MEANING STATED IN § 4–501 OF THE FAMILY LAW ARTICLE.

(I) ***"RESTAURANT" MEANS AN ESTABLISHMENT THAT:***

(1) ACCOMMODATES THE PUBLIC;

(2) IS EQUIPPED WITH A DINING ROOM WITH FACILITIES FOR PREPARING AND SERVING REGULAR MEALS; AND

(3) HAS AVERAGE DAILY RECEIPTS FROM THE SALE OF FOOD THAT EXCEED THE AVERAGE DAILY RECEIPTS FROM THE SALE OF ALCOHOLIC BEVERAGES.

(J) **"SEXUAL ASSAULT" MEANS:**

(1) RAPE, SEXUAL OFFENSE, OR ANY OTHER ACT THAT IS A SEXUAL CRIME UNDER TITLE 3, SUBTITLE 3 OF THE CRIMINAL LAW ARTICLE;

(2) CHILD SEXUAL ABUSE UNDER § 3–602 OF THE CRIMINAL LAW ARTICLE; OR

(3) SEXUAL ABUSE OF A VULNERABLE ADULT UNDER § 3–604 OF THE CRIMINAL LAW ARTICLE.

~~(J)~~ *(K)* "STALKING" HAS THE MEANING STATED IN § 3–802 OF THE CRIMINAL LAW ARTICLE.

~~(K)~~ *(L)* UNLESS THE CONTEXT REQUIRES OTHERWISE, "YEAR" MEANS A REGULAR AND CONSECUTIVE 12–MONTH PERIOD AS DETERMINED BY THE EMPLOYER.

3–1302.

(A) ***IN THIS SECTION, "EXISTING PAID LEAVE" INCLUDES:***

(1) VACATION DAYS;

(2) SICK DAYS;

(3) SHORT–TERM DISABILITY BENEFITS;

(4) FLOATING HOLIDAYS;

(5) PARENTAL LEAVE; AND

(6) OTHER PAID TIME OFF THAT MAY BE USED UNDER THE TERMS AND CONDITIONS AS PAID SICK AND SAFE LEAVE.

(B) **THIS SUBTITLE MAY NOT BE CONSTRUED TO:**

(1) REQUIRE AN EMPLOYER TO COMPENSATE AN EMPLOYEE FOR UNUSED EARNED SICK AND SAFE LEAVE WHEN THE EMPLOYEE LEAVES THE EMPLOYER'S EMPLOYMENT;

(2) REQUIRE AN EMPLOYER TO MODIFY AN EXISTING PAID LEAVE POLICY IF*:*

(I) **THE POLICY PERMITS AN EMPLOYEE TO ACCRUE AND USE LEAVE UNDER TERMS AND CONDITIONS THAT ARE AT LEAST EQUIVALENT TO THE EARNED SICK AND SAFE LEAVE PROVIDED FOR UNDER THIS SUBTITLE; *OR***

(II) THE PAID LEAVE POLICY DOES NOT REDUCE EMPLOYEE COMPENSATION FOR AN ABSENCE DUE TO SICK OR SAFE LEAVE;

(3) EXCEPT AS PROVIDED IN SUBSECTION ~~(C)~~ *(D)* OF THIS SECTION, PREEMPT, LIMIT, OR OTHERWISE AFFECT ANY OTHER LAW THAT PROVIDES FOR SICK AND SAFE LEAVE BENEFITS THAT ARE MORE GENEROUS THAN REQUIRED UNDER THIS SUBTITLE;

(4) PREEMPT, LIMIT, OR OTHERWISE AFFECT ANY WORKERS' COMPENSATION BENEFITS THAT ARE AVAILABLE UNDER TITLE 9 OF THIS ARTICLE; OR

(5) PROHIBIT AN EMPLOYER FROM ADOPTING AND ENFORCING A POLICY THAT ~~LIMITS AN EMPLOYEE TO USING EARNED SICK AND SAFE LEAVE ONLY FOR THE REASONS LISTED IN § 3–1305(A) OF THIS SUBTITLE~~ PROHIBITS THE IMPROPER USE OF EARNED SICK AND SAFE LEAVE, INCLUDING PROHIBITING A PATTERN OF ABUSE OF EARNED SICK AND SAFE LEAVE.

***~~(B)~~ (C)* FOR THE PURPOSES OF SUBSECTION ~~(A)(2)~~ *(B)(2)* OF THIS SECTION, THE TERMS AND CONDITIONS OF A PAID LEAVE POLICY SHALL BE PRESUMED TO BE EQUIVALENT IF THE TERMS AND CONDITIONS ALLOW AN EMPLOYEE TO:**

(1) ACCESS AND ACCRUE PAID LEAVE AT THE SAME RATE OR AT A GREATER RATE THAN PROVIDED FOR IN § 3–1304 OF THIS SUBTITLE; AND

(2) USE THE PAID LEAVE FOR THE PURPOSES LISTED IN § 3–1305 OF THIS SUBTITLE.

***~~(C)~~ (D) (1)* ~~THIS~~ *EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THIS* SUBTITLE PREEMPTS THE AUTHORITY OF A LOCAL JURISDICTION TO ENACT A LAW ON OR AFTER JANUARY 1, 2017, THAT REGULATES SICK AND SAFE LEAVE PROVIDED BY AN EMPLOYER OTHER THAN THE LOCAL JURISDICTION.**

(2) THIS SUBSECTION DOES NOT PREEMPT A LOCAL JURISDICTION FROM AMENDING A LAW THAT WAS ENACTED BEFORE JANUARY 1, 2017, AND REGULATES SICK AND SAFE LEAVE PROVIDED BY AN EMPLOYER.

3–1303.

(A) THIS SUBTITLE DOES NOT APPLY TO AN EMPLOYEE WHO:

(1) REGULARLY WORKS LESS THAN ~~8~~ *12* HOURS A WEEK FOR AN EMPLOYER; ~~OR~~

(2) (I) IS EMPLOYED IN THE CONSTRUCTION INDUSTRY; AND

(II) IS COVERED BY A BONA FIDE COLLECTIVE BARGAINING AGREEMENT IN WHICH THE REQUIREMENTS OF THIS SUBTITLE ARE EXPRESSLY WAIVED IN CLEAR AND UNAMBIGUOUS TERMS*; OR*

(3) (I) IS CALLED TO WORK BY THE EMPLOYER ON AN AS–NEEDED BASIS IN A HEALTH OR HUMAN SERVICES INDUSTRY;

(II) CAN REJECT OR ACCEPT THE SHIFT OFFERED BY THE EMPLOYER;

(III) IS NOT GUARANTEED TO BE CALLED ON TO WORK BY THE EMPLOYER; AND

***(IV) IS NOT EMPLOYED BY A TEMPORARY STAFFING AGENCY*.**

(B) FOR THE PURPOSE OF SUBSECTION (A)(2)(I) OF THIS SECTION, AN EMPLOYEE WHO IS EMPLOYED IN THE CONSTRUCTION INDUSTRY DOES NOT INCLUDE AN EMPLOYEE EMPLOYED AS:

(1) A JANITOR;

(2) A BUILDING CLEANER;

(3) A BUILDING SECURITY OFFICER;

(4) A CONCIERGE;

(5) A DOORPERSON;

(6) A HANDYPERSON; OR

(7) A BUILDING SUPERINTENDENT.

(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, IF A UNIT OF STATE OR LOCAL GOVERNMENT'S SICK LEAVE ACCRUAL AND USE REQUIREMENTS MEET OR EXCEED THE SICK AND SAFE LEAVE PROVIDED FOR UNDER THIS SUBTITLE, EMPLOYEES OF THE UNIT OF STATE OR LOCAL GOVERNMENT WHO ARE PART OF THE UNIT'S PERSONNEL SYSTEM ARE SUBJECT TO THE UNIT'S LAWS, REGULATIONS, POLICIES, AND PROCEDURES PROVIDING FOR:

(I) ACCRUAL AND USE OF SICK LEAVE;

(II) GRIEVANCES; AND

(III) DISCIPLINARY ACTIONS.

(2) EMPLOYEES OF A UNIT OF STATE GOVERNMENT THAT ARE ENTITLED TO SICK AND SAFE LEAVE UNDER THIS SUBTITLE AND WHO ARE NOT COVERED BY THE UNIT'S SICK LEAVE AND ACCRUAL AND USE REQUIREMENTS ARE SUBJECT TO § 3–1308 OF THIS SUBTITLE.

3–1304.

(A) (1) *(I)* ~~AN~~ *SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH, AN* **EMPLOYER THAT EMPLOYS 15 OR MORE EMPLOYEES SHALL PROVIDE AN EMPLOYEE WITH EARNED SICK AND SAFE LEAVE THAT IS PAID AT THE SAME WAGE RATE AS THE EMPLOYEE NORMALLY EARNS.**

~~(2)~~ *(II)* **AN EMPLOYER THAT EMPLOYS 14 OR FEWER EMPLOYEES SHALL** *AT LEAST* **PROVIDE AN EMPLOYEE WITH UNPAID EARNED SICK AND SAFE LEAVE.**

(III) AN EMPLOYER MAY NOT BE REQUIRED TO PAY A TIPPED EMPLOYEE MORE THAN THE APPLICABLE MINIMUM WAGE FOR EARNED SICK AND SAFE LEAVE.

~~(3)~~ *(2)* **(I) FOR THE PURPOSE OF DETERMINING WHETHER AN EMPLOYER IS REQUIRED TO PROVIDE PAID OR UNPAID EARNED SICK AND SAFE LEAVE UNDER THIS SUBSECTION, THE NUMBER OF EMPLOYEES OF AN EMPLOYER SHALL BE DETERMINED BY CALCULATING THE AVERAGE MONTHLY NUMBER OF EMPLOYEES EMPLOYED BY THE EMPLOYER DURING THE IMMEDIATELY PRECEDING YEAR.**

(II) EACH EMPLOYEE OF AN EMPLOYER SHALL BE INCLUDED IN THE CALCULATION MADE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH WITHOUT REGARD TO WHETHER THE EMPLOYEE IS A FULL–TIME, PART–TIME, TEMPORARY, OR SEASONAL EMPLOYEE OR WOULD BE ELIGIBLE FOR EARNED SICK AND SAFE LEAVE BENEFITS UNDER THIS SUBSECTION.

(B) THE EARNED SICK AND SAFE LEAVE PROVIDED UNDER SUBSECTION (A) OF THIS SECTION SHALL ACCRUE AT A RATE OF AT LEAST 1 HOUR FOR EVERY 30 HOURS AN EMPLOYEE WORKS.

(C) AN EMPLOYER MAY NOT BE REQUIRED TO ALLOW AN EMPLOYEE TO:

(1) EARN MORE THAN ~~56~~ *40* HOURS OF EARNED SICK AND SAFE LEAVE IN A YEAR;

(2) USE MORE THAN ~~80~~ *64* HOURS OF EARNED SICK AND SAFE LEAVE IN A YEAR;

(3) ACCRUE A TOTAL OF MORE THAN ~~80~~ *64* HOURS AT ANY TIME; ~~OR~~

(4) USE EARNED SICK AND SAFE LEAVE DURING THE FIRST ~~90~~ *106* CALENDAR DAYS THE EMPLOYEE WORKS FOR THE EMPLOYER ~~OR THE FIRST 480 HOURS WORKED, WHICHEVER IS SHORTER~~; OR

(5) ACCRUE EARNED SICK AND SAFE LEAVE DURING A:

(I) 2–WEEK PAY PERIOD IN WHICH THE EMPLOYEE WORKED FEWER THAN ~~16~~ *24* HOURS TOTAL;

(II) 1–WEEK PAY PERIOD IF THE EMPLOYEE WORKED FEWER THAN A COMBINED TOTAL OF ~~16~~ *24* HOURS IN THE CURRENT AND THE IMMEDIATELY PRECEDING PAY PERIOD; OR

(III) PAY PERIOD IN WHICH:

1. THE EMPLOYEE IS PAID TWICE A MONTH REGARDLESS OF THE NUMBER OF WEEKS IN A PAY PERIOD; AND

2. THE EMPLOYEE WORKED FEWER THAN ~~17.3~~ *26* HOURS IN THE PAY PERIOD.

(D) AT THE BEGINNING OF EACH YEAR, AN EMPLOYER MAY AWARD TO AN EMPLOYEE THE FULL AMOUNT OF EARNED SICK AND SAFE LEAVE THAT AN EMPLOYEE WOULD EARN OVER THE COURSE OF THE YEAR RATHER THAN AWARDING THE LEAVE AS THE LEAVE ACCRUES DURING THE YEAR.

(E) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, FOR THE PURPOSES OF CALCULATING THE ACCRUAL OF EARNED SICK AND SAFE LEAVE, AN EMPLOYEE WHO IS EXEMPT FROM OVERTIME WAGE REQUIREMENTS UNDER THE FEDERAL FAIR LABOR STANDARDS ACT IS ASSUMED TO WORK 40 HOURS EACH WORKWEEK.

(2) IF THE EMPLOYEE'S NORMAL WORKWEEK IS LESS THAN 40 HOURS, THE NUMBER OF HOURS IN THE NORMAL WORKWEEK SHALL BE USED.

(F) EARNED SICK AND SAFE LEAVE SHALL BEGIN TO ACCRUE:

(1) JANUARY 1, 2018; OR

(2) IF THE EMPLOYEE IS HIRED AFTER JANUARY 1, 2018, THE DATE ON WHICH THE EMPLOYEE BEGINS EMPLOYMENT WITH THE EMPLOYER.

(G) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, IF AN EMPLOYEE HAS UNUSED EARNED SICK AND SAFE LEAVE AT THE END OF EACH YEAR, THE EMPLOYEE MAY CARRY OVER THE BALANCE OF THE EARNED SICK AND SAFE LEAVE TO THE FOLLOWING YEAR.

(2) AN EMPLOYER MAY NOT BE REQUIRED TO ALLOW AN EMPLOYEE TO CARRY OVER MORE THAN ~~56~~ *40* HOURS OF EARNED SICK AND SAFE LEAVE UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(3) AN EMPLOYER MAY NOT BE REQUIRED TO ALLOW AN EMPLOYEE TO CARRY OVER UNUSED *EARNED* SICK AND SAFE LEAVE UNDER PARAGRAPH (1) OF THIS SUBSECTION IF:

(I) THE EMPLOYER AWARDS THE EMPLOYEE THE FULL AMOUNT OF EARNED SICK AND SAFE LEAVE AT THE BEGINNING OF EACH YEAR UNDER SUBSECTION (D) OF THIS SECTION; OR

(II) THE ~~EMPLOYMENT OF THE EMPLOYEE IS CONTINGENT ON THE EMPLOYER RECEIVING A GRANT~~ *EMPLOYEE IS EMPLOYED BY A NONPROFIT ENTITY OR A GOVERNMENTAL UNIT IN ACCORDANCE WITH A GRANT, THE DURATION OF WHICH IS LIMITED TO 1 YEAR AND IS NOT SUBJECT TO RENEWAL*.

(H) IF AN EMPLOYEE IS REHIRED BY THE EMPLOYER WITHIN ~~9 MONTHS~~ *37 WEEKS* AFTER LEAVING THE EMPLOYMENT OF THE EMPLOYER, THE EMPLOYER SHALL REINSTATE ANY UNUSED EARNED SICK AND SAFE LEAVE THAT THE EMPLOYEE HAD WHEN THE EMPLOYEE LEFT THE EMPLOYMENT OF THE EMPLOYER UNLESS THE EMPLOYER VOLUNTARILY PAID OUT THE UNUSED EARNED SICK AND SAFE LEAVE ON THE TERMINATION OF EMPLOYMENT.

(I) (1) AN EMPLOYER MAY ALLOW AN EMPLOYEE TO USE EARNED SICK AND SAFE LEAVE BEFORE THE EMPLOYEE ACCRUES THE AMOUNT NEEDED.

(2) IF AN EMPLOYEE IS ALLOWED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO USE EARNED SICK AND SAFE LEAVE BEFORE IT HAS ACCRUED, THE EMPLOYER MAY DEDUCT THE AMOUNT PAID FOR THE EARNED SICK AND SAFE LEAVE

FROM THE WAGES PAID TO THE EMPLOYEE ON THE TERMINATION OF EMPLOYMENT UNDER § 3–505 OF THIS TITLE IF:

(I) THE EMPLOYER AND EMPLOYEE MUTUALLY CONSENTED TO THE DEDUCTION AS EVIDENCED BY A DOCUMENT SIGNED BY THE EMPLOYEE; AND

(II) THE EMPLOYEE LEAVES THE EMPLOYMENT OF THE EMPLOYER BEFORE THE EMPLOYEE HAS ACCRUED THE AMOUNT OF EARNED SICK AND SAFE LEAVE THAT WAS USED.

(J) AN EMPLOYER MAY NOT BE REQUIRED TO PAY OUT ON THE TERMINATION OF EMPLOYMENT UNUSED EARNED SICK AND SAFE LEAVE ACCRUED BY AN EMPLOYEE.

(K) AN EMPLOYER WHO ACQUIRES, BY SALE OR OTHERWISE, ANOTHER EMPLOYER SHALL ALLOW ALL EMPLOYEES OF THE ORIGINAL EMPLOYER WHO REMAIN EMPLOYED BY THE SUCCESSOR EMPLOYER TO RETAIN ALL UNUSED EARNED SICK AND SAFE LEAVE ACCRUED DURING EMPLOYMENT WITH THE ORIGINAL EMPLOYER.

3–1305.

(A) AN EMPLOYER SHALL ALLOW AN EMPLOYEE TO USE EARNED SICK AND SAFE LEAVE:

(1) TO CARE FOR OR TREAT THE EMPLOYEE'S MENTAL OR PHYSICAL ILLNESS, INJURY, OR CONDITION;

(2) TO OBTAIN PREVENTIVE MEDICAL CARE FOR THE EMPLOYEE OR EMPLOYEE'S FAMILY MEMBER;

(3) TO CARE FOR A FAMILY MEMBER WITH A MENTAL OR PHYSICAL ILLNESS, INJURY, OR CONDITION; ~~OR~~

(4) FOR MATERNITY OR PATERNITY LEAVE; OR

***~~(4)~~ (5)* IF:**

(I) THE ABSENCE FROM WORK IS NECESSARY DUE TO DOMESTIC VIOLENCE, SEXUAL ASSAULT, OR STALKING COMMITTED AGAINST THE EMPLOYEE OR THE EMPLOYEE'S FAMILY MEMBER; AND

(II) THE LEAVE IS BEING USED:

1. BY THE EMPLOYEE TO OBTAIN FOR THE EMPLOYEE OR THE EMPLOYEE'S FAMILY MEMBER:

A. MEDICAL OR MENTAL HEALTH ATTENTION THAT IS RELATED TO THE DOMESTIC VIOLENCE, SEXUAL ASSAULT, OR STALKING;

B. SERVICES FROM A VICTIM SERVICES ORGANIZATION RELATED TO THE DOMESTIC VIOLENCE, SEXUAL ASSAULT, OR STALKING; OR

C. LEGAL SERVICES OR PROCEEDINGS RELATED TO OR RESULTING FROM THE DOMESTIC VIOLENCE, SEXUAL ASSAULT, OR STALKING; OR

2. DURING THE TIME THAT THE EMPLOYEE HAS TEMPORARILY RELOCATED DUE TO THE DOMESTIC VIOLENCE, SEXUAL ASSAULT, OR STALKING.

(B) (1) IF THE NEED TO USE EARNED SICK AND SAFE LEAVE IS FORESEEABLE, AN EMPLOYER MAY REQUIRE AN EMPLOYEE TO PROVIDE REASONABLE ADVANCE NOTICE OF NOT MORE THAN 7 DAYS BEFORE THE DATE THE EARNED SICK AND SAFE LEAVE WOULD BEGIN.

(2) IF THE NEED TO USE EARNED SICK AND SAFE LEAVE IS NOT FORESEEABLE, AN EMPLOYEE SHALL:

(I) PROVIDE NOTICE TO AN EMPLOYER AS SOON AS PRACTICABLE; AND

(II) GENERALLY COMPLY WITH THE EMPLOYER'S NOTICE OR PROCEDURAL REQUIREMENTS FOR REQUESTING OR REPORTING OTHER LEAVE, IF THOSE REQUIREMENTS DO NOT INTERFERE WITH THE EMPLOYEE'S ABILITY TO USE EARNED SICK AND SAFE LEAVE.

(3) AN EMPLOYER MAY DENY A REQUEST TO TAKE EARNED SICK AND SAFE LEAVE IF:

(I) 1. AN EMPLOYEE FAILS TO PROVIDE THE NOTICE REQUIRED UNDER PARAGRAPHS (1) OR (2) OF THIS SUBSECTION; AND

~~(II)~~ 2. THE EMPLOYEE'S ABSENCE WILL CAUSE A DISRUPTION TO THE EMPLOYER; OR

(II) 1. THE EMPLOYER IS A PRIVATE EMPLOYER LICENSED UNDER TITLE 7 *OR TITLE 10* OF THE HEALTH – GENERAL ARTICLE TO PROVIDE SERVICES TO DEVELOPMENTALLY DISABLED *OR MENTALLY ILL* INDIVIDUALS;

2. THE NEED TO USE EARNED SICK AND SAFE LEAVE IS FORESEEABLE;

3. AFTER EXERCISING REASONABLE EFFORTS, THE EMPLOYER IS UNABLE TO PROVIDE A SUITABLE REPLACEMENT EMPLOYEE; AND

4. THE EMPLOYEE'S ABSENCE WILL CAUSE A DISRUPTION OF SERVICE TO AT LEAST ONE INDIVIDUAL WITH A DEVELOPMENTAL DISABILITY *OR MENTAL ILLNESS*.

(C) AN EMPLOYER MAY NOT REQUIRE THAT AN EMPLOYEE WHO IS REQUESTING EARNED SICK AND SAFE LEAVE SEARCH FOR OR FIND AN INDIVIDUAL TO WORK IN THE EMPLOYEE'S STEAD DURING THE TIME THE EMPLOYEE IS TAKING THE LEAVE.

(D) (1) *(I)* INSTEAD OF TAKING EARNED SICK AND SAFE LEAVE UNDER THIS SECTION, BY MUTUAL CONSENT OF THE EMPLOYER AND EMPLOYEE, AN EMPLOYEE MAY WORK ADDITIONAL HOURS OR TRADE SHIFTS WITH ANOTHER EMPLOYEE DURING A PAY PERIOD, *OR THE FOLLOWING PAY PERIOD,* TO MAKE UP WORK HOURS THAT THE EMPLOYEE TOOK OFF FOR WHICH THE EMPLOYEE COULD HAVE TAKEN EARNED SICK AND SAFE LEAVE.

~~(2)~~ *(II)* AN EMPLOYEE IS NOT REQUIRED TO OFFER OR TO ACCEPT AN OFFER OF ADDITIONAL WORK HOURS OR A TRADE IN SHIFTS.

~~(3)~~ *(III)* IF AN EMPLOYEE WORKS ADDITIONAL HOURS OR TRADES SHIFTS UNDER ~~PARAGRAPH (1) OF THIS SUBSECTION~~ *SUBPARAGRAPH (I) OF THIS PARAGRAPH*, THE EMPLOYER MAY NOT:

~~(I) BE REQUIRED TO PAY THE EMPLOYEE MORE THAN THE EMPLOYEE'S BASE RATE OF PAY FOR THE EMPLOYEE'S ABSENCE;~~

~~(II) BE REQUIRED TO ALLOW AN EMPLOYEE TO WORK ADDITIONAL HOURS OR SHIFTS THAT WOULD RESULT IN THE EMPLOYER BEING REQUIRED TO PAY OVERTIME TO THE EMPLOYEE; OR~~

~~(III)~~ DEDUCT THE ABSENCE FROM THE EMPLOYEE'S ACCRUED EARNED SICK AND SAFE LEAVE.

(2) (I) THIS PARAGRAPH APPLIES ONLY TO AN EMPLOYEE EMPLOYED IN THE RESTAURANT INDUSTRY WHO IS COMPENSATED AS A TIPPED EMPLOYEE UNDER § 3–419 OF THIS TITLE AND WHO WOULD BE ENTITLED TO PAID LEAVE UNDER § 3–1304 OF THIS SUBTITLE IF THE EMPLOYEE:

1. NEEDS TO TAKE EARNED SICK AND SAFE LEAVE;

2. PREFERS AND IS ABLE TO WORK ADDITIONAL HOURS OR TRADE SHIFTS WITH ANOTHER EMPLOYEE IN THE SAME PAY PERIOD OR THE FOLLOWING PAY PERIOD; AND

3. REQUIRES THE EMPLOYER TO ARRANGE COVERAGE OF THE SHIFT.

(II) IF THE EMPLOYER IS CONTACTED TO ARRANGE THE COVERAGE OF A SHIFT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE EMPLOYER SHALL HAVE THE DISCRETION TO OFFER THE EMPLOYEE A CHOICE OF:

1. BEING PAID THE MINIMUM WAGE REQUIRED UNDER § 3–413 OF THIS TITLE FOR THE EMPLOYEE'S ABSENCE; OR

2. WORKING AN EQUIVALENT SHIFT OF THE SAME NUMBER OF HOURS IN THE SAME PAY PERIOD OR THE FOLLOWING PAY PERIOD.

(III) AN EMPLOYER THAT DOES NOT OFFER THE TIPPED EMPLOYEE THE CHOICE UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH SHALL PAY TO THE EMPLOYEE THE MINIMUM WAGE REQUIRED UNDER § 3–413 OF THIS TITLE FOR THE USE OF THE EARNED SICK AND SAFE LEAVE.

(IV) AN EMPLOYER MAY DEDUCT AN ABSENCE TAKEN UNDER THIS PARAGRAPH FROM THE EMPLOYEE'S ACCRUED EARNED SICK AND SAFE LEAVE.

(3) AN EMPLOYER IS NOT REQUIRED TO CONSENT TO AN EMPLOYEE'S REQUEST TO WORK ADDITIONAL HOURS OR TRADE SHIFTS IF THE ADDITIONAL HOURS OR TRADE IN SHIFTS WOULD RESULT IN THE EMPLOYER BEING REQUIRED TO PAY OVERTIME TO THE EMPLOYEE.

(E) (1) ~~AN~~ *EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AN* EMPLOYEE MAY TAKE EARNED SICK AND SAFE LEAVE IN THE SMALLEST INCREMENT THAT THE EMPLOYER'S PAYROLL SYSTEM USES TO ACCOUNT FOR ABSENCES OR USE OF THE EMPLOYEE'S WORK TIME.

(2) AN ~~EMPLOYEE~~ *EMPLOYER* MAY ~~NOT BE REQUIRED~~ *REQUIRE AN EMPLOYEE* TO TAKE EARNED SICK AND SAFE LEAVE IN AN INCREMENT ~~OF MORE THAN~~ NOT EXCEEDING 4 HOURS.

(F) (1) WHEN WAGES ARE PAID TO AN EMPLOYEE, THE EMPLOYER SHALL PROVIDE IN WRITING BY ANY REASONABLE METHOD A STATEMENT REGARDING THE

AMOUNT OF EARNED SICK AND SAFE LEAVE THAT IS AVAILABLE FOR USE BY THE EMPLOYEE.

(2) AN EMPLOYER MAY SATISFY THE REQUIREMENT UNDER PARAGRAPH (1) OF THIS SUBSECTION BY PROVIDING AN ONLINE SYSTEM THROUGH WHICH AN EMPLOYEE MAY ASCERTAIN THE BALANCE OF THE EMPLOYEE'S AVAILABLE EARNED SICK AND SAFE LEAVE.

(G) (1) AN EMPLOYER MAY REQUIRE AN EMPLOYEE WHO USES EARNED SICK AND SAFE LEAVE ~~FOR MORE THAN TWO CONSECUTIVE SCHEDULED SHIFTS~~ TO PROVIDE VERIFICATION THAT THE LEAVE WAS USED APPROPRIATELY UNDER SUBSECTION (A) OF THIS SECTION *IF:*

(I) THE LEAVE WAS USED FOR MORE THAN TWO CONSECUTIVE SCHEDULED SHIFTS; OR

(II) 1. THE EMPLOYEE USED THE LEAVE DURING THE PERIOD BETWEEN THE FIRST 107 AND 120 CALENDAR DAYS, BOTH INCLUSIVE, THAT THE EMPLOYEE WAS EMPLOYED BY THE EMPLOYER; AND

***2. THE EMPLOYEE AGREED TO PROVIDE VERIFICATION UNDER TERMS MUTUALLY AGREED TO BY THE EMPLOYER AND THE EMPLOYEE AT THE TIME THE EMPLOYEE WAS HIRED BY THE EMPLOYER*.**

(2) IF AN EMPLOYEE FAILS OR REFUSES TO PROVIDE VERIFICATION AS REQUIRED BY AN EMPLOYER UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE EMPLOYER MAY DENY A SUBSEQUENT REQUEST TO TAKE EARNED SICK AND SAFE LEAVE FOR THE SAME REASON.

3–1306.

(A) AN EMPLOYER SHALL NOTIFY THE EMPLOYER'S EMPLOYEES THAT THE EMPLOYEES ARE ENTITLED TO EARNED SICK AND SAFE LEAVE UNDER THIS SUBTITLE.

(B) THE NOTICE PROVIDED UNDER SUBSECTION (A) OF THIS SECTION SHALL INCLUDE:

(1) A STATEMENT OF HOW EARNED SICK AND SAFE LEAVE IS ACCRUED UNDER § 3–1304 OF THIS SUBTITLE;

(2) THE PURPOSES FOR WHICH THE EMPLOYER IS REQUIRED TO ALLOW AN EMPLOYEE TO USE EARNED SICK AND SAFE LEAVE UNDER § 3–1305 OF THIS SUBTITLE;

(3) A STATEMENT REGARDING THE PROHIBITION*:*

(I) **IN § 3–1309 OF THIS SUBTITLE AGAINST THE EMPLOYER TAKING ADVERSE ACTION AGAINST AN EMPLOYEE WHO EXERCISES A RIGHT UNDER THIS SUBTITLE; AND**

(II) IN § 3–1310 OF THIS SUBTITLE AGAINST AN EMPLOYEE MAKING A COMPLAINT, BRINGING AN ACTION, OR TESTIFYING IN AN ACTION IN BAD FAITH; AND

(4) INFORMATION REGARDING THE RIGHT OF AN EMPLOYEE TO REPORT AN ALLEGED VIOLATION OF THIS SUBTITLE BY THE EMPLOYER TO THE COMMISSIONER OR TO BRING A CIVIL ACTION UNDER § 3–1308(C) OF THIS SUBTITLE.

(C) THE COMMISSIONER SHALL*:*

(1) **CREATE AND MAKE AVAILABLE A POSTER AND A MODEL NOTICE *AT NO CHARGE TO THE EMPLOYER* THAT MAY BE USED BY AN EMPLOYER TO COMPLY WITH SUBSECTION (A) OF THIS SECTION*;***

(2) DEVELOP A MODEL SICK AND SAFE LEAVE POLICY THAT AN EMPLOYER MAY USE AS A SICK AND SAFE LEAVE POLICY IN AN EMPLOYEE HANDBOOK OR OTHER WRITTEN GUIDANCE TO EMPLOYEES CONCERNING EMPLOYEE BENEFITS OR LEAVE PROVIDED BY THE EMPLOYER; AND

(3) PROVIDE TECHNICAL ASSISTANCE TO AN EMPLOYER, IF AN EMPLOYER REQUESTS ASSISTANCE REGARDING IMPLEMENTING THE PROVISIONS OF THIS SUBTITLE.

***(D) THE DEPARTMENT SHALL POST THE NOTICE AND MODEL SICK AND SAFE LEAVE POLICY CREATED AND DEVELOPED UNDER SUBSECTION (C)(1) AND (2) OF THIS SECTION ON THE DEPARTMENT'S WEB SITE IN A DOWNLOADABLE FORMAT*.**

3–1307.

(A) AN EMPLOYER SHALL KEEP FOR AT LEAST 3 YEARS A RECORD OF:

(1) EARNED SICK AND SAFE LEAVE ACCRUED BY EACH EMPLOYEE; AND

(2) EARNED SICK AND SAFE LEAVE USED BY EACH EMPLOYEE.

(B) THE COMMISSIONER MAY INSPECT A RECORD KEPT UNDER SUBSECTION (A) OF THIS SECTION FOR THE PURPOSE OF DETERMINING WHETHER THE EMPLOYER IS COMPLYING WITH THE PROVISIONS OF THIS SUBTITLE.

(C) ***(1)*** **AN EMPLOYER THAT FAILS TO KEEP ACCURATE RECORDS OR REFUSES TO ALLOW THE COMMISSIONER TO INSPECT A RECORD KEPT UNDER SUBSECTION (A) OF THIS SECTION** ~~**SHALL BE PRESUMED TO HAVE**~~ ***CREATES A REBUTTABLE PRESUMPTION THAT THE EMPLOYER*** **VIOLATED THIS SUBTITLE.**

(2) THE COMMISSIONER MAY WAIVE A CIVIL PENALTY ASSESSED UNDER THIS SUBTITLE IF THE PENALTY WAS ASSESSED FOR A VIOLATION THAT WAS DUE TO AN ERROR CAUSED BY A THIRD–PARTY PAYROLL SERVICE PROVIDER WITH WHOM THE EMPLOYER IN GOOD FAITH CONTRACTED FOR SERVICES.

~~***(I) AN EMPLOYER MAY NOT BE ASSESSED A CIVIL PENALTY BY THE COMMISSIONER UNDER THIS SUBTITLE DUE TO AN UNINTENTIONAL PAYROLL ERROR OR WRITTEN NOTICE ERROR CAUSED BY A THIRD–PARTY PAYROLL SERVICE PROVIDER WITH WHOM THE EMPLOYER CONTRACTED FOR SERVICES.***~~

~~***(II) IF AN EMPLOYER CONTRACTS WITH A THIRD–PARTY PAYROLL SERVICE PROVIDER AND THE EMPLOYER IS FOUND IN VIOLATION OF THIS SUBTITLE AS A RESULT OF THE PAYROLL SERVICE PROVIDER'S ACTIONS, THE PAYROLL SERVICE PROVIDER IS LIABLE FOR ANY PENALTIES AND COSTS INCURRED BY THE EMPLOYER.***~~

3–1308.

(A) IF AN EMPLOYEE BELIEVES THAT AN EMPLOYER HAS VIOLATED THIS SUBTITLE, THE EMPLOYEE MAY FILE A WRITTEN COMPLAINT WITH THE COMMISSIONER.

(B) (1) WITHIN 90 DAYS AFTER THE RECEIPT OF A WRITTEN COMPLAINT, THE COMMISSIONER SHALL CONDUCT AN INVESTIGATION AND ATTEMPT TO RESOLVE THE ISSUE INFORMALLY THROUGH MEDIATION.

(2) (I) IF THE COMMISSIONER IS UNABLE TO RESOLVE AN ISSUE THROUGH MEDIATION DURING THE PERIOD STATED IN PARAGRAPH (1) OF THIS SUBSECTION AND THE COMMISSIONER DETERMINES THAT AN EMPLOYER HAS VIOLATED THIS SUBTITLE, THE COMMISSIONER SHALL ISSUE AN ORDER.

(II) AN ORDER ISSUED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH:

1. SHALL DESCRIBE THE VIOLATION;

2. SHALL DIRECT THE PAYMENT OF THE FULL MONETARY VALUE OF ANY UNPAID EARNED SICK AND SAFE LEAVE AND ANY ACTUAL ECONOMIC DAMAGES;

3. MAY, IN THE COMMISSIONER'S DISCRETION, DIRECT THE PAYMENT OF AN ADDITIONAL AMOUNT UP TO THREE TIMES THE VALUE OF THE EMPLOYEE'S HOURLY WAGE FOR EACH VIOLATION; AND

4. MAY, IN THE COMMISSIONER'S DISCRETION, ASSESS A CIVIL PENALTY OF UP TO $1,000 FOR EACH EMPLOYEE FOR WHOM THE EMPLOYER IS NOT IN COMPLIANCE WITH THIS SUBTITLE.

(3) THE ACTIONS TAKEN UNDER PARAGRAPHS (1) AND (2) OF THIS SUBSECTION ARE SUBJECT TO THE HEARING AND NOTICE REQUIREMENTS OF TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.

(C) (1) WITHIN 30 DAYS AFTER THE COMMISSIONER ISSUES AN ORDER, AN EMPLOYER SHALL COMPLY WITH THE ORDER.

(2) IF AN EMPLOYER DOES NOT COMPLY WITH AN ORDER WITHIN THE TIME PERIOD STATED IN PARAGRAPH (1) OF THIS SUBSECTION:

(I) THE COMMISSIONER MAY:

1. WITH THE WRITTEN CONSENT OF THE EMPLOYEE, ASK THE ATTORNEY GENERAL TO BRING AN ACTION ON BEHALF OF THE EMPLOYEE IN THE COUNTY WHERE THE EMPLOYER IS LOCATED; OR

2. BRING AN ACTION TO ENFORCE THE ORDER FOR THE CIVIL PENALTY IN THE COUNTY WHERE THE EMPLOYER IS LOCATED; AND

(II) WITHIN 3 YEARS AFTER THE DATE OF THE ORDER, AN EMPLOYEE MAY BRING A CIVIL ACTION TO ENFORCE THE ORDER IN THE COUNTY WHERE THE EMPLOYER IS LOCATED.

(3) IF AN EMPLOYEE PREVAILS IN AN ACTION BROUGHT UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION TO ENFORCE AN ORDER, THE COURT ~~SHALL~~ *MAY* AWARD:

(I) THREE TIMES THE VALUE OF THE EMPLOYEE'S UNPAID EARNED SICK AND SAFE LEAVE;

(II) PUNITIVE DAMAGES IN AN AMOUNT TO BE DETERMINED BY THE COURT;

(III) REASONABLE COUNSEL FEES AND OTHER COSTS;

(IV) INJUNCTIVE RELIEF, IF APPROPRIATE; AND

(V) ANY OTHER RELIEF THAT THE COURT DEEMS APPROPRIATE.

3–1309.

(A) IN THIS SECTION, "ADVERSE ACTION" INCLUDES:

(1) DISCHARGE;

(2) DEMOTION;

(3) THREATENING THE EMPLOYEE WITH DISCHARGE OR DEMOTION; AND

(4) ANY OTHER RETALIATORY ACTION THAT RESULTS IN A CHANGE TO THE TERMS OR CONDITIONS OF EMPLOYMENT THAT WOULD DISSUADE A REASONABLE EMPLOYEE FROM EXERCISING A RIGHT UNDER THIS SUBTITLE.

(B) A PERSON MAY NOT INTERFERE WITH THE EXERCISE OF OR THE ATTEMPT TO EXERCISE ANY RIGHT GIVEN UNDER THIS SUBTITLE.

(C) AN EMPLOYER MAY NOT:

(1) TAKE ADVERSE ACTION OR DISCRIMINATE AGAINST AN EMPLOYEE BECAUSE THE EMPLOYEE EXERCISES IN GOOD FAITH THE RIGHTS PROTECTED UNDER THIS SUBTITLE;

(2) INTERFERE WITH, RESTRAIN, OR DENY THE EXERCISE BY AN EMPLOYEE OF ANY RIGHT PROVIDED FOR UNDER THIS SUBTITLE; OR

(3) APPLY AN ABSENCE CONTROL POLICY THAT INCLUDES EARNED SICK AND SAFE LEAVE ABSENCES AS AN ABSENCE THAT MAY LEAD TO OR RESULT IN AN ADVERSE ACTION BEING TAKEN AGAINST AN EMPLOYEE.

(D) THE PROTECTIONS AFFORDED UNDER THIS SUBTITLE SHALL APPLY TO AN EMPLOYEE WHO MISTAKENLY, BUT IN GOOD FAITH, ALLEGES A VIOLATION OF THIS SUBTITLE.

3–1310.

(A) AN EMPLOYEE MAY NOT IN BAD FAITH:

(1) FILE A COMPLAINT WITH THE COMMISSIONER ALLEGING A VIOLATION OF THIS SUBTITLE;

(2) BRING AN ACTION UNDER § 3–1308 OF THIS SUBTITLE; OR

(3) TESTIFY IN AN ACTION UNDER § 3–1308 OF THIS SUBTITLE.

(B) AN EMPLOYEE WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING $1,000.

3–1311.

THIS SUBTITLE MAY BE CITED AS THE MARYLAND HEALTHY WORKING FAMILIES ACT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any bona fide collective bargaining agreement entered into before June 1, 2017, for the duration of the contract term, excluding any extensions, options to extend, or renewals of the term of the original agreement.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act may not be construed to preempt any federal law or regulation governing employees subject to federal law or regulations.

SECTION ~~3.~~ *4.* AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 2018.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 23 – *Vehicle Laws – School Vehicles – Definition.*

This bill alters the definition of "school vehicle" to include certain vehicles that meet certain standards and requirements, were originally titled in another state and used to transport children, students, and teachers in that state, and are used only for transporting children to and from a certain program.

Senate Bill 341, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 23.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 23

AN ACT concerning

Vehicle Laws – School Vehicles – Definition

FOR the purpose of altering the definition of "school vehicle" to include certain vehicles that meet certain standards and requirements, were originally titled in another state and used to transport children, students, and teachers in that state, and are used only for transporting children to and from a certain program; and generally relating to school vehicles.

BY repealing and reenacting, with amendments,
Article – Transportation
Section 11–154
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Transportation
Section 11–173 and 11–174
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Transportation

11–154.

