

VETOES

BILLS AND MESSAGES

for the

BILLS VETOED

by the

Governor of Maryland

following the

2007 Regular Session

of the

General Assembly of Maryland

NOTE

One hundred forty-six bills were vetoed by the Governor following the 2007 Regular Session of the General Assembly. Eighty-seven of these bills originated in the Senate and fifty-nine of them originated in the House of Delegates. Pursuant to the provisions of Section 17 of Article II 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.

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General Assembly of Maryland
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Guide to Vetoed Bills and Messages

(Bill numbers in **bold** print represent policy vetoes;
Bill numbers in ***bold italic*** print represent technical vetoes)

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May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 2 - *State Employees Rights and Protections Act of 2007*.

This bill requires the Secretary of Budget and Management to designate specified positions in State government as special appointment positions. It clarifies that at-will State employees cannot be terminated for any reason that is illegal or unconstitutional. Under the bill, all executive branch employees must be notified of their position classification and associated rights every six months. Finally, the bill requires the Department of Legislative Services to study at-will employment and make recommendations for legislation and administrative changes to the State's personnel systems.

House Bill 162, 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 2.

Sincerely,

Martin O'Malley
Governor

Senate Bill 2

AN ACT concerning

State Employees' Rights and Protections Act of 2007

FOR the purpose of requiring the Secretary of Budget and Management to designate certain positions in State government as special appointment positions based on certain criteria; requiring the Secretary to provide certain information on special appointments; providing that certain personnel actions regarding certain special appointments in State government be made under certain circumstances; providing a certain exception; providing that certain special appointment positions may be filled with regard to certain criteria; extending current provisions to require special appointees in the skilled, professional, and

management services to be given a certain written job description and an annual performance evaluation; ~~clarifying that certain disciplinary appeals by certain employees may only be based on the grounds that an action is arbitrary or capricious;~~ clarifying that only employees in the executive or management services or under a special appointment in the State Personnel Management System may be terminated for any reason that is not illegal or unconstitutional, solely within the discretion of the employee's appointing authority; providing that certain employees may not be terminated under certain circumstances; ~~providing that terminated management service employees be given the reason for a termination in writing; allowing a court to allow certain fees and costs as a result of an action by certain employees;~~ requiring the Secretary of Transportation to designate certain positions in the Human Resources Management System that must be filled without regard to certain criteria and that may be filled with regard to certain criteria; requiring the Secretary of Transportation to report certain information to the Governor and the General Assembly on an annual basis; requiring the Department of Legislative Services, with assistance from the Department of Budget and Management, *the Department of Transportation*, and certain labor organizations, to undertake a review of the current State Personnel Management System and other State laws, and the extent to which changes to the laws may be needed particularly with respect to at-will and special appointment positions; requiring the Secretary of Budget and Management to develop certain processes through regulation for notifying certain employees of a certain status; requiring the Chancellor of the University System of Maryland and the Presidents of Morgan State University, St. Mary's College of Maryland, and Baltimore City Community College to identify certain nonmerit and at-will positions in certain personnel systems and report certain information to the Governor and the General Assembly on an annual basis; and generally relating to State personnel in the Executive Branch of State government.

BY repealing and reenacting, without amendments,
Article – State Personnel and Pensions
Section 1–101(c) and 11–113
Annotated Code of Maryland
(2004 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 4–201, 4–302, 5–208, 6–405, 7–102, 7–501, ~~11–113~~, and 11–305
Annotated Code of Maryland
(2004 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article – Transportation
Section 2–103.4(b)

Annotated Code of Maryland
(2001 Replacement Volume and 2006 Supplement)

Preamble

WHEREAS, The State personnel system has been in existence since 1920 and, between 1920 and 1995, had been operating with minor changes but was considered to be rigid, inflexible, centralized, and overly bureaucratic; and

WHEREAS, In 1995, the Task Force to Reform the State Personnel Management System was assigned the task of reforming the State personnel system and reported its findings and recommendations to the Governor in January 1996; and

WHEREAS, The State enacted the "State Personnel Management Reform Act of 1996" to establish a decentralized personnel management system in which State departments and agencies were given significant responsibility over the management of their workforce; and

WHEREAS, Personnel reform eliminated the classified and unclassified services and established the skilled, professional, management, and executive services; and

WHEREAS, The unclassified service consisted mostly of "at-will" employees, and after 1996, most of these at-will employees were placed in the management or executive services or were identified as "special appointments" in the State Personnel Management System; and

WHEREAS, The intent of the General Assembly with the enactment of the 1996 personnel reform law was not to create a higher number of at-will employees; and

WHEREAS, The General Assembly recognizes that an effective State personnel system is essential for effective provision of State services and that most State employees should not be concerned over job security because of political changes or inappropriate management practices; and

WHEREAS, The General Assembly established the Special Committee on State Employee Rights and Protections in August 2005 to examine whether Maryland law provides sufficient protections for State employees, particularly at-will employees, against involuntary separations for illegal and unconstitutional reasons; and

WHEREAS, The Special Committee on State Employee Rights and Protections completed its work in October 2006 with several recommendations to alter the laws governing at-will State employment, now, therefore,

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

Article – State Personnel and Pensions

1–101.

(c) “Class” means a category of one or more similar positions, as established by the Secretary in accordance with this article.

4–201.

(a) ~~{This} EXCEPT AS PROVIDED IN SUBSECTION (C)(2) OF THIS SECTION, THIS~~ section does not apply to those units of State government with an independent personnel system.

(b) In the State Personnel Management System the Secretary shall:

- (1) establish classes;
- (2) assign a rate of pay to each class;
- (3) ensure that each class comprises one or more positions:
 - (i) that are similar in their duties and responsibilities;
 - (ii) that are similar in the general qualifications required to perform those duties and responsibilities;
 - (iii) to which the same standards and, if required, tests of fitness can be applied; and
 - (iv) to which the same rates of pay can be applied;
- (4) give each class a descriptive classification title;
- (5) prepare a description of each class; and
- (6)
 - (i) create additional classes; and
 - (ii) abolish, combine, or modify existing classes.

(c) The Secretary shall:

(1) assign a class to the skilled service, professional service, management service, or executive service, as appropriate; and

(2) designate **SPECIAL APPOINTMENT** positions [that are filled by special appointment] **IN THE STATE PERSONNEL MANAGEMENT SYSTEM ~~OR COMPARABLE POSITIONS IN AN INDEPENDENT PERSONNEL SYSTEM IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT~~ THAT:**

(I) MUST BE FILLED WITHOUT REGARD TO POLITICAL AFFILIATION, BELIEF, OR OPINION; OR

(II) IN ACCORDANCE WITH ~~THE PREVAILING CASE LAW OF THE UNITED STATES SUPREME COURT~~ § 6-405(B) OF THIS ARTICLE, MAY BE FILLED WITH REGARD TO POLITICAL AFFILIATION, BELIEF, OR OPINION.

4-302.

(a) The Secretary shall submit to the Governor and, subject to § 2-1246 of the State Government Article, to the General Assembly an annual report for each fiscal year that:

(1) provides information about the various personnel areas under the Secretary's jurisdiction, including:

(i) employee performance and efficiency;

(ii) use of leave by State employees;

(iii) incentive awards;

(iv) whistleblower proceedings;

(v) each denial of a pay increase, each disciplinary suspension, each grievance, each involuntary demotion, and each rejection on probation; and

(vi) a summary of the equal employment opportunity report required under § 5-204 of this article, including hiring, firing, promotions, terminations, and rejections on probation, by race, sex, and age;

(2) provides statistics and rankings that compare minority group State employees to all State employees in all job categories;

(3) provides information about part-time work and, in the Secretary's discretion, alternate work schedules, work days, and work locations; [and]

(4) PROVIDES INFORMATION ON THE TOTAL NUMBER OF POSITIONS DESIGNATED AS SPECIAL APPOINTMENTS, INCLUDING SPECIAL APPOINTMENTS DESIGNATED WITH REGARD TO POLITICAL AFFILIATION, BELIEF, OR OPINION; AND

[(4)] (5) makes any recommendations about conditions in State employment that the Secretary considers advisable.

(b) The report required by this section shall be submitted on or before January 1 following the fiscal year to which it applies.

5-208.

(a) All personnel actions concerning an employee in the Executive Branch of State government shall be made in accordance with § 2-302 of this article.

(b) **[Except for special appointments or applicants for special appointment, personnel] PERSONNEL** actions concerning an employee or applicant for employment in the skilled service or professional service of the State Personnel Management System or comparable position in an independent personnel system in the Executive Branch of State government shall also be made without regard to:

- (1) political affiliation, belief, or opinion; or
- (2) any other nonmerit factor.

(c) All personnel actions concerning an employee or applicant in the management service shall also be made without regard to the employee's political affiliation, belief, or opinion, ~~OR ANY OTHER NONMERIT FACTOR.~~

(D) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, PERSONNEL ACTIONS CONCERNING SPECIAL APPOINTMENTS OR APPLICANTS FOR SPECIAL APPOINTMENT IN THE STATE PERSONNEL MANAGEMENT SYSTEM OR COMPARABLE POSITIONS IN AN INDEPENDENT PERSONNEL SYSTEM IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT SHALL BE MADE WITHOUT REGARD TO:

- ~~(I) POLITICAL AFFILIATION, BELIEF, OR OPINION; OR~~
- ~~(II) ANY OTHER NONMERIT FACTOR.~~

(2) FOR THE POSITIONS THAT ARE DESIGNATED BY THE SECRETARY UNDER § 4-201(C)(2)(II) OF THIS ARTICLE ~~AND~~ OR BY THE SECRETARY OF TRANSPORTATION UNDER § 2-103.4(B)(2) OF THE

TRANSPORTATION ARTICLE, PERSONNEL ACTIONS CONCERNING SPECIAL APPOINTMENTS OR APPLICANTS FOR SPECIAL APPOINTMENT IN THE STATE PERSONNEL MANAGEMENT SYSTEM OR COMPARABLE POSITIONS IN AN INDEPENDENT PERSONNEL SYSTEM IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT MAY BE MADE WITH REGARD TO POLITICAL AFFILIATION, BELIEF, OR OPINION.

[(d)] (E) The protections of this section are in addition to whatever legal or constitutional protections an employee or applicant has.

6-405.

(A) Except as otherwise provided by law, individuals in the following positions in the skilled service, professional service, management service, or executive service are considered special appointments:

(1) a position to which an individual is directly appointed by the Governor by an appointment that is not provided for by the Maryland Constitution;

(2) a position to which an individual is directly appointed by the Board of Public Works;

(3) as determined by the Secretary, a position which performs a significant policy role or provides direct support to a member of the executive service;

(4) a position that is assigned to the Government House;

(5) a position that is assigned to the Governor's Office; and

(6) any other position that is specified by law to be a special appointment.

(B) A POSITION THAT IS A SPECIAL APPOINTMENT MAY BE FILLED WITH REGARD TO POLITICAL AFFILIATION, BELIEF, OR OPINION IF THE SECRETARY DETERMINES THAT THE POSITION:

(1) RELATES TO POLITICAL INTERESTS OR CONCERNS SO AS TO WARRANT THAT POLITICAL AFFILIATION BE A REQUIREMENT FOR THE POSITION; AND

(2) (I) REQUIRES THE PROVISION OF MEANINGFUL DIRECT OR INDIRECT INPUT INTO THE POLICY-MAKING PROCESS; OR

(II) PROVIDES ACCESS TO CONFIDENTIAL INFORMATION**AND:****1. REQUIRES SUBSTANTIAL INTERVENTION OR COLLABORATION IN THE FORMULATION OF PUBLIC POLICY; OR****2. REQUIRES THE PROVISION OF DIRECT ADVICE OR THE RENDERING OF DIRECT SERVICES TO AN APPOINTING AUTHORITY.**

7-102.

(a) (1) Each employee in the skilled service, professional service, and management service, **INCLUDING SPECIAL APPOINTMENTS IN EACH CLASSIFICATION OF EACH OF THOSE SERVICES**, shall be provided with a written position description which describes the essential duties and responsibilities the employee is expected to perform and the standards for satisfactory performance on a form approved by the Secretary.

(2) A successful applicant for a position in the skilled service, professional service, or management service shall be provided with a position description for review before accepting appointment to the position.

(b) The appointing authority or designee shall approve position descriptions and revised position descriptions for the positions in the unit.

(c) (1) A supervisor shall:

(i) ensure the preparation of a position description for each position over which the supervisor has primary direct responsibility;

(ii) maintain position descriptions for the positions under the supervisor's jurisdiction; and

(iii) give each supervised employee a copy of the position description for the employee's position.

(2) The supervisor and employee shall review the position description for the employee's position and make any necessary revision:

(i) whenever there is a change in the essential functions of the position; and

(ii) as part of the employee's performance appraisal.

(3) When there is no position description for a new or vacant position, the primary direct supervisor of the position shall:

- (i) prepare a position description for the position; and
- (ii) submit it as part of the selection plan to fill the position.

(d) A position description shall contain information required by the Secretary, including a description of the essential functions of the position.

(e) (1) The duties and responsibilities assigned to a position shall be consistent with the duties and responsibilities for the position's assigned class.

(2) An employee may grieve the assignment of duties and responsibilities only if those assigned duties and responsibilities clearly are applicable to a different class.

7-501.

(a) The performance of each employee in the skilled service, professional service, and management service, **INCLUDING SPECIAL APPOINTMENTS IN EACH CLASSIFICATION OF EACH OF THOSE SERVICES**, shall be evaluated in accordance with this subtitle.

(b) The appointing authority shall ensure that each of the unit's employees who is subject to this subtitle has performance evaluations in accordance with this subtitle and procedures established by the Secretary.

(c) Each supervisor of an employee subject to this subtitle shall attend mandatory training by the Department on the methods and procedures required in the performance appraisal process.

(d) Factors in evaluating a manager's or supervisor's performance shall include:

- (1) attendance at any required performance appraisal training;
- (2) adherence to established methods and procedures in conducting performance appraisals;
- (3) the timely completion of performance appraisals for employees assigned to the supervisor; and

(4) except as provided in subsection (e) of this section, the results of an anonymous survey of employees assigned to the supervisor in accordance with procedures established by the Secretary.

(e) The anonymous survey requirement under subsection (d)(4) of this section shall not be a factor in evaluating a manager's or supervisor's performance if fewer than five employees are assigned to the manager or supervisor.

11-113.

(a) This section only applies to an employee:

- (1) in the management service;
- (2) in executive service; or
- (3) under a special appointment described in § 6-405 of this article.

(b) (1) An employee or an employee's representative may file a written appeal of a disciplinary action with the head of the principal unit.

(2) An appeal:

(i) must be filed within 15 days after the employee receives notice of the disciplinary action; and

(ii) may only be based on the grounds that the disciplinary action is ~~ARBITRARY, CAPRICIOUS,~~ illegal, or unconstitutional.

(3) The employee has the burden of proof in an appeal under this section.

(c) The head of the principal unit may confer with the employee before making a decision.

(d) (1) The head of the principal unit may:

(i) uphold the disciplinary action; or

(ii) rescind or modify the disciplinary action and restore to the employee any lost time, compensation, status, or benefits.

(2) Within 15 days after receiving an appeal, the head of the principal unit shall issue the employee a written decision.

(3) The decision of the head of the principal unit is the final administrative decision.

(e) Within 15 days after issuance of a decision to rescind a disciplinary action, the disciplinary action shall be expunged from the employee's personnel records.

11-305.

(a) This section only applies to an employee who is in a position:

- (1) under a special appointment;
- (2) in the management service; or
- (3) in the executive service.

(b) Each employee subject to this section:

- (1) serves at the pleasure of the employee's appointing authority; and
- (2) may be terminated from employment for any reason **THAT IS NOT ILLEGAL OR UNCONSTITUTIONAL**, solely in the discretion of the appointing authority.

(C) A MANAGEMENT SERVICE EMPLOYEE OR A SPECIAL APPOINTMENT EMPLOYEE DESIGNATED BY THE SECRETARY UNDER § 4-201(C)(2)(I) OF THIS ARTICLE MAY NOT BE TERMINATED FOR THE PURPOSE OF CREATING A NEW POSITION FOR ANOTHER INDIVIDUAL'S APPOINTMENT BECAUSE OF THAT INDIVIDUAL'S POLITICAL AFFILIATION, BELIEF, OR OPINION.

~~**(D) A MANAGEMENT SERVICE EMPLOYEE OR A SPECIAL APPOINTMENT EMPLOYEE WHO IS TERMINATED UNDER SUBSECTION (B) OF THIS SECTION SHALL BE GIVEN, IN WRITING, THE REASONS FOR THE TERMINATION BY THE EMPLOYEE'S APPOINTING AUTHORITY.**~~

[(c)] (E) (D) An employee or an employee's representative may file a written appeal of an employment termination under this section as described under § 11-113 of this title.

~~**(F) AN EMPLOYEE SUBJECT TO THIS SECTION MAY INITIATE A CAUSE OF ACTION BASED ON THE EMPLOYEE'S TERMINATION WITHOUT FIRST EXHAUSTING THE EMPLOYEE'S ADMINISTRATIVE REMEDIES.**~~

~~(G) IF A COURT DETERMINES THAT AN EMPLOYEE IS ENTITLED TO JUDGMENT IN AN ACTION, THE COURT SHALL ALLOW THE EMPLOYEE REASONABLE COUNSEL FEES AND OTHER COSTS OF THE ACTION.~~

Article – Transportation

2-103.4.

(b) (1) In the exercise of the Secretary's powers under this section, the Secretary may:

[(1)] (I) Create and abolish any position other than positions specifically provided for in this article; and

[(2)] (II) Determine the qualifications, appointment, removal, tenure, terms of employment, and compensation of employees unless otherwise prohibited by law.

(2) THE SECRETARY SHALL DESIGNATE EXECUTIVE SERVICE EMPLOYEE AND COMMISSION PLAN EMPLOYEE POSITIONS IN THE HUMAN RESOURCES MANAGEMENT SYSTEM THAT:

(I) MUST BE FILLED WITHOUT REGARD TO POLITICAL AFFILIATION, BELIEF, OR OPINION; OR

(II) IN ACCORDANCE WITH THE CRITERIA ESTABLISHED UNDER § 6-405(B) OF THE STATE PERSONNEL AND PENSIONS ARTICLE, MAY BE FILLED WITH REGARD TO POLITICAL AFFILIATION, BELIEF, OR OPINION.

(3) ON AN ANNUAL BASIS, THE SECRETARY SHALL REPORT ON THE TOTAL NUMBER OF POSITIONS DESIGNATED UNDER PARAGRAPH (2) OF THIS SUBSECTION TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The Department of Legislative Services, with the assistance of the Department of Budget and Management, the Department of Transportation, and labor organizations that represent State employees, shall review the State Personnel Management System law and regulations and other relevant State laws and regulations, including the Department of Transportation's Human Resources Management System, to determine:

(1) the number of at-will employees, special appointments, and management service employees in the Executive Branch agencies of State government;

(2) the rationale for designating the majority of, or all, employees in an agency as at-will employees; and

(3) the possibility of providing additional merit system protections to management service employees up to a certain grade level or depending on the job description of the employee.

(b) The Department of Legislative Services shall make recommendations as to appropriate and effective legislative and administrative changes in the State's personnel systems that will help strike a better balance between the need to provide flexibility in hiring and terminating employees and maintaining the dignity, worth, and morale of the State's workforce.

(c) On or before ~~December 31, 2007~~ December 1, 2008, the Department of Legislative Services shall report its findings and recommendations to the President of the Senate and the Speaker of the House of Delegates.

SECTION 3. AND BE IT FURTHER ENACTED, That the Secretary of the Department of Budget and Management shall develop processes through regulation that provide that all new employees, including at-will employees, receive written notification of their position and classification, and that all employees *in the State Personnel Management System and in the Department of Transportation*, including at-will employees, be ~~periodically~~ notified at 6-month intervals in writing of their employment status in State government, including any changes in the employment classification of an employee and the employee rights associated with the position and classification.

SECTION 4. AND BE IT FURTHER ENACTED, That:

(a) The Chancellor of the University System of Maryland and the Presidents of Morgan State University, St. Mary's College of Maryland, and Baltimore City Community College shall identify all nonmerit and at-will positions in the personnel systems of the University System of Maryland and its constituent institutions, Morgan State University, St. Mary's College of Maryland, and Baltimore City Community College.

(b) On an annual basis, the Chancellor of the University System of Maryland and the Presidents of Morgan State University, St. Mary's College of Maryland, and Baltimore City Community College shall report the information on nonmerit and at-will positions required under subsection (a) of this section to the Governor and, in accordance with § 2-1246 of the State Government Article, to the General Assembly.

SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 58 - *Study Commission to Explore the Expanded Application of State Stipends for National Certification of Teachers*.

This bill establishes a Study Commission to Explore the Expanded Application of State Stipends for National Certification of Teachers to assess the rigors of national certification for speech-language pathologists, occupational therapists, school psychologists, physical therapists, school counselors, and other school system personnel, as compared to national teacher certification from the National Board for Professional Teaching Standards. The commission shall make recommendations regarding whether the stipends for national teacher certification should be expanded to include the professions listed above.

House Bill 274, 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 58.

Sincerely,

Martin O'Malley
Governor

Senate Bill 58

AN ACT concerning

**Study Commission to Explore the Expanded Application of State Stipends for
National Certification of Teachers**

FOR the purpose of establishing a Study Commission to Explore the Expanded Application of State Stipends for National Certification of Teachers; providing for the membership of the Study Commission; requiring the Governor to designate the chair of the Study Commission; requiring the State Department of Education to provide staff for the Study Commission; providing that a member of the Study Commission may not receive compensation but is entitled to certain reimbursement; requiring the Study Commission to assess the rigor of national certification for certain occupations and determine how these national certifications compare to national teacher certification and make certain recommendations; requiring the Study Commission to report certain findings and recommendations to the Governor and to the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to the expanded application of State stipends for national certification of teachers.

BY repealing and reenacting, without amendments,

Article – Education

Section 6–306(a) and (b)(2)

Annotated Code of Maryland

(2006 Replacement Volume)

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

Article – Education

6–306.

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

(2) “County grant for national certification” means an annual grant distributed to a teacher certified by the National Board for Professional Teaching Standards established:

(i) Outside of the collective bargaining process; or

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

(3) “School–based employee” means a certificated employee who works directly with students or teachers at a public school.

(b) (2) A classroom teacher or other nonadministrative school–based employee who holds a standard professional certificate or an advanced professional certificate who is employed by a county board and who holds a certificate issued by the

National Board for Professional Teaching Standards shall receive a stipend from the State in an amount equal to the county grant for national certification, up to a maximum of \$2,000 per qualified individual.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) There is a Study Commission to Explore the Expanded Application of State Stipends for National Certification of Teachers under § 6–306(b)(2) of the Education Article.

(b) The Study Commission consists of the following members:

(1) one member of the Senate of Maryland, appointed by the President of the Senate;

(2) one member of the House of Delegates, appointed by the Speaker of the House;

(3) the State Superintendent of Schools, or the Superintendent's designee; and

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

(i) one individual who holds a certificate issued by the National Board for Professional Teaching Standards;

(ii) one representative of the National Board for Professional Teaching Standards;

(iii) two local superintendents;

(iv) two representatives of local school systems that employ individuals who hold a certificate issued by the National Board for Professional Teaching Standards;

(v) one representative from a private Maryland university that has a program of teacher education; and

(vi) one representative from a public Maryland university that has a program of teacher education.

(c) The Governor shall designate the chair of the Study Commission.

(d) The State Department of Education shall provide staff for the Study Commission.

(e) A member of the Study Commission:

(1) may not receive compensation as a member of the Study Commission; but

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

(f) The Study Commission shall:

(1) assess the rigor of national certification for speech-language pathologists, occupational therapists, school psychologists, physical therapists, school counselors, and others to determine how each of these national certifications compares to national teacher certification by the National Board for Professional Teaching Standards;

(2) invite academic experts to submit testimony; and

(3) make recommendations regarding whether the stipends awarded to teachers and other school-based employees under § 6-306(b)(2) of the Education Article should be expanded to include speech-language pathologists, occupational therapists, physical therapists, school psychologists, school counselors, or others.

(g) On or before December 31, 2007, the Study Commission shall report its 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 June 1, 2007. It shall remain effective for a period of 1 year and, at the end of May 31, 2008, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 62 - *Somerset County - County Commissioners and Members of the County Roads Board - Salaries*.

This bill increases the salaries of the County Commissioners for Somerset County and the members of the County Roads Board of Somerset County. It also establishes a salary for the President of the County Commissioners for Somerset County and the President of the County Roads Board and provides that the Act does not apply to the salary or compensation of the incumbent County Commissioners, President of the County Commissioners, members of the County Roads Board, or President of the County Roads Board.

House Bill 13, 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 62.

Sincerely,

Martin O'Malley
Governor

Senate Bill 62

AN ACT concerning

Somerset County – County Commissioners and Members of the County Roads Board – Salaries

FOR the purpose of increasing the salaries of the County Commissioners for Somerset County and the members of the County Roads Board of Somerset County; establishing a salary for the President of the County Commissioners for Somerset County and the President of the County Roads Board; providing that this Act does not apply to the salary or compensation of the incumbent County Commissioners, President of the County Commissioners, members of the County Roads Board, or President of the County Roads Board; and generally relating to the salaries of the County Commissioners for Somerset County, the President of the County Commissioners for Somerset County, members of the County Roads Board of Somerset County, and the President of the County Roads Board of Somerset County.

BY repealing and reenacting, with amendments,
The Public Local Laws of Somerset County
Section 2–101 and 9–104(a)
Article 20 – Public Local Laws of Maryland

(2003 Edition and 2006 Supplement, as amended)

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

Article 20 – Somerset County

2–101.

(a) There are 5 County Commissioners for Somerset County, who hold office for 4 years and until their successors are elected and qualified.

(b) [Each Commissioner shall receive an annual salary of \$6,000.]

(1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, EACH COMMISSIONER SHALL RECEIVE AN ANNUAL SALARY OF \$7,500.

(2) THE PRESIDENT OF THE COUNTY COMMISSIONERS SHALL RECEIVE AN ANNUAL SALARY OF \$8,500.

(c) Each Commissioner may receive reimbursement of no more than \$2,500 a year for food and mileage expenses for any official duties. The County Commissioner shall submit a reimbursement voucher for each excursion, signed by 3 of the 5 Commissioners.

9–104.

(a) **(1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE** members of the County Roads Board shall each receive, in addition to their compensation as County Commissioners, a salary of [~~\$6,000~~] **\$7,500** annually as a member of the County Roads Board.

(2) THE PRESIDENT OF THE COUNTY ROADS BOARD SHALL RECEIVE, IN ADDITION TO COMPENSATION RECEIVED AS PRESIDENT OF THE COUNTY COMMISSIONERS, AN ANNUAL SALARY OF \$8,500.

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 County Commissioners for Somerset County, the President of the County Commissioners for Somerset County, members of the County Roads Board of Somerset County, or the President of the County Roads Board of Somerset County in office on the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the County Commissioners for Somerset

County, the President of the County Commissioners for Somerset County, members of the County Roads Board of Somerset County, or the President of the County Roads Board of Somerset County shall take effect at the beginning of the next following term of office.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 66 - *Electric Cooperatives - Standard Offer Service Supply Contracts*.

This bill authorizes specified electric cooperatives to supply their standard offer service load through a portfolio of blended wholesale supply contracts of short, medium, and long terms under specified circumstances. The bill also prohibits the Public Service Commission from setting or enforcing a termination date for the procurement of supply through a specified managed portfolio.

House Bill 60, 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 66.

Sincerely,

Martin O'Malley
Governor

Senate Bill 66

AN ACT concerning

Electric Cooperatives – Standard Offer Service Supply Contracts

FOR the purpose of authorizing certain electric cooperatives to supply their standard offer service load through a portfolio of blended wholesale supply contracts of short, medium, and long terms under certain circumstances; prohibiting the Public Service Commission from setting or enforcing a certain termination date for the procurement of certain supply; making this Act an emergency measure; and generally relating to wholesale supply contracts and electric cooperatives.

BY repealing and reenacting, with amendments,
Article – Public Utility Companies
Section 7–510(c)
Annotated Code of Maryland
(1998 Volume and 2006 Supplement)

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

Article – Public Utility Companies

7–510.

(c) (1) Beginning on the initial implementation date, an electric company's obligation to provide electricity supply and electricity supply service is stated by this subsection.

(2) Electricity supply purchased from a customer's electric company is known as standard offer service. A customer is considered to have chosen the standard offer service if the customer:

(i) is not allowed to choose an electricity supplier under the phase in of customer choice in subsection (a) of this section;

(ii) contracts for electricity with an electricity supplier and it is not delivered;

(iii) cannot arrange for electricity from an electricity supplier;

(iv) does not choose an electricity supplier;

(v) chooses the standard offer service; or

(vi) has been denied service or referred to the standard offer service by an electricity supplier in accordance with § 7–507(e)(6) of this subtitle.

(3) (i) Except as provided under subparagraph (ii) of this paragraph, any obligation of an electric company to provide standard offer service shall cease on July 1, 2003.

(ii) 1. Electric cooperatives and municipal electric utilities may choose to continue providing standard offer service in their respective distribution territories and may cease offering that service after notifying the Commission at least 12 months in advance.

2. On and after July 1, 2003, an electric company continues to have the obligation to provide standard offer service to residential and small commercial customers at a market price that permits recovery of the verifiable, prudently incurred costs to procure or produce the electricity plus a reasonable return.

(iii) 1. On or before December 31, 2008, and every 5 years thereafter, the Commission shall report to the Governor and, in accordance with § 2-1246 of the State Government Article, to the General Assembly on the status of the standard offer service, the development of competition, and the transition of standard offer service to a default service.

2. The Commission shall establish, by order or regulation, the definition of “default service”.

(4) (i) On or before July 1, 2001, the Commission shall adopt regulations or issue orders to establish procedures for the competitive selection of wholesale electricity suppliers, including an affiliate of an electric company, to provide electricity for standard offer service to customers of electric companies under paragraph (2) of this subsection, except for customers of electric cooperatives and municipal electric utilities. Unless delayed by the Commission, the competitive selection shall take effect no later than July 1, 2003.

(ii) 1. Under an extension of the obligation to provide standard offer service in accordance with paragraph (3)(ii) of this subsection, the Commission, by regulation or order, and in a manner that is designed to obtain the best price for residential and small commercial customers in light of market conditions at the time of procurement and the need to protect these customers from excessive price increases:

A. shall require each investor-owned electric company to obtain its electricity supply for residential and small commercial customers participating in standard offer service through a competitive process in accordance with this paragraph; and

B. may require or allow an investor-owned electric company to procure electricity for these customers directly from an electricity supplier through one or more bilateral contracts outside the competitive process.

2. A. As the Commission directs, the competitive process shall include a series of competitive wholesale bids in which the investor-owned electric company solicits bids to supply anticipated standard offer service load for residential and small commercial customers as part of a portfolio of blended wholesale supply contracts of short, medium, or long terms, and other appropriate electricity products and strategies, as needed to meet demand in a cost-effective manner.

B. The competitive process may include different bidding structures and mechanisms for base load, peak load, and very short-term procurement.

C. By regulation or order, as a part of the competitive process, the Commission shall require or allow the procurement of cost-effective energy efficiency and conservation measures and services with projected and verifiable energy savings to offset anticipated demand to be served by standard offer service, and the imposition of other cost-effective demand-side management programs.

3. A. In order to prevent an excessive amount of load being exposed to upward price risks and volatility, the Commission may stagger the dates for the competitive wholesale auctions.

B. By regulation or order, the Commission may allow a date on which a competitive wholesale auction takes place to be altered based on current market conditions.

4. By regulation or order, the Commission may allow an investor-owned electric company to refuse to accept some or all of the bids made in a competitive wholesale auction in accordance with standards adopted by the Commission.

5. The investor-owned electric company shall publicly disclose the names of all bidders and the names and load allocation of all successful bidders 90 days after all contracts for supply are executed.

(5) An electric company may procure the electricity needed to meet its standard offer service electricity supply obligation from any electricity supplier, including an affiliate of the electric company.

(6) In order to meet long-term, anticipated demand in the State for standard offer service and other electricity supply, the Commission may require or

allow an investor-owned electric company to construct, acquire, or lease, and operate, its own generating facilities, and transmission facilities necessary to interconnect the generating facilities with the electric grid, subject to appropriate cost recovery.

(7) (i) To determine whether an appropriate phased implementation of electricity rates that is necessary to protect residential customers from the impact of sudden and significant increases in electricity rates, the Commission in the case of an increase of 20% or more over the previous year's total electricity rates, shall conduct evidentiary proceedings, including public hearings.

(ii) 1. A deferral of costs as part of a phased implementation of electricity rates by an investor-owned electric company shall be treated as a regulatory asset to be recovered in accordance with a rate stabilization plan under Part III of this subtitle or any other plan for phased implementation approved by the Commission.

2. A deferral of costs under this paragraph must be just, reasonable, and in the public interest.

(iii) The Commission shall approve the recovery of deferred costs under subparagraph (ii) of this paragraph as:

1. long-term recovery in accordance with a rate stabilization plan under Part III of this subtitle; or

2. short-term recovery through a rate proceeding mechanism approved by the Commission.

(iv) The Commission may approve a phasing in of increased costs by:

1. placing a cap on rates and allowing recovery over time; or

2. allowing rates to increase and providing for a rebate to customers of any excess costs paid.

(8) (1) AN ELECTRIC COOPERATIVE THAT AS OF JULY 1, 2006, SUPPLIED ITS STANDARD OFFER SERVICE LOAD THROUGH A PORTFOLIO OF BLENDED WHOLESALE SUPPLY CONTRACTS OF SHORT, MEDIUM, AND LONG TERMS, AND OTHER APPROPRIATE ELECTRICITY PRODUCTS AND STRATEGIES, AS NEEDED TO MEET DEMAND IN A COST-EFFECTIVE MANNER, MAY CHOOSE TO CONTINUE TO USE A BLENDED PORTFOLIO:

~~(1) WITHOUT APPROVAL OF THE COMMISSION;~~

~~(H)~~ **1. AS APPROVED AND MODIFIED BY THE ELECTRIC COOPERATIVE'S BOARD OF DIRECTORS; AND**

~~(H)~~ **2. WITH APPROPRIATE REVIEW FOR PRUDENT COST RECOVERY AS DETERMINED BY THE COMMISSION.**

(II) THE COMMISSION MAY NOT SET OR ENFORCE A TERMINATION DATE FOR THE PROCUREMENT OF SUPPLY THROUGH A MANAGED PORTFOLIO PREVIOUSLY APPROVED BY THE COMMISSION.

~~[(8)]~~ **(9)** (i) The Commission, on request by an electric cooperative or on its own initiative, shall initiate a proceeding to investigate options for a rate stabilization plan to assist residential electric customers to gradually adjust to market rates over an extended period of time.

(ii) If an electric cooperative determines that total electric rates for residential customers are anticipated to increase by more than 20% in a 12-month period resulting from an increase in the cost of generation, the electric cooperative shall survey its membership to determine whether to make a request to the Commission to initiate a proceeding under subsection (a) of this section.

(iii) Notwithstanding subparagraphs (i) and (ii) of this paragraph, as approved by the Commission, an electric cooperative may receive a modification in distribution and transmission rates.

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 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 102 - *State Agencies - StateStat*.

This bill establishes a StateStat accountability process to enhance the managing for results process in State government. The bill authorizes the Governor to require agencies to participate in the StateStat process and submit specified strategic plans and performance measurement reports to the Secretary of Budget and Management.

House Bill 137, 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 102.

Sincerely,

Martin O'Malley
Governor

Senate Bill 102

AN ACT concerning

State Agencies – StateStat

FOR the purpose of establishing a StateStat accountability process to enhance the managing for results process; authorizing the Governor to require certain agencies to participate in the StateStat process; requiring certain agencies to submit certain strategic plans and performance measurement reports to the Secretary of Budget and Management ~~by a certain date~~ as part of a certain budget submission; requiring the performance measurement reports to contain certain information; requiring the budget books to contain certain limited information from the StateStat agency strategic plan of certain units of State government; authorizing the Office of Legislative Audits to include in certain performance audits a review of certain performance measures; defining certain terms; and generally relating to a StateStat accountability process and the managing for results process.

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 3–1001 through 3–1003 and 7–121(a)
Annotated Code of Maryland
(2006 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,
Article – State Government
Section 2–1221(a)

Annotated Code of Maryland
(2004 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 2–1221(b)
Annotated Code of Maryland
(2004 Replacement Volume and 2006 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

3–1001.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Agency” means an entity of the Executive Branch of State government.
- (c) “Goal” means a broad statement that describes the desired long–term results toward which an agency directs its efforts. Goals support, clarify, and provide direction to the agency’s mission and assist in the application of State resources toward implementation of the managing for results State comprehensive plan.
- (d) “Managing for results” means a planning, performance measurement, and budgeting process that emphasizes use of resources to achieve measurable results, accountability, efficiency, and continuous improvement in State government programs.
- (e) “Mission” means the purpose for an agency’s existence and includes a description of what an agency does and for whom it does it.
- (f) “Objective” means a specific and measurable short–term target for achievement of an agency’s goals and includes a description of the desired results and a target date for accomplishment.
- (g) (1) “Performance measure” means a quantitative or qualitative indicator used to assess whether an agency is meeting its goals and objectives.
 - (2) “Performance measure” includes the following:
 - (i) an efficiency measure that quantifies the relationship between measures of the inputs used to produce goods or services and the measures of the outputs of these activities;

(ii) an input measure that quantifies the amount of resources used to provide goods and services;

(iii) an outcome measure that quantifies the results an agency achieves or the benefits citizens receive from an agency's activities;

(iv) an output measure that quantifies the amount of goods and services produced by the agency; and

(v) a quality measure that quantifies or describes:

1. the effectiveness of the agency in meeting agency objectives;

2. aspects of the satisfaction that customers may or may not have with State goods or services; or

3. how State goods or services compare to some external or internal standard.

(h) "State comprehensive plan" means a statement of goals which serve as a broad directive for improving or making more cost effective State resources and services. The plan shall include no more than 10 statewide goals and 50 to 100 performance measures that describe the statewide progress towards its goals.

(I) "STATESTAT" MEANS THE ACCOUNTABILITY PROCESS DESCRIBED IN § 3-1003(B) OF THIS SUBTITLE.

[(i)] (J) "Strategic plan" means a statement of direction implemented by an agency to carry out its mission.

3-1002.

(a) The Department shall review and update as necessary:

(1) the goals developed in the managing for results State comprehensive plan; and

(2) the plan's objectives and performance measures.

(b) **[On] EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE, ON** or before July 1 of each year an agency, in conjunction with the Department, shall select no more than six agency goals that are:

(1) compatible with the managing for results State comprehensive plan; or

(2) consistent with the agency's mission if the goals identified in the managing for results State comprehensive plan do not apply to the agency.

(c) **[With] EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE, WITH** its annual budget submission to the Department, an agency shall develop and submit to the Department as part of the budget process a managing for results agency strategic plan that shall include:

(1) a mission statement;

(2) a description of the agency's goals;

(3) a description of the objectives and performance measures implemented at the program level to achieve the agency's goals, including:

(i) performance measure statistics for at least the 2 most recently completed fiscal years; and

(ii) performance measure estimates for the current year appropriation and budget request year;

(4) a discussion of the agency's progress in meeting its goals and performance measures and any challenges the agency has faced in working toward its goals;

(5) a description of the internal controls established to ensure reliability of the data collected for each performance measure; and

(6) an identification of the customers and stakeholders served.

(d) An agency subject to this subtitle shall maintain documentation of the internal controls established to evaluate performance measures that shall be subject to review by the State, including the Office of Legislative Audits.

(e) (1) The Department shall provide a report to the Senate Budget and Taxation Committee and House Appropriations Committee in January of each year on the contents of the State comprehensive plan and the State's progress toward the goals outlined in the plan.

(2) The report shall include details on each agency's progress.

(3) The Senate Budget and Taxation Committee and House Appropriations Committee may hold hearings after receiving the report.

(4) The first report shall be submitted on or before January 31, 2005 and shall include a presentation of the first managing for results State comprehensive plan.

3-1003.

(A) The Secretary shall review the strategic plans and the State comprehensive plan and may recommend appropriate changes to agency budgets.

(B) (1) THERE IS A STATESTAT PROCESS THAT IS MANAGED BY THE EXECUTIVE BRANCH.

(2) STATESTAT IS AN ACCOUNTABILITY PROCESS THAT INVOLVES:

(I) THE ADOPTION OF A STRATEGIC PLAN AND THE ESTABLISHMENT OF GOALS BY AN AGENCY;

(II) THE ADOPTION OF A COMPREHENSIVE SET OF PERFORMANCE AND CITIZEN SATISFACTION MEASUREMENTS BY AN AGENCY;

(III) REGULAR AND FREQUENT:

1. SUBMISSION OF TIMELY AND ACCURATE DATA BY AN AGENCY;

2. REVIEW AND ANALYSIS OF SUBMITTED DATA;

3. ACCOUNTABILITY MEETINGS TO ASSESS AN AGENCY'S PERFORMANCE;

(IV) CONTINUOUS REVIEW OF THE STRATEGIES AND TACTICS USED BY AN AGENCY TO MEET THE GOALS OF THE AGENCY; AND

(V) CONTINUOUS ASSESSMENT OF THE PROGRESS OF AN AGENCY TOWARDS MEETING THE GOALS OF THE AGENCY.

(C) THE GOVERNOR MAY REQUIRE AN AGENCY TO PARTICIPATE IN THE STATESTAT PROCESS TO HELP FACILITATE AND ACCELERATE THE ACHIEVEMENT OF MANAGING FOR RESULTS GOALS AND OBJECTIVES.

(D) (1) EACH AGENCY THAT PARTICIPATES IN THE STATESTAT PROCESS SHALL SUBMIT A STRATEGIC PLAN AND PERFORMANCE MEASUREMENT REPORT TO THE SECRETARY ~~BY AUGUST 15 OF EACH YEAR, AS PART OF ITS ANNUAL BUDGET SUBMISSION INSTEAD OF THE REPORT REQUIRED IN § 3-1002(C) OF THIS SUBTITLE.~~

(2) THE REPORT SUBMITTED BY EACH AGENCY THAT PARTICIPATES IN THE STATESTAT PROCESS SHALL CONTAIN ~~INFORMATION SIMILAR TO~~ THE INFORMATION REQUIRED IN § 3-1002(C) OF THIS SUBTITLE.

7-121.

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

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

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

(ii) requested for the next fiscal year;

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

(i) spent during the last full fiscal year;

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

(iii) requested for the next fiscal year;

(3) an itemized statement of the expenditures for contractual services, supplies and materials, equipment, land and structures, fixed charges, and other operating expenses:

(i) made in the last full fiscal year;

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

(iii) requested for the next fiscal year; and

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

Article – State Government

2-1221.

(a) A fiscal/compliance audit conducted by the Office of Legislative Audits shall include:

- (1) examining financial transactions and records and internal controls;
- (2) evaluating compliance with applicable laws and regulations;
- (3) examining electronic data processing operations; and
- (4) evaluating compliance with applicable laws and regulations relating to the acquisition of goods and services from Maryland Correctional Enterprises.

(b) A performance audit conducted by the Office of Legislative Audits may include:

- (1) evaluating the efficiency, effectiveness, and economy with which resources are used;
- (2) determining whether desired program results are achieved; and
- (3) determining the reliability of performance measures, as defined in § 3-1001(g) of the State Finance and Procurement Article, identified in:

(I) the managing for results agency strategic plan developed under § 3-1002(c) of the State Finance and Procurement Article; **OR**

(II) THE STATESTAT AGENCY STRATEGIC PLAN SUBMITTED UNDER § 3-1003(D) OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 108 - *Higher Education - Tuition Affordability Act of 2007*.

This bill prohibits University System of Maryland institutions and Morgan State University from increasing resident undergraduate tuition for the 2007-2008 academic year beyond the rates charged in the 2005-2006 academic year.

House Bill 134, 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 108.

Sincerely,

Martin O'Malley
Governor

Senate Bill 108

AN ACT concerning

Higher Education – Tuition Affordability Act of 2007

FOR the purpose of prohibiting, for a certain academic year, an increase in the tuition that may be charged to a resident undergraduate student at certain public senior higher education institutions in Maryland; and generally relating to tuition reductions at certain public senior higher education institutions in the State.

BY repealing and reenacting, with amendments,
Article – Education
Section 15–106.5
Annotated Code of Maryland
(2006 Replacement Volume)

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

Article – Education

15–106.5.

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

(2) “Academic year” means the period commencing with the fall semester and continuing through the immediately following summer session at a public senior higher education institution.

(3) “Governing board” means:

(i) The Board of Regents of the University System of Maryland;
and

(ii) The Board of Regents of Morgan State University.

(4) “Public senior higher education institution” has the meaning stated in § 10–101(j)(1) and (2) of this article.

(5) (i) “Tuition” means the charges approved by the governing board of a public senior higher education institution that are required of all undergraduate resident students by the institution as a condition of enrollment regardless of the student’s degree program, field of study, or selected courses.

(ii) “Tuition” does not include:

1. Fees that are required of all undergraduate resident students by the institution as a condition of enrollment regardless of the student’s degree program, field of study, or selected courses;

2. Fees dedicated to support auxiliary enterprises and other self-funded activities of a public senior higher education institution; or

3. A fee required only for enrollment in a specific degree program, field of study, or course when that fee is not required of undergraduate resident students at the public senior higher education institution for enrollment in other degree programs, fields of study, or courses.

(b) Notwithstanding any other provision of law, for the academic [year] **YEARS** beginning in the fall of 2006 **AND 2007** only, a governing board may not approve, and a public senior higher education institution may not impose, an increase

in the tuition charged for an academic year to a resident undergraduate student at the institution over the amount charged for tuition at the institution in the preceding academic year.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 115 - *Prince George's County - Alcoholic Beverages - Class B-DD (Development District) License*.

This bill creates in Prince George's County a Class B-DD (development district) 7-day beer, wine and liquor license for on-sale consumption, specifies an annual license fee of \$2,750, provides that a Class B-DD license may be issued only for restaurants within a specified area, and imposes restrictions on the transfer of a Class B-DD license. The bill also requires the Board of License Commissioners to determine the number of Class B-DD licenses to be issued, the persons to whom they are to be issued, and the number of licenses each recipient may hold.

House Bill 503, 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 115.

Sincerely,

Martin O'Malley
Governor

Senate Bill 115

AN ACT concerning

Prince George's County – Alcoholic Beverages – Class B-DD (Development District) License

FOR the purpose of creating in Prince George's County a Class B-DD (development district) 7-day beer, wine and liquor license for on-sale consumption; specifying a certain annual license fee; specifying that a Class B-DD license be issued only for restaurants within ~~certain areas~~ a certain area; specifying certain restrictions on the transfer of a Class B-DD license; requiring the Board of License Commissioners to determine the number of Class B-DD licenses to be issued, the persons to whom Class B-DD licenses are to be issued, and the number of licenses each recipient may hold; authorizing a holder of a Class B-DD license to hold any other alcoholic beverages license; limiting the number of Class B-DD licenses that may be issued in a certain area; limiting the number of Class B-DD licenses that a license holder in a certain area may hold for restaurants in that area; authorizing the Board of License Commissioners to revoke a license to enforce certain provisions; requiring certain restaurants to submit a certain monthly report to the Board of License Commissioners; ~~repealing the provisions that establish a Class B-DD license~~; exempting holders of Class B-DD licenses from certain qualifications for licensees and restrictions on holding multiple licenses; specifying ~~certain areas, including in the Capital Plaza commercial area~~, area as the area in which Class B-DD licenses may be issued; ~~repealing certain provisions allowing the holding of certain multiple Class B licenses under certain circumstances~~; making certain stylistic changes; and generally relating to alcoholic beverages licenses in Prince George's County.

BY repealing and reenacting, without amendments,
 Article 2B – Alcoholic Beverages
 Section 6-201(r)(1)(i) and 9-217(a)
 Annotated Code of Maryland
 (2005 Replacement Volume and 2006 Supplement)

BY adding to
 Article 2B – Alcoholic Beverages
 Section 6-201(r)(15) and 9-217(f)(7)
 Annotated Code of Maryland
 (2005 Replacement Volume and 2006 Supplement)

~~BY repealing~~
~~Article 2B – Alcoholic Beverages~~
~~Section 8-1001 and the Subtitle “Subtitle 10. Revitalization Districts”~~
~~Annotated Code of Maryland~~
~~(2005 Replacement Volume and 2006 Supplement)~~

BY repealing and reenacting, with amendments,
 Article 2B – Alcoholic Beverages

Section 9-101(d)(6), 9-102(a), ~~and~~ 9-217(d), (e)(5), and (f)(1)(i), (2), and (5), and
10-401(g)(5)

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

6-201.

(r) (1) (i) This subsection applies only in Prince George's County.

(15) (I) THERE IS A CLASS B-DD (DEVELOPMENT DISTRICT) 7-DAY BEER, WINE AND LIQUOR LICENSE.

(II) ONLY ON-SALE CONSUMPTION IS PERMITTED.

(III) THE ANNUAL LICENSE FEE IS ~~\$1,000~~ \$2,750.

(IV) A CLASS B-DD LICENSE MAY BE ISSUED ONLY FOR A RESTAURANT WITHIN AN AREA DESIGNATED IN ~~§ 9-217(F)(5)~~ § 9-217(F)(7) OF THIS ARTICLE.

(V) OWNERSHIP OF A CLASS B-DD LICENSE MAY BE TRANSFERRED FROM ONE LICENSE HOLDER TO ANOTHER IF THE LICENSE IS TO BE USED AT THE SAME LOCATION BUT MAY NOT BE TRANSFERRED FOR USE AT A DIFFERENT LOCATION.

(VI) 1. THE BOARD OF LICENSE COMMISSIONERS SHALL DETERMINE THE NUMBER OF CLASS B-DD LICENSES TO BE ISSUED, THE PERSONS TO WHOM CLASS B-DD LICENSES ARE TO BE ISSUED, AND THE NUMBER OF LICENSES EACH RECIPIENT MAY HOLD.

2. NOTWITHSTANDING SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, THE BOARD OF LICENSE COMMISSIONERS MAY NOT ISSUE A CLASS B-DD LICENSE TO ANY RESTAURANT LOCATED WITHIN THE AREA DESCRIBED IN § 9-217(F)(7) OF THIS ARTICLE, IF, AT THE TIME OF ISSUANCE:

A. THERE ARE FOUR RESTAURANTS OPERATING WITH A CLASS B-DD LICENSE WITHIN THAT AREA; OR

B. THE APPLICANT FOR THAT LICENSE IS THE LICENSE HOLDER OF THREE CLASS B-DD LICENSES FOR RESTAURANTS OPERATING WITHIN THAT AREA.

(VII) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, A LICENSE HOLDER MAY HOLD A CLASS B-DD LICENSE IN ADDITION TO ANY OTHER LICENSE ISSUED UNDER THIS ARTICLE.

(VIII) A CLASS B-DD LICENSE MAY NOT BE ISSUED TO A RESTAURANT LOCATED WITHIN A CHAIN STORE, SUPERMARKET, DISCOUNT HOUSE, DRUG STORE, OR CONVENIENCE STORE.

(IX) 1. A RESTAURANT IN THE CAPITAL PLAZA COMMERCIAL AREA DESCRIBED IN § 9-217(F)(7) OF THIS ARTICLE IS NOT ELIGIBLE FOR A CLASS B-DD LICENSE UNLESS:

A. IT SATISFIES ALL OF THE REQUIREMENTS SET FORTH IN PARAGRAPH (1)(II)3 OF THIS SUBSECTION; AND

B. ITS AVERAGE DAILY RECEIPTS FROM THE SALE OF FOOD AND NONALCOHOLIC BEVERAGES EXCEED ITS AVERAGE DAILY RECEIPTS FROM THE SALE OF ALCOHOLIC BEVERAGES.

2. THE BOARD OF LICENSE COMMISSIONERS MAY REVOKE A LICENSE IN ORDER TO ENFORCE THE PROVISIONS OF THIS SUBPARAGRAPH.

3. A LICENSE HOLDER FOR A RESTAURANT DESCRIBED IN SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL SUBMIT A MONTHLY REPORT TO THE BOARD OF LICENSE COMMISSIONERS OF THE RESTAURANT'S AVERAGE DAILY RECEIPTS FROM THE SALE OF FOOD AND NONALCOHOLIC BEVERAGES AND THE RESTAURANT'S AVERAGE DAILY RECEIPTS FROM THE SALE OF ALCOHOLIC BEVERAGES TO VERIFY THAT THE RESTAURANT HAS MET THE REQUIREMENTS OF SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH.

~~{Subtitle 10. Revitalization Districts.}~~

~~{§ 1001.~~

~~(a) In this section, "district" means:~~

~~(1) A designated Maryland main street with a local management authority;~~

~~(2) A designated revitalization area; or~~

~~(3) An area with a revitalization plan that has been adopted locally.~~

~~(b) This section applies only in Prince George's County.~~

~~(c) There is a Class B RD license.~~

~~(d) (1) A Class B RD (revitalization district) license shall be issued by the office where Class B licenses are issued in the county.~~

~~(2) The license authorizes the holder to keep for sale and sell liquor at retail in any premises licensed for Class B RD sales.~~

~~(3) Only on-sale consumption is permitted.~~

~~(e) The annual license fee is \$660.~~

~~(f) All applicants for this license shall:~~

~~(1) Be located and remain within a district;~~

~~(2) Have gross sales:~~

~~(i) That do not exceed \$150,000 per year; and~~

~~(ii) Of which at least 80 percent are derived from the sale of food; and~~

~~(3) Be primarily a restaurant at which patrons are seated to eat.~~

~~(g) The hours and days for sale are as provided in § 11-517 of this article.~~

~~(h) The Board of License Commissioners shall determine the number of Class B RD (revitalization district) licenses to be issued.]~~

9-101.

(d) (6) This section does not apply to racetrack licenses, Class BLX licenses, arena licenses, Class BCE (catering) licenses, Class B/ECF (educational conference facility) licenses, **ISSUANCE, RENEWAL, OR TRANSFER OF CLASS B-DD (DEVELOPMENT DISTRICT) LICENSES**, or to businesses whose sales of stock or

interests are authorized for sale by the Securities and Exchange Commission of the United States.

9-102.

(a) No more than one license provided by this article, except by way of renewal or as otherwise provided in this section, shall be issued in any county or Baltimore City, to any person, or for the use of any partnership, corporation, unincorporated association, or limited liability company, in Baltimore City or any county of the State, and no more than one license shall be issued for the same premises except as provided in §§ 2-201 through 2-208, 2-301, and 6-701, and nothing herein shall be construed to apply to **§ 6-201(R)(15)**, § 7-101(b) and (c), § 8-202(g)(2)(ii) and (iii), § 8-508, or § 12-202 of this article.

9-217.

(a) This section applies only in Prince George's County.

(d) This section does not apply to [licenses] **A LICENSE** issued under the provisions of § 6-201(r)(2) [or], (5), **OR (15)** or § 7-101 of this article.

(e) (5) This ~~subsection~~ **SUBSECTION** does not apply [to any licenses or] to any license issued under § 6-201(r)(2) [or], (5), **OR (15)** or § 7-101 of this article.

(f) (1) (i) **[A] EXCEPT AS PROVIDED IN § 6-201(R)(15) OF THIS ARTICLE, A** person, whether acting on that person's behalf or on the behalf of another person or entity, corporation, association, partnership, limited partnership or other combination of persons (natural or otherwise) for whatever reason formed, may not have an interest in more than one license authorizing the retail or wholesale sale of alcoholic beverages.

(2) This subsection does not apply to licenses issued under the provisions of § 6-201(r)(2), (3), (5), (7), [or] (10), **OR (15)**, § 7-101, or § 8-505 of this article or to club licenses.

(5) (i) This paragraph does not apply to a [licensed premises] **RESTAURANT** located [in] **WITHIN** a chain store, supermarket, discount house, drug store, or convenience store.

(ii) ~~¶~~Notwithstanding any other provision of this article, the~~¶~~ ~~THE~~ Board of License Commissioners may ~~¶~~allow an individual, partnership, corporation, unincorporated association, or limited liability company to hold or have an interest in more than one Class B beer, wine and liquor license, if the restaurant

for which the license is sought is located.] ~~ISSUE A CLASS B-DD (DEVELOPMENT DISTRICT) LICENSE FOR A RESTAURANT~~ within:

1. Any of the following areas that are underserved by restaurants:

A. Suitland business district, consisting of properties fronting on or having access to Silver Hill Road between Suitland Parkway and Sunset Lane, and on Suitland Road between Arnold Road and Eastern Lane;

B. Part of the Port Towns business district, consisting of properties fronting on or having access to Rhode Island Avenue, Bladensburg Road, Annapolis Road, or 38th Street, in legislative district 22; ~~for~~

C. Largo area, consisting of properties within the area bounded by the Capital Beltway (I-495) on the west, Central Avenue and Landover Road on the south and southeast, Campus Way North on the east and Route 214 and Landover Road on the north and northwest; or

~~D. CAPITAL PLAZA COMMERCIAL AREA, CONSISTING OF COMMERCIAL PROPERTIES WITHIN THE AREA BOUNDED BY THE BALTIMORE-WASHINGTON PARKWAY ON THE WEST AND NORTHWEST, MARYLAND ROUTE 450 ON THE SOUTH, AND COOPER LANE ON THE EAST AND NORTHEAST; OR~~

2. A. A waterfront entertainment retail complex as defined by a county zoning ordinance; or

B. A commercial establishment on 100 or more acres that is designated by the County Executive as a recreational, destination, or entertainment attraction.

~~1.~~ (iii) 1. Except as provided in sub-subparagraphs 2 and 3 of this subparagraph, a license holder may not hold more than 4 Class B beer, wine and liquor licenses within all of the underserved areas described in subparagraph (ii)1 of this paragraph.

2. A license holder may be issued or transferred a fifth Class B beer, wine and liquor license only if the date of the application for the fifth license is at least 1 year after the date the license holder was issued or transferred the fourth license.

3. A license holder may be issued or transferred a sixth Class B beer, wine and liquor license only if the date of the application for the sixth

license is at least 1 year after the date the license holder was issued or transferred the fifth license.

(iv) An individual, partnership, corporation, unincorporated association, or limited liability company that holds or has an interest in a license located in an underserved area described in subparagraph (ii)1 of this paragraph may not hold or have an interest in more than one license located outside of all the underserved areas.

(v) An individual, partnership, corporation, unincorporated association, or limited liability company may not hold or have an interest in more than one license in a commercial establishment described in subparagraph (ii)2 of this paragraph.

(vi) The annual license fee for a Class B license obtained under this paragraph is \$2,500.

(vii) A Class B license obtained under this paragraph does not confer off-sale privileges.

(viii) The residency requirements under § 9-101 of this title apply to an applicant for a Class B license under this paragraph.

(ix) The limit on the maximum number of Class B beer, wine and liquor licenses in the county under subsection (b) of this section applies to the issuance of licenses under this paragraph.‡

(7) SUBJECT TO § 6-201(R)(15) OF THIS ARTICLE, THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE UP TO FOUR CLASS B-DD (DEVELOPMENT DISTRICT) LICENSES FOR RESTAURANTS LOCATED WITHIN THE CAPITAL PLAZA COMMERCIAL AREA, CONSISTING OF COMMERCIAL PROPERTIES WITHIN THE AREA BOUNDED BY THE BALTIMORE-WASHINGTON PARKWAY ON THE WEST AND NORTHWEST, MARYLAND ROUTE 450 ON THE SOUTH, AND COOPER LANE ON THE EAST AND NORTHEAST.

10-401.

(g) (5) In addition to the above, the Board may revoke the license of a licensee for:

(i) A felony conviction of a licensee or any stockholder of a corporation having the use of an alcoholic beverages license; [or]

(ii) FAILURE TO COMPLY WITH § 6-201(R)(15)(IX) OF THIS ARTICLE; OR

(III) Closing the licensed premises for more than 30 days without the Board's permission. The Board may allow a closing of the licensed premises for a reasonable period of time.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 118 - *State Board of Nursing - Licensing, Certification, and Reinstatement Requirements*.

This bill makes various changes to the Maryland Nurse Practice Act relating to the revocation, reinstatement, and renewal of licenses and certificates issued by the State Board of Nursing. Changes include requirements for criminal background checks and the scope of permissible activities of nursing students and unlicensed persons working under the supervision of nurses and other health care professionals.

House Bill 315, 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 118.

Sincerely,

Martin O'Malley
Governor

Senate Bill 118

AN ACT concerning

**State Board of Nursing – Licensing, Certification, and Reinstatement
Requirements**

FOR the purpose of ~~repealing certain authorization for~~ altering certain supervision provisions concerning the authority of certain unlicensed individuals ~~to perform~~ performing certain acts of registered nursing and licensed practical nursing; requiring the State Board of Nursing to begin a process of requiring certain criminal history records checks as a condition of certain licensure reinstatement and certain certificate reinstatement; altering certain grounds for revoking certain temporary licenses or temporary certificates if a criminal history records check reveals certain information; authorizing the Board to reinstate certain licenses or certain certificates if the licensee or certificate holder meets certain requirements for reinstatement and submits to a certain criminal history records check; providing that a certain subtitle does not apply to certain individuals who perform certain nursing assistant tasks while enrolled in certain nursing assistant training programs and practicing under certain supervision; requiring certain certified medicine aides and certain certified medication technicians who are renewing certain certificates to provide certain evidence of completion of a certain amount of practice within a certain time period; and generally relating to licensing, certification, and reinstatement requirements for nurses, nursing assistants, medicine aides, and medication technicians.

BY repealing and reenacting, with amendments,

Article – Health Occupations

Section 8–102, 8–312(g), 8–315(e), 8–319, 8–6A–02, 8–6A–10(e), and 8–705

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,

Article – Health Occupations

Section 8–313

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article – Health Occupations

Section 8–6A–08

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

(As enacted by Chapter 390 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 – Health Occupations

8–102.

(a) In this section, “Christian Science nurse” means an individual who is registered as a Christian Science nurse in the Christian Science Journal of the Christian Science Publishing Society.

(b) Except as specifically provided in this title, this title does not limit the right of:

(1) An individual to practice a health occupation that the individual is authorized to practice under this article; ~~OR~~

(2) A Christian Science nurse to care for an individual who is ill, injured, or infirm, if the Christian Science nurse does not administer any drug or medicine~~;~~ or

(3) An unlicensed individual to perform acts of registered nursing or acts of licensed practical nursing:

(i) While supervised by an individual who is authorized by this State to practice ~~medicine, dentistry,~~ registered nursing, or licensed practical nursing; and

(ii) If the unlicensed individual performs only acts that are in the area of responsibility of the supervisor and under the instruction of the supervisor~~;~~.

8–312.

(g) (1) (i) Beginning January 2008, the Board shall begin a process requiring criminal history records checks **IN ACCORDANCE WITH § 8–303 OF THIS SUBTITLE** on [selected]:

1. SELECTED annual renewal applicants as determined by regulations adopted by the Board [in accordance with § 8–303 of this subtitle]; **AND**

2. EACH FORMER LICENSEE WHO FILES FOR REINSTATEMENT UNDER § 8–313 OF THIS SUBTITLE AFTER FAILING TO RENEW THE LICENSE FOR A PERIOD OF 1 YEAR OR MORE.

(ii) An additional criminal history records check shall be performed every 10 years thereafter.

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 8-303 of this subtitle, in determining whether to renew a license, the Board shall consider:

- (i) The age at which the crime was committed;
- (ii) The circumstances surrounding the crime;
- (iii) The length of time that has passed since the crime;
- (iv) Subsequent work history;
- (v) Employment and character references; and

(vi) Other evidence that demonstrates that the licensee does not pose a threat to the public health or safety.

(3) The Board may not renew a license if the criminal history record information required under § 8-303 of this subtitle has not been received.

8-313.

The Board shall reinstate the license of a former licensee who has failed to renew the license for any reason if the former licensee meets the renewal requirements of § 8-312 of this subtitle.

8-315.

(e) The Board shall revoke a temporary license or temporary certificate if the criminal history record information forwarded to the Board in accordance with § 8-303 of this subtitle reveals that the applicant, certificate holder, or licensee [pleaded] **HAS BEEN CONVICTED OR PLED** guilty or [pleaded] nolo contendere to [an act that, if committed in this State, would be a violation under § 8-316(a) of this subtitle or to an act that, if committed in this State, would be a violation under § 8-6A-10(a) or § 8-6B-18(a) of this title] **A FELONY OR TO A CRIME INVOLVING MORAL TURPITUDE, WHETHER OR NOT ANY APPEAL OR OTHER PROCEEDING IS PENDING TO HAVE THE CONVICTION OR PLEA SET ASIDE.**

8-319.

If a license is suspended or revoked for a period of more than 1 year, the Board may reinstate the license after 1 year **IF THE LICENSEE:**

(1) MEETS THE REQUIREMENTS FOR REINSTATEMENT AS ESTABLISHED BY THE BOARD; AND

(2) SUBMITS TO A CRIMINAL HISTORY RECORDS CHECK IN ACCORDANCE WITH § 8-303 OF THIS SUBTITLE.

8-6A-02.

(a) Except as otherwise provided in this subtitle, an individual shall be certified by the Board to practice as a nursing assistant or medication technician before the individual may practice as a nursing assistant or medication technician in the State.

(b) This subtitle does not apply to an individual who:

(1) Practices a health occupation that the individual is authorized to practice under this article;

(2) Provides for the gratuitous care of friends or family members;

(3) Performs nursing assistant tasks while a nursing student enrolled in an accredited nursing program and practicing under the direct supervision of qualified faculty or preceptors;

(4) Performs nursing assistant tasks as a student while:

(i) Enrolled in a Board-approved nursing assistant training program; [or] **AND**

(ii) Practicing under the direct supervision of qualified faculty or preceptors;

(5) Performs medication technician tasks as a student while practicing under the direct supervision of qualified faculty; or

(6) Works as a principal or school secretary, does not administer medication as a routine part of the position, and has completed training by the delegating nurse for the occasion where the individual may need to administer medication in the absence of the nurse or medication technician.

(c) Nothing in this section shall preclude a registered nurse or licensed practical nurse from delegating a nursing task to an unlicensed individual provided that acceptance of delegated nursing tasks does not become a routine part of the unlicensed individual's job duties.

8-6A-08.

(a) A certificate expires on the 28th day of the birth month of the nursing assistant or medication technician, unless the certificate is renewed for a 2-year term as provided in this section.

(b) At least 3 months before the certificate expires, the Board shall send to the nursing assistant or medication technician a renewal notice that states:

(1) The date on which the current certificate expires;

(2) The date by which the renewal application must be received by the Board for the renewal to be issued and mailed before the certificate expires; and

(3) The amount of the renewal fee.

(c) Before a certificate expires, a nursing assistant periodically may renew it for an additional term, if the certificate holder:

(1) Otherwise is entitled to be certified;

(2) Submits to the Board a renewal application on the form that the Board requires;

(3) Pays to the Board a renewal fee set by the Board; and

(4) Provides satisfactory evidence of completion of:

(i) 16 hours of active nursing assistant practice within the 2-year period immediately preceding the date of renewal; or

(ii) An approved nursing assistant training program.

(d) In addition to the requirements in subsection (c)(1), (2), and (3) of this section, a skilled nursing assistant shall:

(1) Provide satisfactory evidence of completion of 1,000 hours of practice as a skilled nursing assistant within the individual's specific category of nursing assistant, in the 2-year period preceding the date of renewal; and

(2) Successfully complete a Board-approved refresher course within the individual's specific category of nursing assistant.

(E) IN ADDITION TO THE REQUIREMENTS IN SUBSECTION (C)(1), (2), AND (3) OF THIS SECTION, A CERTIFIED MEDICINE AIDE SHALL:

(1) PROVIDE SATISFACTORY EVIDENCE OF COMPLETION OF ~~200~~ 100 HOURS OF PRACTICE AS A CERTIFIED MEDICINE AIDE IN THE 2-YEAR PERIOD PRECEDING THE DATE OF RENEWAL; AND

(2) SUCCESSFULLY COMPLETE A BOARD-APPROVED MEDICINE AIDE CONTINUING EDUCATION PROGRAM.

[(e)](F) Before a certificate expires, a medication technician periodically may renew it for an additional term, if the certificate holder:

- (1) Otherwise is entitled to be certified;
- (2) Submits to the Board a renewal application on the form that the Board requires;
- (3) Pays to the Board a renewal fee set by the Board; [and]
- (4) Every 2 years, provides satisfactory evidence of completion of a Board-approved clinical refresher course; **AND**

(5) PROVIDES SATISFACTORY EVIDENCE OF COMPLETION OF ~~200~~ 100 HOURS OF PRACTICE AS A CERTIFIED MEDICATION TECHNICIAN WITHIN THE 2-YEAR PERIOD PRECEDING THE DATE OF RENEWAL.

[(f)](G) The Board may grant a 30-day extension, beyond a certificate's expiration date, to a certificate holder so that the certificate holder may renew the certificate before it expires.

(H) THE BOARD SHALL REINSTATE THE CERTIFICATE OF A FORMER CERTIFICATE HOLDER WHO HAS FAILED TO RENEW THE CERTIFICATE FOR ANY REASON IF THE FORMER CERTIFICATE HOLDER MEETS THE APPLICABLE RENEWAL REQUIREMENTS OF SUBSECTIONS (C) THROUGH (F) AND (L)(1)(I)2 OF THIS SECTION.

[(g)](I) Subject to subsection (j) of this section, the Board shall renew the certificate of each nursing assistant or medication technician who meets the requirements of this section.

[(h)](J) (1) Within 30 days after a change has occurred, each certificate holder shall notify the Board in writing of any change in a name or address.

(2) If the certificate holder fails to notify the Board within the time required under this subsection, the Board may impose an administrative penalty of \$25 on the certificate holder.

[(i)](K) The Board shall pay any penalty collected under this subsection to the General Fund of the State.

[(j)](L) (1) (i) Beginning January 2008, the Board shall begin a process requiring criminal history records checks **IN ACCORDANCE WITH § 8-303 OF THIS TITLE** on **[selected]**:

1. SELECTED applicants for certification as a certified nursing assistant who renew their certificates every 2 years as determined by regulations adopted by the Board **[in accordance with § 8-303 of this title]; AND**

2. EACH FORMER CERTIFIED NURSING ASSISTANT WHO FILES FOR REINSTATEMENT UNDER SUBSECTION (H) OF THIS SECTION AFTER FAILING TO RENEW THE LICENSE FOR A PERIOD OF 1 YEAR OR MORE.

(ii) An additional criminal history records check shall be performed every 10 years thereafter.

(2) On receipt of the criminal history record information of a certificate holder forwarded to the Board in accordance with § 8-303 of this title, in determining whether to renew the certificate, the Board shall consider:

- (i) The age at which the crime was committed;
- (ii) The circumstances surrounding the crime;
- (iii) The length of time that has passed since the crime;
- (iv) Subsequent work history;
- (v) Employment and character references; and

(vi) Other evidence that demonstrates that the certificate holder does not pose a threat to the public health or safety.

(3) The Board may not renew a certificate if the criminal history record information required under § 8-303 of this title has not been received.

8-6A-10.

(e) If a certificate issued under this subtitle is suspended or revoked for a period of more than 1 year, the Board may reinstate the certificate after 1 year if the certificate holder **[meets]**:

(1) **MEETS** the requirements for reinstatement as established by the Board in regulations; **AND**

(2) **SUBMITS TO A CRIMINAL HISTORY RECORDS CHECK IN ACCORDANCE WITH § 8-303 OF THIS ~~SUBTITLE~~ TITLE.**

8-705.

(a) A person may not practice registered nursing under color of any diploma, license, or record that is:

- (1) Illegally or fraudulently obtained; or
- (2) Signed or issued unlawfully or by fraudulent representation.

(b) A person may not practice licensed practical nursing under color of any diploma, license, or record that is:

- (1) Illegally or fraudulently obtained; or
- (2) Signed or issued unlawfully or by fraudulent representation.

(c) An individual may not practice as a nursing assistant under color of any diploma, license, record, or certificate that is:

- (1) Illegally or fraudulently obtained; or
- (2) Signed or issued unlawfully or by fraudulent representation.

(d) An individual may not practice as a **CERTIFIED** medication technician under color of any diploma, license, record, or certificate that is:

- (1) Illegally or fraudulently obtained; or
- (2) Signed or issued unlawfully or by fraudulent representation.

(e) An individual may not practice as a **CERTIFIED** medicine aide under color of any diploma, license, record, or certificate that is:

- (1) Illegally or fraudulently obtained; or
- (2) Signed or issued unlawfully or by fraudulent representation.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 143 - *Real Property - Electronic Recording Pilot Program*.

This bill authorizes the Administrative Office of the Courts to establish a pilot program for electronic recording or indexing of deeds and certain other instruments in land records, to be governed by Maryland Rule 16-307 and funded out of the Circuit Court Real Property Records Improvement Fund.

House Bill 331, 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 143.

Sincerely,

Martin O'Malley
Governor

Senate Bill 143

AN ACT concerning

Real Property – Electronic Recording Pilot Program

FOR the purpose of authorizing the Administrative Office of the Courts, in collaboration with the other members of the oversight committee of the Circuit Court Real Property Records Improvement Fund, to establish a pilot program for electronic filing of certain instruments relating to real property; requiring that the pilot program be governed by the Maryland Rules; authorizing the pilot program to waive ~~certain~~ certain or modify certain methods, procedures, and requirements for recording or indexing; requiring costs of the pilot program to be paid from the Circuit Court Real Property Records Improvement Fund; providing for the validity and effectiveness of certain instruments filed in accordance with the pilot program; providing for the termination of certain provisions of this Act; and generally relating to land records.

BY adding to

Article – Real Property

Section 3–502

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

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

Article – Real Property

3–502.

(A) IN COLLABORATION WITH THE OTHER MEMBERS OF THE OVERSIGHT COMMITTEE OF THE CIRCUIT COURT REAL PROPERTY RECORDS IMPROVEMENT FUND, THE ADMINISTRATIVE OFFICE OF THE COURTS MAY ESTABLISH A PILOT PROGRAM FOR THE ELECTRONIC FILING OF INSTRUMENTS AUTHORIZED OR REQUIRED BY LAW TO BE RECORDED AND INDEXED IN THE LAND RECORDS.

(B) (1) MARYLAND RULE 16–307 SHALL GOVERN THE PLAN FOR THE PILOT PROGRAM AND IMPLEMENTATION AND EVALUATION OF THE PILOT PROGRAM.

(2) THE PILOT PROGRAM MAY WAIVE ~~ANY TECHNICAL OR OTHER REQUIREMENTS~~ OR MODIFY ANY METHOD, PROCEDURE, OR CLERICAL OR TECHNICAL REQUIREMENT FOR RECORDING OR INDEXING UNDER THIS TITLE OR ANY OTHER GENERAL OR LOCAL LAW, EXCEPT THOSE SET FORTH IN THE REGULATIONS OF THE MARYLAND STATE ARCHIVES CONCERNING THE CARE AND PRESERVATION OF PERMANENT RECORDS.

(C) COSTS OF THE PILOT PROGRAM SHALL BE PAID FROM THE CIRCUIT COURT REAL PROPERTY RECORDS IMPROVEMENT FUND IN ACCORDANCE WITH § 13–603 OF THE COURTS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(1) An instrument filed in accordance with the pilot program established under this Act shall be valid and effective to the same extent as a substantively identical paper instrument filed under Title 3 of the Real Property Article or other law; and

(2) Notwithstanding modification or termination of the pilot program, an instrument filed in accordance with the pilot program in effect at the time of filing

shall remain validly and effectively recorded and indexed to the same extent as a substantively identical paper instrument filed at the same time.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007. Section 1 of this Act shall remain effective for the period that the plan for the pilot program is authorized by the Court of Appeals under Maryland Rule 16–307. Upon termination of the pilot program, with no further action required by the General Assembly, Section 1 of this Act shall be abrogated and of no further force and effect. The Administrative Office of the Courts shall notify the Department of Legislative Services of the termination date.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 147 - *Housing and Community Development - Radium Pilot Grant Program - Sunset Repeal*.

This bill alters the name of the Radium Pilot Grant Program and repeals a termination provision relating to the Program.

House Bill 551, 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 147.

Sincerely,

Martin O'Malley
Governor

Senate Bill 147

AN ACT concerning

**Housing and Community Development – Radium Pilot Grant Program –
Sunset Repeal**

FOR the purpose of altering the name of the Radium Pilot Grant Program; repealing a certain termination provision relating to the ~~Radium Pilot Grant~~ Program; and generally relating to the Radium Pilot Grant Program.

BY repealing and reenacting, with amendments,
Article – Housing and Community Development
Section 4–1301 and 4–1302
Annotated Code of Maryland
(2006 Volume)

BY repealing and reenacting, without amendments,
Article – Housing and Community Development
Section ~~4–1301~~ 4–1303 through 4–1308
Annotated Code of Maryland
(2006 Volume)

BY repealing and reenacting, without amendments,
Chapter 116 of the Acts of the General Assembly of 2003
Section 2

BY repealing and reenacting, with amendments,
Chapter 116 of the Acts of the General Assembly of 2003
Section 3

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

Article – Housing and Community Development

4–1301.

In this subtitle, “Program” means the Radium ~~Pilot~~ Grant Program.

4–1302.

There is a Radium ~~Pilot~~ Grant Program.

4–1303.

The purpose of the Program is to provide financial assistance to residential well owners who incur the cost of adding a water treatment system to remove radium or gross alpha from well water.

4–1304.

A county may participate in the Program.

4-1305.

(a) A county that participates in the Program shall process grant applications and award grants to residential well owners in accordance with this subtitle.

(b) (1) The Department may award a grant under the Program only to a residential well owner who resides in a county that participates in the Program.

(2) The Department shall award a grant equal to the grant awarded by the county.

4-1306.

A residential well owner is eligible for a grant under this subtitle if the residential well owner:

(1) tests a well and finds that it contains radium or gross alpha levels above the levels recommended by the federal Environmental Protection Agency;

(2) installs a water treatment system to remove excess levels of radium or gross alpha from well water; and

(3) does not earn more than 110% of the statewide or Washington, D.C. Metropolitan statistical area median income.

4-1307.

(a) The Department shall establish for participating counties a sliding scale formula, based on income, under which residential well owners with lower incomes are eligible for larger grants and those with higher incomes are eligible for smaller grants.

(b) The combined county and State grants shall equal at least 10% but not more than 25% of the cost of the water treatment system that the residential well owner installs.

4-1308.

The Department may adopt regulations to carry out this subtitle.

Chapter 116 of the Acts of 2003

SECTION 2. AND BE IT FURTHER ENACTED, That the implementation of this Act is subject to the availability of funds in the State budget. Within 30 days after this Act is implemented, the Department of Housing and Community Development shall send to the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401 certification of the date on which the Act is implemented.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2003. [Upon the implementation of this Act as provided in Section 2 of this Act, this Act shall remain in effect for a period of 3 years, and on June 30 at the end of the third year after its implementation, 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, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 153 - *Frederick County - Board of Education - Nonvoting Student Member*.

This bill adds a nonvoting student member to the Frederick County Board of Education. It specifies qualifications and procedures for the student member's selection, and establishes the student's roles and responsibilities.

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 153.

Sincerely,

Martin O'Malley
Governor

Senate Bill 153

AN ACT concerning

Frederick County – Board of Education – Nonvoting Student Member

FOR the purpose of adding a nonvoting student member to the Frederick County Board of Education; requiring the student member to meet certain qualifications; specifying the term of the student member; requiring that the student member advise the County Board on certain matters; prohibiting the student member from attending an executive session of the Board; providing that only voting members of the Board may receive certain compensation; and generally relating to the Frederick County Board of Education.

BY repealing and reenacting, with amendments,

Article – Education

Section 3–5B–01 and 3–5B–04(a)

Annotated Code of Maryland

(2006 Replacement Volume)

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

Article – Education

3–5B–01.

(a) The Frederick County Board consists of **EIGHT MEMBERS AS FOLLOWS:**

(1) [seven] SEVEN members elected from the county at large; **AND**

(2) ONE NONVOTING STUDENT MEMBER.

(b) (1) A candidate elected to the County Board shall be a resident and registered voter of Frederick County.

(2) Any member who no longer resides in the county may not continue as a member of the Board.

(c) (1) A **VOTING** member serves for a term of 4 years beginning the first Tuesday in December after the member's election and until a successor is elected and qualifies.

(2) **[Members] VOTING MEMBERS** of the Frederick County Board shall be elected as follows:

(i) Three members of the County Board shall be elected in the November general election of 2000 and every 4 years thereafter; and

(ii) Four members of the County Board shall be elected in the November general election of 2002 and every 4 years thereafter.

(d) (1) The terms of **VOTING** members are staggered as provided in subsection (c) of this section.

(2) The County Commissioners shall appoint a qualified individual to fill a vacancy on the County Board for the remainder of the term and until a successor is elected and qualifies.

(E) (1) THE STUDENT MEMBER SHALL:

**(I) BE AN ELEVENTH OR TWELFTH GRADE STUDENT IN THE
FREDERICK COUNTY PUBLIC SCHOOL SYSTEM ELECTED BY THE HIGH SCHOOL
STUDENTS OF THE COUNTY IN ACCORDANCE WITH PROCEDURES ESTABLISHED
BY THE SCHOOL SYSTEM;**

**(II) SERVE FOR 1 YEAR BEGINNING ON JULY 1 AFTER THE
ELECTION OF THE MEMBER;**

(III) BE A NONVOTING MEMBER; AND

**(IV) ADVISE THE COUNTY BOARD ON THE THOUGHTS AND
FEELINGS OF STUDENTS.**

**(2) UNLESS INVITED TO ATTEND BY AN AFFIRMATIVE VOTE OF A
MAJORITY OF THE COUNTY BOARD, THE STUDENT MEMBER MAY NOT ATTEND
AN EXECUTIVE SESSION.**

[(e)](F) (1) The State Board may remove a **VOTING** member of the County Board for:

- (i) Immorality;
- (ii) Misconduct in office;
- (iii) Incompetency; or
- (iv) Willful neglect of duty.

(2) Before removing a **VOTING** member, the State Board shall send the member a copy of the charges against the member and give the member an opportunity within 10 days to request a hearing.

(3) If the **VOTING** member requests a hearing within the 10-day period:

(i) The State Board promptly shall hold a hearing, but a hearing may not be set within 10 days after the State Board sends the **VOTING** member a notice of the hearing; and

(ii) The **VOTING** member shall have an opportunity to be heard publicly before the State Board in the member's own defense, in person or by counsel.

(4) A **VOTING** member removed under this subsection has the right to a de novo review of the removal by the Circuit Court for Frederick County.

3-5B-04.

(a) The President of the Frederick County Board is entitled to receive \$11,000 annually as compensation, and each other **VOTING** member of the Frederick County Board is entitled to receive \$10,000 annually as compensation.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 157 - *Public Safety - Eyewitness Identification - Written Policies*.

This bill requires each law enforcement agency in the State to adopt written policies relating to eyewitness identification that comply with Department of Justice standards by a specified date and to file a copy of the policies with the Department of

State Police. The Department will compile the written policies and allow public inspection of each policy compiled.

House Bill 103, 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 157.

Sincerely,

Martin O'Malley
Governor

Senate Bill 157

AN ACT concerning

Public Safety – Eyewitness Identification – Written Policies

FOR the purpose of requiring each law enforcement agency in the State to adopt written policies relating to eyewitness identification that comply with certain standards by a certain date; requiring each law enforcement agency to file a copy of a certain policy with the Department of State Police by a certain date; requiring the Department to compile certain policies and allow public inspection of certain policies by a certain date; and generally relating to eyewitness identification in a criminal proceeding.

BY adding to

Article – Public Safety
Section 3–505
Annotated Code of Maryland
(2003 Volume and 2006 Supplement)

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

Article – Public Safety

3–505.

(A) ON OR BEFORE DECEMBER 1, 2007, EACH LAW ENFORCEMENT AGENCY IN THE STATE SHALL ADOPT WRITTEN POLICIES RELATING TO EYEWITNESS IDENTIFICATION THAT COMPLY WITH THE UNITED STATES DEPARTMENT OF JUSTICE STANDARDS ON OBTAINING ACCURATE EYEWITNESS IDENTIFICATION.

(B) ON OR BEFORE JANUARY 1, 2008, EACH LAW ENFORCEMENT AGENCY IN THE STATE SHALL FILE A COPY OF THE WRITTEN POLICY RELATING TO EYEWITNESS IDENTIFICATION WITH THE DEPARTMENT OF STATE POLICE.

(C) (1) ON OR BEFORE FEBRUARY 1, 2008, THE DEPARTMENT OF STATE POLICE SHALL COMPILE THE WRITTEN POLICY RELATING TO EYEWITNESS IDENTIFICATION OF EACH LAW ENFORCEMENT AGENCY IN THE STATE.

(2) THE DEPARTMENT OF STATE POLICE SHALL ALLOW PUBLIC INSPECTION OF EACH POLICY COMPILED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 190 - *Harford County - Alcoholic Beverages - Repeal of Obsolete and Unused Provisions*.

This bill repeals obsolete and unused provisions relating to alcoholic beverage licensing in Harford County.

House Bill 299, 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 190.

Sincerely,

Martin O'Malley
Governor

Senate Bill 190

AN ACT concerning

Harford County – Alcoholic Beverages – Repeal of Obsolete and Unused Provisions

FOR the purpose of repealing certain alcoholic beverage provisions for Harford County that are obsolete or no longer used; repealing certain provisions regarding a Class B-4 (seafood restaurant) license, the distance required between a school and a premises licensed for alcoholic beverages, the use of a neighborhood by the Liquor Control Board as a factor in deciding whether to issue a license, possession of alcoholic beverages brought on the premises of a racetrack in the county, a certain requirement regarding alcoholic beverages inspectors, licenses for racquet clubs and box lacrosse clubs, and the borrowing power of the Board for the benefit of dispensaries; and generally relating to alcoholic beverages in Harford County.

BY repealing

Article 2B – Alcoholic Beverages

Section 5-201(n)(6), 9-213(b)(4) and (7) and (g), 11-513(b)(2), and 12-213(d)(3)

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,

Article 2B – Alcoholic Beverages

Section 6-301(n)(1)

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages

Section 6-301(n)(6), 10-202(a)(2), 15-112(n), and 15-202(b)(2) and (c)(1)

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

Preamble

WHEREAS, The statutory provisions regulating alcoholic beverages in Harford County are found throughout Article 2B – Alcoholic Beverages of the Annotated Code of Maryland; and

WHEREAS, Over the years, some of these provisions have been allowed to remain in the Code, despite having become irrelevant or obsolete; and

WHEREAS, Some examples of these provisions pertain to licenses that the Liquor Control Board has not issued for years and to conditions that no longer exist in the county, such as the operation of a racetrack and the operation of a liquor dispensary system; and

WHEREAS, Repealing these provisions from Article 2B of the Code would be beneficial to users of the Code; now, therefore,

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

Article 2B – Alcoholic Beverages

5–201.

(n) **[(6) (i)]** There is a 7–day Class B–4 on–sale seafood restaurant license.

(ii) The annual license fee is \$500.

(iii) The Liquor Control Board may issue this license only to an applicant who is the operator of and who has been the operator of a seafood restaurant in existence prior to January 1, 1995, at the same location for which this license is requested.

(iv) The exclusion of Harford County in § 1–102(a)(22)(iii) of this article does not apply to this Class B–4 (seafood restaurant) license; a licensee shall comply with the 50% average gross monthly receipts of food commodities mandated in § 1–102(a)(22)(iii) of this article.

(v) A licensee may not have facilities outside of the building in which the restaurant is located, such as an outdoor cafe, a patio, or a beer garden.

(vi) A licensee may not permit any gambling, keno, gaming, pinball, video machines, video poker, or similar games or devices on the premises. A licensee may not operate a pool hall or have pool tables on the premises. Further, a licensee may not have a bar on the premises.

(vii) The license may not be transferred except after a hearing and upon the approval of the Liquor Board.

(viii) The licensee may not have any signs on the exterior of the building that advertise any alcoholic beverages.】

6–301.

(n) (1) This subsection applies only in Harford County.

(6) (i) In this paragraph the following words have the meanings indicated.

1. "Miscellaneous organization or club" means a country club, [racquet club, indoor soccer box lacrosse club,] a yacht or boat club, or topiary garden.

[2. "Box lacrosse and indoor soccer club" means a club or organization that:

A. May be operated for profit or not for profit;

B. Has at the time of application for the license and continues to maintain facilities for playing box lacrosse and indoor soccer;

C. Has 75 or more bona fide members each of whom pays dues of not less than \$50 per year;

D. Has a facility for preparing food;

E. Is not located within 300 feet of an existing establishment that is licensed to sell alcoholic beverages for on-sale or off-sale consumption; and

F. Allows the sale of beer, wine, and liquor only from the hours of 11:30 a.m. to 12:00 a.m.]

[3.] 2. "Country club" means a club or organization that:

A. May be operated for profit or not for profit;

B. Has 75 or more bona fide members each of whom pays not less than \$50 per year; and

C. Maintains at the time of the application for the license and continues to maintain a regular or championship golf course of 9 holes or more, or, instead of the golf course, a swimming pool at least 20 by 40 feet in size, and at least 6 tennis courts.

[4. "Racquet club" means a club or organization:

A. That may be operated for profit or not for profit;

B. That has 75 or more bona fide members each of whom pays dues of not less than \$50 per year;

C. That has at the time of application for the license and continues to maintain a minimum of 6 playing courts and has facilities for preparing food; and

D. The premises of which is to be licensed is not located within 300 feet of any existing establishment licensed to sell alcoholic beverages for on-sale or off-sale consumption.】

[5.] 3. “Topiary garden” means an organization that:

A. Operates a public museum and garden for its membership and the general public as guests of the membership;

B. Is open to the general public for at least 6 days a week for at least 6 hours a day during 5 months each year; and

C. Has food preparation facilities on the topiary garden premises for the convenience of visiting guests.

[6.] 4. “Yacht or boat club” means a club or organization that:

A. May be operated for profit or not for profit; and

B. Owns real property in Harford County; and

C. Has not less than 150 bona fide dues-paying members and not less than 50 of whom own a yacht, boat, or other vessel.

(ii) A Class C-3 license may be issued only to a miscellaneous organization or club.

(iii) 1. The fee for a 6-day, Monday through Saturday, (on-sale) Class C-3 license under this paragraph is \$1,300.

2. The fee for a 7-day Class C-3 license under this paragraph is \$1,400.

9-213.

(b) **[(4)]** The Board may waive restrictions under this subsection in approving an application for an alcoholic beverages license where an existing retail building or unit has an entrance not within 1,000 feet of the nearest point of a school building and no more than 25 percent of the floor area of the existing unit is within 1,000 feet of a school building.]

[(7)] The provisions of paragraph (1) of this subsection do not apply to the issuance of a Class B-4 (seafood restaurant) license as set forth in § 5-201(n)(6) of this article.]

[(g)] Except as otherwise provided in this article, in Harford County, the Board of License Commissioners may not issue or transfer to any neighborhood a Class A (off-sale) beer, wine and liquor license, if any of these classes of licenses exist in that neighborhood. This restriction does not apply if the license is acquired pursuant to the provisions of subsection (f)(2) of this section.]

10-202.

(a) (2) **[(i)]** This paragraph does not apply in Harford County.]

[(ii)] (i) Before approving an application and issuing a license, the board shall consider:

1. The public need and desire for the license;
2. The number and location of existing licensees and the potential effect on existing licensees of the license applied for;
3. The potential commonality or uniqueness of the services and products to be offered by the applicant's business;
4. The impact on the general health, safety, and welfare of the community, including issues relating to crime, traffic conditions, parking, or convenience; and
5. Any other necessary factors as determined by the board.

[(iii)] (ii) The application shall be disapproved and the license for which application is made shall be refused if the Board of License Commissioners for the City or any county determines that:

1. The granting of the license is not necessary for the accommodation of the public;

2. The applicant is not a fit person to receive the license for which application is made;
3. The applicant has made a material false statement in his application;
4. The applicant has practiced fraud in connection with the application;
5. The operation of the business, if the license is granted, will unduly disturb the peace of the residents of the neighborhood in which the place of business is to be located; or
6. There are other reasons, in the discretion of the board, why the license should not be issued.

[(iv)] (III) Except as otherwise provided in this section, if no such findings are made by the board, then the application shall be approved and the license issuing authority shall issue the license for which application is made upon payment of the fee required to the local collecting agent.

11-513.

(b) **[(2)** A Class B-4 (seafood restaurant) licensee may offer to sell beer and wine:

(i) On Mondays through Saturdays from 5:30 p.m. to 11:00 p.m.; and

(ii) On Sundays from 12 noon to 11:00 p.m.]

12-213.

(d) Notwithstanding the provisions of § 12-107 or of any other contrary provisions of this article, the possession of alcoholic beverages upon the premises of a licensee under the provisions of this article is not unlawful under any of the following conditions:

[(3) When the alcoholic beverages have been brought upon the premises of a racetrack licensed under the provisions of the Maryland Horse Racing Act, and the track is licensed for the sale of alcoholic beverages under this article. However, it is lawful if the alcoholic beverages have been furnished by the licensee.]

15-112.

(n) (1) This subsection applies only in Harford County.

(2) In addition to any inspector who is serving prior to July 1, 1979, the Board and general manager may appoint additional inspectors as necessary to provide appropriate control over newly created Class A off-sale licensees. [Each inspector shall be directly responsible on a day to day basis to the general manager.]

15-202.

(b) (2) The aggregate sum advanced to or borrowed by the liquor control board may not exceed the following amounts:

[(i) Harford County — \$75,000]

[(ii)] (I) Somerset County — \$50,000

[(iii)] (II) Wicomico County — \$500,000

[(iv)] (III) Worcester County — \$5,000,000.

(c) (1) The interest rate limitation provided in paragraph (2) of this subsection does not apply in [the following jurisdictions:

(i) Harford County;

(ii) Somerset County; and

(iii) Worcester County] **SOMERSET COUNTY AND WORCESTER COUNTY.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 191 - *Harford County - Liquor Control Board - Salaries*.

This bill alters the annual salaries of the Chairman and regular members of the Harford County Liquor Control Board. The bill also provides that the Act does not apply to the salary or compensation of the incumbent Chairman or regular members of the Board.

House Bill 296, 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 191.

Sincerely,

Martin O'Malley
Governor

Senate Bill 191

AN ACT concerning

Harford County – Liquor Control Board – Salaries

FOR the purpose of altering the annual salaries of the Chairman and regular members of the Harford County Liquor Control Board; providing that this Act does not apply to the salary or compensation of the incumbent Chairman or regular members of the Board; and generally relating to the Harford County Liquor Control Board.

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 15–201(h)(2)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

15–201.

(h) Members of the several boards shall receive compensation as follows:

(2) In Harford County:

(i) The Chairman of the Board shall receive an annual compensation of [~~\$4,500~~] **\$7,000**;

(ii) Each member of the Board shall receive an annual compensation of [~~\$4,000~~] **\$6,000**; and

(iii) The Chairman and each member of the Board shall receive any additional compensation that the County Council deems appropriate.

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 Chairman or regular members in office on the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the Chairman or regular members shall take effect at the beginning of the next following term of office.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 201 - *Somerset County - Alcoholic Beverages - License Fees*.

This bill increases the annual fees for all retail alcoholic beverages licenses in Somerset County.

House Bill 121, 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 201.

Sincerely,

Martin O'Malley
Governor

Senate Bill 201

AN ACT concerning

Somerset County – Alcoholic Beverages – License Fees

FOR the purpose of increasing by a certain amount the annual fees for all retail alcoholic beverages licenses in Somerset County; and generally relating to alcoholic beverages in Somerset County.

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages

Section 3–101(u), 3–201(u), 3–301(u), 3–401(u), 4–201(b)(6), 5–101(u), 5–201(u), 5–301(u), 5–401(u), 6–201(u)(2), 6–301(u)(2), 6–401(u), 7–101(s)(5), and 8–312(f)

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,

Article 2B – Alcoholic Beverages

Section 3–201(a)(1), 3–301(a)(1), 3–401(a)(1), 4–201(a)(15), 5–201(a)(1), 5–301(a)(1), 5–401(a)(1), 6–201(a)(1) and (u)(1), 6–301(a)(1) and (u)(1), 6–401(a)(1), 7–101(s)(1), and 8–312(a) and (b)

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

3–101.

- (u) (1) This subsection applies in Somerset County.
- (2) The annual license fee for a 6 day license is **[\$110] \$126**.
- (3) The annual license fee for a 7 day license is **[\$137.50] \$158**.

(4) A person may not hold a license under the provisions of this section upon any premises having any direct or indirect connection with any drug or pharmaceutical dispensing business, or other business establishments of a type commonly known as or referred to as drugstore.

3-201.

(a) (1) A Class B license shall be issued by the license issuing authority of the county in which the place of business is located. The holder of the license may keep for sale and sell beer at retail at any hotel or restaurant at the place described in the license for consumption on the premises or elsewhere.

(u) In Somerset County the annual license fee is [~~\$220~~] **\$253**.

3-301.

(a) (1) A Class C beer license shall be issued by the local licensing authority of the county in which the place of business is located. The holder of the license may keep for sale and sell beer at retail to bona fide members and their guests, at any club, at the place described in the license for consumption on the premises only.

(u) In Somerset County the annual license fee is [~~\$27.50~~] **\$32**.

3-401.

(a) (1) A Class D beer license shall be issued by the license issuing authority of the county in which the place of business is located. The holder of the license may keep for sale and sell beer at retail at the place described in the license. The beer may be consumed on the premises or elsewhere, but a license may not be issued for any drugstore.

(u) In Somerset County the annual license fee is [~~\$220~~] **\$253**.

4-201.

(a) A Class A light wine license may be issued only in:

(15) Somerset County;

(b) (6) In Somerset County, the annual fee for this license is [~~\$55~~] **\$63**.

5-101.

(u) (1) This subsection applies only in Somerset County.

(2) The annual license fee for a 6 day license is [~~\$165~~] **\$190**.

(3) The annual license fee for a 7 day license is [~~\$192.50~~] **\$221**.

(4) A person may not hold a license under the provisions of this subsection upon any premises having any direct or indirect connection with any drug or pharmaceutical, or other business establishments of a type commonly known as or referred to as drugstore.

5-201.

(a) (1) A Class B beer and light wine license shall be issued by the license issuing authority of the county in which the place of business is located. The holder may keep for sale and sell beer and light wines at retail at any hotel or restaurant, at the place described in the license, for consumption on the premises or elsewhere.

(u) In Somerset County the annual license fee is [~~\$220~~] **\$253**.

5-301.

(a) (1) Except as provided in subsection (n) of this section, a Class C beer and light wine license shall be issued by the license issuing authority of the county in which the place of business is located. The holder of the license may keep for sale and sell beer and light wines at retail to bona fide members and their guests, at any club, at the place described in the license, for consumption on the premises only.

(u) In Somerset County the annual license fee is [~~\$38.50~~] **\$45**.

5-401.

(a) (1) A Class D beer and light wine license shall be issued by the license issuing authority of the county in which the place of business is located. The license authorizes its holder to keep for sale and to sell beer and light wines at retail, at the place described in the license, for consumption on the premises or elsewhere. The license may not be issued for any drugstore.

(u) In Somerset County the annual license fee is [~~\$220~~] **\$253**.

6-201.

(a) (1) A Class B beer, wine and liquor license shall be issued by the license issuing authority of the county in which the place of business is located, and the license authorizes its holder to keep for sale and sell all alcoholic beverages at retail at any hotel or restaurant at the place described, for consumption on the premises or elsewhere, or as provided in this section.

(u) (1) This subsection applies only in Somerset County.

(2) The annual license fee is ~~[\$1,100]~~ **\$1,265** for a restaurant or for a hotel.

6-301.

(a) (1) Except as provided in subsection (n) of this section, a Class C beer, wine and liquor license shall be issued by the license issuing authority of the county in which the place of business is located. It authorizes the holder to keep for sale and sell all alcoholic beverages at retail at any club, at the place described in the license, for consumption on the premises only.

(u) (1) This subsection applies only in Somerset County.

(2) The annual license fee is ~~[\$275]~~ **\$316**.

6-401.

(a) (1) A Class D beer, wine and liquor license shall be issued by the license issuing authority of the county in which the place of business is located. It authorizes the holder to keep for sale and sell all alcoholic beverages at retail at the place described in it, for consumption on the premises or elsewhere. A license may not be issued for any drugstore.

(u) (1) In Somerset County the annual license fee is ~~[\$1,100]~~ **\$1,265**.

(2) Spirituous liquors may be sold for on-sale consumption only, but beer and wine may be sold for both on- and off-sale consumption.

7-101.

(s) (1) This subsection applies only in Somerset County.

(5) (i) The fee for a special beer, beer and light wine, or beer, wine and liquor license is ~~[\$55]~~ **\$63** for each license for an initial 2-day period.

(ii) After the initial 2-day period, the fee for each additional day is ~~[\$27.50]~~ **\$32**.

8-312.

(a) The provisions of this section apply only in Somerset County.

(b) The Liquor Licensing Board may issue a special Maryland Wine Festival (MWF) license.

(f) The license fee is ~~[\$16.50]~~ **\$19**.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 203 - *Maryland Consolidated Capital Bond Loan of 2005 - Wicomico County - Salisbury Area Chamber of Commerce*.

This bill amends the Maryland Consolidated Capital Bond Loan of 2005 to authorize the Board of Directors of the Salisbury Area Chamber of Commerce, Inc. to include funds expended on or after a specified date in the matching fund and to authorize the matching fund to include real property, and this bill extends the deadline by which the grantee is required to present evidence to the Board of Public Works that a matching fund will be provided.

House Bill 1311, 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 203.

Sincerely,

Martin O'Malley
Governor

Senate Bill 203

AN ACT concerning

**Maryland Consolidated Capital Bond Loan of 2005 – Wicomico County –
Salisbury Area Chamber of Commerce**

FOR the purpose of amending the Maryland Consolidated Capital Bond Loan of 2005 to authorize the Board of Directors of the Salisbury Area Chamber of Commerce, Inc. to include funds expended on or after a certain date in the matching fund and to authorize the matching fund to include real property; extending the deadline by which the grantee is required to present evidence to the Board of Public Works that a matching fund will be provided; and generally relating to the Maryland Consolidated Capital Bond Loan of 2005 and the Salisbury Area Chamber of Commerce.

BY repealing and reenacting, with amendments,
Chapter 445 of the Acts of the General Assembly of 2005
Section 1(3) Item ZA01 (BR)

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

Chapter 445 of the Acts of 2005

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

(3) ZA01 LOCAL HOUSE OF DELEGATES INITIATIVES

(BR) Salisbury Area Chamber of Commerce. Provide a grant equal to the lesser of (i) \$100,000 or (ii) the amount of the matching fund provided, to the Board of Directors of the Salisbury Area Chamber of Commerce, Inc. for the planning, design, repair, renovation, construction, reconstruction, and capital equipping of the Salisbury Area Chamber of Commerce building, located in Salisbury. Notwithstanding Section 1(5) of this Act, the matching fund may consist of funds expended prior to the effective date of this Act, **INCLUDING FUNDS EXPENDED ON OR AFTER DECEMBER 1, 2002, AND REAL PROPERTY. NOTWITHSTANDING SECTION 1(5) OF THIS ACT, THE GRANTEE HAS UNTIL JUNE 1, 2009, TO PRESENT EVIDENCE THAT A MATCHING FUND WILL BE PROVIDED (Wicomico County)..... 100,000**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 224 - *Baltimore City - Property Tax Credit for Newly Constructed Dwellings*.

This bill extends the termination date of the Baltimore City property tax credit for newly constructed dwellings from June 30, 2007 to June 30, 2009. The credit is 50% for the first taxable year and decreases 10% each year until it expires after the fifth year.

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 224.

Sincerely,

Martin O'Malley
Governor

Senate Bill 224

AN ACT concerning

Baltimore City – Property Tax Credit for Newly Constructed Dwellings

FOR the purpose of altering the termination date applicable to certain provisions authorizing the Mayor and City Council of Baltimore City to grant, by law, a property tax credit against the local property tax imposed on certain newly constructed dwellings under certain circumstances; and generally relating to property tax credits for newly constructed dwellings in Baltimore City.

BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 9–304(d)
Annotated Code of Maryland
(2001 Replacement Volume and 2006 Supplement)

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

Article – Tax – Property

9–304.

(d) (1) (i) In this subsection the following words have the meanings indicated.

(ii) 1. “Newly constructed dwelling” means residential real property that has not been previously occupied since its construction and for which the building permit for construction was issued on or after October 1, 1994.

2. “Newly constructed dwelling” includes a “vacant dwelling” as defined in subsection (c)(1) of this section that has been rehabilitated in compliance with applicable local laws and regulations and has not been previously occupied since the rehabilitation.

(iii) “Homeowner” has the meaning stated in § 9–105(a)(3) of this title.

(2) The Mayor and City Council of Baltimore City may grant, by law, a property tax credit under this subsection against the county property tax imposed on newly constructed dwellings that are owned by qualifying owners.

(3) A property tax credit granted under this subsection may not exceed the amount of county property tax imposed on the real property, less the amount of any other credit applicable in that year, multiplied by:

(i) 50% for the first taxable year in which the property qualifies for the tax credit;

(ii) 40% for the second taxable year in which the property qualifies for the tax credit;

(iii) 30% for the third taxable year in which the property qualifies for the tax credit;

(iv) 20% for the fourth taxable year in which the property qualifies for the tax credit;

(v) 10% for the fifth taxable year in which the property qualifies for the tax credit; and

(vi) 0% for each taxable year thereafter.

(4) Owners of newly constructed dwellings may qualify for the tax credit authorized by this subsection by:

(i) purchasing a newly constructed dwelling;

(ii) occupying the newly constructed dwelling as their principal residence;

(iii) filing a State income tax return during the period of the tax credit as a resident of Baltimore City; and

(iv) satisfying other requirements as may be provided by the Mayor and City Council of Baltimore City.

(5) The Mayor and City Council of Baltimore City may provide for procedures necessary and appropriate for the submission of an application for and the granting of a property tax credit under this subsection, including procedures for granting partial credits for eligibility for less than a full taxable year.

(6) The estimated amount of all tax credits received by owners under this subsection in any fiscal year shall be reported by the Director of Finance of Baltimore City as a "tax expenditure" for that fiscal year and shall be included in the publication of the City's budget for any subsequent fiscal year with the estimated or actual City property tax revenue for the applicable fiscal year.

(7) (i) After June 30, **[2007] 2009**, additional owners of newly constructed dwellings may not be granted a credit under this subsection.

(ii) This paragraph does not apply to an owner's continuing receipt of a credit as allowed in paragraph (3) of this subsection, with respect to a property for which a tax credit under this subsection was received for a taxable year ending on or before June 30, **[2007] 2009**.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 247 - *Prince George's County - Board of License Commissioners - Attorney Compensation*.

This bill requires the County Council of Prince George's County to pay the attorney for the Board of License Commissioners specified legal fees approved by the Board but not paid in prior fiscal years. The bill also requires the Board to establish the rate for the fees and specifies that the salary of and any additional compensation for legal fees for the attorney for the Board be included in the annual budget.

House Bill 492, 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 247.

Sincerely,

Martin O'Malley
Governor

Senate Bill 247

AN ACT concerning

**Prince George's County – Board of License Commissioners – Attorney
Compensation**

FOR the purpose of requiring the County Council of Prince George's County to pay the attorney for the Board of License Commissioners of Prince George's County certain legal fees for representing the Board in court; requiring the Board to establish the rate for those fees; specifying that the salary of and certain additional compensation for the attorney for the Board be included in the annual budget; making certain stylistic changes; and generally relating to the Board of License Commissioners of Prince George's County.

BY repealing and reenacting, without amendments,

Article 2B – Alcoholic Beverages
 Section 15–109(r)(1)
 Annotated Code of Maryland
 (2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
 Article 2B – Alcoholic Beverages
 Section 15–109(r)(5) and (6)
 Annotated Code of Maryland
 (2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

15–109.

(r) (1) This subsection applies only in Prince George's County.

(5) (i) The attorney for the Board shall be appointed by, and serve at the will of, the Board.

(ii) The attorney shall receive an annual salary of \$15,500.

(III) [and the] ~~THE~~ IN ADDITION TO THE ANNUAL SALARY DESIGNATED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE County Council shall pay **TO THE ATTORNEY FOR THE BOARD:**

1. [all] ALL court costs and expenses incurred therein by the attorney to the Board; AND

2. LEGAL FEES THAT THE BOARD APPROVES FOR REPRESENTING THE BOARD IN COURT, INCLUDING FEES APPROVED BY THE BOARD BUT NOT PAID IN PRIOR FISCAL YEARS.

(IV) THE BOARD SHALL ESTABLISH THE FEE RATE FOR REPRESENTING THE BOARD IN COURT.

(6) **(I)** The County Council shall pay for all expenses of the Board of License Commissioners upon the submission of an annual budget.

(II) In that budget, the salary of the members of the Board, THE SALARY OF THE ATTORNEY FOR THE BOARD, AND ANY ADDITIONAL

COMPENSATION FOR LEGAL FEES FOR THE ATTORNEY FOR THE BOARD, shall be approved as hereinbefore set forth[; all].

(III) **ALL** other expenses, including, but not restricted to, the compensation of the inspectors, the salary of the administrator as limited herein, compensation of other personnel, who shall be qualified and employed under the county merit system, printing, supplies, and office space, shall be at the discretion of the County Council.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 278 - *Baltimore City - Housing Authority - Continued Occupancy by Family Member on Death of Tenant*.

This bill alters the circumstances under which an individual who is the surviving spouse or other immediate family member of a deceased tenant of housing assisted under a program administered by the Housing Authority of Baltimore City and who occupied the premises at the time of the tenant's death may be considered eligible to enter into a lease for continued occupancy. The bill authorizes the Authority to initiate legal proceedings no earlier than a specified time to evict an occupant who does not satisfy specified conditions.

House Bill 762, 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 278.

Sincerely,

Martin O'Malley
Governor

Senate Bill 278

AN ACT concerning

**Baltimore City – Housing Authority – Continued Occupancy by Family
Member on Death of Tenant**

FOR the purpose of altering the circumstances under which an individual who is the surviving spouse or other immediate family member of a deceased tenant of housing assisted under a program administered by the Housing Authority of Baltimore City and who occupied the premises at the time of the tenant's death may be considered eligible to enter into a lease for continued occupancy; authorizing the Authority to initiate legal proceedings no earlier than a certain time to evict a certain occupant who does not satisfy certain conditions for continued occupancy of the premises; and generally relating to the Housing Authority of Baltimore City.

BY repealing and reenacting, with amendments,
The Public Local Laws of Baltimore City
Section 9–8
Article 4 – Public Local Laws of Maryland
(1979 Edition and 1997 Supplement, and 2000 Supplement, as amended)

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

Article 4 – Baltimore City

9–8.

(A) If a tenant under any demise for the tenant's residential use, **OTHER THAN A TENANT OF HOUSING ASSISTED UNDER A PROGRAM ADMINISTERED BY THE HOUSING AUTHORITY OF BALTIMORE CITY**, shall die, the surviving spouse, or any member of his immediate family who has occupied the premises with the deceased tenant at the time of his death shall have the right, upon payment to the landlord of the agreed rent (including any rent that may be in arrears at the time of tenant's death) to be substituted as tenant to the same extent as the original tenant.

(B) IF A TENANT OF HOUSING ASSISTED UNDER A PROGRAM ADMINISTERED BY THE HOUSING AUTHORITY OF BALTIMORE CITY SHALL DIE, THE SURVIVING SPOUSE OR OTHER MEMBER OF THE DECEASED TENANT'S IMMEDIATE FAMILY WHO IS AN OCCUPANT OF THE PREMISES AT THE TIME OF THE TENANT'S DEATH MAY BE CONSIDERED ELIGIBLE TO ENTER INTO A LEASE

IN ACCORDANCE WITH FEDERAL REGULATIONS AND THE ADMISSIONS AND CONTINUED OCCUPANCY POLICY OF THE HOUSING, IF THE OCCUPANT:

(1) IS LISTED AS A HOUSEHOLD MEMBER ON THE DECEASED TENANT'S CURRENT LEASING, RECERTIFICATION, AND RELATED DOCUMENTS; AND

(2) QUALIFIES FOR CONTINUED OCCUPANCY, BASED ON THE ELIGIBILITY REQUIREMENTS SET FORTH IN THE ADMISSIONS AND CONTINUED OCCUPANCY POLICY OF THE HOUSING AND FEDERAL REGULATIONS.

(C) IF THE SURVIVING SPOUSE OR OTHER MEMBER OF THE DECEASED TENANT'S IMMEDIATE FAMILY WHO IS AN OCCUPANT OF THE PREMISES AT THE TIME OF THE TENANT'S DEATH DOES NOT SATISFY THE CONDITIONS IN SUBSECTION (B)(1) AND (2) OF THIS SECTION, THE HOUSING AUTHORITY OF BALTIMORE CITY MAY INITIATE LEGAL PROCEEDINGS TO EVICT THE OCCUPANT NO EARLIER THAN 10 DAYS FOLLOWING THE DATE OF THE TENANT'S DEATH.

(D) If a tenant shall die, the landlord shall have the right to summary ejectment for nonpayment of rent by making the personal representative of the deceased tenant the party defendant.

(E) If a tenant shall die and no letter shall be issued on his estate to a personal representative, then the landlord after he shall have filed a statement under oath setting forth these facts shall have the right to proceed in summary ejectment for nonpayment of rent by naming the estate of the deceased tenant as the defendant. In such case the summons shall be served upon the occupant of the premises; and if the premises be unoccupied, then the summons shall be served upon one of the next of kin of the deceased tenant, if known. If there be no occupant at the premises or known next of kin available for service then the summons shall be affixed to the premises.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 281 - *Mental Health - Incarcerated Individuals with Mental Illness*.

This bill authorizes up to \$425,000 in funds remaining from the Senior Prescription Drug Program that have accrued to the account of the Senior Prescription Drug Assistance Program of the Maryland Health Insurance Plan Fund to be transferred and appropriated to the Department of Health and Mental Hygiene for a grant to the Maryland MedBank Program.

House Bill 1004, 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 281.

Sincerely,

Martin O'Malley
Governor

Senate Bill 281

AN ACT concerning

~~Department of Health and Mental Hygiene - Family Health Administration -~~
Maryland Medbank Program - Funding

FOR the purpose of ~~transferring the Maryland Medbank Program to the Family Health Administration within the Department of Health and Mental Hygiene~~ authorizing certain funds to be transferred and appropriated to the Department of Health and Mental Hygiene in a certain fiscal year for a certain purpose; and generally relating to funding for the Maryland Medbank Program.

BY ~~renumbering~~ repealing and reenacting, without amendments,
Article - Health - General
Section 15-124.2
~~to be Section 13-2501~~
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

~~BY repealing and reenacting, with amendments,~~
~~Article - Health - General~~
~~Section 13-2501 to be under the new subtitle "Subtitle 25. Maryland Medbank Program"~~

~~Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)
(As enacted by Section 1 of this Act)~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, ~~That Section(s) 15-124.2 of Article Health General of the Annotated Code of Maryland be renumbered to be Section(s) 13-2501.~~

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

Article – Health – General

~~SUBTITLE 25. MARYLAND MEDBANK PROGRAM.~~

~~13-2501.~~ 15-124.2.

(a) In this section, “Program” means the Maryland Medbank Program established under this section.

(b) There is a Maryland Medbank Program ~~IN THE FAMILY HEALTH ADMINISTRATION.~~

(c) The purpose of the Program is to improve the health status of individuals throughout the State who lack prescription drug coverage by providing access to medically necessary prescription drugs through patient assistance programs sponsored by pharmaceutical drug manufacturers.

(d) (1) Subject to paragraph (2) of this subsection, the Program shall be administered by the Medbank of Maryland, Inc.

(2) The Medbank of Maryland, Inc. shall contract with one or more government or nonprofit entities to operate the Program.

(e) (1) The Program shall be funded through a grant provided by the Department.

(2) Program funds may be used in part to:

(i) Purchase interim supplies of prescription drugs for enrollees who have applied to participate in a manufacturer’s patient assistance program but have not yet received the approved prescription drug; and

(ii) Distribute medication to enrollees who have been approved to participate in a manufacturer’s patient assistance program.

(f) (1) The Medbank of Maryland, Inc. shall ensure that the Program is available to residents in each of the following geographic regions of the State:

- (i) Western Maryland;
- (ii) The Eastern Shore;
- (iii) The Baltimore metropolitan area;
- (iv) The Maryland counties in the Washington, D.C. metropolitan area; and
- (v) Southern Maryland, including Anne Arundel County.