(a) "School vehicle" means, except as provided in subsection (b) of this section, any motor vehicle that:

(1) Is used regularly for the exclusive transportation of children, students, or teachers for educational purposes or in connection with a school activity; and

(2) Is **[**either**]**:

(i) A Type I school vehicle, as defined in this subtitle; **[**or**]**

(ii) A Type II school vehicle, as defined in this subtitle**; OR**

(III) A VEHICLE THAT:

1. WAS ORIGINALLY TITLED IN ANOTHER STATE AND USED TO TRANSPORT CHILDREN, STUDENTS, OR TEACHERS FOR EDUCATIONAL PURPOSES OR IN CONNECTION WITH A SCHOOL ACTIVITY IN THAT STATE;

~~**2. MEETS THE STANDARDS AND REQUIREMENTS ESTABLISHED BY THE ADMINISTRATION FOR REGISTRATION AS A TYPE II SCHOOL VEHICLE AS DEFINED IN THIS SUBTITLE;**~~

~~**3.**~~ ***2.*** **COMPLIES WITH REGULATIONS ON TRANSPORTING CHILDREN ENROLLED IN THE FEDERALLY FUNDED HEAD START PROGRAM ADOPTED BY THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES; AND**

~~**4.**~~ ***3.*** **IS USED ONLY FOR TRANSPORTING CHILDREN TO AND FROM A HEAD START PROGRAM**.

(b) "School vehicle" does not include:

(1) A privately owned vehicle while it is carrying members of its owner's household and not operated for compensation; or

(2) A vehicle that is registered as a Class M (multipurpose) vehicle under § 13–937 of this article or a Class A (passenger) vehicle under § 13–912 of this article and used to transport children between one or more schools or licensed child care centers or to and from designated areas that are approved by the Administration if:

(i) The vehicle is designed for carrying 15 persons or less, including the driver;

(ii) The children are permitted to embark or exit the vehicle only at a school or child care center or a designated area approved by the Administration;

(iii) The owner has obtained vehicle liability insurance or other security as required by Title 17 of this article; and

(iv) The vehicle is equipped with proper seat belts or safety seats so as to permit each child to be secured in a seat belt or a safety seat as required by §§ 22–412.2 and 22–412.3 of this article.

11–173.

(a) "Type I school vehicle" means a school vehicle that:

(1) Is designed and constructed to carry passengers;

(2) Is either of the body–on–chassis type construction or integral type construction; and

(3) Has a gross vehicle weight of more than 15,000 pounds and provides a minimum of 13 inches of seating space per passenger.

(b) "Type I school vehicle" does not include any bus operated by a common carrier under the jurisdiction of a State, regional, or federal regulatory agency or operated by the agency itself.

11–174.

"Type II school vehicle" means a school vehicle that:

(1) Is designed and constructed to carry passengers;

(2) Is either of the body–on–chassis type construction or integral type construction; and

(3) Has a gross vehicle weight of 15,000 pounds or less and provides a minimum of 13 inches of seating space per passenger.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House

Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 118 – *Election Law – Persons Doing Public Business – Reporting by Governmental Entities.*

This bill alters the requirement and process by which a governmental entity notifies the State Board of Elections if a person doing public business with the governmental entity fails to file a statement under a certain provision of law.

Senate Bill 632, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 118.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 118

AN ACT concerning

Election Law – Persons Doing Public Business – Reporting by Governmental Entities

FOR the purpose of repealing the requirement that a governmental entity notify the State Board of Elections if a person doing public business with the governmental entity fails to file a statement under a certain provision of law; requiring a governmental entity that has awarded a person a contract that causes the person to be doing public business to provide the State Board with certain information; authorizing the governmental entity to comply with a certain provision of this Act by sending a certain quarterly report to the State Board; requiring that the quarterly report include the required information for certain persons and be submitted by a certain date; and generally relating to reporting by governmental entities of persons doing public business.

BY repealing and reenacting, with amendments,
Article – Election Law
Section 14–107
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

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

Article – Election Law

14–107.

(a) (1) ~~Except as provided in paragraph (2) of this subsection, a~~ ***A*** governmental entity that has awarded a person a contract that causes the person to be doing public business shall:

(i) require the person to certify that the person has filed the statement required under § 14–104(b)(1) of this title; and

(ii) **[**notify the State Board if a person doing public business with the governmental entity fails to file the statement under § 14–104(b)(1) of this title**]** **PROVIDE THE STATE BOARD WITH THE PERSON'S NAME, ADDRESS, AND ANY OTHER CONTACT INFORMATION REQUIRED BY THE STATE BOARD**.

(2) (I) A GOVERNMENTAL ENTITY MAY COMPLY WITH PARAGRAPH (1)(II) OF THIS SUBSECTION BY SENDING TO THE STATE BOARD A QUARTERLY REPORT ON A FORM PROVIDED BY THE STATE BOARD.

~~**(II) A QUARTERLY REPORT SENT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL INCLUDE THE REQUIRED INFORMATION FOR ANY PERSON THAT WAS AWARDED A CONTRACT THAT CAUSED THE PERSON TO BE DOING PUBLIC BUSINESS SINCE THE LAST REPORT WAS SENT BY THE GOVERNMENTAL ENTITY.**~~

(II) A QUARTERLY REPORT SENT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL:

1. INCLUDE THE REQUIRED INFORMATION FOR ANY PERSON THAT WAS AWARDED A CONTRACT THAT CAUSED THE PERSON TO BE DOING PUBLIC BUSINESS WITH THE GOVERNMENTAL ENTITY DURING THE PRECEDING CALENDAR QUARTER; AND

2. BE SUBMITTED TO THE STATE BOARD NO LATER THAN 10 BUSINESS DAYS AFTER THE CLOSE OF EACH CALENDAR QUARTER.

~~**[**(2)**]** **(3)** This subsection does not apply to a contract for which notice of award has been posted on eMaryland Marketplace.~~

(b) (1) If a person files a statement under § 14–104 of this title that does not include all the information required, the State Board shall notify the person in writing of the particular deficiencies.

(2) Within 30 days after service of the notice under paragraph (1) of this subsection, the person shall file an amended statement that includes all the information required.

(c) (1) As provided in this subsection, the State Board may impose fees for late filing of:

(i) a statement required under § 14–104 of this title; or

(ii) an amended statement required under subsection (b) of this section.

(2) The State Board may impose late filing fees in the same amounts and in the same manner as provided under § 13–331(a) and (b) of this article for late filing of campaign finance reports.

(3) Late filing fees imposed under this subsection shall be distributed to the Fair Campaign Financing Fund established under § 15–103 of this article.

(d) A person who knowingly and willfully violates this title is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $1,000 or imprisonment not exceeding 1 year or both.

(e) An officer or partner of a business entity who knowingly authorizes or participates in a violation of this title by the business entity is subject to the penalty provided in subsection (d) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 174 – *Education – Children With Disabilities – Individualized Education Program Process – Parental Consent.*

This bill requires an individualized education program team to obtain written consent from the parent of a child with a disability if the team proposes certain actions regarding the individualized education program of the child. This bill also requires an individualized education program team, under certain circumstances, to send a parent written notice within a specific time frame that informs the parent of certain rights to consent, or refuse to consent, to certain actions, and authorizes authorizing an individualized education program team to implement a certain action regarding an individualized education program if a parent does not provide certain written feedback within a specific timeframe. In addition, this bill authorizes an individualized education program team to use dispute resolution options certain circumstances.

Senate Bill 710, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 174.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 174

AN ACT concerning

Education – Children With Disabilities – Individualized Education Program Process – Parental Consent

FOR the purpose of requiring an individualized education program team to obtain written consent from the parent of a child with a disability if the team proposes certain actions regarding the individualized education program of the child; requiring an individualized education program team, under certain circumstances, to send a parent certain written notice within a certain time frame that informs the parent of certain rights to consent or refuse to consent to certain actions; authorizing an individualized education program team to implement a certain action regarding an individualized education program if a parent does not provide certain written consent or a written refusal to consent to a certain action within a certain time frame; authorizing an individualized education program team to use certain dispute resolution options to resolve a certain matter under certain circumstances; and generally relating to parental consent in the individualized education program process.

BY repealing and reenacting, with amendments,
Article – Education
Section 8–405
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

8–405.

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

(2) "Accessible copy" includes a copy of a document provided to an individual in a format as defined in § 8–408 of this subtitle.

(3) "Extenuating circumstance" means:

(i) A death in the family;

(ii) A personal emergency;

(iii) A natural disaster; or

(iv) Any other similar situation defined by the Department.

(4) "Individualized education program" and "individualized family service plan" have the same meaning as provided in the federal Individuals with Disabilities Education Act.

(b) (1) When a team of qualified professionals and the parents meet for the purpose of discussing the identification, evaluation, educational program, or the provision of a free appropriate public education of a child with a disability:

(i) The parents of the child shall be afforded the opportunity to participate and shall be provided reasonable notice in advance of the meeting; and

(ii) Reasonable notice shall be at least 10 calendar days in advance of the meeting, unless an expedited meeting is being conducted to:

1. Address disciplinary issues;

2. Determine the placement of the child with a disability not currently receiving educational services; or

3. Meet other urgent needs of a child with a disability to ensure the provision of a free appropriate public education.

(2) (i) 1. At the initial evaluation meeting, the parents of the child shall be provided:

A. In plain language, a verbal and written explanation of the parents' rights and responsibilities in the individualized education program process and a program procedural safeguards notice; and

B. Written information that the parents may use to contact early intervention and special education family support services staff members within the local school system and a brief description of the services provided by the staff members.

2. If a parent's native language is not English, the information in subsubparagraph 1B of this subparagraph shall be provided to the parent in the parent's native language.

(ii) The parents may request the information provided under subparagraph (i) of this paragraph at any subsequent meeting.

(iii) If a child who has an individualized education program developed in another school system moves into a different local school system, that local school system shall provide the information required under subparagraph (i)1B of this paragraph at the time of the first written communication with the parents regarding the child's individualized education program or special education services.

(iv) A local school system shall publish information that a parent may use to contact early intervention and special education family support services staff members within the local school system and a brief description of the services provided by the staff members in a prominent place on the section of its Web site relating to special education services.

(3) Failure to provide the information required under paragraph (2)(i)1B of this subsection does not constitute grounds for a due process complaint under § 8–413 of this subtitle.

(4) (i) If, during an individualized education program team meeting, a parent disagrees with the child's individualized education program or the special education services provided to the child, the individualized education program team shall provide the parent with, in plain language:

1. An oral and a written explanation of the parent's right to request mediation in accordance with § 8–413 of this subtitle;

2. Contact information, including a telephone number that a parent may use to receive more information about the mediation process; and

3. Information regarding pro bono representation and other free or low–cost legal and related services available in the area.

(ii) A parent may request the information provided under subparagraph (i) of this paragraph at any individualized education program team meeting.

(5) (i) If the native language spoken by a parent who requests information under paragraph (4) of this subsection is spoken by more than 1% of the student population in the local school system, the parent may request that the information be translated into the parent's native language.

(ii) If a parent makes a request under subparagraph (i) of this paragraph, the individualized education program team shall provide the parent with the translated document within 30 days after the date of the request.

(c) The individualized education program team shall determine, on at least an annual basis, whether the child requires extended year services in order to ensure that the child is not deprived of a free appropriate public education by virtue of the normal break in the regular school year.

(d) (1) (i) Except as provided in paragraph (2) of this subsection, and subject to subparagraphs (ii) and (iii) of this paragraph, at least 5 business days before a scheduled meeting of the individualized education program team or other multidisciplinary education team for any purpose for a child with a disability, appropriate school personnel shall provide the parents of the child with an accessible copy of each assessment, report, data chart, draft individualized education program, or other document that either team plans to discuss at the meeting.

(ii) Subject to subparagraph (i) of this paragraph, an assessment, report, data chart, or other document prepared by a school psychologist or other medical professional that either team plans to discuss at the meeting may be provided to the parents of the child orally and in writing prior to the meeting.

(iii) The parents of a child may notify appropriate school personnel that they do not want to receive the documents required to be provided under subparagraph (i) of this paragraph.

(2) (i) Subject to subparagraph (ii) of this paragraph, appropriate school personnel are not required to comply with paragraph (1) of this subsection in the event of an extenuating circumstance.

(ii) In the event of an extenuating circumstance, appropriate school personnel who fail to comply with paragraph (1) of this subsection shall document the extenuating circumstance and communicate that information to the parents of the child.

(e) (1) Not later than 5 business days after a scheduled meeting of the individualized education program team or other multidisciplinary team for a child with a disability, appropriate school personnel shall provide the parents of the child with a copy of the completed individualized education program.

(2) If the individualized education program has not been completed by the 5th business day after the meeting, the parents shall be provided with the draft copy of the individualized education program.

(3) The completed or draft individualized education program shall be provided to the parents in an accessible format.

(4) (i) If the native language spoken by the parents of a child with a completed individualized education program or a completed individualized family service plan is spoken by more than 1 percent of the student population in the local school system, the parents may request the document to be translated into the parents' native language.

(ii) If a parent makes a request under subparagraph (i) of this paragraph, appropriate school personnel shall provide the parents with the translated document within 30 days after the date of the request.

(F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AN INDIVIDUALIZED EDUCATION PROGRAM TEAM SHALL OBTAIN WRITTEN CONSENT FROM A PARENT IF THE TEAM PROPOSES TO:

(I) ENROLL THE CHILD IN AN ALTERNATIVE EDUCATION PROGRAM THAT DOES NOT ISSUE OR PROVIDE CREDITS TOWARDS A MARYLAND HIGH SCHOOL DIPLOMA;

(II) IDENTIFY THE CHILD FOR THE ALTERNATIVE EDUCATION ASSESSMENT ALIGNED WITH THE STATE'S ALTERNATIVE CURRICULUM; *OR* ~~OR~~

(III) INCLUDE RESTRAINT OR SECLUSION IN THE INDIVIDUALIZED EDUCATION PROGRAM TO ADDRESS THE CHILD'S BEHAVIOR AS DESCRIBED IN COMAR ~~13A.08.04.05.~~ 13A.08.04.05~~; OR~~

~~(IV) INITIATE A CHANGE IN THE CHILD'S EDUCATIONAL PLACEMENT.~~

(2) IF THE PARENT DOES NOT PROVIDE WRITTEN CONSENT TO AN ACTION PROPOSED IN PARAGRAPH (1) OF THIS SUBSECTION AT THE INDIVIDUALIZED EDUCATION PROGRAM TEAM MEETING, THE INDIVIDUALIZED EDUCATION PROGRAM TEAM SHALL SEND THE PARENT WRITTEN NOTICE NO LATER THAN 5 BUSINESS DAYS AFTER THE INDIVIDUALIZED EDUCATION PROGRAM TEAM MEETING THAT INFORMS THE PARENT THAT:

(I) THE PARENT HAS THE RIGHT TO EITHER CONSENT TO OR REFUSE TO CONSENT TO AN ACTION PROPOSED UNDER PARAGRAPH (1) OF THIS SUBSECTION; AND

(II) IF THE PARENT DOES NOT PROVIDE WRITTEN CONSENT OR A WRITTEN REFUSAL TO CONSENT TO AN ACTION PROPOSED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 15 BUSINESS DAYS OF THE INDIVIDUALIZED EDUCATION PROGRAM TEAM MEETING, THE INDIVIDUALIZED EDUCATION PROGRAM TEAM MAY IMPLEMENT THE PROPOSED ACTION.

(3) IF THE PARENT REFUSES TO CONSENT TO THE ACTION PROPOSED, THE INDIVIDUALIZED EDUCATION PROGRAM TEAM MAY USE THE DISPUTE RESOLUTION OPTIONS LISTED IN § 8–413 OF THIS SUBTITLE TO RESOLVE THE MATTER.

[(f)**] (G)** To fulfill the purposes of this section, school personnel may provide the documents required under this section through:

(1) Electronic delivery;

(2) Home delivery with the student; or

(3) Any other reasonable and legal method of delivery.

[(g)**] (H)** Failure to comply with this section does not constitute a substantive violation of the requirement to provide a student with a free appropriate public education.

[(h)**] (I)** The Department shall adopt:

(1) Regulations that define what information should be provided in the verbal and written explanations of the parents' rights and responsibilities in the individualized education program process; and

(2) Any other regulations necessary to carry out subsection (b)(2) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 180 – *Department of Health and Mental Hygiene – Renaming.*

This bill renames the Department of Health and Mental Hygiene to be the Maryland Department of Health, and the Secretary of Health and Mental Hygiene to be the Secretary of Health.

Senate Bill 82, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 180.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 180

AN ACT concerning

Department of Health and Mental Hygiene – Renaming

FOR the purpose of renaming the Department of Health and Mental Hygiene to be the Maryland Department of Health; renaming the Secretary of Health and Mental Hygiene to be the Secretary of Health; providing that the Maryland Department of Health is the successor of the Department of Health and Mental Hygiene; providing that certain names and titles of a certain unit and officials in laws and other documents mean the names and titles of the successor unit and officials; providing for the continuity of certain matters and persons; providing that letterhead, business cards, and other documents reflecting the renaming of the Department may not be used until all letterhead, business cards, and other documents already in print and reflecting the name of the Department before the effective date of this Act are used; requiring the publisher of the Annotated Code, in consultation with the Department of Legislative Services, to correct cross–references and terminology in the Code that are rendered incorrect by this Act; and generally relating to the renaming of the Department of Health and Mental Hygiene and the Secretary of Health and Mental Hygiene.

BY repealing and reenacting, without amendments,
Article – Health – General
Section 1–101(a)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Health – General

Section 1–101(c) and (k); and 2–101 and 2–102(a) to be under the amended title "Title 2. Maryland Department of Health"
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – State Government
Section 8–201(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 8–201(b)(8)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Health – General

1–101.

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

(c) "Department" means the **MARYLAND** Department of Health **[**and Mental Hygiene**]**.

(k) "Secretary" means the Secretary of Health **[**and Mental Hygiene**]**.

Title 2. **MARYLAND** Department of Health **[**and Mental Hygiene**]**.

2–101.

There is a **MARYLAND** Department of Health **[**and Mental Hygiene**]**, established as a principal department of the State government.

2–102.

(a) The head of the Department is the Secretary of Health **[**and Mental Hygiene**]**, who shall be appointed by the Governor with the advice and consent of the Senate.

Article – State Government

8–201.

(a) The Executive Branch of the State government shall have not more than 21 principal departments, each of which shall embrace a broad, functional area of that Branch.

(b) The principal departments of the Executive Branch of the State government are:

(8) Health **[**and Mental Hygiene**]**;

SECTION 2. AND BE IT FURTHER ENACTED, That, as provided in this Act:

(a) The Maryland Department of Health is the successor of the Department of Health and Mental Hygiene.

(b) In every law, executive order, rule, regulation, policy, or document created by an official, an employee, or a unit of this State, the names and titles of those agencies and officials mean the names and titles of the successor agency or official.

SECTION 3. AND BE IT FURTHER ENACTED, That nothing in this Act affects the term of office of an appointed or elected member of any commission, office, department, agency, or other unit. An individual who is a member of a unit on the effective date of this Act shall remain for the balance of the term to which appointed or elected, unless the member sooner dies, resigns, or is removed under provisions of law.

SECTION 4. AND BE IT FURTHER ENACTED, That any transaction or employment status affected by or flowing from any change of nomenclature or any statute amended by this Act and validly entered into or existing before the effective date of this Act and every right, duty, or interest flowing from a statute amended by this Act remains valid after the effective date of this Act and may be terminated, completed, consummated, or enforced as required or allowed by any statute amended by this Act as though the amendment had not occurred. If a change in nomenclature involves a change in name or designation of any State unit, the successor unit shall be considered in all respects as having the powers and obligations granted the former unit.

SECTION 5. AND BE IT FURTHER ENACTED, That:

(1) the continuity of every commission, office, department, agency or other unit is retained; and

(2) the personnel, records, files, furniture, fixtures, and other properties and all appropriations, credits, assets, liabilities, and obligations of each retained unit are continued as the personnel, records, files, furniture, fixtures, properties, appropriations, credits, assets, liabilities, and obligations of the unit under the laws enacted by this Act.

SECTION 6. AND BE IT FURTHER ENACTED, That letterhead, business cards, and other documents reflecting the renaming of the Department of Health and Mental Hygiene to be the Maryland Department of Health may not be used until all letterhead,

business cards, and other documents already in print and reflecting the name of the Department before the effective date of this Act have been used.

SECTION 7. AND BE IT FURTHER ENACTED, That the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct, with no further action required by the General Assembly, cross–references and terminology rendered incorrect by this Act. The publisher shall adequately describe any correction made in an editor's note following the section affected.

SECTION 8. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 197 – *Education – Remote Classroom Technology Grant Program – Establishment (Peyton's Bill).*

This bill establishes the Remote Classroom Technology Grant Program for the purpose of providing grants to public schools in order to purchase technology that allows students with medical conditions to participate remotely if in–person classroom attendance is not possible. This bill also authorizes the Governor to include annual funding in the State budget for the program, which must be administered by the Maryland State Department of Education.

Senate Bill 485, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 197.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

AN ACT concerning

Education – Remote Classroom Technology Grant Program – Establishment (Peyton's Bill)

FOR the purpose of establishing the Remote Classroom Technology Grant Program; providing for the purpose of the Program; requiring the State Department of Education to implement and administer the Program; authorizing the Governor to include ~~a certain~~ an appropriation to the Program in the State budget; authorizing the Department to adopt certain regulations; and generally relating to the Remote Classroom Technology Grant Program.

BY adding to
Article – Education
Section 7–124
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

7–124.

(A) (1) THERE IS A REMOTE CLASSROOM TECHNOLOGY GRANT PROGRAM IN THE STATE.

(2) THE PURPOSE OF THE PROGRAM IS TO PROVIDE GRANTS TO PUBLIC SCHOOLS IN THE STATE TO PURCHASE TECHNOLOGY TO ALLOW STUDENTS WITH MEDICAL CONDITIONS TO PARTICIPATE IN CLASSROOMS REMOTELY IF IN–PERSON ATTENDANCE IS NOT POSSIBLE.

(B) THE GOVERNOR MAY INCLUDE IN THE STATE BUDGET AN ANNUAL APPROPRIATION ~~OF AT LEAST $500,000~~ TO THE PROGRAM.

(C) THE DEPARTMENT SHALL IMPLEMENT AND ADMINISTER THE PROGRAM IN ACCORDANCE WITH THIS SECTION.

(D) THE DEPARTMENT MAY ADOPT REGULATIONS TO IMPLEMENT THE REQUIREMENTS OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 249 – *Carroll County – Mechanical Musical Devices – Licensing Requirements – Repeal.*

This bill repeals a licensing requirement for certain mechanical musical devices in Carroll County.

Senate Bill 324, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 249.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 249

AN ACT concerning

Carroll County – Mechanical Musical Devices – Licensing Requirements – Repeal

FOR the purpose of repealing a licensing requirement for certain mechanical musical devices in Carroll County; and generally relating to licensing requirements in Carroll County.

BY repealing
The Public Local Laws of Carroll County
Section 6–103
Article 7 – Public Local Laws of Maryland
(2014 Edition and January 2016 Supplement, as amended)

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

Article 7 – Carroll County

[6–103.

Every person, firm or corporation keeping, maintaining or operating for public entertainment in Carroll County any music box, mechanical player piano, graphophone, or other similar mechanical musical device played by the insertion of a coin or token, shall obtain an annual county license from the Clerk of the Circuit Court of county, and shall pay the sum of twenty dollars for each machine or device, and the sum of three dollars additional for each independent coin–operated speaker delivering music on the same premises. Each machine or device licensed shall have affixed to it a metal tag issued by the Clerk, showing that the fee for current year has been paid. All licenses shall expire on the thirtieth day of April of each year, shall be transferable, and shall be prorated monthly. Any person, firm, or corporation keeping, maintaining or operating any such machine or device without a license, shall be guilty of a misdemeanor, and upon conviction, shall be fined one hundred dollars. All license fees collected under the provisions of this section shall be paid to the County Commissioners of Carroll County and credited to the general funds of the County.**]**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 279 – *Guardianship and Child in Need of Assistance Proceedings – Jurisdiction and Authority of Juvenile Court.*

This bill authorizes the juvenile court to direct the provision of certain services to a certain child during a certain disposition hearing, and requires the juvenile court to direct the provision of certain services to a certain child during a certain permanency planning hearing or guardianship hearing. This bill also provides that if the juvenile court enters an order directing the provision of certain services to a certain child, the juvenile court retains jurisdiction for a certain time period and for a certain purpose, notwithstanding certain provisions of law.

Senate Bill 272, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 279.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 279

AN ACT concerning

Guardianship and Child in Need of Assistance Proceedings – Jurisdiction and Authority of Juvenile Court

FOR the purpose of authorizing the juvenile court to direct the provision of certain services to a certain child during a certain disposition hearing; requiring the juvenile court to direct the provision of certain services to a certain child during a certain permanency planning hearing or guardianship hearing; providing that, if the juvenile court enters an order directing the provision of certain services to a certain child, the juvenile court retains jurisdiction for a certain time period and for a certain purpose, notwithstanding certain provisions of law; providing that a certain order shall remain effective for a certain period of time; defining a certain term; and generally relating to the jurisdiction and authority of the juvenile court.

BY repealing and reenacting, without amendments,
Article – Courts and Judicial Proceedings
Section 3–801(a) and (l)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 3–804, 3–819(c), and 3–823(h)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

BY adding to
Article – Courts and Judicial Proceedings
Section 3–819(m) and 3–823(k)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Family Law
Section 5–301, 5–324(b), and 5–328
Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

BY adding to
Article – Family Law
Section 5–324(d)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

Preamble

WHEREAS, § 5–324(b)(1)(ii)7B of the Family Law Article provides that, for children placed under an order of guardianship by the juvenile court following the termination of parental rights, the juvenile court shall direct the provision of certain services or the taking of certain actions as to the child's education, health, and welfare, including, for a child with a disability, services to obtain ongoing care, if any, needed after the guardianship case ends; and

WHEREAS, In the recent case of In re Adoption/Guardianship of Dustin R., No. 24, September Term, 2015, the Maryland Court of Appeals affirmed that these provisions empower the juvenile court to order a State agency to provide services needed to obtain ongoing care for a child under an order of guardianship after the child reaches age 21 and the guardianship ends and that these provisions do not violate the separation of powers doctrine enshrined in Article 8 of the Maryland Declaration of Rights; and

WHEREAS, The Court of Appeals further held that the juvenile court has inherent parens patriae powers to order these services for the protection of the child; and

WHEREAS, The Court of Appeals further held that these services should act as a bridge for a child with a disability to provide continuity as the child transitions to the adult guardianship system; and

WHEREAS, The Court of Appeals further stated that, if a State agency challenges the necessity of these services, the juvenile court has the authority to enforce an order directing the provision of these services until the child's adult guardian files a request for a judicial or administrative hearing on the challenge; and

WHEREAS, Children in foster care face significant challenges when they age out of the child welfare system and transition to adulthood, including a lack of access to necessary services, resources, and support; and

WHEREAS, Children who are under the CINA jurisdiction of the juvenile court are not eligible for the protection provided by § 5–324(b)(1)(ii)7B of the Family Law Article, yet would benefit from that protection; now, therefore,

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

Article – Courts and Judicial Proceedings

3–801.

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

(l) "Developmental disability" means a severe chronic disability of an individual that:

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

(2) Is likely to continue indefinitely;

(3) Results in an inability to live independently without external support or continuing and regular assistance; and

(4) Reflects the need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are individually planned and coordinated for the individual.

3–804.

(a) (1) Except as provided in paragraph (2) of this subsection, the court has jurisdiction under this subtitle only if the alleged CINA or child in a voluntary placement is under the age of 18 years when the petition is filed.

(2) The court has jurisdiction under this subtitle over a former CINA:

(i) Whose commitment to the local department was rescinded after the individual reached the age of 18 years but before the individual reached the age of 20 years and 6 months; and

(ii) Who did not exit foster care due to reunification, adoption, guardianship, marriage, or military duty.

(b) If the court obtains jurisdiction over a child, that jurisdiction continues in that case until the child reaches the age of 21 years, unless the court terminates the case.

(c) After the court terminates jurisdiction, a custody order issued by the court in a CINA case:

(1) Remains in effect; and

(2) May be revised or superseded only by another court of competent jurisdiction.

(D) NOTWITHSTANDING SUBSECTION (B) OF THIS SECTION, IF THE COURT ENTERS AN ORDER DIRECTING THE PROVISION OF SERVICES TO A CHILD UNDER § 3–819(C)(3) OR § 3–823(H)(2)(VII) OF THIS SUBTITLE, THE COURT RETAINS JURISDICTION TO RULE ON ANY MOTION RELATED TO THE ENFORCEMENT, MODIFICATION, OR TERMINATION OF THE ORDER FOR AS LONG AS THE ORDER IS EFFECTIVE.

3–819.

(c) In addition to any action under subsection (b)(1)(iii) of this section, the court may:

(1) (i) Place a child under the protective supervision of the local department on terms the court considers appropriate;

(ii) Grant limited guardianship to the department or an individual or both for specific purposes including medical and educational purposes or for other appropriate services if a parent is unavailable, unwilling, or unable to consent to services that are in the best interest of the child; or

(iii) Order the child and the child's parent, guardian, or custodian to participate in rehabilitative services that are in the best interest of the child and family; **[**and**]**

(2) Determine custody, visitation, support, or paternity of a child in accordance with § 3–803(b) of this subtitle**; AND**

(3) FOR A CHILD WITH A DEVELOPMENTAL DISABILITY, DIRECT THE PROVISION OF SERVICES TO OBTAIN ONGOING CARE, IF ANY, NEEDED AFTER THE COURT'S JURISDICTION ENDS.

(M) AN ORDER DIRECTING THE PROVISION OF SERVICES TO A CHILD UNDER SUBSECTION (C)(3) OF THIS SECTION IS EFFECTIVE UNTIL:

(1) THE CHILD IS TRANSITIONED TO ADULT GUARDIANSHIP CARE IF ADULT GUARDIANSHIP IS NECESSARY AND THERE IS NO LESS RESTRICTIVE ALTERNATIVE THAT MEETS THE NEEDS OF THE CHILD; AND

(2) (I) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE ENTERS INTO AN AGREEMENT TO PROVIDE OR OBTAIN THE SERVICES ORDERED BY THE COURT; OR

(II) IF THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE CHALLENGES THE NECESSITY OF THE SERVICES ORDERED BY THE COURT, THE

CONCLUSION OF ANY ADMINISTRATIVE OR JUDICIAL REVIEW PROCEEDING REGARDING THE CHALLENGE.

3–823.

(h) (1) (i) Except as provided in subparagraphs (ii) and (iii) of this paragraph, the court shall conduct a hearing to review the permanency plan at least every 6 months until commitment is rescinded or a voluntary placement is terminated.

(ii) The court shall conduct a review hearing every 12 months after the court determines that the child shall be continued in out–of–home placement with a specific caregiver who agrees to care for the child on a permanent basis.

(iii) 1. Unless the court finds good cause, a case shall be terminated after the court grants custody and guardianship of the child to a relative or other individual.

2. If the court finds good cause not to terminate a case, the court shall conduct a review hearing every 12 months until the case is terminated.

3. The court may not conclude a review hearing under subsubparagraph 2 of this subparagraph unless the court has seen the child in person.

(2) At the review hearing, the court shall:

(i) Determine the continuing necessity for and appropriateness of the commitment;

(ii) Determine and document in its order whether reasonable efforts have been made to finalize the permanency plan that is in effect;

(iii) Determine the extent of progress that has been made toward alleviating or mitigating the causes necessitating commitment;

(iv) Project a reasonable date by which a child in placement may be returned home, placed in a preadoptive home, or placed under a legal guardianship;

(v) Evaluate the safety of the child and take necessary measures to protect the child; **[**and**]**

(vi) Change the permanency plan if a change in the permanency plan would be in the child's best interest**; AND**

(VII) FOR A CHILD WITH A DEVELOPMENTAL DISABILITY, DIRECT THE PROVISION OF SERVICES TO OBTAIN ONGOING CARE, IF ANY, NEEDED AFTER THE COURT'S JURISDICTION ENDS.

(3) Every reasonable effort shall be made to effectuate a permanent placement for the child within 24 months after the date of initial placement.

(K) AN ORDER DIRECTING THE PROVISION OF SERVICES TO A CHILD UNDER SUBSECTION (H)(2)(VII) OF THIS SECTION IS EFFECTIVE UNTIL:

(1) THE CHILD IS TRANSITIONED TO ADULT GUARDIANSHIP CARE IF ADULT GUARDIANSHIP IS NECESSARY AND THERE IS NO LESS RESTRICTIVE ALTERNATIVE THAT MEETS THE NEEDS OF THE CHILD; AND

(2) (I) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE ENTERS INTO AN AGREEMENT TO PROVIDE OR OBTAIN THE SERVICES ORDERED BY THE COURT; OR

(II) IF THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE CHALLENGES THE NECESSITY OF THE SERVICES ORDERED BY THE COURT, THE CONCLUSION OF ANY ADMINISTRATIVE OR JUDICIAL REVIEW PROCEEDING REGARDING THE CHALLENGE.

Article – Family Law

5–301.

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

(b) "Caregiver" means a person with whom a child resides and who exercises responsibility for the welfare of the child.

(c) "Child" means an individual who is the subject of a guardianship or adoption petition under this subtitle.

(D) "DEVELOPMENTAL DISABILITY" HAS THE MEANING STATED IN § 3–801 OF THE COURTS ARTICLE.

[(d)**] (E)** "Guardianship" means an award, under this subtitle, of any power of a guardian.

[(e)**] (F)** "Identifying information" means information that reveals the identity or location of an individual.

[(f)**] (G)** (1) "Parent" means an individual who, at the time a petition for guardianship is filed under this subtitle or at any time before a court terminates the individual's parental rights:

(i) meets a criterion in § 5–306(a) of this subtitle; or

(ii) is the mother.

(2) "Parent" does not include an individual whom a court has adjudicated not to be a father or mother of a child.

[(g)**] (H)** "Party" means:

(1) in a guardianship case under this subtitle:

(i) the child;

(ii) except as provided in § 5–326(a)(3)(iii) of this subtitle, the child's parent; and

(iii) the local department to which the child is committed;

(2) in an adoption case under Part III of this subtitle:

(i) the child;

(ii) the child's parent; and

(iii) the individual seeking adoption;

(3) in an adoption case under Part IV of this subtitle:

(i) the child; and

(ii) the individual seeking adoption; and

(4) if express reference is made to a CINA case, a governmental unit or person defined as a party in § 3–801 of the Courts Article.

5–324.

(b) (1) In a separate order accompanying an order granting guardianship of a child, a juvenile court:

(i) shall include a directive terminating the child's CINA case;

(ii) consistent with the child's best interests:

1. may place the child:

A. subject to paragraph (2) of this subsection, in a specific type of facility; or

B. with a specific individual;

2. may direct provision of services by a local department to:

A. the child; or

B. the child's caregiver;

3. subject to a local department retaining legal guardianship, may award to a caregiver limited authority to make an emergency or ordinary decision as to the child's care, education, mental or physical health, or welfare;

4. may allow access to a medical or other record of the child;

5. may allow visitation for the child with a specific individual;

6. may appoint, or continue the appointment of, a court–appointed special advocate for any purpose set forth under § 3–830 of the Courts Article;

7. shall direct the provision of any other service or taking of any other action as to the child's education, health, and welfare, including:

A. for a child who is at least 16 years old, services needed to help the child's transition from guardianship to independence; or

B. for a child with a **DEVELOPMENTAL** disability, services to obtain ongoing care, if any, needed after the guardianship case ends; and

8. may co–commit the child to the custody of the Department of Health and Mental Hygiene and order the Department of Health and Mental Hygiene to provide a plan for the child of clinically appropriate services in the least restrictive setting, in accordance with federal and State law;

(iii) if entered under § 5–322 of this subtitle, shall state each party's response to the petition;

(iv) shall state a specific factual finding on whether reasonable efforts have been made to finalize the child's permanency plan;

(v) shall state whether the child's parent has waived the right to notice; and

(vi) shall set a date, no later than 180 days after the date of the order, for the initial guardianship review hearing under § 5–326 of this subtitle.

(2) (i) Except for emergency commitment in accordance with § 10–617 of the Health – General Article or as expressly authorized by a juvenile court in accordance with the standards in § 3–819(h) or (i) of the Courts Article, a child may not be committed or otherwise placed for inpatient care or treatment in a psychiatric facility or a facility for the developmentally disabled.

(ii) A juvenile court shall include in a commitment order under this paragraph a requirement that the guardian:

1. file a progress report with the juvenile court at least every 180 days; and

2. provide a copy of each report to each person entitled to notice of a review hearing under § 5–326 of this subtitle.

(iii) Every 180 days during a commitment or placement under this paragraph, a juvenile court shall hold a hearing to determine whether the standards in § 3–819(h) or (i) of the Courts Article continue to be met.

(D) AN ORDER DIRECTING THE PROVISION OF SERVICES TO A CHILD WITH A DEVELOPMENTAL DISABILITY UNDER SUBSECTION (B)(1)(II)7B OF THIS SECTION IS EFFECTIVE UNTIL:

(1) THE CHILD IS TRANSITIONED TO ADULT GUARDIANSHIP CARE IF ADULT GUARDIANSHIP IS NECESSARY AND THERE IS NO LESS RESTRICTIVE ALTERNATIVE THAT MEETS THE NEEDS OF THE CHILD; AND

(2) (I) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE ENTERS INTO AN AGREEMENT TO PROVIDE OR OBTAIN THE SERVICES ORDERED BY THE COURT; OR

(II) IF THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE CHALLENGES THE NECESSITY OF THE SERVICES ORDERED BY THE COURT, THE CONCLUSION OF ANY ADMINISTRATIVE OR JUDICIAL REVIEW PROCEEDING REGARDING THE CHALLENGE.

5–328.

(a) If a local department is a child's guardian under this subtitle, a juvenile court:

(1) retains jurisdiction until:

(i) the child attains 18 years of age; or

(ii) the juvenile court finds the child to be eligible for emancipation; and

(2) may continue jurisdiction until the child attains 21 years of age.

(b) If a juvenile court designates an individual as a child's guardian, the juvenile court:

(1) may retain jurisdiction until the child attains 18 years of age; or

(2) on finding further review unnecessary to maintain the child's health and welfare, may terminate the case before the child attains 18 years of age.

(c) An order for adoption of a child terminates the child's guardianship case.

(d) On termination of a guardianship case, a juvenile court shall close the case.

(E) NOTWITHSTANDING SUBSECTIONS (A) AND (B) OF THIS SECTION, IF THE COURT ENTERS AN ORDER DIRECTING THE PROVISION OF SERVICES TO A CHILD UNDER § 5–324(B)(1)(II)7B OF THIS SUBTITLE, THE COURT RETAINS JURISDICTION TO RULE ON ANY MOTION RELATED TO THE ENFORCEMENT, MODIFICATION, OR TERMINATION OF THE ORDER FOR AS LONG AS THE ORDER IS EFFECTIVE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 324 – *State Personnel – Leap Year – Personal Leave.*

This bill provides a certain number of days, not to exceed a certain number of hours, of personal leave to State employees during each calendar year that is a leap year.

Senate Bill 580, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 324.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 324

AN ACT concerning

State Personnel – Leap ~~Day Pay Act~~ Year – Personal Leave

FOR the purpose of ~~requiring the Secretary of Budget and Management to amend the Standard Pay Plan during a leap year to increase certain pay rates for certain classes of State employees to account for a certain day;~~ providing a certain number of days, not to exceed a certain number of hours, of personal leave to State employees during each calendar year that is a leap year; and generally relating to ~~the Standard Pay Plan pay rates for classes of~~ personal leave during leap years for State employees.

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section ~~8–105~~ 9–401
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – State Personnel and Pensions

~~8–105.~~

~~(a) This section applies only to the Standard Pay Plan.~~

~~(b) [With] SUBJECT TO SUBSECTION (D) OF THIS SECTION, WITH the approval of the Governor, the Secretary may amend the Standard Pay Plan to increase pay rates for specific classes to:~~

~~(1) recruit or retain competent personnel; or~~

~~(2) ensure that pay rates adequately compensate for the effort, knowledge, responsibility, skills, and working conditions of employees in the class.~~

~~(c) If an amendment affects a position in the Executive Branch that is listed in the budget bill in accordance with § 7–109 of the State Finance and Procurement Article, the amendment is contingent on the approval of the Board of Public Works.~~

~~(d) **IN A LEAP YEAR, TO ENSURE THAT NO EMPLOYEE'S PAY RATE IS REDUCED, THE SECRETARY SHALL AMEND THE STANDARD PAY PLAN TO INCREASE PAY RATES FOR ALL CLASSES TO ACCOUNT FOR THE ADDITIONAL DAY IN THE LEAP YEAR.**~~

~~**(E)** An amendment to the Standard Pay Plan may not take effect unless sufficient money is available in the budget to cover the resulting pay rates.~~

~~**[**(e)**] (F)** (1) Subject to § 2–1246 of the State Government Article, the Secretary shall report all amendments to the Standard Pay Plan to the General Assembly on or before the 15th day of the next regular legislative session.~~

~~(2) If the General Assembly rejects an amendment, the appropriate reduction in pay rates takes effect as of the next fiscal year.~~

9–401.

(a) (1) Except as provided in **[**paragraph**]** **PARAGRAPHS** (2) **AND (3)** of this subsection, or otherwise provided by law, each employee in the State Personnel Management System, except a temporary employee, is entitled to 6 days, not to exceed 48 hours, of personal leave with pay at the beginning of the first full pay period of the calendar year.

(2) For the calendar year in which an employee begins employment, the employee is entitled only to the following personal leave with pay:

(i) 6 days, not to exceed 48 hours, if employment begins on or after January 1 and on or before the last day in February;

(ii) 5 days, not to exceed 40 hours, if employment begins on or after March 1 and on or before April 30;

(iii) 4 days, not to exceed 32 hours, if employment begins on or after May 1 and on or before June 30; or

(iv) 3 days, not to exceed 24 hours, if employment begins on or after July 1.

(3) FOR EACH CALENDAR YEAR THAT IS A LEAP YEAR, EACH EMPLOYEE IN THE STATE PERSONNEL MANAGEMENT SYSTEM, EXCEPT A TEMPORARY EMPLOYEE, IS ENTITLED TO 7 DAYS, NOT TO EXCEED 56 HOURS, OF

PERSONAL LEAVE WITH PAY AT THE BEGINNING OF THE FIRST FULL PAY PERIOD OF THE CALENDAR YEAR.