(2) Medbank of Maryland, Inc. shall be the central coordinating office for the State.

(g) Eligibility for the Program shall be limited only by the criteria established by pharmaceutical manufacturers for their patient assistance programs.

(h) (1) The Department shall require detailed financial reports at least quarterly from Medbank of Maryland, Inc.

(2) The Medbank of Maryland, Inc. shall release funds to the entities that operate the Program as needed and justified by the quarterly reports filed in accordance with paragraph (1) of this subsection.

(i) On or before December 1, 2001, and annually thereafter, the Department and Medbank of Maryland, Inc. shall report to the Governor and, in accordance with § 2-1246 of the State Government Article, to the General Assembly, on the status of the Maryland Medbank Program established under this section, including:

(1) The number and demographic characteristics of the State residents served by the Program;

(2) The types and retail value of prescription drugs accessed through the Program;

(3) The nature and extent of outreach performed to inform State residents of the assistance available through the Program; and

(4) The total volume and retail value of each brand name drug, by manufacturer, accessed through the Program.

SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding Section 4 of Chapter 345 of the Acts of the General Assembly or any other provision of law, for fiscal year 2008 only, funds remaining from the Senior Prescription Drug Program that have accrued to the account of the Senior Prescription Drug Assistance Program of the Maryland Health Insurance Plan Fund may be transferred and appropriated in the budget bill or by budget amendment to the Department of Health and Mental Hygiene for the purpose of providing a grant, not to exceed \$425,000, to the Maryland Medbank Program under § 15-124.2 of the Health – General Article.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 299 - *Expungement - Civil Offenses or Infractions*.

This bill provides for the expungement of court, police, and other governmental records concerning specified civil offenses or infractions under specified circumstances. The bill also allows the retroactive application of the Act.

House Bill 278, 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,

Martin O'Malley
Governor

Senate Bill 299

AN ACT concerning

Expungement – Civil Offenses or Infractions

FOR the purpose of providing for expungement of court, police, and other governmental records concerning certain civil offenses or infractions under certain circumstances; providing for the application of this Act; and generally relating to expungement of court, police, and other governmental records concerning certain civil offenses or infractions under certain circumstances.

BY repealing and reenacting, with amendments,
Article – Criminal Procedure
Section 10–101(c)(1) and (h) and 10–105(a)
Annotated Code of Maryland
(2001 Volume and 2006 Supplement)

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

Article – Criminal Procedure

10–101.

(c) (1) “Court record” means an official record of a court [about a criminal proceeding] that the clerk of a court or other court personnel keeps **ABOUT:**

(I) A CRIMINAL PROCEEDING; OR

(II) ANY OTHER PROCEEDING, EXCEPT A JUVENILE PROCEEDING, CONCERNING A CIVIL OFFENSE OR INFRACTION ENACTED UNDER STATE OR LOCAL LAW AS A SUBSTITUTE FOR A CRIMINAL CHARGE.

(h) “Police record” means an official record that a law enforcement unit, booking facility, or the Central Repository maintains about the arrest and detention of, or further proceeding against, a person for:

(1) a criminal charge;

(2) a suspected violation of a criminal law; [or]

(3) a violation of the Transportation Article for which a term of imprisonment may be imposed; **OR**

(4) A CIVIL OFFENSE OR INFRACTION, EXCEPT A JUVENILE OFFENSE, ENACTED UNDER STATE OR LOCAL LAW AS A SUBSTITUTE FOR A CRIMINAL CHARGE.

10-105.

(a) A person who has been charged with the commission of a crime, including a violation of the Transportation Article for which a term of imprisonment may be imposed, **OR WHO HAS BEEN CHARGED WITH A CIVIL OFFENSE OR INFRACTION, EXCEPT A JUVENILE OFFENSE, AS A SUBSTITUTE FOR A CRIMINAL CHARGE** may file a petition listing relevant facts for expungement of a police record, court record, or other record maintained by the State or a political subdivision of the State if:

- (1) the person is acquitted;
- (2) the charge is otherwise dismissed;
- (3) a probation before judgment is entered, unless the person is charged with a violation of § 21-902 of the Transportation Article or Title 2, Subtitle 5 or § 3-211 of the Criminal Law Article;
- (4) a nolle prosequi or nolle prosequi with the requirement of drug or alcohol treatment is entered;
- (5) the court indefinitely postpones trial of a criminal charge by marking the criminal charge "stet" or stet with the requirement of drug or alcohol abuse treatment on the docket;
- (6) the case is compromised under § 3-207 of the Criminal Law Article;
- (7) the charge was transferred to the juvenile court under § 4-202 of this article; or
- (8) the person:
 - (i) is convicted of only one criminal act, and that act is not a crime of violence; and
 - (ii) is granted a full and unconditional pardon by the Governor.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply retroactively and shall be applied to and interpreted to affect a civil offense or infraction occurring on or before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 303 - *Motor Carrier Transportation Contracts - Indemnity Agreements Void*.

This bill provides that specified indemnity agreements in motor carrier transportation contracts that purport to indemnify the promisee against specified liability resulting from specified conduct by the promisee are against public policy and are void and unenforceable.

House Bill 898, 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 303.

Sincerely,

Martin O'Malley
Governor

Senate Bill 303

AN ACT concerning

Motor Carrier Transportation Contracts – Indemnity Agreements Void

FOR the purpose of providing that certain indemnity agreements, collateral to, or affecting certain motor carrier transportation contracts that purport to indemnify the promisee against certain liability resulting from certain conduct by the promisee are against public policy and are void and unenforceable; defining certain terms; and generally relating to certain indemnity agreements in certain motor carrier transportation contracts.

BY repealing and reenacting, without amendments,
Article – Transportation
Section 11–134.2
Annotated Code of Maryland

(2006 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 5–401
Annotated Code of Maryland
(2006 Replacement Volume)

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

Article – Transportation

11–134.2.

(a) “Motor carrier” means a common carrier by motor vehicle, a contract carrier by motor vehicle, or a private carrier of persons or property by motor vehicle.

(b) “Motor carrier” includes a motor carrier’s owners, agents, officers, representatives, and employees.

Article – Courts and Judicial Proceedings

5–401.

(A) A covenant, promise, agreement or understanding in, or in connection with or collateral to, a contract or agreement relating to the construction, alteration, repair, or maintenance of a building, structure, appurtenance or appliance, including moving, demolition and excavating connected with it, purporting to indemnify the promisee against liability for damages arising out of bodily injury to any person or damage to property caused by or resulting from the sole negligence of the promisee or indemnitee, his agents or employees, is against public policy and is void and unenforceable. This section does not affect the validity of any insurance contract, workers’ compensation, or any other agreement issued by an insurer.

(B) (1) (1) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

~~(2)~~ (II) “MOTOR CARRIER” HAS THE MEANING STATED IN § 11–134.2 OF THE TRANSPORTATION ARTICLE.

~~(3)~~ (III) 1. “MOTOR CARRIER TRANSPORTATION CONTRACT” MEANS A CONTRACT, AGREEMENT, OR UNDERSTANDING CONCERNING:

~~(H)~~ A. THE TRANSPORTATION OF PROPERTY FOR COMPENSATION OR HIRE BY A MOTOR CARRIER;

~~(H)~~ B. THE ENTRANCE ON PROPERTY BY A MOTOR CARRIER FOR THE PURPOSE OF LOADING, UNLOADING, OR TRANSPORTING PROPERTY FOR COMPENSATION OR HIRE; OR

~~(HH)~~ C. A SERVICE INCIDENTAL TO AN ACTIVITY DESCRIBED IN ITEM (I) OR (II) OF THIS PARAGRAPH, INCLUDING STORAGE OF PROPERTY.

2. “MOTOR CARRIER TRANSPORTATION CONTRACT” DOES NOT INCLUDE:

A. THE UNIFORM INTERMODAL INTERCHANGE AND FACILITIES ACCESS AGREEMENT ADMINISTERED BY THE INTERMODAL ASSOCIATION OF NORTH AMERICA, AS AMENDED BY THE INTERMODAL INTERCHANGE EXECUTIVE COMMITTEE; OR

B. OTHER AGREEMENTS PROVIDING FOR THE INTERCHANGE, USE, OR POSSESSION OF INTERMODAL CHASSIS, CONTAINERS, OR OTHER INTERMODAL EQUIPMENT.

~~(4)~~ (IV) “PROMISEE” INCLUDES AN AGENT, EMPLOYEE, SERVANT, OR INDEPENDENT CONTRACTOR WHO IS DIRECTLY RESPONSIBLE TO THE PROMISEE, OTHER THAN A MOTOR CARRIER THAT IS A PARTY TO A MOTOR CARRIER TRANSPORTATION CONTRACT WITH THE PROMISEE, AND AN AGENT, EMPLOYEE, SERVANT, OR INDEPENDENT CONTRACTOR DIRECTLY RESPONSIBLE TO THAT MOTOR CARRIER.

~~(5)~~ (2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A PROVISION, CLAUSE, COVENANT, OR AGREEMENT CONTAINED IN, COLLATERAL TO, OR AFFECTING A MOTOR CARRIER TRANSPORTATION CONTRACT THAT PURPORTS TO INDEMNIFY, DEFEND, OR HOLD HARMLESS, OR HAS THE EFFECT OF INDEMNIFYING, DEFENDING, OR HOLDING HARMLESS, THE PROMISEE AGAINST LIABILITY FOR LOSS OR DAMAGE RESULTING FROM THE NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS OF THE PROMISEE IS AGAINST PUBLIC POLICY AND IS VOID AND UNENFORCEABLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 304 - *State Retirement and Pension System - Military Service that Interrupts State Service - Calculation*.

This bill provides that when military service interrupts State service, members of a state or local retirement or pension system receive specified service credit applied toward their retirement allowance using the accrual rate in effect at the time of the member's retirement from the State system.

House Bill 1406, 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 304.

Sincerely,

Martin O'Malley
Governor

Senate Bill 304

AN ACT concerning

**State Retirement and Pension System – Military Service that Interrupts
State Service – Calculation**

FOR the purpose of providing that certain military service that members receive is applied toward their retirement allowance using a certain accrual rate; and generally relating to the calculation of military service that interrupts State service.

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 38–103
Annotated Code of Maryland
(2004 Replacement Volume and 2006 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

38–103.

(a) This section applies only to a member of a State or local retirement or pension system who:

(1) does not withdraw any of the member's accumulated contributions, unless the member redeposits the sum withdrawn as provided under subsection (b) of this section;

(2) within 1 year after the member leaves military service, is employed by the State or a political subdivision of the State;

(3) does not take any employment other than the employment described in item (2) of this subsection, except for temporary employment after the member:

(i) applied for reemployment in the member's former classification or position in the State service; and

(ii) was refused immediate reemployment for causes beyond the member's control; and

(4) applies for service credit with the State or local retirement or pension system in which the member held membership before the member's military service began.

(b) If a member of a State or local retirement or pension system who is absent from employment for military service withdraws any of the member's accumulated contributions and redeposits the sum withdrawn with regular interest into the State or local retirement or pension system, the member, if otherwise qualified, is entitled to the benefits of this section as if the withdrawal had not been made.

(c) Except as otherwise provided in this subtitle, a member of a State or local retirement or pension system who is actively reemployed under subsection (a)(2) of this section retains the status and rights as a member during a period of absence from employment for military service.

(d) (1) Subject to paragraph (2)(i) of this subsection, a member of a State or local retirement or pension system shall receive service credit for a period of absence from employment while in military service if:

(i) the employment of the member under subsection (a)(2) of this section is active or the employee is reinstated as a regular employee on a leave of absence; and

(ii) membership in a State or local retirement or pension system is a requirement of employment.

(2) (i) For an absence for military service on or after January 1, 1946, service credit for the military service may not exceed 5 years.

(ii) 1. This subparagraph applies only to a member of a State system.

2. Subject to subparagraph (i) of this paragraph and in addition to any service credit received under paragraph (1) of this subsection, a member of the Maryland National Guard who has been activated under Title 10 of the United States Code, shall receive service credit at the rate of 4 months for each full year for military service, not to exceed a total of 36 months.

(e) A member of a State or local retirement or pension system who receives service credit for military service under this section may transfer the credit to another State or local retirement or pension system.

(F) THE SERVICE CREDIT FOR MILITARY SERVICE THAT A MEMBER OF A STATE SYSTEM RECEIVES UNDER THIS SECTION SHALL BE APPLIED TO THE INDIVIDUAL'S RETIREMENT ALLOWANCE USING THE ACCRUAL RATE AT THE TIME THE INDIVIDUAL RETIRES FROM A STATE SYSTEM.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 318 - *Maryland Small Business Development Financing Authority - Financing Limitations*.

This bill alters limitations on lending, guarantees, and equity participation financing by the Maryland Small Business Development Financing Authority in specified transactions. It alters the maximum amount of a loan guarantee that the Authority may make using the Contract Financing Fund and alters the maximum amount of a loan guarantee that the Authority may make using the Guaranty Fund.

House Bill 989, 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 318.

Sincerely,

Martin O'Malley
Governor

Senate Bill 318

AN ACT concerning

Maryland Small Business Development Financing Authority – Financing Limitations

FOR the purpose of altering certain limitations on lending, guarantees, and equity participation financing by the Maryland Small Business Development Financing Authority in certain transactions; altering the maximum amount of a loan guarantee that the Authority may make using the Contract Financing Fund; altering the maximum amount of a loan guarantee that the Authority may make using the Guaranty Fund; altering the scope of contracts for which the Authority may act as a surety and guarantee losses incurred by certain sureties under the Small Business Surety Bond Program and certain limitations; altering certain limitations on the amount of equity and investment that the Authority may own in certain businesses and franchises under the equity participation financing program; altering certain limitations on the qualifications of certain enterprises and principals seeking to acquire certain existing businesses in connection with equity participation financing provided by the Authority; requiring that certain reports include a certain evaluation; requiring that the Authority submit certain reports to certain committees of the General Assembly; providing for the effective date of certain provisions of this

Act; and generally relating to the Maryland Small Business Development Financing Authority.

BY repealing and reenacting, with amendments,
 Article 83A – Department of Business and Economic Development
 Section 5–1022(a), 5–1024(a), 5–1029(a), 5–1035(a) and (d)(1), and 5–1046
 Annotated Code of Maryland
 (2003 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article 83A – Department of Business and Economic Development
Section 5–1035(a)
Annotated Code of Maryland
(2003 Replacement Volume and 2006 Supplement)
(As enacted by Section 1 of this Act)

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

Article 83A – Department of Business and Economic Development

5–1022.

(a) The Authority may utilize the Contract Financing Fund to guarantee a loan made to an applicant only if:

(1) The applicant meets the qualifications required by this subtitle;

(2) The loan is to be used to perform a contract, the majority of funding for which is provided by the federal government or a state government, a local government, or a utility regulated by the Public Service Commission;

(3) The ~~part of the loan to be guaranteed~~ **MAXIMUM AMOUNT PAYABLE BY THE AUTHORITY UNDER ITS GUARANTEE** does not exceed ~~[\$1,000,000]~~ **\$2,000,000**; and

(4) The loan to be guaranteed is to be used for:

(i) Working capital; or

(ii) Equipment needed to perform the contract, the cost of which can be repaid from contract proceeds, if the Authority has entered into an agreement with the applicant necessary to secure the loan or guaranty.

5–1024.

(a) The Authority may utilize the Contract Financing Fund to lend money to an applicant only if:

(1) The applicant meets the requirements of this subtitle;

(2) The loan does not exceed **[\$1,000,000] \$2,000,000;**

(3) The loan is to be used to perform a contract, the majority of funding for which is provided by the federal government or a state government, a local government, or a utility regulated by the Public Service Commission; and

(4) The loan is to be used for:

(i) Working capital; or

(ii) Equipment needed to perform the contract, the cost of which can be repaid from contract proceeds, if the Authority has entered into an agreement with the applicant necessary to secure the loan.

5-1029.

(a) The Authority may utilize the Guaranty Fund to guarantee up to 80 percent of the principal of and interest on a long-term loan made by a financial institution to an applicant only if:

(1) The applicant meets the requirements of § 5-1025 and has not violated any provisions of § 5-1031 of this subtitle;

(2) The loan amount is not less than \$5,000 and the maximum amount payable by the Authority under its guarantee does not exceed **[\$1,000,000] \$2,000,000;**

(3) The purposes for which the loan is to be used include:

(i) Working capital;

(ii) Refinancing existing debt of the applicant;

(iii) The acquisition and related installation of machinery or equipment;

(iv) Necessary improvements to real property leased or owned in fee simple by the applicant; or

(v) The acquisition of real property to be owned in fee simple by the applicant if:

1. The real property is to be used in the operation of the applicant's trade or business for which the loan and guarantee are sought; and

2. A lien is placed on the real property by the financial institution or the Authority;

(4) The loan shall mature in not more than 10 years from the date of closing of the loan; and

(5) The rate of interest on the loan is no greater than the rate of interest determined by the Authority to be the monthly weighted average of the prime lending rate, plus 2 percent, prevailing from time to time in the City of Baltimore on unsecured commercial loans.

5-1035.

(a) Subject to the restrictions of this Part VI, the Authority, on application, may guarantee any surety up to the lesser of 90 percent or ~~\$1,350,000~~ **\$5,000,000** of its losses incurred under a bid bond, a payment bond, or a performance bond on any contract[, the majority of the funding for which is provided] **FINANCED** by the federal government or a state government, a local [government] **GOVERNMENT, A ~~COMMERCIAL ENTERPRISE~~ PRIVATE ENTITY**, or a utility regulated by the Public Service Commission.

(d) (1) The Authority may execute and perform bid, performance, and payment bonds as a surety for the benefit of a principal in connection with any contract[, the majority of the funding for which is provided] **FINANCED** by the federal government or a state government, a local government, **A ~~COMMERCIAL ENTERPRISE~~ PRIVATE ENTITY**, or a utility regulated by the Public Service Commission.

5-1046.

(a) Under the Program, the Authority may provide equity participation financing, including the purchase of qualified securities issued by a franchise, by a technology-based business, ~~or~~ by an enterprise acquiring an existing business, **OR BY ANY OTHER TYPE OF BUSINESS**, only after the enterprise has submitted an application that contains a business plan, including:

(1) A description of the franchisor, technology-based business, other business, or existing business and its management, product, and market;

(2) A statement of the amount, immediacy of need, and projected use of the capital required;

(3) A statement of the potential economic impact of the purchase;

(4) Information that relates to the satisfaction of the applicant's requirements of subsections (f) and (g) of this section; and

(5) Any other information the Authority requires.

(b) Under the Program, any equity participation financing shall satisfy the following requirements:

(1) The Authority may not:

(i) 1. Own securities representing more than ~~[45] 50~~ 49 percent of the voting stock of any franchise, technology-based business, or other business; or

2. Own an interest greater than ~~[45] 50~~ 49 percent in any franchise, technology-based business, or other business; or

(ii) 1. Own securities representing more than ~~[25] 50~~ 49 percent of the voting stock of any enterprise acquiring an existing business; or

2. Own an interest greater than ~~[25] 50~~ 49 percent in any enterprise acquiring an existing business.

(2) The amount of the Authority's equity participation financing may not exceed:

(i) 1. ~~[\$1,000,000]~~ **\$2,000,000** for any franchise; or

2. ~~[45] 50~~ 49 percent of the total initial investment in the franchise;

(ii) 1. ~~[\$1,000,000]~~ **\$2,000,000** for any enterprise acquiring an existing business; or

2. ~~[25] 50~~ 49 percent of the total investment in the enterprise acquiring an existing business; or

(iii) ~~[\$1,000,000]~~ **\$2,000,000** for a technology-based business or other business.

(3) (i) The Authority shall find that there is a reasonable probability that the Authority will recover its initial investment and an adequate return on investment.

(ii) The Authority's investment shall be recoverable within:

1. 7 years of the equity participation financing in a franchise;

2. 7 years of the equity participation financing in an enterprise acquiring an existing business;

3. 10 years of the equity participation financing in a technology-based business; or

4. 7 years of the equity participation financing in any other type of business.

(4) The Authority's recovery shall be the greater of the current value of the percentage of the equity investment in the enterprise or the amount of the initial investment in the enterprise.

(5) The value of the business entity at the time of recovery shall be determined after obtaining at least 1 independent appraisal of the value from an appraiser selected from a list of at least 3 appraisers supplied by the Authority.

(c) The liability of the State and of the Authority in providing equity participation financing is limited to its investments under the Program.

(d) When [applying] **AN ENTERPRISE APPLIES** to the Authority to acquire an existing business, [an] **THE** enterprise **OR ITS PRINCIPALS** shall ~~have~~ **MEET** the following minimum qualifications:

(1) The enterprise or its principals shall have:

~~(i) A minimum net worth of at least \$75,000 pledged as security;~~

~~(ii) At least \$75,000 in equity investment; or~~

~~(iii) A combination of a minimum net worth pledged as security and an equity investment, totaling at least \$75,000~~ **EQUAL TO AT LEAST 5 PERCENT OF THE TOTAL COST OF THE ACQUISITION;** and

(2) ~~The~~~~THE~~ enterprise or its principals shall have had 3 or more years of successful experience with demonstrated achievements and management responsibilities.

(e) When being acquired, the existing business shall meet the following minimum qualifications:

(1) The existing business shall have been in existence for at least 5 years;

(2) The existing business shall have been profitable for at least 2 of the previous 3 years;

(3) The existing business shall have sufficient cash flow to service the debt and ensure adequate return of the Authority's investment;

(4) The existing business shall have the capacity for growth and job creation;

(5) The existing business shall have its principal place of business in Maryland; and

(6) The existing business shall have a strong customer base.

(f) If the applicant enterprise is an individual, the applicant shall satisfy the Authority that:

(1) The applicant is of good moral character;

(2) As determined from creditors, employers, and other individuals who have personal knowledge of the applicant, the applicant has a reputation for financial responsibility;

(3) The applicant is a resident of Maryland or the applicant's principal place of business is in Maryland; and

(4) The applicant is unable to obtain adequate business financing on reasonable terms through normal lending channels because the applicant:

(i) Belongs to a group that historically has been deprived of access to normal economic or financial resources because of race, color, creed, sex, religion, or national origin;

(ii) Has an identifiable physical handicap that severely limits the ability of the applicant to obtain financial assistance, but does not limit the ability

of the applicant to perform the contract or other activity for which the applicant would be receiving financial assistance;

(iii) Has any other social or economic impediment that is beyond the personal control of the applicant, such as lack of formal education or financial capacity or geographical or regional economic distress but that does not limit the ability of the applicant to perform the contract or other activity for which the applicant would be receiving financial assistance; or

(iv) Does not meet the established credit or investment criteria of at least one financial institution.

(g) If the applicant enterprise is other than a sole proprietorship, at least 51 percent of the enterprise shall be owned by individuals who meet the qualifications for applicants under subsection (f) of this section.

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

Article 83A – Department of Business and Economic Development

5-1035.

(a) Subject to the restrictions of this Part VI, the Authority, on application, may guarantee any surety up to the lesser of 90 percent or ~~[\$5,000,000]~~ **\$1,350,000** of its losses incurred under a bid bond, a payment bond, or a performance bond on any contract financed by the federal government or a state government, a local government, a private entity, or a utility regulated by the Public Service Commission.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect on the taking effect of the termination provision specified in Section 4 of Chapter 299 of the Acts of the General Assembly of 2006. This Act may not be interpreted to have any effect on that termination provision.

SECTION 4. AND BE IT FURTHER ENACTED, That the Maryland Small Business Development Financing Authority shall:

(1) include in the annual reports required to be made by December 31, 2007, and December 31, 2008, under Article 83A, § 5-1011 of the Code an evaluation of the impact of the changes enacted by Section 1 of this Act in the levels of assistance the Authority may provide, on:

(i) the number and amounts of loans and guarantees made by the Authority during the periods covered by the reports; and

(ii) the ability of the Authority to adequately assist eligible businesses under each financing program administered by the Authority; and

(2) provide the annual reports to the Senate Finance Committee and the House Economic Matters Committee.

SECTION ~~2~~ 5. AND BE IT FURTHER ENACTED, That, subject to the provisions of Section 3 of this Act, this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 326 - *Cecil County - Bridge or Road Construction or Repair Contracts*.

This bill alters the threshold amount of specified expenditures that are required to be made by competitively bid contracts in Cecil County; and repealing a limitation on the amount of specified contracts that a contractor may be awarded during a 2-month period.

House Bill 907, 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 326.

Sincerely,

Martin O'Malley
Governor

Senate Bill 326

AN ACT concerning

Cecil County – Bridge or Road Construction or Repair Contracts

FOR the purpose of altering the threshold amount of certain expenditures that are required to be made by competitively bid contracts in Cecil County; repealing a limitation on the amount of certain contracts that a contractor may be awarded during a certain period; and generally relating to bridge or road construction or repair contracts in Cecil County.

BY repealing and reenacting, with amendments,
Article 25 – County Commissioners
Section 37A
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 25 – County Commissioners

37A.

(a) (1) Except as provided in subsection (b) of this section, in Cecil County the following purchases of goods and services shall be by competitively bid contract awarded to the lowest responsive and responsible bidder:

- (i) Any construction or repair of any bridge or road; and
- (ii) Any purchase or lease of any road or construction equipment or machinery.

(2) Except as provided in subsection (b) of this section, the County Commissioners of Cecil County shall advertise for bids on any such contract in:

- (i) 1 or more newspapers published in Cecil County; or
- (ii) Such public notice as they deem most advisable, if no newspaper is published in Cecil County.

(3) The public notice required by this subsection shall:

- (i) Be given at least once;
- (ii) Appear at least 1 week, but not more than 30 days, before the final date for submitting bids;

(iii) If the contract pertains to bridge or road work, set forth the place where the bridge or road is to be constructed or repaired;

(iv) Set forth a description of the goods or services being bid on;

(v) Provide notice that sealed proposals for the goods or services will be received until a day named in the advertisement; and

(vi) Provide notice of the date for the opening of the bids.

(b) (1) Subsection (a) of this section does not apply to an expenditure by Cecil County that:

(i) Is ~~[\$7,500]~~ **\$10,000** or less in amount; or

(ii) A majority vote of the County Commissioners has declared to be an emergency expenditure; provided that such a vote shall be a recorded vote taken at a public meeting of the County Commissioners before providing for the expenditure.

(2) In any case where the expenditure is ~~[\$7,500]~~ **\$10,000** or less in amount, or which has been declared to be an emergency expenditure, the following shall be in the discretion of the Cecil County Commissioners:

(i) The manner of providing for the expenditure, including whether the work shall be done by contract or otherwise; and

(ii) If done by contract, the manner of letting the contract.

(c) ~~[(1)]~~ Notwithstanding any other provision of law, in Cecil County a particular contractor may not be awarded, during any 2-month period, more than a total of \$20,000 worth of contracts which are not competitively bid.

(2) The limitation established by this subsection does not apply to emergency contracts. However, before the awarding of an emergency contract, a majority of the County Commissioners shall have affirmed the existence of an emergency. The vote of the Commissioners in declaring the emergency shall be recorded in the minutes of the next public meeting of the Commissioners.

(d)] Any willful violation of this section is a misdemeanor punishable by a fine of not more than \$1,000.

~~[(e)]~~ **(D)** (1) The County Commissioners of Cecil County may not enter into any contract for the construction or repair of any bridge or road or the purchase or

lease of any road construction equipment or machinery except in accordance with the provisions of this section.

(2) A contract that is entered into in violation of the provisions of subsection (a) of this section is void, unless:

(i) It is determined in a subsequent judicial review that good faith has been shown by all parties; and

(ii) There has been substantial compliance with the provisions of subsection (a) of this section.

(3) If a contract is void under this subsection, the contractor shall be compensated for costs actually incurred if the contractor:

(i) Acted in good faith;

(ii) Did not directly contribute to the violation; and

(iii) Did not have knowledge of the violation.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 348 - *Child Fatality Review Teams - Access and Disclosure of Information*.

This bill authorizes a local child fatality review team to investigate the information and records of a child convicted of a crime or adjudicated as having committed a delinquent act that caused the death or near fatality of another child. It requires State and local government agencies and health care providers to provide such information

and records upon request by the team. The bill also prohibits the disclosure in a public meeting of any information that identifies an alleged child perpetrator of a death or near fatality.

House Bill 1071, 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 348.

Sincerely,

Martin O'Malley
Governor

Senate Bill 348

AN ACT concerning

Child Fatality Review Teams – Access and Disclosure of Information

FOR the purpose of authorizing a certain local team to investigate certain information and records; requiring that a certain local team be immediately provided access to certain information and records maintained by a health care provider regarding a child convicted of a crime or ~~convicted of a crime~~ adjudicated as having committed a delinquent act that caused a certain death or fatality; requiring that a certain local team be immediately provided access to all information and records maintained by any State or local government agency that provided services to a certain child or family; prohibiting the identification of a child convicted of a crime or ~~convicted of a crime~~ adjudicated as having committed a delinquent act that caused a certain death or fatality during certain public meetings; prohibiting the disclosure of information regarding the involvement of any agency with certain individuals during certain public meetings; and generally relating to access and disclosure of information by child fatality review teams.

BY repealing and reenacting, with amendments,
Article – Health – General
Section ~~5-707~~ 5-706, 5-707, and 5-708
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article – Health – General

5-706.

(a) The purpose of the local team is to prevent child deaths by:

(1) Promoting cooperation and coordination among agencies involved in investigations of child deaths or in providing services to surviving family members;

(2) Developing an understanding of the causes and incidence of child deaths in the county;

(3) Developing plans for and recommending changes within the agencies the members represent to prevent child deaths; and

(4) Advising the State Team on changes to law, policy, or practice to prevent child deaths.

(b) To achieve its purpose, the local team shall:

(1) In consultation with the State Team, establish and implement a protocol for the local team;

(2) Set as its goal the investigation of child deaths in accordance with national standards;

(3) Meet at least quarterly to review the status of child fatality cases, recommend actions to improve coordination of services and investigations among member agencies, and recommend actions within the member agencies to prevent child deaths;

(4) Collect and maintain data as required by the State Team;

(5) Provide requested reports to the State Team, including discussion of individual cases, steps taken to improve coordination of services and investigations, steps taken to implement changes recommended by the local team within member agencies, and recommendations on needed changes to State and local law, policy, and practice to prevent child deaths; and

(6) In consultation with the State Team:

(i) Define “near fatality”; and

(ii) Develop procedures and protocols that local teams and the State Team may use to review cases of near fatality.

(C) IN ADDITION TO THE DUTIES SPECIFIED IN SUBSECTION (B) OF THIS SECTION, A LOCAL TEAM MAY INVESTIGATE THE INFORMATION AND RECORDS OF A CHILD CONVICTED OF A CRIME OR ADJUDICATED AS HAVING COMMITTED A DELINQUENT ACT THAT CAUSED A DEATH OR NEAR FATALITY DESCRIBED IN § 5-707 OF THIS SUBTITLE.

5-707.

Upon request of the chair of the local team and as necessary to carry out the local team's purpose and duties, the local team shall be immediately provided:

[(1) By a provider of medical care, including dental and mental health care, with access to information and records regarding a child whose death is being reviewed by the local team, including information on prenatal care; and]

(1) ACCESS TO INFORMATION AND RECORDS, INCLUDING INFORMATION ON PRENATAL CARE, MAINTAINED BY A HEALTH CARE PROVIDER REGARDING:

(I) A CHILD WHOSE DEATH IS BEING REVIEWED BY THE LOCAL TEAM; OR

(II) A CHILD CONVICTED OF A CRIME OR ~~CONVICTED OF A CRIME~~ ADJUDICATED AS HAVING COMMITTED A DELINQUENT ACT THAT CAUSED THE A DEATH OR NEAR FATALITY ~~BEING REVIEWED BY THE LOCAL TEAM~~; AND

(2) Access to all information and records maintained by any State or local government agency, including birth certificates, law enforcement investigative information, medical examiner investigative information, parole and probation information and records, and information and records of a social services agency that provided services to ~~the child or family~~;

(I) A CHILD WHOSE DEATH IS BEING REVIEWED BY THE LOCAL TEAM;

(II) A CHILD CONVICTED OF A CRIME OR ADJUDICATED AS HAVING COMMITTED A DELINQUENT ACT THAT CAUSED A DEATH OR NEAR FATALITY; OR

(III) THE FAMILY OF A CHILD DESCRIBED IN ITEM (I) OR (II) OF THIS PARAGRAPH.

5-708.

(a) Meetings of the State Team and of local teams shall be closed to the public and not subject to Title 10, Subtitle 5 of the State Government Article when the State Team or local teams are discussing individual cases of child deaths.

(b) Except as provided in subsection (c) of this section, meetings of the State Team and of local teams shall be open to the public and subject to Title 10, Subtitle 5 of the State Government Article when the State Team or local team is not discussing individual cases of child deaths.

(c) [(1) Information identifying a deceased child, a family member, a guardian or caretaker of a deceased child, or an alleged or suspected perpetrator of abuse or neglect upon a child, may not be disclosed during a public meeting.]

(1) DURING A PUBLIC MEETING, INFORMATION MAY NOT BE DISCLOSED THAT IDENTIFIES:

(I) A DECEASED CHILD;

(II) A FAMILY MEMBER, GUARDIAN, OR CARETAKER OF A DECEASED CHILD;

(III) AN ALLEGED OR SUSPECTED PERPETRATOR OF ABUSE OR NEGLECT UPON A CHILD; OR

(IV) A CHILD CONVICTED OF A CRIME OR CONVICTED OF A CRIME ADJUDICATED AS HAVING COMMITTED A DELINQUENT ACT THAT CAUSED THE A DEATH OR NEAR FATALITY OF ANOTHER CHILD.

~~(2) Information regarding the involvement of any agency with the deceased child or family may not be disclosed during a public meeting.~~

(2) DURING A PUBLIC MEETING, INFORMATION MAY NOT BE DISCLOSED REGARDING THE INVOLVEMENT OF ANY AGENCY WITH:

(I) A DECEASED CHILD;

(II) A FAMILY MEMBER, GUARDIAN, OR CARETAKER OF A DECEASED CHILD;

(III) AN ALLEGED OR SUSPECTED PERPETRATOR OF ABUSE OR NEGLECT UPON A CHILD; OR

(IV) A CHILD CONVICTED OF A CRIME OR ADJUDICATED AS HAVING COMMITTED A DELINQUENT ACT THAT CAUSED A DEATH OR NEAR FATALITY.

(d) This section does not prohibit the State Team or a local team from requesting the attendance at a team meeting of a person who has information relevant to the team's exercise of its purpose and duties.

(e) Violation of this section is a misdemeanor and is punishable by a fine not exceeding \$500 or imprisonment not exceeding 90 days or both.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 374 - *Worcester County - Sheriff's Office - Personnel Policies*.

This bill establishes a minimum annual salary of \$85,000 for the Sheriff of Worcester County and authorizes the Sheriff to appoint specified employees. Furthermore, the bill requires the County Commissioners of Worcester County to pay specified expenses of the Sheriff's Office. Finally, it is established that the chief deputy sheriff serves at the pleasure of the Sheriff and upon removal will revert to their prior held position within the Sheriff's office.

House Bill 323, 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 374.

Sincerely,

Martin O'Malley
Governor

Senate Bill 374

AN ACT concerning

Worcester County – Sheriff's Office – Personnel Policies

FOR the purpose of establishing a certain minimum annual salary for the Sheriff of Worcester County; authorizing the Sheriff to appoint certain employees; requiring the County Commissioners of Worcester County to pay certain expenses of the Sheriff's Office; providing that the chief deputy sheriff serves at the pleasure of the Sheriff; requiring that a certain person who serves as chief deputy sheriff revert to a certain status upon removal; providing that certain personnel rules and regulations of Worcester County apply to certain employees of the Sheriff's Office, authorizing the Sheriff to adopt certain rules for employees of the Sheriff's Office; providing that certain employees of the Sheriff's Office may be disciplined or terminated for cause only in accordance with certain policies; requiring that certain employees of the Sheriff's Office be reappointed at certain times; authorizing the County Commissioners to provide certain support to the Sheriff relating to personnel matters; granting the Sheriff control over the employees of the Sheriff's Office, subject to certain limitations; providing that this Act does not apply to the salary or compensation of the incumbent Sheriff of Worcester County; and generally relating to the personnel policies of the Sheriff's Office of Worcester County.

BY repealing

Article – Courts and Judicial Proceedings
Section 2–309(y)
Annotated Code of Maryland
(2006 Replacement Volume)

BY adding to

Article – Courts and Judicial Proceedings
Section 2–309(y)
Annotated Code of Maryland
(2006 Replacement Volume)

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.

[(y) (1) The Sheriff of Worcester County shall receive a salary as set by the County Commissioners of at least \$17,500. He shall appoint at least four deputies at

salaries of at least \$6,500 each, a clerk–typist, and additional deputies, clerks, cooks and jailers at the compensation set by the County Commissioners.

(2) The County Commissioners of Worcester County shall pay the cost of all necessary expenses for the operation of the Worcester County jail, the Sheriff and his staff, including, but not limited to, five automobiles, automobile operating expenses, radio equipment, weapons, ammunitions, office supplies, office equipment, uniforms, and all traveling expenses of the Sheriff and his staff while out of the county on official business.]

(Y) (1) (I) THE SHERIFF OF WORCESTER COUNTY SHALL RECEIVE AN ANNUAL SALARY AS SET BY THE COUNTY COMMISSIONERS OF AT LEAST \$85,000.

(II) THE SHERIFF SHALL APPOINT AT LEAST ONE CHIEF DEPUTY SHERIFF AND AS MANY DEPUTY SHERIFFS AND OTHER PERSONNEL AS ARE NECESSARY TO PERFORM THE DUTIES OF THE OFFICE AND ARE PROVIDED FOR IN THE COUNTY BUDGET.

(2) THE COUNTY COMMISSIONERS OF WORCESTER COUNTY SHALL PAY ALL NECESSARY EXPENSES OF THE OPERATION OF THE SHERIFF'S OFFICE THROUGH THE COUNTY BUDGET ADOPTED IN ACCORDANCE WITH ALL APPLICABLE LAWS AND BUDGET PROCEDURES AND SUBJECT TO ALL APPLICABLE BUDGET REVIEWS.

(3) (I) THE CHIEF DEPUTY SHERIFF SHALL SERVE AT THE PLEASURE OF THE SHERIFF.

(II) IF A CHIEF DEPUTY SHERIFF WHO WAS A WORCESTER COUNTY DEPUTY SHERIFF PRIOR TO BEING APPOINTED AS CHIEF DEPUTY IS REMOVED FROM THE OFFICE OF CHIEF DEPUTY FOR OTHER THAN CAUSE, THAT PERSON SHALL REVERT TO A DEPUTY SHERIFF WITH THE SAME STATUS THAT THE PERSON HAD PRIOR TO THE PERSON'S APPOINTMENT AS CHIEF DEPUTY.

(III) IF A CHIEF DEPUTY SHERIFF WHO WAS NOT A WORCESTER COUNTY DEPUTY SHERIFF PRIOR TO BEING APPOINTED AS CHIEF DEPUTY IS REMOVED FROM THE OFFICE OF CHIEF DEPUTY FOR ANY REASON, THAT PERSON MAY NOT AUTOMATICALLY REVERT TO A DEPUTY SHERIFF AFTER BEING REMOVED AS CHIEF DEPUTY.

(4) (I) EXCEPT AS PROVIDED IN THIS SUBSECTION, THE PERSONNEL RULES AND REGULATIONS OF WORCESTER COUNTY AS ADOPTED BY THE COUNTY COMMISSIONERS SHALL APPLY TO ALL EMPLOYEES OF THE

SHERIFF OF WORCESTER COUNTY OTHER THAN THE CHIEF DEPUTY SHERIFF, INCLUDING DEPUTY SHERIFFS, CLERKS, TYPISTS, ANIMAL CONTROL OFFICERS, AND OTHER NECESSARY PERSONNEL.

(II) THE APPOINTMENT, DISCIPLINARY, AND MANAGERIAL FUNCTIONS OF THE COUNTY COMMISSIONERS AS PROVIDED FOR IN THE PERSONNEL RULES AND REGULATIONS OF WORCESTER COUNTY SHALL BE PERFORMED BY THE SHERIFF IN THE CASE OF ALL EMPLOYEES OF THE SHERIFF'S OFFICE.

(5) THE SHERIFF MAY ADOPT SHERIFF'S OFFICE MANUALS, ADDITIONAL RULES OF CONDUCT, DRESS, AND DECORUM, AND OTHER PROCEDURES THAT SHALL APPLY TO ALL EMPLOYEES AND SHALL BE CONDITIONS OF EMPLOYMENT WITH THE SHERIFF'S OFFICE.

(6) AN EMPLOYEE OF THE SHERIFF'S OFFICE OTHER THAN THE CHIEF DEPUTY SHERIFF OR A PROBATIONARY EMPLOYEE MAY BE DISCIPLINED OR TERMINATED FOR CAUSE ONLY IN ACCORDANCE WITH THE PROVISIONS OF THIS SUBSECTION, THE REGULATIONS REFERRED TO IN THIS SUBSECTION, OR THE LAW ENFORCEMENT OFFICERS' BILL OF RIGHTS.

(7) WHEN A NEW SHERIFF TAKES OFFICE, OR AT THE BEGINNING OF A NEW TERM OF OFFICE OF A SHERIFF, ALL DEPUTIES OTHER THAN THE CHIEF DEPUTY AND ALL OTHER EMPLOYEES IN GOOD STANDING SHALL REMAIN IN THEIR POSITIONS AND SHALL BE CONSIDERED REAPPOINTED OR REDEPUTIZED, SUBJECT TO THE PROVISIONS OF THIS SUBSECTION AND TO THE EXTENT REQUIRED. A SHERIFF MAY NOT REFUSE TO REAPPOINT AND REDEPUTIZE A DEPUTY SHERIFF WITHOUT CAUSE.

(8) AT THE REQUEST OF THE SHERIFF, THE COUNTY COMMISSIONERS MAY PROVIDE IN-KIND SUPPORT TO THE SHERIFF RELATING TO PERSONNEL MATTERS.

(9) THE SHERIFF SHALL HAVE COMPLETE CONTROL OVER THE EMPLOYEES OF THE SHERIFF'S OFFICE, SUBJECT ONLY TO THE PROVISIONS OF THIS SUBSECTION AND THE REASONABLE APPLICATION OF THE PERSONNEL RULES AND REGULATIONS OF WORCESTER COUNTY AND THE PROTECTIONS AND BENEFITS THOSE POLICIES PROVIDE.

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 Worcester County in office on the effective

date of this Act, but the provisions of this Act concerning the salary or compensation of the Sheriff of Worcester County shall take effect at the beginning of the next following term of office.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 376 - *Baltimore County - Election Law - Compensation for Election Judges*.

This bill alters the compensation for chief election judges and other election judges in Baltimore County.

House Bill 181, 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 376.

Sincerely,

Martin O'Malley
Governor

Senate Bill 376

AN ACT concerning

Baltimore County – Election Law – ~~Assistant Chief Election Judge~~ Compensation for Election Judges

FOR the purpose of ~~creating the position of assistant chief election judge in Baltimore County; specifying the amount of the compensation for assistant chief election judges;~~ altering the compensation for chief election judges and other election

judges in Baltimore County; and generally relating to election judges in Baltimore County.

BY repealing and reenacting, with amendments,

Article – Election Law

Section ~~10-203~~ and 10-205(b)(3)

Annotated Code of Maryland

(2003 Volume and 2006 Supplement)

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

Article – Election Law

~~10-203.~~

~~(a) The election director, with the approval of the local board, shall appoint the election judges for each polling place for a term that begins on the Tuesday that is 13 weeks before each statewide primary election.~~

~~(b) One or two election judges in each precinct shall:~~

~~(1) be designated chief judge; and~~

~~(2) supervise the staff at the polling place.~~

~~(c) IN BALTIMORE COUNTY, AT LEAST ONE BUT NOT MORE THAN TWO ELECTION JUDGES IN EACH PRECINCT SHALL:~~

~~(1) BE DESIGNATED ASSISTANT CHIEF ELECTION JUDGE; AND~~

~~(2) ASSIST THE CHIEF ELECTION JUDGE IN THE PERFORMANCE OF THE CHIEF ELECTION JUDGE'S DUTIES, INCLUDING THE ADMINISTRATION OF PROVISIONAL BALLOT VOTING.~~

~~(d) The term of office for an election judge continues until the Tuesday that is 13 weeks before the next statewide primary election unless:~~

~~(1) the local board excuses the person for good cause; or~~

~~(2) a special election is held during the election judge's term of office and the State Board determines that a local board may not need the service of all of the appointed election judges.~~

~~[(d)](E) A local board shall fill each vacant election judge position in the same manner as set forth in subsection (a) of this section.~~

10-205.

(b) (3) In Baltimore County, the compensation for each election day actually served shall be:

(i) ~~[\$160]~~ **\$225** per day for each chief election judge; ~~and~~

(ii) ~~\$200 PER DAY FOR EACH ASSISTANT CHIEF ELECTION JUDGE; AND~~

~~(iii) [\$125]~~ **\$150 \$162.50** per day for every other election judge.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 388 - *Baltimore County – Todd's Inheritance Loan of 2000*.

This bill amends Chapter 409 of the Acts of 2000 to require that specified loan proceeds be encumbered by the Board of Public Works or expended for specified purposes by June 1, 2009.

House Bill 335, 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 388.

Sincerely,

Martin O'Malley
Governor

Senate Bill 388

AN ACT concerning

Baltimore County – Todd's Inheritance Loan of 2000

FOR the purpose of ~~extending the deadline by which the County Council and County Executive of Baltimore County must present evidence to the Board of Public Works that a matching fund will be provided~~ amending Chapter 409 of the Acts of 2000 to require that certain loan proceeds be encumbered by the Board of Public Works or expended for certain purposes by a certain date.

BY repealing and reenacting, without amendments,
Chapter 409 of the Acts of the General Assembly of 2000
Section 1(1) and (5)

~~BY repealing and reenacting, with amendments,
Chapter 409 of the Acts of the General Assembly of 2000
Section 1(5)~~

BY adding to
Chapter 409 of the Acts of the General Assembly of 2000
Section 1(6)

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

Chapter 409 of the Acts of 2000

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

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Baltimore County – Todd's Inheritance Loan of 2000 in a total principal amount equal to the lesser of (i) \$250,000 or (ii) the amount of the matching fund provided in accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State general obligation bonds authorized by a resolution of the Board of Public Works and issued, sold, and delivered in accordance with §§ 8–117 through 8–124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

(5) Prior to the payment of any funds under the provisions of this Act for the purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching fund. No part of the grantee's matching fund may be provided, either directly or indirectly, from funds of the State, whether appropriated or unappropriated. No part of the fund may consist of real property, in kind contributions, or funds expended prior to the effective date of this Act. In case of any dispute as to the amount of the matching fund or what money or assets may qualify as matching funds, the Board of Public Works shall determine the matter and the Board's decision is final. The grantee has until June 1, ~~2002~~ **2009**, to present evidence satisfactory to the Board of Public Works that a matching fund will be provided. If satisfactory evidence is presented, the Board shall certify this fact and the amount of the matching fund to the State Treasurer, and the proceeds of the loan equal to the amount of the matching fund shall be expended for the purposes provided in this Act. Any amount of the loan in excess of the amount of the matching fund certified by the Board of Public Works shall be canceled and be of no further effect.

(6) THE PROCEEDS OF THE LOAN MUST BE ENCUMBERED BY THE BOARD OF PUBLIC WORKS OR EXPENDED FOR THE PURPOSES IN THIS ACT NO LATER THAN JUNE 1, 2009.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 390 - *Prince George's County - Special Taxing Districts*.

This bill authorizes Prince George's County to use specified special taxing district and tax increment financing authority to provide financing, refinancing, or reimbursement for the costs of renovation, rehabilitation, and repair of existing buildings, building systems, and components for existing residential condominiums designated as workforce housing.

House Bill 622, 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 390.

Sincerely,

Martin O'Malley
Governor

Senate Bill 390

AN ACT concerning

Prince George's County – Special Taxing Districts

FOR the purpose of altering the definition of “cost” for purposes of certain authority for Prince George's County to establish certain special taxing districts, issue certain bonds, and levy certain taxes; authorizing Prince George's County to exercise certain authority to provide financing, refinancing, or reimbursement for the costs of certain renovation, rehabilitation, and repair; and generally relating to certain authority for Prince George's County to establish certain special taxing districts, issue certain bonds, and levy certain taxes.

BY repealing and reenacting, with amendments,
Article 24 – Political Subdivisions – Miscellaneous Provisions
Section 9–1301(a) and (c)(5)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
The Public Local Laws of Prince George's County
Section 10–269(a)(3) and (b)
Article 17 – Public Local Laws of Maryland
(2003 Edition, as amended)

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

Article 24 – Political Subdivisions – Miscellaneous Provisions

9–1301.

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

(2) (i) “Bond” means a special obligation bond, revenue bond, note, or other similar instrument issued by the county in accordance with this section.

(ii) “Bond” includes a special obligation bond, revenue bond, note, or similar instrument issued by the revenue authority of Prince George’s County.

(3) “Cost” includes the cost of:

(i) Construction, reconstruction, and renovation, and acquisition of all lands, structures, real or personal property, rights, rights-of-way, franchises, easements, and interests acquired or to be acquired by the county;

(ii) All machinery and equipment including machinery and equipment needed to expand or enhance county services to the special taxing district;

(iii) Financing charges and interest prior to and during construction, and, if deemed advisable by the county, for a limited period after completion of the construction, interest and reserves for principal and interest, including costs of municipal bond insurance and any other type of financial guaranty and costs of issuance;

(iv) Extensions, enlargements, additions, and improvements;

(v) Architectural, engineering, financial, and legal services;

(vi) Plans, specifications, studies, surveys, and estimates of cost and of revenues;

(vii) Administrative expenses necessary or incident to determining to proceed with the infrastructure improvements; and

(viii) Other expenses as may be necessary or incident to the construction, acquisition, and financing of the infrastructure improvements.

(4) IN PRINCE GEORGE’S COUNTY, “COST” INCLUDES THE COST OF RENOVATION, REHABILITATION, AND REPAIR OF EXISTING BUILDINGS, INTERNAL AND EXTERNAL STRUCTURAL SYSTEMS, ELEVATORS, FACADES, MECHANICAL SYSTEMS AND COMPONENTS, AND SECURITY SYSTEMS.

(c) (5) Prince George’s County may exercise the authority granted in this subsection to:

(i) Levy hotel rental taxes; and

(ii) Provide financing, refinancing, or reimbursement for the costs of:

1. Convention centers, conference centers, and visitors' centers;

2. Maintenance of infrastructure improvements, convention centers, conference centers, and visitors' centers; [and]

3. Marketing the special taxing district facilities and other improvements; **AND**

4. RENOVATION, REHABILITATION, AND REPAIR OF EXISTING BUILDINGS, BUILDING SYSTEMS, AND COMPONENTS FOR EXISTING RESIDENTIAL CONDOMINIUMS DESIGNATED AS WORKFORCE HOUSING AS DEFINED IN § 4-1801 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE.

Article 17 – Prince George's County

10-269.

(a) (3) Cost includes the cost of:

(A) Construction, reconstruction, and renovation, and acquisition of all lands, structures, real or personal property, rights, rights-of-way, franchises, easements, and interests acquired or to be acquired by the County;

(B) All machinery and equipment including machinery and equipment needed to expand or enhance County services to the Special Taxing District;

(C) Financing charges and interest prior to and during construction, and, if deemed advisable by the County, for a limited period after completion of the construction, interest and reserves for principal and interest, including costs of municipal bond insurance and any other type of financial guaranty and costs of issuance;

(D) Extensions, enlargements, additions, and improvements;

(E) RENOVATION, REHABILITATION, AND REPAIR OF EXISTING BUILDINGS, INTERNAL AND EXTERNAL STRUCTURAL SYSTEMS, ELEVATORS, ~~FACADE~~ FACADES, MECHANICAL SYSTEMS AND COMPONENTS, AND SECURITY SYSTEMS;

[(E)] (F) Architectural, engineering, financial, and legal services;

[(F)] (G) Plans, specifications, studies, surveys, and estimates of cost and of revenues;

[(G)] (H) Administrative expenses necessary or incident to determining to proceed with the infrastructure improvements; and

[(H)] (I) Other expenses as may be necessary or incident to the construction, acquisition, and financing of the infrastructure improvements.

(b) (1) Subject to the provisions of this Section, and for the purpose stated in paragraph (2) of this Subsection, the County may:

(A) Create a Special Taxing District;

(B) Levy ad valorem, special, or hotel rental taxes; and

(C) Issue bonds and other obligations.

(2) The purpose of the authority granted under paragraph (1) of this Subsection is to provide financing, refinancing, or reimbursement for the cost of:

(A) The design, construction, establishment, extension, alteration, or acquisition of adequate storm drainage systems, sewers, water systems, roads, bridges, culverts, tunnels, streets, sidewalks, lighting, parking, parks and recreation facilities, libraries, schools, transit facilities, solid waste facilities, and other infrastructure improvements as necessary, whether situated within the Special Taxing District or outside the Special Taxing District if the infrastructure improvement is reasonably related to other infrastructure improvements within the Special Taxing District, for the development and utilization of the land, each with respect to any defined geographic region within the County.

(B) Convention centers, conference centers, and visitors' centers;

(C) RENOVATION, REHABILITATION, AND REPAIR OF EXISTING BUILDINGS, BUILDING SYSTEMS, AND COMPONENTS FOR EXISTING RESIDENTIAL CONDOMINIUMS DESIGNATED AS WORKFORCE HOUSING AS DEFINED IN § 4-1801 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND;

[(C)] (D) Infrastructure improvements maintenance and maintenance of convention centers, conference centers, and visitors' centers; and

[(D)] (E) Marketing the special taxing district facilities and other improvements.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 397 - *Ground Rents - Conversion of Irredeemable Ground Rents*.

This bill authorizes the conversion of an irredeemable ground rent to a redeemable ground rent unless a notice of intention to preserve irredeemability is recorded in the land records on or before December 31, 2010.

House 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 Senate Bill 397.

Sincerely,

Martin O'Malley
Governor

Senate Bill 397

AN ACT concerning

Ground Rents – Conversion of Irredeemable Ground Rents

FOR the purpose of providing for the conversion of an irredeemable ground rent to a redeemable ground rent unless a notice of intention to preserve irredeemability is recorded within a certain period of time; providing that a disability or lack of knowledge does not prevent the conversion of an irredeemable ground rent if a notice of intention to preserve irredeemability is not recorded within a certain

period of time; authorizing certain persons to file a notice in the land records of the county where the land is located; requiring a notice to be executed in a certain manner and to contain certain information; requiring a notice that meets certain requirements to be accepted for recording on payment of certain fees; exempting a notice from certain taxes; providing for the indexing of notices; requiring notices to be filed on or before a certain date; providing that a ground rent becomes redeemable if a notice is not recorded on or before a certain date; establishing the period of effectiveness of a filed notice; providing for the filing of renewal notices and the extension of the period of effectiveness of a filed notice; establishing the sum for which a converted ground rent may be redeemed; defining certain terms; and generally relating to the conversion of irredeemable ground rents.

BY adding to

Article – Real Property

Section 8–110.1

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

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

Article – Real Property

8–110.1.

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

~~(2) “GROUND LEASE” MEANS A RESIDENTIAL LEASE OR SUBLEASE IN EFFECT ON OR AFTER JULY 1, 2007, THAT HAS AN INITIAL TERM OF 99 YEARS RENEWABLE FOREVER AND IS SUBJECT TO THE PAYMENT OF AN ANNUAL GROUND RENT.~~

~~(3) “GROUND RENT” MEANS A RENT ISSUING OUT OF, OR COLLECTIBLE IN CONNECTION WITH, THE REVERSION IN FEE SIMPLE RESERVED IN A GROUND LEASE.~~

~~(4) “IRREDEEMABLE GROUND RENT” MEANS A GROUND RENT CREATED UNDER A GROUND LEASE EXECUTED BEFORE APRIL 9, 1884, THAT DOES NOT CONTAIN A PROVISION ALLOWING THE TENANT TO REDEEM THE GROUND RENT.~~

~~(5) "LEASEHOLD ESTATE" MEANS THE TENANCY IN REAL PROPERTY CREATED UNDER A GROUND LEASE.~~

~~(6) "REDEEMABLE GROUND RENT" MEANS A GROUND RENT THAT MAY BE REDEEMED IN ACCORDANCE WITH THIS SECTION OR REDEEMED OR EXTINGUISHED IN ACCORDANCE WITH § 8-110(G) OF THIS SUBTITLE.~~

~~(7) (I) "RESIDENTIAL" MEANS REAL PROPERTY ON WHICH THERE IS OR WAS ONCE CONSTRUCTED IMPROVEMENTS USED OR INTENDED TO BE USED, FOR RESIDENTIAL PURPOSES.~~

~~(II) "RESIDENTIAL" DOES NOT INCLUDE:~~

- ~~1. AN APARTMENT OR COOPERATIVE TENANCY;~~
- ~~2. THE GROUND OR SITE UPON WHICH DWELLINGS OR MOBILE HOMES ARE ERECTED OR PLACED IN A MOBILE HOME DEVELOPMENT OR MOBILE HOME PARK; OR~~
- ~~3. PROPERTY LEASED FOR BUSINESS, COMMERCIAL, MANUFACTURING, MERCANTILE, OR INDUSTRIAL PURPOSES.~~

(2) "GROUND LEASE" MEANS A RESIDENTIAL LEASE OR SUBLEASE FOR A TERM OF YEARS RENEWABLE FOREVER SUBJECT TO THE PAYMENT OF A PERIODIC GROUND RENT.

(3) (I) "GROUND LEASE HOLDER" MEANS THE HOLDER OF THE REVERSIONARY INTEREST UNDER A GROUND LEASE.

(II) "GROUND LEASE HOLDER" INCLUDES AN AGENT OF THE GROUND LEASE HOLDER.

(4) "GROUND RENT" MEANS A RENT ISSUING OUT OF, OR COLLECTIBLE IN CONNECTION WITH, THE REVERSIONARY INTEREST UNDER A GROUND LEASE.

(5) "IRREDEEMABLE GROUND RENT" MEANS A GROUND RENT CREATED UNDER A GROUND LEASE EXECUTED BEFORE APRIL 9, 1884, THAT DOES NOT CONTAIN A PROVISION ALLOWING THE LEASEHOLD TENANT TO REDEEM THE GROUND RENT.

(6) "LEASEHOLD INTEREST" MEANS THE TENANCY IN REAL PROPERTY CREATED UNDER A GROUND LEASE.

(7) "LEASEHOLD TENANT" MEANS THE HOLDER OF THE LEASEHOLD INTEREST UNDER A GROUND LEASE.

(8) "REDEEMABLE GROUND RENT" MEANS A GROUND RENT THAT MAY BE REDEEMED IN ACCORDANCE WITH THIS SECTION OR REDEEMED OR EXTINGUISHED IN ACCORDANCE WITH § 8-110(G) OF THIS SUBTITLE.

(B) (1) THIS SECTION APPLIES TO RESIDENTIAL PROPERTY THAT IS OR WAS USED, INTENDED TO BE USED, OR AUTHORIZED TO BE USED FOR FOUR OR FEWER DWELLING UNITS.

(2) THIS SECTION DOES NOT APPLY TO PROPERTY:

(I) LEASED FOR BUSINESS, COMMERCIAL, MANUFACTURING, MERCANTILE, OR INDUSTRIAL PURPOSES, OR ANY OTHER PURPOSE THAT IS NOT PRIMARILY RESIDENTIAL;

(II) IMPROVED OR TO BE IMPROVED BY ANY APARTMENT, CONDOMINIUM, COOPERATIVE, OR OTHER BUILDING FOR MULTIFAMILY USE OF GREATER THAN FOUR DWELLING UNITS; OR

(III) LEASED FOR DWELLINGS OR MOBILE HOMES THAT ARE ERECTED OR PLACED IN A MOBILE HOME DEVELOPMENT OR MOBILE HOME PARK.

~~(B)~~ (C) (1) AN IRREDEEMABLE GROUND RENT SHALL BE CONVERTED TO, AND BECOME, A REDEEMABLE GROUND RENT, UNLESS WITHIN THE TIME SPECIFIED IN SUBSECTION ~~(E)~~ (F) OF THIS SECTION, A NOTICE OF INTENTION TO PRESERVE IRREDEEMABILITY IS RECORDED.

(2) THE CONVERSION OF AN IRREDEEMABLE GROUND RENT TO A REDEEMABLE GROUND RENT OCCURS ON THE DAY FOLLOWING THE END OF THE PERIOD IN WHICH THE NOTICE MAY BE RECORDED.

(3) A DISABILITY OR LACK OF KNOWLEDGE OF ANY KIND DOES NOT PREVENT THE CONVERSION OF AN IRREDEEMABLE GROUND RENT TO A REDEEMABLE GROUND RENT IF NO NOTICE OF INTENTION TO PRESERVE IRREDEEMABILITY IS FILED WITHIN THE TIME SPECIFIED IN SUBSECTION ~~(E)~~ (F) OF THIS SECTION.

~~(C)~~ (D) (1) ANY ~~PERSON HOLDING AN IRREDEEMABLE GROUND RENT~~ GROUND LEASE HOLDER OF AN IRREDEEMABLE GROUND RENT MAY RECORD A

NOTICE OF INTENTION TO PRESERVE IRREDEEMABILITY AMONG THE LAND RECORDS OF THE COUNTY WHERE THE LAND IS LOCATED.

(2) THE NOTICE MAY BE RECORDED BY:

(I) THE PERSON CLAIMING TO BE THE ~~OWNER OF THE IRREDEEMABLE GROUND RENT~~ GROUND LEASE HOLDER; OR

(II) IF THE ~~CLAIMANT~~ GROUND LEASE HOLDER IS UNDER A DISABILITY OR OTHERWISE UNABLE TO ASSERT A CLAIM ON THE ~~PERSON'S~~ GROUND LEASE HOLDER'S OWN BEHALF, ANY OTHER PERSON ACTING ON THE ~~PERSON'S~~ GROUND LEASE HOLDER'S BEHALF.

~~(D)~~ (E) (1) TO BE EFFECTIVE AND TO BE ENTITLED TO BE RECORDED, THE NOTICE SHALL BE EXECUTED BY THE ~~PERSON FILING THE NOTICE~~ GROUND LEASE HOLDER, ACKNOWLEDGED BEFORE A NOTARY PUBLIC, AND CONTAIN SUBSTANTIALLY THE FOLLOWING INFORMATION:

(I) AN ACCURATE DESCRIPTION OF THE LEASEHOLD ~~ESTATE~~ INTEREST AFFECTED BY THE NOTICE, INCLUDING, IF KNOWN, THE PROPERTY IMPROVEMENT ADDRESS;

(II) THE NAME OF EVERY ~~OWNER OF THE IRREDEEMABLE GROUND RENT~~ GROUND LEASE HOLDER OF AN IRREDEEMABLE GROUND RENT;

(III) THE NAME OF EVERY ~~OWNER OF THE LEASEHOLD ESTATE~~ LEASEHOLD TENANT AS OF THE TIME THE NOTICE IS FILED ACCORDING TO THE LAND RECORDS OR THE RECORDS OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION;

(IV) THE RECORDING REFERENCE OF THE GROUND LEASE;

(V) THE RECORDING REFERENCE OF EVERY LEASEHOLD ~~OWNER'S~~ TENANT'S LEASEHOLD DEED, AS OF THE TIME THE NOTICE IS FILED, ACCORDING TO THE LAND RECORDS OR THE RECORDS OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION;

(VI) THE RECORDING REFERENCE OF EVERY IRREDEEMABLE GROUND ~~RENT OWNER'S~~ RENT GROUND LEASE HOLDER'S DEED; AND

(VII) THE BLOCK NUMBER FOR THE LEASEHOLD ~~ESTATE~~ INTEREST IF THE PROPERTY IS LOCATED IN BALTIMORE CITY.

(2) (i) A NOTICE THAT SUBSTANTIALLY MEETS THE REQUIREMENTS OF THIS SECTION SHALL BE ACCEPTED FOR RECORDING AMONG THE LAND RECORDS ON PAYMENT OF THE SAME FEES AS ARE CHARGED FOR THE RECORDING OF DEEDS.

(ii) THE FILING OF A NOTICE IS EXEMPT FROM THE IMPOSITION OF A STATE OR LOCAL EXCISE TAX.

(3) THE NOTICE SHALL BE INDEXED AS "NOTICE OF INTENTION TO PRESERVE IRREDEEMABILITY":

(i) IN THE GRANTEE INDICES OF DEEDS UNDER THE NAME OF EVERY ~~OWNER OF THE IRREDEEMABLE GROUND RENT~~ GROUND LEASE HOLDER OF AN IRREDEEMABLE GROUND RENT;

(ii) IN THE GRANTOR INDICES OF DEEDS UNDER THE NAME OF EVERY ~~OWNER OF THE LEASEHOLD ESTATE~~ TENANT AS OF THE TIME THE NOTICE IS FILED ACCORDING TO THE LAND RECORDS OR THE RECORDS OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION; AND

(iii) IN THE BLOCK INDEX IN BALTIMORE CITY.

~~(E)~~ (F) (1) TO PRESERVE THE IRREDEEMABILITY OF AN IRREDEEMABLE GROUND RENT, A NOTICE OF INTENTION TO PRESERVE SHALL BE RECORDED ON OR BEFORE DECEMBER 31, 2010.

(2) IF A NOTICE OF INTENTION TO PRESERVE IS NOT RECORDED ON OR BEFORE DECEMBER 31, 2010, THE GROUND RENT BECOMES A REDEEMABLE GROUND RENT.

(3) IF A NOTICE IS RECORDED ON OR BEFORE DECEMBER 31, 2010, THE GROUND RENT SHALL REMAIN IRREDEEMABLE FOR A PERIOD OF 10 YEARS FROM JANUARY 1, 2011, TO DECEMBER 31, 2020, BOTH INCLUSIVE.

(4) (i) THE EFFECTIVENESS OF A FILED NOTICE TO PRESERVE IRREDEEMABILITY SHALL LAPSE ON JANUARY 1, 2021, AND THE GROUND RENT SHALL BECOME A REDEEMABLE GROUND RENT, UNLESS A RENEWAL NOTICE CONTAINING SUBSTANTIALLY THE SAME INFORMATION AS THE NOTICE OF INTENTION TO PRESERVE IRREDEEMABILITY IS RECORDED WITHIN 6 MONTHS BEFORE THE EXPIRATION OF THE 10-YEAR PERIOD SET FORTH IN PARAGRAPH (3) OF THIS SUBSECTION.

(II) THE EFFECTIVENESS OF ANY SUBSEQUENTLY FILED RENEWAL NOTICE SHALL LAPSE AFTER THE EXPIRATION OF THE APPLICABLE 10-YEAR PERIOD AND THE GROUND RENT SHALL BECOME A REDEEMABLE GROUND RENT, UNLESS FURTHER RENEWAL NOTICES ARE RECORDED WITHIN 6 MONTHS BEFORE THE EXPIRATION OF THE APPLICABLE 10-YEAR PERIOD.

~~(F)~~ (G) A GROUND RENT MADE REDEEMABLE IN ACCORDANCE WITH THIS SECTION:

(1) IS REDEEMABLE AT ANY TIME FOLLOWING THE DATE OF CONVERSION OF THE IRREDEEMABLE GROUND RENT TO A REDEEMABLE GROUND RENT; AND

(2) SHALL BE REDEEMABLE FOR A SUM EQUAL TO THE ANNUAL RENT RESERVED MULTIPLIED BY 16.66, WHICH IS CAPITALIZATION AT 6 PERCENT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 427 - *Health Insurance - Authorization of Additional Products and Small Group Administrative Discounts and Study*.

This bill authorizes insurers and nonprofit health service plans to offer certain preferred provider insurance policies that condition payment of benefits on the use of preferred providers. Provider panels must comply with specified regulations, and the policies cannot restrict payment for covered services provided by nonpreferred providers for emergency services, an unforeseen illness, injury, or condition requiring immediate care, or as otherwise specified under law. Insurers and nonprofit health

service plans must provide the inclusion of preferred and nonpreferred providers as an optional benefit, and they must disclose the availability of this option.

House Bill 579, 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 427.

Sincerely,

Martin O'Malley
Governor

Senate Bill 427

AN ACT concerning

Health Insurance – Authorization of Additional Products and Small Group Administrative Discounts and Study

FOR the purpose of ~~making certain provisions of this Act applicable to health maintenance organizations; providing that certain insurance policies may provide for payment of services rendered by certain providers; requiring an insurer to establish payment in a certain manner under certain circumstances; requiring a certain policy to allow direct access to specialists; providing that the~~ Maryland Insurance Commissioner may authorize certain health insurance carriers to offer a preferred provider insurance policy that conditions the payment of benefits on the use of preferred providers if the health insurance carrier meets certain requirements; requiring certain insurers and nonprofit health service plans to offer an option to include preferred and nonpreferred providers as an additional benefit under certain circumstances; requiring certain insurers and nonprofit health service plans to provide certain disclosures under certain circumstances; authorizing certain entities to require a certain individual to pay a certain premium under certain circumstances; providing that certain provisions of law do not apply to a small employer under certain circumstances; requiring a small employer to provide a certain certification under certain circumstances; authorizing a health insurance carrier to offer a certain plan under certain circumstances; requiring certain carriers that use a provider panel and offer a certain preferred provider insurance policy to adhere to certain standards; authorizing a carrier to offer a certain administrative discount to a small employer under certain circumstances; providing for the intent of the General Assembly; authorizing a carrier to offer a certain policy to certain employees; specifying what a certain policy may exclude providing that a limited benefit group health insurance contract may be issued only by an insurer or nonprofit health service plan to an

employer to provide health coverage only for certain employees; authorizing certain health insurance carriers to condition the sale of certain contracts on an employer taking certain actions; requiring a carrier certain health insurance carriers to make a certain disclosure under certain circumstances; requiring the Maryland Health Care Commission to conduct a certain study and report to certain committees of the General Assembly on or before a certain date; defining certain terms; and generally relating to the authorization of additional health insurance products and discounts.

~~BY adding to~~

~~Article – Health – General
Section 19-706(jjj)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)~~

BY repealing and reenacting, without amendments,

Article – Insurance
Section 14-201 through 14-204
Annotated Code of Maryland
(2006 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article – Insurance
Section ~~14-205, 15-1202, 15-1204, 15-112(b)(1)~~ and 15-1205
Annotated Code of Maryland
(2006 Replacement Volume and 2006 Supplement)

BY adding to

Article – Insurance
Section ~~14-205.1; and 15-1701 through 15-1703 to be under the new subtitle
“Subtitle 17. Health Insurance Coverage for Part-Time, Seasonal, and
Temporary Employees” 14-205.1 and 15-1104~~
Annotated Code of Maryland
(2006 Replacement Volume and 2006 Supplement)

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

~~Article – Health – General~~

~~19-706.~~

~~(JJJ) THE PROVISIONS OF TITLE 15, SUBTITLE 17 OF THE INSURANCE
ARTICLE SHALL APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.~~

Article – Insurance

14–201.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Insured” means a person covered for benefits under a preferred provider insurance policy offered or administered by an insurer.
- (c) “Nonpreferred provider” means a provider that is eligible for payment under a preferred provider insurance policy, but that is not a preferred provider under the applicable provider service contract.
- (d) “Preferential basis” means an arrangement under which the insured or subscriber under a preferred provider insurance policy is entitled to receive health care services from preferred providers at no cost, at a reduced fee, or under more favorable terms than if the insured or subscriber received similar services from a nonpreferred provider.
- (e) “Preferred provider” means a provider that has entered into a provider service contract.
- (f) “Preferred provider insurance policy” means:
 - (1) a policy or insurance contract that is issued or delivered in the State by an insurer, under which health care services are to be provided to the insured by a preferred provider on a preferential basis; or
 - (2) another contract that is offered by an employer, third party administrator, or other entity, under which health care services are to be provided to the subscriber by a preferred provider on a preferential basis.
- (g) “Provider” means a physician, hospital, or other person that is licensed or otherwise authorized to provide health care services.
- (h) “Provider service contract” means a contract between a provider and an insurer, employer, third party administrator, or other entity, under which the provider agrees to provide health care services on a preferential basis under specific preferred provider insurance policies.
- (i) “Subscriber” means a person covered for benefits under a preferred provider insurance policy issued by a person that is not an insurer.

14–202.

(a) (1) This subtitle applies to insurers that issue or deliver individual or group health insurance policies in the State.

(2) The provisions of this subtitle that apply to insurers also apply to nonprofit health service plans that issue or deliver individual or group health insurance policies in the State.

(b) Except as otherwise provided in § 14-206 of this subtitle, this subtitle does not apply to an employee benefit plan to the extent that the plan is governed by the Employee Retirement Income Security Act of 1974 (ERISA).

14-203.

The Commissioner may adopt regulations to enforce this subtitle.

14-204.

Subject to the approval of the Commissioner, an insurer may:

(1) offer or administer a health benefit program under which the insurer offers preferred provider insurance policies that limit, through the use of provider service contracts, the numbers and types of providers of health care services eligible for payment as preferred providers; and

(2) establish terms and conditions that providers must meet to qualify for payment as preferred providers.

~~14-205.~~

~~(a) If a preferred provider insurance policy offered by an insurer provides benefits for a service that is within the lawful scope of practice of a health care provider licensed under the Health Occupations Article, an insured covered by the preferred provider insurance policy is entitled to receive the benefits for that service either through direct payments to the health care provider or through reimbursement to the insured.~~

~~(b) A PREFERRED PROVIDER INSURANCE POLICY OFFERED BY AN INSURER MAY PROVIDE FOR PAYMENT OF SERVICES RENDERED BY:~~

~~(1) PREFERRED PROVIDERS AND NONPREFERRED PROVIDERS;~~

~~OR~~

~~(2) PREFERRED PROVIDERS.~~

~~[(b)] (C) (1) [A] IF A preferred provider insurance policy offered by an insurer under this subtitle [shall provide] PROVIDES for payment of services rendered by nonpreferred providers, THE INSURER SHALL ESTABLISH PAYMENT as provided in this subsection.~~

~~(2) Unless the insurer demonstrates to the satisfaction of the Commissioner that an alternative level of payment is more appropriate, aggregate payments made in a full calendar year to nonpreferred providers, after all deductible and copayment provisions have been applied, on average may not be less than 80% of the aggregate payments made in that full calendar year to preferred providers for similar services, in the same geographic area, under their provider service contracts.~~

~~(D) A PREFERRED PROVIDER INSURANCE POLICY SHALL ALLOW DIRECT ACCESS TO SPECIALISTS.~~

~~[(e)] (E) (1) In this subsection, "unfair discrimination" means an act, method of competition, or practice engaged in by an insurer:~~

~~(i) that is prohibited by Title 27, Subtitle 2 of this article; or~~

~~(ii) that, although not specified in Title 27, Subtitle 2 of this article, the Commissioner believes is unfair or deceptive and that results in the institution of an action by the Commissioner under § 27-104 of this article.~~

~~(2) If the rates for each institutional provider under a preferred provider insurance policy offered by an insurer vary based on individual negotiations, geographic differences, or market conditions and are approved by the Health Services Cost Review Commission, the rates do not constitute unfair discrimination under this article.~~

14-205.1.

(A) THE COMMISSIONER MAY AUTHORIZE AN INSURER OR NONPROFIT HEALTH SERVICE PLAN TO OFFER A PREFERRED PROVIDER INSURANCE POLICY THAT CONDITIONS THE PAYMENT OF BENEFITS ON THE USE OF PREFERRED PROVIDERS IF THE INSURER OR NONPROFIT HEALTH SERVICE PLAN:

(1) HAS DEMONSTRATED TO THE SECRETARY OF HEALTH AND MENTAL HYGIENE THAT THE PROVIDER PANEL OF THE INSURER OR NONPROFIT HEALTH SERVICE PLAN COMPLIES WITH THE REGULATIONS ADOPTED UNDER § 19-705.1(B)(1)(II) OF THE HEALTH – GENERAL ARTICLE; AND

(2) DOES NOT RESTRICT PAYMENT FOR COVERED SERVICES PROVIDED BY NONPREFERRED PROVIDERS:

(I) FOR EMERGENCY SERVICES, AS DEFINED IN § 19-701 OF THE HEALTH – GENERAL ARTICLE;

(II) FOR AN UNFORESEEN ILLNESS, INJURY, OR CONDITION REQUIRING IMMEDIATE CARE; OR

(III) AS REQUIRED UNDER § 15-830 OF THIS ARTICLE.

~~(A)~~ **(B)** (1) IF AN EMPLOYER, ASSOCIATION, OR OTHER PRIVATE GROUP ARRANGEMENT OFFERS HEALTH BENEFIT PLAN COVERAGE TO EMPLOYEES OR INDIVIDUALS ONLY THROUGH PREFERRED PROVIDERS, THEN THE INSURER OR NONPROFIT HEALTH SERVICE PLAN WITH WHICH THE EMPLOYER, ASSOCIATION, OR OTHER PRIVATE GROUP ARRANGEMENT IS CONTRACTING FOR THE COVERAGE SHALL OFFER AN OPTION TO INCLUDE PREFERRED AND NONPREFERRED PROVIDERS AS AN ADDITIONAL BENEFIT FOR AN EMPLOYEE OR INDIVIDUAL, AT THE EMPLOYEE'S OR INDIVIDUAL'S OPTION, TO ACCEPT OR REJECT.

(2) THE INSURER OR NONPROFIT HEALTH SERVICE PLAN SHALL PROVIDE TO EACH EMPLOYER, ASSOCIATION, OR OTHER PRIVATE GROUP ARRANGEMENT A DISCLOSURE STATEMENT ON THE GROUP APPLICATION THAT AN OPTION TO INCLUDE PREFERRED AND NONPREFERRED PROVIDERS IS AVAILABLE FOR THE INDIVIDUAL OR EMPLOYEE TO ACCEPT OR REJECT.

~~(B)~~ **(C)** AN EMPLOYER, ASSOCIATION, OR OTHER PRIVATE GROUP ARRANGEMENT MAY REQUIRE AN EMPLOYEE OR INDIVIDUAL THAT ACCEPTS THE ADDITIONAL COVERAGE FOR PREFERRED AND NONPREFERRED PROVIDERS TO PAY A PREMIUM GREATER THAN THE AMOUNT OF THE PREMIUM FOR THE COVERAGE OFFERED FOR PREFERRED PROVIDERS ONLY.

15-112.

(b) (1) A carrier that uses a provider panel shall:

(i) 1. if the carrier is an insurer, nonprofit health service plan, or dental plan organization, maintain standards in accordance with regulations adopted by the Commissioner for availability of health care providers to meet the health care needs of enrollees; [and]

2. if the carrier is a health maintenance organization, adhere to the standards for accessibility of covered services in accordance with regulations adopted under § 19-705.1(b)(1)(ii) of the Health – General Article; and

3. IF THE CARRIER IS AN INSURER OR NONPROFIT HEALTH SERVICE PLAN THAT OFFERS A PREFERRED PROVIDER INSURANCE POLICY THAT CONDITIONS THE PAYMENT OF BENEFITS ON THE USE OF PREFERRED PROVIDERS, ADHERE TO THE STANDARDS FOR ACCESSIBILITY OF COVERED SERVICES IN ACCORDANCE WITH REGULATIONS ADOPTED UNDER § 19-705.1(B)(1)(II) OF THE HEALTH – GENERAL ARTICLE AND AS ENFORCED BY THE SECRETARY OF HEALTH AND MENTAL HYGIENE; AND

(ii) establish procedures to:

1. review applications for participation on the carrier's provider panel in accordance with this section;

2. notify an enrollee of:

A. the termination from the carrier's provider panel of the primary care provider that was furnishing health care services to the enrollee; and

B. the right of the enrollee, on request, to continue to receive health care services from the enrollee's primary care provider for up to 90 days after the date of the notice of termination of the enrollee's primary care provider from the carrier's provider panel, if the termination was for reasons unrelated to fraud, patient abuse, incompetency, or loss of licensure status;

3. notify primary care providers on the carrier's provider panel of the termination of a specialty referral services provider;

4. verify with each provider on the carrier's provider panel, at the time of credentialing and recredentialing, whether the provider is accepting new patients and update the information on participating providers that the carrier is required to provide under subsection (j) of this section; and

5. notify a provider at least 90 days before the date of the termination of the provider from the carrier's provider panel, if the termination is for reasons unrelated to fraud, patient abuse, incompetency, or loss of licensure status.

15-1104.

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

(2) "EMPLOYER SPONSORED HEALTH BENEFIT PLAN" MEANS ANY PLAN, FUND, OR PROGRAM THAT:

(I) IS ESTABLISHED OR MAINTAINED BY AN EMPLOYER UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974;

(II) OFFERS COVERAGE FOR HEALTH BENEFITS; AND

(III) IS TREATED BY THE EMPLOYER OR ANY ELIGIBLE EMPLOYEE OR DEPENDENT AS PART OF A PLAN, FUND, OR PROGRAM UNDER THE UNITED STATES INTERNAL REVENUE CODE, 26 U.S.C. § 106, § 125, OR § 162.

(3) "GROUP HEALTH INSURANCE" HAS THE MEANING STATED IN § 15-302 OF THIS TITLE.

(4) "LIMITED BENEFIT GROUP HEALTH INSURANCE CONTRACT" MEANS A GROUP HEALTH INSURANCE CONTRACT THAT PROVIDES HEALTH INSURANCE BENEFITS, BUT IS NOT REQUIRED TO PROVIDE ALL THE BENEFITS REQUIRED UNDER SUBTITLES 7 AND 8 OF THIS TITLE.

(5) "SPECIAL ELIGIBLE EMPLOYEE" MEANS AN EMPLOYEE WHO IS:

(I) IS ELIGIBLE FOR HEALTH COVERAGE UNDER THE TERMS OF AN EMPLOYER SPONSORED HEALTH BENEFIT PLAN;

(II) WORKS:

1. ON A TEMPORARY OR SUBSTITUTE BASIS; OR

2. LESS THAN 30 HOURS IN A NORMAL WORKWEEK;

AND

(III) IS NOT ELIGIBLE FOR COVERAGE UNDER ANY GROUP HEALTH INSURANCE CONTRACT, NONPROFIT HEALTH SERVICE PLAN CONTRACT, OR HEALTH MAINTENANCE ORGANIZATION CONTRACT ISSUED TO THE EMPLOYEE'S EMPLOYER BECAUSE THE EMPLOYEE MEETS THE CRITERIA OF ITEM (II) OF THIS PARAGRAPH.

(B) A LIMITED BENEFIT GROUP HEALTH INSURANCE CONTRACT MAY BE ISSUED ONLY BY AN INSURER OR NONPROFIT HEALTH SERVICE PLAN TO AN

EMPLOYER IF THE LIMITED GROUP HEALTH INSURANCE CONTRACT IS ISSUED TO PROVIDE HEALTH COVERAGE ONLY FOR:

(1) SPECIAL ELIGIBLE EMPLOYEES; OR

(2) SPECIAL ELIGIBLE EMPLOYEES AND THEIR DEPENDENTS.

(C) AN INSURER OR NONPROFIT HEALTH SERVICE PLAN THAT SELLS A LIMITED BENEFIT GROUP HEALTH INSURANCE CONTRACT, AS A CONDITION OF SALE, MAY REQUIRE THE EMPLOYER TO:

(1) COLLECT PAYMENT FOR PREMIUMS DUE UNDER THE LIMITED BENEFIT GROUP HEALTH INSURANCE CONTRACT THROUGH PAYROLL DEDUCTION;

(2) CONTRIBUTE TO THE PREMIUM PAYMENTS APPLICABLE TO THE COVERAGE OF A SPECIAL ELIGIBLE EMPLOYEE; AND

(3) OFFER COVERAGE TO ANY DEPENDENT OF A SPECIAL ELIGIBLE EMPLOYEE.

(D) A LIMITED BENEFIT GROUP HEALTH INSURANCE CONTRACT SHALL COMPLY WITH:

~~(1) TITLE 15 OF THIS ARTICLE, EXCEPT SUBTITLES 7 AND 8; AND~~

(1) THIS TITLE, EXCEPT SUBTITLES 7 AND 8 OF THIS TITLE; AND

(2) NOTWITHSTANDING ITEM (1) OF THIS SUBSECTION, §§ 15-802, 15-812, 15-815, 15-830, 15-831, 15-832, AND 15-833 OF THIS ~~ARTICLE~~ TITLE.

(E) AN INSURER OR NONPROFIT HEALTH SERVICE PLAN SHALL DISCLOSE IN THE GROUP CERTIFICATE AND IN ENROLLMENT MATERIAL PROVIDED TO EACH SPECIAL ELIGIBLE EMPLOYEE THAT THE LIMITED BENEFIT GROUP HEALTH INSURANCE CONTRACT DOES NOT PROVIDE COMPREHENSIVE HEALTH COVERAGE.

~~15-1202.~~

~~(a) This subtitle applies only to a health benefit plan that:~~

~~(1) covers eligible employees of small employers in the State; and~~

~~(2) is issued or renewed on or after July 1, 1994, if:~~

~~(i) any part of the premium or benefits is paid by or on behalf of the small employer;~~

~~(ii) any eligible employee or dependent is reimbursed, through wage adjustments or otherwise, by or on behalf of the small employer for any part of the premium;~~

~~(iii) the health benefit plan is treated by the employer or any eligible employee or dependent as part of a plan or program under the United States Internal Revenue Code, 26 U.S.C. § 106, § 125, or § 162; or~~

~~(iv) the small employer allows eligible employees to pay for the health benefit plan through payroll deductions.~~

~~(b) A carrier is subject to the requirements of § 15-1403 of this title in connection with health benefit plans issued under this subtitle.~~

~~(c) (1) THIS SUBTITLE DOES NOT APPLY TO A SMALL EMPLOYER WHOSE ONLY ROLE IN ADMINISTERING A HEALTH BENEFIT PLAN IS COLLECTING, THROUGH PAYROLL DEDUCTION, THE PREMIUMS OF AN INDIVIDUAL HEALTH BENEFIT PLAN OF AN EMPLOYEE, IF THE SMALL EMPLOYER HAS NOT OFFERED OR PROVIDED A HEALTH BENEFIT PLAN UNDER THIS SUBTITLE TO ITS EMPLOYEES DURING THE 6-MONTH PERIOD PRECEDING THE DATE OF THE PAYROLL DEDUCTION.~~

~~(2) A SMALL EMPLOYER WHO COLLECTS PREMIUMS THROUGH PAYROLL DEDUCTION AS PROVIDED IN THIS SUBSECTION SHALL PROVIDE A CERTIFICATION TO A CARRIER PROVIDING AN INDIVIDUAL HEALTH BENEFIT PLAN TO AN EMPLOYEE OF THE SMALL EMPLOYER THAT THE SMALL EMPLOYER AND THE EMPLOYEE MEET THE REQUIREMENTS OF THIS SUBSECTION.~~

~~15-1204.~~

~~(a) In addition to any other requirement under this article, a carrier shall:~~

~~(1) have demonstrated the capacity to administer the health benefit plan, including adequate numbers and types of administrative personnel;~~

~~(2) have a satisfactory grievance procedure and ability to respond to enrollees' calls, questions, and complaints;~~

~~(3) provide, in the case of individuals covered under more than one health benefit plan, for coordination of coverage under all of those health benefit plans in an equitable manner; and~~

~~(4) design policies to help ensure adequate access to providers of health care.~~

~~(b) A person may not offer a health benefit plan in the State unless the person offers at least the Standard Plan.~~

~~(c) Except for the Limited Benefit Plan, a carrier may not offer a health benefit plan that has fewer benefits than those in the Standard Plan.~~

~~(d) A carrier may offer benefits in addition to those in the Standard Plan if:~~

~~(1) the additional benefits:~~

~~(i) are offered and priced separately from benefits specified in accordance with § 15-1207 of this subtitle; and~~

~~(ii) do not have the effect of duplicating any of those benefits; and~~

~~(2) the carrier:~~

~~(i) clearly distinguishes the Standard Plan from other offerings of the carrier;~~

~~(ii) indicates the Standard Plan is the only plan required by State law; and~~

~~(iii) specifies that all enhancements to the Standard Plan are not required by State law.~~

~~(e) Notwithstanding subsection (b) of this section, a health maintenance organization may provide a point of service delivery system as an additional benefit through another carrier regardless of whether the other carrier also offers the Standard Plan.~~

~~(f) A carrier may offer coverage for dental care and services as an additional benefit.~~

~~(G) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, A CARRIER MAY OFFER A HEALTH BENEFIT PLAN PREFERRED PROVIDER OPTION~~

~~WITH IN-NETWORK AND OUT-OF-NETWORK DEDUCTIBLES OR OUT-OF-POCKET MAXIMUMS THAT DIFFER FROM THE STANDARD PLAN IF:~~

~~(1) THE ARITHMETIC TOTAL OF THE IN-NETWORK PLUS OUT-OF-NETWORK DEDUCTIBLE OR OUT-OF-POCKET MAXIMUMS IS GREATER THAN THE COMBINED IN-NETWORK AND OUT-OF-NETWORK DEDUCTIBLE OR OUT-OF-POCKET MAXIMUMS OF THE STANDARD PLAN; AND~~

~~(2) THE VALUE OF THE HEALTH BENEFIT PLAN EXCEEDS THE VALUE OF THE STANDARD PLAN.~~

15-1205.

(a) (1) In establishing a community rate for a health benefit plan, a carrier shall use a rating methodology that is based on the experience of all risks covered by that health benefit plan without regard to health status or occupation or any other factor not specifically authorized under this subsection.

(2) A carrier may adjust the community rate only for:

(i) age; and

(ii) geography based on the following contiguous areas of the

State:

1. the Baltimore metropolitan area;

2. the District of Columbia metropolitan area;

3. Western Maryland; and

4. Eastern and Southern Maryland.

(3) Rates for a health benefit plan may vary based on family composition as approved by the Commissioner.

(b) A carrier shall apply all risk adjustment factors under subsection (a) of this section consistently with respect to all health benefit plans that are issued, delivered, or renewed in the State.

(c) Based on the adjustments allowed under subsection (a)(2) of this section, a carrier may charge a rate that is 40% above or below the community rate.

(d) (1) A carrier shall base its rating methods and practices on commonly accepted actuarial assumptions and sound actuarial principles.

(2) A carrier that is a health maintenance organization and that includes a subrogation provision in its contract as authorized under § 19-713.1(d) of the Health – General Article shall:

(i) use in its rating methodology an adjustment that reflects the subrogation; and

(ii) identify in its rate filing with the Administration, and annually in a form approved by the Commissioner, all amounts recovered through subrogation.

(E) (1) A CARRIER MAY OFFER AN ADMINISTRATIVE DISCOUNT TO A SMALL EMPLOYER IF THE SMALL EMPLOYER ELECTS TO PURCHASE ~~ADDITIONAL EMPLOYEE BENEFITS THROUGH, FOR ITS EMPLOYEES, AN ANNUITY, DENTAL INSURANCE, DISABILITY INSURANCE, LIFE INSURANCE, LONG TERM CARE INSURANCE, VISION INSURANCE, OR, WITH THE APPROVAL OF THE COMMISSIONER, ANY OTHER INSURANCE SOLD BY THE CARRIER.~~

(2) THE ADMINISTRATIVE DISCOUNT SHALL BE OFFERED UNDER THE SAME TERMS AND CONDITIONS FOR ALL QUALIFYING SMALL EMPLOYERS.

~~SUBTITLE 17. HEALTH INSURANCE COVERAGE FOR PART-TIME, SEASONAL, AND TEMPORARY EMPLOYEES.~~

~~15-1701.~~

~~(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.~~

~~(B) “CARRIER” MEANS:~~

~~(1) AN AUTHORIZED INSURER THAT PROVIDES HEALTH INSURANCE IN THE STATE;~~

~~(2) A NONPROFIT HEALTH SERVICE PLAN THAT IS LICENSED TO OPERATE IN THE STATE; OR~~

~~(3) A HEALTH MAINTENANCE ORGANIZATION THAT IS LICENSED TO OPERATE IN THE STATE.~~

~~(C) “ELIGIBLE EMPLOYEE” MEANS ANY EMPLOYEE, INCLUDING BUT NOT LIMITED TO PART-TIME, TEMPORARY, AND SEASONAL EMPLOYEES, WHO DOES NOT QUALIFY FOR GROUP HEALTH INSURANCE.~~

~~(D) "GROUP HEALTH INSURANCE" HAS THE MEANING SPECIFIED IN § 15-301 OF THIS ARTICLE.~~

~~15-1702.~~

~~IN ADOPTING THIS SUBTITLE, THE GENERAL ASSEMBLY INTENDS TO:~~

~~(1) ENCOURAGE CARRIERS TO DEVELOP AFFORDABLE HEALTH INSURANCE PRODUCTS FOR EMPLOYEES WHO DO NOT QUALIFY FOR GROUP HEALTH INSURANCE; AND~~

~~(2) GIVE EMPLOYEES WHO DO NOT QUALIFY FOR GROUP HEALTH INSURANCE ADDITIONAL OPTIONS FOR HEALTH INSURANCE.~~

~~15-1703.~~

~~(A) A CARRIER MAY OFFER A POLICY TO ELIGIBLE EMPLOYEES THAT INCLUDES, AT A MINIMUM, PHYSICIAN, HOSPITALIZATION, LABORATORY, X RAY, AND PRESCRIPTION DRUG COVERAGE.~~

~~(B) THE POLICY THAT A CARRIER OFFERS TO AN EMPLOYEE MAY EXCLUDE:~~

~~(1) A HEALTH CARE SERVICE, BENEFIT, COVERAGE, OR REIMBURSEMENT FOR COVERED HEALTH CARE SERVICES THAT IS REQUIRED UNDER THIS ARTICLE OR THE HEALTH GENERAL ARTICLE TO BE PROVIDED OR OFFERED IN A POLICY THAT IS ISSUED OR DELIVERED IN THE STATE BY A CARRIER; OR~~

~~(2) REIMBURSEMENT REQUIRED BY STATUTE FOR A SERVICE, WHEN THAT SERVICE IS PERFORMED BY A HEALTH CARE PROVIDER THAT IS LICENSED UNDER THE HEALTH OCCUPATIONS ARTICLE AND WHOSE SCOPE OF PRACTICE INCLUDES THAT SERVICE, IN A POLICY THAT IS ISSUED OR DELIVERED IN THE STATE BY A CARRIER.~~

~~(C) A CARRIER SHALL DISCLOSE IN ITS POLICY DOCUMENTS TO THE ELIGIBLE EMPLOYEE THAT THE POLICY DOES NOT PROVIDE COMPREHENSIVE HEALTH COVERAGE.~~

SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Health Care Commission shall:

(1) conduct a study of the comprehensive standard health benefit plan for the small group health insurance market; and

(2) on or before December 1, 2007, report to the Senate Finance Committee and the House Health and Government Operations Committee, in accordance with § 2-1246 of the State Government Article, on options available, including modifying the comprehensive standard health benefit plan to specify a separate in-network deductible, out-of-network deductible, in-network out-of-pocket maximum, and out-of-network out-of-pocket maximum, to reform the comprehensive standard health benefit plan in a manner that will encourage more employers to enter the small group market.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 432 - *Baltimore County - Arbutus Community Center Loan of 2000*.

This bill extends the deadline by which the County Executive and County Council of Baltimore County must present evidence to the Board of Public Works that a matching fund will be provided.

House Bill 429, 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 432.

Sincerely,

Martin O'Malley
Governor

Senate Bill 432

AN ACT concerning

Baltimore County – Arbutus Community Center Loan of 2000

FOR the purpose of extending the deadline by which the County Executive and County Council of Baltimore County must present evidence to the Board of Public Works that a matching fund will be provided.

BY repealing and reenacting, without amendments,

Chapter 317 of the Acts of the General Assembly of 2000, as amended by Chapter 168 of the Acts of the General Assembly of 2002 and Chapter 149 of the Acts of the General Assembly of 2004
Section 1(1)

BY repealing and reenacting, with amendments,

Chapter 317 of the Acts of the General Assembly of 2000, as amended by Chapter 168 of the Acts of the General Assembly of 2002 and Chapter 149 of the Acts of the General Assembly of 2004
Section 1(5)

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

Chapter 317 of the Acts of 2000, as amended by Chapter 168 of the Acts of 2002 and Chapter 149 of the Acts of 2004

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

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Baltimore County – Arbutus Community Facility Loan of 2000 in a total principal amount equal to the lesser of (i) \$250,000 or (ii) the amount of the matching fund provided in accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State general obligation bonds authorized by a resolution of the Board of Public Works and issued, sold, and delivered in accordance with §§ 8–117 through 8–124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

(5) Prior to the payment of any funds under the provisions of this Act for purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching fund. No part of the grantee's matching fund may be provided, either directly or indirectly, from funds of the State, whether appropriated or unappropriated. No part of the fund may consist of real property, in kind contributions, or funds expended prior to the effective date of this Act. In case of any

dispute as to the amount of the matching fund or what money or assets may qualify as matching funds, the Board of Public Works shall determine the matter and the Board's final decision is final. The grantee has until June 1, [2006] **2009**, to present evidence satisfactory to the Board of Works that a matching fund will be provided. If satisfactory evidence is presented, the Board shall certify this fact and the amount of the matching fund to the State Treasurer, and the proceeds of the loan equal to the amount of the matching fund shall be expended for the purposes provided in this Act. Any amount of the loan in excess of the amount of the matching fund certified by the Board of Public Works shall be canceled and be of no further effect.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 441 - *Tri-County Council for the Lower Eastern Shore of Maryland - Membership*.

This bill alters the membership of the Tri-County Council for the Lower Eastern Shore of Maryland.

House Bill 303, 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 441.

Sincerely,

Martin O'Malley
Governor

Senate Bill 441

AN ACT concerning

Tri-County Council for the Lower Eastern Shore of Maryland – Membership
~~**–Immunity**~~

FOR the purpose of altering the membership of the Tri-County Council for the Lower Eastern Shore of Maryland; and ~~providing that~~ generally relating to the membership of the Tri-County Council for the Lower Eastern Shore of Maryland ~~is immune from being sued.~~

BY repealing and reenacting, with amendments,
Article 20B – Tri-County Council for the Lower Eastern Shore of Maryland
Section 2-101
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,
Article 20B – Tri-County Council for the Lower Eastern Shore of Maryland
Section 2-102
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

~~BY adding to~~
~~Article – Courts and Judicial Proceedings~~
~~Section 5-506.1~~
~~Annotated Code of Maryland~~
~~(2006 Replacement Volume)~~

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

Article 20B – Tri-County Council for the Lower Eastern Shore of Maryland

2-101.

- (a) The membership of the Council consists of:
 - (1) Five county commissioners of Somerset County as voting members;
 - (2) Five county commissioners of Worcester County as voting members;
 - (3) **[Five] THE COUNTY EXECUTIVE AND FOUR** county council members of Wicomico County as voting members;
 - (4) (i) Three municipal elected officials, one from each county, appointed by their respective municipal corporations as voting members; or

(ii) If the municipal corporations located within a county are unable to choose a municipal elected official within a reasonable period of time, the Eastern Shore Municipal Association shall appoint an elected municipal official to represent the municipal corporations of that county;

(5) Members of the General Assembly representing the region who have a majority of their legislative district in the region as voting ex officio members;

(6) Other members of the General Assembly representing the region but who do not have a majority of their legislative district in the region as nonvoting ex officio members; and

(7) The other commissioners as ex officio nonvoting members.

(b) (1) A voting commissioner listed under subsection (a)(1) through (3) of this section may designate another commissioner or county administrator representing the same county to vote by proxy on behalf of the voting commissioner when the voting commissioner is absent from a meeting.

(2) A voting commissioner listed under subsection (a)(1) through (3) of this section shall inform the [council] **COUNCIL** director in advance of which other [council] **COUNCIL** member the voting commissioner designates to cast a proxy vote on behalf of the voting commissioner.

(c) The bylaws of the Council may provide for additional private citizen membership on the Council.

2-102.

(a) A member who holds membership by virtue of the member's elected position holds office only during the member's term of office.

(b) Membership on the Council does not constitute holding an office of profit.

~~Article Courts and Judicial Proceedings~~

~~5-506.1~~

~~THE TRI-COUNTY COUNCIL FOR THE LOWER EASTERN SHORE OF MARYLAND IS IMMUNE FROM BEING SUED.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 452 - *Dorchester County - Alcoholic Beverages - Class D License*.

This bill authorizes the Board of License Commissioners of Dorchester County to issue a Class D (on-sale) beer, wine and liquor license and specifies a fee for such a license. The bill also specifies that the license be for a specified period and requires that alcoholic beverages sold under the license be consumed only on the licensed premises.

House Bill 62, 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 452.

Sincerely,

Martin O'Malley
Governor

Senate Bill 452

AN ACT concerning

Dorchester County – Alcoholic Beverages – Class D License

FOR the purpose of authorizing the Board of License Commissioners of Dorchester County to issue a Class D (on-sale) beer, wine and liquor license; specifying a license fee; specifying that the license is for a certain period; requiring that alcoholic beverages sold under the license be consumed only on the licensed premises; prohibiting an individual under a certain age from being on the licensed premises; providing that only the Board may decide the number of Class D licenses to be issued; requiring the Board to determine whether the premises for which a Class D license is issued meets certain requirements; requiring the Board to adopt certain regulations; and generally relating to alcoholic beverages licenses in Dorchester County.

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages
Section 6–401(k)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,
Article 2B – Alcoholic Beverages
Section 9–210
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

6–401.

(k) **(1)** This [section does not apply] **SUBSECTION APPLIES ONLY** in Dorchester County.

(2) THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A CLASS D (ON–SALE) BEER, WINE AND LIQUOR LICENSE.

(3) THE ANNUAL LICENSE FEE IS \$1,500.

(4) A LICENSE ISSUED UNDER THIS SUBSECTION IS A ~~7–DAY~~ 7–DAY LICENSE.

(5) ALCOHOLIC BEVERAGES SOLD UNDER THIS SUBSECTION MAY BE CONSUMED ONLY ON THE LICENSED PREMISES.

(6) AN INDIVIDUAL WHO IS UNDER THE AGE OF 21 YEARS MAY NOT BE ON THE LICENSED PREMISES.

(7) IN ACCORDANCE WITH § 9–201 OF THIS ARTICLE, ONLY THE BOARD OF LICENSE COMMISSIONERS MAY DECIDE THE NUMBER OF CLASS D LICENSES TO BE ISSUED.

(8) THE BOARD OF LICENSE COMMISSIONERS SHALL:

(i) DETERMINE WHETHER THE PREMISES FOR WHICH A CLASS D LICENSE IS ISSUED MEETS THE REQUIREMENTS OF § 9–210 OF THIS ARTICLE; AND

(II) ADOPT REGULATIONS TO CARRY OUT THIS SUBSECTION.

9-210.

(a) Except as provided in subsection (b) of this section, in Dorchester County, a new license may not be granted to sell any alcoholic beverage on any premises located within 300 feet of a church or public school.

(b) Subsection (a) of this section does not apply to the granting of a license for a premises located within the restricted distance if a license to sell alcoholic beverages on the premises existed as of October 1, 1996.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 453 - *Dorchester County - Alcoholic Beverages - Issuance of Additional Class A Beer Licenses*.

This bill repeals in Dorchester County specified limitations on the types of specified alcoholic beverages licenses that entitle premises to be issued additional Class A beer licenses. The bill also authorizes the Board of License Commissioners of Dorchester County to limit the number of additional Class A beer licenses that it issues.

House Bill 65, 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 453.

Sincerely,

Martin O'Malley
Governor

Senate Bill 453

AN ACT concerning

Dorchester County – Alcoholic Beverages – Issuance of Additional Class A Beer Licenses

FOR the purpose of ~~adding~~ repealing in Dorchester County ~~a certain type of~~ certain limitations on the types of certain alcoholic beverages ~~license to the types of~~ licenses that entitle premises to be issued additional Class A beer licenses; authorizing the Board of License Commissioners of Dorchester County to limit the number of additional Class A beer licenses that it issues; and generally relating to alcoholic beverages licenses in Dorchester County.

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 9–102(b–6)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

9–102.

(b–6) **(1)** Notwithstanding any other provision of this section, in Dorchester County an additional Class A beer license may be issued for any premises licensed under a Class B [beer license], ~~CLASS C,~~ or Class D [beer license or beer, wine and liquor] license.

(2) THE BOARD OF LICENSE COMMISSIONERS OF DORCHESTER COUNTY MAY LIMIT THE NUMBER OF ADDITIONAL CLASS A BEER LICENSES THAT IT ISSUES.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 455 - *Maryland Consolidated Capital Bond Loan of 2005 - Talbot County - Frederick Douglass Memorial*.

This bill amends the Maryland Consolidated Capital Bond Loan of 2005 to extend the deadline by which the Frederick Douglass Memorial Action Coalition may present evidence to the Board of Public Works that a matching fund will be provided and alters the matching fund requirement.

House Bill 105, 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 455.

Sincerely,

Martin O'Malley
Governor

Senate Bill 455

AN ACT concerning

**Maryland Consolidated Capital Bond Loan of 2005 – Talbot County –
Frederick Douglass Memorial**

FOR the purpose of amending the Maryland Consolidated Capital Bond Loan of 2005 to extend the deadline by which the Frederick Douglass Memorial Action Coalition may present evidence to the Board of Public Works that a matching fund will be provided; and altering the matching fund requirement.

BY repealing and reenacting, with amendments,
Chapter 445 of the Acts of the General Assembly of 2005
Section 1(3) Item ZA01 (BN)

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

Chapter 445 of the Acts of 2005

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

(3) ZA01 LOCAL HOUSE OF DELEGATES INITIATIVES

(BN) Frederick Douglass Memorial. Provide a grant equal to the lesser of (i) \$100,000 or (ii) the amount of the matching fund provided, to the Frederick Douglass Memorial Action Coalition for the design and construction of a monument to the life and legacy of Frederick Douglass, to be located in Easton. **NOTWITHSTANDING SECTION 1(5) OF THIS ACT, THE MATCHING FUND MAY INCLUDE REAL PROPERTY, IN KIND CONTRIBUTIONS, OR FUNDS EXPENDED PRIOR TO THE EFFECTIVE DATE OF THIS ACT AND THE GRANTEE HAS UNTIL JUNE 1, 2009, TO PRESENT EVIDENCE THAT A MATCHING FUND WILL BE PROVIDED** (Talbot County)..... 100,000

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 458 - *Wicomico County - Alcoholic Beverages - Minimum Seating Capacity for Licensed Restaurants*.

This bill lowers the minimum seating capacity requirement from 75 to 40 persons for restaurants in Wicomico County for which a Class B beer, wine and liquor license is issued.

House Bill 80, 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 458.

Sincerely,

Martin O'Malley
Governor

Senate Bill 458

AN ACT concerning

**Wicomico County – Alcoholic Beverages – Minimum Seating Capacity for
Licensed Restaurants**

FOR the purpose of lowering the minimum seating capacity requirement for restaurants in Wicomico County for which a Class B beer, wine and liquor license is issued; and generally relating to alcoholic beverages licenses in Wicomico County.

BY repealing and reenacting, without amendments,
Article 2B – Alcoholic Beverages
Section 6–201(a)(1) and (x)(1)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 6–201(x)(2)(iv)1.C.
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

6-201.

(a) (1) A Class B beer, wine and liquor license shall be issued by the license issuing authority of the county in which the place of business is located, and the license authorizes its holder to keep for sale and sell all alcoholic beverages at retail at any hotel or restaurant at the place described, for consumption on the premises or elsewhere, or as provided in this section.

(x) (1) This subsection applies only in Wicomico County.

(2) (iv) 1. This license may be issued only to a restaurant that:

C. Has a regular seating capacity at tables (not including seats at bars or counters) for [75] **40** or more persons seated comfortably and adequately and shall meet the minimum requirements of the fire code applicable to the jurisdiction where the restaurant is located; and

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 459 - *Alcoholic Beverages - Places of Public Entertainment and Unlicensed Establishments*.

This bill prohibits unlicensed establishments in Caroline County, Dorchester County, Kent County, Queen Anne's County, Somerset County, Talbot County, Wicomico County, or Worcester County from serving alcohol or allowing alcohol to be consumed on the premises.

House Bill 68, 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 459.

Sincerely,

Martin O'Malley
Governor

Senate Bill 459

AN ACT concerning

Alcoholic Beverages – Places of Public Entertainment and Unlicensed Establishments

FOR the purpose of prohibiting a person in Caroline County, Dorchester County, Kent County, Queen Anne's County, Somerset County, Talbot County, Wicomico County, or Worcester County from serving or dispensing certain items or serving, dispensing, keeping, or allowing to be consumed alcoholic beverages or other component parts of mixed alcoholic drinks in certain places of public entertainment; prohibiting a person who operates a certain business establishment for profit in certain counties from knowingly allowing customers to bring alcoholic beverages for consumption into the establishment; defining certain terms; establishing certain penalties; and generally relating to alcoholic beverages in places of public entertainment and unlicensed establishments in Caroline County, Dorchester County, Kent County, Queen Anne's County, Somerset County, Talbot County, Wicomico County, and Worcester County.

BY adding to

Article 2B – Alcoholic Beverages

Section 20–103.1, 20–107.1, 20–108.2, 20–110, 20–111, 20–112, and 20–113

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages

Section 20–105.1

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

20-103.1.

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

(2) “PLACE OF PUBLIC ENTERTAINMENT” MEANS A BUSINESS ESTABLISHMENT THAT DOES NOT HOLD A LICENSE UNDER THIS ARTICLE AND THAT ALLOWS ON ITS PREMISES ANY FORM OF ATTIRE OR SEXUAL DISPLAY LISTED UNDER § 10-405(C) THROUGH (F) OF THIS ARTICLE.

(3) “SETUPS” INCLUDES DRINKING CONTAINERS AND ICE.

(B) THIS SECTION APPLIES ONLY IN CAROLINE COUNTY.

(C) (1) A PERSON MAY NOT SERVE OR DISPENSE SETUPS OR SERVE, DISPENSE, KEEP, OR ALLOW TO BE CONSUMED ANY ALCOHOLIC BEVERAGES OR OTHER COMPONENT PARTS OF MIXED ALCOHOLIC DRINKS IN A PLACE OF PUBLIC ENTERTAINMENT.

(2) A PERSON WHO OPERATES A BUSINESS ESTABLISHMENT FOR PROFIT THAT IS NOT LICENSED UNDER THIS ARTICLE MAY NOT KNOWINGLY ALLOW CUSTOMERS TO BRING ALCOHOLIC BEVERAGES FOR CONSUMPTION INTO THE ESTABLISHMENT.

(D) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 2 YEARS OR A FINE NOT EXCEEDING \$10,000 OR BOTH.

20-105.1.

(a) (1) In this [section,] SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) [“bottle] “BOTTLE club” means a club, room, or premises:

[(1)] (I) That serves, sells, gives, or dispenses alcoholic beverages to its members or guests;

[(2)] (II) That keeps for its members or guests any alcoholic beverages;

[(3)] (III) That allows to be consumed by its members or guests on its premises any alcoholic beverages that have been reserved or purchased by the members or guests;

[(4)] (IV) At which patrons are served, given, or allowed to consume alcoholic beverages after legal closing hours from the supplies that the patrons have previously purchased or reserved; or

[(5)] (V) That sells, dispenses, or serves to, keeps for, or allows to be consumed any setups or other component parts of mixed alcoholic drinks by its members or guests.

(3) “PLACE OF PUBLIC ENTERTAINMENT” MEANS A BUSINESS ESTABLISHMENT THAT DOES NOT HOLD A LICENSE UNDER THIS ARTICLE AND THAT ALLOWS ON ITS PREMISES ANY FORM OF ATTIRE OR SEXUAL DISPLAY LISTED UNDER § 10-405(C) THROUGH (F) OF THIS ARTICLE.

(4) “SETUPS” INCLUDES DRINKING CONTAINERS AND ICE.

(b) This section applies only in Dorchester County.

(c) A bottle club may not evade the alcoholic beverage license laws, including those laws relating to hours of operation and the sale, giving, serving, dispensing, keeping, and allowing to be consumed on the premises of the club or on premises under its control or in its possession any alcoholic beverage, setups, or other component parts of mixed alcoholic drinks.

(d) **(1)** A person who operates a business establishment for profit that is not licensed under this article may not knowingly allow customers to bring alcoholic beverages for consumption into an unlicensed building.

(2) A PERSON MAY NOT SERVE OR DISPENSE SETUPS OR SERVE, DISPENSE, KEEP, OR ALLOW TO BE CONSUMED ANY ALCOHOLIC BEVERAGES OR OTHER COMPONENT PARTS OF MIXED ALCOHOLIC DRINKS IN A PLACE OF PUBLIC ENTERTAINMENT.

(e) On the filing of an application for a waiver of this section, the Board of License Commissioners may grant the waiver.

(f) The Board of License Commissioners shall adopt regulations to implement this section.

(g) A person who violates this section is guilty of a misdemeanor and on conviction is subject to **IMPRISONMENT NOT EXCEEDING 2 YEARS OR** a fine not exceeding \$10,000 **OR BOTH**.

20-107.1.

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

(2) “PLACE OF PUBLIC ENTERTAINMENT” MEANS A BUSINESS ESTABLISHMENT THAT DOES NOT HOLD A LICENSE UNDER THIS ARTICLE AND THAT ALLOWS ON ITS PREMISES ANY FORM OF ATTIRE OR SEXUAL DISPLAY LISTED UNDER § 10-405(C) THROUGH (F) OF THIS ARTICLE.

(3) “SETUPS” INCLUDES DRINKING CONTAINERS AND ICE.

(B) THIS SECTION APPLIES ONLY IN KENT COUNTY.

(C) (1) A PERSON MAY NOT SERVE OR DISPENSE SETUPS OR SERVE, DISPENSE, KEEP, OR ALLOW TO BE CONSUMED ANY ALCOHOLIC BEVERAGES OR OTHER COMPONENT PARTS OF MIXED ALCOHOLIC DRINKS IN A PLACE OF PUBLIC ENTERTAINMENT.

(2) A PERSON WHO OPERATES A BUSINESS ESTABLISHMENT FOR PROFIT THAT IS NOT LICENSED UNDER THIS ARTICLE MAY NOT KNOWINGLY ALLOW CUSTOMERS TO BRING ALCOHOLIC BEVERAGES FOR CONSUMPTION INTO THE ESTABLISHMENT.

(D) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 2 YEARS OR A FINE NOT EXCEEDING **\$10,000 OR BOTH**.

20-108.2.

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

(2) “PLACE OF PUBLIC ENTERTAINMENT” MEANS A BUSINESS ESTABLISHMENT THAT DOES NOT HOLD A LICENSE UNDER THIS ARTICLE AND

THAT ALLOWS ON ITS PREMISES ANY FORM OF ATTIRE OR SEXUAL DISPLAY LISTED UNDER § 10-405(C) THROUGH (F) OF THIS ARTICLE.

(3) "SETUPS" INCLUDES DRINKING CONTAINERS AND ICE.

(B) THIS SECTION APPLIES ONLY IN QUEEN ANNE'S COUNTY.

(C) (1) A PERSON MAY NOT SERVE OR DISPENSE SETUPS OR SERVE, DISPENSE, KEEP, OR ALLOW TO BE CONSUMED ANY ALCOHOLIC BEVERAGES OR OTHER COMPONENT PARTS OF MIXED ALCOHOLIC DRINKS IN A PLACE OF PUBLIC ENTERTAINMENT.

(2) A PERSON WHO OPERATES A BUSINESS ESTABLISHMENT FOR PROFIT THAT IS NOT LICENSED UNDER THIS ARTICLE MAY NOT KNOWINGLY ALLOW CUSTOMERS TO BRING ALCOHOLIC BEVERAGES FOR CONSUMPTION INTO THE ESTABLISHMENT.

(D) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 2 YEARS OR A FINE NOT EXCEEDING \$10,000 OR BOTH.

20-110.

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

(2) "PLACE OF PUBLIC ENTERTAINMENT" MEANS A BUSINESS ESTABLISHMENT THAT DOES NOT HOLD A LICENSE UNDER THIS ARTICLE AND THAT ALLOWS ON ITS PREMISES ANY FORM OF ATTIRE OR SEXUAL DISPLAY LISTED UNDER § 10-405(C) THROUGH (F) OF THIS ARTICLE.

(3) "SETUPS" INCLUDES DRINKING CONTAINERS AND ICE.

(B) THIS SECTION APPLIES ONLY IN SOMERSET COUNTY.