(b) Personal leave may be used for any purpose.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 352 – *Health Care Practitioners – Use of Teletherapy*.

This bill authorizes certain health care practitioners to use teletherapy under certain circumstances, and also requires certain health occupations boards to adopt regulations on or before April 1, 2018.

Senate Bill 1106, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 352.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 352

AN ACT concerning

Health Care Practitioners – Use of Teletherapy

FOR the purpose of authorizing certain health care practitioners to use teletherapy for a certain patient under certain circumstances; ~~establishing certain requirements for the technology a health care practitioner uses for teletherapy; requiring a health care practitioner to make a certain identification and establish certain safety protocols before a certain teletherapy session; requiring a health care practitioner and a~~

~~patient to execute an informed consent agreement that includes certain information and establish certain protocols to be used under certain circumstances before a certain teletherapy session; prohibiting a health occupations board from refusing to issue a certain license or certificate to a certain individual who intends to provide certain services to a certain patient only by using teletherapy if the individual satisfies certain requirements;~~ requiring certain health occupations boards to adopt certain regulations on or before a certain date; defining certain terms; providing for a delayed effective date *for certain provisions of this Act*; and generally relating to the use of teletherapy by health care practitioners.

BY adding to
Article – Health Occupations
Section 1–901 through ~~1–905~~ 1–903 to be under the new subtitle "Subtitle 9. Teletherapy"
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Health Occupations

SUBTITLE 9. TELETHERAPY.

1–901.

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

(B) "HEALTH CARE PRACTITIONER" MEANS AN INDIVIDUAL WHO:

(1) PROVIDES ~~CLINICAL~~ BEHAVIORAL HEALTH SERVICES TO A PATIENT IN THE STATE; AND

(2) IS LICENSED IN THE STATE BY:

(I) THE STATE BOARD OF NURSING;

(II) THE STATE BOARD OF PHYSICIANS;

(III) THE STATE BOARD OF PROFESSIONAL COUNSELORS AND THERAPISTS;

(IV) THE STATE BOARD OF EXAMINERS OF PSYCHOLOGISTS; OR

(V) THE STATE BOARD OF SOCIAL WORK EXAMINERS.

(C) (1) "TELETHERAPY" MEANS TELEMEDICINE, AS DEFINED IN § 15–139 OF THE INSURANCE ARTICLE, USED TO DELIVER ~~CLINICAL~~ BEHAVIORAL HEALTH SERVICES. ~~THE USE OF INTERACTIVE AUDIO, VIDEO, OR OTHER TELECOMMUNICATIONS OR ELECTRONIC TECHNOLOGY BY A HEALTH CARE PRACTITIONER TO DELIVER TO A PATIENT CLINICAL BEHAVIORAL HEALTH SERVICES THAT ARE WITHIN THE SCOPE OF PRACTICE OF THE HEALTH CARE PRACTITIONER AT A SITE OTHER THAN THE SITE AT WHICH THE PATIENT IS LOCATED.~~

~~(2)~~ ~~"TELETHERAPY" INCLUDES THE ASSESSMENT, DIAGNOSIS, AND TREATMENT OF A PATIENT AND CONSULTATION WITH A PATIENT.~~

~~(3)~~ ~~"TELETHERAPY" DOES NOT INCLUDE:~~

~~(I)~~ ~~AN AUDIO–ONLY TELEPHONE CONVERSATION BETWEEN A HEALTH CARE PRACTITIONER AND A PATIENT;~~

~~(II)~~ ~~AN ELECTRONIC MAIL MESSAGE BETWEEN A HEALTH CARE PRACTITIONER AND A PATIENT;~~

~~(III)~~ ~~A FACSIMILE TRANSMISSION BETWEEN A HEALTH CARE PRACTITIONER AND A PATIENT; OR~~

~~(IV)~~ ~~A TEXT MESSAGE OR OTHER TYPE OF MESSAGE SENT BETWEEN A HEALTH CARE PRACTITIONER AND A PATIENT BY A SHORT MESSAGE SERVICE OR MULTIMEDIA MESSAGING SERVICE.~~

1–902.

A HEALTH CARE PRACTITIONER MAY USE TELETHERAPY IF:

(1) ~~THE HEALTH CARE PRACTITIONER HAS RECEIVED TRAINING IN THE TECHNOLOGY USED FOR THE TELETHERAPY; AND~~

~~(2)~~ THE HEALTH CARE PRACTITIONER COMPLIES WITH ~~THE PROVISIONS OF THIS SUBTITLE AND~~ ANY REGULATIONS ADOPTED UNDER THIS SUBTITLE; AND

(2) THE HEALTH CARE PRACTITIONER:

(I) ESTABLISHES A PATIENT–PRACTITIONER RELATIONSHIP WITH THE PATIENT FOR WHOM TELETHERAPY IS BEING USED;

(II) PROVIDES FOR THE PRIVACY OF COMMUNICATIONS MADE THROUGH TELETHERAPY; AND

(III) ADDRESSES, TO THE EXTENT PRACTICABLE, THE NEED TO MAINTAIN THE SAFETY AND WELL–BEING OF PATIENTS FOR WHOM TELETHERAPY IS BEING USED.

~~**1–903.**~~

~~**(A) THE TECHNOLOGY A HEALTH CARE PRACTITIONER USES FOR TELETHERAPY SHALL:**~~

~~**(1) BE COMPLIANT WITH THE FEDERAL HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT;**~~

~~**(2) HAVE A SECURE AND PRIVATE CONNECTION; AND**~~

~~**(3) INCLUDE REAL–TIME TWO–WAY AUDIO AND VIDEO COMMUNICATIONS.**~~

~~**(B) BEFORE THE FIRST TELETHERAPY SESSION BETWEEN A HEALTH CARE PRACTITIONER AND A PATIENT:**~~

~~**(1) THE HEALTH CARE PRACTITIONER SHALL MAKE A POSITIVE IDENTIFICATION OF THE PATIENT THROUGH:**~~

~~**(I) IF POSSIBLE, AN INITIAL FACE–TO–FACE MEETING; OR**~~

~~**(II) THE USE OF GOVERNMENT–ISSUED PHOTOGRAPHIC IDENTIFICATION;**~~

~~**(2) THE HEALTH CARE PRACTITIONER SHALL ESTABLISH SAFETY PROTOCOLS TO BE USED IN THE CASE OF AN EMERGENCY OR A CRISIS, INCLUDING THE LOCAL TELEPHONE NUMBERS AND CONTACTS AT THE PATIENT'S LOCATION FOR:**~~

~~**(I) POLICE OR EMERGENCY MEDICAL SERVICES;**~~

~~**(II) THE LOCAL HOSPITAL, EMERGENCY ROOM, OR CRISIS INTERVENTION TEAM; AND**~~

~~**(III) APPROPRIATE BEHAVIORAL HEALTH EMERGENCY SERVICES;**~~

~~(3) THE HEALTH CARE PRACTITIONER AND THE PATIENT SHALL EXECUTE AN INFORMED CONSENT AGREEMENT THAT INCLUDES:~~

~~(I) REQUIREMENTS FOR PRIVACY SUCH THAT ONLY THE HEALTH CARE PRACTITIONER AND THE PATIENT CAN PARTICIPATE IN OR BE PRESENT DURING A TELETHERAPY SESSION UNLESS OTHERWISE AGREED TO BY THE HEALTH CARE PRACTITIONER AND THE PATIENT;~~

~~(II) ACTIONS TO BE TAKEN IF THE TECHNOLOGY USED FOR THE TELETHERAPY SESSION IS DISCONNECTED OR OTHER TECHNICAL DIFFICULTIES OCCUR;~~

~~(III) EMERGENCY PROTOCOLS; AND~~

~~(IV) THE NAME AND TELEPHONE NUMBER OF AN EMERGENCY CONTACT AS PROVIDED BY THE PATIENT; AND~~

~~(4) THE HEALTH CARE PRACTITIONER AND THE PATIENT SHALL ESTABLISH PROTOCOLS TO BE USED IF:~~

~~(I) PRIVACY IS COMPROMISED;~~

~~(II) THE CONDITIONS OF A TELETHERAPY SESSION BECOME UNSAFE; OR~~

~~(III) A TELETHERAPY SESSION IS BASED ON COERCION, FORCE, OR UNAUTHORIZED THIRD–PARTY INVOLVEMENT.~~

~~1–904.~~

~~NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A HEALTH OCCUPATIONS BOARD MAY NOT REFUSE TO ISSUE A LICENSE OR CERTIFICATE TO AN INDIVIDUAL WHO INTENDS TO PROVIDE BEHAVIORAL HEALTH CARE SERVICES TO A PATIENT IN THE STATE ONLY BY USING TELETHERAPY IF THE INDIVIDUAL SATISFIES THE REQUIREMENTS ESTABLISHED UNDER THIS ARTICLE FOR THE LICENSURE OR CERTIFICATION.~~

~~1–905.~~ 1–903.

EACH HEALTH OCCUPATIONS BOARD LISTED IN § 1–901(B)(2) OF THIS SUBTITLE SHALL ADOPT REGULATIONS TO CARRY OUT THIS SUBTITLE THAT, TO THE EXTENT PRACTICABLE, ARE UNIFORM AND NONCLINICAL.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before April 1, 2018, the State Board of Nursing, the State Board of Physicians, the State Board of Professional Counselors and Therapists, the State Board of Examiners of Psychologists, and the State Board of Social Work Examiners shall adopt regulations that, to the extent practicable, are uniform and nonclinical for the use of teletherapy by health care practitioners in accordance with §§ 1–901 ~~through~~ ~~1–904~~ *and 1–902* of the Health Occupations Article, as enacted by Section 1 of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take effect October 1, ~~2017~~ 2018.

SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in Section 3 of this Act, this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 383 – *Public Information Act – Denials of Inspection – Explanation Regarding Redaction.*

This bill requires, under certain circumstances, a custodian of a public record to include in a written statement an explanation of why redacting information would not address the reasons for denying inspection of a public record under the Maryland Public Information Act.

Senate Bill 1057, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 383.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 383

AN ACT concerning

Public Information Act – Denials of Inspection – Explanation Regarding Redaction

FOR the purpose of requiring, under certain circumstances, a custodian of a public record to include in a certain written statement an explanation of why redacting information would not address the reasons for denying inspection of a public record; and generally relating to the denials of inspection of public records.

BY repealing and reenacting, with amendments,
Article – General Provisions
Section 4–203
Annotated Code of Maryland
(2014 Volume and 2016 Supplement)

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

Article – General Provisions

4–203.

(a) The custodian shall grant or deny the application promptly, but not more than 30 days after receiving the application.

(b) (1) A custodian who approves the application shall produce the public record immediately or within a reasonable period that is needed to retrieve the public record, but not more than 30 days after receipt of the application.

(2) If the custodian reasonably believes that it will take more than 10 working days to produce the public record, the custodian shall indicate in writing or by electronic mail within 10 working days after receipt of the request:

(i) the amount of time that the custodian anticipates it will take to produce the public record;

(ii) an estimate of the range of fees that may be charged to comply with the request for public records; and

(iii) the reason for the delay.

(3) Failure to produce the public record in accordance with this subsection constitutes a denial of an application that may not be considered the result of a bona fide dispute unless the custodian has complied with paragraph (2) of this subsection and is working with the applicant in good faith.

(c) (1) A custodian who denies the application shall:

(i) within 10 working days, give the applicant a written statement that gives:

1. the reasons for the denial **[**and,**];**

2. if inspection is denied under § 4–343 of this title**[**,**]:**

A. a brief explanation of why the denial is necessary; **AND**

B. AN EXPLANATION OF WHY REDACTING INFORMATION WOULD NOT ADDRESS THE REASONS FOR THE DENIAL;

[2.**] 3.** the legal authority for the denial;

[3.**] 4.** without disclosing the protected information, a brief description of the undisclosed record that will enable the applicant to assess the applicability of the legal authority for the denial; and

[4.**] 5.** notice of the remedies under this title for review of the denial; and

(ii) allow inspection of any part of the record that is subject to inspection.

(2) A custodian may not ignore an application to inspect public records on the grounds that the application was intended for purposes of harassment.

(d) Any time limit imposed under this section:

(1) with the consent of the applicant, may be extended for not more than 30 days; and

(2) if the applicant seeks resolution of a dispute under § 4–1B–04 of this title, shall be extended pending resolution of that dispute.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch

Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 395 – *Child Care Subsidy Program – Alternative Methodology – Report.*

This bill requires the State Department of Education to report to certain committees of the General Assembly by October 1, 2017, on methodologies to set child care subsidy reimbursement rates in the Child Care Subsidy Program.

Senate Bill 293, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 395.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 395

AN ACT concerning

Child Care Subsidy Program – Alternative Methodology – Report

FOR the purpose of requiring the State Department of Education to report to certain committees of the General Assembly on or before a certain date on methodologies to set child care subsidy reimbursement rates in the Child Care Subsidy Program; requiring the report to contain certain information; and generally relating to the Child Care Subsidy Program.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, on or before October 1, 2017, the State Department of Education shall report to the Joint Committee on Children, Youth, and Families, the Senate Budget and Taxation Committee, and the House Appropriations Committee, in accordance with § 2–1246 of the State Government Article, on:

(1) whether an alternative methodology for setting child care subsidy reimbursement rates in the Child Care Subsidy Program should replace the market rate survey or be used in addition to the market rate survey;

(2) the benefits and constraints of various alternative reimbursement rate setting methodologies;

(3) how other states set child care subsidy reimbursement rates;

(4) feedback on reimbursement rate setting methodologies from stakeholder meetings of the Office of Child Care Advisory Council, resource and referral agencies, child care worker organizations, and other appropriate entities; and

(5) what alternative reimbursement rate setting methodology should be used or, if no alternative is recommended, whether there are ways to modify the market rate survey method to better measure the actual cost of child care and the cost of improvements to the quality of child care.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 433 – *State Finance and Procurement – Small and Minority Business Participation.*

This bill clarifies what constitutes good cause for the purpose of removal of a certified minority business enterprise after the execution of a contract, and prohibits the failure of a certified minority business to provide a certain bond from being considered nonperformance. This bill also expands the Small Business Reserve Program to apply to all State agencies, raises the program's goal from 10% to 15% of the value of agency procurements, and alters the method of measuring whether agencies reach the goal. In addition, this bill requires the Special Secretary of Minority Affairs, in consultation with the Attorney General, to establish standards and guidelines for participation in the small business reserve program every 5 years.

Senate Bill 309, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 433.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 433

AN ACT concerning

State Finance and Procurement – Small and Minority Business Participation

FOR the purpose of clarifying what constitutes good cause for the purpose of removal of a certified minority business enterprise after the execution of a contract; prohibiting the failure of a certified minority business to provide a certain bond from being considered nonperformance; authorizing a certain unit to apply a certain percentage of certain costs toward achieving certain goals under certain circumstances; authorizing a certain unit to apply the total amount of certain fees or commissions toward certain goals under certain circumstances; prohibiting a certain unit from applying any portion of certain costs toward certain goals; repealing the definition of "designated procurement unit" in the Small Business Reserve Program; altering a requirement that certain units structure certain procurement procedures to achieve a certain minimum percentage of the unit's total dollar value of certain contracts to be made directly to small businesses; providing that a certain unit may apply only certain payments toward its overall annual Small Business Reserve payment; requiring the Special Secretary of Minority Affairs, in consultation with the Attorney General, to establish certain standards and guidelines at a certain regular interval; defining a certain term; making conforming changes; and generally relating to small and minority business participation in State procurement.

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 14–302 and 14–502 through 14–505
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 14–501
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)
(As enacted by Chapter 8 of the Acts of the General Assembly of 2016)

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

Article – State Finance and Procurement

14–302.

(a) (1) (i) 1. Except for leases of real property, each unit shall structure procurement procedures, consistent with the purposes of this subtitle, to try to achieve an

overall percentage goal of the unit's total dollar value of procurement contracts being made directly or indirectly to certified minority business enterprises.

2. Notwithstanding subsubparagraph 1 of this subparagraph, the following contracts may not be counted as part of a unit's total dollar value of procurement contracts:

A. a procurement contract awarded in accordance with Subtitle 1 of this title;

B. a procurement contract awarded to a not–for–profit entity in accordance with requirements mandated by State or federal law; and

C. a procurement by the Maryland Developmental Disabilities Administration of the Department of Health and Mental Hygiene for family and individual support services, community residential services, resource coordination services, behavioral support services, vocational and day services, and respite services, as those terms are defined in regulations adopted by the Department of Health and Mental Hygiene.

(ii) 1. The overall percentage goal shall be established on a biennial basis by the Special Secretary of Minority Affairs, in consultation with the Secretary of Transportation and the Attorney General.

2. During any year in which there is a delay in establishing the overall goal, the previous year's goal will apply.

(iii) 1. In consultation with the Secretary of Transportation and the Attorney General, the Special Secretary of Minority Affairs shall establish guidelines on a biennial basis for each unit to consider while determining whether to set subgoals for the minority groups listed in § 14–301(k)(1)(i)1, 2, 3, 4, and 6 of this subtitle.

2. During any year in which there is a delay in establishing the subgoal guidelines, the previous year's subgoal guidelines will apply.

(iv) 1. The Special Secretary of Minority Affairs, in consultation with the Secretary of Transportation and the Attorney General, shall establish goals and subgoal guidelines that, to the maximum extent feasible, approximate the level of minority business enterprise participation that would be expected in the absence of discrimination.

2. In establishing overall goals and subgoal guidelines, the Special Secretary of Minority Affairs shall provide for public participation by consulting with minority, women's, and general contractor groups, community organizations, and other officials or organizations that could be expected to have information concerning:

A. the availability of minority– and women–owned businesses;

B. the effects of discrimination on opportunities for minority– and women–owned businesses; and

C. the State's operation of the Minority Business Enterprise Program.

(v) In establishing overall goals, the factors to be considered shall include:

1. the relative availability of minority– and women–owned businesses to participate in State procurement as demonstrated by the State's most recent disparity study;

2. past participation of minority business enterprises in State procurement, except for procurement related to leases of real property; and

3. other factors that contribute to constitutional goal setting.

(vi) Notwithstanding § 12–101 of this article, the Special Secretary of Minority Affairs shall adopt regulations in accordance with Title 10, Subtitle 1 of the State Government Article setting forth the State's overall goal.

(2) The Special Secretary of Minority Affairs, in consultation with the Secretary of Transportation and the Attorney General, shall establish guidelines for each unit to consider when determining the appropriate minority business enterprise participation percentage goal for a procurement contract in accordance with paragraph (3) of this subsection.

(3) Each unit shall:

(i) consider the practical severability of all contracts and, in accordance with § 11–201 of this article, may not bundle contracts;

(ii) implement a program that will enable the unit to evaluate each contract to determine the appropriate minority business enterprise participation goals, if any, for the contract based on:

1. the potential subcontract opportunities available in the prime procurement contract;

2. the availability of certified minority business enterprises to respond competitively to the potential subcontract opportunities;

3. the contract goal guidelines established under paragraph (2) of this subsection;

4. the subgoal guidelines established under paragraph (1)(iii) of this subsection; and

5. other factors that contribute to constitutional goal setting;

(iii) monitor and collect data with respect to prime contractor compliance with contract goals; and

(iv) institute corrective action when prime contractors do not make good–faith efforts to comply with contract goals.

(4) Units may not use quotas or any project goal–setting process that:

(i) solely relies on the State's overall numerical goal, or any other jurisdiction's overall numerical goal; or

(ii) fails to incorporate the analysis outlined in paragraph (3)(ii) of this subsection.

(5) (i) A woman who is also a member of an ethnic or racial minority group may be certified in that category in addition to the gender category.

(ii) For purposes of achieving the goals in this subsection, a certified minority business enterprise may participate in a procurement contract and be counted as a woman–owned business, or as a business owned by a member of an ethnic or racial group, but not both, if the business has been certified in both categories.

(6) Each unit shall meet the maximum feasible portion of the State's overall goal established in accordance with this subsection by using race–neutral measures to facilitate minority business enterprise participation in the procurement process.

(7) If a unit establishes minority business enterprise participation goals for a contract, a contractor, including a contractor that is a certified minority business enterprise, shall:

(i) identify specific work categories appropriate for subcontracting;

(ii) at least 10 days before bid opening, solicit minority business enterprises, through written notice that:

1. describes the categories of work under item (i) of this paragraph; and

2. provides information regarding the type of work being solicited and specific instructions on how to submit a bid;

(iii) attempt to make personal contact with the firms in item (ii) of this paragraph;

(iv) offer to provide reasonable assistance to minority business enterprises to fulfill bonding requirements or to obtain a waiver of those requirements;

(v) in order to publicize contracting opportunities to minority business enterprises, attend prebid or preproposal meetings or other meetings scheduled by the unit; and

(vi) upon acceptance of a bid or proposal, provide the unit with a list of minority businesses with whom the contractor negotiated, including price quotes from minority and nonminority firms.

(8) The Special Secretary of Minority Affairs shall:

(i) in consultation with the Secretary of Transportation and the Attorney General, establish procedures governing how the participation of minority business enterprise prime contractors is counted toward contract goals; and

(ii) notwithstanding § 12–101 of this article, adopt regulations setting forth the procedures established in accordance with this paragraph.

(9) (i) 1. If a contractor, including a certified minority business enterprise, does not achieve all or a part of the minority business enterprise participation goals on a contract, the unit shall make a finding of whether the contractor has demonstrated that the contractor took all necessary and reasonable steps to achieve the goals, including compliance with paragraph (7) of this subsection.

2. A waiver of any part of the minority business enterprise goals for a contract shall be granted if a contractor provides a reasonable demonstration of good–faith efforts to achieve the goals.

(ii) If the unit determines that a waiver should be granted in accordance with subparagraph (i) of this paragraph, the unit may not require the contractor to renegotiate any subcontract in order to achieve a different result.

(iii) The head of the unit may waive any of the requirements of this subsection relating to the establishment, use, and waiver of contract goals for a sole source, expedited, or emergency procurement in which the public interest cannot reasonably accommodate use of those requirements.

(iv) 1. Except for waivers granted in accordance with subparagraph (iii) of this paragraph, when a waiver determination is made, the unit shall issue the determination in writing.

2. The head of the unit shall:

A. keep one copy of the waiver determination and the reasons for the determination; and

B. forward one copy of the waiver determination to the Governor's Office of Minority Affairs.

(v) On or before July 31 of each year, each unit shall submit directly to the Board of Public Works and the Governor's Office of Minority Affairs an annual report of waivers requested and waivers granted under this paragraph.

(vi) The report required under subparagraph (v) of this paragraph shall contain the following information on those contracts where the unit considered a contractor's request for waiver of all or a portion of the minority business enterprise goals:

1. the contract titles, numbers, and dates;

2. the number of waiver requests received;

3. the number of waiver requests granted; and

4. any other information specifically requested by the Board.

(10) (i) 1. This paragraph applies to a bidder or offeror after submission of a bid or proposal and before the execution of a contract with an expected degree of minority business enterprise participation.

2. If the bidder or offeror determines that a minority business enterprise identified in the minority business enterprise participation schedule has become or will become unavailable or ineligible to perform the work required under the contract, the bidder or offeror shall notify the unit within 72 hours of making the determination.

(ii) 1. If a minority business enterprise identified in the minority business enterprise participation schedule submitted with a bid or offer has become or will become unavailable or ineligible to perform the work required under the contract, the bidder or offeror may submit a written request with the unit to amend the minority business enterprise participation schedule.

2. The request to amend the minority business enterprise participation schedule shall indicate the bidder's or offeror's efforts to substitute another certified minority business enterprise to perform the work that the unavailable or ineligible minority business enterprise would have performed.

(iii) A minority business enterprise participation schedule may not be amended unless:

1. the bidder or offeror provides a satisfactory explanation of the reason for inclusion of the unavailable or ineligible firm on the minority business enterprise participation schedule; and

2. the amendment is approved by the unit's procurement officer after consulting with the unit's minority business enterprise liaison.

(11) (i) This paragraph applies after execution of a contract with an expected degree of minority business enterprise participation.

(ii) The minority business enterprise participation schedule, including any amendment, shall be attached to and made a part of the executed contract.

(iii) **1. A. ~~FOR~~ EXCEPT AS PROVIDED IN SUBSUBSUBPARAGRAPH B OF THIS SUBSUBPARAGRAPH, FOR PURPOSES OF THIS SUBPARAGRAPH, GOOD CAUSE FOR REMOVAL OF A CERTIFIED MINORITY BUSINESS ENTERPRISE AFTER CONTRACT EXECUTION INCLUDES DOCUMENTED NONPERFORMANCE BY THE MINORITY BUSINESS ENTERPRISE OR ELECTION BY THE CERTIFIED MINORITY BUSINESS ENTERPRISE TO CEASE WORK ON THE CONTRACT.**

B. FAILURE OF A CERTIFIED MINORITY BUSINESS ENTERPRISE TO PROVIDE A BOND REQUESTED BY A CONTRACTOR IN VIOLATION OF § 13–227 OF THIS ARTICLE MAY NOT BE CONSIDERED NONPERFORMANCE BY THE MINORITY BUSINESS ENTERPRISE.

[1.**]** **2.** A contractor may not terminate or otherwise cancel the contract of a certified minority business enterprise subcontractor listed in the minority business enterprise participation schedule without showing good cause and obtaining the prior written consent of the minority business enterprise liaison and approval of the head of the unit.

[2.**]** **3.** The unit shall send a copy of the written consent obtained under subsubparagraph **[**1**]** **2** of this subparagraph to the Governor's Office of Minority Affairs.

(iv) A minority business enterprise participation schedule may not be amended after the date of contract execution unless the request is approved by the head of the unit and the contract is amended.

(12) If, during the performance of a contract, a certified minority business enterprise contractor or subcontractor becomes ineligible to participate in the Minority Business Enterprise Program because one or more of its owners has a personal net worth that exceeds the amount specified in § 14–301(k)(3) of this subtitle:

(i) that ineligibility alone may not cause the termination of the certified minority business enterprise's contractual relationship for the remainder of the term of the contract; and

(ii) the certified minority business enterprise's participation under the contract shall continue to be counted toward the program and contract goals.

(13) (i) Except as provided in subparagraph (ii) of this paragraph, a not–for–profit entity participating as a minority business enterprise on a procurement contract awarded by a unit before July 1, 2015, may continue to participate in the contract until the contract expires or otherwise terminates, including all options, renewals, and other extensions.

(ii) 1. The not–for–profit entity's participation may not be counted toward achieving the minority business enterprise participation goals in this subsection.

2. The unit may not require that a certified minority business enterprise be substituted for the not–for–profit entity in order to meet the minority business enterprise goals for the procurement contract.

(14) (I) FOR PURPOSES OF THIS PARAGRAPH AND PARAGRAPH (15) OF THIS SUBSECTION, "REGULAR DEALER":

1. MEANS A FIRM THAT OWNS, OPERATES, OR MAINTAINS A STORE, A WAREHOUSE, OR ANY OTHER ESTABLISHMENT IN WHICH THE MATERIALS, SUPPLIES, ARTICLES, OR EQUIPMENT ARE OF THE GENERAL CHARACTER DESCRIBED BY THE SPECIFICATIONS REQUIRED UNDER THE CONTRACT AND ARE BOUGHT, KEPT IN STOCK, OR REGULARLY SOLD OR LEASED TO THE PUBLIC IN THE USUAL COURSE OF BUSINESS; AND

2. DOES NOT INCLUDE A PACKAGER, A BROKER, A MANUFACTURER'S REPRESENTATIVE, OR ANY OTHER PERSON THAT ARRANGES OR EXPEDITES TRANSACTIONS.

(II) A UNIT MAY APPLY ONLY 60% OF THE COSTS OF THE MATERIALS AND SUPPLIES PROVIDED BY THE CERTIFIED MINORITY BUSINESS ENTERPRISE IF THE CERTIFIED MINORITY BUSINESS ENTERPRISE IS A REGULAR DEALER FOR PURPOSES OF ACHIEVING THE MINORITY BUSINESS ENTERPRISE CONTRACT GOAL.

(15) (I) WITH RESPECT TO MATERIALS OR SUPPLIES PURCHASED FROM A CERTIFIED MINORITY BUSINESS ENTERPRISE THAT IS NEITHER A MANUFACTURER NOR A REGULAR DEALER, A UNIT MAY APPLY THE ENTIRE AMOUNT OF FEES OR COMMISSIONS CHARGED FOR ASSISTANCE IN THE PROCUREMENT OF

THE MATERIALS AND SUPPLIES, FEES, OR TRANSPORTATION CHARGES FOR THE DELIVERY OF MATERIALS AND SUPPLIES REQUIRED ON A PROCUREMENT TOWARD MINORITY BUSINESS ENTERPRISE CONTRACT GOALS, PROVIDED A UNIT DETERMINES THE FEES TO BE REASONABLE AND NOT EXCESSIVE AS COMPARED WITH FEES CUSTOMARILY ALLOWED FOR SIMILAR SERVICES.

(II) A UNIT MAY NOT APPLY ANY PORTION OF THE COSTS OF THE MATERIALS AND SUPPLIES TOWARD MINORITY BUSINESS ENTERPRISE GOALS.

(b) (1) The provisions of §§ 14–301(f) and 14–303 of this subtitle and subsection (a) of this section are inapplicable to the extent that any unit determines the provisions to be in conflict with any applicable federal program requirement.

(2) The determination under this subsection shall be included with the report required under § 14–305 of this subtitle.

14–501.

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

(b) **[**"Designated procurement unit" means:

(1) the State Treasurer;

(2) the Department of Information Technology;

(3) the Department of Commerce;

(4) the Department of the Environment;

(5) the Department of General Services;

(6) the Department of Health and Mental Hygiene;

(7) the Department of Housing and Community Development;

(8) the Department of Human Resources;

(9) the Department of Juvenile Services;

(10) the Department of Labor, Licensing, and Regulation;

(11) the Department of Natural Resources;

(12) the State Department of Education;

(13) the Department of State Police;

(14) the Department of Public Safety and Correctional Services;

(15) the Department of Transportation;

(16) the University System of Maryland;

(17) the Maryland Port Commission;

(18) the State Retirement Agency;

(19) the Maryland Insurance Administration;

(20) the Maryland Stadium Authority;

(21) the State Lottery and Gaming Control Agency;

(22) the Morgan State University; and

(23) the Maryland Transportation Authority.

(c)**]** "Small business" means:

(1) a certified minority business enterprise, as defined in § 14–301 of this title, that meets the criteria specified under item (2) of this subsection; or

(2) a business, other than a broker, that meets the following criteria:

(i) the business is independently owned and operated;

(ii) the business is not a subsidiary of another business;

(iii) the business is not dominant in its field of operation; and

(iv) 1. A. the wholesale operations of the business did not employ more than 50 persons in its most recently completed 3 fiscal years;

B. the retail operations of the business did not employ more than 25 persons in its most recently completed 3 fiscal years;

C. the manufacturing operations of the business did not employ more than 100 persons in its most recently completed 3 fiscal years;

D. the service operations of the business did not employ more than 100 persons in its most recently completed 3 fiscal years;

E. the construction operations of the business did not employ more than 50 persons in its most recently completed 3 fiscal years; and

F. the architectural and engineering services of the business did not employ more than 100 persons in its most recently completed 3 fiscal years; or

2. A. the gross sales of the wholesale operations of the business did not exceed an average of $4,000,000 in its most recently completed 3 fiscal years;

B. the gross sales of the retail operations of the business did not exceed an average of $3,000,000 in its most recently completed 3 fiscal years;

C. the gross sales of the manufacturing operations of the business did not exceed an average of $2,000,000 in its most recently completed 3 fiscal years;

D. the gross sales of the service operations of the business did not exceed an average of $10,000,000 in its most recently completed 3 fiscal years;

E. the gross sales of the construction operations of the business did not exceed an average of $7,000,000 in its most recently completed 3 fiscal years; and

F. the gross sales of the architectural and engineering services of the business did not exceed an average of $4,500,000 in its most recently completed 3 fiscal years.

[(d)**] (C)** "Small business reserve" means those procurements that are limited to responses from small businesses under § 14–502(b) of this subtitle.

14–502.

(a) Except as provided in subsection (d) of this section, this subtitle applies to all procurements by a **[**designated procurement**]** unit.

(b) This subsection does not apply to procurements subject to Subtitle 1 of this title.

(c) **[**A designated procurement**] TO THE EXTENT PRACTICABLE, A** unit shall structure its procurement procedures to achieve a minimum of **[**10%**] 15%** of the unit's total dollar value of goods, supplies, services, maintenance, construction, construction–related services, and architectural and engineering service contracts to be made directly to small businesses.

(d) The total dollar value of procurements by a **[**designated procurement**]** unit does not include the value of contracts to which this section does not apply because of a conflict with federal law.

(E) A UNIT MAY APPLY TOWARD THE UNIT'S OVERALL ANNUAL SMALL BUSINESS RESERVE PAYMENT ACHIEVEMENT ONLY THOSE PAYMENTS RESULTING FROM A PROCUREMENT THAT IS DESIGNATED A SMALL BUSINESS RESERVE PROCUREMENT.

(F) THE SPECIAL SECRETARY OF MINORITY AFFAIRS, IN CONSULTATION WITH THE ATTORNEY GENERAL, SHALL ESTABLISH STANDARDS AND GUIDELINES FOR PARTICIPATION IN THE SMALL BUSINESS RESERVE PROGRAM EVERY 5 YEARS.

14–503.

(a) The Governor's Office of Minority Affairs shall adopt regulations to establish procedures for compiling and maintaining a comprehensive bidder's list of qualified small businesses that shall be posted on the Internet.

(b) The Governor's Office of Minority Affairs shall:

(1) establish guidelines for Small Business Reserve Program administration;

(2) ensure agency compliance with the Small Business Reserve Program;

(3) provide training and technical assistance to agency personnel; and

(4) collect data regarding the State's utilization of small business reserve vendors.

(c) Each **[**designated procurement**]** unit shall ensure compliance with the regulations set forth in subsection (a) of this section.

14–504.

(a) Any procurement by a **[**designated procurement**]** unit of goods, supplies, services, maintenance, construction, construction–related services, architectural services, and engineering services shall be eligible for designation for the small business reserve.

(b) A solicitation for procurement that has been designated for a small business reserve shall be published in the same manner as required for an invitation for bids as set forth in § 13–103(c) of this article.

(c) The procurement officer of a **[**designated procurement**]** unit shall award a procurement contract designated for a small business reserve to the small business that submits a responsive bid that:

(1) is the lowest bid price;

(2) if the invitation for bids so provides, is the lowest evaluated bid price; or

(3) is the bid or proposal most favorable to the State within the small business reserve.

14–505.

(a) Within 60 days after the enactment of the budget bill by the General Assembly, each **[**designated procurement**]** unit shall submit a report to the Governor's Office of Minority Affairs that complies with the reporting requirements set forth in COMAR 21.11.01.06.

(b) (1) Within 90 days after the end of each fiscal year, each unit shall submit a report to the Governor's Office of Minority Affairs that complies with the requirements of paragraph (2) of this subsection.

(2) For the preceding fiscal year, the report shall:

(i) state the total number and the dollar value of payments the unit made to small businesses under designated small business reserve contracts;

(ii) state the total number and the dollar value of payments the unit made to small businesses under nondesignated small business reserve contracts, including purchase card procurements;

(iii) state the total dollar value of payments the unit made under procurement contracts; and

(iv) contain other such information as required by the Governor's Office of Minority Affairs.

(c) On or before December 31 of each year, the Governor's Office of Minority Affairs shall submit to the Board of Public Works and, subject to § 2–1246 of the State Government Article, to the Legislative Policy Committee a report summarizing the information the Office receives under subsection (b) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 436 – *Baltimore County – Alcoholic Beverages – Issuance of Licenses Near Places of Worship.*

This bill authorizes the Baltimore County Board of License Commissioners to transfer, convert, and issue a certain license for an establishment that is at least a certain number of feet away from a place of worship under certain circumstances, subject to restrictions and qualifications. As such, this bill creates an exception to the prohibition against issuing an alcoholic beverages license in Baltimore County to an establishment within 300 feet of a place of worship.

Senate Bill 559, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 436.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 436

AN ACT concerning

Baltimore County – Alcoholic Beverages – Issuance of Licenses Near Places of Worship

FOR the purpose of authorizing the Baltimore County Board of License Commissioners to ~~issue or~~ transfer, convert, and issue a certain license for an establishment that is at least a certain number of feet away from a place of worship under certain circumstances and subject to certain restrictions and qualifications; making a certain exception to a prohibition against issuing a license for an establishment that is within 300 feet of a place of worship or school; and generally relating to alcoholic beverages in Baltimore County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages
Section 13–102
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 13–1601
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY adding to
Article – Alcoholic Beverages
Section 13–1710
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

13–102.

This title applies only in Baltimore County.

13–1601.

(a) (1) Except as provided in subsection (b) of this section, the Board may not issue a license for an establishment that is within 300 feet of a place of worship or school.

(2) The distance from the establishment to the place of worship or school is to be measured from the nearest point of the building of the establishment to the nearest point of the building of the place of worship or school.

(b) The prohibition against issuing a license in subsection (a) of this section does not apply to:

(1) the renewal or transfer of a license of an establishment if, after issuance of the license, a place of worship or school was built within 300 feet of the establishment;

(2) the issuance of a temporary license;

(3) a transfer that moves the licensed premises within the same building;

(4) a transfer of ownership of the licensed premises; **[**or**]**

(5) the renewal of a Class B beer, wine, and liquor (on–sale) license or a 7–day Class BDR (deluxe restaurant) (on–sale) beer, wine, and liquor license, if the licensed premises has a seating capacity of more than 50 individuals and is within a town center**; OR**

(6) ~~**SUBJECT TO SUBSECTION (C) OF THIS SECTION, THE ISSUANCE, RENEWAL, OR TRANSFER OF A CLASS B BEER, WINE, AND LIQUOR (ON–SALE) SERVICE BAR LICENSE, IF THE LICENSED PREMISES IS:**~~

~~**(I) LOCATED WITHIN A COUNTY REVITALIZATION DISTRICT;**~~

~~**(II) ZONED BL–CCC AND IN COMPLIANCE WITH ANY APPLICABLE ZONING ORDINANCE;**~~

~~**(III) USED FOR ON–PREMISES CONSUMPTION OF BEER, WINE, AND LIQUOR ONLY AS PART OF THE OPERATION OF A RESTAURANT AS DEFINED IN THE RULES OF THE BOARD;**~~

~~**(IV) LOCATED IN THE ELECTION DISTRICT FOR WHICH THE LICENSE WAS ISSUED; AND**~~

~~**(V) LOCATED AT LEAST 100 FEET FROM A PLACE OF WORSHIP.**~~

~~**(C) (1) A LICENSE MAY NOT BE ISSUED FOR:**~~

~~**(I) A LOCATION THAT HAS BEEN LICENSED UNDER ANY CLASS OF ON–SALE LICENSE WITHIN 2 YEARS PRECEDING THE DATE OF APPLICATION FOR THE LICENSE; OR**~~

~~**(II) A RESTAURANT THAT ALLOWS SERVICE OF PURCHASED FOOD TO A CUSTOMER WHO IS NOT SEATED AT A TABLE.**~~

~~**(2) A LICENSE MAY NOT BE CONVERTED TO ANY OTHER CLASS OF LICENSE.**~~

~~**(D) THE QUALIFICATIONS FOR A LICENSE HOLDER, THE LICENSE FEES, AND THE HOURS AND DAYS OF SALE FOR A LICENSE EXEMPTED UNDER SUBSECTION (B)(6) OF THIS SECTION ARE THE SAME AS THOSE FOR A CLASS B BEER, WINE, AND LIQUOR (ON–SALE) HOTEL AND RESTAURANT LICENSE**~~ **THE TRANSFER, CONVERSION, AND ISSUANCE OF A LICENSE UNDER § 13–1710 OF THIS TITLE.**

13–1710.

(A) (1) IN ADDITION TO THE LICENSES AUTHORIZED FOR ISSUANCE IN THE COUNTY, THE BOARD MAY AUTHORIZE THE TRANSFER TO AN ESTABLISHMENT SPECIFIED IN SUBSECTION (C) OF THIS SECTION OF A CLASS B BEER, WINE, AND LIQUOR LICENSE OR A CLASS D BEER, WINE, AND LIQUOR LICENSE THAT:

(I) WAS ISSUED ON OR BEFORE DECEMBER 31, 2016;

(II) WAS IN EXISTENCE IN THE SAME ELECTION DISTRICT OF THE COUNTY AS THE PROPOSED LICENSED PREMISES ON DECEMBER 31, 2016; AND

(III) IS VALID ON THE DATE OF TRANSFER.

(2) TO BE TRANSFERRED UNDER THIS SECTION, A LICENSE MAY NOT BE A LICENSE THAT IS PROHIBITED FROM BEING TRANSFERRED BY STATUTE OR REGULATION.

(3) ON THE DATE OF TRANSFER, A LICENSE SHALL BE CONVERTED INTO A CLASS B BEER, WINE, AND LIQUOR (ON–SALE) SERVICE BAR COMMERCIAL REVITALIZATION DISTRICT LICENSE (B–SB–CRD LICENSE).

(B) THE QUALIFICATIONS FOR A LICENSE HOLDER, THE FEE, AND THE HOURS AND DAYS OF SALE FOR A SERVICE BAR LICENSE ARE THE SAME AS THOSE FOR A CLASS B BEER, WINE, AND LIQUOR (ON–SALE) HOTEL AND RESTAURANT LICENSE.

(C) (1) A B–SB–CRD LICENSE MAY BE ISSUED ONLY FOR A PREMISES THAT IS:

(I) IN A FREE–STANDING BUILDING WITH ITS OWN PARKING LOT;

(II) ZONED BL–CCC AND IN COMPLIANCE WITH ANY APPLICABLE ZONING ORDINANCE; AND

(III) AT LEAST 100 FEET FROM A PLACE OF WORSHIP.

(2) A B–SB–CRD LICENSE SHALL BE USED IN CONJUNCTION WITH THE OPERATION OF A RESTAURANT, AS DEFINED IN THIS ARTICLE AND IN THE REGULATIONS OF THE BOARD.

(3) THE HOURS DURING WHICH THE PRIVILEGES CONFERRED BY THE LICENSE MAY BE EXERCISED MAY NOT EXCEED THE HOURS DURING WHICH FOOD IS OFFERED FOR SALE.

(4) THE B–SB–CRD LICENSE SHALL BE USED TO ALLOW THE SALE AND SERVICE OF ALCOHOLIC BEVERAGES TO PATRONS ONLY AS PART OF A MEAL AT A DINING TABLE.

(5) THE LICENSED PREMISES MAY NOT HAVE A SEPARATE BAR AREA FOR SERVICE OF ALCOHOLIC BEVERAGES.

(6) THE B–SB–CRD LICENSE HOLDER MAY NOT SELL BEER, WINE, AND LIQUOR FOR OFF–PREMISES CONSUMPTION.

(D) A B–SB–CRD BAR LICENSE ISSUED UNDER THIS SECTION MAY NOT BE CONVERTED INTO ANY OTHER CLASS OF LICENSE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 447 – *Baltimore City – Board of Municipal and Zoning Appeals – Appeals Authority.*

This bill limits the authority of the Baltimore City Board of Municipal and Zoning Appeals to hear and decide certain appeals to instances when the Board is authorized to hear and decide the appeals by the Mayor and City Council of Baltimore City by local law or the Charter of Baltimore City. This bill also states it does not prohibit an administrative official or unit from making a certain decision when authorized by the Mayor and City Council of Baltimore City by local law or the Charter of Baltimore City, and establishes that this it does not alter or impair the right to appeal, provided for under certain provisions of the law.

Senate Bill 541, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 447.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 447

AN ACT concerning

Baltimore City – Board of Municipal and Zoning Appeals – Appeals Authority

FOR the purpose of limiting the authority of the Baltimore City Board of Municipal and Zoning Appeals to hear and decide certain appeals to instances when the Board is authorized to hear and decide the appeals by the Mayor and City Council of Baltimore City by local law or the Charter of Baltimore City; stating that this Act does not prohibit an administrative official or unit from making a certain decision when authorized by the Mayor and City Council of Baltimore City by local law or the Charter of Baltimore City; establishing that this Act does not alter or impair the right to appeal provided for under certain provisions of law; and generally relating to Baltimore City zoning.

BY repealing and reenacting, with amendments,
Article – Land Use
Section 10–404
Annotated Code of Maryland
(2012 Volume and 2016 Supplement)

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

Article – Land Use

10–404.

(a) The Board may:

(1) hear and decide appeals when:

(I) it is alleged that there was an error in any order, requirement, decision, or determination made by an administrative official or unit under this title or any local law adopted under this title; **AND**

(II) THE BOARD IS AUTHORIZED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY BY LOCAL LAW OR THE CHARTER OF BALTIMORE CITY;

(2) hear and decide special exceptions or conditional uses on which the Board is required to act under a local law;

(3) authorize on appeal in specific cases a variance from the terms of a local law;

(4) approve buildings and uses limited as to location by any regulation adopted under a local law; and

(5) when acting on a zoning application, consider the availability of public facilities in the area, including schools and flood plain facilities, under regulations adopted under a local law.

(b) If authorized by the general zoning laws of Baltimore City, this subtitle does not prevent the Mayor and City Council of Baltimore City from granting by local law:

(1) variances;

(2) special exceptions; or

(3) conditional uses.

(C) NOTHING IN THIS SUBTITLE PROHIBITS AN ADMINISTRATIVE OFFICIAL OR UNIT FROM MAKING A DECISION UNDER THIS TITLE OR ANY LOCAL LAW ADOPTED UNDER THIS TITLE WHEN AUTHORIZED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY BY LOCAL LAW OR THE CHARTER OF BALTIMORE CITY.

(D) THIS SECTION DOES NOT ALTER OR IMPAIR THE RIGHT TO APPEAL PROVIDED FOR UNDER THIS SUBTITLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ June 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 461 – *Education – Accountability Program – Assessments (More Learning, Less Testing Act of 2017).*

This bill requires the State Board of Education to develop, in collaboration with certain entities and individuals, a middle school social studies assessment, as well as a redesigned high school social studies assessment, that meet specified criteria to be implemented by a certain date. This bill also requires each local board of education to establish a District Committee on Assessments to monitor and evaluate the county's assessment program, and to complete specified tasks. In addition, this bill requires the State Board of Education to adopt regulations that limit the amount of time that may be devoted to federal, State, and locally mandated assessments for each grade, and also requires the Maryland State Department of Education (MSDE) to conduct a specified survey regarding time spent on assessments.

Senate Bill 452, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 461.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 461

AN ACT concerning

Education – Accountability Program – Assessments
~~(Less Testing, More Learning~~ *(More Learning, Less Testing* Act of 2017)

FOR the purpose of requiring ~~certain county boards of education to develop a certain social studies assessment beginning in a certain school year; repealing certain requirements relating to certain social studies assessments; requiring a county board to certify annually to the State Board of Education that the county board's social studies assessment aligns with certain standards and matches a certain tool~~ the State Board of Education to develop, in collaboration with certain entities and individuals, a middle school level social studies assessment that meets certain requirements and for implementation in a certain school year; ~~requiring the State Board, in collaboration with certain entities and individuals, to redesign the high school level social studies assessment to meet certain requirements and for implementation in a certain school year; requiring the State Board to adopt certain regulations limiting the amount of time that may be spent on certain assessments;~~ *requiring the State Board, in collaboration with certain stakeholders, to redesign a certain assessment to meet certain criteria when a certain contract expires; requiring certain county boards of education and certain employee representatives to meet and confer regarding certain items and to mutually agree to a certain amount of time that must be devoted to certain assessments, subject to certain conditions, on or before*

certain dates; requiring certain county boards to establish on or before certain dates a certain committee on assessments; requiring the committee to submit recommendations to certain county boards and certain employee representatives on or before certain dates; prohibiting a student who participates in certain programs from being subject to certain testing time limits; prohibiting certain types of assessments and activities from being counted toward certain testing time limits; ~~requiring certain county boards to establish on or before a certain date a certain committee on assessments; providing for the membership of the committee; requiring the committee on or before a certain date to develop a certain rubric to evaluate certain local assessments; requiring the committee to report annually to the local county board beginning on or before a certain date; providing for the content of the report; authorizing a county board, after reviewing the committee's report, to adopt or reject the committee's recommendations; requiring a county board that adopts a recommendation to implement the change to the assessment for the following school year; requiring the county board to report annually to the State Board certain information beginning on a certain date; requiring the committee to publish annually on its Web site certain information beginning on a certain date; requiring the State Department of Education to survey annually certain public schools to measure time spent administering assessments;~~ defining a certain term; providing for the construction of this Act; repealing certain obsolete provisions of law; and generally relating to assessments in public schools.

BY repealing and reenacting, with amendments,
Article – Education
Section 7–203
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

Preamble

WHEREAS, Maryland's education accountability program must recognize the need for a well–educated populace to perpetuate and maintain democracy and the growth of the State economy; and

WHEREAS, It is necessary that the program include high–quality student assessments that provide timely, actionable feedback for students, parents, and educators that can be used to guide and inform instruction, aid leaders' decisions to target resources, and provide supports for students; and

WHEREAS, In addition to providing an accurate measure of student achievement and growth, and measuring student knowledge and skills against college– and career–ready standards, the high–quality student assessments should inform and guide additional teaching, supports, or interventions that help students master challenging material; and

WHEREAS, Consultation with educators at all levels, businesses, government officials, community representatives, bargaining representatives, and parents is essential in the development of an education accountability program; now, therefore,

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

Article – Education

7–203.

(a) The State Board, the State Superintendent, each county board, and each public school shall implement a program of education accountability for the operation and management of the public schools**.**

(b) (1) In this subsection, "grade band assessment" means one assessment of a middle school student's knowledge in a core academic subject area during grades 6 through 8.

(2) The education accountability program shall include the following:

(i) The State Board and the State Superintendent shall assist each county board to establish educational goals and objectives that conform with statewide educational objectives for subject areas including reading, writing, mathematics, science, and social studies;

(ii) With the assistance of its county board, each public school shall survey current student achievement in reading, language, mathematics, science, social studies, and other areas to assess its needs;

(iii) 1. The State Board and the State Superintendent shall implement assessment programs in reading, language, mathematics, ~~AND~~ science**[**~~,~~ and social studies**]** that include written responses;

2. The assessment program required in this subsection shall:

A. Provide information needed to improve public schools by enhancing the learning gains of students and academic mastery of the skills and knowledge set forth in the State's adopted curricula or common core curricula;

B. Inform the public annually of the educational progress made at the school, local school system, and State levels; and

C. Provide timely feedback to schools and teachers for the purposes of adapting the instructional program and making placement decisions for students; **[**and**]**

3. ~~[Beginning in the 2014–2015 school year, the]~~ ~~THE~~ ***THE*** following assessments shall be implemented and administered annually:

A. At the middle school level, a statewide, comprehensive, grade band assessment program that measures the learning gains of each public school student towards achieving mastery of the standards set forth in the common core curricula or the State's adopted curricula for the core content areas of reading, language, mathematics, ~~AND~~ science~~[~~, and social studies~~]~~; and

B. At the high school level, a statewide, standardized, end–of–course assessment that is aligned with and that measures each public school student's skills and knowledge of the State's adopted curricula for the core content areas of reading, language, mathematics, ~~AND~~ science~~[~~, and social studies~~]~~;

~~4. BEGINNING IN THE 2017–2018 SCHOOL YEAR, EACH COUNTY BOARD SHALL DEVELOP A SOCIAL STUDIES ASSESSMENT THAT IS A LOCALLY DESIGNED AND IMPLEMENTED PERFORMANCE–BASED ASSESSMENT FULLY EMBEDDED IN THE LOCAL CURRICULUM; AND~~

~~5. EACH COUNTY BOARD SHALL CERTIFY EACH YEAR TO THE STATE BOARD THAT:~~

~~A. THE COUNTY BOARD'S SOCIAL STUDIES ASSESSMENT ALIGNS WITH SOCIAL STUDIES CONTENT STANDARDS, SKILLS, AND PROCESSES; AND~~

~~B. THE ASSESSMENT MATCHES APPROPRIATE LOCALLY DESIGNED ASSESSMENT TOOLS;~~

(iv) Each public school shall establish as the basis for its assessment of its needs, project goals and objectives that are in keeping with the goals and objectives established by its county board and the State Board;

(v) With the assistance of its county board, the State Board, and the State Superintendent, each public school shall develop programs to meet its needs on the basis of the priorities it sets;

(vi) Evaluation programs shall be developed at the same time to determine if the goals and objectives are being met; and

(vii) A reevaluation of programs, goals, and objectives shall be undertaken regularly.

~~[~~(3) (i) ~~After the 2014–2015 school year, the~~ ***THE*** State Board shall determine whether the assessments ~~at the middle school and high school levels~~ required under paragraph (2)(iii)3 of this subsection adequately measure the skills and knowledge

set forth in the State's adopted curricula for the core content areas of reading, language, mathematics, science, and social studies.

(ii) If the State Board makes a determination under subparagraph (i) of this paragraph that an assessment does not adequately measure the skills and knowledge set forth in the State's adopted curricula for a core content area, the ~~Department~~ **STATE BOARD** shall develop a State–specific assessment in that core content area to be implemented in the 2018–2019 school year.~~]~~

(4) AT THE MIDDLE SCHOOL LEVEL, THE STATE BOARD SHALL DEVELOP, IN COLLABORATION WITH COUNTY BOARDS, COUNTY CURRICULUM SPECIALISTS IN SOCIAL STUDIES, MIDDLE SCHOOL SOCIAL STUDIES TEACHERS, AND ACADEMICS WITH EXPERTISE IN SOCIAL STUDIES EDUCATION, A SOCIAL STUDIES ASSESSMENT THAT:

(I) CONSISTS, TO THE GREATEST EXTENT POSSIBLE, OF CRITERION–REFERENCED, PERFORMANCE–BASED TASKS THAT REQUIRE STUDENTS TO UTILIZE CRITICAL AND HISTORICAL THINKING SKILLS AND ANALYZE PRIMARY SOURCES;

(II) SHALL BE ADMINISTERED, TO THE GREATEST EXTENT POSSIBLE, WITHIN EXISTING CLASS PERIODS; AND

(III) SHALL BE IMPLEMENTED IN THE ~~2018–2019~~ *2019–2020* SCHOOL YEAR.

(5) AT THE HIGH SCHOOL LEVEL, WHEN THE DEPARTMENT'S CONTRACT FOR THE CURRENT HIGH SCHOOL SOCIAL STUDIES ASSESSMENT EXPIRES, THE STATE BOARD SHALL, IN COLLABORATION WITH COUNTY BOARDS, COUNTY CURRICULUM SPECIALISTS IN SOCIAL STUDIES, HIGH SCHOOL SOCIAL STUDIES TEACHERS, AND ACADEMICS WITH EXPERTISE IN SOCIAL STUDIES EDUCATION, REDESIGN THE HIGH SCHOOL LEVEL SOCIAL STUDIES ASSESSMENT *TO*:

(I) ~~TO CONSIST~~ *CONSIST*, TO THE GREATEST EXTENT POSSIBLE, OF CRITERION–REFERENCED, PERFORMANCE–BASED TASKS THAT REQUIRE STUDENTS TO UTILIZE CRITICAL AND HISTORICAL THINKING SKILLS AND ANALYZE PRIMARY SOURCES;

(II) ~~TO BE~~ *BE* ADMINISTERED, TO THE GREATEST EXTENT POSSIBLE, WITHIN EXISTING CLASS PERIODS; AND

(III) ~~TO BE~~ *BE* IMPLEMENTED IN THE 2018–2019 SCHOOL YEAR *AND EACH YEAR THEREAFTER*.

(c) National standardized testing may not be the only measure for evaluating educational accountability.

(d) The Department shall assist each county board to establish an education accountability program by providing:

(1) Guidelines for development and implementation of the program by the county boards; and

(2) Assistance and coordination where it is needed and requested by the county boards.

(e) (1) The Department shall survey a statewide, representative sample of public schools and public school teachers annually to measure:

(i) The amount of instructional time spent on social studies and science instruction in elementary schools;

(ii) The availability and use of appropriate instructional resources and teaching technology in social studies and science classrooms;

(iii) The availability and use of appropriate professional development for social studies and science teachers; and

(iv) The number of secondary school social studies and science classes that are taught by teachers who are:

1. Certified in the subject being taught; and

2. Not certified in the subject being taught.

(2) The Department shall:

(i) Compile the results of the survey conducted under paragraph (1) of this subsection; and

(ii) Publish the results on the Department's Web site.

(f) The State Superintendent shall send the Governor and, subject to § 2–1246 of the State Government Article, the General Assembly a report each January that includes:

(1) Documentation of the progress of the Department, the county boards, and each public school in this State towards their respective goals and objectives; and

(2) Recommendations for legislation that the State Board and the State Superintendent consider necessary to improve the quality of education in this State.

(g) On the recommendation of the State Superintendent, the State Board shall include in its annual budget request the funds it considers necessary to carry out the provisions of this section.

(H) (1) (I) IN THIS SUBSECTION, "ASSESSMENT" MEANS A FEDERAL, STATE, OR LOCALLY MANDATED TEST THAT IS INTENDED TO MEASURE A STUDENT'S ACADEMIC READINESS, LEARNING PROGRESS, AND SKILL ACQUISITION.

(II) "ASSESSMENT" DOES NOT INCLUDE ~~A TEACHER–DEVELOPED QUIZ OR TEST~~:

1. A TEACHER–DEVELOPED QUIZ OR TEST; OR

2. A SAMPLING TEST THAT IS NOT ADMINISTERED TO ALL STUDENTS.

~~(2) THE STATE BOARD SHALL ADOPT REGULATIONS THAT LIMIT THE AMOUNT OF TIME IN THE AGGREGATE THAT MAY BE DEVOTED TO FEDERAL, STATE, AND LOCALLY MANDATED ASSESSMENTS FOR EACH GRADE TO 2% OF THE MINIMUM REQUIRED ANNUAL INSTRUCTIONAL HOURS IN ACCORDANCE WITH § 7–103 OF THIS TITLE.~~

~~(3) A STUDENT WHO PARTICIPATES IN AN ADVANCED PLACEMENT OR INTERNATIONAL BACCALAUREATE PROGRAM MAY NOT BE SUBJECT TO THE AGGREGATE TESTING LIMIT PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION.~~

(2) (I) ON OR BEFORE AUGUST 1, 2017, AND EACH AUGUST 1 THEREAFTER IN AN ODD–NUMBERED YEAR, A COUNTY BOARD AND THE EXCLUSIVE EMPLOYEE REPRESENTATIVE FOR TEACHERS FOR THAT LOCAL SCHOOL SYSTEM SHALL MEET AND CONFER REGARDING:

1. A RUBRIC FOR EVALUATING LOCAL ASSESSMENTS;

2. THE TIME REQUIRED TO ADMINISTER EACH LOCAL ASSESSMENT; AND

3. THE PURPOSE OF EACH LOCAL ASSESSMENT.

(II) 1. BEGINNING ON OR AFTER JANUARY 1, 2018, AND EACH JANUARY 1 THEREAFTER IN AN EVEN–NUMBERED YEAR, A COUNTY BOARD SHALL ESTABLISH A DISTRICT COMMITTEE ON ASSESSMENTS THAT INCLUDES ADMINISTRATORS, PARENTS, AND TEACHERS SELECTED BY THE EXCLUSIVE BARGAINING UNIT TO ADVISE AND MAKE RECOMMENDATIONS IN THE FOLLOWING AREAS:

A. THE TIME REQUIRED TO ADMINISTER EACH ASSESSMENT;

B. THE DUPLICATIVENESS OF ASSESSMENTS;

C. THE PURPOSE OF ASSESSMENTS;

D. THE VALUE OF FEEDBACK PROVIDED TO EDUCATORS; AND

E. THE TIMELINESS OF RESULTS.

2. ON OR BEFORE JUNE 1, 2019, AND EACH JUNE 1 THEREAFTER IN AN ODD–NUMBERED YEAR, THE DISTRICT COMMITTEE ON ASSESSMENTS SHALL SUBMIT THE COMMITTEE'S RECOMMENDATIONS TO THE COUNTY BOARD AND EXCLUSIVE EMPLOYEE REPRESENTATIVE FOR TEACHERS FOR THAT LOCAL SCHOOL SYSTEM.

(III) SUBJECT TO SUBPARAGRAPH (IV) OF THIS PARAGRAPH, ON OR BEFORE DECEMBER 1, 2017, AND EACH DECEMBER 1 THEREAFTER IN AN ODD–NUMBERED YEAR, A COUNTY BOARD AND THE EXCLUSIVE EMPLOYEE REPRESENTATIVE FOR THAT LOCAL SCHOOL SYSTEM SHALL MUTUALLY AGREE TO THE AMOUNT OF TIME IN THE AGGREGATE THAT SHALL BE DEVOTED TO FEDERAL, STATE, OR LOCALLY MANDATED ASSESSMENTS, ON A GRADE–BY–GRADE BASIS, FOR THE FOLLOWING YEAR.

(IV) SUBJECT TO SUBPARAGRAPH (V) OF THIS PARAGRAPH, IF A COUNTY BOARD AND THE EXCLUSIVE EMPLOYEE REPRESENTATIVE FAIL TO MUTUALLY AGREE UNDER SUBPARAGRAPH (III) OF THIS PARAGRAPH, THE AMOUNT OF TIME IN THE AGGREGATE THAT SHALL BE DEVOTED TO FEDERAL, STATE, OR LOCALLY MANDATED ASSESSMENTS SHALL BE NO MORE THAN 2.2% OF THE MINIMUM REQUIRED ANNUAL INSTRUCTIONAL HOURS IN ACCORDANCE WITH § 7–103 OF THIS TITLE.

(V) IF A COUNTY BOARD AND THE EXCLUSIVE EMPLOYEE REPRESENTATIVE FAIL TO MUTUALLY AGREE UNDER SUBPARAGRAPH (III) OF THIS PARAGRAPH, THE AMOUNT OF TIME IN THE AGGREGATE THAT SHALL BE DEVOTED TO FEDERAL, STATE, OR LOCALLY MANDATED ASSESSMENTS IN THE EIGHTH GRADE SHALL BE NO MORE THAN 2.3% OF THE MINIMUM REQUIRED ANNUAL INSTRUCTIONAL HOURS IN ACCORDANCE WITH § 7–103 OF THIS TITLE.

(3) A STUDENT MAY NOT BE SUBJECT TO THE REQUIREMENT UNDER PARAGRAPH (2) OF THIS SUBSECTION IF THE STUDENT PARTICIPATES IN:

(I) AN ADVANCED PLACEMENT OR INTERNATIONAL BACCALAUREATE PROGRAM; OR

(II) THE SCHOLASTIC APTITUDE TEST (SAT), IF ADMINISTERED DURING THE REGULAR SCHOOL DAY.

(4) TIME DEVOTED TO TEACHER–SELECTED CLASSROOM QUIZZES, ~~AND~~ EXAMS, PORTFOLIO REVIEWS, OR PERFORMANCE ASSESSMENTS MAY NOT BE COUNTED TOWARD THE ~~TESTING LIMIT ESTABLISHED IN~~ *REQUIREMENT UNDER* PARAGRAPH (2) OF THIS SUBSECTION.

(5) THIS SUBSECTION MAY NOT BE CONSTRUED TO ~~SUPERSEDE~~ *INCLUDE* THE REQUIREMENTS OF:

(I) A STUDENT'S 504 PLAN;

(II) THE FEDERAL INDIVIDUALS WITH DISABILITIES EDUCATION ACT, 20 U.S.C. 1400, ET SEQ.;

(III) FEDERAL LAW RELATING TO ENGLISH LANGUAGE LEARNERS~~; OR~~.

(6) THIS SUBSECTION MAY NOT BE CONSTRUED TO SUPERSEDE THE REQUIREMENTS OF

~~(IV)~~ ~~THE~~ *THE* FEDERAL ELEMENTARY AND SECONDARY EDUCATION ACT, 20 U.S.C. 6301, ET SEQ.

~~(6) (I) ON OR BEFORE DECEMBER 1, 2017, EACH COUNTY BOARD SHALL ESTABLISH A DISTRICT COMMITTEE ON ASSESSMENTS TO MONITOR AND EVALUATE THE COUNTY'S ASSESSMENT PROGRAM.~~

~~(II) THE DISTRICT COMMITTEE FORMED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL CONSIST OF AT LEAST THE FOLLOWING MEMBERS, SELECTED BY THE COUNTY SUPERINTENDENT:~~

~~1. A REPRESENTATIVE OF AN EXCLUSIVE BARGAINING UNIT IN THE COUNTY;~~

~~2. A REPRESENTATIVE OF AN ELEMENTARY SCHOOL IN THE COUNTY;~~

~~3. A REPRESENTATIVE OF A MIDDLE SCHOOL IN THE COUNTY;~~

~~4. A REPRESENTATIVE OF A HIGH SCHOOL IN THE COUNTY;~~

~~5. A REPRESENTATIVE OF STUDENTS WITH DISABILITIES WHO RECEIVE SERVICES IN THE COUNTY; AND~~

~~6. A REPRESENTATIVE OF TEACHERS WHO TEACH ENGLISH LANGUAGE LEARNERS;~~ AND

~~7.~~ A PARENT OF A CURRENT STUDENT IN THE LOCAL SCHOOL SYSTEM.

~~(III) 1. ON OR BEFORE JULY 1, 2018, THE DISTRICT COMMITTEE SHALL DEVELOP A RUBRIC FOR EVALUATING LOCAL ASSESSMENTS, INCLUDING DISTRICT-MANDATED ASSESSMENTS AND SCHOOL-BASED ASSESSMENTS.~~

~~2. THE RUBRIC SHALL EVALUATE THE FOLLOWING FACTORS:~~

~~A. THE TIME REQUIRED TO ADMINISTER EACH ASSESSMENT;~~

~~B. THE DUPLICATIVENESS OF ASSESSMENTS;~~

~~C. THE PURPOSE OF ASSESSMENTS;~~

~~D. THE VALUE OF FEEDBACK PROVIDED TO EDUCATORS; AND~~

~~E. THE TIMELINESS OF RESULTS.~~

~~(IV) 1. ON OR BEFORE DECEMBER 1, 2018, AND EACH DECEMBER 1 THEREAFTER, THE DISTRICT COMMITTEE SHALL SUBMIT A REPORT TO THE COUNTY BOARD.~~

~~2. THE REPORT SHALL:~~

~~A. IDENTIFY LOCAL ASSESSMENTS THAT ARE DUPLICATIVE;~~

~~B. RECOMMEND ADJUSTMENTS TO LOCAL ASSESSMENTS CURRENTLY IN PLACE; AND~~

~~C. PROPOSE A TIMELINE FOR THE IMPLEMENTATION OF THE RECOMMENDED ADJUSTMENTS.~~

~~3. AFTER REVIEWING THE REPORT FROM THE DISTRICT COMMITTEE, THE COUNTY BOARD MAY ADOPT OR REJECT THE DISTRICT COMMITTEE'S RECOMMENDATION TO ADJUST THE ASSESSMENTS.~~

~~A. IF THE COUNTY BOARD REJECTS A RECOMMENDATION, THE COUNTY BOARD SHALL RETURN THE RECOMMENDATION TO THE DISTRICT COMMITTEE WITH THE COUNTY BOARD'S COMMENTS.~~

~~B. IF THE COUNTY BOARD ADOPTS A RECOMMENDATION, THE COUNTY BOARD SHALL IMPLEMENT THE RECOMMENDATION AND MAKE THE CHANGE TO THE ASSESSMENT THAT WILL BE USED IN THE FOLLOWING SCHOOL YEAR.~~

~~4. ON JULY 1, 2019, AND EACH JULY 1 THEREAFTER, THE COUNTY BOARD SHALL REPORT TO THE STATE BOARD:~~

~~A. THE DISTRICT COMMITTEE'S RECOMMENDED ADJUSTMENTS TO THE ASSESSMENTS; AND~~

~~B. THE STATUS OF THE COUNTY BOARD'S IMPLEMENTATION OF THE DISTRICT COMMITTEE'S RECOMMENDATIONS.~~

~~(V) ON OR BEFORE JULY 1, 2018, AND EACH JULY 1 THEREAFTER, THE DISTRICT COMMITTEE SHALL PUBLISH ON ITS WEB SITE:~~

~~1. A CALENDAR OF ASSESSMENTS; AND~~

~~2. THE DATE THE DISTRICT COMMITTEE WILL REPORT TO THE COUNTY BOARD.~~

~~(VI)~~ BEGINNING JULY 1, 2019, AND ON OR BEFORE EACH JULY 1 THEREAFTER, THE DISTRICT COMMITTEE SHALL PUBLISH ON ITS WEB SITE A COPY OF THE DISTRICT COMMITTEE'S REPORT TO THE COUNTY BOARD.

~~(7) THE DEPARTMENT SHALL SURVEY A STATEWIDE, REPRESENTATIVE SAMPLE OF PUBLIC SCHOOLS ANNUALLY TO MEASURE HOW MUCH TIME IS SPENT IN EACH GRADE AND IN EACH LOCAL SCHOOL SYSTEM ON ADMINISTERING FEDERAL, STATE, AND LOCALLY MANDATED ASSESSMENTS.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~July~~ *June* 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 485 – *Harford County – Alcoholic Beverages – Common Direct or Indirect Sharing of Profit*.

This bill repeals a provision of law stating that a condition of a common direct or indirect sharing between certain persons of profit from the sale of alcoholic beverages gives rise to a presumption of indirect ownership interest in an alcoholic beverages license in Harford County.

Senate Bill 1177, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 485.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 485

AN ACT concerning

Harford County – Alcoholic Beverages – ~~Interest in More Than One License~~ Common Direct or Indirect Sharing of Profit

FOR the purpose of ~~specifying that a percentage rent provision in a commercial lease does not constitute an interest in an alcoholic beverages license in Harford County;~~ repealing in Harford County a provision of law stating that a condition of a common direct or indirect sharing between certain persons of profit from the sale of alcoholic beverages gives rise to a presumption of indirect ownership interest in an alcoholic beverages license; and generally relating to alcoholic beverages in Harford County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 22–102 and 22–1501
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 22–1503
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

22–102.

This title applies only in Harford County.

22–1501.

(a) The following sections of Title 4, Subtitle 2 ("Issuance or Denial of Local Licenses") of Division I of this article apply in the county without exception or variation:

(1) § 4–205 ("Chain store, supermarket, or discount house");

(2) § 4–206 ("Limitations on retail sales floor space");

(3) § 4–207 ("Licenses issued to minors");

(4) § 4–209 ("Hearing");

(5) § 4–213 ("Replacement licenses"); and

(6) § 4–214 ("Waiting periods after denial of license applications").

(b) The following sections of Title 4, Subtitle 2 ("Issuance or Denial of Local Licenses") of Division I of this article apply in the county:

(1) § 4–202 ("Authority of local licensing boards"), subject to § 22–1502 of this subtitle;

(2) § 4–203 ("Prohibition against issuing multiple licenses to individual or for use of entity"), subject to §§ 22–1503 and 22–1504 of this subtitle and Subtitle 13, Part III and Subtitle 16, Part II of this title;

(3) § 4–204 ("Prohibition against issuing multiple licenses for same premises"), subject to §§ 22–1503 and 22–1504 of this subtitle and Subtitle 13, Part III of this title;

(4) § 4–208 ("Notice of license application required"), subject to § 22–1505 of this subtitle;

(5) § 4–210 ("Approval or denial of license application"), subject to §§ 22–1506 and 22–1507 of this subtitle;

(6) § 4–211 ("License forms; effective date; expiration"), subject to § 22–1508 of this subtitle; and

(7) § 4–212 ("License not property"), in addition to § 22–1509 of this subtitle.

22–1503.

(a) (1) Except as otherwise provided in this title, a person may not have interest in more than one license.

(2) Paragraph (1) of this subsection applies whether the license is held or controlled by direct or indirect ownership, by franchise operation, by stock ownership, by interlocking directors or interlocking stock ownership, or in any other manner, directly or indirectly.

(b) Under subsection (a) of this section, an indirect ownership interest is presumed to exist between any combination of individuals, corporations, limited liability companies, partnerships, limited partnerships, joint ventures, associations, or other persons if any of the following conditions exist between them:

(1) a common parent company;

(2) a franchise agreement;

(3) a licensing agreement;

(4) a concession agreement;

(5) dual membership in a chain of businesses commonly owned and operated;

(6) a sharing of directors, stockholders, partners, or members, or a sharing of directors, stockholders, partners, or members of parents or subsidiaries; **OR**

(7) ~~common direct or indirect sharing of profit from the sale of alcoholic beverages; or~~

~~(8)~~ a sharing of a common trade name, trademark, logo, or theme, or mode of operation identifiable by the public.

~~**(C) A PERCENTAGE RENT PROVISION IN A COMMERCIAL LEASE DOES NOT CONSTITUTE AN INTEREST IN A LICENSE.**~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 573 – *Carroll County – State's Attorney – Salary*.

This bill alters the salary of the State's Attorney for Carroll County upon the next term of office, pursuant to constitutional requirements.

Senate Bill 456, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 573.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 573

AN ACT concerning

Carroll County – State's Attorney – Salary

FOR the purpose of altering the salary of the State's Attorney for Carroll County; providing for the application of this Act; and generally relating to the Office of the State's Attorney for Carroll County.

BY repealing and reenacting, without amendments,
Article – Criminal Procedure
Section 15–407(a)
Annotated Code of Maryland
(2008 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Criminal Procedure
Section 15–407(b)(1)
Annotated Code of Maryland
(2008 Replacement Volume and 2016 Supplement)

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

Article – Criminal Procedure

15–407.

(a) This section applies only in Carroll County.

(b) (1) (i) The State's Attorney's salary is **[**80%**]** **THE FOLLOWING PERCENTAGES** of the salary of a judge of the District Court of Maryland**:**

1. 80%, ENDING ON DECEMBER 3, 2018;

2. 90%, BEGINNING ON DECEMBER 4, 2018; AND

3. 100%, BEGINNING ON DECEMBER 3, 2019, AND THEREAFTER.

(ii) A salary increase shall take effect at the beginning of the elected term of office and may not increase during the term of office.

SECTION 2. AND BE IT FURTHER ENACTED, That, pursuant to Article III, § 35 of the Maryland Constitution, this Act may not be construed to extend or apply to the salary or compensation of the State's Attorney for Carroll County while serving in a term of office beginning before the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the State's Attorney for Carroll County shall take effect at the beginning of the next following term of office. This limitation does not apply to an individual appointed or elected after the effective date of this Act to fill out an unexpired term.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 574 – *Carroll County – Sheriff's Salary*.

This bill increases the salary of the Sheriff of Carroll County upon the next term of office, pursuant to constitutional requirements.

Senate Bill 457, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 574.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 574

AN ACT concerning

Carroll County – Sheriff's Salary

FOR the purpose of altering the salary of the Sheriff of Carroll County; providing for the application of this Act; and generally relating to the Sheriff of Carroll County.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 2–309(h)(1)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

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

Article – Courts and Judicial Proceedings

2–309.

(h) (1) The Sheriff of Carroll County shall receive an annual salary **[**of**]** **AS FOLLOWS:**

(I) $90,000 beginning on December 1, 2014**;**

(II) $100,000 BEGINNING DECEMBER 4, 2018; AND

(III) $110,000 BEGINNING DECEMBER 3, 2019, and thereafter.

SECTION 2. AND BE IT FURTHER ENACTED, That, pursuant to Article III, § 35 of the Maryland Constitution, this Act may not be construed to extend or apply to the salary or compensation of the Sheriff of Carroll County while serving in a term of office beginning before the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the Sheriff of Carroll County shall take effect at the beginning of the next following term of office. This limitation does not apply to an individual appointed or elected after the effective date of this Act to fill out an unexpired term.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 644 – *Independent Living Tax Credit Act.*

This bill allows an individual a credit against the State income tax for renovation or construction costs incurred while improving accessibility and universal visitability

features, within existing homes, to assist individuals with disabilities. This bill requires the Department of Housing and Community Development to administer the tax credit.

Senate Bill 180, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 644.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 644

AN ACT concerning

Independent Living Tax Credit Act

FOR the purpose of allowing an individual ~~or a corporation~~ a credit against the State income tax for certain renovation ~~or construction~~ costs incurred during the taxable year; requiring the Department of Housing and Community Development to administer the tax credit; providing that the credit may not exceed a certain amount; providing that the credit may not be carried forward to another taxable year; requiring an individual ~~or a corporation~~ to file a certain application before a certain date and to file an amended return; providing for the maximum amount of tax credits that may be issued by the Department each year; requiring the Department to certify certain credits in a certain manner by a certain date; requiring the Department to adopt certain regulations; defining certain terms; providing for the application of this Act; and generally relating to an income tax credit for certain expenditures that provide accessibility and visitability features to or within a home.

BY adding to
Article – Tax – General
Section 10–741
Annotated Code of Maryland
~~(2010 Replacement Volume and 2016 Supplement)~~ (2016 Replacement Volume)

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

Article – Tax – General

10–741.

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

(2) "ACCESSIBILITY AND UNIVERSAL VISITABILITY FEATURES" MEANS COMPONENTS OF RENOVATION TO AN EXISTING HOME ~~OR CONSTRUCTION OF A NEW HOME~~ THAT IMPROVES ACCESS TO OR WITHIN THE HOME FOR INDIVIDUALS WITH DISABILITIES.

(3) "DEPARTMENT" MEANS THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT.

(4) "DISABILITY" HAS THE MEANING STATED IN § 7–101 OF THE HUMAN SERVICES ARTICLE.

(5) "QUALIFIED EXPENSES" MEANS COSTS INCURRED TO INSTALL ACCESSIBILITY AND UNIVERSAL VISITABILITY FEATURES TO OR WITHIN A HOME.

(B) ~~(1)~~ SUBJECT TO THE LIMITATIONS OF THIS SECTION, AN INDIVIDUAL ~~OR A CORPORATION~~ MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN AN AMOUNT EQUAL TO 50% OF THE QUALIFIED EXPENSES INCURRED DURING THE TAXABLE YEAR TO RENOVATE AN EXISTING HOME ~~OR CONSTRUCT A NEW HOME~~ WITH ACCESSIBILITY AND UNIVERSAL VISITABILITY FEATURES.

~~**(2) AN ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OR (4) OF THE INTERNAL REVENUE CODE MAY APPLY THE CREDIT UNDER THIS SECTION AGAINST STATE INCOME TAX DUE ON UNRELATED BUSINESS TAXABLE INCOME AS PROVIDED UNDER §§ 10–304 AND 10–812 OF THIS TITLE.**~~

(C) (1) FOR ANY TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED THE LESSER OF:

(I) $5,000; OR

(II) THE STATE INCOME TAX IMPOSED FOR THE TAXABLE YEAR CALCULATED BEFORE THE APPLICATION OF THE CREDITS ALLOWED UNDER THIS SECTION AND UNDER §§ 10–701 AND 10–701.1 OF THIS SUBTITLE BUT AFTER THE APPLICATION OF ANY OTHER CREDIT ALLOWED UNDER THIS SUBTITLE.

(2) THE UNUSED AMOUNT OF THE CREDIT MAY NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.

(D) (1) BY JUNE 1 OF THE CALENDAR YEAR FOLLOWING THE END OF THE TAXABLE YEAR IN WHICH THE QUALIFIED EXPENSES WERE INCURRED, AN INDIVIDUAL ~~OR A CORPORATION~~ SHALL SUBMIT AN APPLICATION TO THE DEPARTMENT FOR THE CREDITS ALLOWED UNDER SUBSECTION (B) OF THIS SECTION.

(2) THE TOTAL AMOUNT OF CREDITS APPROVED BY THE DEPARTMENT UNDER SUBSECTION (B) OF THIS SECTION MAY NOT EXCEED ~~$2,000,000~~ $1,000,000 FOR ANY CALENDAR YEAR.

(3) IF THE TOTAL AMOUNT OF CREDITS APPLIED FOR BY ALL INDIVIDUALS ~~AND CORPORATIONS~~ UNDER SUBSECTION (B) OF THIS SECTION EXCEEDS THE MAXIMUM SPECIFIED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE DEPARTMENT SHALL APPROVE A CREDIT FOR EACH APPLICANT IN AN AMOUNT EQUAL TO THE PRODUCT OF MULTIPLYING THE CREDIT APPLIED FOR BY THE APPLICANT TIMES A FRACTION:

(I) THE NUMERATOR OF WHICH IS THE MAXIMUM SPECIFIED UNDER PARAGRAPH (2) OF THIS SUBSECTION; AND

(II) THE DENOMINATOR OF WHICH IS THE TOTAL OF ALL CREDITS APPLIED FOR BY ALL APPLICANTS UNDER SUBSECTION (B) OF THIS SECTION IN THE CALENDAR YEAR.

(4) BY AUGUST 1 OF THE CALENDAR YEAR FOLLOWING THE END OF THE TAXABLE YEAR IN WHICH THE QUALIFIED EXPENSES WERE INCURRED, THE DEPARTMENT SHALL CERTIFY TO THE INDIVIDUAL ~~OR CORPORATION~~ THE AMOUNT OF TAX CREDITS APPROVED BY THE DEPARTMENT FOR THE INDIVIDUAL ~~OR CORPORATION~~ UNDER SUBSECTION (B) OF THIS SECTION.

(5) TO CLAIM THE APPROVED CREDITS ALLOWED UNDER THIS SECTION, AN INDIVIDUAL ~~OR A CORPORATION~~ SHALL:

(I) FILE AN AMENDED INCOME TAX RETURN FOR THE TAXABLE YEAR IN WHICH THE QUALIFIED EXPENSES WERE INCURRED; AND

(II) ATTACH A COPY OF THE DEPARTMENT'S CERTIFICATION OF THE APPROVED CREDIT AMOUNT TO THE AMENDED INCOME TAX RETURN.

(E) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION, INCLUDING THE CRITERIA AND PROCEDURES FOR APPLICATION FOR, APPROVAL OF, AND MONITORING ELIGIBILITY FOR THE TAX CREDIT AUTHORIZED UNDER THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017, and shall be applicable to all taxable years beginning after December 31, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 655 – *Frederick County – Hunting – Nongame Birds and Mammals.*

This bill repeals a requirement in Frederick County that a person must obtain a hunting license before hunting or attempting to hunt nongame birds and mammals.

Senate Bill 519, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 655.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 655

AN ACT concerning

Frederick County – Hunting – Nongame Birds and Mammals

FOR the purpose of repealing a prohibition in Frederick County against hunting or attempting to hunt nongame birds and mammals without first obtaining a hunting license; making certain stylistic changes; and generally relating to hunting nongame birds and mammals in Frederick County.

BY repealing and reenacting, with amendments,
Article – Natural Resources
Section 10–301(b)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Natural Resources

10–301.

(b) **(1)** To provide a fund to pay the expense of protecting and managing wildlife, and preventing unauthorized persons from hunting them, a person may not hunt or attempt to hunt during open season and in any permitted manner any game birds and mammals in the State without first having procured either a resident or nonresident hunter's license.

(2) A person may not hunt or attempt to hunt nongame birds and mammals in Baltimore County **[**or Frederick County**]** without first obtaining a license.

(3) A permanent resident of a government reservation may obtain a resident hunter's license.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 682 – *St. Mary's County – Sheriff, County Treasurer, and State's Attorney – Salaries.*

This bill increases the salary of the Sheriff of St. Mary's County, the County Treasurer of St. Mary's County, and the State's Attorney for St. Mary's County upon the next term of office, pursuant to constitutional requirements.