(C) (1) A PERSON MAY NOT SERVE OR DISPENSE SETUPS OR SERVE, DISPENSE, KEEP, OR ALLOW TO BE CONSUMED ANY ALCOHOLIC BEVERAGES OR OTHER COMPONENT PARTS OF MIXED ALCOHOLIC DRINKS IN A PLACE OF PUBLIC ENTERTAINMENT.

(2) A PERSON WHO OPERATES A BUSINESS ESTABLISHMENT FOR PROFIT THAT IS NOT LICENSED UNDER THIS ARTICLE MAY NOT KNOWINGLY ALLOW CUSTOMERS TO BRING ALCOHOLIC BEVERAGES FOR CONSUMPTION INTO THE ESTABLISHMENT.

(D) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 2 YEARS OR A FINE NOT EXCEEDING \$10,000 OR BOTH.

20-111.

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

(2) "PLACE OF PUBLIC ENTERTAINMENT" MEANS A BUSINESS ESTABLISHMENT THAT DOES NOT HOLD A LICENSE UNDER THIS ARTICLE AND THAT ALLOWS ON ITS PREMISES ANY FORM OF ATTIRE OR SEXUAL DISPLAY LISTED UNDER § 10-405(C) THROUGH (F) OF THIS ARTICLE.

(3) "SETUPS" INCLUDES DRINKING CONTAINERS AND ICE.

(B) THIS SECTION APPLIES ONLY IN TALBOT COUNTY.

(C) (1) A PERSON MAY NOT SERVE OR DISPENSE SETUPS OR SERVE, DISPENSE, KEEP, OR ALLOW TO BE CONSUMED ANY ALCOHOLIC BEVERAGES OR OTHER COMPONENT PARTS OF MIXED ALCOHOLIC DRINKS IN A PLACE OF PUBLIC ENTERTAINMENT.

(2) A PERSON WHO OPERATES A BUSINESS ESTABLISHMENT FOR PROFIT THAT IS NOT LICENSED UNDER THIS ARTICLE MAY NOT KNOWINGLY ALLOW CUSTOMERS TO BRING ALCOHOLIC BEVERAGES FOR CONSUMPTION INTO THE ESTABLISHMENT.

(D) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 2 YEARS OR A FINE NOT EXCEEDING \$10,000 OR BOTH.

20-112.

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

(2) "PLACE OF PUBLIC ENTERTAINMENT" MEANS A BUSINESS ESTABLISHMENT THAT DOES NOT HOLD A LICENSE UNDER THIS ARTICLE AND THAT ALLOWS ON ITS PREMISES ANY FORM OF ATTIRE OR SEXUAL DISPLAY LISTED UNDER § 10-405(C) THROUGH (F) OF THIS ARTICLE.

(3) "SETUPS" INCLUDES DRINKING CONTAINERS AND ICE.

(B) THIS SECTION APPLIES ONLY IN WICOMICO COUNTY.

(C) (1) A PERSON MAY NOT SERVE OR DISPENSE SETUPS OR SERVE, DISPENSE, KEEP, OR ALLOW TO BE CONSUMED ANY ALCOHOLIC BEVERAGES OR OTHER COMPONENT PARTS OF MIXED ALCOHOLIC DRINKS IN A PLACE OF PUBLIC ENTERTAINMENT.

(2) A PERSON WHO OPERATES A BUSINESS ESTABLISHMENT FOR PROFIT THAT IS NOT LICENSED UNDER THIS ARTICLE MAY NOT KNOWINGLY ALLOW CUSTOMERS TO BRING ALCOHOLIC BEVERAGES FOR CONSUMPTION INTO THE ESTABLISHMENT.

(D) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 2 YEARS OR A FINE NOT EXCEEDING \$10,000 OR BOTH.

20-113.

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

(2) "PLACE OF PUBLIC ENTERTAINMENT" MEANS A BUSINESS ESTABLISHMENT THAT DOES NOT HOLD A LICENSE UNDER THIS ARTICLE AND THAT ALLOWS ON ITS PREMISES ANY FORM OF ATTIRE OR SEXUAL DISPLAY LISTED UNDER § 10-405(C) THROUGH (F) OF THIS ARTICLE.

(3) "SETUPS" INCLUDES DRINKING CONTAINERS AND ICE.

(B) THIS SECTION APPLIES ONLY IN WORCESTER COUNTY.

(C) (1) A PERSON MAY NOT SERVE OR DISPENSE SETUPS OR SERVE, DISPENSE, KEEP, OR ALLOW TO BE CONSUMED ANY ALCOHOLIC BEVERAGES OR OTHER COMPONENT PARTS OF MIXED ALCOHOLIC DRINKS IN A PLACE OF PUBLIC ENTERTAINMENT.

(2) A PERSON WHO OPERATES A BUSINESS ESTABLISHMENT FOR PROFIT THAT IS NOT LICENSED UNDER THIS ARTICLE MAY NOT KNOWINGLY ALLOW CUSTOMERS TO BRING ALCOHOLIC BEVERAGES FOR CONSUMPTION INTO THE ESTABLISHMENT.

(D) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 2 YEARS OR A FINE NOT EXCEEDING \$10,000 OR BOTH.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 463 - *Maryland Transit Administration - Public Hearings*.

This bill requires the Maryland Transit Administration to hold a public hearing before changing an established bus or rail route alignment, or before establishing or abandoning a rail transit station. The bill also limits the time period during which the Administration may implement a specified change in route alignment and establishes notice requirements.

House Bill 868, 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 463.

Sincerely,

Martin O'Malley
Governor

Senate Bill 463

AN ACT concerning

Maryland Transit Administration – Public Hearings

FOR the purpose of requiring, except under certain circumstances, the Maryland Transit Administration to hold a public hearing before changing a certain bus or rail route alignment ~~or bus stop location~~; requiring the Administration to hold a public hearing before establishing or abandoning a rail transit station; limiting the time period during which the Administration may implement a ~~policy~~ certain change ~~on certain matters~~; establishing notice requirements that must be met for a public hearing on ~~certain matters~~ a certain change before the Administration may implement ~~policy changes on those matters~~ the change; requiring a public hearing to be at a certain location and time; requiring the Administration to accept written comments during a certain time period after a public hearing; authorizing the Administration to alter a bus route alignment in a certain manner without holding a public hearing; requiring the People's Counsel ~~to the Public Service Commission~~ to appear at certain hearings called by the Administration; making a stylistic change; and generally relating to public hearings held by the Maryland Transit Administration.

BY repealing and reenacting, with amendments,

Article – Transportation

Section 7-506

Annotated Code of Maryland

(2001 Replacement Volume and 2006 Supplement)

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

Article – Transportation

7-506.

(a) **(1) ~~Until~~ EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, UNTIL** a public hearing is held on the matter, the Administration may not:

[(1)] (I) Fix or revise any fare or rate charged the general public; **[or]**

[(2)] (II) Establish or abandon any **BUS OR RAIL** route LISTED ON A PUBLISHED TIMETABLE;

(III) CHANGE A BUS OR RAIL ROUTE ALIGNMENT ~~OR BUS STOP LOCATION~~ LISTED ON A PUBLISHED TIMETABLE, UNLESS THE CHANGE IS

NEEDED BECAUSE OF TEMPORARY CONSTRUCTION OR CHANGES IN THE ROAD NETWORK; OR

(IV) ESTABLISH OR ABANDON A RAIL TRANSIT STATION.

(2) THE ADMINISTRATION MAY ONLY IMPLEMENT A CHANGE ~~OF POLICY ON A MATTER~~ DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION DURING THE TIME PERIOD THAT BEGINS 6 WEEKS AFTER THE PUBLIC HEARING AND ENDS 6 MONTHS AFTER THE PUBLIC HEARING.

(3) (I) IF THE ADMINISTRATION GIVES INADEQUATE NOTICE OF A PUBLIC HEARING ON A ~~MATTER~~ CHANGE DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION, THE ADMINISTRATION MAY NOT IMPLEMENT ~~A CHANGE OF POLICY ON THE MATTER~~ THE CHANGE UNLESS A LEGALLY SUFFICIENT PUBLIC HEARING IS HELD.

(II) FOR THE PURPOSES OF THIS PARAGRAPH, NOTICE SHALL BE CONSIDERED INADEQUATE IF:

1. THE ADMINISTRATION DOES NOT COMPLY WITH THE NEWSPAPER PUBLICATION REQUIREMENTS UNDER SUBSECTION ~~(C)~~ (D) OF THIS SECTION; OR

2. AT LEAST 30% OF THE ADMINISTRATION'S FACILITIES ARE NOT POSTED AS REQUIRED UNDER SUBSECTION ~~(C)~~ (D) OF THIS SECTION.

(4) A PUBLIC HEARING REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE AT A PLACE AND TIME THAT IS REASONABLY ACCESSIBLE AND CONVENIENT TO THE PATRONS OF THE SERVICE TO BE AFFECTED.

(5) THE ADMINISTRATION SHALL ACCEPT WRITTEN COMMENTS FOR 30 DAYS AFTER A HEARING HELD ON A CHANGE DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.

(B) THE ADMINISTRATION MAY ADD SERVICE ON A NEW ALIGNMENT BRANCHING OFF OF AN EXISTING ROUTE WITHOUT HOLDING A PUBLIC HEARING, IF THE ADDITION OF THE NEW ALIGNMENT DOES NOT ALTER THE EXISTING ROUTE.

~~(C)~~ (C) (1) The following persons may request the Administration to hold a hearing on any rentals, rates, fares, fees, or other charges of the Administration

or any service rendered by the transit facilities owned or controlled by the Administration:

- (i) Any person served by or using the transit facilities;
- (ii) The People's Counsel ~~to the Public Service Commission~~, as a representative of the general public; and
- (iii) Any private carrier operating in the District.

(2) The request for a hearing shall:

- (i) Be in writing;
- (ii) State the matter sought to be heard; and
- (iii) Set forth clearly the grounds for the request.

(3) As soon as possible after the Administration receives a request for a hearing, a designated employee of the Administration shall confer on the matter with the person requesting the hearing. After the conference, if the Administration considers the matter meritorious and of general significance, it may call a hearing.

~~(D)~~ (1) The Administration shall give at least [30 days] **A 30-DAY** notice before a hearing.

(2) The notice shall be:

(i) Published once a week for 2 successive weeks in two or more newspapers of daily circulation throughout the District; and

(ii) Posted in all of the Administration's offices, stations, and terminals and all of ~~its~~ **THE** vehicles and rolling stock **USED** in revenue service **BY THE MODE OF TRANSPORTATION THAT WILL BE AFFECTED BY THE PROPOSED ACTION DESCRIBED IN SUBSECTION (A) OF THIS SECTION.**

(3) The 30-day period begins when the notice first appears in the newspaper.

~~(D)~~ **(E)** Before calling a hearing under this section, the Administration shall file at its main office and make available for public inspection:

- (1) Its report on the subject matter of the hearing;

(2) Any report received from the Public Service Commission under § 7-507 of this subtitle; and

(3) If the hearing was requested under subsection ~~(b)~~ **(C)** of this section, the written request for the hearing and all documents filed in support of it.

~~(e)~~ **(F)** ~~[If the] THE People's Counsel to the Public Service Commission~~ [considers the public interest to be involved, the People's Counsel] shall appear and represent the public interest at each hearing called by the Administration under this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 16, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 497- *Disposal of Handguns Owned by a Law Enforcement Agency*.

Senate Bill 497 authorizes law enforcement agencies to dispose of agency owned handguns by selling, exchanging, or transferring the handguns to a manufacturer. Currently, these weapons may only be destroyed or sold to other law enforcement agencies, to retired officers, or to the officer to whom the handgun was issued.

Marylanders are all too familiar with the tragic effects of gun crimes. In my view, current law provides sufficient options for the disposal of law enforcement weapons. Police weapons should not be made potentially available outside of the law enforcement community. Citizens who seek to own a handgun have many options for purchasing those weapons; unneeded police handguns do not have to be added to existing inventories.

Some supporters of the bill argue that it will help local governments save money when purchasing new service weapons. However, a fiscal analysis of the bill revealed little or no impact on the overall finances of police agencies. In any event, significant

legislation passed this Session to provide additional funding for local police departments. Senate Bill 130 and House Bill 611, which I will sign tomorrow, improve the State Aid for Police Protection Fund by increasing State funding from \$1,800 to \$1,950 per sworn officer employed by each qualifying municipality in FY 2009. This will result in an increase in municipal police aid of over \$235,000.

For the above stated reasons, I have vetoed Senate Bill 497.

Sincerely,

Martin O'Malley
Governor

Senate Bill 497

AN ACT concerning

Public Safety – Disposal of Handguns Owned by a Law Enforcement Agency

FOR the purpose of authorizing a law enforcement agency to dispose of a handgun owned by the agency by selling, exchanging, or transferring the handgun to a manufacturer; defining a certain term; and generally relating to the disposal of handguns owned by a law enforcement agency.

BY repealing and reenacting, with amendments,
Article – Public Safety
Section 3–501
Annotated Code of Maryland
(2003 Volume and 2006 Supplement)

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

Article – Public Safety

3–501.

(A) IN THIS SECTION, “MANUFACTURER” HAS THE MEANING STATED IN § 5–131(A)(2) OF THIS ARTICLE.

(B) A law enforcement agency seeking to dispose of a handgun owned by the agency shall:

- (1) destroy the handgun;

(2) sell, exchange, or transfer the handgun to another law enforcement agency for official use by that agency;

(3) sell the handgun to a retired police employee in accordance with § 2-415(c) of this article; [or]

(4) sell the handgun to the law enforcement officer to whom the handgun was assigned; **OR**

(5) SELL, EXCHANGE, OR TRANSFER THE HANDGUN TO A MANUFACTURER.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 502 - *Commercial Law - Consumer Protection - Vehicle Protection Products Act*.

This bill prohibits a vehicle protection product from being sold or offered for sale in the State unless the seller and the warrantor of the vehicle protection product, and warrantor's administrator, comply with the Act. The bill exempts a seller, warrantor, or administrator that complies with the Act from subject to specified provisions of law and requires a specified warrantor to register with the Division of Consumer Protection of the Office of the Attorney General.

House 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 Senate Bill 502.

Sincerely,

Martin O'Malley
Governor

Senate Bill 502

AN ACT concerning

Commercial Law – Consumer Protection – Vehicle Protection Products Act

FOR the purpose of prohibiting a vehicle protection product from being sold or offered for sale in the State unless the seller and the warrantor of the vehicle protection product, and the warrantor's administrator, comply with the provisions of this Act; providing that a seller, warrantor, or administrator that complies with this Act is not required to comply with certain provisions of law; requiring a warrantor of a vehicle protection product that is sold or offered for sale in the State to register with the Division of Consumer Protection of the Office of the Attorney General; requiring a registration form to include certain information; requiring a warrantor that registers with the Division to pay a certain registration fee and renewal fee; providing that certain information shall be made available to the public under certain circumstances; requiring a certain warrantor to maintain certain accounts, books, and records for a certain period of time and to make the accounts, books, and records available for inspection by the Division; requiring a certain warrantor to be insured under a certain warranty reimbursement insurance policy or to maintain a certain amount of net worth or stockholders' equity; requiring a warranty reimbursement insurance policy to contain certain provisions; specifying certain contents of a vehicle protection product warranty; authorizing a vehicle protection product warranty to provide for the reimbursement of certain incidental costs; requiring a seller or warrantor of a vehicle protection product to provide a written copy of a vehicle protection product warranty to a purchaser at a certain time; providing that a certain warrantor may negotiate the purchase price of a vehicle protection product warranty; prohibiting a vehicle protection product warrantor from using certain terms in its name, contracts, or literature; authorizing a vehicle protection product warrantor to use a certain term in its name; prohibiting a vehicle protection product seller or warrantor from requiring, as a condition of the sale or financing of a vehicle, that the purchaser of the vehicle buy a vehicle protection product; providing for the resolution of disputes between a vehicle protection product warrantor and a warranty holder; providing that a violation of this Act is an unfair or deceptive trade practice under the Maryland Consumer Protection Act and is subject to certain enforcement and penalty provisions; establishing a certain short title; defining certain terms; providing for the application of this Act; prohibiting this Act from being interpreted in a certain manner; providing for a delayed effective date; and generally relating to the Vehicle Protection Products Act.

BY adding to

Article – Commercial Law

Section 14–4A–01 through 14–4A–14 to be under the new subtitle “Subtitle 4A.
Vehicle Protection Products Act”

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

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

Article – Commercial Law

SUBTITLE 4A. VEHICLE PROTECTION PRODUCTS ACT.

14–4A–01.

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

(B) “ADMINISTRATOR” MEANS A PERSON THAT IS DESIGNATED BY A WARRANTOR TO BE RESPONSIBLE FOR THE ADMINISTRATION OF A VEHICLE PROTECTION PRODUCT WARRANTY.

(C) “DIVISION” MEANS THE DIVISION OF CONSUMER PROTECTION OF THE OFFICE OF THE ATTORNEY GENERAL.

(D) (1) “INCIDENTAL COSTS” MEANS AN EXPENSE THAT:

(I) IS SPECIFIED IN A VEHICLE PROTECTION PRODUCT WARRANTY;

(II) IS INCURRED BY THE WARRANTY HOLDER; AND

(III) RELATES TO THE FAILURE OF A VEHICLE PROTECTION PRODUCT TO PERFORM AS PROVIDED IN THE VEHICLE PROTECTION PRODUCT WARRANTY.

(2) “INCIDENTAL COSTS” INCLUDE:

(I) INSURANCE POLICY DEDUCTIBLES;

(II) CHARGES FOR RENTAL VEHICLES;

(III) THE DIFFERENCE BETWEEN THE VALUE OF A STOLEN VEHICLE AT THE TIME OF THEFT AND THE COST OF A REPLACEMENT VEHICLE;

(IV) SALES TAXES;

(V) REGISTRATION FEES;

(VI) TRANSACTION FEES; AND

(VII) MECHANICAL INSPECTION FEES.

(E) (1) "VEHICLE PROTECTION PRODUCT" MEANS A VEHICLE PROTECTION DEVICE, SYSTEM, OR SERVICE THAT:

(I) IS SOLD WITH A WRITTEN WARRANTY;

(II) IS INSTALLED ON OR APPLIED TO A VEHICLE; AND

(III) IS DESIGNED TO PREVENT LOSS OR DAMAGE TO A VEHICLE FROM A SPECIFIC CAUSE.

(2) "VEHICLE PROTECTION PRODUCT" INCLUDES:

(I) AN ALARM SYSTEM;

(II) A BODY PART MARKING PRODUCT;

(III) A STEERING LOCK;

(IV) A WINDOW ETCH PRODUCT;

(V) A PEDAL OR IGNITION LOCK;

(VI) A FUEL OR IGNITION KILL SWITCH; AND

(VII) AN ELECTRONIC, RADIO, OR SATELLITE TRACKING DEVICE.

(F) "VEHICLE PROTECTION PRODUCT WARRANTY" MEANS A WRITTEN AGREEMENT BY A WARRANTOR THAT PROVIDES THAT IF A VEHICLE PROTECTION PRODUCT FAILS TO PREVENT LOSS OR DAMAGE TO A VEHICLE FROM A SPECIFIC CAUSE, THE WARRANTOR SHALL PAY TO, OR ON BEHALF OF,

THE WARRANTY HOLDER SPECIFIED INCIDENTAL COSTS INCURRED AS A RESULT OF THE FAILURE OF THE VEHICLE PROTECTION PRODUCT TO PERFORM IN ACCORDANCE WITH THE TERMS OF THE VEHICLE PROTECTION PRODUCT WARRANTY.

(G) (1) “WARRANTOR” MEANS A PERSON THAT IS CONTRACTUALLY OBLIGATED TO THE WARRANTY HOLDER UNDER THE TERMS OF THE VEHICLE PROTECTION PRODUCT WARRANTY.

(2) “WARRANTOR” DOES NOT INCLUDE AN AUTHORIZED INSURER THAT ISSUES A WARRANTY REIMBURSEMENT INSURANCE POLICY.

(H) “WARRANTY HOLDER” MEANS A PERSON THAT PURCHASES A VEHICLE PROTECTION PRODUCT WARRANTY OR A PERMITTED TRANSFEREE.

(I) “WARRANTY REIMBURSEMENT INSURANCE POLICY” MEANS A POLICY OF INSURANCE THAT IS ISSUED TO A WARRANTOR TO:

(1) PROVIDE REIMBURSEMENT TO THE WARRANTOR; OR

(2) PAY ON BEHALF OF THE WARRANTOR ALL COVERED CONTRACTUAL OBLIGATIONS INCURRED BY THE WARRANTOR UNDER THE TERMS AND CONDITIONS OF THE INSURED VEHICLE PROTECTION PRODUCT WARRANTIES SOLD BY THE WARRANTOR.

14-4A-02.

(A) THIS SUBTITLE DOES NOT APPLY TO:

(1) A SERVICE CONTRACT PROVIDER THAT DOES NOT SELL VEHICLE PROTECTION PRODUCTS; OR

(2) A WARRANTY, INDEMNITY AGREEMENT, OR GUARANTEE THAT IS NOT PROVIDED IN CONNECTION WITH THE SALE OF A VEHICLE PROTECTION PRODUCT.

(B) A VEHICLE PROTECTION PRODUCT WARRANTY IS NOT SUBJECT TO THE PROVISIONS OF SUBTITLE 4 OF THIS TITLE.

(C) A SELLER OR WARRANTOR OF A VEHICLE PROTECTION PRODUCT, OR A WARRANTOR’S ADMINISTRATOR, THAT COMPLIES WITH THIS SUBTITLE IS NOT SUBJECT TO ANY PROVISIONS OF THE INSURANCE ARTICLE.

14-4A-03.

A VEHICLE PROTECTION PRODUCT MAY NOT BE SOLD OR OFFERED FOR SALE IN THE STATE UNLESS THE SELLER AND WARRANTOR OF THE VEHICLE PROTECTION PRODUCT, AND THE WARRANTOR'S ADMINISTRATOR, COMPLY WITH THE PROVISIONS OF THIS SUBTITLE.

14-4A-04.

(A) A WARRANTOR OF A VEHICLE PROTECTION PRODUCT THAT IS SOLD OR OFFERED FOR SALE IN THE STATE SHALL REGISTER WITH THE DIVISION ON THE FORM THAT THE DIVISION PROVIDES.

(B) THE REGISTRATION FORM SHALL INCLUDE:

(1) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE WARRANTOR, INCLUDING ANY NAME UNDER WHICH THE WARRANTOR DOES BUSINESS;

(2) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE WARRANTOR'S ADMINISTRATOR, IF ANY;

(3) THE NAME AND ADDRESS OF THE WARRANTOR'S REGISTERED AGENT, IF ANY;

(4) THE NAME OF AT LEAST ONE OFFICER OF THE WARRANTOR WHO IS DIRECTLY RESPONSIBLE FOR THE WARRANTOR'S VEHICLE PROTECTION PRODUCT BUSINESS;

(5) (I) IF THE WARRANTOR ELECTS TO CARRY WARRANTY REIMBURSEMENT INSURANCE IN ACCORDANCE WITH § 14-4A-07(A)(1) OF THIS SUBTITLE, A COPY OF THE WARRANTOR'S WARRANTY REIMBURSEMENT INSURANCE POLICY; OR

(II) IF THE WARRANTOR ELECTS TO MEET ITS FINANCIAL OBLIGATIONS IN ACCORDANCE WITH § 14-4A-07(A)(2) OF THIS SUBTITLE, ONE OF THE FOLLOWING:

1. A COPY OF THE MOST RECENT FORM 10-K OR FORM 20-F FILED BY THE WARRANTOR OR THE WARRANTOR'S PARENT

COMPANY WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION; OR

2. IF THE WARRANTOR OR THE WARRANTOR'S PARENT COMPANY DOES NOT FILE WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, A COPY OF THE WARRANTOR'S OR THE WARRANTOR'S PARENT COMPANY'S FINANCIAL STATEMENT THAT SHOWS A NET WORTH OR STOCKHOLDERS' EQUITY OF NOT LESS THAN \$50,000,000; AND

(6) A COPY OF EACH WARRANTY THAT THE WARRANTOR PROPOSES TO USE IN THE STATE.

(C) (1) A WARRANTOR THAT REGISTERS UNDER SUBSECTION (A) OF THIS SECTION SHALL PAY A REGISTRATION FEE TO THE DIVISION AT THE TIME OF REGISTRATION.

(2) ON JANUARY 1 OF EACH YEAR FOLLOWING A WARRANTOR'S INITIAL REGISTRATION, THE WARRANTOR SHALL PAY A RENEWAL FEE TO THE DIVISION.

(3) THE REGISTRATION FEE AND THE RENEWAL FEE REQUIRED UNDER THIS SUBSECTION SHALL BE SET BY THE DIVISION IN AN AMOUNT NOT EXCEEDING ~~\$250~~ \$500 FOR EACH FEE.

14-4A-05.

EXCEPT FOR INFORMATION RECEIVED UNDER § 14-4A-04(B)(5)(II) OF THIS SUBTITLE, ANY INFORMATION RECEIVED BY THE DIVISION IN THE COURSE OF ADMINISTERING THIS SUBTITLE SHALL BE MADE AVAILABLE TO THE PUBLIC, SUBJECT TO THE PROVISIONS OF THE MARYLAND PUBLIC INFORMATION ACT.

14-4A-06.

(A) A WARRANTOR OF A VEHICLE PROTECTION PRODUCT SOLD OR OFFERED FOR SALE IN THE STATE SHALL KEEP ACCURATE ACCOUNTS, BOOKS, AND RECORDS THAT RELATE TO ITS VEHICLE PROTECTION PRODUCT WARRANTIES.

(B) A WARRANTOR'S ACCOUNTS, BOOKS, AND RECORDS SHALL INCLUDE:

(1) A COPY OF EACH VEHICLE PROTECTION PRODUCT WARRANTY SOLD OR ISSUED IN THE STATE;

(2) THE NAME AND ADDRESS OF EACH WARRANTY HOLDER; AND

(3) THE DATE, AMOUNT, AND DESCRIPTION OF EACH RECEIPT, CLAIM, AND EXPENDITURE.

(C) A WARRANTOR SHALL KEEP ACCOUNTS, BOOKS, AND RECORDS RELATING TO A VEHICLE PROTECTION PRODUCT WARRANTY AND A WARRANTY HOLDER FOR AT LEAST 2 YEARS FOLLOWING THE EXPIRATION OF THE VEHICLE PROTECTION PRODUCT WARRANTY.

(D) A WARRANTOR THAT DISCONTINUES BUSINESS IN THE STATE SHALL MAINTAIN ITS ACCOUNTS, BOOKS, AND RECORDS UNTIL IT CAN PROVE TO THE DIVISION THAT IT HAS DISCHARGED ALL OF ITS OBLIGATIONS TO ANY WARRANTY HOLDER IN THE STATE.

(E) ON REQUEST, A WARRANTOR SHALL MAKE ALL OF ITS ACCOUNTS, BOOKS, AND RECORDS AVAILABLE FOR INSPECTION BY THE DIVISION.

14-4A-07.

(A) A WARRANTOR OF A VEHICLE PROTECTION PRODUCT SOLD OR OFFERED FOR SALE IN THE STATE SHALL:

(1) BE INSURED UNDER A WARRANTY REIMBURSEMENT INSURANCE POLICY; OR

(2) MAINTAIN A NET WORTH OR STOCKHOLDERS' EQUITY OF NOT LESS THAN \$50,000,000.

(B) A WARRANTOR THAT MEETS ITS FINANCIAL OBLIGATION IN ACCORDANCE WITH SUBSECTION (A) OF THIS SECTION IS NOT REQUIRED TO MEET ANY OTHER FINANCIAL REQUIREMENT OR FINANCIAL STANDARD.

(C) IF A WARRANTOR ELECTS TO CARRY WARRANTY REIMBURSEMENT INSURANCE UNDER SUBSECTION (A)(1) OF THIS SECTION, THE WARRANTY REIMBURSEMENT INSURANCE POLICY PURCHASED BY THE WARRANTOR SHALL PROVIDE:

(1) THAT THE INSURER WILL PAY TO, OR ON BEHALF OF, THE WARRANTOR ALL SUMS THAT THE WARRANTOR IS LEGALLY OBLIGATED TO PAY A WARRANTY HOLDER UNDER THE WARRANTOR'S VEHICLE PROTECTION PRODUCT WARRANTY;

(2) THAT, IN THE EVENT PAYMENT DUE UNDER THE TERMS OF THE VEHICLE PROTECTION PRODUCT WARRANTY IS NOT PROVIDED BY THE WARRANTOR WITHIN 60 DAYS AFTER PROOF OF LOSS HAS BEEN FILED BY THE WARRANTY HOLDER IN ACCORDANCE WITH THE TERMS OF THE VEHICLE PROTECTION PRODUCT WARRANTY, THE WARRANTY HOLDER MAY FILE A CLAIM FOR REIMBURSEMENT DIRECTLY WITH THE INSURER;

(3) THAT THE INSURER SHALL BE DEEMED TO HAVE RECEIVED PAYMENT OF THE PREMIUM IF THE WARRANTY HOLDER PAID THE WARRANTOR FOR THE VEHICLE PROTECTION PRODUCT WARRANTY;

(4) THAT THE INSURER'S LIABILITY UNDER THE WARRANTY REIMBURSEMENT INSURANCE POLICY MAY NOT BE REDUCED OR RELIEVED BY A FAILURE OF THE WARRANTOR, FOR ANY REASON, TO REPORT THE ISSUANCE OF A VEHICLE PROTECTION PRODUCT WARRANTY TO THE INSURER; AND

(5) THAT, WITH REGARD TO CANCELLATION OF THE WARRANTY REIMBURSEMENT INSURANCE POLICY:

(i) THE INSURER MAY NOT CANCEL THE WARRANTY REIMBURSEMENT INSURANCE POLICY UNTIL A WRITTEN NOTICE OF CANCELLATION HAS BEEN MAILED OR DELIVERED TO THE INSURED WARRANTOR;

(ii) THE CANCELLATION OF A WARRANTY REIMBURSEMENT INSURANCE POLICY MAY NOT REDUCE THE INSURER'S RESPONSIBILITY FOR VEHICLE PROTECTION PRODUCTS SOLD BEFORE THE DATE OF CANCELLATION; AND

(iii) IN THE EVENT AN INSURER CANCELS A WARRANTY REIMBURSEMENT INSURANCE POLICY, THE WARRANTOR SHALL:

1. DISCONTINUE OFFERING VEHICLE PROTECTION PRODUCT WARRANTIES AS OF THE TERMINATION DATE OF THE WARRANTY REIMBURSEMENT INSURANCE POLICY UNTIL A NEW WARRANTY REIMBURSEMENT INSURANCE POLICY BECOMES EFFECTIVE; AND

2. ON OBTAINING A NEW WARRANTY REIMBURSEMENT INSURANCE POLICY, FILE A COPY OF THE NEW WARRANTY REIMBURSEMENT INSURANCE POLICY WITH THE DIVISION.

(D) IF A WARRANTOR ELECTS TO MEET ITS FINANCIAL OBLIGATION IN ACCORDANCE WITH SUBSECTION (A)(2) OF THIS SECTION, THE WARRANTOR'S PARENT COMPANY SHALL GUARANTEE THE OBLIGATIONS OF THE WARRANTOR FOR THE VEHICLE PROTECTION PRODUCT WARRANTIES ISSUED BY THE WARRANTOR IN THE STATE.

14-4A-08.

(A) A VEHICLE PROTECTION PRODUCT WARRANTY SHALL STATE:

(1) ONE OF THE FOLLOWING, AS APPLICABLE:

(I) "THE OBLIGATIONS OF THE WARRANTOR TO THE WARRANTY HOLDER UNDER THIS VEHICLE PROTECTION PRODUCT WARRANTY ARE GUARANTEED UNDER A WARRANTY REIMBURSEMENT INSURANCE POLICY. IN THE EVENT PAYMENT DUE UNDER THE TERMS OF THE VEHICLE PROTECTION PRODUCT WARRANTY IS NOT PROVIDED BY THE WARRANTOR WITHIN 60 DAYS AFTER PROOF OF LOSS HAS BEEN FILED BY THE WARRANTY HOLDER IN ACCORDANCE WITH THE TERMS OF THE VEHICLE PROTECTION PRODUCT WARRANTY, THE WARRANTY HOLDER MAY FILE A CLAIM DIRECTLY WITH THE INSURER THAT ISSUED THE WARRANTY REIMBURSEMENT INSURANCE POLICY.";
OR

(II) "THE OBLIGATIONS OF THE WARRANTOR TO THE WARRANTY HOLDER UNDER THIS VEHICLE PROTECTION PRODUCT WARRANTY ARE BACKED BY THE FULL FAITH AND CREDIT OF THE WARRANTOR.";

(2) THE NAME AND ADDRESS OF THE INSURER THAT ISSUED THE WARRANTY REIMBURSEMENT INSURANCE POLICY TO THE WARRANTOR, IF APPLICABLE;

(3) THE NAME AND ADDRESS OF THE WARRANTOR, THE SELLER OF THE VEHICLE PROTECTION PRODUCT, AND THE WARRANTY HOLDER;

(4) THE PURCHASE PRICE AND TERMS OF THE VEHICLE PROTECTION PRODUCT WARRANTY, INCLUDING A RECITAL OF THE WARRANTOR'S OBLIGATIONS UNDER THE VEHICLE PROTECTION PRODUCT WARRANTY;

(5) THE DURATION OF THE WARRANTY PERIOD MEASURED BY TIME OR, IF PRACTICABLE, BY SOME MEASURE OF USAGE SUCH AS MILEAGE;

(6) THE PROCEDURE FOR MAKING A CLAIM, INCLUDING A TELEPHONE NUMBER THE WARRANTY HOLDER MAY CALL TO MAKE A CLAIM;

(7) THE PAYMENTS OR SERVICES TO BE PROVIDED UNDER THE VEHICLE PROTECTION PRODUCT WARRANTY, INCLUDING PAYMENTS FOR INCIDENTAL COSTS, THE MANNER OF CALCULATING OR DETERMINING THE PAYMENTS TO BE PROVIDED, AND ANY LIMITATIONS, EXCEPTIONS, OR EXCLUSIONS;

(8) THE DUTIES OF THE WARRANTY HOLDER, INCLUDING:

(I) PROTECTION OF THE VEHICLE FROM DAMAGE;

(II) NOTIFICATION TO THE WARRANTOR IN ADVANCE OF ANY REPAIR; AND

(III) ANY OTHER SIMILAR DUTY;

(9) ANY TERMS, RESTRICTIONS, OR CONDITIONS RELATING TO THE TRANSFER OF THE VEHICLE PROTECTION PRODUCT WARRANTY; AND

(10) THE TERMS AND CONDITIONS GOVERNING CANCELLATION OF THE VEHICLE PROTECTION PRODUCT.

(B) A VEHICLE PROTECTION PRODUCT WARRANTY SHALL INCLUDE, IN A PROMINENT LOCATION, THE FOLLOWING STATEMENT:

“THIS AGREEMENT IS A PRODUCT WARRANTY AND IS NOT INSURANCE.”

(C) IF THE SALE OF A VEHICLE PROTECTION PRODUCT INCLUDES A VEHICLE PROTECTION PRODUCT WARRANTY, THE SELLER OF THE VEHICLE PROTECTION PRODUCT OR THE WARRANTOR SHALL PROVIDE TO THE PURCHASER:

(1) AT THE TIME OF SALE, A WRITTEN COPY OF THE VEHICLE PROTECTION PRODUCT WARRANTY; OR

(2) (I) AT THE TIME OF SALE, A RECEIPT OR OTHER WRITTEN EVIDENCE OF THE PURCHASE OF THE VEHICLE PROTECTION PRODUCT; AND

(II) WITHIN 30 DAYS AFTER THE DATE OF THE PURCHASE, A WRITTEN COPY OF THE VEHICLE PROTECTION PRODUCT WARRANTY.

(D) THE INFORMATION REQUIRED UNDER SUBSECTION (A)(3) AND (5) OF THIS SECTION MAY BE ADDED TO OR STAMPED ON THE VEHICLE PROTECTION PRODUCT WARRANTY INSTEAD OF BEING PREPRINTED ON THE VEHICLE PROTECTION PRODUCT WARRANTY.

(E) AT THE TIME OF PURCHASE OF A VEHICLE PROTECTION PRODUCT, A WARRANTOR MAY NEGOTIATE WITH THE PURCHASER THE PURCHASE PRICE AND TERMS OF THE VEHICLE PROTECTION PRODUCT WARRANTY.

(F) A VEHICLE PROTECTION PRODUCT WARRANTY MAY PROVIDE FOR THE REIMBURSEMENT OF INCIDENTAL COSTS INCURRED BY THE WARRANTY HOLDER:

(1) IN A FIXED AMOUNT SPECIFIED IN THE VEHICLE PROTECTION PRODUCT WARRANTY; OR

(2) ACCORDING TO A FORMULA THAT ITEMIZES SPECIFIC INCIDENTAL COSTS INCURRED BY THE WARRANTY HOLDER.

14-4A-09.

(A) UNLESS AUTHORIZED BY THE MARYLAND INSURANCE COMMISSIONER TO ENGAGE IN THE INSURANCE BUSINESS IN THE STATE, A WARRANTOR MAY NOT USE THE FOLLOWING WORDS IN ITS NAME, CONTRACTS, OR LITERATURE:

(1) "INSURANCE";

(2) "CASUALTY";

(3) "SURETY";

(4) "MUTUAL"; OR

(5) ANY OTHER WORDS THAT ARE:

(I) DESCRIPTIVE OF THE INSURANCE, CASUALTY, OR SURETY BUSINESS; OR

(II) DECEPTIVELY SIMILAR TO THE NAME OR DESCRIPTION OF AN INSURER, A SURETY CORPORATION, OR ANOTHER WARRANTOR.

(B) A WARRANTOR MAY USE THE TERM "GUARANTY" OR A SIMILAR WORD IN THE WARRANTOR'S NAME.

14-4A-10.

A VEHICLE PROTECTION PRODUCT SELLER OR A WARRANTOR MAY NOT REQUIRE, AS A CONDITION OF THE SALE OR FINANCING OF A VEHICLE, THAT THE PURCHASER OF THE VEHICLE BUY A VEHICLE PROTECTION PRODUCT.

14-4A-11.

A WARRANTOR THAT ESTABLISHES AN INFORMAL DISPUTE SETTLEMENT PROCEDURE MAY ELECT TO SETTLE VEHICLE PROTECTION PRODUCT WARRANTY DISPUTES IN COORDINATION WITH A PRIVATE MEDIATION SERVICES PROVIDER OR THE DIVISION.

14-4A-12.

A WARRANTOR IS:

(1) LIABLE TO THE WARRANTY HOLDER FOR ANY WRONGFUL BREACH OF A VEHICLE PROTECTION PRODUCT WARRANTY; AND

(2) UNDER A DUTY TO:

(I) COMPLY WITH THE REQUIREMENTS OF THIS SUBTITLE;
AND

(II) COMPENSATE THE WARRANTY HOLDER FOR ALL REASONABLE INCIDENTAL EXPENSES INCURRED AS A RESULT OF THE BREACH.

14-4A-13.

(A) A VIOLATION OF THIS SUBTITLE:

(1) IS AN UNFAIR OR DECEPTIVE TRADE PRACTICE WITHIN THE MEANING OF TITLE 13 OF THIS ARTICLE; AND

(2) EXCEPT FOR § 13-410 OF THIS ARTICLE, IS SUBJECT TO THE ENFORCEMENT AND PENALTY PROVISIONS CONTAINED IN TITLE 13 OF THIS ARTICLE.

(B) A WARRANTOR THAT VIOLATES THE PROVISIONS OF THIS SUBTITLE IS SUBJECT TO A FINE OF \$500 FOR EACH VIOLATION, NOT EXCEEDING \$10,000 FOR ALL VIOLATIONS.

(C) FOR PURPOSES OF THIS SECTION, EACH INDIVIDUAL FAILURE TO COMPLY WITH THE REQUIREMENTS OF THIS SUBTITLE IS A SEPARATE VIOLATION.

14-4A-14.

THIS SUBTITLE MAY BE CITED AS THE VEHICLE PROTECTION PRODUCTS 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 vehicle protection product sold or warranted before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall not be interpreted to mean that a vehicle protection product warranty issued prior to the effective date of this Act was an insurance policy on a vehicle that has a vehicle protection product installed on or applied to it.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 2008.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 511 - *Real Property - Sale of Property Encumbered by a Conservation Easement*.

This bill requires a seller of property encumbered by a conservation easement to provide the purchaser a copy of all such easements encumbering the property. The seller must also include in the sales contract a statement with specified information about the conservation easement and the purchaser's rights and responsibilities regarding it. If a seller fails to meet these requirements, the purchaser has the right to rescind the contract. The purchaser must also give notice of the sale to the owner of the conservation easement.

House 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 Senate Bill 511.

Sincerely,

Martin O'Malley
Governor

Senate Bill 511

AN ACT concerning

Real Property – Sale of Property Encumbered by a Conservation Easements **Notification of Buyers Easement**

FOR the purpose of ~~requiring a seller of real property to provide copies of any conservation easements encumbering the property to the buyer within a certain time; requiring a contract for the sale of real property encumbered by a conservation easement~~ establishing that a purchaser has the right to rescind a contract for the sale of property encumbered by a conservation easement if the seller fails to give the purchaser a copy of certain conservation easements within a certain time and the contract of sale fails to contain a certain notice under certain circumstances; requiring the ~~buyer~~ purchaser of certain real property to provide certain notice to the owner of a conservation easement; providing that the seller and ~~buyer~~ purchaser are entitled to rely on a conservation easement recorded in the land records in satisfying certain requirements; ~~providing for certain exceptions~~; defining certain terms; and generally relating to the sale of real property encumbered by a conservation easement.

BY adding to

Article – Real Property
Section 10–705
Annotated Code of Maryland
(2003 Replacement Volume and 2006 Supplement)

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

Article – Real Property

10–705.

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

(2) “CONSERVATION EASEMENT” MEANS AN EASEMENT, COVENANT, RESTRICTION, OR CONDITION ON REAL PROPERTY, INCLUDING AN AMENDMENT TO AN EASEMENT, COVENANT, RESTRICTION, OR CONDITION AS PROVIDED FOR IN § 2–118 OF THIS ARTICLE AND OWNED BY:

- (I) THE MARYLAND ENVIRONMENTAL TRUST;
- (II) THE MARYLAND HISTORICAL TRUST;
- (III) THE MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION;
- (IV) THE MARYLAND DEPARTMENT OF NATURAL RESOURCES; OR
- (V) A LAND TRUST.

(3) “LAND TRUST” MEANS AN ORGANIZATION THAT:

- (I) IS A QUALIFIED ORGANIZATION UNDER § 170(h)(3) OF THE INTERNAL REVENUE CODE AND REGULATIONS ADOPTED UNDER THAT SECTION; AND
- (II) HAS EXECUTED A COOPERATIVE AGREEMENT WITH THE MARYLAND ENVIRONMENTAL TRUST.

(B) (1) ~~A CONTRACT FOR THIS SECTION APPLIES TO THE SALE OF PROPERTY ENCUMBERED BY A CONSERVATION EASEMENT IS NOT ENFORCEABLE BY THE SELLER UNLESS.~~

(2) THIS SECTION DOES NOT APPLY TO THE SALE OF PROPERTY IN AN ACTION TO FORECLOSE A MORTGAGE OR DEED OF TRUST.

(C) A PURCHASER HAS THE RIGHT TO RESCIND A CONTRACT FOR THE SALE OF PROPERTY IF:

(1) ~~THE PURCHASER IS GIVEN~~ THE SELLER FAILS TO GIVE THE PURCHASER, ON OR BEFORE ENTERING INTO THE CONTRACT FOR THE SALE OF THE PROPERTY, OR WITHIN 20 CALENDAR DAYS AFTER ENTERING INTO THE CONTRACT, A COPY OF ALL CONSERVATION EASEMENTS ENCUMBERING THE PROPERTY; AND

(2) THE CONTRACT OF SALE ~~CONTAINS~~ FAILS TO CONTAIN A STATEMENT IN CONSPICUOUS TYPE, IN A FORM SUBSTANTIALLY THE SAME AS THE FOLLOWING:

“THIS PROPERTY IS ENCUMBERED BY ONE OR MORE CONSERVATION EASEMENTS OR OTHER RESTRICTIONS LIMITING OR AFFECTING USES OF THE PROPERTY AND OWNED BY THE MARYLAND ENVIRONMENTAL TRUST, THE MARYLAND HISTORICAL TRUST, THE MARYLAND AGRICULTURAL LAND PRESERVATION FOUNDATION, THE MARYLAND DEPARTMENT OF NATURAL RESOURCES, OR A LAND TRUST (THE “CONSERVATION EASEMENTS”). MARYLAND LAW REQUIRES THAT THE SELLER DELIVER TO THE ~~BUYER~~ PURCHASER COPIES OF ALL CONSERVATION EASEMENTS ON OR BEFORE THE DAY THE CONTRACT IS ENTERED INTO, OR WITHIN 20 CALENDAR DAYS AFTER ENTERING INTO THE CONTRACT. ~~IF THE BUYER HAS NOT RECEIVED ALL CONSERVATION EASEMENTS AT LEAST 5 CALENDAR DAYS BEFORE ENTERING INTO THE CONTRACT, THE BUYER HAS 5 CALENDAR DAYS TO CANCEL THE CONTRACT AFTER RECEIVING ALL OF THE CONSERVATION EASEMENTS. THE BUYER MUST CANCEL THE CONTRACT IN WRITING. THE BUYER IS NOT REQUIRED TO STATE A REASON FOR CANCELLATION. THE BUYER PURCHASER~~ SHOULD REVIEW ALL CONSERVATION EASEMENTS CAREFULLY TO ASCERTAIN THE ~~BUYER’S~~ PURCHASER’S RIGHTS, RESPONSIBILITIES, AND OBLIGATIONS UNDER EACH CONSERVATION EASEMENT, INCLUDING ANY REQUIREMENT THAT AFTER THE ~~TRANSFER~~ SALE THE ~~BUYER~~ PURCHASER MUST INFORM THE OWNER OF THE CONSERVATION EASEMENT OF THE ~~TRANSFER~~ SALE OF THE PROPERTY.”.

~~(C)~~ (D) (1) WITHIN 30 CALENDAR DAYS AFTER A ~~TRANSFER~~ SALE OF PROPERTY ENCUMBERED BY A CONSERVATION EASEMENT, THE PURCHASER

SHALL NOTIFY THE OWNER OF A CONSERVATION EASEMENT OF THE ~~TRANSFER~~
SALE.

(2) THE NOTIFICATION SHALL INCLUDE, TO THE EXTENT
REASONABLY AVAILABLE:

(I) THE NAME AND ADDRESS OF THE PURCHASER;

(II) THE NAME AND FORWARDING ADDRESS OF THE SELLER;

AND

(III) THE DATE OF THE ~~TRANSFER~~ SALE.

~~(D)~~ (E) IN SATISFYING THE REQUIREMENTS OF SUBSECTIONS ~~(B) AND~~
~~(C)~~ (C) AND (D) OF THIS SECTION, THE SELLER AND PURCHASER SHALL BE
ENTITLED TO RELY ON THE CONSERVATION EASEMENT RECORDED IN THE
LAND RECORDS OF THE COUNTY WHERE THE PROPERTY IS LOCATED.

~~(E) THE PROVISIONS OF SUBSECTIONS (B) AND (C) OF THIS SECTION DO~~
~~NOT APPLY TO THE SALE OF PROPERTY IN AN ACTION TO FORECLOSE A~~
~~MORTGAGE OR DEED OF TRUST.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have
vetoed Senate Bill 552 - *Education - Relocatable Classrooms - Indoor Air Quality*
Standards.

This bill requires the Board of Public Works, in consultation with the Department of
General Services and the Department of Housing and Community Development, to

adopt regulations establishing criteria designed to enhance indoor air quality in relocatable classrooms that may be purchased or leased with State or local funds. The bill applies only prospectively to relocatable classrooms purchased after the bill's effective date.

House Bill 164, 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 552.

Sincerely,

Martin O'Malley
Governor

Senate Bill 552

AN ACT concerning

Education – Relocatable Classrooms – Indoor Air Quality Standards

FOR the purpose of requiring the Board of Public Works, in consultation with the Department of General Services and the Department of Housing and Community Development, to adopt regulations to establish certain standards and specifications to enhance the indoor air quality of certain relocatable classrooms; providing for the application of this Act; and generally relating to regulations governing the indoor air quality of relocatable classrooms.

BY repealing and reenacting, without amendments,
Article – Education
Section 5–301(a)
Annotated Code of Maryland
(2006 Replacement Volume)

~~BY repealing and reenacting, with amendments,
Article – Education
Section 5–301(b)
Annotated Code of Maryland
(2006 Replacement Volume)~~

BY adding to
Article – Education
Section 5–301(b–1)
Annotated Code of Maryland
(2006 Replacement Volume)

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

Article – Education

5–301.

(a) In this subtitle, “Interagency Committee” means the Interagency Committee on School Construction established under § 5–302 of this subtitle.

~~(b) (1) For the purposes of this section other than subsection (c), the Board of Public Works shall define by regulation what constitutes an eligible and ineligible public school construction or capital improvement cost.~~

~~(2) (i) The purchase of relocatable classrooms shall be an eligible public school construction or capital cost.~~

~~(ii) The Board of Public Works, IN CONSULTATION WITH THE DEPARTMENT OF GENERAL SERVICES, shall adopt regulations that define relocatable classrooms and establish the minimum specifications for relocatable classrooms which may be purchased using State funds.~~

~~(iii) THE REGULATIONS REQUIRED UNDER SUBPARAGRAPH (ii) OF THIS PARAGRAPH SHALL INCLUDE CRITERIA DESIGNED TO ENHANCE INDOOR AIR QUALITY FOR THE OCCUPANTS OF THE RELOCATABLE CLASSROOMS, INCLUDING SPECIFICATIONS THAT:~~

(B–1) THE BOARD OF PUBLIC WORKS, IN CONSULTATION WITH THE DEPARTMENT OF GENERAL SERVICES AND THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, SHALL ADOPT REGULATIONS ESTABLISHING CRITERIA DESIGNED TO ENHANCE INDOOR AIR QUALITY FOR THE OCCUPANTS OF RELOCATABLE CLASSROOMS PURCHASED OR LEASED USING STATE OR LOCAL FUNDS, INCLUDING SPECIFICATIONS THAT:

~~1.~~ (1) REQUIRE EACH UNIT TO INCLUDE APPROPRIATE AIR BARRIERS TO LIMIT INFILTRATION;

~~2.~~ (2) REQUIRE THAT EACH UNIT BE CONSTRUCTED IN A MANNER THAT PROVIDES PROTECTION AGAINST WATER DAMAGE THROUGH THE USE OF PROPER ROOFING MATERIALS, EXTERIOR SHEATHING, WATER DRAINAGE SYSTEMS, AND FLASHING;

~~3.~~ (3) REQUIRE THAT EACH UNIT PROVIDE CONTINUOUS FORCED VENTILATION WHEN THE UNIT IS OCCUPIED;

~~4.~~ **(4) REQUIRE EACH UNIT TO INCLUDE A PROGRAMMABLE THERMOSTAT;**

~~5.~~ **(5) REQUIRE EACH UNIT TO BE OUTFITTED WITH AN ENERGY EFFICIENT LIGHTING AND HEATING AND AIR-CONDITIONING SYSTEM SYSTEMS; AND**

~~6.~~ **(6) MANDATE THAT EACH UNIT BE CONSTRUCTED WITH BUILDING MATERIALS THAT CONTAIN LOW AMOUNTS OF VOLATILE ORGANIC COMPOUNDS (VOC).**

~~[(iii)](iv) In the budgets for fiscal years 2006 through 2008, the Governor shall include \$1,000,000 for public school construction, in excess of the estimates of funding for public school construction contained in the fiscal year 2005 through fiscal year 2009 Capital Improvement Plan, to be used to fund the State share of the cost of purchasing relocatable classrooms.~~

(3) (i) The Board of Public Works shall include modular construction as an approved public school construction or capital cost.

(ii) The Board of Public Works, at the recommendation of the Interagency Committee on School Construction, shall adopt regulations that:

1. Define modular construction; and
2. Establish the minimum specifications required for approval of modular construction as a public school construction or capital improvement cost.

(4) The cost of acquiring land may not be considered a construction or capital improvement cost and may not be paid by the State.

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 relocatable classrooms purchased or leased before the effective date of this Act.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 557 - *Health Insurance - Credentialing Intermediaries and Uniform Credentialing Form*.

This bill exempts carriers that use specified credentialing intermediaries from the requirement to use the uniform credentialing form, and from certain time frames for credentialing decisions. Such carriers must use a credentialing intermediary that: 1) is a hospital or academic medical center; 2) is a participating provider on the carrier's provider panel; and 3) acts as a credentialing intermediary for that carrier for health care practitioners that participate on the carrier's provider panel and have privileges at the hospital or academic health center.

House Bill 515, 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 557.

Sincerely,

Martin O'Malley
Governor

Senate Bill 557

AN ACT concerning

Health Insurance – Credentialing Intermediaries – Exemptions and Uniform Credentialing Form

FOR the purpose of providing that certain carriers are exempt from providing certain information within a certain time frame to a provider under certain circumstances; exempting certain credentialing intermediaries from certain requirements regarding the uniform credentialing form; repealing a requirement that the Insurance Commissioner designate the uniform credentialing form through regulation; authorizing, rather than requiring, the Commissioner to adopt regulations to implement provisions of law relating to credentialing; altering a certain definition; defining a certain term; and

generally relating to credentialing intermediaries ~~for health insurance carriers~~
and the uniform credentialing form.

BY repealing and reenacting, with amendments,
Article – Insurance
Section 15–112(a) and (d) and 15–112.1
Annotated Code of Maryland
(2006 Replacement Volume and 2006 Supplement)

BY adding to
Article – Insurance
Section 15–112(o)
Annotated Code of Maryland
(2006 Replacement Volume and 2006 Supplement)

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

Article – Insurance

15–112.

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

(2) “Ambulatory surgical facility” has the meaning stated in §
19–3B–01 of the Health – General Article.

(3) (i) “Carrier” means:

1. an insurer;
2. a nonprofit health service plan;
3. a health maintenance organization;
4. a dental plan organization; or
5. any other person that provides health benefit plans
subject to regulation by the State.

(ii) “Carrier” includes an entity that arranges a provider panel
for a carrier.

(4) **“CREDENTIALING INTERMEDIARY” MEANS A PERSON TO WHOM A CARRIER HAS DELEGATED CREDENTIALING OR RECREDENTIALING AUTHORITY AND RESPONSIBILITY.**

(5) “Enrollee” means a person entitled to health care benefits from a carrier.

[(5)] (6) “Hospital” has the meaning stated in § 19–301 of the Health – General Article.

[(6)] (7) “Provider” means a health care practitioner or group of health care practitioners licensed, certified, or otherwise authorized by law to provide health care services.

[(7)] (8) (i) “Provider panel” means the providers that contract either directly or through a subcontracting entity with a carrier to provide health care services to the carrier’s enrollees under the carrier’s health benefit plan.

(ii) “Provider panel” does not include an arrangement in which any provider may participate solely by contracting with the carrier to provide health care services at a discounted fee-for-service rate.

(d) (1) A provider that seeks to participate on a provider panel of a carrier shall submit an application to the carrier.

(2) (i) Subject to paragraph (3) of this subsection, the carrier, after reviewing the application, shall accept or reject the provider for participation on the carrier’s provider panel.

(ii) If the carrier rejects the provider for participation on the carrier’s provider panel, the carrier shall send to the provider at the address listed in the application written notice of the rejection.

(3) (i) Except as provided in paragraph (4) of this subsection, within 30 days after the date a carrier receives a completed application, the carrier shall send to the provider at the address listed in the application written notice of:

1. the carrier’s intent to continue to process the provider’s application to obtain necessary credentialing information; or

2. the carrier’s rejection of the provider for participation on the carrier’s provider panel.

(ii) The failure of a carrier to provide the notice required under subparagraph (i) of this paragraph is a violation of this article and the carrier is subject to the penalties provided by § 4–113(d) of this article.

(iii) **[If,] EXCEPT AS PROVIDED IN SUBSECTION (O) OF THIS SECTION, IF,** under subparagraph (i)1 of this paragraph, a carrier provides notice to the provider of its intent to continue to process the provider's application to obtain necessary credentialing information, the carrier, within 120 days after the date the notice is provided, shall:

1. accept or reject the provider for participation on the carrier's provider panel; and

2. send written notice of the acceptance or rejection to the provider at the address listed in the application.

(iv) The failure of a carrier to provide the notice required under subparagraph (iii)2 of this paragraph is a violation of this article and the carrier is subject to the provisions of and penalties provided by §§ 4–113 and 4–114 of this article.

(4) (i) A carrier that receives an incomplete application shall return the application to the provider at the address listed in the application within 10 days after the date the application is received.

(ii) The carrier shall indicate to the provider what information is needed to make the application complete.

(iii) The provider may return the completed application to the carrier.

(iv) After the carrier receives the completed application, the carrier is subject to the time periods established in paragraph (3) of this subsection.

(5) A carrier may charge a reasonable fee for an application submitted to the carrier under this section.

(O) THE PROVISIONS OF SUBSECTION (D)(3)(III) OF THIS SECTION DO NOT APPLY TO A CARRIER THAT USES A CREDENTIALING INTERMEDIARY THAT:

(1) IS A HOSPITAL OR ACADEMIC MEDICAL CENTER;

(2) IS A PARTICIPATING PROVIDER ON THE CARRIER'S PROVIDER PANEL; AND

(3) ACTS AS A CREDENTIALING INTERMEDIARY FOR THAT CARRIER FOR HEALTH CARE PRACTITIONERS THAT:

(I) PARTICIPATE ON THE CARRIER'S PROVIDER PANEL; AND

(II) HAVE PRIVILEGES AT THE HOSPITAL OR ACADEMIC ~~HEALTH~~ MEDICAL CENTER.

15-112.1.

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

(2) (i) "Carrier" means:

1. an insurer;
2. a nonprofit health service plan;
3. a health maintenance organization;
4. a dental plan organization; or

5. any other person that provides health benefit plans subject to regulation by the State.

(ii) "Carrier" includes an entity that arranges a provider panel for a carrier.

(3) "Credentialing intermediary" means a person to whom a carrier has delegated credentialing or recredentialing authority and responsibility.