Senate Bill 298, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 682.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

AN ACT concerning

St. Mary's County – Sheriff, County Treasurer, and State's Attorney – Salaries

FOR the purpose of altering the salary of the Sheriff of St. Mary's County, the County Treasurer of St. Mary's County, and the State's Attorney for St. Mary's County; providing for the application of this Act; and generally relating to the salaries of public officials of St. Mary's County.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 2–309(t)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Criminal Procedure
Section 15–419(a)
Annotated Code of Maryland
(2008 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Criminal Procedure
Section 15–419(b)
Annotated Code of Maryland
(2008 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Local Government
Section 16–203
Annotated Code of Maryland
(2013 Volume and 2016 Supplement)

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

Article – Courts and Judicial Proceedings

2–309.

(t) (1) The annual salary of the Sheriff of St. Mary's County shall be:

(i) $100,000 for the calendar year 2015;

(ii) $102,000 for the calendar year 2016;

(iii) $104,040 for the calendar year 2017; and

(iv) **[**$106,120 for the calendar year 2018**]** **BEGINNING IN CALENDAR YEAR 2018, EQUAL TO THE SALARY OF A DEPARTMENT OF STATE POLICE LIEUTENANT COLONEL (STEP 12)**.

(2) The Sheriff shall devote full time to the duties of office.

Article – Criminal Procedure

15–419.

(a) This section applies only in St. Mary's County.

(b) (1) (i) The State's Attorney's salary is **[**90% of**]** **EQUAL TO** the salary of a **[**judge of the District Court of Maryland**]** **CIRCUIT COURT JUDGE** and shall be paid biweekly.

(ii) A salary increase shall take effect at the beginning of the elected term of office and may not increase during the term of office.

(2) (i) The county commissioners shall provide for the administrative support staff, independent office facilities, office equipment, supplies, books, and other items necessary for the operation of the office.

(ii) The State's Attorney shall present vouchers to the county commissioners for the payment of office expenses.

Article – Local Government

16–203.

(a) The annual salary of the County Treasurer of St. Mary's County is:

(1) $50,000 for calendar year 2015;

(2) $50,500 for calendar year 2016;

(3) $51,005 for calendar year 2017; and

(4) **[**$51,515**]** **$63,000** for calendar year 2018.

(b) The County Treasurer of St. Mary's County shall devote full time to the duties of office.

SECTION 2. AND BE IT FURTHER ENACTED, That, pursuant to Article III, § 35 of the Maryland Constitution, this Act may not be construed to extend or apply to the salary

or compensation of the Sheriff of St. Mary's County, the County Treasurer of St. Mary's County, or the State's Attorney for St. Mary's County while serving in a term of office beginning before the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the Sheriff of St. Mary's County, the County Treasurer of St. Mary's County, and the State's Attorney for St. Mary's County shall take effect at the beginning of the next following term of office. This limitation does not apply to an individual appointed or elected after the effective date of this Act to fill out an unexpired term.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Thomas V. Mike Miller
President of the Senate
State House
Annapolis, MD 21401

The Honorable Michael E. Busch
Speaker of the House
State House
Annapolis, MD 21401

Dear Mr. President and Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed Senate Bill 543/House Bill 694 – *Higher Education – Admissions Process – Criminal History (Maryland Fair Access to Education Act of 2017).*

This legislation prohibits colleges and universities from using an admissions application containing questions about a prospective student's criminal history — no matter how violent or lengthy that criminal history may be. Additionally, Senate Bill 543/House Bill 694 limits how a college can use a prospective or incoming student's criminal history information, curtailing its ability to ensure a safe campus environment.

Protecting our citizens must be a top priority of any government and Maryland's colleges and universities must be safe communities where students are free to learn and grow. When families send their children to college, they know they will be exposed to exciting new opportunities and challenges, but also to new dangers. In this, parents have an expectation that the school to which they entrust their child will do everything possible to keep its students safe.

Senate Bill 543/House Bill 694 jeopardizes student safety by dictating how and when schools can ask about and use criminal history information about potential students. This

could lead to situations where a school unknowingly admits a student with a violent past or feels it must accept a student with a criminal history for fear of running afoul of the law.

Most alarmingly, the legislation does little to differentiate between those with a violent felony, such as a sexual assault conviction, and those with a nonviolent misdemeanor on their record.

Legislation barring colleges and universities from using admissions applications containing questions about misdemeanor or nonviolent convictions while still allowing questions about violent felonies would better balance opportunity with public safety.

Our laws must balance the opportunity for second chances with our most important duty of ensuring public safety. I have championed policies that recognize the innate potential of each and every Marylander no matter their criminal history. In 2015, I was proud to sign the Second Chance Act and provide individuals a clean slate by shielding from public knowledge certain low–level criminal offenses. Last year, together with your leadership, we were able to pass the Justice Reinvestment Act which lowers penalties for nonviolent drug offenders, emphasizes treatment and rehabilitation, and contains one of the largest expansions of expungement opportunities in recent history.

However, while measures like the Second Chance Act and Justice Reinvestment Act strike this crucial balance, Senate Bill 543/House Bill 694 tips the scales to the detriment of public safety. While individuals of all criminal backgrounds should be given educational, employment, and growth opportunities, colleges and universities must have the ability to know who they are accepting onto their campuses. We should not encourage schools to turn a blind eye to a prospective student's potentially violent criminal background.

For these reasons, I have vetoed Senate Bill 543 and House Bill 694.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 694

AN ACT concerning

Higher Education – Admissions Process – Criminal History
(Maryland Fair Access to Education Act of 2017)

FOR the purpose of prohibiting certain institutions of higher education from ~~inquiring into or considering~~ using information about the criminal history of applicants on certain admissions applications; providing for ~~a~~ certain ~~exception~~ exceptions to the ban on ~~inquiring into or considering~~ using certain criminal history information; allowing certain institutions of higher education to inquire into or consider the criminal history of students for purposes of admission and access to campus ~~residency,~~

residency or offering certain counseling or ~~services, and deciding whether students may participate in certain activities or aspects of campus life~~ *services*; prohibiting certain institutions of higher education from ~~using information on a student's criminal history to rescind admission or unreasonably restrict a student's~~ automatically or unreasonably restricting a student's admission ~~and access to certain activities or aspects of campus life~~; requiring certain institutions of higher education to adopt ~~an individualized~~ a process when denying or limiting certain students' access to campus residency or a ~~particular activity, academic program, or aspect of campus life~~ *certain academic program*; requiring ~~an individualized~~ the process to be set forth in writing and include certain considerations; ~~requiring that certain negatively affected students have the right to appeal a denial or limitation of access to campus residency or a particular activity or aspect of campus life; requiring certain institutions of higher education to inform accepted students of their individualized processes and the students' right to present certain evidence in writing;~~ requiring certain institutions of higher education to consider the State's policy of promoting the admission of students with criminal records; providing for the application of this Act; defining certain terms; providing for a delayed effective date; and generally relating to the ~~prohibition against institutions of higher education considering criminal history during the admissions process~~ consideration of criminal history in the admissions process.

BY adding to

Article – Education

Section 26–501 through 26–506 to be under the new subtitle "Subtitle 5. ~~Prohibition on Considering~~ Consideration of Criminal History ~~During~~ in the Admissions Process"

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

~~Preamble~~

~~WHEREAS, Higher education plays a critical role in developing good citizenship, creating economic and social opportunities, and enhancing public safety; and~~

~~WHEREAS, Barriers to education increase recidivism rates for individuals with criminal histories and national crime statistics demonstrate that higher education institutions that have eliminated pre–admission inquiry into criminal history have not experienced an increase in campus crime rates; and~~

~~WHEREAS, It is the policy of the State to encourage the continuing education of individuals with a criminal record and remove barriers to their ability to meaningfully reenter society and transition into the workforce; now, therefore,~~

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

Article – Education

SUBTITLE 5. ~~PROHIBITION ON CONSIDERING CRIMINAL HISTORY DURING THE ADMISSIONS PROCESS~~ CONSIDERATION OF CRIMINAL HISTORY IN THE ADMISSIONS PROCESS.

26–501.

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

(B) ~~(1) "ADMISSIONS PROCESS" MEANS THE PROCESS BY WHICH INSTITUTIONS OF HIGHER EDUCATION SELECT STUDENTS FOR ENROLLMENT.~~

~~(2) "ADMISSIONS PROCESS" INCLUDES THE SUBMISSION OF AN APPLICATION TO ATTEND AN INSTITUTION OF HIGHER EDUCATION, ALL DECISIONS MADE DURING THE REVIEW OF APPLICATIONS, AND THE SELECTION OF APPLICANTS TO MATRICULATE~~ "ADMISSIONS APPLICATION" MEANS AN INDIVIDUAL APPLICATION TO ENROLL AS AN UNDERGRADUATE STUDENT AT AN INSTITUTION OF HIGHER EDUCATION.

(C) "CRIMINAL HISTORY" MEANS AN ARREST~~, A CRIMINAL ACCUSATION,~~ OR A CRIMINAL CONVICTION.

~~(D) "DIRECT RELATIONSHIP" MEANS A CONNECTION BETWEEN THE NATURE OF THE CRIMINAL HISTORY OF AN ACCEPTED STUDENT AND AN ACTIVITY OR ASPECT OF CAMPUS LIFE THAT WOULD CREATE AN UNREASONABLE RISK TO THE SAFETY OR WELFARE OF THE ACCEPTED STUDENT, OTHER INDIVIDUALS ON CAMPUS, OR CAMPUS PROPERTY IF THE ACCEPTED STUDENT WERE AUTHORIZED TO PARTICIPATE WITHOUT CONDITION.~~

***~~(E)~~ (D)* "THIRD–PARTY ADMISSIONS APPLICATION" MEANS AN ADMISSIONS APPLICATION NOT CONTROLLED BY THE INSTITUTION.**

26–502.

THIS SUBTITLE APPLIES TO INSTITUTIONS OF HIGHER EDUCATION THAT RECEIVE STATE FUNDS.

26–503.

(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, AN INSTITUTION OF HIGHER EDUCATION MAY NOT ~~INQUIRE INTO OR CONSIDER INFORMATION ABOUT THE CRIMINAL HISTORY OF AN INDIVIDUAL DURING THE~~

~~ADMISSIONS PROCESS~~ USE AN ADMISSIONS APPLICATION THAT CONTAINS QUESTIONS ABOUT THE CRIMINAL HISTORY OF THE APPLICANT.

(B) AN INSTITUTION OF HIGHER EDUCATION MAY ~~CONSIDER INFORMATION ABOUT A CRIME COMMITTED BY AN APPLICANT IF THE INSTITUTION KNOWS OR SHOULD KNOW THAT THE CRIME IS ONGOING~~ USE A THIRD–PARTY ADMISSIONS APPLICATION THAT CONTAINS QUESTIONS ABOUT THE CRIMINAL HISTORY OF THE APPLICANT IF THE INSTITUTION POSTS A NOTICE ON ITS WEB SITE STATING THAT A CRIMINAL HISTORY DOES NOT DISQUALIFY AN APPLICANT FROM ADMISSION.

26–504.

(A) SUBJECT TO § 26–505 OF THIS SUBTITLE, AN INSTITUTION OF HIGHER EDUCATION MAY MAKE INQUIRIES INTO AND CONSIDER INFORMATION ABOUT A STUDENT'S CRIMINAL HISTORY FOR THE PURPOSE OF:

(1) MAKING DECISIONS REGARDING ADMISSION AND ACCESS TO CAMPUS RESIDENCY; *OR*

(2) OFFERING SUPPORTIVE COUNSELING OR SERVICES TO HELP REHABILITATE AND EDUCATE THE STUDENT ON BARRIERS A CRIMINAL RECORD MAY ~~PRESENT; OR~~

~~(3) DECIDING WHETHER THE STUDENT MAY PARTICIPATE IN ACTIVITIES AND ASPECTS OF CAMPUS LIFE USUALLY OPEN TO STUDENTS~~ *PRESENT*.

(B) IN MAKING INQUIRIES OR CONSIDERING INFORMATION UNDER THIS SECTION, AN INSTITUTION OF HIGHER EDUCATION MAY NOT:

~~(1) USE ANY INFORMATION ABOUT A STUDENT'S CRIMINAL HISTORY TO RESCIND AN OFFER OF ADMISSION; OR~~

~~(2) AUTOMATICALLY~~ AUTOMATICALLY ~~OR UNREASONABLY RESTRICT A STUDENT'S~~ ADMISSION, ~~ACTIVITIES, OR ASPECTS OF CAMPUS LIFE BASED ON THAT STUDENT'S CRIMINAL HISTORY.~~ *AUTOMATICALLY OR UNREASONABLY RESTRICT A STUDENT'S ADMISSION BASED ON THAT STUDENT'S CRIMINAL HISTORY.*

26–505.

~~(A) IN DECIDING TO DENY OR LIMIT A STUDENT'S~~ ADMISSION OR ~~ACCESS TO CAMPUS RESIDENCY OR PARTICIPATION IN A PARTICULAR ACTIVITY OR ASPECT OF CAMPUS LIFE UNDER § 26–504 OF THIS SUBTITLE, AN INSTITUTION OF HIGHER EDUCATION SHALL DEVELOP AN INDIVIDUALIZED A PROCESS FOR DETERMINING WHETHER THERE IS A DIRECT RELATIONSHIP BETWEEN A STUDENT'S CRIMINAL~~

~~HISTORY AND CAMPUS RESIDENCY, A SPECIFIC ACADEMIC PROGRAM, OR A PARTICULAR ACTIVITY OR ASPECT OF CAMPUS LIFE.~~

(A) IN DECIDING TO DENY OR LIMIT A STUDENT'S ADMISSION OR ACCESS TO CAMPUS RESIDENCY UNDER § 26–504 OF THIS SUBTITLE, AN INSTITUTION OF HIGHER EDUCATION SHALL DEVELOP A PROCESS FOR DETERMINING WHETHER THERE IS A RELATIONSHIP BETWEEN A STUDENT'S CRIMINAL HISTORY AND CAMPUS RESIDENCY OR A SPECIFIC ACADEMIC PROGRAM.

(B) ~~AN INDIVIDUALIZED~~ THE PROCESS DEVELOPED UNDER THIS SECTION SHALL BE SET FORTH IN WRITING AND SHALL INCLUDE CONSIDERATION OF:

(1) THE AGE OF THE STUDENT AT THE TIME ANY ASPECT OF THE STUDENT'S CRIMINAL HISTORY OCCURRED;

(2) THE TIME THAT HAS ELAPSED SINCE ANY ASPECT OF THE STUDENT'S CRIMINAL HISTORY OCCURRED;

(3) THE NATURE OF THE CRIMINAL HISTORY ~~AND WHETHER IT BEARS A DIRECT RELATIONSHIP TO CAMPUS RESIDENCY, THE ACTIVITY, OR THE ASPECT OF CAMPUS LIFE AT ISSUE~~; AND

(4) ANY EVIDENCE OF REHABILITATION OR GOOD CONDUCT PRODUCED BY THE STUDENT.

~~(C) AN INDIVIDUALIZED PROCESS DEVELOPED UNDER THIS SECTION SHALL PROVIDE AN AFFECTED STUDENT WITH REASONABLE NOTICE AND AN OPPORTUNITY TO APPEAL A DENIAL OR LIMITATION OF CAMPUS RESIDENCY, AN ACTIVITY, OR AN ASPECT OF CAMPUS LIFE.~~

~~(D) INSTITUTIONS OF HIGHER EDUCATION SHALL INFORM ACCEPTED STUDENTS IN WRITING OF THE INDIVIDUALIZED PROCESS DEVELOPED UNDER THIS SECTION AND THE RIGHT STUDENTS HAVE TO PROVIDE EVIDENCE OF REHABILITATION AND GOOD CONDUCT.~~

26–506.

AN INSTITUTION OF HIGHER EDUCATION THAT INQUIRES INTO OR CONSIDERS INFORMATION ABOUT A STUDENT'S CRIMINAL HISTORY, IN A MANNER CONSISTENT WITH THIS SUBTITLE, SHALL CONSIDER THE STATE'S POLICY TO PROMOTE THE ADMISSION OF STUDENTS WITH CRIMINAL RECORDS, INCLUDING FORMERLY INCARCERATED INDIVIDUALS, TO PROVIDE THESE STUDENTS WITH THE OPPORTUNITY TO OBTAIN THE KNOWLEDGE AND SKILLS NEEDED TO CONTRIBUTE TO THE STATE'S ECONOMY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~July~~ December 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 702 – *Residential Property – Vacant and Abandoned Property – Expedited Foreclosure.*

This bill authorizes a secured party to petition a circuit court for leave to immediately commence an action to foreclose a mortgage or deed of trust on a residential property if the property is vacant and abandoned under certain circumstances, establishes criteria for vacant and abandoned residential property, and requires the court to rule promptly.

Senate Bill 1033, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 702.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 702

AN ACT concerning

Residential Property – Vacant and Abandoned Property – Expedited Foreclosure

FOR the purpose of authorizing a secured party to petition a circuit court for leave to immediately commence an action to foreclose a mortgage or deed of trust on a residential property if the property is vacant and abandoned under certain circumstances; requiring a secured party to send a copy of a certain petition to certain persons under certain circumstances; requiring a court to rule on a certain foreclosure petition promptly after the petition is filed; providing that a residential property is vacant and abandoned if certain criteria apply to the property; requiring

a court to ~~order the appropriate official of the county or municipal corporation in which a residential property is located to verify that the property is vacant and abandoned under certain circumstances; requiring a court to order a residential property to be offered for sale not later than a certain period of time after issuance of a certain final judgment; authorizing a secured party to enter and secure a residential property after the property is found to be vacant and abandoned under certain circumstances~~ grant a certain petition for leave to file an action for immediate foreclosure under certain circumstances; providing that, if a court grants a certain petition, certain foreclosure process provisions do not apply to an action to foreclose residential property found to be vacant and abandoned under certain circumstances; requiring a secured party to serve certain foreclosure documents in a certain manner under certain circumstances; requiring the Commissioner of Financial Regulation to adopt certain regulations; requiring a challenge to a certain finding regarding residential property being vacant and abandoned to be filed within a certain period of time; requiring a secured party to comply with certain foreclosure process provisions if a certain challenge is upheld; making stylistic changes; defining a certain term; providing for the application of this Act; and generally relating to the foreclosure of vacant and abandoned residential property.

BY repealing and reenacting, without amendments,
Article – Real Property
Section 7–105.1(a)(12)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Real Property
Section 7–105.1(b)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY adding to
Article – Real Property
Section 7–105.14
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – Real Property

7–105.1.

(a) (12) "Residential property" means real property improved by four or fewer single family dwelling units that are designed principally and are intended for human habitation.

(b) (1) Except as provided in paragraph (2) of this subsection, an action to foreclose a mortgage or deed of trust on residential property may not be filed until the later of:

(i) 90 days after a default in a condition on which the mortgage or deed of trust provides that a sale may be made; or

(ii) 45 days after the notice of intent to foreclose required under subsection (c) of this section is sent.

(2) (i) The secured party may petition the circuit court for leave to immediately commence an action to foreclose the mortgage or deed of trust if:

1. The loan secured by the mortgage or deed of trust was obtained by fraud or deception;

2. No payments have ever been made on the loan secured by the mortgage or deed of trust;

3. The property subject to the mortgage or deed of trust has been destroyed; **[**or**]**

4. The default occurred after the stay has been lifted in a bankruptcy proceeding**; OR**

5. THE PROPERTY SUBJECT TO THE MORTGAGE OR DEED OF TRUST IS PROPERTY THAT IS VACANT AND ABANDONED AS PROVIDED UNDER § 7–105.14 OF THIS SUBTITLE.

(ii) The court may rule on the petition with or without a hearing.

(iii) If the petition is granted**[**, the**]:**

1. THE action may be filed at any time after a default in a condition on which the mortgage or deed of trust provides that a sale may be made **[**and the**]; AND**

2. THE secured party need not send the written notice of intent to foreclose required under subsection (c) of this section.

7–105.14.

(A) IN THIS SECTION, "RESIDENTIAL PROPERTY" HAS THE MEANING STATED IN § 7–105.1 OF THIS SUBTITLE.

(B) (1) A SECURED PARTY MAY PETITION THE CIRCUIT COURT FOR LEAVE TO IMMEDIATELY COMMENCE AN ACTION TO FORECLOSE A MORTGAGE OR DEED OF TRUST ON RESIDENTIAL PROPERTY ON THE BASIS THAT THE PROPERTY IS VACANT AND ABANDONED AS PROVIDED IN THIS SECTION.

(2) ON FILING A PETITION UNDER THIS SECTION, THE SECURED PARTY SHALL SEND A COPY OF THE PETITION TO THE MORTGAGOR'S OR GRANTOR'S LAST KNOWN ADDRESS AND THE RECORD OWNER OF THE PROPERTY BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, AND FIRST–CLASS MAIL.

(3) THE CIRCUIT COURT SHALL RULE ON THE PETITION PROMPTLY AFTER THE PETITION IS FILED.

(C) A RESIDENTIAL PROPERTY IS VACANT AND ABANDONED UNDER THIS SECTION IF ALL OF THE FOLLOWING CRITERIA APPLY TO THE PROPERTY:

(1) THE COURT FINDS THAT THE MORTGAGE OR DEED OF TRUST ON THE RESIDENTIAL PROPERTY HAS BEEN IN DEFAULT FOR 120 DAYS OR MORE IN A CONDITION ON WHICH THE MORTGAGE OR DEED OF TRUST PROVIDES THAT A SALE MAY BE MADE;

(2) THE COURT FINDS THAT AT LEAST THREE OF THE CIRCUMSTANCES LISTED IN SUBSECTION (D) OF THIS SECTION ARE TRUE AS TO THE PROPERTY;

(3) NO MORTGAGOR OR GRANTOR HAS FILED WITH THE COURT AN ANSWER OR OBJECTION SETTING FORTH A DEFENSE OR OBJECTION THAT, IF PROVEN, WOULD PRECLUDE THE ENTRY OF A FINAL JUDGMENT AND A DECREE OF FORECLOSURE; AND

(4) NO MORTGAGOR OR GRANTOR HAS FILED WITH THE COURT A WRITTEN STATEMENT THAT THE PROPERTY IS NOT VACANT AND ABANDONED.

(D) THE CIRCUMSTANCES OF A RESIDENTIAL PROPERTY THAT A COURT MAY FIND ARE TRUE UNDER SUBSECTION (C)(2) OF THIS SECTION ARE:

(1) GAS, ELECTRIC, SEWER, OR WATER UTILITY SERVICES TO THE PROPERTY HAVE BEEN DISCONNECTED;

(2) WINDOWS OR ENTRANCES TO THE STRUCTURE ON THE PROPERTY ARE BOARDED UP OR CLOSED OFF, OR MULTIPLE WINDOW PANES ARE BROKEN AND UNREPAIRED;

(3) DOORS TO THE STRUCTURE ON THE PROPERTY ARE SMASHED THROUGH, BROKEN OFF, UNHINGED, OR CONTINUOUSLY UNLOCKED;

(4) JUNK, LITTER, TRASH, DEBRIS, OR HAZARDOUS, NOXIOUS, OR UNHEALTHY SUBSTANCES OR MATERIALS HAVE ACCUMULATED ON THE PROPERTY;

(5) FURNISHINGS, WINDOW TREATMENTS, OR PERSONAL ITEMS ARE ABSENT FROM THE STRUCTURE ON THE PROPERTY;

(6) THE PROPERTY IS THE OBJECT OF VANDALISM, LOITERING, OR CRIMINAL CONDUCT, OR THERE HAS BEEN PHYSICAL DESTRUCTION OR DETERIORATION OF THE PROPERTY;

(7) A MORTGAGOR OR GRANTOR HAS MADE A WRITTEN STATEMENT EXPRESSING THE INTENTION OF ALL MORTGAGORS OR GRANTORS TO ABANDON THE PROPERTY;

(8) THERE IS A DETERMINATION THAT NO OWNER OR TENANT APPEARS TO BE RESIDING ON THE PROPERTY AT THE TIME OF AN INSPECTION OF THE PROPERTY BY:

~~(I)~~ ~~THE~~ THE SECURED PARTY; ~~OR~~

~~(II) AN APPROPRIATE OFFICIAL OF THE COUNTY OR MUNICIPAL CORPORATION IN WHICH THE PROPERTY IS LOCATED;~~

~~(9) AN APPROPRIATE OFFICIAL OF THE COUNTY OR MUNICIPAL CORPORATION IN WHICH THE PROPERTY IS LOCATED PROVIDES A WRITTEN STATEMENT INDICATING THAT THE STRUCTURE ON THE PROPERTY IS VACANT AND ABANDONED;~~

(9) TWO OR MORE CITATIONS HAVE BEEN ISSUED BY A COUNTY OR MUNICIPAL CORPORATION AGAINST THE PROPERTY FOR FAILURE TO MAINTAIN THE PROPERTY AND A HEALTH AND SAFETY ISSUE EXISTS THAT HAS NOT BEEN RECTIFIED;

~~(10) THE PROPERTY IS SEALED BECAUSE, IMMEDIATELY PRIOR TO BEING SEALED, THE PROPERTY WAS CONSIDERED BY AN APPROPRIATE OFFICIAL OF THE COUNTY OR MUNICIPAL CORPORATION IN WHICH THE PROPERTY IS LOCATED TO BE OPEN, VACANT, OR VANDALIZED; OR~~

(10) THE PROPERTY HAS BEEN CONDEMNED BY A COUNTY OR MUNICIPAL CORPORATION; OR

(11) OTHER REASONABLE INDICIA OF ABANDONMENT EXIST.

~~**(E) IF THE COURT MAKES A PRELIMINARY FINDING THAT A RESIDENTIAL PROPERTY IS VACANT AND ABANDONED UNDER SUBSECTION (D) OF THIS SECTION WITHOUT VERIFICATION BY AN APPROPRIATE OFFICIAL OF THE COUNTY OR MUNICIPAL CORPORATION IN WHICH THE RESIDENTIAL PROPERTY IS LOCATED, THE COURT WITHIN 7 DAYS OF THE PRELIMINARY FINDING SHALL ORDER THE APPROPRIATE OFFICIAL OF THE COUNTY OR MUNICIPAL OFFICIAL TO VERIFY THAT THE PROPERTY IS VACANT AND ABANDONED.**~~

~~**(F)**~~ **(E) (1) IF THE COURT FINDS THAT A RESIDENTIAL PROPERTY IS VACANT AND ABANDONED AND THE SECURED PARTY FILING A PETITION FOR LEAVE TO FILE AN ACTION FOR IMMEDIATE FORECLOSURE IS ENTITLED TO JUDGMENT, THE COURT SHALL: GRANT THE PETITION.**

~~**(1) ENTER A FINAL JUDGMENT OF FORECLOSURE; AND**~~

~~**(2) ORDER THAT THE PROPERTY BE OFFERED FOR SALE NOT LATER THAN 30 DAYS AFTER THE ISSUANCE OF THE FINAL JUDGMENT.**~~

~~**(G) (1) AFTER A RESIDENTIAL PROPERTY IS FOUND TO BE VACANT AND ABANDONED UNDER THIS SECTION, THE SECURED PARTY MAY ENTER AND SECURE THE PROPERTY IN ORDER TO PROTECT THE PROPERTY FROM DAMAGE.**~~

~~**(2) A SECURED PARTY THAT DOES NOT FILE AN ORDER TO DOCKET OR COMPLAINT TO FORECLOSE WITH A PETITION FOR LEAVE TO FILE AN ACTION FOR IMMEDIATE FORECLOSURE IN ACCORDANCE WITH THIS SECTION MAY ENTER AND SECURE A RESIDENTIAL PROPERTY ONLY IF THE MORTGAGE OR DEED OF TRUST PROVIDES FOR THE ENTRY.**~~

(2) EXCEPT AS PROVIDED UNDER SUBSECTION (F) OF THIS SECTION, IF THE COURT GRANTS THE PETITION UNDER PARAGRAPH (1) OF THIS SUBSECTION, § 7–105.1 OF THIS SUBTITLE DOES NOT APPLY TO AN ACTION TO FORECLOSE A MORTGAGE OR DEED OF TRUST ON THE RESIDENTIAL PROPERTY THAT IS FOUND TO BE VACANT AND ABANDONED.

(F) (1) A SECURED PARTY FILING AN ORDER TO DOCKET OR COMPLAINT TO FORECLOSE BASED ON A PETITION GRANTED BY A COURT UNDER SUBSECTION (E)(1) OF THIS SECTION SHALL SERVE THE FORECLOSURE DOCUMENTS, ACCOMPANIED BY THE DOCUMENT REQUIRED UNDER PARAGRAPH (4) OF THIS SUBSECTION, BY:

(I) PERSONAL DELIVERY OF THE PAPERS TO THE MORTGAGOR OR GRANTOR; OR

(II) LEAVING THE PAPERS WITH A RESIDENT OF SUITABLE AGE AND DISCRETION AT THE MORTGAGOR'S OR GRANTOR'S DWELLING HOUSE OR USUAL PLACE OF ABODE.

(2) IF AT LEAST TWO GOOD FAITH EFFORTS ON DIFFERENT DAYS TO SERVE THE MORTGAGOR OR GRANTOR UNDER PARAGRAPH (1) OF THIS SUBSECTION HAVE NOT SUCCEEDED, THE SECURED PARTY MAY EFFECT SERVICE BY:

(I) FILING AN AFFIDAVIT WITH THE COURT DESCRIBING THE GOOD FAITH EFFORTS TO SERVE THE MORTGAGOR OR GRANTOR; AND

(II) 1. MAILING A COPY OF ALL THE DOCUMENTS REQUIRED TO BE SERVED UNDER PARAGRAPH (1) OF THIS SUBSECTION BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, AND FIRST–CLASS MAIL TO THE MORTGAGOR'S OR GRANTOR'S LAST KNOWN ADDRESS AND, IF DIFFERENT, TO THE ADDRESS OF THE RESIDENTIAL PROPERTY SUBJECT TO THE MORTGAGE OR DEED OF TRUST; AND

2. POSTING A COPY OF ALL THE DOCUMENTS REQUIRED TO BE SERVED UNDER PARAGRAPH (1) OF THIS SUBSECTION IN A CONSPICUOUS PLACE ON THE RESIDENTIAL PROPERTY SUBJECT TO THE MORTGAGE OR DEED OF TRUST.

(3) THE INDIVIDUAL MAKING SERVICE OF DOCUMENTS UNDER THIS SUBSECTION SHALL FILE PROOF OF SERVICE WITH THE COURT IN ACCORDANCE WITH THE MARYLAND RULES.

(4) THE SERVICE OF DOCUMENTS UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE ACCOMPANIED BY A SEPARATE, CLEARLY MARKED NOTICE, IN THE FORM PRESCRIBED BY REGULATIONS ADOPTED BY THE COMMISSIONER OF FINANCIAL REGULATION, THAT STATES:

(I) THE SIGNIFICANCE OF THE ORDER TO DOCKET OR COMPLAINT TO FORECLOSE; AND

(II) THE RIGHT OF A RECORD OWNER OR OCCUPANT OF THE PROPERTY TO CHALLENGE THE FINDING THAT THE RESIDENTIAL PROPERTY IS VACANT AND ABANDONED.

(5) (I) A CHALLENGE TO THE FINDING THAT THE RESIDENTIAL PROPERTY IS VACANT AND ABANDONED SHALL BE FILED WITH THE COURT IN THE FORECLOSURE PROCEEDING NOT LATER THAN 20 DAYS AFTER SERVICE IS MADE UNDER THIS SUBSECTION.

(II) IF A TIMELY FILED CHALLENGE UNDER THIS SUBSECTION IS UPHELD, THE SECURED PARTY SHALL COMPLY WITH THE REQUIREMENTS OF § 7–105.1 OF THIS SUBTITLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any order to docket or complaint to foreclose on residential property that is filed before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 758 – *Garrett County – Payment to Rescue Squads.*

This bill alters the Public Local Laws of Garrett County to require the Board of County Commissioners of Garrett County to appropriate certain funds for the benefit of volunteer rescue squads through either a direct payment or through an in–kind payment.

Senate Bill 591, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 758.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 758

AN ACT concerning

Garrett County – Payment to Rescue Squads ~~– Repeal~~

FOR the purpose of ~~repealing from~~ altering the Public Local Laws of Garrett County ~~certain provisions of law relating to certain payments to rescue squads by~~ to require the Board of County Commissioners of Garrett County to appropriate certain funds for the benefit of certain rescue squads; authorizing the County Commissioners to pay the value of a certain appropriation to a rescue squad by in–kind payment of personnel, equipment, or services; repealing certain provisions concerning the use and withholding of county funds and certain reporting requirements under certain circumstances; and generally relating to the payment of rescue squads in Garrett County.

BY repealing and reenacting, with amendments,
The Public Local Laws of Garrett County
Section 35.05
Article 12 – Public Local Laws of Maryland
(2005 Edition and September 2015 Supplement, as amended)

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

Article 12 – Garrett County

[~~35.05.~~

(A) In this section, RESCUE SQUAD means a voluntary, nonprofit entity that provides pre–hospital emergency services and patient transport.

(B) (1) The Board of County Commissioners of Garrett County shall appropriate ~~and pay to~~ **FOR THE BENEFIT OF** rescue squads in the county a total amount per year of up to $0.008 per hundred dollars on the assessable real property in Garrett County other than operating real property of a public utility and up to $0.02 per hundred dollars on the assessable personal property and operating real property of a public utility.

(2) ~~The Board of County Commissioners of Garrett County shall make the payments twice a year in December and June~~ **THE VALUE OF THE APPROPRIATION SHALL BE PAID TO THE RESCUE SQUADS IN THE COUNTY BY:**

(I) DIRECT PAYMENT; OR

(II) IN–KIND PAYMENT BY THE BOARD OF COUNTY COMMISSIONERS THROUGH THE ASSIGNMENT OF PERSONNEL, EQUIPMENT, OR SERVICES TO THE RESCUE SQUAD.

(3) The payments to each rescue squad shall be equivalent.

[(C) A rescue squad shall use the funds for:

(1) The purchase, maintenance and repair of rescue apparatus and equipment;

(2) The construction, maintenance, or repair of facilities and grounds necessary for:

(a) Emergency medical service purposes;

(b) Hosting community events;

(c) Providing emergency shelter; or

(d) Enhancing fund–raising or operations capability;

(3) The promotion, retention, or recruitment of membership; or

(4) Other special expenditures, including hardships or other extenuating circumstances that have:

(a) The prior approval of the Garrett County Emergency Services Board; and

(b) Consideration of recommendations from the Garrett County Fire and Rescue Association.

(D) The Board of County Commissioners of Garrett County may reserve the right to withhold any or all of the funds from a rescue squad that fails to meet all standards and policies recommended by the Garrett County Emergency Services Board to the Board of County Commissioners.

(E) A rescue squad receiving funding under this section shall file annually signed copies of federal Form 990 and Form 990 Schedule A, including receipt and disbursement of funds received under this chapter with the Board of County Commissioners. A rescue squad may not file federal Form 990 EZ with the County Commissioners under this section. If the Internal Revenue Service changes, amends, or replaces Form 990 and Form 990 Schedule A with a report that is to be filed annually, a fully executed copy of that report with all corresponding schedules shall be filed with the County Commissioners.**]**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 832 – *Baltimore City – Alcoholic Beverages – Old Goucher Revitalization District.*

This bill authorizes the Baltimore City Board of License Commissioners to issue four Class B–D–7 licenses within a specific alcoholic beverages district of the Old Goucher Revitalization District. This bill also exempts an applicant rom certain zoning requirements, as well as certain distance restrictions near schools and places of worship. In addition, the license may be transferred within the Old Goucher Revitalization District.

Senate Bill 384, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 832.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 832

AN ACT concerning

Baltimore City – Alcoholic Beverages – Old Goucher Revitalization District

FOR the purpose of exempting an applicant for a *certain* Class B–D–7 license in a certain Old Goucher Revitalization District in the 43rd alcoholic beverages district in Baltimore City from certain zoning requirements; creating an exception under which the Board of License Commissioners for Baltimore City may issue certain new Class B–D–7 licenses under certain circumstances; specifying that, notwithstanding certain other provisions of law, the Board may issue certain licenses to certain establishments that are located in certain areas and meet a certain minimum capital investment requirement; specifying that a *certain* Class B–D–7 license may be transferred within~~, but may not be transferred out of,~~ the Old Goucher Revitalization District; specifying that a certain distance restriction for the issuance of new alcoholic beverages licenses within a certain distance of a school or place of worship does not apply to a property in a certain Old Goucher Revitalization District; defining a certain term; *making this Act an emergency measure;* and generally relating to alcoholic beverages in Baltimore City.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages

Section 12–102, 12–905, and 12–1605(a)(1)
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 12–1407, 12–1603, and 12–1605(a)(2)
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

12–102.

This title applies only in Baltimore City.

12–905.

(a) There is a Class B–D–7 beer, wine, and liquor license.

(b) (1) The Board may issue a Class B–D–7 license if the Board determines that the license is reasonably necessary for the convenience of the public.

(2) In making the determination, the Board shall consider the number of beer, wine, and liquor outlets in a given area and the number of days the outlets are open, rather than the nature of the outlets.

(c) The license authorizes the license holder to sell beer, wine, and liquor at retail at the place described in the license, for on– and off–premises consumption.

(d) The license holder may sell beer, wine, and liquor during the hours and days set out under § 12–2004(c) of this title.

(e) The Board shall adopt regulations to determine the manner of operation of a licensed premises.

(f) The annual license fee is $1,320.

12–1407.

(a) (1) The Board or the Board's designee shall examine each application for the issuance or transfer of a license within 45 days of receipt of the application to determine whether the application is complete.

(2) **[**An**]** **EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, AN** application for the issuance, transfer, or renewal is not complete unless the applicant has:

(i) obtained zoning approval or verification of zoning if the application is for renewal;

(ii) submitted all documents required in the application; and

(iii) paid all fines and fees that are due.

(3) AN APPLICATION FOR THE ISSUANCE, TRANSFER, OR RENEWAL OF A CLASS B–D–7 LICENSE *THAT MAY BE ISSUED UNDER § 12–1603(C)(5) OF THIS TITLE* IN THE OLD GOUCHER REVITALIZATION DISTRICT UNDER § 12–1603(E) OF THIS TITLE IS COMPLETE WITHOUT AN APPLICANT OBTAINING ZONING APPROVAL OR VERIFICATION OF ZONING.

(b) (1) A license hearing may not be scheduled unless the Board determines that the application is complete.

(2) A complete application with all submitted documents shall be posted online at least 14 days before the hearing date.

(3) The postponement of a hearing shall be posted online not less than 72 hours before the hearing date.

(c) (1) To incorporate a change in the application document after the Board or the Board's designee has determined the application to be complete, the applicant shall submit the change to the Board not later than 15 days before the scheduled hearing.

(2) After the hearing on the application, an applicant may change the application only at a new hearing.

(d) The Board shall impose a fine that it determines for failure to comply with the requirements under this section.

12–1603.

(a) The alcoholic beverages districts described in this section at all times are coterminous with the legislative districts in the Legislative Districting Plan of 2002 as ordered by the Maryland Court of Appeals on June 21, 2002.

(b) Except as provided in subsection (c) of this section, the Board may not issue a new license in:

(1) the 40th alcoholic beverages district;

(2) the 41st alcoholic beverages district;

(3) the 43rd alcoholic beverages district;

(4) the 44th alcoholic beverages district; and

(5) the 45th alcoholic beverages district.

(c) The Board may issue:

(1) in the alcoholic beverages districts specified in subsection (b) of this section:

(i) a 1–day license; or

(ii) a Class B beer, wine, and liquor license to a restaurant that:

1. has a minimum capital investment, not including the cost of land and buildings, of $200,000 for restaurant facilities; and

2. has a minimum seating capacity of 75 individuals;

(2) a Class C beer, wine, and liquor license in the 45th alcoholic beverages district;

(3) a Class C beer, wine, and liquor license in ward 5, precinct 1 of the 44th alcoholic beverages district; **[**and**]**

(4) a Class C beer, wine, and liquor license in the 200 block of West Saratoga Street in ward 4, precinct 3 of the 40th alcoholic beverages district**; AND**

(5) SUBJECT TO THE REQUIREMENTS UNDER SUBSECTION (E) OF THIS SECTION, FOUR CLASS B–D–7 LICENSES IN THE 43RD ALCOHOLIC BEVERAGES DISTRICT.

(d) One Class B–D–7 license issued for a property surrounded by Morton Street on the west, West Eager Street on the north, North Charles Street on the east, and West Read Street on the south may be transferred to a property surrounded by 21st Street on the north, Morton Street on the west, North Charles Street on the east, and 20th Street on the south.

(E) (1) IN THIS SUBSECTION, "OLD GOUCHER REVITALIZATION DISTRICT" MEANS THE AREA SURROUNDED BY HOWARD STREET ON THE WEST, 25TH STREET ON THE NORTH, ST. PAUL STREET ON THE EAST, AND 22ND STREET ON THE SOUTH.

(2) IF AN ESTABLISHMENT HAS A MINIMUM CAPITAL INVESTMENT, NOT INCLUDING LAND AND ACQUISITION COSTS, OF $50,000, THE BOARD MAY ISSUE ONE CLASS B–D–7 LICENSE FOR USE IN EACH OF THE FOLLOWING PROPERTIES IN THE OLD GOUCHER REVITALIZATION DISTRICT:

(I) A PROPERTY THAT IS SURROUNDED BY MARYLAND AVENUE ON THE WEST, 24TH STREET ON THE NORTH, MORTON STREET ON THE EAST, AND 22ND STREET ON THE SOUTH;

(II) A PROPERTY THAT IS SURROUNDED BY MORTON STREET ON THE WEST, 23RD STREET ON THE NORTH, CHARLES STREET ON THE EAST, AND 22ND STREET ON THE SOUTH;

(III) A PROPERTY THAT IS SURROUNDED BY MORTON STREET ON THE WEST, WARE STREET ON THE NORTH, CHARLES STREET ON THE EAST, AND 24TH STREET ON THE SOUTH; AND

(IV) A PROPERTY THAT IS SURROUNDED BY MARYLAND AVENUE ON THE WEST, 24TH STREET ON THE NORTH, MORTON STREET ON THE EAST, AND 23RD STREET ON THE SOUTH.