(4) "Health care provider" means an individual who is licensed, certified, or otherwise authorized under the Health Occupations Article to provide health care services.

(5) "Provider panel" means the providers that contract with a carrier to provide health care services to the enrollees under a health benefit plan of the carrier.

(6) "Uniform credentialing form" means the form designated by the Commissioner ~~through regulation~~ for use by a carrier or its credentialing intermediary for credentialing and recredentialing a health care provider for participation on a provider panel.

(b) (1) **[A] EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION,** A carrier or its credentialing intermediary shall accept the uniform credentialing form as the sole application for a health care provider to become credentialed or recredentialed for a provider panel of the carrier.

(2) A carrier or its credentialing intermediary shall make the uniform credentialing form available to any health care provider that is to be credentialed or recredentialed by that carrier or credentialing intermediary.

(C) THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION DO NOT APPLY TO A HOSPITAL OR ACADEMIC MEDICAL CENTER THAT:

(1) IS A PARTICIPATING PROVIDER ON THE CARRIER'S PROVIDER PANEL; AND

(2) ACTS AS A CREDENTIALING INTERMEDIARY FOR THAT CARRIER FOR HEALTH CARE PRACTITIONERS THAT:

(I) PARTICIPATE ON THE CARRIER'S PROVIDER PANEL; AND

(II) HAVE PRIVILEGES AT THE HOSPITAL OR ACADEMIC MEDICAL CENTER.

[(c)] (D) The Commissioner may impose a penalty not to exceed \$500 against any carrier for each violation of this section by the carrier or its credentialing intermediary.

[(d)] (E) (1) The Commissioner ~~shall~~ **MAY** adopt regulations to implement the provisions of this section.

(2) In adopting the regulations required under paragraph (1) of this subsection, the Commissioner shall consider the use of an electronic format for the uniform credentialing form and the filing of the uniform credentialing form by electronic means.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 572 - *State Personnel - Collective Bargaining - Use of Employee Information*.

This bill requires the University System of Maryland system institutions, Morgan State University, St. Mary's College of Maryland, and Baltimore City Community College to provide specified employee information to exclusive bargaining representatives. The bill authorizes employees to give a notice to an employer that the employee does not want their information released to the exclusive representative.

House Bill 971, 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 572.

Sincerely,

Martin O'Malley
Governor

Senate Bill 572

AN ACT concerning

State Personnel – Collective Bargaining – Use of Employee Information

FOR the purpose of ~~requiring that certain information be delivered to certain exclusive representatives in electronic form; providing that a certain fee may not exceed a certain amount;~~ requiring the University System of Maryland system institutions, Morgan State University, St. Mary's College of Maryland, and Baltimore City Community College to provide certain information to certain exclusive representatives under certain circumstances; requiring certain employers to give certain notice to certain employees at a certain time; authorizing certain employees to give a certain notice to an employer that the employee does not want the employer to provide certain information to an exclusive representative; requiring that certain notices remain in effect until further notice; prohibiting certain exclusive representatives from requesting or receiving certain information under certain circumstances; prohibiting certain exclusive representatives from releasing certain information; providing a certain exception; prohibiting a certain exclusive representative from using

certain information for a certain purpose; authorizing a certain exclusive representative to use certain information only for a certain purpose; and generally relating to the use of employee information and collective bargaining for State employees and employees of State institutions of higher education.

BY repealing and reenacting, with amendments,
 Article – State Personnel and Pensions
 Section ~~3-208(a) and (f)~~ 3-208(d) and 3-2A-08
 Annotated Code of Maryland
 (2004 Replacement Volume and 2006 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

~~3-208.~~

~~(a) (1) On written request of an exclusive representative, for each employee in the bargaining unit represented by the exclusive representative, the Department shall provide the exclusive representative with the employee's:~~

~~[(1)] (I) name;~~

~~[(2)] (II) position classification;~~

~~[(3)] (III) unit;~~

~~[(4)] (IV) home and work site addresses where the employee receives interoffice or United States mail; and~~

~~[(5)] (V) home and work site telephone numbers.~~

~~(2) THE INFORMATION REQUESTED BY AN EXCLUSIVE REPRESENTATIVE UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE DELIVERED TO THE EXCLUSIVE REPRESENTATIVE IN ELECTRONIC FORM.~~

~~(f) (1) An employer may charge an exclusive representative a fee [not to exceed the actual cost of providing] FOR ABSTRACTING THE INFORMATION REQUESTED UNDER SUBSECTION (A) OF THIS SECTION FROM THE EMPLOYER'S DATABASE [a list of employees' names, addresses, telephone numbers, and work information to the exclusive representative].~~

~~(2) THE FEE CHARGED BY AN EMPLOYER UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY NOT EXCEED THE LESSER OF:~~

~~(I) THE ACTUAL COST OF ABSTRACTING THE REQUESTED INFORMATION; OR~~

~~(II) \$100 PER BARGAINING UNIT PER REQUEST.~~

3-208.

(d) (1) Thirty days before providing an employee's name, addresses, telephone numbers, and work information to an exclusive representative, the employer shall notify the employee of the provisions of this section.

(2) The employee may, within 15 days of the employer's notice under paragraph (1) of this subsection, notify the employer that the employee does not want the employee's name, addresses, telephone numbers, or work information to be provided to an exclusive representative.

(3) If an employee provides timely notification to the employer under paragraph (2) of this subsection, the employer may not provide the employee's name, addresses, telephone numbers, or work information.

(4) THE NOTIFICATION OF AN EMPLOYEE TO THE EMPLOYER UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL REMAIN IN EFFECT UNTIL THE EMPLOYEE OTHERWISE NOTIFIES THE EMPLOYER.

3-2A-08.

(A) ~~(1)~~ **ON WRITTEN REQUEST OF AN EXCLUSIVE REPRESENTATIVE, FOR EACH EMPLOYEE IN THE BARGAINING UNIT REPRESENTED BY THE EXCLUSIVE REPRESENTATIVE, THE UNIVERSITY SYSTEM OF MARYLAND SYSTEM INSTITUTIONS, MORGAN STATE UNIVERSITY, ST. MARY'S COLLEGE OF MARYLAND, AND BALTIMORE CITY COMMUNITY COLLEGE SHALL PROVIDE THE EXCLUSIVE REPRESENTATIVE WITH THE EMPLOYEE'S:**

~~(I)~~ **(1) NAME;**

~~(II)~~ **(2) POSITION CLASSIFICATION;**

~~(III)~~ **(3) UNIT;**

~~(iv)~~ (4) HOME AND WORK SITE ADDRESSES WHERE THE EMPLOYEE RECEIVES INTEROFFICE OR UNITED STATES MAIL; AND

~~(v)~~ (5) HOME AND WORK SITE TELEPHONE NUMBERS.

~~(2) THE INFORMATION REQUESTED BY AN EXCLUSIVE REPRESENTATIVE UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE DELIVERED TO THE EXCLUSIVE REPRESENTATIVE IN ELECTRONIC FORM.~~

(B) AN EXCLUSIVE REPRESENTATIVE MAY PRESENT A REQUEST FOR EMPLOYEE INFORMATION, AS PROVIDED UNDER SUBSECTION (A) OF THIS SECTION, TWICE EVERY CALENDAR YEAR.

(C) Names or lists of employees provided to the Board in connection with an election under this title are not subject to disclosure in accordance with Title 10, Subtitle 6 of the State Government Article.

(D) (1) THIRTY DAYS BEFORE PROVIDING AN EMPLOYEE'S NAME, ADDRESSES, TELEPHONE NUMBERS, AND WORK INFORMATION TO AN EXCLUSIVE REPRESENTATIVE, THE EMPLOYER SHALL NOTIFY THE EMPLOYEE OF THE PROVISIONS OF THIS SECTION.

(2) THE EMPLOYEE MAY, WITHIN 15 DAYS OF THE EMPLOYER'S NOTICE UNDER PARAGRAPH (1) OF THIS SUBSECTION, NOTIFY THE EMPLOYER THAT THE EMPLOYEE DOES NOT WANT THE EMPLOYEE'S NAME, ADDRESSES, TELEPHONE NUMBERS, OR WORK INFORMATION TO BE PROVIDED TO AN EXCLUSIVE REPRESENTATIVE.

(3) IF AN EMPLOYEE PROVIDES TIMELY NOTIFICATION TO THE EMPLOYER UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE EMPLOYER MAY NOT PROVIDE THE EMPLOYEE'S NAME, ADDRESSES, TELEPHONE NUMBERS, OR WORK INFORMATION.

(4) THE NOTIFICATION OF AN EMPLOYEE TO THE EMPLOYER UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL REMAIN IN EFFECT UNTIL THE EMPLOYEE OTHERWISE NOTIFIES THE EMPLOYER.

(E) AN INCUMBENT EXCLUSIVE REPRESENTATIVE FOR A BARGAINING UNIT THAT IS THE SUBJECT OF AN ELECTION UNDER § 3-405 OF THIS TITLE MAY NOT REQUEST OR RECEIVE ANY EMPLOYEE INFORMATION AS PROVIDED UNDER SUBSECTIONS (A) AND (B) OF THIS SECTION.

(F) ~~(1)~~ AN EMPLOYER MAY CHARGE AN EXCLUSIVE REPRESENTATIVE A FEE ~~FOR ABSTRACTING THE INFORMATION REQUESTED UNDER SUBSECTION (A) OF THIS SECTION FROM THE EMPLOYER'S DATABASE~~ NOT TO EXCEED THE ACTUAL COST OF PROVIDING A LIST OF EMPLOYEES' NAMES, ADDRESSES, TELEPHONE NUMBERS, AND WORK INFORMATION TO THE EXCLUSIVE REPRESENTATIVE.

~~(2) THE FEE CHARGED BY AN EMPLOYER UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY NOT EXCEED THE LESSER OF:~~

~~(I) THE ACTUAL COST OF ABSTRACTING THE REQUESTED INFORMATION; OR~~

~~(II) \$100 PER BARGAINING UNIT PER REQUEST.~~

(G) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AN EXCLUSIVE REPRESENTATIVE SHALL CONSIDER THE INFORMATION THAT IT RECEIVES UNDER THIS SECTION AS CONFIDENTIAL AND MAY NOT RELEASE THE INFORMATION TO ANY PERSON.

(2) AN EXCLUSIVE REPRESENTATIVE MAY AUTHORIZE THIRD PARTY CONTRACTORS TO USE THE INFORMATION THAT IT RECEIVES UNDER THIS SECTION, AS DIRECTED BY THE EXCLUSIVE REPRESENTATIVE, TO CARRY OUT THE EXCLUSIVE REPRESENTATIVE'S STATUTORY DUTIES UNDER THIS TITLE.

(H) (1) AN EXCLUSIVE REPRESENTATIVE MAY NOT USE THE INFORMATION THAT IT RECEIVES UNDER THIS SECTION FOR THE PURPOSE OF INCREASING EMPLOYEE MEMBERSHIP IN AN EMPLOYEE ORGANIZATION.

(2) AN EXCLUSIVE REPRESENTATIVE MAY USE THE INFORMATION THAT IT RECEIVES UNDER THIS SECTION ONLY TO CARRY OUT ITS STATUTORY DUTIES UNDER THIS TITLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 573 - *Natural Resources - Forest Conservation - Net Tract Area*.

This bill alters the definition of “net tract area” for forest conservation requirements and forest mitigation bank credits to include specified forested areas of specified tracts of land partially within 100-year floodplains or wetlands under specified circumstances.

House Bill 588, 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 573.

Sincerely,

Martin O'Malley
Governor

Senate Bill 573

AN ACT concerning

Natural Resources – Forest Conservation – Net Tract Area

FOR the purpose of altering the definition of “net tract area” for forest conservation requirements and forest mitigation bank credits to include certain forested areas of certain tracts of land partially within 100-year floodplains or wetlands under certain circumstances; ~~including in the definition of “net tract area” a nontidal wetland, stream buffer, and the forested area of a 100-year floodplain or wetland under certain circumstances;~~ providing for the application of this Act; providing for the termination of this Act; and generally relating to the forest conservation program.

~~BY repealing and reenacting, with amendments,
Article — Natural Resources
Section 5-1601(z) and (aa)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)~~

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

~~Article — Natural Resources~~~~Section 5-1601(bb), (ff), and (jj) and 5-1607(c)(1) through (3) and (d)(1) through (4)~~~~Annotated Code of Maryland~~~~(2005 Replacement Volume and 2006 Supplement)~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That ~~the Laws of Maryland read as follows:~~ for purposes of the application of Title 5, Subtitle 16 of the Natural Resources Article to a tract of land of at least 350 acres of which at least 15% is within the boundaries of a 100-year floodplain or wetland, the term “net tract area” includes the forested areas within the floodplain or wetland if a perpetual conservation easement is placed on the forested areas at the time the plat of the tract is recorded.

~~Article — Natural Resources~~~~5-1601.~~~~(z) (1) “Net tract area” means:~~

~~[(1)] (I) Except in agriculture and resource areas or linear project areas, the total area of a site, including both forested and nonforested areas, to the nearest one-tenth acre reduced by that area where forest clearing is restricted by another local ordinance or program, INCLUDING THE FORESTED AREA WITHIN THE BOUNDARIES OF A 100-YEAR FLOODPLAIN OR WETLAND;~~

~~[(2)] (II) In agriculture and resource areas, the portion of the total tract for which land use will be changed or will no longer be used for primarily agricultural activities reduced by that area where forest clearing is restricted by another local ordinance or program, INCLUDING THE FORESTED AREA WITHIN THE BOUNDARIES OF A 100-YEAR FLOODPLAIN OR WETLAND; and~~

~~[(3)] (III) For a linear project:~~

~~[(i)] 1. The area of a right-of-way width, new access roads and storage; or~~

~~[(ii)] 2. The limits of disturbance as shown on an application for sediment and erosion control approval or in a capital improvements program project description;~~

~~(2) “NET TRACT AREA” INCLUDES A NONTIDAL WETLAND, STREAM BUFFER, AND THE FORESTED AREA OF A 100-YEAR FLOODPLAIN IF THE~~

~~WETLAND, BUFFER, AND FORESTED 100-YEAR FLOODPLAIN AREA IS PLACED IN A PERPETUAL CONSERVATION EASEMENT AT THE TIME OF RECORD PLAT.~~

~~(aa) (1) "Nontidal wetland" means an area that is inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and under normal conditions does support, a prevalence of vegetation typically adapted for life in saturated soil conditions, commonly known as hydrophytic vegetation.~~

~~(2) (i) The determination of whether an area is considered a nontidal wetland shall be made in accordance with the publication known as the "Federal Manual for Identifying and Delineating Jurisdictional Wetlands", published in 1989 and as may be amended and interpreted by the U.S. Environmental Protection Agency.~~

~~(ii) THE REQUIREMENTS OF SUBPARAGRAPH (i) OF THIS PARAGRAPH SHALL APPLY, IN THE SAME MANNER, TO ALL JURISDICTIONS OF THE STATE.~~

~~(3) "Nontidal wetlands" do not include tidal wetlands regulated under Title 16 of the Environment Article.~~

~~(bb) (1) "One hundred year floodplain" means an area along or adjacent to a stream or body of water, except tidal waters, that is capable of storing or conveying floodwaters during a 100-year frequency storm event.~~

~~(2) A 100-year flood is a flood which has a 1% chance of being equaled or exceeded in any given year. Except for Class III waters (natural trout streams), a body of water with a watershed less than 400 acres is excluded.~~

~~(ff) (1) "Reforestation" or "reforested" means the creation of a biological community dominated by trees and other woody plants containing at least 100 trees per acre with at least 50% of those trees having the potential of attaining a 2 inch or greater diameter measured at 4.5 feet above the ground, within 7 years.~~

~~(2) "Reforestation" includes landscaping of areas under an approved landscaping plan that establishes a forest that is at least 35 feet wide and covering 2,500 square feet of area.~~

~~(3) "Reforestation" for a linear project which involves overhead transmission lines may consist of a biological community dominated by trees and woody shrubs with no minimum height or diameter criteria.~~

~~(jj) "Stream buffer" means all lands lying within 50 feet, measured from the top of each normal bank of any perennial or intermittent stream.~~

~~5-1607.~~

~~(c) The following trees, shrubs, plants, and specific areas shall be considered priority for retention and protection, and they shall be left in an undisturbed condition unless the applicant has demonstrated, to the satisfaction of the State or local authority that reasonable efforts have been made to protect them and the plan cannot reasonably be altered:~~

~~(1) Trees, shrubs, and plants located in sensitive areas including 100-year floodplains, intermittent and perennial streams and their buffers, coastal bays and their buffers, steep slopes, and critical habitats;~~

~~(2) Contiguous forest that connects the largest undeveloped or most vegetated tracts of land within and adjacent to the site;~~

~~(3) Trees, shrubs, or plants identified on the list of rare, threatened, and endangered species of the U.S. Fish and Wildlife Service or the Department;~~

~~(d) The following shall be considered priority for afforestation or reforestation:~~

~~(1) Establish or enhance forest buffers adjacent to intermittent and perennial streams and coastal bays to widths of at least 50 feet;~~

~~(2) Establish or increase existing forested corridors to connect existing forests within or adjacent to the site and, where practical, forested corridors should be a minimum of 300 feet in width to facilitate wildlife movement;~~

~~(3) Establish or enhance forest buffers adjacent to critical habitats where appropriate;~~

~~(4) Establish or enhance forested areas in 100-year floodplains;~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act may not be construed to prevent any person that ~~submitted~~ submits a forest conservation plan before ~~October~~ July 1, 2007, to the State or local authority in accordance with § 5-1605 of the Natural Resources Article, and has not been issued a building permit, from revising the net tract area, for a tract of land of at least 350 acres of which at least 15% is within the boundaries of a 100-year floodplain or wetland, to include the forested area within the boundaries of ~~a~~ the 100-year floodplain or wetland.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 2007. It shall remain effective for a period of 8 months and, at the end of February 29, 2008, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 576 - *Maryland Emergency Management Assistance Compact - Emergency Responders*.

This bill defines the term “emergency responder” for purposes of the Maryland Emergency Management Assistance Compact, and includes in the defined term specified firefighters, emergency medical services providers, rescue squad members, county employees, and law enforcement officers.

House Bill 689, 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 576.

Sincerely,

Martin O'Malley
Governor

Senate Bill 576

AN ACT concerning

Maryland Emergency Management Assistance Compact – Emergency Responders

FOR the purpose of ~~providing that certain emergency responders and certain law enforcement officers may be a party to~~ defining the term “emergency responder” for purposes of the Maryland Emergency Management Assistance Compact, under certain circumstances; defining certain terms; including in the defined term certain firefighters, certain emergency medical services providers, certain rescue squad members, certain county employees, and certain law enforcement officers; and generally relating to the Maryland Emergency Management Assistance Compact.

BY repealing and reenacting, with amendments,

Article – Public Safety
Section 14–801 ~~and 14–802~~
Annotated Code of Maryland
(2003 Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,
Article – Public Safety
Section 14–802
Annotated Code of Maryland
(2003 Volume and 2006 Supplement)

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

Article – Public Safety

14–801.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Authorized representative” means an employee of a local jurisdiction authorized by the senior elected official of that jurisdiction to request, offer, or provide assistance under the terms of the compact.
- (c) “Compact” means the Maryland Emergency Management Assistance Compact.

(D) (1) “EMERGENCY RESPONDER” MEANS ~~A~~ AN INDIVIDUAL WHO IS SENT OR DIRECTED BY A PARTY JURISDICTION IN RESPONSE TO A REQUEST FOR ASSISTANCE BY ANOTHER PARTY JURISDICTION.

(2) “EMERGENCY RESPONDER” INCLUDES A:

~~(1)~~ (I) CAREER OR VOLUNTEER FIREFIGHTER WITHIN THIS STATE;

~~(2)~~ (II) CAREER OR VOLUNTEER EMERGENCY MEDICAL SERVICES PROVIDER ~~WITHIN THIS STATE~~, AS DEFINED IN § 13–516 OF THE EDUCATION ARTICLE, WITHIN THIS STATE; ~~OR~~

~~(3)~~ (III) CAREER OR VOLUNTEER RESCUE SQUAD MEMBER WITHIN THIS STATE;

(IV) COUNTY EMPLOYEE WHO IS PERFORMING AN EMERGENCY SUPPORT FUNCTION DESCRIBED IN § 14-803(2)(B)(5)(II) OF THIS SUBTITLE; AND

(V) LAW ENFORCEMENT OFFICER AS DEFINED IN § 3-101 OF THIS ARTICLE.

[(d)](E) “Jurisdictions” means the 23 counties within Maryland, Baltimore City, and Ocean City.

~~(F) “LAW ENFORCEMENT OFFICER” HAS THE MEANING STATED IN § 3-101 OF THIS ARTICLE.~~

[(e)] ~~(G)~~ (F) “Senior elected official” means:

- (1) The Mayor;
- (2) The County Executive; or

(3) For a county that does not have a county executive, the president of the board of county commissioners or county council or other chief executive officer of the county.

14-802.

The Maryland Emergency Management Assistance Compact is entered into with:

~~(1) [all] ALL~~ other jurisdictions that adopt the Compact in a form substantially similar to the Compact set forth in this subtitle;~~AND~~

~~(2) EACH EMERGENCY RESPONDER OR LAW ENFORCEMENT OFFICER ORGANIZATION, IF:~~

~~(i) THE ORGANIZATION PROVIDES WRITTEN CONSENT TO BE BOUND BY THE TERMS OF THE COMPACT TO THE SENIOR ELECTED OFFICIAL OF THE COUNTY OR POLITICAL SUBDIVISION OF THE ORGANIZATION; AND~~

~~(ii) THE WRITTEN CONSENT REQUIRED BY SUBPARAGRAPH (i) OF THIS PARAGRAPH IS ACKNOWLEDGED BY A RESOLUTION OF THE LOCAL GOVERNING BODY.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 579 - *Children with Disabilities - Voluntary Placement Agreements*.

This bill requires the juvenile court, before determining whether a child with a developmental disability or a mental illness is a child in need of assistance, to make a finding as to whether the local department of social services made reasonable efforts to place the child in accordance with a voluntary placement agreement.

House Bill 1226, 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 579.

Sincerely,

Martin O'Malley
Governor

Senate Bill 579

AN ACT concerning

Children with Disabilities – Voluntary Placement Agreements

FOR the purpose of requiring the juvenile court to make a certain finding in certain hearings involving a child with a developmental disability or mental illness; authorizing the juvenile court, in making a disposition on a child in need of assistance petition involving a child with a developmental disability or mental illness, to ~~make a certain finding and~~ hold a certain finding in abeyance, require a local department of social services to take certain actions, and hold a certain hearing; requiring each local department of social services to designate a certain staff person to administer requests for voluntary placement agreements for children with developmental disabilities or mental illnesses; requiring each local department of social services to make a certain annual report to the Social Services Administration; requiring a local department of social services to take certain actions on receipt of a request for a voluntary placement agreement for a

child with a developmental disability or mental illness; requiring the Social Services Administration to provide certain training for certain staff who administer requests for voluntary placement agreements; and generally relating to children with disabilities or mental illnesses and voluntary placement agreements.

BY repealing and reenacting, without amendments,
Article – Courts and Judicial Proceedings
Section 3–816.1(a)
Annotated Code of Maryland
(2006 Replacement Volume)

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 3–816.1(b) and 3–819(b)
Annotated Code of Maryland
(2006 Replacement Volume)

BY repealing and reenacting, with amendments,
Article – Family Law
Section 5–525(a) and (b)
Annotated Code of Maryland
(2006 Replacement Volume)

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

Article – Courts and Judicial Proceedings

3–816.1.

(a) The provisions of this section apply to a hearing conducted in accordance with § 3–815, § 3–817, § 3–819, or § 3–823 of this subtitle or a review hearing conducted in accordance with § 5–326 of the Family Law Article in which a child is placed under an order of guardianship, commitment, or shelter care.

(b) (1) In a hearing conducted in accordance with § 3–815, § 3–817, § 3–819, or § 3–823 of this subtitle, the court shall make a finding whether the local department made reasonable efforts to prevent placement of the child into the local department's custody.

(2) In a review hearing conducted in accordance with § 3–823 of this subtitle or § 5–326 of the Family Law Article, the court shall make a finding whether a local department made reasonable efforts to:

(i) Finalize the permanency plan in effect for the child; and

(ii) Meet the needs of the child, including the child's health, education, safety, and preparation for independence.

(3) IN A HEARING CONDUCTED IN ACCORDANCE WITH § 3-815, § 3-817, OR § 3-819 OF THIS SUBTITLE, BEFORE DETERMINING WHETHER A CHILD WITH A DEVELOPMENTAL DISABILITY OR A MENTAL ILLNESS IS A CHILD IN NEED OF ASSISTANCE, THE COURT SHALL MAKE A FINDING WHETHER THE LOCAL DEPARTMENT MADE REASONABLE EFFORTS TO PREVENT PLACEMENT OF THE CHILD INTO THE LOCAL DEPARTMENT'S CUSTODY BY DETERMINING WHETHER THE LOCAL DEPARTMENT COULD HAVE PLACED THE CHILD IN ACCORDANCE WITH A VOLUNTARY PLACEMENT AGREEMENT UNDER § 5-525(A)(1)(I) OR (III) OF THE FAMILY LAW ARTICLE.

~~[(3)]~~ (4) The court shall require a local department to provide evidence of its efforts before the court makes a finding required under this subsection.

~~[(4)]~~ (5) The court's finding under this subsection shall assess the efforts made since the last adjudication of reasonable efforts and may not rely on findings from prior hearings.

3-819.

(b) (1) In making a disposition on a CINA petition under this subtitle, the court shall:

(i) Find that the child is not in need of assistance and, except as provided in subsection (e) of this section, dismiss the case; [or]

~~(II) FIND THAT THE CHILD IS NOT IN NEED OF ASSISTANCE AND ORDER THE LOCAL DEPARTMENT TO OFFER A VOLUNTARY PLACEMENT AGREEMENT TO A CHILD WITH A DEVELOPMENTAL DISABILITY OR MENTAL ILLNESS UNDER § 5-525(A)(1)(I) OR (III) OF THE FAMILY LAW ARTICLE HOLD IN ABEYANCE A FINDING ON WHETHER A CHILD WITH A DEVELOPMENTAL DISABILITY OR A MENTAL ILLNESS IS A CHILD IN NEED OF ASSISTANCE AND:~~

1. ORDER THE LOCAL DEPARTMENT TO ASSESS OR REASSESS THE FAMILY AND CHILD'S ELIGIBILITY FOR PLACEMENT OF THE CHILD IN ACCORDANCE WITH A VOLUNTARY PLACEMENT AGREEMENT UNDER § 5-525(A)(1)(I) OF THE FAMILY LAW ARTICLE;

2. ORDER THE LOCAL DEPARTMENT TO REPORT BACK TO THE COURT IN WRITING WITHIN 30 DAYS UNLESS THE COURT EXTENDS THE TIME PERIOD FOR GOOD CAUSE SHOWN;

3. IF THE LOCAL DEPARTMENT DOES NOT FIND THE CHILD ELIGIBLE FOR PLACEMENT IN ACCORDANCE WITH A VOLUNTARY PLACEMENT AGREEMENT, HOLD A HEARING TO DETERMINE WHETHER THE FAMILY AND CHILD ARE ELIGIBLE FOR PLACEMENT OF THE CHILD IN ACCORDANCE WITH A VOLUNTARY PLACEMENT AGREEMENT; AND

4. AFTER THE HEARING:

A. FIND THAT THE CHILD IS NOT IN NEED OF ASSISTANCE AND ORDER THE LOCAL DEPARTMENT TO OFFER TO PLACE THE CHILD IN ACCORDANCE WITH A VOLUNTARY PLACEMENT AGREEMENT UNDER § 5-525(A)(1)(I) OF THE FAMILY LAW ARTICLE;

B. FIND THAT THE CHILD IS IN NEED OF ASSISTANCE; OR

C. DISMISS THE CASE; OR

[(ii)] (iii) Subject to paragraph (2) of this subsection, find that the child is in need of assistance and:

1. Not change the child's custody status; or
2. Commit the child on terms the court considers appropriate to the custody of:
 - A. A parent;
 - B. Subject to § 3-819.2 of this subtitle, a relative, or other individual; or
 - C. A local department, the Department of Health and Mental Hygiene, or both, including designation of the type of facility where the child is to be placed.

(2) Unless good cause is shown, a court shall give priority to the child's relatives over nonrelatives when committing the child to the custody of an individual other than a parent.

Article – Family Law

5-525.

(a) (1) The Administration shall establish a program of out-of-home placement for minor children:

(i) who are placed in the custody of a local department, for a period of not more than 180 days, by a parent or legal guardian under a voluntary placement agreement;

(ii) who are abused, abandoned, neglected, or dependent, if a juvenile court:

1. has determined that continued residence in the child's home is contrary to the child's welfare; and

2. has committed the child to the custody or guardianship of a local department; or

(iii) who, with the approval of the Administration, are placed in an out-of-home placement by a local department under a voluntary placement agreement subject to paragraph (2) of this subsection.

(2) (i) A local department may not seek legal custody of a child under a voluntary placement agreement if the child has a developmental disability or a mental illness and the purpose of the voluntary placement agreement is to obtain treatment or care related to the child's disability that the parent is unable to provide.

(ii) A child described in subparagraph (i) of this paragraph may remain in an out-of-home placement under a voluntary placement agreement for more than 180 days if the child's disability necessitates care or treatment in the out-of-home placement and a juvenile court makes a finding that continuation of the placement is in the best interests of the child.

(III) EACH LOCAL DEPARTMENT SHALL DESIGNATE, FROM EXISTING STAFF, A STAFF PERSON ~~WHO DOES NOT INVESTIGATE CHILD ABUSE AND NEGLECT ALLEGATIONS~~ TO ADMINISTER REQUESTS FOR VOLUNTARY PLACEMENT AGREEMENTS FOR CHILDREN WITH DEVELOPMENTAL DISABILITIES OR MENTAL ILLNESSES.

(IV) EACH LOCAL DEPARTMENT SHALL REPORT ANNUALLY TO THE ADMINISTRATION ON THE NUMBER OF REQUESTS FOR VOLUNTARY PLACEMENT AGREEMENTS FOR CHILDREN WITH DEVELOPMENTAL DISABILITIES OR MENTAL ILLNESSES THAT HAVE BEEN RECEIVED, THE OUTCOME OF EACH REQUEST, AND THE REASON FOR EACH DENIAL.

(V) ON RECEIPT OF A REQUEST FOR A VOLUNTARY PLACEMENT AGREEMENT FOR A CHILD WITH A DEVELOPMENTAL DISABILITY OR A MENTAL ILLNESS, A LOCAL DEPARTMENT SHALL DISCUSS THE CHILD'S CASE AT THE NEXT MEETING OF THE LOCAL COORDINATING COUNCIL FOR THE PURPOSE OF DETERMINING WHETHER ANY ALTERNATIVE OR INTERIM SERVICES FOR THE CHILD AND FAMILY MAY BE PROVIDED BY ANY AGENCY.

(b) In establishing the out-of-home placement program the Administration shall:

(1) provide time-limited family reunification services to a child placed in an out-of-home placement and to the parents or guardian of the child, in order to facilitate the child's safe and appropriate reunification within a timely manner; [and]

(2) concurrently develop and implement a permanency plan that is in the best interests of the child; **AND**

(3) PROVIDE TRAINING ON AN ANNUAL BASIS FOR THE STAFF AT EACH LOCAL DEPARTMENT WHO ADMINISTER REQUESTS FOR VOLUNTARY PLACEMENT AGREEMENTS FOR CHILDREN WITH DEVELOPMENTAL DISABILITIES OR MENTAL ILLNESSES UNDER SUBSECTION (A) OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 587 - *District Court - Citations*.

This bill requires the Chief Judge of the District Court to authorize the use of a single document for issuance of specified multiple, separately numbered, citations. The bill

requires the Chief Judge of the District Court to delineate the means used to execute citations by a police officer. Finally, it requires the Chief Judge of the District Court to authorize specified citations to include a summons.

House Bill 459, 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 587.

Sincerely,

Martin O'Malley
Governor

Senate Bill 587

AN ACT concerning

District Court – Citations

FOR the purpose of requiring the Chief Judge of the District Court to authorize the use of a single document for issuance of certain multiple, separately numbered, citations; requiring the Chief Judge of the District Court to specify certain means used to execute certain citations by a police officer issuing a citation and by a person to whom a citation is issued; requiring the Chief Judge of the District Court to authorize certain citations to include a summons; allowing a police officer to dispense with the acknowledgment of a person receiving a certain citation containing a summons in accordance with certain regulations; requiring a police officer to execute certain citations under penalties of perjury; providing for notice of certain trial dates; repealing certain references to appearance in court as specified in certain citations; repealing certain requirements as to signatures; authorizing the initial filing electronically of certain citations with the District Court; altering the duty of the District Court with regard to providing certain traffic citation forms; providing for consultation with the Chief Judge of the District Court by the Motor Vehicle Administration with regard to distribution and disposition of certain citation forms; making certain technical and stylistic changes; providing for the effect of this Act on pending citations; and generally relating to certain citations filed with the District Court.

BY repealing and reenacting, without amendments,
Article – Courts and Judicial Proceedings
Section 1–605(d)(4)
Annotated Code of Maryland
(2006 Replacement Volume)

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 1–605(d)(8) and (9)
Annotated Code of Maryland
(2006 Replacement Volume)

BY adding to
Article – Courts and Judicial Proceedings
Section 1–605(d)(9), (10), and (11) and (e)
Annotated Code of Maryland
(2006 Replacement Volume)

BY repealing and reenacting, with amendments,
Article – Criminal Procedure
Section 5–212
Annotated Code of Maryland
(2001 Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,
Article – Transportation
Section 12–104.1(b)
Annotated Code of Maryland
(2006 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article – Transportation
Section 24–304(b), 26–201, 26–203, 26–204, 26–402, 26–407, and 26–409(a)
Annotated Code of Maryland
(2006 Replacement Volume and 2006 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

1–605.

(d) In addition to the powers and duties granted and imposed in subsections (a), (b), and (c) of this section, or elsewhere by law or rule, the Chief Judge of the District Court shall:

(4) In conjunction with the Motor Vehicle Administrator, establish uniform procedures for reporting traffic cases in the District Court, including procedures for promptly notifying the Motor Vehicle Administration of each citation within the jurisdiction of the District Court that is issued to a minor licensed in the

State charging the minor with driving a motor vehicle at least 20 miles per hour above the maximum lawful speed;

(8) After consultation with police administrators and the Motor Vehicle Administrator, design arrest – citation forms that:

(i) Shall be used by all law enforcement agencies in the State when charging a person with a criminal, civil, or traffic offense, excepting:

1. Violations by juveniles listed in § 3–8A–33(a) of this article;

2. Violations of parking ordinances or regulations adopted under Title 26, Subtitle 3 of the Transportation Article; and

3. Other violations as expressly provided by law; and

(ii) Shall include a line on which to add the \$7.50 surcharge assessed under § 27–101.2 of the Transportation Article; [and]

(9) AUTHORIZE THE USE OF A SINGLE DOCUMENT FOR ISSUANCE OF MORE THAN ONE, SEPARATELY NUMBERED, CITATION;

(10) SPECIFY APPROPRIATE MEANS, SUCH AS A SIGNATURE ON A CITATION, ELECTRONIC SIGNATURE, OR DATA ENCODED IN A DRIVER'S LICENSE OR IDENTITY CARD ISSUED BY THE MOTOR VEHICLE ADMINISTRATION, TO BE USED BY:

(I) THE POLICE OFFICER ISSUING A CITATION TO EXECUTE IT BY CERTIFYING UNDER PENALTIES OF PERJURY THAT THE FACTS STATED IN THE CITATION ARE TRUE; AND

(II) THE PERSON TO WHOM A CITATION IS BEING ISSUED TO ACKNOWLEDGE ITS RECEIPT;

(11) AUTHORIZE A CITATION TO INCLUDE A SUMMONS TO APPEAR; AND

[(9)] (12) Cause the District Court to print OR OTHERWISE MAKE AVAILABLE uniform motor vehicle citation forms and any other uniform statewide citation forms for offenses triable in the District Court.

(E) NOTWITHSTANDING ANY PROVISION OF THE TRANSPORTATION ARTICLE, A POLICE OFFICER MAY DISPENSE WITH THE ACKNOWLEDGMENT OF A

PERSON RECEIVING A CITATION THAT CONTAINS A SUMMONS AS PROVIDED IN SUBSECTION (D)(11) OF THIS SECTION AND REGULATIONS ADOPTED BY THE POLICE OFFICER'S AGENCY.

Article – Criminal Procedure

5–212.

(a) This section does not apply to a citation:

(1) for a violation of a parking ordinance or regulation adopted under Title 26, Subtitle 3 of the Transportation Article;

(2) adopted by the Chief Judge of the District Court under [§ 1–605(d)(8)] **§ 1–605(D)** of the Courts Article, for use in traffic offenses; or

(3) issued by a Natural Resources police officer under § 1–205 of the Natural Resources Article.

(b) A bench warrant may be issued for the arrest of a defendant who fails to appear in court in response to a citation.

(c) A person who fails to appear in court in response to a citation is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$500 or imprisonment not exceeding 90 days or both.

Article – Transportation

12–104.1.

(b) (1) An employee appointed under this section may issue citations to the extent authorized by the Administration for violations of:

(i) Those provisions of Title 13 of this article relating to:

1. The vehicle excise tax;
2. Vehicle titling and registration;
3. Special registration plates for individuals with disabilities; and
4. Parking permits for individuals with disabilities;

(ii) Those provisions of Title 17 of this article relating to required security;

(iii) Those provisions of Title 14 of this article relating to falsified, altered, or forged documents and plates;

(iv) Those provisions of Title 16 of this article relating to unlawful application for a license and vehicle operation during periods of cancellation, revocation, and suspension of a driver's license;

(v) Those provisions of Title 21 of this article relating to special residential parking permits issued by the Administration;

(vi) Those provisions of §§ 15–113 and 15–113.1 of this article relating to maintenance of and access to required business records;

(vii) Those provisions of Title 15 of this article relating to unlicensed business activity; and

(viii) Those provisions of this title relating to the issuance of an identification card.

(2) The issuance of citations under this section shall comply with the requirements of § 26–201 of this article.

24–304.

(b) The charging of a person with a violation of this subtitle shall be by means of a traffic citation in the form determined under [§ 1–605(d)(8)] **§ 1–605(D)** of the Courts Article.

26–201.

(a) A police officer may charge a person with a violation of any of the following, if the officer has probable cause to believe that the person has committed or is committing the violation:

(1) The Maryland Vehicle Law, including any [rule or] regulation adopted under any of its provisions;

(2) A traffic law or ordinance of any local authority;

(3) Title 9, Subtitle 2 of the Tax – General Article;

(4) Title 9, Subtitle 3 of the Tax – General Article;

- (5) Title 10, Subtitle 4 of the Business Regulation Article;
- (6) § 10–323 of the Business Regulation Article; or
- (7) § 10–323.2 of the Business Regulation Article.

(b) A police officer who charges a person under this section shall issue a [written] traffic citation, **AND PROVIDE A COPY**, to the person charged.

(c) A traffic citation issued to a person under this section shall contain:

(1) A notice to appear in court, including a notice that, if the offense is not punishable by incarceration, the person may request a hearing regarding sentencing and disposition in lieu of a trial as provided in § 26–204(b)(2) of this subtitle;

(2) A NOTICE THAT:

(i) THE CITATION IS A SUMMONS TO APPEAR AS NOTIFIED BY A CIRCUIT COURT OR THE DISTRICT COURT THROUGH A TRIAL NOTICE SETTING THE DATE, TIME, AND PLACE FOR THE PERSON TO APPEAR; OR

(ii) A CIRCUIT COURT OR THE DISTRICT COURT WILL ISSUE A WRIT SETTING THE DATE, TIME, AND PLACE FOR THE PERSON TO APPEAR;

[(2)](3) The name and address of the person;

[(3)](4) The number of the person's license to drive, if applicable;

[(4)] (5) The State registration number of the vehicle, if applicable;

[(5)] (6) The violation **OR VIOLATIONS** charged;

[(6)] Unless otherwise to be determined by the court, the time when and place where the person is required to appear in court;]

(7) **[A statement acknowledging] AN ACKNOWLEDGMENT OF** receipt of the citation, to be [signed] **EXECUTED** by the person **AS REQUIRED UNDER § 1–605 OF THE COURTS ARTICLE;**

(8) **[On the side of the citation to be signed by the person] NEAR THE ACKNOWLEDGMENT,** a clear and conspicuous statement that:

(i) [The signing] **ACKNOWLEDGMENT** of the citation by the person does not constitute an admission of guilt; and

(ii) The failure to [sign] **ACKNOWLEDGE RECEIPT OF THE CITATION** may subject the person to arrest; and

(9) Any other necessary information.

[(d) Unless the person charged demands an earlier hearing, a time specified in the notice to appear shall be at least 5 days after the alleged violation.

(e) A place specified in the notice to appear shall be before a judge of the District Court, as specified in § 26–401 of this title.]

[(f)] **(D)** [An] **A POLICE** officer who discovers a vehicle stopped, standing, or parked in violation of § 21–1003 of this article shall:

(1) Deliver a **COPY OF A** citation to the driver or, if the vehicle is unattended, attach a **COPY OF A** citation to the vehicle in a conspicuous place; and

(2) Keep a **WRITTEN OR ELECTRONIC** copy of the citation, bearing [his] **THE POLICE OFFICER'S** certification under penalty of perjury that the facts stated in the citation are true.

[(g)] **(E)** (1) A [law enforcement] **POLICE** officer who discovers a motor vehicle parked in violation of § 13–402 of this article shall:

(i) Deliver a **COPY OF A** citation to the driver or, if the motor vehicle is unattended, attach a **COPY OF A** citation to the motor vehicle in a conspicuous place; and

(ii) Keep a **WRITTEN OR ELECTRONIC** copy of the citation, bearing the law enforcement officer's certification under penalty of perjury that the facts stated in the citation are true.

(2) In the absence of the driver, the owner of the motor vehicle is presumed to be the person receiving the **COPY OF A** citation or warning.

26–203.

(a) This section applies to all traffic citations issued under this subtitle, unless:

(1) The person otherwise is being arrested under § 26–202(a)(1), (2), (3), or (4) of this subtitle;

(2) The person is incapacitated or otherwise unable to comply with the provisions of this section;

(3) The citation is being issued to an unattended vehicle in violation of § 21–1003 of this article; or

(4) The citation is being issued to an unattended motor vehicle in violation of § 13–402 of this article.

(b) On issuing a traffic citation, the police officer [shall request the person to sign the statement on the citation acknowledging its receipt.]:

(1) SHALL ASK THE PERSON TO ACKNOWLEDGE RECEIPT OF A COPY OF THE CITATION, AS REQUIRED UNDER § 1–605 OF THE COURTS ARTICLE; AND

(2) If the person refuses to [sign, the police officer] **DO SO**, shall advise the person that failure to [sign] **ACKNOWLEDGE RECEIPT** may lead to the person's arrest.

(c) **(1)** On being advised that failure to [sign] **ACKNOWLEDGE RECEIPT OF A COPY OF A CITATION** may lead to [his] arrest, the person may not refuse to [sign] **ACKNOWLEDGE RECEIPT**.

(2) If the person continues to refuse to [sign] **DO SO**, the police officer may arrest the person for violation of this section or, as provided in § 26–202(a)(5) of this subtitle, for the original charge, or both.

26–204.

(a) **(1)** A person shall comply with the notice to appear contained[:

(1) In a traffic citation issued to the person under this subtitle; or

(2) In a summons, other writ,] **IN A WRIT** or a trial notice issued by either the District Court or a circuit court in an action on a traffic citation.

(2) UNLESS THE PERSON CHARGED DEMANDS AN EARLIER HEARING, A TIME SPECIFIED TO APPEAR SHALL BE AT LEAST 5 DAYS AFTER THE ALLEGED VIOLATION.

(b) (1) For purposes of this section, the person may comply with the notice to appear by:

(i) Appearance in person;

(ii) Appearance by counsel; or

(iii) Payment of the fine **FOR A PARTICULAR OFFENSE**, if provided for in the citation **FOR THAT OFFENSE**.

(2) (i) Subject to the provisions of subparagraph (iii) of this paragraph, a person who intends to comply with the notice to appear contained in a traffic citation by appearance in person or by counsel may return a copy of the citation to the District Court within the time allowed for payment of the fine indicating in the appropriate space on the citation that the person:

1. Does not dispute the truth of the facts as alleged in the citation; and

2. Requests, in lieu of a trial, a hearing before the Court regarding sentencing and disposition.

(ii) A person who requests a hearing under the provisions of subparagraph (i) of this paragraph waives:

1. Any right to a trial of the facts as alleged in the citation; and

2. Any right to compel the appearance of the [law enforcement] **POLICE** officer who issued the citation.

(iii) A person may request a hearing under the provisions of subparagraph (i) of this paragraph only if the traffic citation is for an offense that is not punishable by incarceration.

(c) If a person fails to comply with the notice to appear, the District Court or a circuit court may:

(1) Except as provided in subsection (f) of this section, issue a warrant for the person's arrest; or

(2) After 5 days, notify the Administration of the person's noncompliance.

(d) On receipt of a notice of noncompliance from the District Court or a circuit court, the Administration shall notify the person that the person's driving privileges shall be suspended unless, by the end of the 15th day after the date on which the notice is mailed, the person:

(1) Pays the fine on the original charge as provided for in the original citations; or

(2) Posts bond or a penalty deposit and requests a new date for a trial or a hearing on sentencing and disposition.

(e) If a person fails to pay the fine or post the bond or penalty deposit under subsection (d) of this section, the Administration may suspend the driving privileges of the person.

(f) When the offense is not punishable by incarceration, if the court notifies the Administration of the person's noncompliance under subsection (c) of this section, a warrant may not be issued for the person under this section until 20 days after the original trial date.

(g) With the cooperation of the District Court and circuit courts, the Administration shall develop procedures to carry out those provisions of this section that relate to the suspension of driving privileges.

26-402.

(a) This section does not apply if the alleged offense is any of the offenses enumerated in § 26-202(a)(3)(i), (ii), (iii), and (iv) of this title.

(b) If a police officer arrests a person and takes **[him] THE PERSON** before a District Court commissioner as provided in this title, the person shall be released on issuance of a **[written]** citation if:

(1) A commissioner is not available;

(2) A judge, clerk, or other public officer, authorized to accept bail for the court is not available; and

(3) The person charged gives **[his] THE PERSON'S** written promise to appear in court.

26-407.

(a) This section does not affect or modify the procedures established under Subtitle 3 of this title as to violations of parking ordinances or regulations adopted under that subtitle.

(b) Each police officer who issues a traffic citation to an alleged violator of any State or local law [shall]:

(1) [File the original] **SHALL FILE AN ELECTRONIC OR WRITTEN** copy of the citation promptly with the District Court; [and]

(2) IF THE PERSON CHARGED ACKNOWLEDGES RECEIPT ON A WRITTEN COPY OF THE CITATION, SHALL KEEP THAT COPY TO PRODUCE AS EVIDENCE IN COURT IF REQUIRED; AND

[(2)] (3) [Dispose] SHALL DISPOSE of the other copies of the citation in accordance with the [rules and] regulations adopted by the Administration.

(c) After the [original] copy of a traffic citation is filed with the District Court, the citation may be disposed of only by:

(1) Trial, dismissal of the charges, or other official action by a judge of the court;

(2) Forfeiture of the collateral, if authorized by the court; or

(3) Payment of a fine by the person to whom the traffic citation has been issued.

(d) This section does not prohibit the entry of a “nol pros” or “stet”.

(e) For each traffic citation issued by a police officer under [his] **THE POLICE OFFICER’S** jurisdiction, the chief executive officer of each traffic enforcement agency shall keep a record of the disposition of the charge by the District Court.

(f) (1) Subject to the requirements of this section **AND IN CONSULTATION WITH THE CHIEF JUDGE OF THE DISTRICT COURT**, the Administration shall adopt [rules and] regulations:

(i) To govern the distribution and disposition of **WRITTEN AND ELECTRONIC** traffic citation forms; and

(ii) To specify the records and reports required to be made of the disposition of charges.

(2) These [rules and] regulations apply to each traffic enforcement agency and police officer with authority to issue traffic citations for a violation of a State or local law.

(3) Each police officer and the chief executive officer of each traffic enforcement agency shall make the records and reports required by these [rules and] regulations.

(g) (1) No police officer or other public employee may dispose of a traffic citation, its copies, or the record of the issuance of a traffic citation in any manner other than as required by this section and the [rules and] regulations adopted by the Administration.

(2) In addition to being unlawful, a violation of this subsection constitutes official misconduct.

26-409.

(a) The form of traffic citation provided for under [§ 1-605(d)(8)] **§ 1-605** of the Courts Article is a sufficient charging document for the prosecution of any offense for which a traffic citation may be issued under this title if:

(1) It includes the information required under the laws of this State;

(2) It is [signed] **EXECUTED** by the police officer issuing the citation **AS REQUIRED UNDER § 1-605 OF THE COURTS ARTICLE**; and

(3) It is filed with the District Court **AS REQUIRED UNDER § 1-605 OF THE COURTS ARTICLE**.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act has no effect on any citation issued before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House

Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 596 - *Discount Medical Plan Organizations and Discount Drug Plan Organizations - Registration and Regulation*.

This bill gives the Maryland Insurance Administration (MIA) authority to regulate medical and pharmacy discount plans. It requires the plans to register with the MIA, allows the MIA to deny or revoke their registration for fraud, misrepresentations, and violation of other prohibitions, and places limitations on advertising, plan access, payment to medical providers, and termination of plan membership. Various disclosure and notification requirements to plan members are also required. The MIA may conduct examinations of discount plans and impose corrective actions, including cease and desist orders, restitution, and penalties.

House Bill 847, 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 596.

Sincerely,

Martin O'Malley
Governor

Senate Bill 596

AN ACT concerning

**Discount Medical Plan Organizations and Discount Drug Plan Organizations
– Registration and Regulation**

FOR the purpose of providing for the regulation by the Maryland Insurance Commissioner of certain discount medical plan organizations and discount drug plan organizations; requiring the registration of certain entities as discount medical plan organizations or discount drug plan organizations; providing for the application and renewal process for registration; authorizing the Commissioner to deny a registration or refuse to renew, suspend, or revoke a registration under certain circumstances; prohibiting certain actions by a discount medical plan organization and discount drug plan organization; requiring certain disclosures to be made by discount medical plan organizations and discount drug plan organizations; requiring certain reimbursement if membership in a discount medical plan or discount drug plan is canceled under certain circumstances; requiring the Commissioner, in consultation with the

Office of the Attorney General, to adopt regulations that establish standards for determining a certain fee; ~~requiring that certain information appear on certain discount cards; requiring a certain statement to be included on or attached to certain discount cards~~ each discount medical plan organization and each discount drug plan organization to provide to a plan member a discount card that includes, at a minimum, certain data elements; requiring a discount medical plan organization or discount drug plan organization to reissue a discount card under certain circumstances; authorizing the examination of discount medical plan organizations and discount drug plan organizations under certain circumstances; authorizing the Commissioner to take certain actions to enforce certain provisions of law; providing for certain penalties; providing for the payment of the examinations; requiring an insurer, nonprofit health service plan, health maintenance organization, or dental plan organization to meet certain requirements; requiring the Commissioner to adopt certain regulations; ~~requiring the Commissioner to review the continued need for a certain requirement and report on the findings of the review to certain committees of the General Assembly on or before a certain date;~~ defining certain terms; providing for the application of this Act; and generally relating to discount medical plan organizations and discount drug plan organizations.

BY adding to

Article – Health – General
 Section 19–706(jjj)
 Annotated Code of Maryland
 (2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article – Insurance
 Section 2–208
 Annotated Code of Maryland
 (2003 Replacement Volume and 2006 Supplement)

BY adding to

Article – Insurance
 Section 14–601 through 14–612 to be under the new subtitle “Subtitle 6.
 Discount Medical Plan Organizations and Discount Drug Plan
 Organizations”
 Annotated Code of Maryland
 (2006 Replacement Volume and 2006 Supplement)

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

Article – Health – General

19-706.

(JJJ) THE PROVISIONS OF TITLE 14, SUBTITLE 6 OF THE INSURANCE ARTICLE APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

Article – Insurance

2-208.

The expense incurred in an examination made under § 2-205 of this subtitle, § 2-206 of this subtitle for surplus lines brokers and insurance holding corporations, § 23-207 of this article for premium finance companies, § 15-10B-19 of this article for private review agents, [or] § 15-10B-20 of this article, **OR § 14-610 OF THIS ARTICLE FOR DISCOUNT MEDICAL PLAN ORGANIZATIONS AND DISCOUNT DRUG PLAN ORGANIZATIONS** shall be paid by the person examined in the following manner:

(1) the person examined shall pay to the Commissioner the travel expenses, a living expense allowance, and a per diem as compensation for examiners, actuaries, and typists:

- (i) to the extent incurred for the examination; and
- (ii) at reasonable rates set by the Commissioner;

(2) the Commissioner may present a detailed account of expenses incurred to the person examined periodically during the examination or at the end of the examination, as the Commissioner considers proper; and

(3) a person may not pay and an examiner may not accept any compensation for an examination in addition to the compensation under paragraph (1) of this section.

SUBTITLE 6. DISCOUNT MEDICAL PLAN ORGANIZATIONS AND DISCOUNT DRUG PLAN ORGANIZATIONS.

14-601.

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

(B) (1) “DISCOUNT DRUG PLAN” MEANS A BUSINESS ARRANGEMENT OR CONTRACT IN WHICH A PERSON, IN EXCHANGE FOR FEES, DUES, CHARGES, OR OTHER FINANCIAL CONSIDERATION PAID BY OR ON BEHALF OF A PLAN

MEMBER, PROVIDES THE RIGHT TO RECEIVE DISCOUNTS ON SPECIFIED PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES FROM SPECIFIED PROVIDERS.

(2) “DISCOUNT DRUG PLAN” DOES NOT INCLUDE:

(I) A BUSINESS ARRANGEMENT OR CONTRACT IN WHICH THE FEES, DUES, CHARGES, AND OTHER FINANCIAL CONSIDERATION PAID BY OR ON BEHALF OF A PLAN MEMBER CONSIST ONLY OF:

~~(H)~~ 1. A PAYMENT MADE DIRECTLY TO A PROVIDER AS A DISPENSING OR TRANSACTIONAL FEE IN CONNECTION WITH THE PURCHASE OF PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES THAT ARE SUBJECT TO A DISCOUNT; OR

~~(H)~~ 2. AN ADMINISTRATIVE OR PROCESSING FEE PAID BY ANYONE OTHER THAN A PLAN MEMBER TO A PROVIDER IN CONNECTION WITH THAT PROVIDER’S PROVISION OF DISCOUNTS TO PLAN MEMBERS; OR

(II) A PATIENT ASSISTANCE PROGRAM THAT:

1. IS SPONSORED, OFFERED, OR PROVIDED FOR BY A PHARMACEUTICAL MANUFACTURER; AND

2. IS NOT PROVIDED IN EXCHANGE FOR FEES, DUES, CHARGES, OR OTHER FINANCIAL CONSIDERATION.

(C) “DISCOUNT DRUG PLAN ORGANIZATION” MEANS AN ENTITY THAT:

(1) CONTRACTS DIRECTLY OR INDIRECTLY WITH PROVIDERS OR PROVIDER NETWORKS TO PROVIDE PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES AT A DISCOUNT TO PLAN MEMBERS; AND

(2) DETERMINES THE CHARGE TO PLAN MEMBERS.

(D) “DISCOUNT MEDICAL PLAN” MEANS A BUSINESS ARRANGEMENT OR CONTRACT IN WHICH A PERSON, IN EXCHANGE FOR FEES, DUES, CHARGES, OR OTHER FINANCIAL CONSIDERATION PAID BY OR ON BEHALF OF A PLAN MEMBER, PROVIDES THE RIGHT TO RECEIVE DISCOUNTS ON SPECIFIED MEDICAL SERVICES FROM SPECIFIED PROVIDERS.

(E) "DISCOUNT MEDICAL PLAN ORGANIZATION" MEANS AN ENTITY THAT:

(1) CONTRACTS DIRECTLY OR INDIRECTLY WITH PROVIDERS OR PROVIDER NETWORKS TO PROVIDE MEDICAL SERVICES AT A DISCOUNT TO PLAN MEMBERS; AND

(2) DETERMINES THE CHARGE TO PLAN MEMBERS.

(F) "HOSPITAL SERVICES" HAS THE MEANING STATED IN § 19-201 OF THE HEALTH – GENERAL ARTICLE.

(G) "MEDICAL SERVICES" MEANS ANY CARE, SERVICE, OR TREATMENT OF ILLNESS OR DYSFUNCTION OF, OR INJURY TO, THE HUMAN BODY, INCLUDING PHYSICIAN CARE, OUTPATIENT SERVICES, AMBULANCE SERVICES, DENTAL CARE SERVICES, VISION CARE SERVICES, MENTAL HEALTH SERVICES, SUBSTANCE ABUSE SERVICES, CHIROPRACTIC SERVICES, PODIATRIC CARE SERVICES, AND LABORATORY SERVICES.

(H) "MEDICARE PRESCRIPTION DRUG PLAN" MEANS A PLAN THAT PROVIDES A MEDICARE PART D PRESCRIPTION DRUG BENEFIT IN ACCORDANCE WITH THE REQUIREMENTS OF THE FEDERAL MEDICARE MODERNIZATION ACT.

(I) "PLAN MEMBER" MEANS ANY INDIVIDUAL WHO PAYS FEES, DUES, CHARGES, OR OTHER FINANCIAL CONSIDERATION FOR THE RIGHT TO RECEIVE THE BENEFITS OF A DISCOUNT MEDICAL PLAN OR A DISCOUNT DRUG PLAN.

(J) "PROVIDER" MEANS:

(1) ANY PERSON OR INSTITUTION WHICH IS CONTRACTED, DIRECTLY OR INDIRECTLY, WITH A DISCOUNT MEDICAL PLAN ORGANIZATION TO PROVIDE MEDICAL SERVICES TO PLAN MEMBERS; OR

(2) ANY PERSON OR INSTITUTION WHICH IS CONTRACTED, DIRECTLY OR INDIRECTLY, WITH A DISCOUNT DRUG PLAN ORGANIZATION TO PROVIDE PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES TO PLAN MEMBERS.