(3) A CLASS B–D–7 LICENSE:

~~(I)~~ *THAT MAY BE ISSUED UNDER § 12–1603(C)(5) OF THIS TITLE* MAY BE TRANSFERRED WITHIN THE OLD GOUCHER REVITALIZATION DISTRICT~~; AND~~

~~(II) MAY NOT BE TRANSFERRED OUT OF THE OLD GOUCHER REVITALIZATION DISTRICT~~.

12–1605.

(a) (1) (i) Except as otherwise provided in this subsection, a new license may not be issued for and an existing license may not be moved to a building that is within 300 feet of the nearest point of the building of a place of worship or school.

(ii) In the 45th legislative district, a new Class A license of any type may not be issued for a building that is within 500 feet of the nearest point of the building of a place of worship or school.

(2) Paragraph (1)(i) of this subsection does not apply to:

(i) a Class B beer and wine license outside the 46th legislative district;

(ii) a Class B beer, wine, and liquor license outside the 46th legislative district;

(iii) **A CLASS B–D–7 LICENSE IN THE OLD GOUCHER REVITALIZATION DISTRICT UNDER § 12–1603(E) OF THIS SUBTITLE;**

(IV) a Class C beer and wine license; and

[(iv)**] (V)** a Class C beer, wine, and liquor license.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act ~~shall take effect July 1, 2017~~ *is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three–fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted*.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 844 – *Driver Improvement Program and Failure to Pay Child Support – Driver's License Suspensions – Penalties and Assessment of Points.*

This bill alters the assessment of points and penalties associated with the suspension of a driver's license, or privilege to drive, for failure to attend a required driver improvement program or make certain child support payments.

Senate Bill 799, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 844.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

AN ACT concerning

~~Driver's~~ Driver Improvement Program and Failure to Pay Child Support – Driver's License Suspensions – Penalties and Assessment of Points

FOR the purpose of ~~repealing the term of imprisonment for a person convicted of driving a vehicle on a highway or certain property while the person's driver's license or privilege to drive is suspended in the State; reducing the number of points assessed to a person convicted of driving a vehicle on a highway or certain property while the person's driver's license or privilege to drive is suspended in the State; repealing the term of imprisonment for a person convicted of driving a vehicle on a highway or certain property while the person's driver's license issued by another state is suspended under the laws of the State or the traffic laws or regulations of another state under certain circumstances; reducing the number of points assessed to a person convicted of driving a vehicle on a highway or certain property while the person's driver's license issued by another state is suspended under the laws of the State or the traffic laws or regulations of another state under certain circumstances;~~ altering the assessment of points and the penalties associated with the suspension of a driver's license or privilege to drive for failure to attend a certain driver improvement program or make certain child support payments; making conforming changes; ~~providing for the effective date of certain provisions of this Act; providing for the termination of certain provisions of this Act;~~ and generally relating to penalties for driver's license suspensions for failure to attend a certain driver improvement program or make certain child support payments.

BY repealing and reenacting, without amendments,
Article – Transportation
Section 16–203(b), 16–206(a)(2), and 16–402(a)(14)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Transportation
Section 16–303~~, 16–402(a)(14) and (34), 27–101(e)(12) through (26) and (h), and 27–111(e)(1) and (3)(i)~~
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, ~~with~~ without amendments,
Article – Transportation
Section 27–101(gg)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)
(As enacted by Chapter 515 of the Acts of the General Assembly of 2016)

~~BY repealing and reenacting, with amendments,~~
~~Article – Transportation~~

~~Section 16–303(k)~~
~~Annotated Code of Maryland~~
~~(2012 Replacement Volume and 2016 Supplement)~~
~~(As enacted by Chapter_(S.B. 165) of the Acts of the General Assembly of 2017)~~

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

Article – Transportation

16–203.

(b) On notification by the Child Support Enforcement Administration in accordance with § 10–119 of the Family Law Article that an obligor is 60 days or more out of compliance with the most recent order of the court in making child support payments, the Administration:

(1) Shall suspend an obligor's license or privilege to drive in the State; and

(2) May issue a work–restricted license or work–restricted privilege to drive.

16–206.

(a) (2) The Administration may suspend a license to drive of an individual who fails to attend:

(i) A driver improvement program or an alcohol education program required under § 16–212 of this subtitle; or

(ii) A private alternative program or an alternative program that is provided by a political subdivision of this State under § 16–212 of this subtitle.

16–303.

(a) A person may not drive a motor vehicle on any highway or on any property specified in § 21–101.1 of this article while the person's license or privilege to drive is refused in this State or any other state.

(b) A person may not drive a motor vehicle on any highway or on any property specified in § 21–101.1 of this article while the person's license or privilege to drive is canceled in this State.

(c) ~~[~~A person may not drive a motor vehicle on any highway or on any property specified in § 21–101.1 of this article while the person's license or privilege to drive is suspended in this State.

(d)~~]~~ A person may not drive a motor vehicle on any highway or on any property specified in § 21–101.1 of this article while the person's license or privilege to drive is revoked in this State.

~~[~~(e)~~]~~ ~~(D)~~ A person may not drive a motor vehicle on any highway or on any property specified in § 21–101.1 of this article while the person's license issued by any other state is canceled.

~~[~~(f) A person may not drive a motor vehicle on any highway or on any property specified in § 21–101.1 of this article while the person's license issued by any other state is suspended.

(g)~~]~~ ~~(E)~~ A person may not drive a motor vehicle on any highway or on any property specified in § 21–101.1 of this article while the person's license issued by any other state is revoked.

~~[~~(h)~~]~~ ~~(F)~~ A person may not drive a motor vehicle on any highway or on any property specified in § 21–101.1 of this article while~~:~~

~~(1)~~ ~~[~~the~~]~~ ~~THE~~ person's license or privilege to drive is suspended ~~[~~under § **16–203, § 16–206(A)(2) FOR FAILURE TO ATTEND A DRIVER IMPROVEMENT PROGRAM, §** 17–106, § 26–204, § 26–206, or § 27–103 of this article~~]~~ ~~IN THIS STATE;~~

~~(2) THE PERSON'S LICENSE ISSUED BY ANY OTHER STATE IS SUSPENDED; OR~~

~~(3) THE PERSON'S LICENSE OR PRIVILEGE TO DRIVE IS SUSPENDED UNDER THE TRAFFIC LAWS OR REGULATIONS OF ANY OTHER STATE FOR:~~

~~(I) FAILURE TO COMPLY WITH A NOTICE TO APPEAR IN A COURT OF THAT STATE CONTAINED IN A TRAFFIC CITATION ISSUED TO THE PERSON; OR~~

~~(II) FAILURE TO PAY A FINE FOR A VIOLATION OF ANY TRAFFIC LAWS OR REGULATIONS OF THAT STATE~~.

~~[~~(i) (1) This subsection applies only to a person whose license or privilege to drive is suspended under the traffic laws or regulations of another state for:

(i) Failure to comply with a notice to appear in a court of that state contained in a traffic citation issued to the person; or

(ii) Failure to pay a fine for a violation of any traffic laws or regulations of that state.

(2) A person may not drive a motor vehicle on any highway or on any property specified in § 21–101.1 of this article while the person's license or privilege to drive is suspended under the traffic laws or regulations of any other state as described in paragraph (1) of this subsection.

(j)~~] (G)~~ (1) Except as provided in paragraph (2) of this subsection, any individual who violates a provision of this section shall be assessed the points as provided for in § 16–402(a)(34) of this title.

(2) Any individual who violates a provision of subsection ~~[~~(h) or subsection (i)~~] (F)~~ of this section shall be assessed the points as provided for in § 16–402(a)(14) of this title.

16–402.

(a) After the conviction of an individual for a violation of Title 2, Subtitle 5, § 2–209, § 3–211, or § 10–110 of the Criminal Law Article, or of the vehicle laws or regulations of this State or of any local authority, points shall be assessed against the individual as of the date of violation and as follows:

(14) Any violation of ~~[~~§ 16–303(h) or (i)~~] § 16–303(F)~~ of this title ... 3 points

27–101.

(gg) A person who is convicted of a violation of § 16–303(h) ("Licenses suspended under certain provisions of Code") or § 16–303(i) ("Licenses suspended under certain provisions of the traffic laws or regulations of another state") of this article:

(1) is subject to a fine of not more than $500;

(2) must appear in court; and

(3) may not prepay the fine.

~~(34) Any violation of § 16–303 of this title, excluding [§ 16–303(h) or (i)] § 16–303(F)..... 12 points~~

~~27–111.~~

~~(e) (1) As a sentence, a part of a sentence, or a condition of probation, a court may order, for not more than 180 days, the impoundment or immobilization of a solely owned vehicle used in the commission of a violation of § 16–303(e) or [(d)] (F)(1) of this article if, at the time of the violation:~~

~~(i) The owner of the vehicle was driving the vehicle; and~~

~~(ii) The owner's license was suspended or revoked under § 16–205 of this article.~~

~~(3) (i) Subject to the provisions of subparagraph (ii) of this paragraph, impoundment or immobilization of a vehicle may not be ordered under this section, if the registered owner of the vehicle made a bona fide sale, gift, or other transfer of the vehicle to another person before the date of the finding of a violation of § 16–303(c) or~~ **[**~~(d)~~**] (F)(1)** ~~of this article.~~

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

~~Article – Transportation~~

~~27–101.~~

~~(c) Any person who is convicted of a violation of any of the provisions of the following sections of this article is subject to a fine of not more than $500 or imprisonment for not more than 2 months or both:~~

~~(12)~~ **[**~~§ 16–303(h) ("Licenses suspended under certain provisions of Code");~~

~~(13) § 16–303(i) ("Licenses suspended under certain provisions of the traffic laws or regulations of another state");~~

~~(14) Repealed.~~

~~(15)~~**]** ~~§ 20–103 ("Driver to remain at scene — Accidents resulting only in damage to attended vehicle or property");~~

[~~(16)~~**] (13)** ~~§ 20–104 ("Duty to give information and render aid");~~

[~~(17)~~**] (14)** ~~§ 20–105 ("Duty on striking unattended vehicle or other property");~~

[~~(18)~~**] (15)** ~~§ 20–108 ("False reports prohibited");~~

[~~(19)~~**] (16)** ~~§ 21–206 ("Interference with traffic control devices or railroad signs and signals");~~

[~~(20)~~**] (17)** ~~As to a pedestrian in a marked crosswalk, § 21–502(a) ("Pedestrians' right–of–way in crosswalks: In general"), if the violation contributes to an accident;~~

~~**[**(21)**] (18)** As to another vehicle stopped at a marked crosswalk, § 21–502(c) ("Passing of vehicle stopped for pedestrian prohibited"), if the violation contributes to an accident;~~

~~**[**(22)**] (19)** Except as provided in subsections (f) and (q) of this section, § 21–902(b) ("Driving while impaired by alcohol");~~

~~**[**(23)**] (20)** Except as provided in subsections (f) and (q) of this section, § 21–902(c) ("Driving while impaired by drugs or drugs and alcohol");~~

~~**[**(24)**] (21)** § 21–902.1 ("Driving within 12 hours after arrest");~~

~~**[**(25)**] (22)** Title 21, Subtitle 10A ("Towing or Removal of Vehicles from Parking Lots"); or~~

~~**[**(26)**] (23)** § 27–107(d), (e), (f), or (g) ("Prohibited acts — Ignition interlock systems").~~

~~(h) Any person who is convicted of a violation of any of the provisions of § 16–113(k) of this article ("Ignition Interlock System Program participant driving vehicle without ignition interlock"), § 16–303(a), (b), (c), (d), **OR** (e)**[**, (f), or (g)**]** of this article ("Driving while license is canceled, **[**suspended,**]** refused, or revoked"), § 17–107 of this article ("Prohibitions"), or § 17–110 of this article ("Providing false evidence of required security") is subject to:~~

~~(1) For a first offense, a fine of not more than $1,000, or imprisonment for not more than 1 year, or both; and~~

~~(2) For any subsequent offense, a fine of not more than $1,000, or imprisonment for not more than 2 years, or both.~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:~~

~~Article – Transportation~~

~~27–101.~~

~~(h) Any person who is convicted of a violation of any of the provisions of § 16–113(k) of this article ("Ignition Interlock System Program participant driving vehicle without ignition interlock"), § 16–303(a), (b), (c), (d), **OR** (e)**[**, (f), or (g)**]** of this article ("Driving while license is canceled, **[**suspended,**]** refused, or revoked"), § 17–107 of this article ("Prohibitions"), or § 17–110 of this article ("Providing false evidence of required security") is subject to:~~

~~(1) For a first offense, a fine of not more than $1,000, or imprisonment for not more than 1 year, or both; and~~

~~(2) For any subsequent offense, a fine of not more than $1,000, or imprisonment for not more than 2 years, or both.~~

~~(gg) A person who is convicted of a violation of~~ **[**~~§ 16–303(h)~~**] § 16–303(F)** ~~("Licenses suspended under certain provisions of Code")~~ **[**~~or § 16–303(i) ("Licenses suspended under certain provisions of the traffic laws or regulations of another state")~~**]** ~~of this article:~~

~~(1) Is subject to a fine of not more than $500;~~

~~(2) Must appear in court; and~~

~~(3) May not prepay the fine.~~

~~SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:~~

~~Article – Transportation~~

~~16–303.~~

[~~(k)~~**] (H)** ~~(1) Except as provided in paragraph (2) of this subsection, a person convicted of a violation of this section is subject to:~~

~~(i) For a first offense, imprisonment not exceeding 1 year or a fine not exceeding $1,000 or both; and~~

~~(ii) For a second or subsequent offense, imprisonment not exceeding 2 years or a fine not exceeding $1,000 or both.~~

~~(2) A person convicted of a violation of subsection~~ **[**~~(h) or (i)~~**] (F)** ~~of this section:~~

~~(i) Is subject to a fine not exceeding $500;~~

~~(ii) Must appear in court; and~~

~~(iii) May not prepay the fine.~~

~~SECTION 5. AND BE IT FURTHER ENACTED, That, if Section 3 or 4 of this Act takes effect, Section 2 of this Act shall be abrogated and of no further force and effect.~~

~~SECTION 6. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect October 1, 2017, the effective date of Section 4 of Chapter 515 of the Acts of the General Assembly of 2016. If the effective date of Section 4 of Chapter 515 is amended, Section 3 of this Act shall take effect on the taking effect of Section 4 of Chapter 515. If Section 4 of Chapter 515 does not take effect or if Section 4 of this Act takes effect, Section 3 of this Act shall be abrogated and of no further force and effect.~~

~~SECTION 7. AND BE IT FURTHER ENACTED, That Section 4 of this Act shall take effect October 1, 2017, the effective date of Chapter_(S.B. 165) of the Acts of the General Assembly of 2017. If the effective date of Chapter_(S.B. 165) is amended, Section 4 of this Act shall take effect on the taking effect of Chapter_(S.B. 165). If Chapter_(S.B. 165) does not take effect, Section 4 of this Act shall be abrogated and of no further force and effect.~~

SECTION ~~8.~~ 2. AND BE IT FURTHER ENACTED, That~~, subject to the provisions of Sections 5, 6, and 7 of this Act,~~ this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 858 – *Allegany County – Sheriff's Deputies – Salary and Duties.*

This bill alters the salary of a Sheriff's deputy in Allegany County and establishes that salaries are to be determined by the sheriff's budget. This bill also requires that at least one of the deputies must be assigned to execute process, orders, and directions for the juvenile court, as well as to perform other duties as assigned by the sheriff.

Senate Bill 639, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 858.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

AN ACT concerning

Allegany County – Sheriff's Deputies – Salary and Duties

FOR the purpose of altering the salary of a Sheriff's deputy in Allegany County; clarifying that at least one of the Sheriff's deputies is required to be assigned to certain duties; and generally relating to Sheriff's deputies in Allegany County.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 2–309(b)(2)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

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

Article – Courts and Judicial Proceedings

2–309.

(b) (2) The Sheriff shall appoint not less than five deputies at salaries **[**of at least $2,400 each**]** **DETERMINED BY THE SHERIFF'S BUDGET** who are under the county classified service; **AT LEAST** one of these deputies shall be assigned by the Sheriff to execute process, orders, and directions for the juvenile court, and to perform the other duties the Sheriff assigns.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 914 – *St. Mary's County – Metropolitan Commission – Authority to Borrow Money*.

This bill requires the St. Mary's County Commissioners to review and approve any loan application before the St. Mary's County Metropolitan Commission submits that application to a lender.

Senate Bill 735, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 914.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 914

AN ACT concerning

St. Mary's County – Metropolitan Commission – Authority to Borrow Money

FOR the purpose of requiring the Board of County Commissioners of St. Mary's County, when the St. Mary's County Metropolitan Commission plans to borrow any money, to review and approve any loan application before the Commission submits the loan application to a lender; and generally relating to the authority to borrow money of the St. Mary's County Metropolitan Commission.

BY repealing and reenacting, with amendments,
The Public Local Laws of St. Mary's County
Section 113–2
Article 19 – Public Local Laws of Maryland
(2007 Edition and October 2014 Supplement, as amended)

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

Article 19 – St. Mary's County

113–2.

A. The members of the Commission are a body politic and corporate, by the name of the "St. Mary's County Metropolitan Commission" (referred to elsewhere in this chapter as the "Commission"), with the right to use a common seal, to sue and be sued and to do any and all other corporate acts for the purpose of carrying out the provisions of this chapter, including, without limiting the generality of the foregoing, the right and power to make and enter into all contracts or agreements as the Commission determines with the Federal government, the State of Maryland or any agency or instrumentality of either thereof or with any municipal corporation, county, private corporation, copartnership, association or individual, on terms and conditions which the Commission approves, relating to the performance of the Commission's duties, the execution of its rights and powers, the

use by the Federal government, the State government or any Federal or State agency, municipal corporation, county or private entity or individual of any water supply or sewerage system constructed or acquired by the Commission under this chapter or the services therefrom or the facilities thereof or the use by the Commission of any water supply or sewerage systems owned or operated other than by the Commission.

B. Whenever it is deemed necessary by the Commission to take or acquire any land, structure or buildings, or any streambed, waterway, water rights or watershed, either in fee or as an easement, within or outside of St. Mary's County, for the construction, extension or maintenance of any water main, sewer or appurtenance thereof, or any sewage treatment plant, reservoir, water treatment plant, storage tank or pumping station, or for the execution by the Commission of any other power or function vested in it by this chapter, the Commission may purchase it from the owners or, failing to agree with the owner or owners thereof, may condemn it by proceedings in the Circuit Court for the county in which the land, structures or buildings, streambed, waterway, water rights or watershed is located, as are provided for condemnation of land by public service corporations in the Public General Laws of Maryland. The Commission may likewise condemn the interest of any tenant, lessee or other person having any right or interest in the land, structures or buildings, streambed, waterway, water rights or watershed. At any time after ten (10) days after the return and recordation of the verdict or award in the proceedings, the Commission may enter and take possession of the property so condemned, upon first paying to the Clerk of the Court the amount of the award and all costs taxed to that date, notwithstanding any appeal or further proceedings upon the part of the defendant. At the time of payment, however, the Commission shall give its corporate undertaking to abide by and fulfill any judgment in such appeal or further proceedings.

C. WHEN THE COMMISSION PLANS TO BORROW ANY MONEY, THE BOARD OF COUNTY COMMISSIONERS OF ST. MARY'S COUNTY SHALL REVIEW AND APPROVE ANY LOAN APPLICATION BEFORE THE COMMISSION SUBMITS THE LOAN APPLICATION TO A LENDER.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 967 – *The Textbook Cost Savings Act of 2017.*

This bill requires the Governor to include a certain amount of general funds in the fiscal 2019 State budget to provide a grant to the William E. Kirwan Center for Academic Innovation at the University System of Maryland for the Maryland Open Source Textbook Initiative. This bill also requires the center and the Maryland State Department of Education to jointly explore the possibility of providing all students in primary and secondary education with high–quality, low–cost learning materials and resources. In addition, the center and MSDE must submit an interim report by December 31, 2017, as well as findings and recommendations by December 31, 2018.

Senate Bill 424, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 967.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 967

AN ACT concerning

The Textbook Cost Savings Act of 2017

FOR the purpose of requiring the Governor to include a certain amount of general funds in the State budget for a certain fiscal year for the purpose of providing a certain grant to the William E. Kirwan Center for Academic Innovation at the University System of Maryland for a certain initiative; authorizing certain funds to be used for certain purposes; *requiring certain funds allocated for certain purposes to be for the adoption, adaptation, and creation of certain resources that are equally accessible to and independently usable by individuals with disabilities;* stating a certain policy of the State; requiring the Center and the State Department of Education to explore jointly the possibility of providing access to certain types of learning materials and resources to certain students; requiring the Center and the Department to submit certain reports on or before certain dates; providing for the termination of this Act; and generally relating to the funding of an initiative that supports and promotes the adoption, adaptation, and creation of openly licensed educational resources in higher education.

BY adding to
Article – Education
Section 12–114.1
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

12–114.1.

(A) IT IS THE POLICY OF THE STATE THAT ALL STUDENTS HAVE ACCESS TO HIGH–QUALITY, LOW–COST LEARNING MATERIALS AND RESOURCES.

(B) (1) FOR FISCAL YEAR 2019, THE GOVERNOR SHALL INCLUDE $100,000 IN GENERAL FUNDS IN THE STATE BUDGET FOR THE PURPOSE OF PROVIDING A GRANT TO THE WILLIAM E. KIRWAN CENTER FOR ACADEMIC INNOVATION AT THE UNIVERSITY SYSTEM OF MARYLAND FOR THE MARYLAND OPEN SOURCE TEXTBOOK INITIATIVE.

(2) THE FUNDS ALLOCATED UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY BE USED TO:

(I) AWARD GRANTS TO SUPPORT AND PROMOTE THE ADOPTION, ADAPTATION, AND CREATION OF OPENLY LICENSED EDUCATIONAL RESOURCES IN ORDER TO REDUCE A STUDENT'S COST OF ATTENDANCE WHILE MAINTAINING OR IMPROVING LEARNING OUTCOMES;

(II) REIMBURSE EXPENSES INCURRED IN THE OPERATION OF THE MARYLAND OPEN SOURCE TEXTBOOK INITIATIVE, INCLUDING ADMINISTRATIVE FUNCTIONS AND THE EVALUATION OF ITS EFFICACY; AND

(III) REIMBURSE MONEY EXPENDED IN FISCAL YEAR 2018 THAT WOULD HAVE MET THE REQUIREMENTS OF ITEMS (I) AND (II) OF THIS PARAGRAPH IF FUNDS HAD BEEN AVAILABLE.

(C) TO THE EXTENT PRACTICABLE, FUNDS ALLOCATED UNDER SUBSECTION (B) OF THIS SECTION SHALL BE FOR THE ADOPTION, ADAPTATION, AND CREATION OF OPENLY LICENSED EDUCATIONAL RESOURCES THAT ARE EQUALLY ACCESSIBLE TO AND INDEPENDENTLY USABLE BY INDIVIDUALS WITH DISABILITIES.

SECTION 2. AND BE IT FURTHER ENACTED, That the William E. Kirwan Center for Academic Innovation at the University System of Maryland and the State Department of Education shall explore jointly the possibility of providing all students in primary and secondary education with high–quality, low–cost learning materials and resources such as openly licensed educational resources. On or before December 31, 2017, the Center and the Department shall submit an interim report regarding their progress to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly. On or before December 31, 2018, the Center and the Department shall submit their findings and

recommendations to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017. It shall remain effective for a period of 5 years and, at the end of June 30, 2022, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 971 – *James W. Hubbard Inclusive Higher Education Grant Program*.

This bill establishes the James W. Hubbard Inclusive Higher Education Grant Program and requires that it be administered jointly by the Maryland Higher Education Commission, in consultation with the Department of Disabilities, the State Department of Education, and the Developmental Disabilities Administration. This bill authorizes the program to award competitive grants to institutions of higher education in order to develop and implement programs that provide inclusive higher education opportunities for students with intellectual and developmental disabilities, subject to specified conditions.

Senate Bill 872, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 971.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 971

AN ACT concerning

James W. Hubbard Inclusive Higher Education Grant Program

FOR the purpose of establishing the James W. Hubbard Inclusive Higher Education Grant Program; providing for the purpose of the Program; requiring the Program to be administered ~~jointly~~ by the Maryland Higher Education Commission, in consultation with the Department of Disabilities, the State Department of Education, and the Developmental Disabilities Administration; providing for the duties of the Commission~~, the Department, and the Administration~~ under the Program; ~~requiring the Governor to include a certain appropriation in the annual budget bill in certain fiscal years~~ providing that funding for the Program shall be as provided in the State budget; establishing qualifications for an institution of higher education to be awarded a grant under the Program; requiring certain institutions of higher education to submit a certain report to the Commission, ~~the Department, and the Administration~~ beginning on a certain date and at certain intervals thereafter, that includes certain information ~~on certain dates~~; requiring the Commission, after consultation with the Department, the State Department of Education, and the Administration to submit a certain report to the General Assembly on or before a certain date and each year thereafter; defining certain terms; and generally relating to the James W. Hubbard Inclusive Higher Education Grant Program.

BY adding to
Article – Education
Section 11–1201 through 11–1205 to be under the new subtitle "Subtitle 12. James W. Hubbard Inclusive Higher Education Grant Program"
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

Preamble

WHEREAS, In 2014, the State Department of Education estimated there were 5,338 students in Maryland public schools classified as having an intellectual disability, of which 947 were students between the ages of 18 and 21 years, nearing the age when they will be leaving high school; and

WHEREAS, Maryland students with intellectual and developmental disabilities lack access to higher education in Maryland despite their desire to attend college with their nondisabled peers because no inclusive higher education options exist in Maryland; and

WHEREAS, The development of an inclusive higher education program for students with intellectual and developmental disabilities would allow a student to attend an institution of higher education, pay tuition, and have access to undergraduate courses that support the student's desired outcomes and job aspirations; and

WHEREAS, Only 32% of adults with an intellectual disability between the ages of 20 and 30 years are employed compared to 74% of people without disabilities; and

WHEREAS, Inclusive higher education programs in other states have been proven to significantly increase rates of employment for people with an intellectual disability; and

WHEREAS, Data from existing programs in other states shows that 77% of students with an intellectual disability who attend college receive a credential and 41% leave with a meaningful job; and

WHEREAS, Opportunities for inclusive higher education exist in 31 other states, but not in Maryland; now, therefore,

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

Article – Education

SUBTITLE 12. JAMES W. HUBBARD INCLUSIVE HIGHER EDUCATION GRANT PROGRAM.

11–1201.

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

(B) "ADMINISTRATION" MEANS THE DEVELOPMENTAL DISABILITIES ADMINISTRATION.

(C) "DEPARTMENT" MEANS THE DEPARTMENT OF DISABILITIES.

(D) (1) "INCLUSIVE HIGHER EDUCATION" MEANS ACCESS TO A PROGRAM OF HIGHER EDUCATION FOR STUDENTS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES THAT ALLOWS FOR, TO THE GREATEST EXTENT POSSIBLE, THE SAME RIGHTS, PRIVILEGES, EXPERIENCES, BENEFITS, AND OUTCOMES THAT RESULT FROM A COLLEGE EXPERIENCE AS THEIR PEER STUDENTS WITHOUT DISABILITIES.

(2) "INCLUSIVE HIGHER EDUCATION" INCLUDES:

(I) ACADEMIC ACCESS AND INCLUSIVE INSTRUCTION;

(II) CAREER DEVELOPMENT;

(III) CAMPUS ENGAGEMENT;

(IV) SELF–DETERMINATION;

(V) PARTICIPATION IN PAID WORK EXPERIENCES;

(VI) ON– OR OFF–CAMPUS LIVING, WHEN AVAILABLE TO OTHER STUDENTS; AND

(VII) INCLUSIVE SOCIAL ACTIVITIES.

(E) "PROGRAM" MEANS THE JAMES W. HUBBARD INCLUSIVE HIGHER EDUCATION GRANT PROGRAM ESTABLISHED UNDER THIS SUBTITLE.

11–1202.

(A) THERE IS A JAMES W. HUBBARD INCLUSIVE HIGHER EDUCATION GRANT PROGRAM.

(B) THE PROGRAM SHALL AWARD COMPETITIVE GRANTS TO INSTITUTIONS OF HIGHER EDUCATION TO DEVELOP AND IMPLEMENT ~~PILOT~~ PROGRAMS THAT PROVIDE INCLUSIVE HIGHER EDUCATION OPPORTUNITIES FOR STUDENTS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES.

11–1203.

(A) THE PROGRAM SHALL BE ADMINISTERED ~~JOINTLY~~ BY THE COMMISSION, IN CONSULTATION WITH THE DEPARTMENT, THE STATE DEPARTMENT OF EDUCATION, AND THE ADMINISTRATION.

(B) TO CARRY OUT THE PURPOSE OF THE PROGRAM, THE COMMISSION~~,~~ ~~THE DEPARTMENT, AND THE ADMINISTRATION~~ SHALL:

(1) DEVELOP AND SEND TO EACH INSTITUTION OF HIGHER EDUCATION IN THE STATE A DESCRIPTION OF THE PROGRAM, INCLUDING MATERIALS DESCRIBING THE PURPOSE AND GOALS OF THE PROGRAM, AN APPLICATION, COMPLIANCE REQUIREMENTS, AND AVAILABLE FUNDING;

(2) DEVELOP APPLICATION REQUIREMENTS AND REVIEW AND APPROVE APPLICATIONS; AND

(3) AWARD GRANTS TO INSTITUTIONS OF HIGHER EDUCATION ON A COMPETITIVE BASIS.

(C) ~~FOR FISCAL YEARS 2019, 2020, AND 2021, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION OF $250,000 FOR THE PROGRAM~~ FUNDING FOR THE PROGRAM SHALL BE AS PROVIDED IN THE STATE BUDGET.

11–1204.

TO QUALIFY FOR A GRANT UNDER THE PROGRAM, AN INSTITUTION OF HIGHER EDUCATION SHALL DEVELOP A ~~PILOT~~ PROGRAM OF INCLUSIVE HIGHER EDUCATION THAT:

(1) OFFERS THE NECESSARY SUPPORTS TO STUDENTS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES TO ALLOW THESE STUDENTS, TO THE GREATEST EXTENT POSSIBLE, TO HAVE THE SAME RIGHTS, PRIVILEGES, EXPERIENCES, BENEFITS, AND OUTCOMES AS THEIR PEER STUDENTS WITHOUT DISABILITIES;

(2) ENSURES THAT STUDENTS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES:

(I) HAVE ACCESS TO A WIDE ARRAY OF ACADEMIC COURSES THAT ARE ATTENDED BY STUDENTS WITHOUT DISABILITIES;

(II) HAVE ACCESS AND SUPPORT FOR PARTICIPATION IN CAMPUS LIFE, INCLUDING SOCIAL ACTIVITIES AND ORGANIZATIONS, INSTITUTION FACILITIES, AND TECHNOLOGY; AND

(III) ARE ABLE TO ACCESS AND USE CAMPUS RESOURCES AVAILABLE TO STUDENTS WITHOUT DISABILITIES;

(3) PROVIDES STUDENTS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES WITH THE SUPPORTS AND EXPERIENCES NECESSARY TO SEEK AND SUSTAIN COMPETITIVE EMPLOYMENT;

(4) DEVELOPS AND PROMOTES THE SELF–DETERMINATION SKILLS OF STUDENTS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES;

(5) OFFERS PEER MENTORING;

(6) COORDINATES WITH THE STATE DEPARTMENT OF EDUCATION, INCLUDING THE DIVISION OF REHABILITATION SERVICES AND OTHER STAKEHOLDERS IN THE DEVELOPMENT OF THE INCLUSIVE HIGHER EDUCATION ~~PILOT~~ PROGRAM;

(7) ADOPTS ADMISSIONS STANDARDS THAT DO NOT REQUIRE A STUDENT WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES TO PARTICIPATE IN A CURRICULUM–BASED, ACHIEVEMENT COLLEGE ENTRANCE EXAM THAT IS ADMINISTERED NATIONWIDE;

(8) INCLUDES THE DEVELOPMENT OF A MEANINGFUL CREDENTIAL FOR STUDENTS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES TO EARN

ON SUCCESSFUL COMPLETION OF THE INCLUSIVE HIGHER EDUCATION ~~PILOT~~ PROGRAM; AND

(9) MEETS THE REQUIREMENTS OF A COMPREHENSIVE TRANSITION PROGRAM UNDER THE FEDERAL HIGHER EDUCATION OPPORTUNITY ACT SO THAT STUDENTS ENROLLED IN THE INCLUSIVE HIGHER EDUCATION ~~PILOT~~ PROGRAM ARE ELIGIBLE FOR FEDERAL FINANCIAL AID.

11–1205.

(A) BEGINNING JANUARY 1, 2019, AND EACH 6 MONTHS THEREAFTER, AN INSTITUTION OF HIGHER EDUCATION AWARDED A GRANT UNDER THE PROGRAM SHALL SUBMIT TO THE COMMISSION~~, THE DEPARTMENT, AND THE ADMINISTRATION~~ A REPORT THAT INCLUDES:

(1) A PLAN FOR THE SUSTAINABILITY OF THE INCLUSIVE HIGHER EDUCATION ~~PILOT~~ PROGRAM, INCLUDING ENROLLMENT PROJECTIONS;

(2) ANY NEEDS FOR TRAINING, TECHNICAL ASSISTANCE, AND OTHER CAPACITY NECESSARY TO PROVIDE FOR CONTINUATION OF THE INCLUSIVE HIGHER EDUCATION ~~PILOT~~ PROGRAM; AND

(3) LESSONS LEARNED BY THE INSTITUTION AND IDENTIFICATION OF BEST PRACTICES WITH THE GOAL OF PROMOTING THE DEVELOPMENT OF A STATEWIDE MODEL PROGRAM OF INCLUSIVE HIGHER EDUCATION FOR USE BY OTHER INSTITUTIONS OF HIGHER EDUCATION IN THE STATE.

(B) ON OR BEFORE JUNE 30, 2019, AND EACH YEAR THEREAFTER, THE COMMISSION, AFTER CONSULTATION WITH THE DEPARTMENT, THE STATE DEPARTMENT OF EDUCATION, AND THE ADMINISTRATION SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, ON THE EFFECTIVENESS AND SUCCESS OF THE PROGRAM.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

April 5, 2017

The Honorable Michael E. Busch

Speaker of the House
State House
Annapolis, Maryland 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 978 – *Education – Accountability – Consolidated State Plan and Support and Improvement Plans.*

The Every Student Succeeds Act (ESSA) was signed by President Obama on December 10, 2015. This bipartisan measure reauthorizes the 50–year–old Elementary and Secondary Education Act (ESEA), the federal education law that reflects this country's longstanding commitment to equal opportunity for all students. ESSA was a response to the growing concern over the prescriptive nature of the student achievement goals required by the former No Child Left Behind (NCLB) Act. Unlike NCLB, ESSA provides flexibility to states to choose their own goals and create their own accountability systems, so long as they are designed to close achievement gaps and promote strong student performance.

Maryland has been a leader on school accountability for more than two decades. Unfortunately, if House Bill 978 is enacted, Maryland would be forced by the legislature to adopt the weakest accountability system in the country under ESSA. Instead of being recognized as a national leader in education, Maryland would become a national leader in deprioritizing student learning. Because this legislation lacks accountability and includes provisions aimed at maintaining the status quo in failing schools, Maryland State Department of Education has expressed strong opposition to this bill, and the Maryland State Board of Education voted unanimously against this legislation.

House Bill 978 would weight academic performance indicators at 65 percent, while non–academic indicators such as "school climate surveys" are weighted at 35 percent. Very simply, the prioritization of these non–academic factors is designed to hide what is really happening in failing schools and is not correlated to student achievement in any way. Of the states that have posted their proposed plans to comply with ESSA, all have proposed academic performance indicators weighted at or above 75 percent. ESSA specifies that student performance must be given "much greater weight" in the accountability system. 65 percent for academic indicators and 35 percent for non–academic indicators is not "much greater weight."

This legislation also prohibits most well–known and nationally accepted interventions in persistently failing schools. The bill's sponsor alleges this language is necessary to "prevent the state from enacting heavy–handed, radical solutions" when a school has been failing to meet the educational needs of its children, year after year. It is important to note the State Board of Education is powerless to adopt these interventions without the legislature's approval. This part of the bill is nothing more than bald, and frankly, bad politics.

To make matters much worse, the bill and its sponsor have identified no other evidence–based intervention strategies that are working in other states. In essence, the true purpose of this bill is to fight for and protect the status quo, which sadly has become the unofficial mantra of the political operatives who run the state teachers union. In response to the months of lobbying and political pressure applied by these operatives, the legislature has voted in favor of a bill that puts the priorities and needs of adults over what is best for our children and students. This bill invents a nonexistent "crisis" and then presents no alternative solutions. The entire episode is beneath the standards of the Maryland General Assembly and our state as a whole.

Most outrageously, this dangerous bill would potentially put hundreds of millions of dollars of federal funding at risk. In fact, according to the Department of Legislative Services, this bill threatens to cost the state $246.8 million annually in federal education funding, including more than $50 million annually in Baltimore City alone. At a time when school districts around the state are fighting for additional funding in response to declining enrollment, the cavalier manner in which the legislature is potentially jeopardizing federal funding is as astounding as it is disturbing. Just this week, our administration was proud to join with leaders from the General Assembly, Baltimore City, and jurisdictions around the state to provide nearly $30 million in additional education funding. This potential funding loss due to the enactment of this bill would completely wipe out this new investment.

While other states are working to add to the toolbox of their boards of education and state departments of education to help students assigned to persistently failing schools, this outrageous legislation has an opposite and deleterious effect. House Bill 978 would dramatically limit the ability of the State Board of Education, an independent body charged with providing an exceptional education for all Maryland's children regardless of where a child happens to live, to meet its constitutional and moral obligations.

Ultimately, it is difficult to describe the disastrous effects of this misguided legislation any better than the following blog post excerpt from The Education Trust, a national non–profit education advocacy organization, headed by former U.S. Secretary of Education under President Obama, John B. King, Jr.:

In recent years, Maryland has taken important steps to increase the honesty and rigor in its education system. The state has raised its standards. It has included more students — especially students with disabilities — in the National Assessment of Educational Progress. This new bill could dramatically reverse this progress, leaving Maryland — often considered a leader in education — in the unfamiliar position of trailing behind other states. The Maryland State Board of Education and Gov. Larry Hogan are right to oppose this legislation and keep sights set higher for Maryland's students. (Natasha Ushomirsky, "Maryland Takes A Big Step In The Wrong Direction," The Education Trust, 4/4/17)

For these reasons, I have vetoed House Bill 978.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 978

AN ACT concerning

Education – Accountability – Consolidated State Plan and Support and Improvement Plans
(Protect Our Schools Act of 2017)

FOR the purpose of requiring a certain educational accountability program to include at least a certain number of school quality indicators; *requiring one of the school quality indicators to be a certain school climate survey;* authorizing certain school quality indicators to include certain factors; prohibiting certain school quality indicators from being based on student testing*, subject to a certain exception*; ~~requiring that certain indicators be given equal weight under certain circumstances~~ ~~the State Board of Education to consider stakeholder input in determining the weights of certain indicators~~; ~~prohibiting a certain total of certain indicators from exceeding a certain percentage of a certain score~~; ~~requiring the State Department of Education, on or before a certain date, to establish a certain program for data collection and reporting on student growth~~ *requiring the State Board of Education to establish a certain composite score that provides for certain differentiation; requiring a certain composite score to include certain indicators and incorporate a certain methodology; prohibiting a certain total of academic indicators from exceeding a certain percentage of a composite score; requiring a certain composite score to be calculated in a certain manner; prohibiting a certain composite score from being reported in a certain format; prohibiting certain indicators from being weighted in a certain manner; specifying that the final weights of certain indicators, subject to certain provisions of law, are determined by the State Board, with certain stakeholder input*; *requiring a certain academic indicator to be a certain measure;* requiring a county board of education to develop and implement a Comprehensive Support and Improvement Plan for certain schools under certain circumstances; providing for the content and requirements of a Comprehensive Support and Improvement Plan; requiring a school to develop and implement a Targeted Support and Improvement Plan for certain schools under certain circumstances; providing for the content and requirements of a Targeted Support and Improvement Plan; requiring certain entities to approve, monitor, and annually review a certain plan; requiring a plan to be implemented in compliance with certain collective bargaining agreements; requiring the State Department of Education to distribute federal funds for the implementation of a certain plan in a certain manner; requiring a county board, after a certain time period, to consult with a school to develop certain strategies under certain circumstances; *authorizing a certain plan to include a lengthening of the school year, notwithstanding certain laws, regulations, or executive orders;* requiring the Department, after a certain time period, to collaborate with a certain county board in determining the appropriate intervention strategy under certain circumstances, subject to certain limitations; *specifying that a certain decision of the Department is final;* providing for the

construction of certain provisions of this Act; and generally relating to education accountability plans.

BY repealing and reenacting, with amendments,
Article – Education
Section 7–203
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY adding to
Article – Education
Section 7–203.4
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

Preamble

WHEREAS, All students in the State should have a fair, equal, and significant opportunity to obtain a high–quality education and reach, at a minimum, proficiency on challenging State academic achievement standards and State academic assessments; and

WHEREAS, The State should focus on closing the achievement gaps between high– and low–performing students and minority and nonminority students; and

WHEREAS, Parents and students should hold schools, county boards of education, and the State accountable for improving the academic achievement of all students, and identifying and improving low–performing schools to provide a high–quality education; now, therefore,

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

Article – Education

7–203.

(a) **(1)** The State Board, the State Superintendent, each county board, and each public school shall implement a program of education accountability for the operation and management of the public schools.

(2) A CONSOLIDATED STATE PLAN TO IMPROVE STUDENT OUTCOMES SUBMITTED BY THE DEPARTMENT TO THE UNITED STATES DEPARTMENT OF EDUCATION UNDER THE FEDERAL ELEMENTARY AND SECONDARY EDUCATION ACT SHALL COMPLY WITH THE REQUIREMENTS OF THIS SUBTITLE.

(b) (1) In this subsection, "grade band assessment" means one assessment of a middle school student's knowledge in a core academic subject area during grades 6 through 8.

(2) The education accountability program shall include the following:

(i) The State Board and the State Superintendent shall assist each county board to establish educational goals and objectives that conform with statewide educational objectives for subject areas including reading, writing, mathematics, science, and social studies;

(ii) With the assistance of its county board, each public school shall survey current student achievement in reading, language, mathematics, science, social studies, and other areas to assess its needs;

(iii) 1. The State Board and the State Superintendent shall implement assessment programs in reading, language, mathematics, science, and social studies that include written responses;

2. The assessment program required in this subsection shall:

A. Provide information needed to improve public schools by enhancing the learning gains of students and academic mastery of the skills and knowledge set forth in the State's adopted curricula or common core curricula;

B. Inform the public annually of the educational progress made at the school, local school system, and State levels; and

C. Provide timely feedback to schools and teachers for the purposes of adapting the instructional program and making placement decisions for students; and

3. Beginning in the 2014–2015 school year, the following assessments shall be implemented and administered annually:

A. At the middle school level, a statewide, comprehensive, grade band assessment program that measures the learning gains of each public school student towards achieving mastery of the standards set forth in the common core curricula or the State's adopted curricula for the core content areas of reading, language, mathematics, science, and social studies; and

B. At the high school level, a statewide, standardized, end–of–course assessment that is aligned with and that measures each public school student's skills and knowledge of the State's adopted curricula for the core content areas of reading, language, mathematics, science, and social studies;

(iv) Each public school shall establish as the basis for its assessment of its needs, project goals and objectives that are in keeping with the goals and objectives established by its county board and the State Board;

(v) With the assistance of its county board, the State Board, and the State Superintendent, each public school shall develop programs to meet its needs on the basis of the priorities it sets;

(vi) Evaluation programs shall be developed at the same time to determine if the goals and objectives are being met; and

(vii) A reevaluation of programs, goals, and objectives shall be undertaken regularly.

(3) (i) After the 2014–2015 school year, the State Board shall determine whether the assessments at the middle school and high school levels required under paragraph (2)(iii)3 of this subsection adequately measure the skills and knowledge set forth in the State's adopted curricula for the core content areas of reading, language, mathematics, science, and social studies.

(ii) If the State Board makes a determination under subparagraph (i) of this paragraph that an assessment does not adequately measure the skills and knowledge set forth in the State's adopted curricula for a core content area, the Department shall develop a State–specific assessment in that core content area to be implemented in the 2018–2019 school year.

(c) **(1)** National standardized testing may not be the only measure for evaluating educational accountability.

(2) (I) AN EDUCATIONAL ACCOUNTABILITY PROGRAM SHALL INCLUDE AT LEAST THREE SCHOOL QUALITY INDICATORS THAT MEASURE THE COMPARATIVE OPPORTUNITIES PROVIDED TO STUDENTS *OR THE LEVEL OF STUDENT SUCCESS* IN PUBLIC SCHOOLS.

(II) 1. ONE OF THE SCHOOL QUALITY INDICATORS UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE SCHOOL CLIMATE SURVEYS.

2. THE SCHOOL CLIMATE SURVEYS SHALL INCLUDE AT LEAST ONE QUESTION TO EDUCATORS REGARDING THE RECEIPT OF CRITICAL INSTRUCTIONAL FEEDBACK.

~~(II)~~ *(III)* ~~SCHOOL~~ *OTHER SCHOOL* QUALITY INDICATORS MAY INCLUDE~~, BUT ARE NOT LIMITED TO~~:

~~1. FOR SECONDARY SCHOOLS:~~

~~A.~~ 1. CLASS SIZE;

~~B.~~ 2. CASE LOAD;

~~C.~~ ~~3.~~ ~~SCHOOL CLIMATE SURVEYS~~ ~~*ACCESS TO OR CREDIT FOR COMPLETION OF A WELL–ROUNDED CURRICULUM BY THE END OF NINTH GRADE, INCLUDING MATHEMATICS, ENGLISH LANGUAGE ARTS, SCIENCE, SOCIAL STUDIES, AND RELATED ARTS*~~;

~~D.~~ ~~4.~~ *3.* OPPORTUNITIES ~~TO ENROLL IN ADVANCED PLACEMENT COURSES AND INTERNATIONAL BACCALAUREATE PROGRAMS;~~

~~E. OPPORTUNITIES FOR DUAL ENROLLMENT;~~

~~F. OPPORTUNITIES TO ENROLL IN CAREER AND TECHNOLOGY EDUCATION PROGRAMS; AND~~

~~G. OPPORTUNITIES FOR INDUSTRY CERTIFICATION; AND~~

~~2. FOR ELEMENTARY AND MIDDLE SCHOOLS:~~

~~A. CLASS SIZE;~~

~~B. CASE LOAD;~~

~~C. CHRONIC ABSENTEEISM; AND~~

~~D. SCHOOL CLIMATE SURVEYS.~~ FOR:

A. ADVANCED PLACEMENT COURSES AND INTERNATIONAL BACCALAUREATE PROGRAMS;

B. CAREER AND TECHNOLOGY EDUCATION PROGRAMS; *AND*

C. DUAL ENROLLMENT; ~~AND~~

~~D. INDUSTRY CERTIFICATION;~~

~~5.~~ *4.* CHRONIC ABSENTEEISM;

~~6.~~ *5.* DATA ON DISCIPLINE AND RESTORATIVE PRACTICES; AND

~~7.~~ *6.* **ACCESS TO TEACHERS WHO HOLD AN ADVANCED PROFESSIONAL CERTIFICATE OR HAVE OBTAINED NATIONAL BOARD CERTIFICATION.**

~~(III)~~ *(IV)* ~~THE~~ ~~*EXCEPT AS PROVIDED IN ITEM (III)3 OF THIS PARAGRAPH, THE*~~ *THE* **SCHOOL QUALITY INDICATORS USED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY NOT BE BASED ON STUDENT TESTING.**

~~(IV)~~ *(V)* ~~1. BOTH ACADEMIC INDICATORS AND SCHOOL QUALITY INDICATORS SHALL BE GIVEN EQUAL WEIGHT IN REPORTING INTERIM PROGRESS TOWARD THE STATE BOARD'S GOALS AND OBJECTIVES IN DETERMINING THE WEIGHTS OF THE ACADEMIC INDICATORS AND SCHOOL QUALITY INDICATORS, THE STATE BOARD SHALL CONSIDER STAKEHOLDER INPUT.~~

~~2. THE COMBINED TOTAL OF THE ACADEMIC INDICATORS MAY NOT EXCEED 51% 55% OF THE COMPOSITE SCORE.~~

~~3. ON OR BEFORE JULY 1, 2018, THE DEPARTMENT SHALL ESTABLISH A STATEWIDE WEB–BASED PROGRAM FOR DATA COLLECTION, REPORTING, AND DATA SHARING AMONG THE COUNTY BOARDS ON ACADEMIC INDICATORS THAT ALLOW FOR MEANINGFUL DIFFERENTIATION IN SCHOOL PERFORMANCE.~~

1. THE STATE BOARD SHALL ESTABLISH A COMPOSITE SCORE THAT PROVIDES FOR MEANINGFUL DIFFERENTIATION OF SCHOOLS UNDER THE SCHOOL ACCOUNTABILITY SYSTEM.

2. THE COMPOSITE SCORE ESTABLISHED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL:

A. INCLUDE BOTH ACADEMIC AND SCHOOL QUALITY INDICATORS; ~~AND~~

B. INCORPORATE A METHODOLOGY THAT COMPARES SCHOOLS THAT SHARE SIMILAR DEMOGRAPHIC CHARACTERISTICS, INCLUDING THE PROPORTION OF ECONOMICALLY DISADVANTAGED STUDENTS, AS DEFINED BY THE STATE IN ACCORDANCE WITH FEDERAL LAW; AND

C. BE REPORTED IN A MANNER THAT STATES FOR EACH SCORE THE INDIVIDUAL INDICATOR SCORE THAT IS USED TO CALCULATE THE COMPOSITE SCORE FOR EACH SCHOOL.

3. THE COMBINED TOTAL OF THE ACADEMIC INDICATORS MAY NOT EXCEED ~~55%~~ 65% OF THE COMPOSITE SCORE.

4. THE COMPOSITE SCORE:

A. SHALL BE CALCULATED NUMERICALLY IN A PERCENTILE FORM; AND

B. MAY NOT BE REPORTED USING A LETTER GRADE MODEL.

5. NO ACADEMIC INDICATOR MAY BE WEIGHTED AS LESS THAN 10% OF THE TOTAL AMOUNT OF THE COMPOSITE SCORE.

6. NO SCHOOL QUALITY INDICATOR DESCRIBED UNDER SUBSECTION (C)(2) OF THIS SECTION MAY BE WEIGHTED AS LESS THAN 10% OF THE TOTAL AMOUNT OF THE COMPOSITE SCORE.

7. SUBJECT TO THIS SUBPARAGRAPH, THE FINAL WEIGHTS OF THE ACADEMIC AND SCHOOL QUALITY INDICATORS SHALL BE DETERMINED BY THE STATE BOARD, WITH STAKEHOLDER INPUT.

(VI) OF THE ACADEMIC INDICATORS ESTABLISHED BY THE STATE BOARD UNDER SUBPARAGRAPH (V) OF THIS PARAGRAPH, ONE SHALL BE ACCESS TO OR CREDIT FOR COMPLETION OF A WELL–ROUNDED CURRICULUM THAT IS INDICATIVE OF ON–TRACK PROGRESS AT KEY TRANSITION POINTS WITHIN ELEMENTARY AND SECONDARY EDUCATION.

(d) The Department shall assist each county board to establish an education accountability program by providing:

(1) Guidelines for development and implementation of the program by the county boards; and

(2) Assistance and coordination where it is needed and requested by the county boards.

(e) (1) The Department shall survey a statewide, representative sample of public schools and public school teachers annually to measure:

(i) The amount of instructional time spent on social studies and science instruction in elementary schools;

(ii) The availability and use of appropriate instructional resources and teaching technology in social studies and science classrooms;

(iii) The availability and use of appropriate professional development for social studies and science teachers; and

(iv) The number of secondary school social studies and science classes that are taught by teachers who are:

1. Certified in the subject being taught; and

2. Not certified in the subject being taught.

(2) The Department shall:

(i) Compile the results of the survey conducted under paragraph (1) of this subsection; and

(ii) Publish the results on the Department's Web site.

(f) The State Superintendent shall send the Governor and, subject to § 2–1246 of the State Government Article, the General Assembly a report each January that includes:

(1) Documentation of the progress of the Department, the county boards, and each public school in this State towards their respective goals and objectives; and

(2) Recommendations for legislation that the State Board and the State Superintendent consider necessary to improve the quality of education in this State.

(g) On the recommendation of the State Superintendent, the State Board shall include in its annual budget request the funds it considers necessary to carry out the provisions of this section.

7–203.4.

(A) (1) FOR EACH PUBLIC SCHOOL IDENTIFIED BY THE DEPARTMENT FOR COMPREHENSIVE SUPPORT AND IMPROVEMENT, THE COUNTY BOARD SHALL DEVELOP AND IMPLEMENT A COMPREHENSIVE SUPPORT AND IMPROVEMENT PLAN TO IMPROVE STUDENT OUTCOMES AT THE SCHOOL.

(2) THE PLAN DEVELOPED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL:

(I) BE DEVELOPED IN CONSULTATION WITH PRINCIPALS, PARENTS, *LOCAL* COMMUNITY ~~MEMBERS~~ *LEADERS, LOCAL EMPLOYER LEADERS, LOCAL GOVERNMENT LEADERS*, TEACHERS, SCHOOL STAFF, AND THE EXCLUSIVE BARGAINING REPRESENTATIVE;

(II) INCLUDE THE SCHOOL QUALITY INDICATORS DESCRIBED UNDER § 7–203(C) OF THIS SUBTITLE;

(III) INCLUDE EVIDENCE–BASED INTERVENTIONS;

(IV) BE BASED ON SCHOOL–LEVEL NEEDS ASSESSMENTS; AND

(V) IDENTIFY RESOURCE INEQUITIES AND BUDGETARY NEEDS.

(3) THE SCHOOL ~~AND THE~~, COUNTY BOARD, AND THE DEPARTMENT SHALL APPROVE THE PLAN.

(4) THE DEPARTMENT SHALL MONITOR AND ANNUALLY REVIEW THE PLAN.

(B) (1) FOR EACH PUBLIC SCHOOL IDENTIFIED BY THE DEPARTMENT FOR TARGETED SUPPORT AND IMPROVEMENT, THE SCHOOL SHALL DEVELOP AND IMPLEMENT A TARGETED SUPPORT AND IMPROVEMENT PLAN TO IMPROVE STUDENT OUTCOMES AT THE SCHOOL.

(2) THE PLAN DEVELOPED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL MEET THE REQUIREMENTS OF SUBSECTION (A)(2) ~~AND (3)~~ OF THIS SECTION.

(3) THE COUNTY BOARD SHALL MONITOR AND ANNUALLY REVIEW THE PLAN.

(C) PLANS DEVELOPED UNDER SUBSECTIONS (A)(1) AND (B)(1) OF THIS SECTION SHALL BE IMPLEMENTED IN COMPLIANCE WITH EXISTING COLLECTIVE BARGAINING AGREEMENTS BETWEEN THE COUNTY BOARD AND THE EXCLUSIVE BARGAINING REPRESENTATIVE.

(D) THE DEPARTMENT SHALL DISTRIBUTE FEDERAL FUNDS FOR THE IMPLEMENTATION OF PLANS DEVELOPED UNDER SUBSECTIONS (A)(1) AND (B)(1) OF THIS SECTION BASED ON A FORMULA AND DRIVEN BY THE IDENTIFIED NEEDS OF EACH SCHOOL IDENTIFIED BY THE DEPARTMENT.

(E) (1) AFTER A 2–YEAR PERIOD FROM THE DATE OF A PLAN'S IMPLEMENTATION UNDER SUBSECTIONS (A)(1) AND (B)(1) OF THIS SECTION, IF A COUNTY BOARD DETERMINES THAT STUDENT OUTCOMES HAVE NOT IMPROVED AT A PUBLIC SCHOOL, THE COUNTY BOARD SHALL CONSULT WITH THE SCHOOL TO DEVELOP ADDITIONAL STRATEGIES AND INTERVENTIONS INCLUDING FUNDING, COMMUNITY SUPPORTS, AND GRANTS PROVIDED IN THE PUBLIC SCHOOL OPPORTUNITIES ENHANCEMENT PROGRAM.

(2) NOTWITHSTANDING ANY LAW, REGULATION, OR EXECUTIVE ORDER, A PLAN UNDER THIS SECTION MAY INCLUDE A LENGTHENING OF THE SCHOOL YEAR BEYOND 180 DAYS OR ANY OTHER LIMITATION.

~~(2)~~ ***(3)*** **NOTHING IN THIS SUBSECTION SHALL BE CONSTRUED TO AUTHORIZE THE DEPARTMENT TO REQUIRE A COUNTY BOARD TO IMPLEMENT A SPECIFIC INTERVENTION STRATEGY.**

(F) (1) AFTER A 3–YEAR PERIOD FROM THE DATE OF A PLAN'S IMPLEMENTATION UNDER SUBSECTIONS (A)(1) AND (B)(1) OF THIS SECTION, IF THE DEPARTMENT DETERMINES THAT STUDENT OUTCOMES HAVE NOT IMPROVED AT A PUBLIC SCHOOL AND INTERVENTION IS NECESSARY, THE DEPARTMENT SHALL COLLABORATE WITH THE COUNTY BOARD IN DETERMINING THE APPROPRIATE INTERVENTION STRATEGY, SUBJECT TO EXISTING COLLECTIVE BARGAINING AGREEMENTS BETWEEN THE COUNTY BOARD AND THE EXCLUSIVE BARGAINING REPRESENTATIVE.

(2) AN INTERVENTION STRATEGY DETERMINED UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY NOT INCLUDE:

(I) CREATING A STATE–RUN SCHOOL DISTRICT;

(II) CREATING A LOCAL SCHOOL SYSTEM IN addition TO THE 24 SCHOOL SYSTEMS ESTABLISHED IN THIS ARTICLE;

(III) CONVERTING OR CREATING A NEW PUBLIC SCHOOL WITHOUT LOCAL BOARD APPROVAL;

~~(II)~~ **(IV)** ~~CONVERTING A PUBLIC SCHOOL TO A CHARTER SCHOOL;~~

~~(III)~~ ~~(V)~~ ***(IV)*** **ISSUING SCHOLARSHIPS TO PUBLIC SCHOOL STUDENTS TO ATTEND NONPUBLIC SCHOOLS THROUGH DIRECT VOUCHERS, TAX CREDIT PROGRAMS, OR EDUCATION SAVINGS ACCOUNTS; AND**

~~(IV)~~ ~~(VI)~~ ***(V)*** **CONTRACTING WITH A FOR–PROFIT COMPANY.**

(3) A DECISION OF THE DEPARTMENT UNDER THIS SUBSECTION IS FINAL.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 991 – *State Employee and Retiree Health and Welfare Benefits Program – Participation by Satellite Organizations.*

This bill alters the definition of "qualifying not–for–profit organization", to clarify that a corporation, limited liability company, or any other entity that is wholly owned by the Legal Aid Bureau, Inc., may participate in the State Employee and Retiree Health and Welfare Benefits Program under certain circumstances.

Senate Bill 382, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 991.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 991

AN ACT concerning

State Employee and Retiree Health and Welfare Benefits Program – Participation by Satellite Organizations

FOR the purpose of altering the definition of "qualifying not–for–profit organization", for purposes of provisions of law that authorize certain qualifying not–for–profit organizations to participate in the State Employee and Retiree Health and Welfare Benefits Program, to include a corporation, a limited liability company, or any other entity that is wholly owned by the Legal Aid Bureau, Inc.; authorizing the employees of the corporation, limited liability company, or other entity to enroll and participate in the Program under certain circumstances; and generally relating to participation of employees of satellite organizations in the State Employee and Retiree Health and Welfare Benefits Program.

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions

Section 2–512
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – State Personnel and Pensions

2–512.

(a) In this section, "qualifying not–for–profit organization" means an organization that:

(1) (i) receives State funds from the Department of Health and Mental Hygiene that cover more than one–third of the organization's operating expenses; and

(ii) is:

1. described in § 501(c)(3) of the Internal Revenue Code; and

2. exempt from income tax under § 501(a) of the Internal Revenue Code;

(2) is the Legal Aid Bureau, Inc.; **[**or**]**

(3) IS A CORPORATION, A LIMITED LIABILITY COMPANY, OR ANY OTHER ENTITY THAT IS WHOLLY OWNED BY THE LEGAL AID BUREAU, INC.; OR

[(3)**] (4)** is the Maryland Crime Victims' Resource Center.

(b) The Secretary shall adopt regulations for the enrollment and participation of employees of a qualifying not–for–profit organization to participate in the Program as a satellite organization.

(c) A qualifying not–for–profit organization that participates in the Program as a satellite organization shall:

(1) pay to the State:

(i) a premium in the amount determined by the Secretary; and

(ii) any costs, as determined by the Secretary, for the administration of this Program; and

(2) determine the extent to which the organization will subsidize participation by its employees in the Program.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 1030 – *Baltimore City – Hotel Room Tax – Convention Center Promotion and Operations.*

This bill extends to a certain date the requirement that Baltimore City appropriate at least 40% of hotel room tax proceeds to Visit Baltimore for convention center marketing and tourism promotion. This bill also authorizes the proceeds to be used for convention center operations.

Senate Bill 846, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1030.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 1030

AN ACT concerning

Baltimore City – Hotel Room Tax – Convention Center Promotion <u>and Operations</u>

FOR the purpose of extending to a certain date provisions requiring that for certain fiscal years certain amounts measured by proceeds from a hotel room tax imposed by Baltimore City be appropriated to a certain association for certain purposes; <u>altering</u>

the purposes for which the proceeds shall be appropriated to include the operations of the Baltimore City Convention Center; and generally relating to hotel room taxes and convention center marketing and operations and tourism promotion in Baltimore City.

BY repealing and reenacting, with amendments,
The Charter of Baltimore City
Article II – General Powers
Section (40)(e)
(2007 Replacement Volume, as amended)
(As enacted by Chapter 151 of the Acts of the General Assembly of 2007, as amended by Chapter 197 of the Acts of the General Assembly of 2012)

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

The Charter of Baltimore City

Article II – General Powers

The Mayor and City Council of Baltimore shall have full power and authority to exercise all of the powers heretofore or hereafter granted to it by the Constitution of Maryland or by any Public General or Public Local Laws of the State of Maryland; and in particular, without limitation upon the foregoing, shall have power by ordinance, or such other method as may be provided for in its Charter, subject to the provisions of said Constitution and Public General Laws:

(40)

(e) (1) For each fiscal year beginning on or after July 1, 1997 but before **[**July 1, 2017**]** **JULY 1, 2022**, the Mayor and City Council shall appropriate from its General Fund to Visit Baltimore ~~specifically~~ for **THE MARKETING AND OPERATIONS OF THE** Convention Center ~~marketing~~ and tourism promotion an amount equal to at least 40% of the proceeds of any hotel room tax imposed.

(2) If the appropriation made for any fiscal year pursuant to paragraph (1) of this subsection is less than the amount required when compared to actual receipts for the completed fiscal year, the difference shall be added to the appropriation to be made for the second succeeding fiscal year. If the appropriation made for any fiscal year pursuant to paragraph (1) of this subsection is more than the amount required when compared to actual receipts for the completed fiscal year, the difference may be deleted from the appropriation to be made for the second succeeding fiscal year.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 1031 – *State Board of Pharmacy – Registered Pharmacy Technicians – Exemption for Pharmacy Students.*

This bill provides that a certain provision of law requiring an individual to be registered and approved by the State Board of Pharmacy as a pharmacy technician before performing delegated pharmacy acts does not apply to certain pharmacy students.

Senate Bill 815, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1031.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 1031

AN ACT concerning

State Board of Pharmacy – Registered Pharmacy Technicians – Exemption for Pharmacy Students

FOR the purpose of providing that a certain provision of law requiring an individual to be registered and approved by the State Board of Pharmacy as a pharmacy technician before performing delegated pharmacy acts does not apply to a certain pharmacy student; repealing an obsolete provision of law; and generally relating to the State Board of Pharmacy, registered pharmacy technicians, and pharmacy students.

BY repealing and reenacting, without amendments,
Article – Health Occupations
Section 12–101(a), (f), (h), (s), and (w)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 12–6B–01
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Health Occupations

12–101.

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

(f) (1) "Delegated pharmacy act" means an activity that constitutes the practice of pharmacy delegated by a licensed pharmacist under this title and regulations adopted by the Board.

(2) "Delegated pharmacy act" does not include:

(i) An act within the parameters of a therapy management contract as provided under Subtitle 6A of this title;

(ii) The administration of an influenza vaccination in accordance with § 12–508 of this title;

(iii) The delegation of a pharmacy act by a registered pharmacy technician, pharmacy student, or pharmacy technician trainee;

(iv) A pharmacy activity performed by a pharmacy student in accordance with § 12–301(b) of this title;

(v) A pharmacy activity performed by an applicant for a license to practice pharmacy in accordance with regulations adopted by the Board; or

(vi) The performance of other functions prohibited in regulations adopted by the Board.

(h) "Direct supervision" means that a licensed pharmacist is physically available, notwithstanding appropriate breaks, on–site and in the prescription area or in an area where pharmacy services are provided to supervise the practice of pharmacy and delegated pharmacy acts.

(s) "Pharmacy student" means an individual who is enrolled as a student in a school or college of pharmacy approved by the Board or accredited by the Accreditation Council for Pharmacy Education.

(w) "Registered pharmacy technician" means an individual who is registered with the Board to perform delegated pharmacy acts.

12–6B–01.

(a) Except as otherwise provided in this title, **[**on or after January 1, 2007,**]** an individual shall be registered and approved by the Board as a pharmacy technician before the individual may perform delegated pharmacy acts.

(b) This section does not apply to **[**a**]:**

(1) A pharmacy technician trainee under the direct supervision of a licensed pharmacist provided that the individual does not perform delegated pharmacy acts for more than 6 months**; OR**

(2) A PHARMACY STUDENT WHO:

~~(1)~~ (I) IS CURRENTLY COMPLETING THE FIRST YEAR OF A PROFESSIONAL PHARMACY EDUCATION PROGRAM; AND

~~(2)~~ (II) UNDER THE DIRECT SUPERVISION OF A LICENSED PHARMACIST, PERFORMS DELEGATED PHARMACY ACTS IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE BOARD.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 1047 – *Child Support – Noncompliance With Court Order – License Suspension.*

This bill extends the period of time that an individual with a commercial driver's license may be out of compliance with the most recent order of the court in making child support

payments before the Child Support Enforcement Administration may notify the Motor Vehicle Administration to suspend the individual's driver's license. This bill also alters the circumstances under which the Child Support Enforcement Administration may request that a license be suspended, denied, or reinstated, and authorizes an individual who has received notice to request an investigation under certain circumstances.

Senate Bill 906, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1047.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 1047

AN ACT concerning

~~**Child Support – Suspension of Employment–Related License for Arrears – Hardship Exception and Reinstatement**~~
Child Support – Noncompliance With Court Order – License Suspension

FOR the purpose of extending the period of time that an individual with a commercial driver's license may be out of compliance with the most recent order of the court in making child support payments before the Child Support Enforcement Administration may notify the Motor Vehicle Administration to suspend the individual's driver's license; altering the circumstances under which the Child Support Enforcement Administration may request that a certain licensing authority suspend or deny a certain license under certain circumstances; requiring that a notice of a certain proposed action to suspend or deny a business, occupational, or professional license for failure to pay child support contain certain information on grounds for requesting a certain investigation; ~~authorizing the Child Support Enforcement Administration to choose temporarily not to request a suspension of a certain license under certain circumstances~~ altering the circumstances under which the Child Support Enforcement Administration may not send a notification about an individual to a certain licensing authority; providing certain additional circumstances under which a certain license suspended for failure to pay child support may be reinstated; making a certain stylistic change; and generally relating to the suspension of ~~employment–related~~ licenses for the failure to pay child support.

BY repealing and reenacting, without amendments,
Article – Family Law
Section 10–119(a) and 10–119.3(a)(1) and (2)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Family Law
Section ~~10–119.3(f)~~ 10–119(b)(1) and 10–119.3(e)(1)(i), (f), and (j)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Family Law

10–119.

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

(2) "License" has the meaning stated in § 11–128 of the Transportation Article.

(3) "Motor Vehicle Administration" means the Motor Vehicle Administration of the Department of Transportation.

(b) (1) Subject to the provisions of subsection (c) of this section, the Administration may notify the Motor Vehicle Administration of **[**any**]** **AN** obligor **WITH A NONCOMMERCIAL LICENSE** who is 60 days or more out of compliance**, OR AN OBLIGOR WITH A COMMERCIAL LICENSE WHO IS 120 DAYS OR MORE OUT OF COMPLIANCE,** with the most recent order of the court in making child support payments if:

(i) the Administration has accepted an assignment of support under § 5–312(b)(2) of the Human Services Article; or

(ii) the recipient of support payments has filed an application for support enforcement services with the Administration.

10–119.3.

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

(2) "License" means any license, certificate, registration, permit, or other authorization that:

(i) is issued by a licensing authority;

(ii) is subject to suspension, revocation, forfeiture, or termination by a licensing authority; and

(iii) is necessary for an individual to practice or engage in:

1. a particular business, occupation, or profession; or

2. recreational hunting or fishing.

(e) (1) Except as provided in paragraph (3) of this subsection and subject to the provisions of subsection (f) of this section, the Administration may request a licensing authority to suspend or deny an individual's license if:

(i) 1. the individual is **[**in arrears amounting to more than**]** 120 days **[**under**] OR MORE OUT OF COMPLIANCE WITH** the most recent order; and

2. A. the Administration has accepted an assignment of support under § 5–312(b)(2) of the Human Services Article; or

B. the recipient of support payments has filed an application for support enforcement services with the Administration; or

(f) (1) At least 30 days before requesting a licensing authority to suspend or deny a license or at least 30 days before making a referral under subsection (e)(3) of this section, the Administration shall:

(i) send written notice of the proposed action to the individual whose license is subject to suspension under this section, including notice of the individual's right to request an investigation; and

(ii) give the individual a reasonable opportunity to contest the accuracy of the information.

(2) **~~(I)~~ FOR A LICENSE NECESSARY TO PRACTICE OR ENGAGE IN A PARTICULAR BUSINESS, OCCUPATION, OR PROFESSION, THE NOTICE SHALL INCLUDE A STATEMENT THAT THE OBLIGOR HAS THE RIGHT TO REQUEST AN INVESTIGATION ON THE FOLLOWING GROUNDS:**

~~1.~~ (I) THE REPORTED ARREARAGE IS INACCURATE;

~~2.~~ (II) ~~A.~~ 1. THE SUSPENSION OF THE LICENSE WOULD BE AN IMPEDIMENT TO CURRENT OR POTENTIAL EMPLOYMENT BECAUSE THE LICENSE IS NECESSARY FOR THE PRIMARY SOURCE OF INCOME FOR THE OBLIGOR; AND

~~B.~~ 2. THE OBLIGOR HAS MADE GOOD FAITH PAYMENTS TOWARD THE CHILD SUPPORT OBLIGATION; OR

~~3.~~ (III) THE SUSPENSION OF THE LICENSE WOULD RESULT IN AN UNDUE HARDSHIP BECAUSE:

~~A.~~ 1. THE OBLIGOR HAS A DOCUMENTED DISABILITY RESULTING IN A VERIFIED INABILITY TO WORK; OR

~~B.~~ 2. THE SUSPENSION OF THE LICENSE WOULD RESULT IN THE INABILITY OF THE OBLIGOR TO COMPLY WITH THE COURT ORDER.

~~**(II) THE ADMINISTRATION MAY CHOOSE TEMPORARILY NOT TO REQUEST A LICENSING AUTHORITY TO SUSPEND A LICENSE UNDER THIS SECTION IF THE ADMINISTRATION DETERMINES, AFTER AN INVESTIGATION, THAT SUSPENSION OF THE LICENSE WOULD RESULT IN AN UNDUE HARDSHIP OR WOULD OTHERWISE BE INAPPROPRIATE.**~~

(3) (i) Upon receipt of a request for investigation from an individual whose license is subject to suspension, the Administration shall conduct an investigation.

(ii) Upon completion of the investigation, the Administration shall notify the individual of the result of the investigation and the individual's right to appeal to the Office of Administrative Hearings.

[(3)**] (4)** (i) An appeal under this section shall be conducted in accordance with Title 10, Subtitle 2 of the State Government Article.

(ii) An appeal shall be made in writing and shall be received by the Office of Administrative Hearings within 30 days after the notice to the individual whose license is subject to suspension of the results of the investigation.

[(4)**] (5)** If, after the investigation or appeal to the Office of Administrative Hearings, the Administration finds that it erred in making a decision **OR THAT ONE OF THE GROUNDS UNDER PARAGRAPH (2) OF THIS SUBSECTION EXISTS**, the Administration may not send a notification about an individual to a licensing authority or make a referral under subsection (e)(3) of this section.

(j) The Administration shall notify the licensing authority to reinstate any license suspended or denied under this section within 10 days after the occurrence of any of the following events:

(1) the Administration receives a court order to reinstate the suspended license;

(2) with respect to an individual with a child support arrearage, the individual has:

(i) paid the support arrearage in full;

(ii) demonstrated good faith by paying the ordered amount of support for 4 consecutive months; **[**or**]**

(III) PAID A LUMP SUM EQUAL TO FOUR TIMES THE ORDERED AMOUNT OF MONTHLY SUPPORT;

(IV) COOPERATED WITH THE ADMINISTRATION IN ENTERING INTO AN ENFORCEABLE WAGE WITHHOLDING ORDER WITH THE MAXIMUM DEDUCTION PERMITTED UNDER FEDERAL LAW; OR

[(iii)**] (V)** fully complied with the Noncustodial Parent Employment Assistance Pilot Program established under § 10–112.2 of this title; or

(3) with respect to an individual whose license was suspended or denied because of a failure to comply with a subpoena issued under § 10–108.5 of this subtitle, the individual has complied with the subpoena.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 1055 – *St. Mary's County – Bonds and Other Evidences of Indebtedness – Limitations and Repayment.*

This bill alters the calculation of certain debt limits in St. Mary's County, subjecting certain bonds and other evidences of indebtedness issued under the authority of the St. Mary's County Sanitary Commission Act to a specific limit, and requires the responsibility for repayment of the bonds that it issues to remain with the St. Mary's County Metropolitan Commission.

Senate Bill 737, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1055.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 1055

AN ACT concerning

St. Mary's County – Bonds and Other Evidences of Indebtedness – Limitations and Repayment

FOR the purpose of altering certain limits on debt in St. Mary's County ~~to reflect the changes in the computation of assessments as a result of the transition to full value assessments~~; subjecting certain bonds and other evidences of indebtedness issued under the authority of the St. Mary's County Sanitary Commission Act to a certain limitation and requiring the responsibility for repayment to remain with the St. Mary's County Metropolitan Commission; and generally relating to limitations on and repayment of debt issued under the approval of the County Commissioners of St. Mary's County.

BY repealing and reenacting, with amendments,
The Public Local Laws of St. Mary's County
Section 27–11
Article 19 – Public Local Laws of Maryland
(2007 Edition and October 2014 Supplement, as amended)

BY repealing and reenacting, with amendments,
The Public Local Laws of St. Mary's County
Section 113–6
Article 19 – Public Local Laws of Maryland
(2007 Edition and October 2014 Supplement, as amended)
(As enacted by Chapter 284 of the Acts of the General Assembly of 2016)

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

Article 19 – St. Mary's County

27–11.

A. Unless and until otherwise provided by ordinance of the County Commissioners within the limitations provided by public general law, the aggregate amount of bonds and other evidences of indebtedness outstanding at any **ONE** time may not exceed **[**five (5) percent upon the assessable basis of the county**]** **A TOTAL OF THE SUM OF ~~ONE AND EIGHT–TENTHS (1.8)~~ TWO AND FIFTEEN HUNDREDTHS (2.15) PERCENT UPON THE ASSESSABLE REAL PROPERTY IN THE COUNTY OTHER THAN THE**

OPERATING REAL PROPERTY OF A PUBLIC UTILITY AND FIVE (5) PERCENT UPON THE ASSESSABLE PERSONAL PROPERTY AND OPERATING REAL PROPERTY OF A PUBLIC UTILITY. However, tax anticipation notes or other evidences of indebtedness having a maturity not in excess of twelve (12) months, bonds or other evidences of indebtedness issued or guaranteed by the county, payable primarily or exclusively from taxes levied in or on or other revenues of special taxing areas or districts heretofore or hereafter established by law, [and] bonds or other evidences of indebtedness issued for self–liquidating and other projects payable primarily or exclusively from the proceeds of assessments or charges for special benefits or services, and agreements or other evidences of indebtedness executed or guaranteed by the county, payable primarily or exclusively from investment instruments purchased by the county, that are guaranteed to yield proceeds equal to or exceeding the amount of the county's indebtedness, are not subject to or to be included as bonds or evidences of indebtedness in computing or applying the percent limitations above provided.

B. All bonds or other evidences of indebtedness issued under the authority of the Sanitary Commission Act shall be **[**construed as exempt, under Subsection A above, from**]** **SUBJECT TO** the percent limitation **SET FORTH** in **SUBSECTION A OF** this section **[**provided but shall continue as heretofore to be subject to the percent limitation as from time to time provided in said Act**]**. **RESPONSIBILITY FOR REPAYMENT SHALL REMAIN WITH THE ST. MARY'S COUNTY METROPOLITAN COMMISSION.**

C. All bonds or other evidences of indebtedness issued by the County Commissioners for the benefit of St. Mary's Hospital of St. Mary's County may not be included as bonds or other evidences of indebtedness in computing or applying the percent limitation provided in Subsection A of this section.

113–6.

A. For the purpose of providing funds for the design, construction, establishment, purchase or condemnation of water supply and sewerage systems in any of the sanitary districts, the Commission, upon the approval of the County Commissioners of St. Mary's County **AND IN ACCORDANCE WITH § 27–11 OF THE ST. MARY'S COUNTY CODE**, is authorized and empowered to issue bonds, from time to time, upon the full faith and credit of St. Mary's County, in such amounts as it may deem to be necessary to carry on its work, but at no time shall the total issue of bonds for all purposes under this chapter exceed twenty–five (25) percent of the total value of the property assessed for County taxation purposes within all of the sanitary districts in which public water or sewer facilities are located. Subject to the conditions contained herein, the form, tenor, manner of selling and all other matters relating to the issuance of bonds under this chapter shall be prescribed in a resolution to be adopted by the St. Mary's County Metropolitan Commission prior to sale of the bonds. **[**The**]** **EXCEPT AS PROVIDED IN § 27–11 OF THE ST. MARY'S COUNTY CODE, THE** issuance of such bonds may not be subject to any limitations or conditions contained in any other law, and the Commission may sell such bonds in such manner, either at public or private sale, and for such price, as it may determine to be for the best interests of the Commission and the County Commissioners of St. Mary's County. The bonds shall

be serial bonds issued upon the serial maturing plan and in such denominations as shall be determined by the Commission. The bonds may be redeemable before maturity at the option of the Commission at such price and under such terms and conditions as may be fixed by the Commission prior to the issuance of the bonds, shall bear interest at such rate or rates payable semiannually, as shall be determined by a resolution of the St. Mary's County Metropolitan Commission adopted prior to the delivery of the bonds, and shall mature in not more than forty (40) years after date of issue and shall be forever exempt from State, City and County taxation as hereinafter provided. They shall be issued under the signature and seal of the Commission and shall be unconditionally guaranteed as to payment of both principal and interest by the County Commissioners of St. Mary's County, a political subdivision of the State of Maryland, which guaranty shall be endorsed on each of the bonds in the following language: "The payment of interest when due and the principal at maturity is guaranteed by the County Commissioners of St. Mary's County, Maryland." Such endorsement shall be signed on each of the bonds by the President and by the Clerk of the Board of County Commissioners of the County, or another person lawfully assigned to the functions of the Clerk, within ten (10) days after the bonds are presented by the Commission to them for endorsement.

B. The principal amount of bonds issued hereunder, the interest payable thereon, their transfer and any income derived therefrom, including any profit made in the sale or transfer thereof, shall be and remain exempt from taxation by the State of Maryland and by the several counties and municipal corporations of this State.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 1093 – *Substance Use Treatment – Inpatient and Intensive Outpatient Programs – Consent by Minor*.

This bill authorizes a parent or a guardian of a minor to apply, on behalf of the minor, for admission of the minor to a certified intensive outpatient alcohol and drug abuse program. This bill also requires programs to note specific information on an application in order for an individual to be retained for certain treatment, and provides that certain programs have

the right to discharge an individual under certain circumstances. In addition, this bill specifies that the capacity of a minor to consent to treatment for drug abuse or alcoholism does not include the capacity to refuse treatment in an intensive outpatient alcohol or drug abuse treatment program.

Senate Bill 433, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1093.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 1093

AN ACT concerning

Substance Use Treatment – Inpatient and Intensive Outpatient Programs – Consent by Minor

FOR the purpose of authorizing a parent or a guardian of the person of a minor to apply, on behalf of the minor, for admission of the minor to a certified intensive outpatient alcohol and drug abuse program; requiring certain programs to note certain information on a certain application in order for an individual to be retained for certain treatment; providing that certain programs have the right to discharge an individual admitted for certain treatment under certain circumstances; providing that the capacity of a minor to consent to treatment for drug abuse or alcoholism does not include the capacity to refuse certain treatment for drug abuse or alcoholism in a certain intensive outpatient treatment program; making a stylistic change; and generally relating to consent of minors for alcohol and drug abuse treatment.

BY repealing and reenacting, with amendments,
Article – Health – General
Section 8–502.1 and 20–102
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – Health – General

8–502.1.

(a) A parent or guardian of the person of a minor may apply, on behalf of the minor, for admission of the minor to a certified inpatient alcohol and drug abuse program

or facility **OR A CERTIFIED INTENSIVE OUTPATIENT ALCOHOL AND DRUG ABUSE PROGRAM** under this section.

(b) A program or facility may not admit an individual under this section unless the program or facility has determined that:

(1) The individual has an alcohol or other drug dependency that necessitates the level of care provided by the program or facility;

(2) The individual would benefit from treatment;

(3) The parent or guardian making application for admission of the individual understands the nature of the request for admission and the nature of the treatment provided by the program or facility; and

(4) Assent to the admission has been given by the Director or the Director's designee of the program or facility.

(c) In order for an individual to be retained for treatment under this section:

(1) The parent or guardian who applied for admission of the individual shall have the right to be actively involved in treatment; and

(2) The **PROGRAM OR** facility **[**must**]** **SHALL** note on the application for admission whether or not the minor was admitted in accordance with the provisions of § 20–102(c–1) of this article.

(d) A **PROGRAM OR** facility has the right to discharge an individual admitted for treatment under this section if the individual is not complying with the treatment program or the facility's policies and procedures.

20–102.

(a) A minor has the same capacity as an adult to consent to medical or dental treatment if the minor:

(1) Is married;

(2) Is the parent of a child; or

(3) (i) Is living separate and apart from the minor's parent, parents, or guardian, whether with or without consent of the minor's parent, parents, or guardian; and

(ii) Is self–supporting, regardless of the source of the minor's income.

(b) A minor has the same capacity as an adult to consent to medical treatment if, in the judgment of the attending physician, the life or health of the minor would be affected adversely by delaying treatment to obtain the consent of another individual.