(K) "STATE PRESCRIPTION DRUG PLAN" MEANS ANY DISCOUNT PLAN OPERATED BY A STATE AGENCY.

14-602.

(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THIS SUBTITLE DOES NOT APPLY TO AN INSURER, NONPROFIT HEALTH SERVICE PLAN, HEALTH MAINTENANCE ORGANIZATION, OR DENTAL PLAN ORGANIZATION THAT HOLDS A CERTIFICATE OF AUTHORITY IN THIS STATE.

(B) AN INSURER, NONPROFIT HEALTH SERVICE PLAN, HEALTH MAINTENANCE ORGANIZATION, OR DENTAL PLAN ORGANIZATION SHALL:

(1) COMPLY WITH §§ 14-606 THROUGH 14-611 OF THIS SUBTITLE;

(2) NOTIFY THE COMMISSIONER IN WRITING THAT IT SELLS, MARKETS, OR SOLICITS A DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN IN THE STATE; AND

(3) (I) FILE QUARTERLY WITH THE COMMISSIONER A CURRENT LIST OF THE PERSONS, OTHER THAN LICENSED INSURANCE PRODUCERS, WHO ARE AUTHORIZED TO SELL, MARKET, OR SOLICIT IN THE STATE A DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN ESTABLISHED BY THE INSURER, NONPROFIT HEALTH SERVICE PLAN, HEALTH MAINTENANCE ORGANIZATION, OR DENTAL PLAN ORGANIZATION; AND

(II) PROVIDE THE COMMISSIONER WITH AN ADDITIONAL LIST ON REQUEST.

(C) AN INSURER, NONPROFIT HEALTH SERVICE PLAN, HEALTH MAINTENANCE ORGANIZATION, OR DENTAL PLAN ORGANIZATION MAY FILE THE LIST REQUIRED UNDER SUBSECTION (B)(3) OF THIS SECTION ELECTRONICALLY, IN A FORMAT PRESCRIBED BY THE COMMISSIONER.

(D) THIS SUBTITLE DOES NOT APPLY TO MEDICARE PRESCRIPTION DRUG PLANS OR TO A STATE PRESCRIPTION DRUG PLAN.

14-603.

(A) (1) AN ENTITY SHALL REGISTER WITH THE COMMISSIONER AS A DISCOUNT MEDICAL PLAN ORGANIZATION BEFORE A DISCOUNT MEDICAL PLAN ESTABLISHED BY THAT ENTITY IS SOLD, MARKETED, OR SOLICITED IN THE STATE.

(2) A DISCOUNT MEDICAL PLAN MAY NOT BE SOLD, MARKETED, OR SOLICITED IN THE STATE UNLESS THE DISCOUNT MEDICAL PLAN

ORGANIZATION THAT ESTABLISHED THE DISCOUNT MEDICAL PLAN IS REGISTERED WITH THE COMMISSIONER.

(B) (1) AN ENTITY SHALL REGISTER WITH THE COMMISSIONER AS A DISCOUNT DRUG PLAN ORGANIZATION BEFORE A DISCOUNT DRUG PLAN ESTABLISHED BY THAT ENTITY IS SOLD, MARKETED, OR SOLICITED IN THE STATE.

(2) A DISCOUNT DRUG PLAN MAY NOT BE SOLD, MARKETED, OR SOLICITED IN THE STATE UNLESS THE DISCOUNT DRUG PLAN ORGANIZATION THAT ESTABLISHED THE DISCOUNT DRUG PLAN IS REGISTERED WITH THE COMMISSIONER.

(C) AN APPLICANT FOR REGISTRATION SHALL:

(1) FILE WITH THE COMMISSIONER AN APPLICATION ON THE FORM THAT THE COMMISSIONER REQUIRES; AND

(2) PAY TO THE COMMISSIONER AN APPLICATION FEE OF \$250.

(D) AN ENTITY THAT IS REQUIRED TO REGISTER WITH THE COMMISSIONER UNDER BOTH SUBSECTIONS (A) AND (B) OF THIS SECTION MAY FILE ONE APPLICATION WITH THE COMMISSIONER AND PAY ONE APPLICATION FEE.

(E) AN APPLICANT SHALL FILE WITH ITS APPLICATION A LIST OF THE PERSONS AUTHORIZED TO SELL, MARKET, OR SOLICIT A DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN ESTABLISHED BY THE APPLICANT.

14-604.

(A) A REGISTRATION EXPIRES ON THE SECOND JUNE 30 FOLLOWING THE REGISTRATION UNLESS IT IS RENEWED AS PROVIDED IN THIS SECTION.

(B) BEFORE A REGISTRATION EXPIRES, THE REGISTRANT MAY RENEW IT FOR AN ADDITIONAL 2-YEAR TERM, IF THE REGISTRANT:

(1) OTHERWISE IS ENTITLED TO BE REGISTERED;

(2) FILES WITH THE COMMISSIONER A RENEWAL APPLICATION ON THE FORM THAT THE COMMISSIONER REQUIRES; AND

(3) PAYS TO THE COMMISSIONER A RENEWAL FEE OF \$150.

(C) AN APPLICATION FOR RENEWAL OF A REGISTRATION SHALL BE CONSIDERED MADE IN A TIMELY MANNER IF IT IS POSTMARKED ON OR BEFORE JUNE 30 OF THE YEAR OF RENEWAL.

(D) SUBJECT TO THE PROVISIONS OF § 14-605 OF THIS SUBTITLE, THE COMMISSIONER SHALL RENEW THE REGISTRATION OF EACH REGISTRANT THAT MEETS THE REQUIREMENTS OF THIS SECTION.

(E) (1) A REGISTRANT SHALL FILE ~~QUARTERLY~~ ANNUALLY WITH THE COMMISSIONER A CURRENT LIST OF THE PERSONS AUTHORIZED TO SELL, MARKET, OR SOLICIT IN THE STATE A DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN ESTABLISHED BY THE REGISTRANT.

(2) A REGISTRANT SHALL PROVIDE THE COMMISSIONER AN ADDITIONAL LIST ON REQUEST.

(3) A REGISTRANT MAY FILE THE LIST REQUIRED UNDER THIS SUBSECTION ELECTRONICALLY, IN A FORMAT PRESCRIBED BY THE COMMISSIONER.

14-605.

(A) SUBJECT TO THE HEARING PROVISIONS OF TITLE 2 OF THIS ARTICLE, THE COMMISSIONER MAY DENY A REGISTRATION TO AN APPLICANT OR REFUSE TO RENEW, SUSPEND, OR REVOKE THE REGISTRATION OF A REGISTRANT IF THE APPLICANT OR REGISTRANT, OR AN OFFICER, DIRECTOR, OR EMPLOYEE OF THE APPLICANT OR REGISTRANT:

(1) MAKES A MATERIAL MISSTATEMENT OR MISREPRESENTATION IN AN APPLICATION FOR REGISTRATION;

(2) FRAUDULENTLY OR DECEPTIVELY OBTAINS OR ATTEMPTS TO OBTAIN A REGISTRATION FOR THE APPLICANT OR REGISTRANT OR FOR ANOTHER;

(3) HAS BEEN CONVICTED OF A FELONY OR OF A MISDEMEANOR INVOLVING MORAL TURPITUDE;

(4) IN CONNECTION WITH THE ADMINISTRATION OF A DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN, COMMITS FRAUD OR ENGAGES IN ILLEGAL OR DISHONEST ACTIVITIES;

(5) HAS VIOLATED ANY PROVISION OF THIS SUBTITLE OR A REGULATION ADOPTED UNDER IT;

(6) PROVIDES A FALSE, FALSELY DISPARAGING, OR MISLEADING ORAL OR WRITTEN STATEMENT, VISUAL DESCRIPTION, OR OTHER REPRESENTATION OF ANY KIND THAT HAS THE CAPACITY, TENDENCY, OR EFFECT OF DECEIVING OR MISLEADING CONSUMERS;

(7) MAKES A REPRESENTATION THAT A DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN HAS A SPONSORSHIP, APPROVAL, CHARACTERISTIC, USE, OR BENEFIT THAT IT DOES NOT HAVE;

(8) HAS VIOLATED § 13-301 OF THE COMMERCIAL LAW ARTICLE;
OR

(9) FAILS TO MAINTAIN ON FILE WITH THE COMMISSIONER A CURRENT LIST OF THE PERSONS AUTHORIZED TO SELL, MARKET, OR SOLICIT A DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN ESTABLISHED BY THE APPLICANT OR THE REGISTRANT.

(B) THIS SECTION DOES NOT LIMIT ANY REGULATORY POWER OF THE COMMISSIONER UNDER TITLE 2 OF THIS ARTICLE.

14-606.

~~(A)~~ A DISCOUNT MEDICAL PLAN ORGANIZATION AND A DISCOUNT DRUG PLAN ORGANIZATION MAY NOT:

(1) USE IN THEIR ADVERTISEMENTS, MARKETING MATERIAL, BROCHURES, AND DISCOUNT CARDS THE TERM “INSURANCE” EXCEPT:

(I) IN THE NAME OF AN INSURER, NONPROFIT HEALTH SERVICE PLAN, HEALTH MAINTENANCE ORGANIZATION, OR DENTAL PLAN ORGANIZATION WHOSE CORPORATE NAME INCLUDES THE WORD “INSURANCE”;

(II) WHEN COMPARING THE DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN TO INSURANCE OR OTHERWISE DISTINGUISHING THE DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN FROM INSURANCE; OR

(III) AS OTHERWISE PROVIDED IN THIS SUBTITLE.

(2) USE IN THEIR ADVERTISEMENTS, MARKETING MATERIAL, BROCHURES, AND DISCOUNT CARDS THE TERMS “HEALTH PLAN”, “COVERAGE”,

“COPAY”, “COPAYMENTS”, “PREEXISTING CONDITIONS”, “GUARANTEED ISSUE”, “PREMIUM”, “PPO”, “PREFERRED PROVIDER ORGANIZATION”, OR OTHER TERMS IN A CONTEXT THAT COULD REASONABLY MISLEAD A PERSON INTO BELIEVING THE DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN WAS HEALTH INSURANCE;

(3) HAVE RESTRICTIONS ON ACCESS TO DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN PROVIDERS, INCLUDING WAITING PERIODS AND NOTIFICATION PERIODS;

(4) PAY PROVIDERS ANY FEES FOR MEDICAL SERVICES, PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES, EXCEPT THAT A DISCOUNT MEDICAL PLAN ORGANIZATION OR A DISCOUNT DRUG PLAN ORGANIZATION THAT ALSO HAS AN ACTIVE REGISTRATION UNDER TITLE 8, SUBTITLE 3 OF THIS ARTICLE MAY CONTINUE TO PAY FEES TO PROVIDERS IN ITS CAPACITY AS A THIRD PARTY ADMINISTRATOR;

(5) REFUSE TO MODIFY THE METHOD OF PAYMENT FOR MEMBERSHIP IN A DISCOUNT MEDICAL PLAN OR A DISCOUNT DRUG PLAN ON REQUEST, UNLESS A SPECIFIC METHOD OF PAYMENT IS REQUIRED AS A TERM OF THE DISCOUNT MEDICAL PLAN OR THE DISCOUNT DRUG PLAN AND WAS AGREED TO IN WRITING IN ADVANCE;

(6) IF MEMBERSHIP IS BILLED ON A MONTHLY BASIS, REFUSE TO PERMIT MEMBERSHIP TO TERMINATE WITHOUT FINANCIAL PENALTY ON NO MORE THAN 30 CALENDAR DAYS’ WRITTEN NOTICE; OR

(7) (I) CONTINUE ELECTRONIC FUND TRANSFER AS A METHOD OF PAYMENT MORE THAN 30 CALENDAR DAYS AFTER A WRITTEN REQUEST FOR TERMINATION OF ELECTRONIC FUND TRANSFER HAS BEEN MADE; OR

(II) REQUIRE THE MEMBER TO NOTIFY MORE THAN ONE ENTITY THAT IS EITHER THE DISCOUNT MEDICAL PLAN ORGANIZATION OR THE DISCOUNT DRUG PLAN ORGANIZATION OR AN ENTITY IDENTIFIED BY THE DISCOUNT MEDICAL PLAN ORGANIZATION OR THE DISCOUNT DRUG PLAN ORGANIZATION THAT ELECTRONIC FUND TRANSFER SHOULD BE TERMINATED.

14-607.

(A) THE FOLLOWING DISCLOSURES SHALL BE MADE IN WRITING PRINTED IN 12 POINT TYPE TO ANY PROSPECTIVE MEMBER OF A DISCOUNT MEDICAL PLAN ORGANIZATION AND SHALL BE INCLUDED IN ANY MARKETING

MATERIALS OR BROCHURES RELATING TO AN APPLICATION OR CONTRACT FOR A DISCOUNT MEDICAL PLAN:

(1) A STATEMENT THAT THE DISCOUNT MEDICAL PLAN IS NOT INSURANCE;

(2) A STATEMENT THAT MEMBERSHIP IN THE DISCOUNT MEDICAL PLAN ENTITLES MEMBERS TO DISCOUNTS FOR CERTAIN MEDICAL SERVICES OFFERED BY PROVIDERS WHO HAVE AGREED TO PARTICIPATE IN THE DISCOUNT MEDICAL PLAN;

(3) A STATEMENT THAT THE DISCOUNT MEDICAL PLAN ORGANIZATION ITSELF DOES NOT PAY PROVIDERS OF MEDICAL SERVICES FOR SERVICES PROVIDED TO PLAN MEMBERS;

(4) A STATEMENT THAT THE PLAN MEMBER IS REQUIRED TO PAY FOR ANY MEDICAL SERVICE PROVIDED, BUT IS ENTITLED TO RECEIVE A DISCOUNT ON CERTAIN IDENTIFIED MEDICAL SERVICES FROM THOSE PROVIDERS WHO HAVE CONTRACTED WITH THE DISCOUNT MEDICAL PLAN ORGANIZATION;

(5) A DESCRIPTION OF THE MEDICAL SERVICES SUBJECT TO DISCOUNT, A DESCRIPTION OF THE DISCOUNTS THAT THE PLAN MEMBER IS ENTITLED TO RECEIVE, AND THE MECHANISM BY WHICH A CURRENT OR PROSPECTIVE PLAN MEMBER CAN OBTAIN THE NAMES OF THE PROVIDERS THAT HAVE CONTRACTED WITH THE DISCOUNT MEDICAL PLAN ORGANIZATION TO OFFER DISCOUNTS TO PLAN MEMBERS;

(6) THE NAME, LOCATION, AND CONTACT INFORMATION, INCLUDING A TELEPHONE NUMBER, FOR THE DISCOUNT MEDICAL PLAN ORGANIZATION;

(7) ALL FEES, DUES, CHARGES, OR OTHER FINANCIAL CONSIDERATION TO BE PAID BY THE PLAN MEMBER WITH RESPECT TO THE MEMBER'S PARTICIPATION IN THE DISCOUNT MEDICAL PLAN, INCLUDING ALL FEES OR CHARGES RELATING TO THE PROCESSING OF DISCOUNTS OR BILLING;

(8) ~~(1)~~ IF ~~A DISCOUNT MEDICAL PLAN OFFERS~~ THE MARKETING MATERIALS OR BROCHURES REFER TO HOSPITAL SERVICES IN OTHER STATES, A STATEMENT THAT THE DISCOUNT MEDICAL PLAN DOES NOT ~~AND MAY NOT BY LAW~~ OFFER A DISCOUNT ON HOSPITAL SERVICES IN MARYLAND; ~~OR AND~~

~~(H) IF A DISCOUNT MEDICAL PLAN DOES NOT OFFER HOSPITAL SERVICES IN OTHER STATES, A STATEMENT THAT THE DISCOUNT MEDICAL PLAN DOES NOT OFFER A DISCOUNT ON HOSPITAL SERVICES; AND~~

(9) IF APPLICABLE, A STATEMENT THAT A NOMINAL FEE ASSOCIATED WITH ENROLLMENT COSTS WILL BE RETAINED BY THE DISCOUNT MEDICAL PLAN ORGANIZATION, IN ACCORDANCE WITH § 14-608(A) OF THIS SUBTITLE, IF MEMBERSHIP IS CANCELED WITHIN THE FIRST 30 CALENDAR DAYS AFTER THE EFFECTIVE DATE OF ENROLLMENT.

(B) THE FOLLOWING DISCLOSURES SHALL BE MADE IN WRITING PRINTED IN 12 POINT TYPE TO ANY PROSPECTIVE MEMBER OF A DISCOUNT DRUG PLAN ORGANIZATION AND SHALL BE INCLUDED IN ANY MARKETING MATERIALS OR BROCHURES RELATING TO ~~A~~ AN APPLICATION OR CONTRACT FOR A DISCOUNT DRUG PLAN:

(1) A STATEMENT THAT THE DISCOUNT DRUG PLAN IS NOT:

(I) INSURANCE; OR

(II) A MEDICARE PRESCRIPTION DRUG PLAN;

(2) A STATEMENT THAT MEMBERSHIP IN THE DISCOUNT DRUG PLAN ENTITLES MEMBERS TO DISCOUNTS FOR CERTAIN PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES OFFERED BY PROVIDERS WHO HAVE AGREED TO PARTICIPATE IN THE DISCOUNT DRUG PLAN;

(3) A STATEMENT THAT THE DISCOUNT DRUG PLAN ORGANIZATION ITSELF DOES NOT PAY PROVIDERS OF PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, AND MEDICAL EQUIPMENT AND SUPPLIES PROVIDED TO PLAN MEMBERS;

(4) A STATEMENT THAT THE DISCOUNT DRUG PLAN MEMBER IS REQUIRED TO PAY FOR ALL PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, AND MEDICAL EQUIPMENT AND SUPPLIES PROVIDED, BUT IS ENTITLED TO RECEIVE A DISCOUNT ON CERTAIN IDENTIFIED PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES FROM THOSE PROVIDERS WHO HAVE CONTRACTED WITH THE DISCOUNT DRUG PLAN ORGANIZATION;

(5) A DESCRIPTION OF THE DISCOUNTS THAT THE DISCOUNT DRUG PLAN MEMBER IS ENTITLED TO RECEIVE AND THE MECHANISM BY WHICH A CURRENT OR PROSPECTIVE PLAN MEMBER CAN OBTAIN:

(I) UNLESS THE DISCOUNT DRUG PLAN OFFERS AN OPEN FORMULARY, A LISTING OF THE ITEMS, INCLUDING PRESCRIPTION DRUGS, SUBJECT TO DISCOUNT; AND

(II) THE NAMES OF THE PROVIDERS WHO HAVE CONTRACTED TO OFFER DISCOUNTS TO PLAN MEMBERS;

(6) THE NAME, LOCATION, AND CONTACT INFORMATION, INCLUDING A TELEPHONE NUMBER, FOR THE DISCOUNT DRUG PLAN ORGANIZATION;

(7) ALL FEES, DUES, CHARGES, OR OTHER FINANCIAL CONSIDERATION TO BE PAID BY THE PLAN MEMBER WITH RESPECT TO THE MEMBER'S PARTICIPATION IN THE DISCOUNT DRUG PLAN, INCLUDING ALL FEES OR CHARGES RELATING TO THE PROCESSING OF DISCOUNTS OR BILLING; AND

(8) IF APPLICABLE, A STATEMENT THAT A NOMINAL FEE ASSOCIATED WITH ENROLLMENT COSTS WILL BE RETAINED BY THE DISCOUNT DRUG PLAN ORGANIZATION, IN ACCORDANCE WITH § 14-608(A) OF THIS SUBTITLE, IF MEMBERSHIP IS CANCELED WITHIN THE FIRST 30 CALENDAR DAYS AFTER THE EFFECTIVE DATE OF ENROLLMENT.

(C) IF A DISCOUNT MEDICAL PLAN OR A DISCOUNT DRUG PLAN IS SOLD, MARKETING, OR SOLICITED BY TELEPHONE, THE DISCLOSURES REQUIRED BY SUBSECTIONS (A) AND (B) OF THIS SECTION SHALL BE:

(1) MADE ORALLY; AND

(2) INCLUDED WITH THE MEMBERSHIP CARD WHEN MAILED TO THE PROSPECTIVE PLAN MEMBER.

(D) THE FOLLOWING DISCLOSURES SHALL BE MADE IN WRITING IN 12 POINT TYPE IN ANY ADVERTISEMENT ~~RELATING TO~~ TO PROMOTE INTEREST IN OR THE DESIRE TO INQUIRE FURTHER ABOUT A DISCOUNT MEDICAL PLAN:

(1) A STATEMENT THAT THE DISCOUNT MEDICAL PLAN IS NOT INSURANCE;

(2) A STATEMENT THAT MEMBERSHIP IN THE DISCOUNT MEDICAL PLAN ENTITLES MEMBERS TO DISCOUNTS FOR CERTAIN MEDICAL SERVICES OFFERED BY PROVIDERS WHO HAVE AGREED TO PARTICIPATE IN THE DISCOUNT MEDICAL PLAN;

(3) A STATEMENT THAT THE PLAN MEMBER, AND NOT THE DISCOUNT MEDICAL PLAN ORGANIZATION, IS REQUIRED TO PAY FOR ALL MEDICAL SERVICES PROVIDED;

(4) THE NAME, LOCATION, AND CONTACT INFORMATION, INCLUDING A TELEPHONE NUMBER, FOR THE DISCOUNT MEDICAL PLAN ORGANIZATION;

(5) A STATEMENT OF THE MECHANISM BY WHICH A PROSPECTIVE PLAN MEMBER MAY OBTAIN THE NAMES OF THE PROVIDERS WHO HAVE CONTRACTED TO OFFER DISCOUNTS TO PLAN MEMBERS; AND

(6) ~~(H) IF IF A DISCOUNT MEDICAL PLAN OFFERS THE ADVERTISEMENT REFERS TO HOSPITAL SERVICES IN OTHER STATES, A STATEMENT THAT THE DISCOUNT MEDICAL PLAN DOES NOT AND MAY NOT BY LAW OFFER A DISCOUNT ON HOSPITAL SERVICES IN MARYLAND; OR~~

~~(H) IF A DISCOUNT MEDICAL PLAN DOES NOT OFFER HOSPITAL SERVICES IN OTHER STATES, A STATEMENT THAT THE DISCOUNT MEDICAL PLAN DOES NOT OFFER A DISCOUNT ON HOSPITAL SERVICES.~~

(E) THE FOLLOWING DISCLOSURES SHALL BE MADE IN WRITING IN 12 POINT TYPE IN ANY ADVERTISEMENT ~~RELATING TO~~ TO PROMOTE INTEREST IN OR THE DESIRE TO INQUIRE ABOUT A DISCOUNT DRUG PLAN:

(1) A STATEMENT THAT THE DISCOUNT DRUG PLAN IS NOT:

(I) INSURANCE; OR

(II) A MEDICARE PRESCRIPTION DRUG PLAN;

(2) A STATEMENT THAT MEMBERSHIP IN THE DISCOUNT DRUG PLAN ENTITLES MEMBERS TO DISCOUNTS FOR CERTAIN PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES OFFERED BY PROVIDERS WHO HAVE AGREED TO PARTICIPATE IN THE DISCOUNT DRUG PLAN;

(3) A STATEMENT THAT THE PLAN MEMBER, AND NOT THE DISCOUNT DRUG PLAN ORGANIZATION, IS REQUIRED TO PAY FOR ALL PHARMACEUTICAL SUPPLIES, PRESCRIPTION DRUGS, OR MEDICAL EQUIPMENT AND SUPPLIES PROVIDED;

(4) THE NAME, LOCATION, AND CONTACT INFORMATION, INCLUDING A TELEPHONE NUMBER, FOR THE DISCOUNT DRUG PLAN ORGANIZATION; AND

(5) A STATEMENT OF THE MECHANISM BY WHICH A PROSPECTIVE PLAN MEMBER MAY OBTAIN THE NAMES OF THE PROVIDERS WHO HAVE CONTRACTED TO OFFER DISCOUNTS TO PLAN MEMBERS.

14-608.

(A) (1) IF MEMBERSHIP IN A DISCOUNT MEDICAL PLAN OR A DISCOUNT DRUG PLAN IS CANCELED WITHIN THE FIRST 30 CALENDAR DAYS AFTER THE EFFECTIVE DATE OF ENROLLMENT, ALL FEES, DUES, CHARGES, OR OTHER FINANCIAL CONSIDERATION, EXCEPT A NOMINAL FEE, NOT TO EXCEED ANY FEES, DUES, CHARGES, OR OTHER FINANCIAL CONSIDERATION THE MEMBER HAS ALREADY PAID, ASSOCIATED WITH ENROLLMENT COSTS THAT WERE PART OF THE COST OF THE DISCOUNT MEDICAL PLAN CARD OR THE DISCOUNT DRUG PLAN CARD, SHALL BE REFUNDED TO THE PAYOR ON RETURN OF THE DISCOUNT MEDICAL PLAN CARD TO THE DISCOUNT MEDICAL PLAN ORGANIZATION OR RETURN OF THE DISCOUNT DRUG PLAN CARD TO THE DISCOUNT DRUG PLAN ORGANIZATION.

(2) THE COMMISSIONER, IN CONSULTATION WITH THE ATTORNEY GENERAL, SHALL ADOPT REGULATIONS THAT ESTABLISH STANDARDS FOR DETERMINING THE NOMINAL FEE ASSOCIATED WITH ENROLLMENT COSTS THAT MAY BE RETAINED BY A DISCOUNT MEDICAL PLAN ORGANIZATION OR A DISCOUNT DRUG PLAN ORGANIZATION UNDER THIS SUBSECTION.

(3) ~~ANY~~ SUBJECT TO PARAGRAPH (1) OF THIS SUBSECTION, ANY REGULATION ADOPTED UNDER THIS SUBSECTION SHALL INCLUDE A CAP ON THE NOMINAL FEE THAT MAY BE RETAINED.

(B) IF A DISCOUNT MEDICAL PLAN ORGANIZATION OR A DISCOUNT DRUG PLAN ORGANIZATION CANCELS A MEMBERSHIP FOR ANY REASON OTHER THAN NONPAYMENT, THE DISCOUNT MEDICAL PLAN ORGANIZATION OR DISCOUNT DRUG PLAN ORGANIZATION SHALL MAKE A PRO RATA REFUND TO

THE PAYOR OF ALL FEES, DUES, CHARGES, OR OTHER FINANCIAL CONSIDERATION WITHIN 30 CALENDAR DAYS AFTER THE DATE OF CANCELLATION.

14-609.

(A) EACH DISCOUNT MEDICAL PLAN ORGANIZATION AND EACH DISCOUNT DRUG ORGANIZATION SHALL PROVIDE TO A PLAN MEMBER OR TO A PLAN MEMBER FOR THE MEMBER'S FAMILY A DISCOUNT CARD THAT INCLUDES, AT A MINIMUM, THE FOLLOWING DATA ELEMENTS:

(1) A STATEMENT THAT THE DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN IS NOT INSURANCE;

(2) (I) THE NAME OR IDENTIFYING TRADEMARK OF THE DISCOUNT MEDICAL PLAN ORGANIZATION OR THE DISCOUNT DRUG PLAN ORGANIZATION; OR

(II) THE NAME OR IDENTIFYING TRADEMARK OF THE PROVIDER NETWORKS THAT PARTICIPATE WITH THE DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN; AND

(3) THE TELEPHONE NUMBER THAT THE PLAN MEMBER MAY CALL FOR ASSISTANCE.

(B) (1) IF A CHANGE OCCURS IN THE DATA ELEMENT REQUIRED UNDER SUBSECTION (A)(3) OF THIS SECTION, A DISCOUNT MEDICAL PLAN ORGANIZATION OR A DISCOUNT DRUG PLAN ORGANIZATION SHALL REISSUE A DISCOUNT CARD.

(2) A DISCOUNT MEDICAL PLAN ORGANIZATION OR A DISCOUNT DRUG PLAN ORGANIZATION SHALL NOTIFY A PLAN MEMBER WHEN THERE IS A MATERIAL CHANGE IN PLAN BENEFITS OR IN THE DATA ELEMENTS REQUIRED UNDER SUBSECTION (A)(1), (2), OR (3) OF THIS SECTION.

~~(C) EACH DISCOUNT CARD PROVIDED UNDER SUBSECTION (A) OF THIS SECTION SHALL:~~

~~(1) INCLUDE A STATEMENT THAT THE DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN IS NOT A MEDICARE PRESCRIPTION DRUG PLAN; OR~~

~~(2) BE ATTACHED TO MATERIALS THAT INCLUDE A STATEMENT THAT THE DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN IS NOT A MEDICARE PRESCRIPTION DRUG PLAN.~~

14-610.

(A) WHENEVER THE COMMISSIONER CONSIDERS IT ADVISABLE, THE COMMISSIONER MAY EXAMINE THE AFFAIRS, TRANSACTIONS, ACCOUNTS, RECORDS, AND ASSETS OF A DISCOUNT MEDICAL PLAN ORGANIZATION OR DISCOUNT DRUG PLAN ORGANIZATION.

(B) THE EXAMINATION SHALL BE CONDUCTED IN ACCORDANCE WITH § 2-207 OF THIS ARTICLE.

(C) THE EXPENSE OF THE EXAMINATION SHALL BE PAID IN ACCORDANCE WITH § 2-208 OF THIS ARTICLE.

(D) THE REPORTS OF THE EXAMINATION AND INVESTIGATION SHALL BE ISSUED IN ACCORDANCE WITH § 2-209 OF THIS ARTICLE.

14-611.

(A) TO ENFORCE THIS SUBTITLE AND ANY REGULATION ADOPTED UNDER IT, THE COMMISSIONER MAY ISSUE AN ORDER:

(1) THAT REQUIRES THE VIOLATOR TO CEASE AND DESIST FROM THE IDENTIFIED VIOLATION AND FURTHER SIMILAR VIOLATIONS;

(2) THAT REQUIRES THE VIOLATOR TO TAKE SPECIFIC AFFIRMATIVE ACTION TO CORRECT THE VIOLATION;

(3) THAT REQUIRES THE VIOLATOR TO MAKE RESTITUTION OF MONEY, PROPERTY, OR OTHER ASSETS TO A PERSON WHO HAS SUFFERED FINANCIAL INJURY BECAUSE OF THE VIOLATION; OR

(4) THAT REQUIRES A DISCOUNT MEDICAL PLAN ORGANIZATION OR A DISCOUNT DRUG PLAN ORGANIZATION TO MAKE RESTITUTION OF MONEY, PROPERTY, OR OTHER ASSETS TO A PERSON WHO HAS SUFFERED FINANCIAL INJURY BECAUSE OF A VIOLATION BY ANY PERSON AUTHORIZED TO SELL, MARKET, SOLICIT, OR ADMINISTER A DISCOUNT MEDICAL PLAN OR DISCOUNT DRUG PLAN ESTABLISHED BY THE DISCOUNT MEDICAL PLAN ORGANIZATION OR DISCOUNT DRUG PLAN ORGANIZATION WHILE THE PERSON IS ACTING WITH THE

ACTUAL OR APPARENT AUTHORITY OF THE DISCOUNT MEDICAL PLAN ORGANIZATION OR DISCOUNT DRUG PLAN ORGANIZATION.

(B) (1) AN ORDER OF THE COMMISSIONER ISSUED UNDER THIS SECTION MAY BE SERVED ON A VIOLATOR WHO IS REGISTERED UNDER THIS SUBTITLE IN THE MANNER PROVIDED IN TITLE 2 OF THIS ARTICLE.

(2) AN ORDER OF THE COMMISSIONER ISSUED UNDER THIS SECTION MAY BE SERVED ON A VIOLATOR THAT IS NOT REGISTERED UNDER THIS SUBTITLE IN THE MANNER PROVIDED FOR SERVICE ON AN UNAUTHORIZED INSURER THAT DOES AN ACT OF INSURANCE BUSINESS IN TITLE 4 OF THIS ARTICLE.

(3) A REQUEST FOR A HEARING ON ANY ORDER ISSUED UNDER THIS SUBSECTION DOES NOT STAY THAT PORTION OF THE ORDER THAT REQUIRES THE VIOLATOR TO CEASE AND DESIST FROM CONDUCT IDENTIFIED IN THE ORDER.

(4) THE COMMISSIONER MAY FILE A PETITION IN THE CIRCUIT COURT OF ANY COUNTY TO ENFORCE AN ORDER ISSUED UNDER THIS SECTION, WHETHER OR NOT A HEARING HAS BEEN REQUESTED OR, IF REQUESTED, WHETHER OR NOT A HEARING HAS BEEN HELD.

(5) IF THE COMMISSIONER PREVAILS IN AN ACTION BROUGHT BY THE COMMISSIONER UNDER THIS SECTION, THE COMMISSIONER MAY RECOVER FOR THE USE OF THE STATE REASONABLE ATTORNEY'S FEES AND THE COSTS OF THE ACTION.

(C) (1) IN ADDITION TO ANY OTHER ENFORCEMENT ACTION TAKEN BY THE COMMISSIONER UNDER THIS SECTION, THE COMMISSIONER MAY IMPOSE A CIVIL PENALTY OF NOT MORE THAN \$10,000 FOR EACH VIOLATION OF THIS SUBTITLE.

(2) NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION, THE COMMISSIONER MAY IMPOSE A CIVIL PENALTY OF NOT MORE THAN \$1,000 PER DAY FOR EACH DAY THAT A PERSON IS IN VIOLATION OF § 14-603 OF THIS SUBTITLE.

(D) THIS SECTION DOES NOT LIMIT ANY REGULATORY POWER OF THE COMMISSIONER UNDER THIS ARTICLE.

14-612.

THE COMMISSIONER SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE.

~~SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Insurance Commissioner shall:~~

~~(1) review the need for a continued requirement that each discount card for a discount medical plan or discount drug plan must include, or be attached to materials that include, a statement that the discount medical plan or discount drug plan is not a Medicare prescription drug plan; and~~

~~(2) on or before December 31, 2008, report on the findings of the review, in accordance with § 2-1246 of the State Government Article, to the House Health and Government Operations Committee and the Senate Finance Committee.~~

SECTION ~~3~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 622 - *Ground Rents - Registry of Properties Subject to Ground Leases*.

This bill establishes a central registry of ground leases in the State Department of Assessments and Taxation.

House 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 Senate Bill 622.

Sincerely,

Martin O'Malley
Governor

Senate Bill 622

AN ACT concerning

**Ground Rents – ~~Limitation of Actions~~ – Registry of Properties Subject to
Ground Leases**

FOR the purpose of authorizing the recordation of a certain ground lease extinguishment certificate under certain circumstances; ~~providing that a ground rent is extinguished if there is no demand or payment for more than a certain number of years of any specific ground rent under certain circumstances;~~ requiring the State Department of Assessments and Taxation to maintain ~~and update regularly on-line registries of landlords and~~ an on-line registry of properties that are subject to ground leases; requiring a ~~landlord~~ ground lease holder ~~to apply~~ to register a ground lease with the Department by submitting a certain registration ~~application~~ form and a certain fee; requiring the Department to register a ground lease under certain circumstances; requiring a ~~landlord~~ ground lease holder to notify the Department of certain information after a ground lease is registered; requiring a ~~landlord~~ ground lease holder ~~to apply~~ to register a ground lease by a certain date; providing for the extinguishment of a ground lease if the ground lease is not registered under certain circumstances; providing for certain considerations and rights if a ground lease is extinguished under certain circumstances; requiring the Department to work with the State Archives for certain purposes regarding ground leases registered under this Act; requiring the Department to credit all fees collected under this Act to a certain fund; requiring the Department to adopt regulations to carry out the provisions of this Act; requiring the Department to publish a certain notice regarding the registration of ground leases; requiring the Department to report to the General Assembly on or before certain dates; requiring the Comptroller of the State to report to the General Assembly on or before a certain date; defining certain terms; providing for the application of certain provisions of this Act; and generally relating to a registry of properties subject to ground rents leases.

BY repealing and reenacting, with amendments,
Article – Real Property
Section 3-102(a) ~~and 8-107~~
Annotated Code of Maryland
(2003 Replacement Volume and 2006 Supplement)

BY adding to
Article – Real Property

Section 8-701 through ~~8-709~~ 8-711 to be under the new subtitle "Subtitle 7.
Registry of Ground Leases"
Annotated Code of Maryland
(2003 Replacement Volume and 2006 Supplement)

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

Article – Real Property

3-102.

(a) (1) Any other instrument affecting property, including any contract for the grant of property, or any subordination agreement establishing priorities between interests in property may be recorded.

(2) The following instruments also may be recorded:

(i) Any notice of deferred property footage assessment for street construction;

(ii) Any boundary survey plat signed and sealed by a professional land surveyor or property line surveyor licensed in the State;

(iii) Any assumption agreement by which a person agrees to assume the liability of a debt or other obligation secured by a mortgage or deed of trust;

(iv) Any release of personal liability of a borrower or guarantor under a mortgage or under a note or other obligation secured by a deed of trust; or

(v) A ground rent redemption certificate or a ground rent extinguishment certificate issued under § 8-110 of this article **OR A GROUND LEASE EXTINGUISHMENT CERTIFICATE ISSUED UNDER § ~~8-707~~ 8-708 OF THIS ARTICLE.**

(3) The recording of any instrument constitutes constructive notice from the date of recording.

~~8-107.~~

~~(A) If there is no demand or payment for more than 20 consecutive years of any specific rent reserved out of a particular property or any part of a particular property under any form of lease, the rent conclusively is presumed to be extinguished and the landlord may not set up any claim for the rent or to the reversion in the~~

~~property out of which it issued. The landlord also may not institute any suit, action, or proceeding to recover the rent or the property. However, if the landlord is under any legal disability when the period of 20 years of nondemand or nonpayment expires, the landlord has two years after the removal of the disability within which to assert the landlord's rights.~~

~~(B) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED:~~

~~(II) "GROUND LEASE" MEANS A RESIDENTIAL LEASE OR SUBLEASE IN EFFECT ON OR AFTER OCTOBER 1, 2007, THAT HAS AN INITIAL TERM OF 99 YEARS RENEWABLE FOREVER AND IS SUBJECT TO THE PAYMENT OF AN ANNUAL GROUND RENT;~~

~~(III) "GROUND RENT" MEANS A RENT ISSUING OUT OF, OR COLLECTIBLE IN CONNECTION WITH, THE REVERSION IN FEE SIMPLE RESERVED IN A GROUND LEASE;~~

~~(IV) "LANDLORD" MEANS THE HOLDER OF THE REVERSIONARY INTEREST UNDER A GROUND LEASE;~~

~~(V) "TENANT" MEANS THE HOLDER OF THE LEASEHOLD INTEREST UNDER A GROUND LEASE;~~

~~(2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, IF THERE IS NO DEMAND OR PAYMENT FOR MORE THAN 3 CONSECUTIVE YEARS OF ANY SPECIFIC GROUND RENT RESERVED OUT OF A PARTICULAR PROPERTY UNDER A GROUND LEASE;~~

~~(I) THE GROUND RENT IS EXTINGUISHED AND THE LANDLORD MAY NOT SET UP ANY CLAIM FOR THE GROUND RENT OR TO THE REVERSION IN THE PROPERTY OUT OF WHICH THE GROUND RENT ISSUED; AND~~

~~(II) THE LANDLORD MAY NOT INSTITUTE ANY SUIT, ACTION, OR PROCEEDING AGAINST THE TENANT TO RECOVER THE GROUND RENT OR THE PROPERTY;~~

~~(3) IF THE LANDLORD IS UNDER ANY LEGAL DISABILITY WHEN THE PERIOD OF 3 YEARS OF NONDEMAND AND NONPAYMENT EXPIRES, THE LANDLORD HAS 2 YEARS AFTER THE REMOVAL OF THE DISABILITY WITHIN WHICH TO ASSERT THE LANDLORD'S RIGHTS;~~

~~(4) NOTWITHSTANDING THE PROVISIONS OF THIS SUBSECTION, A GROUND LEASE MAY NOT BE EXTINGUISHED UNDER THIS SUBSECTION BEFORE APRIL 1, 2008.~~

SUBTITLE 7. REGISTRY OF GROUND LEASES.

8-701.

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

(B) "DEPARTMENT" MEANS THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION.

~~(C) "GROUND LEASE" MEANS A RESIDENTIAL LEASE OR SUBLEASE IN EFFECT ON OR AFTER OCTOBER 1, 2007, THAT HAS AN INITIAL TERM OF 99 YEARS RENEWABLE FOREVER AND IS SUBJECT TO THE PAYMENT OF AN ANNUAL GROUND RENT.~~

~~(D) "GROUND RENT" MEANS A RENT ISSUING OUT OF, OR COLLECTIBLE IN CONNECTION WITH, THE REVERSION IN FEE SIMPLE RESERVED IN A GROUND LEASE.~~

~~(E) "LANDLORD" MEANS THE HOLDER OF THE REVERSIONARY INTEREST UNDER A GROUND LEASE.~~

~~(F) "TENANT" MEANS THE HOLDER OF THE LEASEHOLD INTEREST UNDER A GROUND LEASE.~~

(C) "CURRENT GROUND RENT DEED OF RECORD" MEANS THE DOCUMENT THAT VESTS TITLE TO THE REVERSIONARY INTEREST IN THE CURRENT GROUND LEASE HOLDER.

(D) "GROUND LEASE" MEANS A RESIDENTIAL LEASE OR SUBLEASE FOR A TERM OF YEARS RENEWABLE FOREVER SUBJECT TO THE PAYMENT OF A PERIODIC GROUND RENT.

(E) (1) "GROUND LEASE HOLDER" MEANS THE HOLDER OF THE REVERSIONARY INTEREST UNDER A GROUND LEASE.

(2) "GROUND LEASE HOLDER" INCLUDES:

~~(1) AN AN AGENT OF THE GROUND LEASE HOLDER; OR~~

~~(H) A COMPANY CONTRACTED BY THE GROUND LEASE HOLDER TO MANAGE GROUND LEASES.~~

(F) “GROUND RENT” MEANS A RENT ISSUING OUT OF, OR COLLECTIBLE IN CONNECTION WITH, THE REVERSIONARY INTEREST UNDER A GROUND LEASE.

(G) “LEASEHOLD INTEREST” MEANS THE TENANCY IN REAL PROPERTY CREATED UNDER A GROUND LEASE.

(H) “LEASEHOLD TENANT” MEANS THE HOLDER OF THE LEASEHOLD INTEREST UNDER A GROUND LEASE.

8-702.

(A) THIS SUBTITLE APPLIES TO RESIDENTIAL PROPERTY THAT WAS OR IS USED, INTENDED TO BE USED, OR AUTHORIZED TO BE USED FOR FOUR OR FEWER DWELLING UNITS.

(B) THIS SUBTITLE DOES NOT APPLY TO PROPERTY:

(1) LEASED FOR BUSINESS, COMMERCIAL, MANUFACTURING, MERCANTILE, OR INDUSTRIAL PURPOSES, OR ANY OTHER PURPOSE THAT IS NOT PRIMARILY RESIDENTIAL;

(2) IMPROVED OR TO BE IMPROVED BY ANY APARTMENT, CONDOMINIUM, COOPERATIVE, OR OTHER BUILDING FOR MULTIFAMILY USE OF GREATER THAN FOUR DWELLING UNITS; OR

(3) LEASED FOR DWELLINGS OR MOBILE HOMES THAT ARE ERECTED OR PLACED IN A MOBILE HOME DEVELOPMENT OR MOBILE HOME PARK.

8-703.

(A) THE DEPARTMENT SHALL MAINTAIN ~~AND UPDATE REGULARLY~~ AN ON-LINE ~~REGISTRIES OF LANDLORDS AND~~ REGISTRY OF PROPERTIES THAT ARE SUBJECT TO GROUND LEASES.

(B) THE DEPARTMENT IS NOT RESPONSIBLE FOR THE COMPLETENESS OR ACCURACY OF THE CONTENTS OF THE ON-LINE REGISTRY.

~~8-703.~~ 8-704.

(A) ~~A LANDLORD~~ GROUND LEASE HOLDER SHALL APPLY TO REGISTER A GROUND LEASE WITH THE DEPARTMENT BY SUBMITTING:

(1) A REGISTRATION ~~APPLICATION ON A~~ FORM THAT THE DEPARTMENT REQUIRES; AND

(2) ~~A \$20~~ THE REGISTRATION APPLICATION FEE FOR EACH GROUND LEASE AS PROVIDED UNDER SUBSECTION (C) OF THIS SECTION.

(B) THE REGISTRATION ~~APPLICATION FORM~~ SHALL INCLUDE:

(1) THE PREMISE ADDRESS AND TAX IDENTIFICATION NUMBER OF THE PROPERTY FOR WHICH THE GROUND LEASE WAS CREATED;

(2) THE NAME AND ADDRESS OF THE ~~LANDLORD~~ GROUND LEASE HOLDER;

(3) THE NAME AND ADDRESS OF THE LEASEHOLD TENANT;

(4) THE NAME AND ADDRESS OF THE PERSON TO WHOM THE GROUND RENT PAYMENT IS SENT;

(5) THE AMOUNT AND ~~DUE~~ PAYMENT DATES OF THE ~~PAYMENTS FOR THE~~ GROUND RENT INSTALLMENTS;

(6) ~~A~~ TO THE BEST OF THE GROUND LEASE HOLDER'S KNOWLEDGE, A STATEMENT OF THE RANGE OF YEARS IN WHICH THE GROUND LEASE WAS CREATED; AND

~~(7) A COPY OF THE LANDLORD'S DEED;~~

~~(8) (7) THE LIBER AND FOLIO INFORMATION FOR THE LAND RECORDS OF THE COUNTY IN WHICH THE GROUND LEASE WAS RECORDED; AND~~ CURRENT GROUND RENT DEED OF RECORD.

~~(9) A STATEMENT OF ANY NOTIFICATION SENT TO THE TENANT OF ANY PAST DUE GROUND RENT OR A FILING FOR AN EJECTMENT ACTION.~~

(C) THE REGISTRATION FEE FOR A GROUND LEASE PER GROUND LEASE HOLDER IS:

(1) \$10 FOR THE FIRST GROUND LEASE; AND

(2) FOR EACH ADDITIONAL GROUND LEASE:

(I) \$3 BEFORE OCTOBER 1, 2008;

(II) \$4 ON OR AFTER OCTOBER 1, 2008 AND BEFORE OCTOBER 1, 2009; AND

(III) \$5 ON OR AFTER OCTOBER 1, 2009.

~~8-704.~~ 8-705.

(A) THE DEPARTMENT SHALL REGISTER A GROUND LEASE ~~IF~~ WHEN THE DEPARTMENT RECEIVES:

(1) ~~IS SATISFIED THAT A~~ A REGISTRATION ~~APPLICATION IS COMPLETE~~ FORM; AND

(2) ~~RECEIVES THE \$20 REGISTRATION APPLICATION~~ THE APPROPRIATE REGISTRATION FEE FOR EACH GROUND LEASE.

(B) (1) IF FOR ANY REASON THE DEPARTMENT IS UNABLE TO REGISTER A GROUND LEASE FOR WHICH A REGISTRATION FORM AND APPROPRIATE FEE HAS BEEN SUBMITTED, THE DEPARTMENT SHALL NOTIFY THE GROUND LEASE HOLDER OF THAT GROUND LEASE, WITHIN 30 DAYS OF PROCESSING THE REGISTRATION FORM, OF ANY INFORMATION NEEDED BY THE DEPARTMENT SO AS TO COMPLETE THE REGISTRATION.

(2) THE GROUND LEASE HOLDER SHALL HAVE UP TO 30 DAYS TO SUPPLY THE NEEDED INFORMATION TO THE DEPARTMENT BEFORE ANY ACTION MAY BE TAKEN UNDER § 8-708 OF THIS SUBTITLE.

~~8-705.~~ 8-706.

~~(A)~~ AFTER A GROUND LEASE IS REGISTERED, THE ~~LANDLORD~~ GROUND LEASE HOLDER SHALL PROMPTLY NOTIFY THE DEPARTMENT OF:

(1) A CHANGE IN THE NAME OR ADDRESS OF THE ~~LANDLORD~~ GROUND LEASE HOLDER, LEASEHOLD TENANT, OR PERSON TO WHOM THE GROUND RENT PAYMENT IS SENT;

~~(2) A STATEMENT OF ANY NOTIFICATION SENT TO THE TENANT OF ANY PAST DUE GROUND RENT OR A FILING FOR AN EJECTMENT ACTION;~~

~~(3)~~ (2) A REDEMPTION OF THE GROUND LEASE; AND

~~(4)~~ (3) ANY OTHER INFORMATION THE DEPARTMENT
REQUIRES.

~~(B) FOR EACH NOTIFICATION MADE UNDER THIS SECTION, THE
LANDLORD SHALL PAY A \$5 FEE.~~

~~8-706, 8-707.~~

(A) ~~(1) FOR A GROUND LEASE CREATED BEFORE OCTOBER 1, 2007,
THE LANDLORD SHALL APPLY TO REGISTER THE~~ EXCEPT AS PROVIDED IN
SUBSECTION (B) OF THIS SECTION, A GROUND LEASE HOLDER SHALL REGISTER
A GROUND LEASE UNDER THIS SUBTITLE BEFORE SEPTEMBER 30, 2010.

~~(2) FOR A GROUND LEASE CREATED ON OR AFTER OCTOBER 1,
2007, THE LANDLORD SHALL APPLY TO REGISTER THE GROUND LEASE UNDER
THIS SUBTITLE WITHIN 6 MONTHS OF THE DATE OF THE EXECUTION OF THE
GROUND LEASE.~~

(B) IF A ~~LANDLORD~~ GROUND LEASE HOLDER IS UNDER A LEGAL
DISABILITY AT THE EXPIRATION OF THE REGISTRATION PERIOD UNDER
SUBSECTION (A) OF THIS SECTION, THE ~~LANDLORD~~ GROUND LEASE HOLDER
HAS 2 YEARS AFTER THE REMOVAL OF THE DISABILITY ~~TO APPLY~~ TO REGISTER
THE GROUND LEASE.

~~8-707, 8-708.~~

(A) IF A ~~LANDLORD~~ GROUND LEASE HOLDER DOES NOT SATISFY THE
REQUIREMENTS OF § ~~8-706 8-707~~ OF THIS SUBTITLE, THE REVERSIONARY
INTEREST OF THE ~~LANDLORD~~ GROUND LEASE HOLDER UNDER THE GROUND
LEASE IS EXTINGUISHED AND GROUND RENT IS NO LONGER PAYABLE TO THE
~~LANDLORD~~ GROUND LEASE HOLDER.

(B) IF A GROUND LEASE IS EXTINGUISHED UNDER THIS SECTION, ON
APPLICATION OF A LEASEHOLD TENANT, THE DEPARTMENT SHALL ISSUE TO
THE LEASEHOLD TENANT A GROUND LEASE EXTINGUISHMENT CERTIFICATE.

(C) THE EXTINGUISHMENT OF THE GROUND LEASE IS EFFECTIVE TO
CONCLUSIVELY VEST A FEE SIMPLE TITLE IN THE LEASEHOLD TENANT, FREE
AND CLEAR OF ANY AND ALL RIGHT, TITLE, OR INTEREST OF THE ~~LANDLORD~~
GROUND LEASE HOLDER, ANY LIEN OF A CREDITOR OF THE ~~LANDLORD~~ GROUND

LEASE HOLDER, AND ANY PERSON CLAIMING BY, THROUGH, OR UNDER THE LANDLORD GROUND LEASE HOLDER WHEN THE LEASEHOLD TENANT RECORDS THE CERTIFICATE IN THE LAND RECORDS OF THE COUNTY IN WHICH THE PROPERTY IS LOCATED.

(D) TO THE EXTENT THAT THE EXTINGUISHMENT OF A GROUND LEASE UNDER THIS SECTION CREATES INCOME FOR THE LEASEHOLD TENANT, THAT INCOME MAY NOT BE CONSIDERED IN THE CALCULATION OF INCOME FOR THE PURPOSES OF DETERMINING ELIGIBILITY FOR ANY STATE OR LOCAL PROGRAM.

(E) IF THE LEGAL DISABILITY OF A GROUND LEASE HOLDER IS REMOVED AFTER A GROUND LEASE IS EXTINGUISHED UNDER THIS SECTION:

(1) IF THE GROUND LEASE EXTINGUISHMENT CERTIFICATE HAS BEEN RECORDED, THE GROUND LEASE HOLDER:

(I) IS ENTITLED TO RECEIVE FROM THE FORMER LEASEHOLD TENANT THE REDEMPTION VALUE OF THE GROUND LEASE; AND

(II) HAS NO CLAIM ON THE PROPERTY THAT HAD BEEN SUBJECT TO THE GROUND LEASE; AND

(2) IF THE GROUND LEASE EXTINGUISHMENT CERTIFICATE HAS NOT BEEN RECORDED, THE GROUND LEASE HOLDER:

(I) MAY REINSTATE THE GROUND LEASE BY REGISTERING THE GROUND LEASE WITH THE DEPARTMENT WITHIN 2 YEARS AFTER THE REMOVAL OF THE LEGAL DISABILITY; AND

(II) IS NOT ENTITLED TO GROUND RENT FOR THE PERIOD OF THE LEGAL DISABILITY.

(F) IF A GROUND LEASE IS EXTINGUISHED UNDER THIS SECTION AND A GROUND LEASE EXTINGUISHMENT CERTIFICATE HAS NOT BEEN RECORDED, A BUYER OF THE PROPERTY FOR WHICH THE GROUND LEASE HAS BEEN EXTINGUISHED:

(1) MAY APPLY TO THE DEPARTMENT FOR A GROUND LEASE EXTINGUISHMENT CERTIFICATE AND FILE THE CERTIFICATE IN THE LAND RECORDS OF THE COUNTY IN WHICH THE PROPERTY IS LOCATED; AND

(2) ~~MAY~~ ONCE THE GROUND LEASE EXTINGUISHMENT CERTIFICATE HAS BEEN FILED, MAY NOT BE REQUIRED TO PAY ANY SECURITY

OR ANY AMOUNT INTO AN ESCROW ACCOUNT FOR THE EXTINGUISHED GROUND LEASE.

~~8-708.~~ 8-709.

THE DEPARTMENT SHALL WORK WITH THE STATE ARCHIVES TO COORDINATE THE RECORDATION, INDEXING, AND LINKING OF GROUND LEASES REGISTERED UNDER THIS SUBTITLE.

8-710.

THE DEPARTMENT SHALL CREDIT ALL FEES COLLECTED UNDER THIS SUBTITLE TO THE FUND ESTABLISHED UNDER § 1-203.3 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE. FEES RECEIVED SHALL BE HELD IN A GROUND LEASE REGISTRY ACCOUNT IN THAT FUND AND SHALL HELP DEFRAID THE COSTS OF THE REGISTRY CREATED UNDER THIS SUBTITLE.

~~8-709.~~ 8-711.

THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THIS SUBTITLE.

SECTION 2. AND BE IT FURTHER ENACTED, That, through September 30, 2010, the State Department of Assessments and Taxation shall publish notice of the registration requirements under this Act in at least ~~semiannual~~ annual advertisements of at least a quarter-page size in a newspaper of general circulation in Baltimore City and each county in which ground rents are located.

SECTION 3. AND BE IT FURTHER ENACTED, That the State Department of Assessments and Taxation shall report to the General Assembly, in accordance with § 2-1246 of the State Government Article, on or before December 31, 2007, and on or before December 31, 2008, on the implementation of this Act, including recommendations on the provision of notification, *by electronic and other means*, to ground lease holders about the registration requirements established under this Act.

SECTION 4. AND BE IT FURTHER ENACTED, That the Comptroller of the State shall report to the General Assembly, in accordance with § 2-1246 of the State Government Article, on or before December 31, 2007, on recommendations regarding the provision of notification, *by electronic and other means*, by the Comptroller to ground lease holders about the registration requirements with the State Department of Assessments and Taxation established under this Act, including providing notification in the yearly State income tax instruction booklet.

SECTION ~~2~~ 5. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 623 - *Ground Rents - Redemption*.

This bill repeals the statutory waiting period for redeeming specified ground rents, and establishes notice requirements about the right to redeem when a ground lease is transferred to a third party and at settlement on a loan secured by property subject to a ground rent.

House Bill 489, 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 623.

Sincerely,

Martin O'Malley
Governor

Senate Bill 623

AN ACT concerning

Ground Rents – Redemption

FOR the purpose of repealing a certain waiting period for redeeming certain ground rents; ~~requiring, before a voluntary transfer of a redeemable ground rent to a third party, that the landlord give the tenant notice of the tenant's right to redeem the ground rent and offer the tenant the opportunity to exercise the right; requiring the notice to contain certain information and to be given in a certain manner; establishing procedures for the tenant to exercise the right to~~

~~redeem; requiring the transferee of a ground lease to notify the leasehold tenant of the transfer within a certain period of time after the transfer; requiring the notification to include certain information and to be sent to a certain address; requiring a settlement agent, before settlement of a certain loan, to notify the borrower of the right to redeem a redeemable ground rent and the redemption amount; requiring the Department of Housing and Community Development to study the feasibility of establishing or expanding a certain program to redeem certain ground rents and to report its findings to certain committees; defining certain terms; providing for the application of certain provisions of this Act; and generally relating to encouraging the redemption of existing ground rents.~~

BY repealing and reenacting, with amendments,

Article – Real Property

Section 8–110

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

BY adding to

Article – Real Property

Section ~~8–110.1~~ 14–116.1 and 14–129

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

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

Article – Real Property

8–110.

(a) (1) This section does not apply to leases of property leased for business, commercial, manufacturing, mercantile, or industrial purposes or any other purpose which is not primarily residential, where the term of the lease, including all renewals provided for, does not exceed 99 years. A lease of the entire property improved or to be improved by any apartment, condominium, cooperative, or other building for multiple-family use on the property constitutes a business and not a residential purpose. The term “multiple-family use” does not apply to any duplex or single-family structure converted to a multiple-dwelling unit.

(2) Except as provided in subsection [(g)] (F) of this section, this section does not apply to irredeemable leases executed before April 9, 1884.

(3) This section does not apply to leases of the ground or site upon which dwellings or mobile homes are erected or placed in a mobile home development or mobile home park.

(b) (1) Except for apartment and cooperative leases, any reversion reserved in a lease for longer than 15 years is redeemable **AT ANY TIME**, at the option of the tenant, after 30 days' notice to the landlord. Notice shall be given by certified mail, return receipt requested, and by first-class mail to the last known address of the landlord.