(c) A minor has the same capacity as an adult to consent to:

(1) Treatment for or advice about drug abuse;

(2) Treatment for or advice about alcoholism;

(3) Treatment for or advice about venereal disease;

(4) Treatment for or advice about pregnancy;

(5) Treatment for or advice about contraception other than sterilization;

(6) Physical examination and treatment of injuries from an alleged rape or sexual offense;

(7) Physical examination to obtain evidence of an alleged rape or sexual offense; and

(8) Initial medical screening and physical examination on and after admission of the minor into a detention center.

(c–1) The capacity of a minor to consent to treatment for drug abuse or alcoholism under subsection (c)(1) or (2) of this section does not include the capacity to refuse treatment for drug abuse or alcoholism in an inpatient **OR INTENSIVE OUTPATIENT** alcohol or drug abuse treatment program certified under Title 8 of this article for which a parent or guardian has given consent.

(d) A minor has the same capacity as an adult to consent to psychological treatment as specified under subsection (c)(1) and (2) of this section if, in the judgment of the attending physician or a psychologist, the life or health of the minor would be affected adversely by delaying treatment to obtain the consent of another individual.

(e) A licensed health care practitioner who treats a minor is not liable for civil damages or subject to any criminal or disciplinary penalty solely because the minor did not have capacity to consent under this section.

(f) Without the consent of or over the express objection of a minor, a licensed health care practitioner may, but need not, give a parent, guardian, or custodian of the minor or the spouse of the parent information about treatment needed by the minor or provided to the minor under this section, except information about an abortion.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 1344 – *Baltimore City and Charles, Prince George's, and Harford Counties – Recall of Former Judge for Temporary Assignment – Eligibility.*

This bill alters the eligibility requirements for recall of a former judge in Baltimore City, Charles County, Harford County, and Prince George's County for temporary assignment.

Senate Bill 182, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1344.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 1344

AN ACT concerning

~~Charles and~~ Baltimore City and Charles, Prince George's, and Harford Counties – Recall of Former Judge for Temporary Assignment – Eligibility

FOR the purpose of altering the eligibility requirements for recall of a former judge in Baltimore City, Charles County, Harford County, and Prince George's County for temporary assignment; making this Act an emergency measure; and generally relating to the recall of former judges for temporary assignment.

BY repealing and reenacting, without amendments,
Article – Courts and Judicial Proceedings
Section 1–302(a) and (c)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings

Section 1–302(b)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

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

Article – Courts and Judicial Proceedings

1–302.

(a) In this section, "former judge" means a judge who previously served in a court.

(b) Except as provided in subsection (c) of this section, the Chief Judge of the Court of Appeals may assign any former judge to sit temporarily in any court if the temporary assignment is approved by the administrative judge of the circuit in which the former judge is to be assigned and if the former judge:

(1) Has served in the aggregate at least 2 years as a judge, except that~~:~~

~~(i) In Baltimore City and **[**Charles, Prince George's, and**]** Harford **[**counties**]** **COUNTY** the former judge shall have served in the aggregate at least 3 years as a judge; and~~

~~(ii)~~ ~~In~~ **IN** Talbot County, the former judge shall have served in the aggregate at least 1 year as a judge;

(2) Has been approved for assignment by a majority of the judges of the Court of Appeals;

(3) Meets the standards established by this section as well as any additional standards established by rule of the Court of Appeals; and

(4) Has consented to the assignment.

(c) A former judge may not be recalled for temporary assignment if the judge:

(1) Was removed or involuntarily retired from judicial office pursuant to the Constitution or laws of this State;

(2) Voluntarily retired by reason of disability;

(3) Had the most recent service as a judge terminated by reason of defeat for election to judicial office or by rejection of confirmation by the Senate;

(4) Was censured by the Court of Appeals upon recommendation of the Commission on Judicial Disabilities; or

(5) Is engaged in the practice of law.

~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three–fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 1360 – *Estates and Trusts – Vehicle Transfers – Excise Tax and Fee Exemption.*

This bill provides that the motor vehicle excise tax and certificate of title fee may not be imposed for the issuance of a certificate of title for certain vehicles transferred, under certain circumstances, to a trust or from a trust to certain beneficiaries.

Senate Bill 449, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1360.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 1360

AN ACT concerning

Estates and Trusts – Vehicle Transfers – Excise Tax and Fee Exemption

FOR the purpose of providing that the motor vehicle excise tax and certificate of title fee may not be imposed for the issuance of a certificate of title for certain vehicles transferred, under certain circumstances, to a trust or from a trust to certain beneficiaries; altering a certain definition; defining a certain term; and generally relating to an exemption from the motor vehicle excise tax and certificate of title fee.

BY repealing and reenacting, without amendments,
Article – Estates and Trusts
Section 14.5–103(a), (d), (t), and (v)
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Estates and Trusts
Section 14.5–1001
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)

BY adding to
Article – Transportation
Section 13–802(c) and 13–810(a)(26)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Transportation
Section 13–810(a)(24) and (25)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Estates and Trusts

14.5–103.

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

(d) "Beneficiary" means a person that:

(1) Has a present or future beneficial interest in a trust, vested or contingent; or

(2) In a capacity other than that of a trustee, holds a power of appointment over trust property.

(t) (1) "Qualified beneficiary" means a beneficiary that on the date the qualification of the beneficiary is determined:

(i) Is a distributee or permissible distributee of trust income or principal;

(ii) Would be a distributee or permissible distributee of trust income or principal if the interests of the distributees described in item (i) of this paragraph terminated on that date without causing the trust to terminate; or

(iii) Would be a distributee or permissible distributee of trust income or principal if the trust terminated on that date and no power of appointment was exercised.

(2) "Qualified beneficiary" does not include an appointee under the will of a living person or the object of an unexercised inter vivos power of appointment.

(v) (1) "Settlor" means a person, including a testator, that creates or contributes property to a trust.

(2) "Settlor" includes a person that, with other settlors, creates or contributes property to a trust in which case each such person is a settlor of the portion of the trust property attributable to the contribution of that person except to the extent another person has the power to revoke or withdraw that portion.

14.5–1001.

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

(2) "Consideration" does not include the amount of any obligation under a mortgage**, [**or**]** deed of trust**, OR OTHER WRITING** encumbering the transferred property.

(3) "Trust" does not include:

(i) A real estate investment trust as defined in § 8–101 of the Corporations and Associations Article; or

(ii) A statutory trust as defined in § 12–101 of the Corporations and Associations Article.

(4) "VEHICLE" INCLUDES:

(I) 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; OR

(II) A MOTOR VEHICLE, TRAILER, OR SEMITRAILER THAT IS IN INTERSTATE OPERATION AND REGISTERED UNDER § 13–109(C) OR (D) OF THE TRANSPORTATION ARTICLE WITHOUT A CERTIFICATE OF TITLE.

(b) A recordation tax, transfer tax, or any other State or local excise tax may not be imposed on the transfer of real property or an interest in real property without consideration or on the recordation of an instrument that transfers real property or an interest in real property without consideration if:

(1) The transfer is to a trust; or

(2) The transfer is from a trust to one or more beneficiaries and:

(i) The transfer is made to a person that would be exempt from tax under Title 12 or Title 13 of the Tax – Property Article if the transfer had been made to that person directly by the grantor; or

(ii) The transfer is made during the life of the grantor of the trust and the trustee of the trust originally acquired the real property for adequate consideration.

(C) AN EXCISE TAX OR A CERTIFICATE OF TITLE FEE IMPOSED UNDER TITLE 13, SUBTITLE 8 OF THE TRANSPORTATION ARTICLE MAY NOT BE IMPOSED ON THE ISSUANCE OF AN ORIGINAL OR SUBSEQUENT CERTIFICATE OF TITLE ISSUED FOR A VEHICLE THAT IS TRANSFERRED WITHOUT CONSIDERATION IF:

(1) THE TRANSFER IS TO A TRUST AND THE TRANSFER WOULD BE EXEMPT FROM THE EXCISE TAX UNDER § 13–810 OF THE TRANSPORTATION ARTICLE IF THE TRANSFEROR TRANSFERRED THE VEHICLE DIRECTLY TO ONE OR MORE OF THE BENEFICIARIES; OR

(2) THE TRANSFER IS FROM A TRUST TO ONE OR MORE BENEFICIARIES OF THE TRUST AND:

(I) THE TRANSFER IS MADE TO A PERSON THAT WOULD BE EXEMPT FROM THE EXCISE TAX UNDER § 13–810 OF THE TRANSPORTATION ARTICLE IF THE TRANSFER HAD BEEN MADE TO THAT PERSON DIRECTLY BY THE TRANSFEROR OF THE VEHICLE TO THE TRUST; OR

(II) THE TRANSFER IS MADE DURING THE LIFE OF THE SETTLOR OF THE TRUST AND THE TRUSTEE OF THE TRUST ORIGINALLY ACQUIRED THE VEHICLE FOR ADEQUATE CONSIDERATION.

Article – Transportation

13–802.

(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.

13–810.

(a) On issuance in this State of an original or subsequent certificate of title for a vehicle, the vehicle is exempt from the excise tax imposed by this part, if it is:

(24) A vehicle acquired by a religious, charitable, or volunteer organization exempt from taxation under § 501(c) of the Internal Revenue Code, the Department of Human Resources, or a local department of social services for the purpose of transferring the vehicle to a Family Investment Program recipient or an individual certified by the Department of Human Resources or a local department of social services as eligible for the transfer; **[**or**]**

(25) A rental vehicle**; OR**

(26) 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.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 1439 – *Calvert County – Bonding Authority.*

This bill authorizes and empowers the County Commissioners of Calvert County to borrow not more than $17,620,000 to finance the construction, improvement, or development of

certain public facilities in Calvert County, and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds.

Senate Bill 473, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1439.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 1439

AN ACT concerning

Calvert County – Bonding Authority

FOR the purpose of authorizing and empowering the County Commissioners of Calvert County, from time to time, to borrow not more than $17,620,000 to finance the construction, improvement, or development of certain public facilities in Calvert County, as herein defined, and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds in like par amount; empowering the County to fix and determine, by resolution, the form, tenor, interest rate or rates or method of determining the same, terms, conditions, maturities, and all other details incident to the issuance and sale of the bonds; empowering the County to issue refunding bonds for the purchase or redemption of bonds in advance of maturity; empowering and directing the County to levy, impose, and collect, annually, ad valorem taxes in rate and amount sufficient to provide funds for the payment of the maturing principal of and interest on the bonds; exempting the bonds and refunding bonds and the interest thereon and any income derived therefrom from all State, county, municipal, and other taxation in the State of Maryland; providing that nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes; and generally relating to the issuance and sale of such bonds.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, as used herein, the term "County" means the body politic and corporate of the State of Maryland known as the County Commissioners of Calvert County, and the term "construction, improvement, or development of public facilities" means the acquisition, alteration, construction, reconstruction, enlargement, equipping, expansion, extension, improvement, rehabilitation, renovation, upgrading, and repair of public buildings and facilities, including but not limited to the Prince Frederick Volunteer Fire Department, West Dares Beach Road, the Appeal Landfill transfer station, and acquisition of fire and rescue apparatus, and issuance costs together with the costs of acquiring land or interests

in land as well as any related architectural, financial, legal, planning, or engineering services.

SECTION 2. AND BE IT FURTHER ENACTED, That the County is hereby authorized to finance any part or all of the costs of the public facilities described in Section 1 of this Act, and to borrow money and incur indebtedness for that purpose, at one time or from time to time, in an amount not exceeding, in the aggregate, $17,620,000 and to evidence such borrowing by the issuance and sale upon its full faith and credit of general obligation bonds in like par amount, which may be issued at one time or from time to time, in one or more groups or series, as the County may determine.

SECTION 3. AND BE IT FURTHER ENACTED, That the bonds shall be issued in accordance with a resolution of the County, which shall describe generally the construction, improvement, or development of public facilities for which the proceeds of the bond sale are intended and the amount needed for those purposes. The County shall have and is hereby granted full and complete authority and discretion in the resolution to fix and determine with respect to the bonds of any issue: the designation, date of issue, denomination or denominations, form or forms, and tenor of the bonds which, without limitation, may be issued in registered form within the meaning of § 19–204 of the Local Government Article of the Annotated Code of Maryland, as amended; the rate or rates of interest payable thereon, or the method of determining the same, which may include a variable rate; the date or dates and amount or amounts of maturity, which need not be in equal par amounts or in consecutive annual installments, provided only that no bond of any issue shall mature later than 30 years from the date of its issue; the manner of selling the bonds, which may be at either public or private sale, for such price or prices as may be determined to be for the best interests of Calvert County; the manner of executing and sealing the bonds, which may be by facsimile; the terms and conditions, if any, under which bonds may be tendered for payment or purchase prior to their stated maturity; the terms or conditions, if any, under which bonds may or shall be redeemed prior to their stated maturity; the place or places of payment of the principal of and the interest on the bonds, which may be at any bank or trust company within or without the State of Maryland; covenants relating to compliance with applicable requirements of federal income tax law, including (without limitation) covenants regarding the payment of rebate or penalties in lieu of rebate; covenants relating to compliance with applicable requirements of federal or state securities laws; and generally all matters incident to the terms, conditions, issuance, sale, and delivery thereof.

The bonds may be made redeemable before maturity, at the option of the County, at such price or prices and under such terms and conditions as may be fixed by the County prior to the issuance of the bonds, either in the resolution or in a bond order pursuant to the bond resolution. The bonds may be issued in registered form and provision may be made for the registration of the principal only. In case any officer whose signature appears on any bond ceases to be such officer before the delivery thereof, such signature shall nevertheless be valid and sufficient for all purposes as if he had remained in office until such delivery. The bonds and the issuance and sale thereof shall be exempt from the provisions of §§ 19–205 and 19–206 of the Local Government Article of the Annotated Code of Maryland, as amended.

The County may enter into agreements with agents, banks, fiduciaries, insurers, or others for the purpose of enhancing the marketability of any security for the bonds and for the purpose of securing any tender option that may be granted to holders of the bonds, all as may be determined and presented in the aforesaid resolution, which may (but need not) state as security for the performance by the County of any monetary obligations under such agreements the same security given by the County to bondholders for the performance by the County of its monetary obligations under the bonds.

If the County determines in the resolution to offer any of the bonds by solicitation of competitive bids at public sale, the resolution shall fix the terms and conditions of the public sale and shall adopt a form of notice of sale, which shall outline the terms and conditions, and a form of advertisement, which shall be published in one or more daily or weekly newspapers having a general circulation in the County and which may also be published in one or more journals having a circulation primarily among banks and investment bankers. At least one publication of the advertisement shall be made not less than 10 days before the sale of the bonds.

Upon delivery of any bonds to the purchaser or purchasers, payment therefor shall be made to the Treasurer of Calvert County or such other official of Calvert County as may be designated to receive such payment in a resolution passed by the County before such delivery.

SECTION 4. AND BE IT FURTHER ENACTED, That the net proceeds of the sale of bonds shall be used and applied exclusively and solely for the acquisition, construction, improvement, or development of public facilities for which the bonds are sold. If the amounts borrowed shall prove inadequate to finance the projects described in the resolution, the County may issue additional bonds with the limitations hereof for the purpose of evidencing the borrowing of additional funds for such financing, provided the resolution authorizing the sale of additional bonds shall so recite, but if the net proceeds of the sale of any issue of bonds exceed the amount needed to finance the projects described in the resolution, the excess funds so borrowed and not expended shall be applied to the payment of the next principal maturity of the bonds or to the redemption of any part of the bonds which have been made redeemable or to the purchase and cancellation of bonds, unless the County shall adopt a resolution allocating the excess funds to the acquisition, construction, improvement, or development of other public facilities, as defined and within the limits set forth in this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That the bonds hereby authorized shall constitute, and they shall so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing principal of and interest on the bonds as and when they become payable. In each and every fiscal year that any of the bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for or assure the payment, when due, of the principal of and interest on all the bonds maturing in each such fiscal year and, in the event the proceeds from the taxes so levied in any such fiscal year shall prove inadequate for such payment,

additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency. The County may apply to the payment of the principal of and interest on any bonds issued hereunder any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality thereof, or from any other source, if such funds are granted for the purpose of assisting the County in financing the acquisition, construction, improvement, or development of the public facilities defined in this Act and, to the extent of any such funds received or receivable in any fiscal year, the taxes that are required to be levied may be reduced accordingly.

SECTION 6. AND BE IT FURTHER ENACTED, That the County is further authorized and empowered, at any time and from time to time, to issue its bonds in the manner hereinabove described for the purpose of refunding, by payment at maturity or upon purchase or redemption, any bonds issued hereunder. The validity of any such refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the obligations so refunded. The powers herein granted with respect to the issuance of bonds shall be applicable to the issuance of refunding bonds. Such refunding bonds may be issued by the County in such an amount as shall be necessary for the purpose of providing it with funds to pay any of its outstanding bonds issued hereunder at maturity, for the purpose of providing it with funds to purchase in the open market any of its outstanding bonds issued hereunder, prior to the maturity thereof, or for the purpose of providing it with funds for the redemption prior to maturity of any outstanding bonds issued hereunder which are, by their terms, redeemable, for the purpose of providing it with funds to pay interest on any outstanding bonds issued hereunder prior to their payment at maturity of purchase or redemption in advance of maturity, or for the purpose of providing it with funds to pay any redemption or purchase premium in connection with the refunding of any of its outstanding bonds issued hereunder. The proceeds of the sale of any such refunding bonds shall be segregated and set apart by the County as a separate trust fund to be used solely for the purpose of paying the purchase or redemption prices of the bonds to be refunded.

SECTION 7. AND BE IT FURTHER ENACTED, That the County may, prior to the preparation of definitive bonds, issue interim certificates or temporary bonds, exchangeable for definitive bonds when such bonds have been executed and are available for such delivery, provided, however, that any such interim certificates or temporary bonds shall be issued in all respects subject to the restrictions and requirements set forth in this Act. The County may, by appropriate resolution, provide for the replacement of any bonds issued hereunder which shall have become mutilated or lost or destroyed upon such conditions and after receiving such indemnity as the County may require.

SECTION 8. AND BE IT FURTHER ENACTED, That any and all obligations issued pursuant to the authority of this Act, their transfer, the interest payable thereon, and any income derived therefrom in the hands of the holders thereof from time to time (including any profit made in the sale thereof) shall be and are hereby declared to be at all times exempt from State, county, municipal, or other taxation of every kind and nature whatsoever within the State of Maryland. Nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes.

SECTION 9. AND BE IT FURTHER ENACTED, That the authority to borrow money and issue bonds conferred on the County by this Act shall be deemed to provide an additional and alternative authority for borrowing money and shall be regarded as supplemental and additional to powers conferred upon the County by other laws and shall not be regarded as in derogation of any power now existing; and all Acts of the General Assembly of Maryland heretofore passed authorizing the County to borrow money are hereby continued to the extent that the powers contained in such Acts have not been exercised, and nothing contained in this Act may be construed to impair, in any way, the validity of any bonds that may have been issued by the County under the authority of any said Acts, and the validity of the bonds is hereby ratified, confirmed, and approved. This Act, being necessary for the welfare of the inhabitants of Calvert County, shall be liberally construed to effect the purposes hereof. All Acts and parts of Acts inconsistent with the provisions of this Act are hereby repealed to the extent of such inconsistency.

SECTION 10. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 1450 – *Washington County – Alcoholic Beverages – Hotel and Motel Licenses.*

This bill alters the privileges of a Class B beer, wine, and liquor license issued to a hotel and or motel in Washington County so that the privileges may be exercised for on– and off–premises consumption under specific circumstances, and for on–premises consumption only for all other licenses. This bill also requires the licensee to notify the Washington County Board of License Commissioners prior to constructing or altering an area on the licensed premises where beer, wine, and liquor are sold.

Senate Bill 1039, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1450.

Sincerely,

Lawrence J. Hogan, Jr.

Governor

House Bill 1450

AN ACT concerning

Washington County – Alcoholic Beverages – Hotel and Motel Licenses

FOR the purpose of altering the privileges of Class B beer, wine, and liquor hotel and restaurant licenses issued in Washington County so that the privileges may be exercised for on– and off–premises consumption for certain licenses and for on–premises consumption only for all other licenses; requiring the license holder to notify the Board before constructing or altering an area on the premises where beer, wine, and liquor are sold; making certain conforming changes; and generally relating to alcoholic beverages licenses in Washington County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 31–102
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 31–903
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

31–102.

This title applies only in Washington County.

31–903.

(a) There is a Class B beer, wine, and liquor **[**(on–sale)**]** hotel and restaurant license.

(b) The Board may issue the license to the owner of a hotel or motel that:

(1) is in a building at least three stories tall that was originally constructed for hotel or motel purposes;

(2) has a capital investment of at least $500,000; and

(3) contains:

(i) at least one passenger elevator;

(ii) at least 100 rooms to accommodate the public;

(iii) a lobby with a registration and mail desk and seating facilities; and

(iv) a ballroom, conference room, or banquet room.

(c) The license authorizes the license holder to sell beer, wine, and liquor at a hotel or restaurant at retail at the place described in the license**[**, for on–premises consumption**]**:

(1) through room service or otherwise to registered guests; or

(2) by the glass, bottle, or can to individuals attending an event in a ballroom, conference room, or banquet room.

(D) THE PRIVILEGES OF THE LICENSE MAY BE EXERCISED:

(1) FOR ON– AND OFF–PREMISES CONSUMPTION, IF:

(I) THE LICENSE WAS ISSUED ON OR BEFORE JUNE 30, 2016, WITH AN OFF–SALE PRIVILEGE; AND

(II) THE LICENSE HOLDER HAS OPERATED A RETAIL STORE ON THE LICENSED PREMISES SINCE AT LEAST JUNE 30, 2016; AND

(2) FOR ON–PREMISES CONSUMPTION ONLY, FOR ALL OTHER LICENSES.

(E) THE LICENSE HOLDER SHALL NOTIFY THE BOARD BEFORE CONSTRUCTING OR ALTERING AN AREA ON THE PREMISES WHERE BEER, WINE, AND LIQUOR ARE SOLD.

[(d)**]** ~~**(E)**~~ **(F)** Except as provided in regulations adopted by the Board under subsection **[**(f)**]** ~~**(G)**~~ **(H)** of this section, the license holder may sell beer, wine, and liquor during the hours and days as set out for a Class B beer, wine, and liquor (on–sale) license under § 31–2004(c) of this title.

[(e)**]** ~~**(F)**~~ **(G)** (1) The annual license fee is $1,000.

(2) The fee for a Sunday permit is $250.

[(f)**]** ~~(G)~~ **(H)** The Board may adopt regulations to carry out this section, including regulations that:

(1) provide for the manner of dispensing beer, wine, and liquor under the license;

(2) provide for the hours and days of sale; and

(3) limit the quantity of alcoholic beverages that may be sold to an individual as a single serving or during a 24–hour period.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 1517 – *Maryland Nonprofit Development Center Program and Fund – Bridge Loans.*

This bill renames the Maryland Not–For–Profit Development Center as the Maryland Nonprofit Development Center, and expands the scope of the Program to include bridge loans for certain expenses for certain nonprofit entities. This bill establishes the Nonprofit, Interest–Free, Micro Bridge Loan Account within the Fund, and provides that the Account consists of certain money from the Small, Minority, and Women–Owned Businesses Account and any other money appropriated, transferred, or repaid to the Account, as well as prohibits the money in the Account from exceeding a certain amount. This bill requires certain money in the Account to be transferred to the Small, Minority, and Women–Owned Businesses Account under certain circumstances.

This bill also authorizes the Department of Commerce to establish an application process and receive certain written confirmation before providing a bridge loan, and requires the Department to establish a certain schedule and terms of repayment for a bridge loan. In addition, this bill requires the Comptroller to pay a certain percentage, up to a certain amount, from the Small, Minority, and Women–Owned Businesses Account to the

Nonprofit, Interest–Free, Micro Bridge Loan (NIMBL) Account beginning in a certain fiscal year; authorizes the Governor to transfer certain funds on or before a certain date to the Nonprofit, Interest–Free, Micro Bridge Loan (NIMBL) Account; and, requires that Department to report to the Governor and the General Assembly on or before a certain date.

Senate Bill 465, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1517.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 1517

AN ACT concerning

Maryland Nonprofit Development Center Program and Fund – Bridge Loans

FOR the purpose of renaming the Maryland Not–For–Profit Development Center Program and the Maryland Not–For–Profit Development Center Program Fund to be the Maryland Nonprofit Development Center Program and the Maryland Nonprofit Development Center Program Fund; expanding the scope of the Program to include bridge loans for certain expenses for certain nonprofit entities; establishing the Nonprofit, Interest–Free, Micro Bridge Loan (NIMBL) Account within the Fund; providing that the Account consists of certain money from the Small, Minority, and Women–Owned Businesses Account *and any other money appropriated, transferred, or repaid to the Account*; prohibiting money in the Account from exceeding a certain amount; requiring certain money in the Account to be transferred to the Small, Minority, and Women–Owned Businesses Account under certain circumstances; expanding the Fund to include certain ~~proceeds of video lottery terminals~~ money in the Account; authorizing the Department of Commerce to provide a certain bridge loan under certain circumstances; requiring the Department to establish a certain application process and receive a certain written confirmation before providing a bridge loan; ~~requiring a bridge loan to be repaid within a certain period of time~~ requiring the Department to establish a certain schedule and terms of repayment for a bridge loan; requiring the Comptroller to pay a certain ~~amount from the proceeds of certain video lottery terminals to the Fund~~ percentage, up to a certain amount, from the Small, Minority, and Women–Owned Businesses Account to the Nonprofit, Interest–Free, Micro Bridge Loan (NIMBL) Account *beginning in a certain fiscal year; authorizing the Governor to transfer certain funds on or before a certain date to the Nonprofit, Interest–Free, Micro Bridge Loan (NIMBL) Account*; requiring the Department to report to the Governor and the General Assembly on or before a certain date on certain matters; altering certain definitions; making certain

conforming changes; and generally relating to the Maryland Nonprofit Development Center Program.

BY repealing and reenacting, with amendments,
Article – Economic Development
Section 5–1201 through 5–1205 to be under the amended subtitle "Subtitle 12. Maryland Nonprofit Development Center Program"
Annotated Code of Maryland
(2008 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 9–1A–27(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – State Government
Section 9–1A–27(b) and (c)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

Preamble

WHEREAS, The nonprofit sector provides vital services to our community, including affordable housing, job training, child development, and public health, without which the government would have to foot the bill; and

WHEREAS, One in ten Maryland workers is employed by the nonprofit sector; and

WHEREAS, According to a report by Maryland Nonprofits and the Center for Nonprofit Advancement, 37 percent of nonprofit entities in the State saw an increased demand in their services and half of those nonprofit entities were unable to meet the increased demand; and

WHEREAS, Nonprofit entities disproportionately employ, are led by, and benefit marginalized groups, including minorities and women; now, therefore,

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

Article – Economic Development

Subtitle 12. Maryland **[**Not–For–Profit**]** **NONPROFIT** Development Center Program.

5–1201.

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

(b) "Fund" means the Maryland **[**Not–For–Profit**]** **NONPROFIT** Development Center Program Fund established under § 5–1204 of this subtitle.

(c) **[**"Not–for–profit**]** **"NONPROFIT** entity" means a corporation incorporated in the State, or otherwise qualified to do business in the State, that has been determined by the Internal Revenue Service to be exempt from taxation under § 501(c)(3), (4), or (6) of the Internal Revenue Code.

(d) "Program" means the Maryland **[**Not–For–Profit**]** **NONPROFIT** Development Center Program established under § 5–1202 of this subtitle.

(e) "Qualifying **[**not–for–profit**]** **NONPROFIT** entity" means a **[**not–for–profit**]** **NONPROFIT** entity:

(1) that has annual revenues not greater than $750,000;

(2) that has been in existence for not more than 10 years; and

(3) whose principal purpose is providing health, education, environmental, agricultural, or social services through community–based programs.

5–1202.

(a) There is a Maryland **[**Not–For–Profit**]** **NONPROFIT** Development Center Program in the Department.

(b) The Program shall foster, support, and assist the economic growth and revitalization of qualifying **[**not–for–profit**]** **NONPROFIT** entities in the State by providing training and technical assistance services **AND BRIDGE LOANS TO NONPROFIT ENTITIES ~~WAITING TO RECEIVE THE~~ THAT HAVE RECEIVED WRITTEN CONFIRMATION OF FUNDING FROM GOVERNMENT GRANTS OR CONTRACTS BUT HAVE NOT YET RECEIVED THE FUNDING**.

5–1203.

The Program shall provide assistance to qualifying **[**not–for–profit**]** **NONPROFIT** entities, including:

(1) operation of an information exchange governing current and new technical information and data about all aspects of **[**not–for–profit**]** **NONPROFIT** management, including:

(i) **[**not–for–profit**]** **NONPROFIT** start–up;

(ii) budgeting and financial management;

(iii) facilities development and management;

(iv) board development;

(v) organizational development and strategic planning;

(vi) marketing;

(vii) federal and State contracting and grant making;

(viii) individual, corporate, and foundation fund–raising;

(ix) volunteer management;

(x) personnel management;

(xi) federal and State tax law and regulations;

(xii) federal and State law and regulations governing charitable solicitations;

(xiii) federal and State regulations applicable to licensing or accreditation;

(xiv) federal and State financing programs; and

(xv) information technology; and

(2) individual consultation and technical assistance to any qualifying **[**not–for–profit**]** **NONPROFIT** entity that requests the service, including assistance on any of the subjects identified in item (1) of this section.

5–1204.

(a) (1) **(I)** There is a Maryland **[**Not–For–Profit**]** **NONPROFIT** Development Center Program Fund in the Department.

(II) 1. WITHIN THE FUND, THERE IS A NONPROFIT, INTEREST–FREE, MICRO BRIDGE LOAN (NIMBL) ACCOUNT.

2. THE ACCOUNT CONSISTS OF*:*

A.* MONEY RECEIVED UNDER § 9–1A–27 OF THE STATE GOVERNMENT ARTICLE*; AND

B. ***ANY OTHER MONEY APPROPRIATED, TRANSFERRED BY BUDGET AMENDMENT, OR REPAID TO THE ACCOUNT.***

3. THE MONEY IN THE ACCOUNT MAY NOT EXCEED $1,000,000.

4. IF THE MONEY IN THE ACCOUNT EXCEEDS $1,000,000, ANY MONEY IN EXCESS OF THAT AMOUNT SHALL BE TRANSFERRED TO THE SMALL, MINORITY, AND WOMEN–OWNED BUSINESSES ACCOUNT ESTABLISHED UNDER § 9–1A–35 OF THE STATE GOVERNMENT ARTICLE.

(2) The Fund is a special, nonlapsing fund that is not subject to reversion under § 7–302 of the State Finance and Procurement Article.

(3) The Fund consists of:

(i) money appropriated in the State budget to the Fund; **[**and**]**

(ii) **MONEY** ~~**RECEIVED UNDER § 9–1A–27 OF THE STATE GOVERNMENT ARTICLE**~~ **IN THE NONPROFIT, INTEREST–FREE, MICRO BRIDGE LOAN (NIMBL) ACCOUNT; AND**

(III) all other money accepted for the benefit of the Fund, including an additional $50 fee to be paid for the processing of articles of incorporation of a nonstock corporation in accordance with § 1–203 of the Corporations and Associations Article.

(b) (1) The purpose of the Fund is to provide grant money **AND BRIDGE LOANS** to support the operations of the Program consistent with this subtitle.

(2) As provided in the State budget, the Fund also may be used by the Department of General Services to evaluate the participation of **[**not–for–profit**]** **NONPROFIT** entities in State procurement.

5–1205.

(a) The Department shall designate at least one private **[**not–for–profit**]** **NONPROFIT** entity to receive grants from the Maryland **[**Not–For–Profit**]** **NONPROFIT** Development Center Program Fund to implement the Program.

(b) In selecting a designee, the Department shall consider and give priority to organizations that:

(1) have experience in providing the scope of assistance and services required under § 5–1203 of this subtitle to qualifying **[**not–for–profit**]** **NONPROFIT** entities in the State;

(2) demonstrate the capacity to provide the assistance and services required under § 5–1203 of this subtitle on a statewide basis; and

(3) demonstrate current expenditures that:

(i) are equal to at least three times the amount of funding received under this section; and

(ii) have been received from other sources for the provision of assistance and services of the type required under § 5–1203 of this subtitle to **[**not–for–profit**]** **NONPROFIT** entities in the State.

(C) (1) THE DEPARTMENT MAY PROVIDE A NO–INTEREST BRIDGE LOAN FOR OPERATING EXPENSES OF UP TO $25,000 TO A NONPROFIT ENTITY THAT ~~IS WAITING TO RECEIVE THE~~ HAS RECEIVED WRITTEN CONFIRMATION OF FUNDING FROM A GOVERNMENT GRANT OR CONTRACT BUT HAS NOT YET RECEIVED THE FUNDING.

(2) THE DEPARTMENT SHALL ESTABLISH AN APPLICATION PROCESS FOR BRIDGE LOANS PROVIDED UNDER THIS SUBSECTION.

(3) BEFORE PROVIDING A BRIDGE LOAN UNDER THIS SUBSECTION, THE DEPARTMENT SHALL RECEIVE WRITTEN CONFIRMATION THAT THE NONPROFIT ENTITY HAS BEEN AWARDED A GOVERNMENT GRANT OR CONTRACT BUT HAS NOT YET RECEIVED THE FUNDING.

~~(4) THE RECIPIENT OF A BRIDGE LOAN UNDER THIS SUBSECTION SHALL REPAY THE BRIDGE LOAN WITHIN 60 DAYS OF RECEIPT OF THE FUNDING ANTICIPATED FROM THE GOVERNMENT GRANT OR CONTRACT.~~

(4) THE DEPARTMENT SHALL ESTABLISH A SCHEDULE FOR REPAYMENT FOR A BRIDGE LOAN THAT:

(I) IS REASONABLE BASED ON THE NATURE AND PAYMENT SCHEDULE OF THE GOVERNMENT GRANT OR CONTRACT TO THE NONPROFIT ENTITY; AND

(II) ASSURES REPAYMENT OF THE BRIDGE LOAN IS COMPLETED NO LATER THAN THE DATE OF THE FINAL GRANT OR CONTRACT PAYMENT TO THE NONPROFIT ENTITY.

Article – State Government

9–1A–27.

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

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

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

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

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

(4) 7% to the Purse Dedication Account established under § 9–1A–28 of this subtitle, not to exceed a total of $100,000,000 to the Account annually;

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

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

(6) **(I)** 1.5% to the Small, Minority, and Women–Owned Businesses Account established under § 9–1A–35 of this subtitle; **AND**

(II) ***BEGINNING IN FISCAL YEAR 2021,*** **FROM THE AMOUNT PAID TO THE SMALL, MINORITY, AND WOMEN–OWNED BUSINESSES ACCOUNT UNDER ITEM (I) OF THIS ITEM, UP TO 5%, NOT TO EXCEED $1,000,000, TO THE NONPROFIT, INTEREST–FREE, MICRO BRIDGE LOAN (NIMBL) ACCOUNT ESTABLISHED UNDER § 5–1204 OF THE ECONOMIC DEVELOPMENT ARTICLE;**

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

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

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

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

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

(9) ~~5% TO THE MARYLAND NONPROFIT DEVELOPMENT PROGRAM FUND ESTABLISHED UNDER § 5–1204 OF THE ECONOMIC DEVELOPMENT ARTICLE; AND~~

~~(10)~~ the remainder to the Education Trust Fund established under § 9–1A–30 of this subtitle.

(b) (1) Beginning July 1, 2013, for a video lottery facility in Worcester County with less than 1,000 video lottery terminals, the percentage in subsection (a)(2) of this section is equal to 43% provided that each year an amount equivalent to 2.5% of the proceeds from video lottery terminals at the video lottery facility is spent on capital improvements at the video lottery facility.

(2) After the first 10 years of operations at a video lottery facility in Allegany County, the percentage:

(i) in subsection (a)(2) of this section is equal to 43% provided that each year an amount equivalent to 2.5% of the proceeds from video lottery terminals at the video lottery facility is spent on capital improvements at the video lottery facility; and

(ii) in subsection (a)(1) of this section is equal to 2%.

(3) For a video lottery facility in Prince George's County, the percentage in subsection (a)(2) of this section stated in the accepted application for the location may not exceed 38%.

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

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

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

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

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

(v) 0.75% to the Small, Minority, and Women–Owned Businesses Account established under § 9–1A–35 of this subtitle; and

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

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

SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2017, the Governor may transfer by budget amendment to the Nonprofit, Interest–Free, Micro Bridge Loan (NIMBL) Account established under Section 1 of this Act $187,500 of the fiscal year 2017 special fund appropriation transferred in accordance with Section 11 of Chapter 23 of the Acts of the General Assembly of 2017 from the Department of Housing and Community Development to the Department of Commerce to be redistributed to the Small, Minority, and Women–Owned Businesses Account established under § 9–1A–35 of the State Government Article.

SECTION ~~2.~~ *3.* AND BE IT FURTHER ENACTED, That, on or before December 31, 2020, the Department of Commerce shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly on the bridge loans issued under the Maryland Nonprofit Development Center Program, including:

(1) the number of bridge loan applications the Department received;

(2) the number of bridge loans provided to nonprofit entities;

(3) the dollar amount of the bridge loans provided;

(4) the length of time the Department took to process bridge loan applications and award funds;

(5) the length of time between when nonprofit entities receive bridge loans and repay the bridge loans; and

(6) the availability of funds to meet bridge loan demands.

SECTION ~~3.~~ *4.* AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ *June* 1, 2017.

May 26, 2017

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have vetoed House Bill 1661 – *Schools and Child Care Centers – State Grant Program – Security Upgrades for Facilities at Risk of Hate Crimes or Attacks.*

This bill authorizes the Maryland Center for School Safety to make grants for certain security–related projects to schools and child care centers determined to be at risk of certain hate crimes or attacks. This bill also establishes the terms and conditions for the use of State grant funds, and provides that the funding for grants shall be provided by the Governor in the State budget. In addition, this bill authorizes the State Board of Education, after consultation with the Center, to adopt regulations.

Senate Bill 1191, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1661.

Sincerely,

Lawrence J. Hogan, Jr.
Governor

House Bill 1661

AN ACT concerning

Schools and Child Care Centers – State Grant Program – Security Upgrades for Facilities at Risk of Hate Crimes or Attacks

FOR the purpose of authorizing the Maryland Center for School Safety to make grants for certain security–related projects to schools and child care centers determined to be at risk of certain hate crimes or attacks ~~because of their ideology, beliefs, or mission~~; authorizing certain schools or child care centers to apply to the Center for a certain

State grant; establishing the terms and conditions for the use of certain State grant funds by certain recipients; providing that the funding for certain State grants shall be as provided by the Governor in the State budget; authorizing the State Board of Education, after consultation with the Center, to adopt certain regulations; defining a certain term; and generally relating to a State Grant Program for Schools and Child Care Centers at Risk of Hate Crimes or Attacks.

BY repealing and reenacting, without amendments,
Article – Criminal Law
Section 10–305
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY adding to
Article – Education
Section 7–1502.1
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Criminal Law

10–305.

A person may not deface, damage, or destroy, attempt to deface, damage, or destroy, burn or attempt to burn an object on, or damage the real or personal property connected to a building that is publicly or privately owned, leased, or used, including a cemetery, library, meeting hall, recreation center, or school:

(1) because a person or group of a particular race, color, religious belief, sexual orientation, gender, disability, or national origin, or because a person or group that is homeless, has contacts or is associated with the building; or

(2) if there is evidence that exhibits animosity against a person or group, because of the race, color, religious beliefs, sexual orientation, gender, disability, or national origin of that person or group or because that person or group is homeless.

Article – Education

7–1502.1.

(A) IN THIS SECTION, "CHILD CARE CENTER" HAS THE MEANING STATED IN § 9.5–401 OF THIS ARTICLE.

(B) THE CENTER MAY MAKE GRANTS TO SCHOOLS AND CHILD CARE CENTERS DETERMINED TO BE AT RISK OF HATE CRIMES OR ATTACKS ~~BECAUSE OF THEIR IDEOLOGY, BELIEFS, OR MISSION~~ AS DESCRIBED UNDER § 10–305 OF THE CRIMINAL LAW ARTICLE FOR SECURITY–RELATED TECHNOLOGY AND SECURITY–RELATED FACILITY UPGRADES.

(C) ANY SCHOOL OR CHILD CARE CENTER DETERMINED TO BE AT RISK OF HATE CRIMES OR ATTACKS ~~BECAUSE OF ITS IDEOLOGY, BELIEFS, OR MISSION~~ AS DESCRIBED UNDER § 10–305 OF THE CRIMINAL LAW ARTICLE BY THE CENTER MAY APPLY TO THE CENTER FOR A STATE GRANT TO BE APPLIED TOWARD THE COST OF A SECURITY–RELATED PROJECT.

(D) THE ALLOCATION AND USE OF STATE FUNDS UNDER THIS SECTION ARE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

(1) STATE FUNDS MAY BE USED ONLY FOR FUNDING ADDITIONAL SECURITY TRAINING NEEDS, SECURITY PERSONNEL, SECURITY CAMERAS, SECURITY–RELATED TECHNOLOGY, DOOR–HARDENING, IMPROVED LIGHTING, OR OTHER SECURITY–RELATED FACILITY UPGRADES; AND

(2) THE AMOUNT OF THE STATE GRANT FOR ANY PROJECT SHALL BE DETERMINED AFTER CONSIDERATION OF ALL ELIGIBLE APPLICANTS, THE TOTAL OF THE UNALLOCATED STATE FUNDS AVAILABLE AT THE TIME THE APPLICATION IS RECEIVED, AND THE PRIORITIES OF AREA NEED AS MAY BE ESTABLISHED BY THE CENTER.

(E) FUNDING FOR THE STATE GRANTS UNDER THIS SECTION SHALL BE AS PROVIDED BY THE GOVERNOR IN THE ANNUAL STATE BUDGET.

(F) THE STATE BOARD, AFTER CONSULTATION WITH THE CENTER, MAY ADOPT REGULATIONS FOR RECEIVING AND CONSIDERING APPLICATIONS AND FOR DISBURSING FUNDS TO APPLICANTS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.