(2) The reversion is redeemable:

(i) For a sum equal to the annual rent reserved multiplied by:

1. 25, which is capitalization at 4 percent, if the lease was executed from April 8, 1884 to April 5, 1888, both inclusive;

2. 8.33, which is capitalization at 12 percent, if the lease was or is created after July 1, 1982; or

3. 16.66, which is capitalization at 6 percent, if the lease was created at any other time;

(ii) For a lesser sum if specified in the lease; or

(iii) For a sum to which the parties may agree at the time of redemption.

(c) [If the lease is executed on or after July 1, 1971, the reversion is redeemable at the expiration of 3 years from the date of the lease. If the lease is executed on or after July 1, 1982 or between July 1, 1969 and July 1, 1971, the reversion is redeemable at the expiration of 5 years from the date of the lease. If the lease is executed before July 1, 1969, the reversion is redeemable at any time.

(d)] If a tenant has power to redeem the reversion from a trustee or other person who does not have a power of sale, the reversion nevertheless may be redeemed in accordance with the procedures prescribed in the Maryland Rules.

[(e)] **(D)** Notwithstanding [subsections (b) and (c)] **SUBSECTION (B)** of this section, any regulatory changes made by a federal agency, instrumentality, or subsidiary, including the Department of Housing and Urban Development, the Federal Housing Administration, the Government National Mortgage Association, the Federal National Mortgage Association, and the Veterans' Administration, shall be applicable to redemption of reversions of leases for longer than 15 years.

[(f)] **(E)** (1) Before the entry of a judgment foreclosing an owner's right of redemption, a reversion in a ground rent or lease for 99 years renewable forever held on abandoned property in Baltimore City, as defined in § 14-817 of the Tax –

Property Article, may be donated to Baltimore City or, at the option of Baltimore City, to an entity designated by Baltimore City.

(2) Valuation of the donation of a reversionary interest pursuant to this subsection shall be in accordance with subsection (b) of this section.

[(g)] (F) (1) (i) A tenant who has given the landlord notice in accordance with subsection (b) of this section may apply to the State Department of Assessments and Taxation to redeem a ground rent as provided in this subsection.

(ii) When the Mayor and City Council of Baltimore City condemns property that is subject to an irredeemable ground rent, the City shall become the tenant of the ground rent and, after giving the landlord notice in accordance with subsection (b) of this section, may apply to the State Department of Assessments and Taxation to extinguish the ground rent as provided in this subsection.

(iii) When the Mayor and City Council of Baltimore City condemns abandoned or distressed property that is subject to a redeemable ground rent, the City shall become the tenant of the ground rent and, after giving the landlord notice in accordance with subsection (b) of this section, may apply to the State Department of Assessments and Taxation to redeem the ground rent as provided in this subsection.

(2) The tenant shall provide to the State Department of Assessments and Taxation:

(i) Documentation satisfactory to the Department of the lease and the notice given to the landlord; and

(ii) Payment of a \$20 fee, and any expediting fee required under § 1-203 of the Corporations and Associations Article.

(3) (i) On receipt of the items stated in paragraph (2) of this subsection, the Department shall post notice on its website that application has been made to redeem or extinguish the ground rent.

(ii) The notice shall remain posted for at least 90 days.

(4) Except as provided in paragraph (5) of this subsection, no earlier than 90 days after the application has been posted as provided in paragraph (3) of this subsection, a tenant seeking to redeem a ground rent shall provide to the Department:

(i) Payment of the redemption amount and up to 3 years' back rent to the extent required under this section and § 8–111.1 of this subtitle, in a form satisfactory to the Department; and

(ii) An affidavit made by the tenant, in the form adopted by the Department, certifying that:

1. The tenant has not received a bill for ground rent due or other communication from the landlord regarding the ground rent during the 3 years immediately before the filing of the documentation required for the issuance of a redemption certificate under this subsection; or

2. The last payment for ground rent was made to the landlord identified in the affidavit and sent to the same address where the notice required under subsection (b) of this section was sent.

(5) No earlier than 90 days after the application has been posted as provided in paragraph (3) of this subsection, a tenant seeking to extinguish an irredeemable ground rent or to redeem a redeemable ground rent on abandoned or distressed property that was acquired or is being acquired by the Mayor and City Council of Baltimore through condemnation shall provide to the Department:

(i) Payment of up to 3 years' back rent to the extent required under this section and § 8–111.1 of this subtitle, in a form satisfactory to the Department; and

(ii) An affidavit made by the Director of the Office of Property Acquisition and Relocation in the Baltimore City Department of Housing and Community Development certifying that:

1. The property is abandoned property, as defined in § 21–17(a)(2) of the Public Local Laws of Baltimore City, or distressed property, as defined in § 21–17(a)(3) of the Public Local Laws of Baltimore City;

2. The property was acquired or is being acquired by the Mayor and City Council of Baltimore City through condemnation;

3. A thorough title search has been conducted;

4. The landlord of the property cannot be located or identified; and

5. The existence of the ground rent is an impediment to redevelopment of the site.

(6) At any time, the tenant may submit to the Department notice that the tenant is no longer seeking redemption or extinguishment under this subsection.

(7) Upon receipt of the documentation, fees, and where applicable, the redemption amount and 3 years' back rent to the extent required under this section and § 8–111.1 of this subtitle, the Department shall issue to the tenant a ground rent redemption certificate or a ground rent extinguishment certificate, as appropriate.

(8) The redemption or extinguishment of the ground rent is effective to conclusively vest a fee simple title in the tenant, free and clear of any and all right, title, or interest of the landlord, any lien of a creditor of the landlord, and any person claiming by, through, or under the landlord when the tenant records the certificate in the land records of the county in which the property is located.

(9) The landlord, any creditor of the landlord, or any other person claiming by, through, or under the landlord may file a claim with the Department in order to collect all, or any portion of, where applicable, the redemption amount and 3 years' back rent to the extent required under this section and § 8–111.1 of this subtitle, without interest, by providing to the Department:

(i) Documentation satisfactory to the Department of the claimant's interest; and

(ii) Payment of a \$20 fee, and any expediting fee required under § 1–203 of the Corporations and Associations Article.

(10) (i) A landlord whose ground rent has been extinguished may file a claim with the Baltimore City Director of Finance to collect an amount equal to the annual rent reserved multiplied by 16.66, which is capitalization at 6 percent, by providing to the Director:

1. Proof of payment to the landlord by the Department of back rent under paragraph (9) of this subsection; and

2. Payment of a \$20 fee.

(ii) A landlord of abandoned or distressed property condemned by the Mayor and City Council of Baltimore City whose ground rent has been redeemed may file a claim with the Baltimore City Director of Finance to collect the redemption amount, by providing to the Director:

1. Proof of payment to the landlord by the Department of back rent under paragraph (9) of this subsection; and

2. Payment of a \$20 fee.

(11) (i) In the event of a dispute regarding the extinguishment amount as calculated under paragraph (10)(i) of this subsection, the landlord may refuse payment from the Baltimore City Director of Finance and file an appeal regarding the valuation in the Circuit Court of Baltimore City.

(ii) In an appeal, the landlord is entitled to receive the fair market value of the landlord's interest in the property at the time of the extinguishment.

(12) In the event of a dispute regarding the payment by the Department to any person of all or any portion of the collected redemption amount and up to 3 years' back rent to the extent required by this section and § 8-111.1 of this subtitle, the Department may:

(i) File an interpleader action in the circuit court of the county where the property is located; or

(ii) Reimburse the landlord from the fund established in § 1-203.3 of the Corporations and Associations Article.

(13) The Department is not liable for any sum received by the Department that exceeds the sum of:

(i) The redemption amount; and

(ii) Up to 3 years' back rent to the extent required by this section and § 8-111.1 of this subtitle.

(14) The Department shall credit all fees and funds collected under this subsection to the fund established under § 1-203.3 of the Corporations and Associations Article. Redemption and extinguishment amounts received shall be held in a ground rent redemption and ground rent extinguishment account in that fund.

(15) The Department shall maintain a list of properties for which ground rents have been redeemed or extinguished under this subsection.

(16) The Department shall adopt regulations to carry out the provisions of this subsection.

(17) Any redemption or extinguishment funds not collected by a landlord under this subsection within 20 years after the date of the payment to the Department by the tenant shall escheat to the State. The Department shall annually transfer any funds that remain uncollected after 20 years to the State General Fund at the end of each fiscal year.

~~8-110.1.~~

~~(A) (1) BEFORE A VOLUNTARY TRANSFER OF A REDEEMABLE GROUND RENT TO A THIRD PARTY MAY OCCUR, THE LANDLORD SHALL GIVE THE TENANT NOTICE OF THE TENANT'S RIGHT TO REDEEM THE GROUND RENT UNDER § 8-110 OF THIS SUBTITLE AND OFFER THE TENANT THE OPPORTUNITY TO EXERCISE THE RIGHT TO REDEEM.~~

~~(2) THE NOTICE SHALL STATE:~~

~~(I) THE REDEMPTION AMOUNT CALCULATED IN ACCORDANCE WITH § 8-110(B)(2) OF THIS SUBTITLE; AND~~

~~(II) SUBJECT TO § 8-111.1 OF THIS SUBTITLE, THE AMOUNT OF ANY BACK RENT DUE.~~

~~(3) NOTICE SHALL BE GIVEN BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, AND BY FIRST-CLASS MAIL TO THE LAST KNOWN ADDRESS OF THE TENANT AND, IF DIFFERENT, TO THE ADDRESS LISTED IN THE RECORDS OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION.~~

~~(B) (1) THE TENANT SHALL HAVE 30 DAYS AFTER THE DATE OF RECEIPT OF THE NOTICE TO NOTIFY THE LANDLORD OF THE TENANT'S INTENT TO EXERCISE THE RIGHT TO REDEEM.~~

~~(2) IF THE TENANT DOES NOT RESPOND TO THE NOTICE OR NOTIFIES THE LANDLORD THAT THE TENANT WAIVES THE RIGHT TO REDEEM WITHIN 30 DAYS AFTER RECEIPT OF THE NOTICE, THE LANDLORD MAY PROCEED WITH THE TRANSFER OF THE GROUND RENT TO A THIRD PARTY.~~

~~(C) (1) IF THE TENANT NOTIFIES THE LANDLORD WITHIN THE 30-DAY PERIOD OF THE TENANT'S INTENT TO EXERCISE THE RIGHT TO REDEEM, THE TENANT SHALL HAVE AN ADDITIONAL 30 DAYS AFTER THE DATE OF MAILING THE NOTIFICATION TO THE LANDLORD TO TENDER THE REDEMPTION AMOUNT AND ANY BACK RENT DUE.~~

~~(2) WITHIN 30 DAYS AFTER RECEIPT OF THE REDEMPTION AMOUNT AND ANY BACK RENT DUE, THE LANDLORD SHALL PROVIDE TO THE TENANT A DEED OF REDEMPTION OF GROUND RENT.~~

~~(3) UNLESS THE LANDLORD AND THE TENANT AGREE TO A LONGER TIME PERIOD, IF THE TENANT FAILS TO TENDER THE REDEMPTION~~

~~AMOUNT AND ANY BACK RENT DUE WITHIN 30 DAYS AFTER THE DATE OF MAILING THE NOTIFICATION OF INTENT TO REDEEM TO THE LANDLORD, THE TENANT SHALL BE DEEMED TO HAVE WAIVED THE RIGHT TO REDEEM AND THE LANDLORD MAY PROCEED WITH THE TRANSFER OF THE GROUND RENT TO A THIRD PARTY.~~

14-116.1.

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

(2) "GROUND LEASE" MEANS A RESIDENTIAL LEASE OR SUBLEASE FOR A TERM OF YEARS RENEWABLE FOREVER SUBJECT TO THE PAYMENT OF A PERIODIC GROUND RENT.

(3) (I) "GROUND LEASE HOLDER" MEANS THE HOLDER OF THE REVERSIONARY INTEREST UNDER A GROUND LEASE.

(II) "GROUND LEASE HOLDER" INCLUDES AN AGENT OF THE GROUND LEASE HOLDER.

(4) "GROUND RENT" MEANS A RENT ISSUING OUT OF, OR COLLECTIBLE IN CONNECTION WITH, THE REVERSIONARY INTEREST UNDER A GROUND LEASE.

(5) "LEASEHOLD TENANT" MEANS THE HOLDER OF THE LEASEHOLD INTEREST UNDER A GROUND LEASE.

(6) "REDEEMABLE GROUND RENT" MEANS A GROUND RENT THAT MAY BE REDEEMED IN ACCORDANCE WITH § 8-110 OF THIS ARTICLE.

(B) (1) THIS SECTION APPLIES TO RESIDENTIAL PROPERTY THAT IS OR WAS USED, INTENDED TO BE USED, OR AUTHORIZED TO BE USED FOR FOUR OR FEWER DWELLING UNITS.

(2) THIS SECTION DOES NOT APPLY TO PROPERTY:

(I) LEASED FOR BUSINESS, COMMERCIAL, MANUFACTURING, MERCANTILE, OR INDUSTRIAL PURPOSES, OR ANY OTHER PURPOSE THAT IS NOT PRIMARILY RESIDENTIAL;

(II) IMPROVED OR TO BE IMPROVED BY ANY APARTMENT, CONDOMINIUM, COOPERATIVE, OR OTHER BUILDING FOR MULTIFAMILY USE OF GREATER THAN FOUR DWELLING UNITS; OR

(III) LEASED FOR DWELLINGS OR MOBILE HOMES THAT ARE ERECTED OR PLACED IN A MOBILE HOME DEVELOPMENT OR MOBILE HOME PARK.

(C) WITHIN 30 DAYS AFTER ANY TRANSFER OF A GROUND LEASE, THE TRANSFEREE SHALL NOTIFY THE LEASEHOLD TENANT OF THE TRANSFER.

(D) (1) THE NOTIFICATION SHALL INCLUDE THE NAME AND ADDRESS OF THE NEW GROUND LEASE HOLDER AND THE DATE OF THE TRANSFER.

(2) IF THE PROPERTY IS SUBJECT TO A REDEEMABLE GROUND RENT, THE NOTIFICATION SHALL ALSO INCLUDE THE FOLLOWING NOTICE:

“AS THE OWNER OF THE PROPERTY SUBJECT TO THIS GROUND LEASE, YOU ARE ENTITLED TO REDEEM, OR PURCHASE, THE GROUND LEASE FROM THE GROUND LEASE HOLDER AND OBTAIN ABSOLUTE OWNERSHIP OF THE PROPERTY. THE REDEMPTION AMOUNT IS FIXED BY LAW BUT MAY ALSO BE NEGOTIATED WITH THE GROUND LEASE HOLDER FOR A DIFFERENT AMOUNT. FOR INFORMATION ON REDEEMING THE GROUND LEASE, CONTACT THE GROUND LEASE HOLDER.”

(E) A GROUND LEASE HOLDER SHALL SEND NOTICE UNDER THIS SECTION TO THE LAST KNOWN ADDRESS OF THE LEASEHOLD TENANT.

14-129.

(A) THIS SECTION DOES NOT APPLY TO A:

(1) HOME EQUITY LINE OF CREDIT;

(2) LOAN SECURED BY AN INDEMNITY DEED OF TRUST; OR

(3) COMMERCIAL LOAN.

(B) BEFORE THE SETTLEMENT OF A LOAN SECURED BY A MORTGAGE OR DEED OF TRUST ON RESIDENTIAL REAL PROPERTY IMPROVED BY FOUR OR FEWER SINGLE-FAMILY UNITS THAT IS SUBJECT TO A REDEEMABLE GROUND RENT, THE SETTLEMENT AGENT SHALL NOTIFY THE BORROWER ~~OF~~ THAT:

(1) THE BORROWER HAS THE RIGHT TO REDEEM THE GROUND RENT UNDER § 8-110 OF THIS ARTICLE; AND

(2) THE REDEMPTION AMOUNT ~~CALCULATED UNDER § 8-110(B) OF THIS ARTICLE~~ IS FIXED BY LAW BUT MAY ALSO BE NEGOTIATED WITH THE GROUND LEASE HOLDER FOR A DIFFERENT AMOUNT;

(3) IT MAY BE POSSIBLE TO INCLUDE THE AMOUNT OF THE REDEMPTION IN THIS LOAN;

(4) FOR INFORMATION ON REDEEMING THE GROUND RENT, THE BORROWER SHOULD CONTACT THE GROUND LEASE HOLDER; AND

(5) FOR INFORMATION ON INCLUDING THE AMOUNT OF THE REDEMPTION IN THIS LOAN, THE BORROWER SHOULD CONTACT THE LENDER OR CREDIT GRANTOR MAKING THIS LOAN.

~~SECTION 2. AND BE IT FURTHER ENACTED, That the Department of Housing and Community Development shall study the feasibility of establishing a loan program, or expanding an existing program, to assist families of limited income who own homes subject to redeemable ground rents to redeem those ground rents, and report its findings and the estimated cost of the program to the House Environmental Matters Committee, the Senate Judicial Proceedings Committee, and the Senate Education, Health, and Environmental Affairs Committee on or before December 1, 2008.~~

SECTION ~~2~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 657 - *Prince George's County - Board of Education*.

Senate Bill 657 alters the election structure of the Prince George's County Board of Education beginning in 2010 by requiring that each of the nine elected members of the Board reside in, and be elected only by the residents of, designated school board districts. The bill also establishes eligibility criteria for school board members and new procedures for electing members to fill vacant positions. Furthermore, the bill repeals a mandated external review of the Prince George's County school system.

The Prince George's County Board of Education is currently an elected board consisting of five regional members, four at-large members, and one student member. This board took office on December 4, 2006, following the November 2006 general election. Senate Bill 657 would replace this board in 2010 with nine single-member school board districts. While I have no policy objections to the bill, the Attorney General has informed me in a letter dated May 15, 2007, that in his view, the school board districts proposed under Senate Bill 657 violate the one person/one vote requirement of the Fourteenth Amendment and are unconstitutional. The Attorney General further states in his letter that the unconstitutional election plan is not severable from the remainder of the bill and, therefore, he cannot recommend that the legislation be signed into law.

Based on the Attorney General's opinion alone, I regretfully must veto Senate Bill 657.

Sincerely,

Martin O'Malley
Governor

Senate Bill 657

AN ACT concerning

Prince George's County – Board of Education – ~~Election of Members~~

FOR the purpose of ~~repealing certain provisions of law relating to the composition of certain school districts in Prince George's County; requiring the members of the Prince George's County Board of Education to be elected from certain school board districts; providing for the boundaries of certain school board districts; requiring candidates to live in certain school board districts and be registered voters; requiring candidates for election to the County Board to include a certain petition containing a certain number of signatures with the candidate's certificate of candidacy; providing for the initial terms of the elected members of the County Board; requiring that a vacancy on the County Board be filled by a certain election if the vacancy occurs within a certain time period; requiring that certain vacancies on the County Board remain vacant under certain circumstances; providing that a member whose term expires may not hold over; requiring certain special elections to take place within a certain number of days~~

~~under certain provisions of law; requiring the term of the chair and vice chair to be a certain number of years; specifying that the State Open Meetings Act applies to any committee or other entity created by the County Board; requiring the County Board or certain entities of the County Board to take certain actions before and after an executive session; altering the requirements for a quorum of the County Board; requiring the presence of a certain quorum of the County Board in order for the County Board to take any action; repealing provisions relating to the Shared Space Council in Prince George's County; repealing a certain provision relating to the composition of a committee of the County Board; requiring certain documents and records relating to employment terms and financial compensation of certain officers in a certain school system be public records; repealing certain provisions and altering the title of a certain officer in the Prince George's County school system; and generally relating to the election of members of the Prince George's County Board of Education~~
repealing certain provisions of law relating to the composition of certain school districts in Prince George's County; requiring the members of the Prince George's County Board of Education to be elected from certain school board districts; providing for the boundaries of certain school board districts; requiring candidates to live in certain school board districts and be registered voters; providing for the initial terms of the elected members of the County Board; requiring that a vacancy on the County Board be filled by a certain election if the vacancy occurs within a certain time period; requiring that certain vacancies on the County Board remain vacant under certain circumstances; requiring certain special elections to take place within a certain number of days under certain provisions of law; requiring that certain special elections be funded by Prince George's County; requiring a certain individual elected to the County Board to serve for the remainder of a certain term and the following term; prohibiting a member of the County Board from holding an office of profit in Prince George's County government; repealing certain provisions relating to public meetings and executive sessions of the County Board; requiring a certain vote of the County Board to pass a motion of the County Board; altering the requirements for a quorum of the County Board; repealing a certain provision relating to the composition of a committee of the County Board; repealing certain provisions relating to the Chief Financial Officer of the county public school system; repealing a certain requirement that the County Board and the Maryland State Department of Education hire a consultant to conduct a comprehensive review of the Prince George's County school system; repealing certain requirements that the County Board and the Maryland State Department of Education conduct certain hearings and prepare certain reports concerning a certain comprehensive review; making stylistic changes; and generally relating to the Prince George's County Board of Education.

~~BY repealing~~

~~Article — Education~~

~~Section 3-1001, 3-1005, and 3-1008~~

~~Annotated Code of Maryland
(2006 Replacement Volume)~~

~~BY repealing and reenacting, with amendments,
Article – Education
Section 3–1002, 3–1003, 3–1004, 3–1006, and 3–1007
Annotated Code of Maryland
(2006 Replacement Volume)~~

~~BY adding to
Article – Education
Section 4–401 and 4–402 to be under the new subtitle “Subtitle 4. Prince
George’s County”
Annotated Code of Maryland
(2006 Replacement Volume)~~

BY repealing
Article – Education
Section 3–1001 and 3–1008
Annotated Code of Maryland
(2006 Replacement Volume)

BY repealing and reenacting, with amendments,
Article – Education
Section 3–1002 through 3–1007
Annotated Code of Maryland
(2006 Replacement Volume)

BY repealing
Chapter 289 of the Acts of the General Assembly of 2002, as amended by Chapter
344 of the Acts of the General Assembly of 2005
Section 17 and 18

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

Article – Education

[3–1001.

(a) The descriptions of school board districts in this section are to the election district and precinct boundaries as reviewed and certified by the Prince George’s County Board of Elections or their designees before they were reported to the United States Bureau of the Census as part of the 2000 Census Redistricting Data Program

and as those election district and precinct lines are specifically shown on the Public Law 94–171 census block maps provided by the United States Bureau of the Census.

(b) School board district I consists of:

- (1) Election district 1;
- (2) Election district 10;
- (3) Election district 14, precincts 2, 7, and 8;
- (4) Election district 20, precincts 1, 2, 3, 5, 6, 7, and 9 through 11;
- (5) Election district 21, precincts 3, 4, 6 through 11, 13, 14, and 16;

and

(6) That part of election district 14, precinct 9 that consists of the following census tracts and blocks:

(i) Census tract 8004.01, blocks 1000 through 1003; and

(ii) Census tract 8004.06, blocks 1000 through 1002, 1011, 1012, 1020 through 1028, 1999 through 2003, 2006 through 2010, 2017, 2023 through 2027, 2041 through 2048, 3000 through 3014, 3017, 3018, and 3068.

(c) School board district II consists of:

- (1) Election district 2, precincts 1, 2, 3, 5, 6, 7, 8, and 10;
- (2) Election district 16;
- (3) Election district 17;
- (4) Election district 19; and
- (5) Election district 21, precincts 1, 2, 5, 12, 15, and 17.

(d) School board district III consists of:

- (1) Election district 2, precincts 4 and 9;
- (2) Election district 6, precincts 1, 3, 4, 5, 6, 10, 11, 15, 16, and 19 through 23;
- (3) Election district 13, precincts 1, 2, 3, 7, 8, 9, 10, 14, 16, and 17;

- (4) Election district 15, precinct 2;
 - (5) Election district 18; and
 - (6) Election district 20, precincts 3, 4, and 8.
- (e) School board district IV consists of:
- (1) Election district 5, precincts 2 through 7;
 - (2) Election district 6, precincts 2, 7, 8, 9, 12, 13, 14, 17, and 18;
 - (3) Election district 9, precincts 1, 2, 3, 4, 5, 7, 10, and 11; and
 - (4) Election district 12.
- (f) School board district V consists of:
- (1) Election district 3;
 - (2) Election district 4;
 - (3) Election district 5, precincts 1 and 8;
 - (4) Election district 7;
 - (5) Election district 8;
 - (6) Election district 9, precincts 6, 8, and 9;
 - (7) Election district 11;
 - (8) Election district 13, precincts 4, 5, 6, 11, 12, 13, and 15;
 - (9) Election district 14, precincts 1, 3 through 6, and 10;
 - (10) Election district 15; and
 - (11) That part of election district 14, precinct 9 that consists of census tract 8004.06, blocks 2004, 2005, 2011 through 2016, 2018 through 2022, 2028 through 2040, 3015, 3016, 3019 through 3025, 3029 through 3035, 3054 through 3065, and 3069.]

~~[3-1002.] 3-1001.~~

~~(a) In this subtitle, "elected member" means one of the nine elected members of the Prince George's County Board [or a member appointed to fill a vacancy of one of these nine members].~~

~~(b) The Prince George's County Board consists of [10 members as follows:~~

~~(1) Five elected members, each of whom resides in a different school board district;~~

~~(2) Four elected members who may reside anywhere in the county;~~
~~and~~

~~(3) One] NINE ELECTED MEMBERS AND ONE student member selected under subsection (f)(2) of this section.~~

~~(c) (1) (i) [A candidate for the County Board shall be a resident of Prince George's County for at least 3 years and a registered voter of the county before the election.] ONE MEMBER FROM EACH OF THE NINE SCHOOL BOARD DISTRICTS SHALL BE ELECTED AS DESCRIBED IN SUBSECTION (D) OF THIS SECTION.~~

~~(ii) THE ELECTED MEMBERS OF THE COUNTY BOARD SHALL BE ELECTED AS FOLLOWS:~~

~~1. AT THE GENERAL ELECTION EVERY 4 YEARS AS REQUIRED BY SUBSECTION (G) OF THIS SECTION; AND~~

~~2. BY THE VOTERS OF THE SCHOOL BOARD DISTRICT THAT EACH MEMBER REPRESENTS.~~

~~(2) From the time of filing as a candidate for election, each candidate [for a position on the County Board representing a school board district shall reside in the school board district the candidate seeks to represent.] FROM A SCHOOL BOARD DISTRICT SHALL BE A RESIDENT OF THAT DISTRICT AND A REGISTERED VOTER.~~

~~(3) An elected County Board member shall forfeit the office if the member:~~

~~(i) [In the case of a member elected to represent a school board district, fails] FAILS to reside in the school board district from which the member was elected, unless this change is caused by a change in the boundaries of the district; or~~

~~(ii) Fails to be a registered voter of the county.~~

~~(4) A County Board member may not hold another office of profit in county government during the member's term.~~

~~(5) [Each elected member of] FOR THE PRIMARY ELECTION, EACH CANDIDATE FOR ELECTION TO the County Board [for a position representing a school board district] shall [be nominated by] FILE WITH THE INDIVIDUAL'S CERTIFICATE OF CANDIDACY A PETITION SIGNED BY NOT LESS THAN 1% OF the registered voters of the [member's] school board district THE CANDIDATE SEEKS TO REPRESENT.~~

~~[(d) Members of the Prince George's County Board shall be elected:~~

~~(1) At the general election every 4 years as required by subsection (g) of this section; and~~

~~(2) By the registered voters of the entire county.]~~

[3-1002.] 3-1001.

(a) In this subtitle, "elected member" means one of the nine elected members of the Prince George's County Board [or a member appointed to fill a vacancy of one of these nine members].

(b) The Prince George's County Board consists of [10 members as follows:

(1) Five elected members, each of whom resides in a different school board district;

(2) Four elected members who may reside anywhere in the county; and

(3) One] **NINE ELECTED MEMBERS AND ONE** student member selected under subsection (f)(2) of this section.

(c) (1) (I) [A candidate for the County Board shall be a resident of Prince George's County for at least 3 years and a registered voter of the county before the election] **ONE MEMBER FROM EACH OF THE NINE SCHOOL BOARD DISTRICTS SHALL BE ELECTED AS DESCRIBED IN SUBSECTION (D) OF THIS SECTION.**

(II) **THE ELECTED MEMBERS OF THE COUNTY BOARD SHALL BE ELECTED AS FOLLOWS:**

1. **AT THE GENERAL ELECTION EVERY 4 YEARS AS REQUIRED BY SUBSECTION (G) OF THIS SECTION; AND**

2. BY THE VOTERS OF THE SCHOOL BOARD DISTRICT THAT EACH MEMBER REPRESENTS.

(2) From the time of filing as a candidate for election, each candidate [for a position on the County Board representing a school board district shall reside in the school board district the candidate seeks to represent] **SHALL BE A REGISTERED VOTER OF THE COUNTY AND A RESIDENT OF THE SCHOOL BOARD DISTRICT THE CANDIDATE SEEKS TO REPRESENT.**

(3) An elected County Board member shall forfeit the office if the member:

(i) [In the case of a member elected to represent a school board district, fails] **FAILS** to reside in the school board district from which the member was elected, unless this change is caused by a change in the boundaries of the district; or

(ii) Fails to be a registered voter of the county.

(4) A County Board member may not hold another office of profit in **PRINCE GEORGE'S COUNTY** [county] government during the member's term.

(5) Each elected member of the County Board for a position representing a school board district shall be nominated by the registered voters of the member's school board district.

[(d) Members of the Prince George's County Board shall be elected:

(1) At the general election every 4 years as required by subsection (g) of this section; and

(2) By the registered voters of the entire county.]

(D) (1) THE DESCRIPTIONS OF SCHOOL BOARD DISTRICTS IN THIS SUBSECTION ARE TO THE ELECTION DISTRICT AND PRECINCT BOUNDARIES AS REVIEWED AND CERTIFIED BY THE PRINCE GEORGE'S COUNTY BOARD OF ELECTIONS OR ITS DESIGNEES AS THEY WERE ESTABLISHED ON SEPTEMBER 1, 2002, AND AS THOSE ELECTION DISTRICT AND PRECINCT LINES ARE SPECIFICALLY SHOWN ON THE PUBLIC LAW 94-171 CENSUS BLOCK MAPS PROVIDED BY THE UNITED STATES BUREAU OF THE CENSUS.

~~(2) SCHOOL BOARD DISTRICT 1 CONSISTS OF:~~

~~(i) ELECTION DISTRICT 1;~~

~~(II) ELECTION DISTRICT 10; AND~~

~~(III) ELECTION DISTRICT 21, PRECINCTS 4, 5, 14, AND 99.~~

~~(3) SCHOOL BOARD DISTRICT II CONSISTS OF:~~

~~(I) ELECTION DISTRICT 14, PRECINCTS 2 AND 8;~~

~~(II) ELECTION DISTRICT 16;~~

~~(III) ELECTION DISTRICT 19, PRECINCT 1;~~

~~(IV) THAT PART OF ELECTION DISTRICT 19, PRECINCT 2, THAT IS GENERALLY WEST OF THE BALTIMORE WASHINGTON PARKWAY; AND~~

~~(V) ELECTION DISTRICT 21, PRECINCTS 1 THROUGH 3, 6 THROUGH 13, 17, 97, AND 98.~~

~~(4) SCHOOL BOARD DISTRICT III CONSISTS OF:~~

~~(I) ELECTION DISTRICT 17, PRECINCTS 1 THROUGH 12;~~

~~(II) ELECTION DISTRICT 19, PRECINCT 3; AND~~

~~(III) ELECTION DISTRICT 21, PRECINCT 15.~~

~~(5) SCHOOL BOARD DISTRICT IV CONSISTS OF:~~

~~(I) ELECTION DISTRICT 2, PRECINCTS 1 THROUGH 10 AND 99;~~

~~(II) ELECTION DISTRICT 13, PRECINCTS 2 AND 17;~~

~~(III) ELECTION DISTRICT 18, PRECINCTS 3, 5, AND 12;~~

~~(IV) ELECTION DISTRICT 19, PRECINCT 4;~~

~~(V) THAT PART OF ELECTION DISTRICT 19, PRECINCT 2, THAT IS GENERALLY EAST OF THE BALTIMORE WASHINGTON PARKWAY;~~

~~(VI) ELECTION DISTRICT 20, PRECINCTS 1, 2, 5, 6, 8, 9, AND 10; AND~~

~~(VII) ELECTION DISTRICT 21, PRECINCT 16.~~

~~(6) SCHOOL BOARD DISTRICT V CONSISTS OF:~~

~~(I) ELECTION DISTRICTS 3 AND 7;~~

~~(II) ELECTION DISTRICT 14, PRECINCTS 1, 3 THROUGH 7, 9,
AND 10;~~

~~(III) ELECTION DISTRICT 15, PRECINCTS 2 AND 5; AND~~

~~(IV) ELECTION DISTRICT 20, PRECINCTS 4 AND 11.~~

~~(7) SCHOOL BOARD DISTRICT VI CONSISTS OF:~~

~~(I) ELECTION DISTRICT 6, PRECINCT 20;~~

~~(II) ELECTION DISTRICT 13, PRECINCTS 1 AND 3 THROUGH
16;~~

~~(III) ELECTION DISTRICT 18, PRECINCTS 1, 2, 4, AND 6
THROUGH 11; AND~~

~~(IV) ELECTION DISTRICT 20, PRECINCTS 3 AND 7.~~

~~(8) SCHOOL BOARD DISTRICT VII CONSISTS OF:~~

~~(I) ELECTION DISTRICT 6, PRECINCTS 1, 3 THROUGH 7, 10
THROUGH 12, 15 THROUGH 19, AND 21 THROUGH 23; AND~~

~~(II) ELECTION DISTRICT 9, PRECINCT 3.~~

~~(9) SCHOOL BOARD DISTRICT VIII CONSISTS OF:~~

~~(I) ELECTION DISTRICT 6, PRECINCTS 2, 8, 9, 13, AND 14;
AND~~

~~(II) ELECTION DISTRICT 12.~~

~~(10) SCHOOL BOARD DISTRICT IX CONSISTS OF:~~

~~(I) ELECTION DISTRICT 4;~~

- ~~(II) ELECTION DISTRICT 5;~~
- ~~(III) ELECTION DISTRICT 8;~~
- ~~(IV) ELECTION DISTRICT 9, PRECINCTS 1, 2, AND 4
THROUGH 11;~~
- ~~(V) ELECTION DISTRICT 11; AND~~
- ~~(VI) ELECTION DISTRICT 15, PRECINCTS 1, 3, AND 4.~~

- (2) SCHOOL BOARD DISTRICT I CONSISTS OF:
 - (I) ELECTION DISTRICT 1;
 - (II) ELECTION DISTRICT 10;
 - (III) ELECTION DISTRICT 14, PRECINCT 9; AND
 - (IV) ELECTION DISTRICT 21, PRECINCTS 4, 5, 14, 15, 97, AND

99.

- (3) SCHOOL BOARD DISTRICT II CONSISTS OF:
 - (I) ELECTION DISTRICT 14, PRECINCTS 2 AND 8;
 - (II) ELECTION DISTRICT 16, PRECINCT 1;
 - (III) ELECTION DISTRICT 19, PRECINCTS 1 THROUGH 3;
 - (IV) ELECTION DISTRICT 20, PRECINCTS 1, 5, 6, AND 10; AND
 - (V) ELECTION DISTRICT 21, PRECINCTS 1, 2, 3, 6 THROUGH
13, 16, 17, AND 98.

- (4) SCHOOL BOARD DISTRICT III CONSISTS OF:
 - (I) ELECTION DISTRICT 16, PRECINCTS 2 THROUGH 4; AND
 - (II) ELECTION DISTRICT 17.

- (5) SCHOOL BOARD DISTRICT IV CONSISTS OF:

- (I) ELECTION DISTRICT 2;
- (II) ELECTION DISTRICT 13, PRECINCTS 1 THROUGH 3, 8,
AND 17;
- (III) ELECTION DISTRICT 14, PRECINCT 7;
- (IV) ELECTION DISTRICT 16, PRECINCT 99;
- (V) ELECTION DISTRICT 18, PRECINCTS 5 AND 12;
- (VI) ELECTION DISTRICT 19, PRECINCT 4; AND
- (VII) ELECTION DISTRICT 20, PRECINCTS 2, 4, 7 THROUGH 9,
AND 11.
- (6) SCHOOL BOARD DISTRICT V CONSISTS OF:
- (I) ELECTION DISTRICT 3, PRECINCTS 2 AND 3;
- (II) ELECTION DISTRICT 7;
- (III) ELECTION DISTRICT 14, PRECINCTS 1, 3 THROUGH 6,
AND 10; AND
- (IV) ELECTION DISTRICT 15, PRECINCT 5.
- (7) SCHOOL BOARD DISTRICT VI CONSISTS OF:
- (I) ELECTION DISTRICT 6, PRECINCTS 19 AND 20;
- (II) ELECTION DISTRICT 13, PRECINCTS 4 THROUGH 7 AND
9 THROUGH 16;
- (III) ELECTION DISTRICT 18, PRECINCTS 1 THROUGH 4 AND
6 THROUGH 11; AND
- (IV) ELECTION DISTRICT 20, PRECINCT 3.
- (8) SCHOOL BOARD DISTRICT VII CONSISTS OF:
- (I) ELECTION DISTRICT 6, PRECINCTS 1, 3 THROUGH 7, 9
THROUGH 12, 15 THROUGH 18, AND 21 THROUGH 23;

(II) ELECTION DISTRICT 9, PRECINCT 3; AND

(III) ELECTION DISTRICT 15, PRECINCT 2.

(9) SCHOOL BOARD DISTRICT VIII CONSISTS OF:

(I) ELECTION DISTRICT 12;

(II) ELECTION DISTRICT 5, PRECINCTS 2, 5, 6, AND 7;

(III) ELECTION DISTRICT 6, PRECINCTS 2, 8, 13, AND 14; AND

(IV) ELECTION DISTRICT 9, PRECINCTS 2 AND 5.

(10) SCHOOL BOARD DISTRICT IX CONSISTS OF:

(I) ELECTION DISTRICT 4;

(II) ELECTION DISTRICT 8;

(III) ELECTION DISTRICT 11;

(IV) ELECTION DISTRICT 3, PRECINCT 1;

(V) ELECTION DISTRICT 5, PRECINCTS 1, 3, 4, AND 8
THROUGH 11;

(VI) ELECTION DISTRICT 9, PRECINCTS 1, 4, AND 6
THROUGH 11; AND

(VII) ELECTION DISTRICT 15, PRECINCTS 1, 3, AND 4.

~~(e) (1) If a candidate for the County Board dies or withdraws the candidacy during the period beginning with the date of the primary and ending 70 days before the date of the general election, the Board of [Supervisors of] Elections shall:~~

~~(i) Replace the name of the deceased or withdrawn candidate on the ballot for the general election with the name of the candidate who received the next highest number of votes in the primary election; or~~

~~(ii) If a contested primary was not held, reopen the filing process to allow other persons to file as candidates.~~

~~(2) (i) Except as otherwise provided in subparagraph (ii) of this paragraph, the Board of Supervisors of Elections shall add to the ballot for the general election the name of any person who files as a candidate in accordance with paragraph (1)(ii) of this subsection.~~

~~(ii) The Board of Supervisors of Elections may not add additional candidates to the ballot for the general election within 70 days before the date of the election.~~

~~(f) (1) The student member shall be an eleventh or twelfth grade student in the Prince George's County public school system during the student's term in office.~~

~~(2) An eligible student shall file a nomination form at least 2 weeks before a special election meeting of the Prince George's Regional Association of Student Governments. Nomination forms shall be made available in the administrative offices of all public senior high schools in the county, the office of student concerns, and the office of the president of the regional association. The delegates to the regional association annually shall elect the student member to the Board at a special election meeting to be held each school year.~~

~~(3) The student member may vote on all matters before the Board except those relating to:~~

- ~~(i) Capital and operating budgets;~~
- ~~(ii) School closings, reopenings, and boundaries;~~
- ~~(iii) Collective bargaining decisions;~~
- ~~(iv) Student disciplinary matters;~~
- ~~(v) Teacher and administrator disciplinary matters as provided under § 6-202(a) of this article; and~~
- ~~(vi) Other personnel matters.~~

~~(4) On an affirmative vote of a majority of the elected members of the County Board **PRESENT AND VOTING, A QUORUM BEING PRESENT**, the Board may determine if a matter before the Board relates to a subject that the student member may not vote on under paragraph (3) of this subsection.~~

~~(5) Unless invited to attend by an affirmative vote of a majority **OF THE ELECTED MEMBERS** of the County Board **PRESENT AND VOTING, A QUORUM BEING PRESENT**, the student member may not attend an executive session that~~

~~relates to hearings on appeals of special education placements, hearings held under § 6-202(a) of this article, or collective bargaining.~~

~~(6) The Prince George's Regional Association of Student Governments may establish procedures for the election of the student member of the County Board.~~

~~(7) The election procedures established by the Prince George's Regional Association of Student Governments are subject to the approval of the elected members of the County Board.~~

~~(g) (1) (i) [An] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AN elected member serves for a term of 4 years beginning on the first Monday in December after the member's election [and until the member's successor is elected and qualifies].~~

~~(ii) A MEMBER MAY NOT HOLD OVER BEYOND THE MEMBER'S TERM.~~

~~(2) THE TERMS OF THE ELECTED MEMBERS ARE STAGGERED AS FOLLOWS:~~

~~(i) THE FIVE ELECTED MEMBERS WHO RECEIVED THE LOWEST PERCENTAGE OF VOTES, AS DETERMINED BY THE FINAL VOTE COUNT OF THE 2010 GENERAL ELECTION AS CERTIFIED BY THE BOARD OF ELECTIONS, SHALL SERVE FOR A TERM OF 2 YEARS; AND~~

~~(ii) THE OTHER FOUR MEMBERS ELECTED IN THE 2010 GENERAL ELECTION SHALL SERVE FOR A TERM OF 4 YEARS.~~

~~[(2)] (3) The student member serves for a term of 1 year beginning at the end of a school year.~~

~~[(3) Subject to the confirmation of the County Council, the County Executive of Prince George's County shall appoint a qualified individual to fill any vacancy on the County Board until a successor is elected and qualifies at the next congressional election.]~~

~~(4) (i) ANY VACANCY AMONG THE ELECTED MEMBERS OF THE COUNTY BOARD SHALL BE FILLED, FOR THE REMAINDER OF THAT TERM, AT A SPECIAL ELECTION, WHICH SHALL BE HELD NOT LATER THAN 60 DAYS AFTER THE VACANCY OCCURS, EXCEPT THAT, IF THE SPECIAL ELECTION WOULD BE HELD LESS THAN 4 MONTHS BEFORE A PRIMARY OR A GENERAL ELECTION, IT SHALL BE DELAYED UNTIL THAT PRIMARY OR GENERAL ELECTION.~~

~~(II) IF THE TERM EXPIRES WITHIN THE SAME CALENDAR YEAR AS THE PRIMARY OR GENERAL ELECTION, THE INDIVIDUAL ELECTED IN THE SPECIAL ELECTION SHALL SERVE FOR THE REMAINDER OF THAT TERM AND FOR THE ENSUING 4-YEAR TERM.~~

~~(III) THE COUNTY SHALL PROVIDE FUNDING TO COVER THE COSTS OF THE SPECIAL ELECTION.~~

~~(IV) EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH, AND WHERE SUCH CONSTRUCTION WOULD BE UNREASONABLE, THE SPECIAL ELECTION SHALL BE GOVERNED BY TITLE 8, SUBTITLE 8 OF THE ELECTION LAW ARTICLE.~~

~~(h) (1) With the approval of the Governor, the State Board may remove a member of the County Board for any of the following reasons:~~

- ~~(i) Immorality;~~
- ~~(ii) Misconduct in office;~~
- ~~(iii) Incompetency; or~~
- ~~(iv) Willful neglect of duty.~~

~~(2) Before removing a member, the State Board shall send the member a copy of the charges pending and give the member an opportunity within 10 days to request a hearing.~~

~~(3) If the member requests a hearing within the 10-day period:~~

~~(i) The State Board promptly shall hold a hearing, but a hearing may not be set within 10 days after the State Board sends the member a notice of the hearing; and~~

~~(ii) The member shall have an opportunity to be heard publicly before the State Board in the member's own defense, in person or by counsel.~~

~~(4) A member removed under this subsection has the right to a de novo review of the removal by the Circuit Court for Prince George's County.~~

~~(i) While serving on the County Board, a member may not be a candidate for a public office other than a position on the County Board.~~

~~[3-1003.] 3-1002.~~

~~(a) From and after December 4, 2006, at the beginning of each member's full term, the [chairman] CHAIR of the County Board is entitled to receive \$19,000 annually as compensation and the other elected members are each entitled to receive \$18,000 annually as compensation.~~

~~(b) (1) After submitting vouchers under the rules and regulations adopted by the County Board, the [chairman] CHAIR and the other members, including the student member, are entitled to the allowances for travel and other expenses provided in the Prince George's County budget.~~

~~(2) A member of the County Board may not be reimbursed more than \$7,000 in travel and other expenses incurred in a single fiscal year.~~

~~[3-1004.] 3-1003.~~

~~(a) (1) The County Board shall hold [an annual] A meeting on the first Monday in December EACH EVEN NUMBERED YEAR to elect a [chairman] CHAIR and vice [chairman] CHAIR from among its members.~~

~~(2) THE TERM OF THE CHAIR AND THE VICE CHAIR IS 2 YEARS.~~

~~(b) All actions of the County Board OR A SUBDIVISION OF THE COUNTY BOARD shall be taken at a public meeting and a record of the meeting and all actions shall be made public.~~

~~[(c) This section does not prohibit the County Board from meeting and deliberating in executive session provided that all action of the County Board, together with the individual vote of each member, is contained in a public record.]~~

~~(c) (1) THE PROVISIONS OF THE OPEN MEETINGS ACT UNDER TITLE 10, SUBTITLE 5 OF THE STATE GOVERNMENT ARTICLE SHALL APPLY TO ANY COMMITTEE OR OTHER SUBSIDIARY ENTITY CREATED BY THE COUNTY BOARD.~~

~~(2) IN ADDITION TO THE PROVISIONS OF THE OPEN MEETINGS ACT, AFTER AN EXECUTIVE SESSION OF THE COUNTY BOARD OR OF ANY COMMITTEE OR SUBSIDIARY ENTITY CREATED BY THE COUNTY BOARD CONCLUDES, ALL ACTIONS TAKEN IN THE EXECUTIVE SESSION, TOGETHER WITH THE VOTE OF EACH MEMBER, SHALL BE ANNOUNCED IN OPEN SESSION AND CONTAINED IN A PUBLIC RECORD OF THAT OPEN SESSION.~~

~~(d) (1) Except as otherwise provided in paragraph (2) of this subsection, [the affirmative vote of the members of the County Board for the passage of a motion by the County Board shall be:~~

~~(i) Six members when the student member is voting; or~~

~~(ii) Five members when the student member is not voting.] A~~

~~QUORUM OF THE COUNTY BOARD IS FIVE ELECTED MEMBERS.~~

~~(2) When there [is one vacancy or more than one vacancy] ARE TWO OR MORE VACANCIES on the County Board, [the affirmative vote of the members of the County Board for the passage of a motion by the Board shall be five] A QUORUM OF THE COUNTY BOARD IS FOUR ELECTED members.~~

~~(3) THE AFFIRMATIVE VOTE OF A MAJORITY OF THE MEMBERS OF THE COUNTY BOARD PRESENT AND VOTING, A QUORUM BEING PRESENT, IS REQUIRED TO PASS A MOTION OF THE COUNTY BOARD.~~

~~[3-1005.~~

~~(a) There is a Shared Space Council for Prince George's County. The purpose of the Council is to consider the alternative use of any vacant public schools and any vacant space that exists in the Prince George's County public school system.~~

~~(b) The Council shall consist of 23 members, appointed as follows:~~

~~(1) One member from each legislative district within Prince George's County, each of whom shall be appointed by the legislative delegation from the district.~~

~~(2) One member from each of the following governmental agencies, departments, or institutions:~~

~~(i) The staff of the County Board of Education;~~

~~(ii) The staff of the County Executive;~~

~~(iii) The staff of the County Council;~~

~~(iv) The county Department of Social Services;~~

~~(v) The staff of the county Superintendent of Education;~~

~~(vi) The Prince George's County Planning Board;~~

~~(vii) The county Department of Aging;~~

~~(viii) The county Health Department;~~

~~(ix) The county Office of Coordination of Services to the Handicapped;~~

~~(x) The county Juvenile Services Administration;~~

~~(xi) The county Memorial Library System; and~~

~~(xii) The county Department of Program Planning and Economic Development.~~

~~(3) On a rotating basis, one member shall be from the faculty or administration of Bowie State College or Prince George's Community College. Such member shall be appointed by the president of the college.~~

~~(4) The members from governmental agencies, departments, or institutions shall be appointed by the director, chairman, or chief executive officer of the agency, department, or institution.~~

~~(5) Two members shall be appointed by the County Executive.~~

~~(c) The term of the members appointed pursuant to subsection (b)(2), (3), and (4) shall be 3 years. All other members shall serve for a term of 2 years. Any vacancy on the Council shall be filled in the same manner as the original appointment.~~

~~(d) The Council shall meet at least four times each year. It shall, on an annual basis and in conjunction with the County Board of Education, survey the schools within the county public school system and compile a listing of any vacant public schools and any vacant space that exists within the system. The Council shall evaluate the feasibility of using any vacant public school or vacant space for community or governmental purposes.~~

~~(e) The Council shall report the results, findings, and recommendations derived from such survey, listing, and evaluation to the County Board of Education, the County Executive, the County Council and the mayor of each municipality in the county.]~~

~~[3-1006.] 3-1004.~~

~~[(a)] In addition to the powers otherwise granted to the County Board in this article, the County Board or a designated committee of the County Board may hear an appeal from a decision of the County Superintendent that relates to the grade, transfer, tuition, or any aspect of participation in a program or activity of a specific student who is not subject to the provisions of Title 8, Subtitle 4 of this article.~~

~~[(b) A designated committee shall consist of at least 5 members of the Board and at least 5 members of a designated committee shall be present to constitute a quorum of the committee.]~~

~~[3 1007.] 3 1005.~~

~~Notwithstanding any other provision of law, in Prince George's County, the Board of Education may implement the use of school uniforms by all students in the public schools in the county.~~

~~[3 1008.~~

~~(a) There is a Chief Financial Officer in the Prince George's County public school system who shall:~~

~~(1) Be responsible for the day-to-day management and oversight of the fiscal affairs of the Prince George's County public school system; and~~

~~(2) Report directly to the County Superintendent.~~

~~(b) The County Superintendent shall, subject to the approval of the County Board:~~

~~(1) Select the Chief Financial Officer; and~~

~~(2) Establish the salary of the Chief Financial Officer.~~

~~(c) The employment contract of the Chief Financial Officer shall provide that continued employment is contingent on the effective fiscal management of the Prince George's County public schools.~~

~~(d) The Chief Financial Officer is not a public officer under the Constitution or the laws of the State.]~~

~~SUBTITLE 4. PRINCE GEORGE'S COUNTY.~~

~~4 401.~~

~~IN THIS SUBTITLE, "BOARD" MEANS THE PRINCE GEORGE'S COUNTY BOARD OF EDUCATION.~~

~~4 402.~~

~~(A) THERE IS A COUNTY SUPERINTENDENT OF THE BOARD.~~

~~(B) THE COUNTY SUPERINTENDENT SHALL:~~

~~(1) BE RESPONSIBLE FOR THE OVERALL ADMINISTRATION OF THE PRINCE GEORGE'S COUNTY PUBLIC SCHOOL SYSTEM;~~

~~(2) REPORT DIRECTLY TO THE BOARD; AND~~

~~(3) DESIGNATE INDIVIDUALS WITH PRIMARY RESPONSIBILITY FOR EACH OF THE FOLLOWING FUNCTIONS:~~

~~(i) MANAGEMENT AND ADMINISTRATION OF THE PRINCE GEORGE'S COUNTY PUBLIC SCHOOL SYSTEM;~~

~~(ii) ASSESSMENT AND ACCOUNTABILITY OF THE ACADEMIC PERFORMANCE OF THE STUDENTS IN THE PRINCE GEORGE'S COUNTY PUBLIC SCHOOL SYSTEM;~~

~~(iii) PROVISION OF SERVICES TO STUDENTS WITH DISABILITIES IN ACCORDANCE WITH FEDERAL AND STATE LAW;~~

~~(iv) DEVELOPMENT AND IMPLEMENTATION OF INITIATIVES FOR EDUCATIONAL REFORM; AND~~

~~(v) PROFESSIONAL HIRING AND DEVELOPMENT.~~

~~(C) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (B)(3) OF THIS SECTION, THE COUNTY SUPERINTENDENT AND THE BOARD SHALL BE HELD ACCOUNTABLE FOR THE DELEGATED FUNCTIONS.~~

~~(D) THE BOARD SHALL EMPLOY THE COUNTY SUPERINTENDENT AND ESTABLISH THE SALARY OF THE COUNTY SUPERINTENDENT AT AN AMOUNT COMMENSURATE WITH THE CREDENTIALS, EXPERIENCE, AND PRIOR POSITIONS OF RESPONSIBILITY OF THE COUNTY SUPERINTENDENT.~~

~~(E) THE EMPLOYMENT CONTRACT OF THE COUNTY SUPERINTENDENT SHALL PROVIDE, AT A MINIMUM, THAT CONTINUED EMPLOYMENT IS CONTINGENT ON DEMONSTRABLE IMPROVEMENT IN THE ACADEMIC PERFORMANCE OF THE STUDENTS IN THE PRINCE GEORGE'S COUNTY PUBLIC SCHOOL SYSTEM AND THE SUCCESSFUL MANAGEMENT OF THE PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS.~~

~~(F) THE TERM OF THE INITIAL CONTRACT AND ANY RENEWAL MAY NOT EXCEED 4 YEARS.~~

~~(G) THE FULL TEXT OF THE COUNTY SUPERINTENDENT'S EMPLOYMENT CONTRACT AND ANY DOCUMENT OR RECORDS RELATING TO THE TERMS OF THE COUNTY SUPERINTENDENT'S FINANCIAL COMPENSATION OR TERMS OF EMPLOYMENT SHALL BE PUBLIC RECORD.~~

(e) (1) If a candidate for the County Board dies or withdraws the candidacy during the period beginning with the date of the primary and ending 70 days before the date of the general election, the Board of [Supervisors of] Elections shall:

(i) Replace the name of the deceased or withdrawn candidate on the ballot for the general election with the name of the candidate who received the next highest number of votes in the primary election; or

(ii) If a contested primary was not held, reopen the filing process to allow other persons to file as candidates.

(2) (i) Except as otherwise provided in subparagraph (ii) of this paragraph, the Board of [Supervisors of] Elections shall add to the ballot for the general election the name of any person who files as a candidate in accordance with paragraph (1)(ii) of this subsection.

(ii) The Board of [Supervisors of] Elections may not add additional candidates to the ballot for the general election within 70 days before the date of the election.

(f) (1) The student member shall be an eleventh or twelfth grade student in the Prince George's County public school system during the student's term in office.

(2) An eligible student shall file a nomination form at least 2 weeks before a special election meeting of the Prince George's Regional Association of Student Governments. Nomination forms shall be made available in the administrative offices of all public senior high schools in the county, the office of student concerns, and the office of the president of the regional association. The delegates to the regional association annually shall elect the student member to the Board at a special election meeting to be held each school year.

(3) The student member may vote on all matters before the Board except those relating to:

(i) Capital and operating budgets;

(ii) School closings, reopenings, and boundaries;

(iii) Collective bargaining decisions;

(iv) Student disciplinary matters;

(v) Teacher and administrator disciplinary matters as provided under § 6-202(a) of this article; and

(vi) Other personnel matters.

(4) On an affirmative vote of a majority of the elected members of the County Board **PRESENT AND VOTING AT A MEETING AT WHICH A QUORUM IS PRESENT**, the Board may determine if a matter before the Board relates to a subject that the student member may not vote on under paragraph (3) of this subsection.

(5) Unless invited to attend by an affirmative vote of a majority **OF THE ELECTED MEMBERS** of the County Board **PRESENT AND VOTING AT A MEETING AT WHICH A QUORUM IS PRESENT**, the student member may not attend an executive session that relates to hearings on appeals of special education placements, hearings held under § 6-202(a) of this article, or collective bargaining.

(6) The Prince George's Regional Association of Student Governments may establish procedures for the election of the student member of the County Board.

(7) The election procedures established by the Prince George's Regional Association of Student Governments are subject to the approval of the elected members of the County Board.

(g) (1) [An] **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION**, AN elected member serves for a term of 4 years beginning on the first Monday in December after the member's election and until the member's successor is elected and qualifies.

(2) **THE TERMS OF THE ELECTED MEMBERS ARE STAGGERED AS FOLLOWS:**

(I) **THE FIVE ELECTED MEMBERS WHO RECEIVED THE LOWEST PERCENTAGE OF VOTES, AS DETERMINED BY THE FINAL VOTE COUNT OF THE 2010 GENERAL ELECTION AS CERTIFIED BY THE BOARD OF ELECTIONS, SHALL SERVE FOR A TERM OF 2 YEARS; AND**

(II) **THE OTHER FOUR MEMBERS ELECTED IN THE 2010 GENERAL ELECTION SHALL SERVE FOR A TERM OF 4 YEARS.**

[(2)] (3) The student member serves for a term of 1 year beginning at the end of a school year.

[(3) Subject to the confirmation of the County Council, the County Executive of Prince George's County shall appoint a qualified individual to fill any vacancy on the County Board until a successor is elected and qualifies at the next congressional election.]

(4) (I) A SEAT ON THE COUNTY BOARD HELD BY AN ELECTED MEMBER THAT BECOMES VACANT MORE THAN 180 DAYS BEFORE THE END OF THAT MEMBER'S TERM OF OFFICE SHALL BE FILLED FOR THE REMAINDER OF THE TERM AT A SPECIAL ELECTION.

(II) A SPECIAL ELECTION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE HELD:

1. AT THE NEXT PRIMARY OR GENERAL ELECTION IF THE VACANCY OCCURS 180 DAYS OR LESS BEFORE A PRIMARY OR GENERAL ELECTION; OR

2. NO LATER THAN 60 DAYS AFTER THE VACANCY OCCURS IF THE VACANCY OCCURS MORE THAN 180 DAYS BEFORE A PRIMARY OR GENERAL ELECTION.

(III) A SPECIAL ELECTION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE:

1. FUNDED BY PRINCE GEORGE'S COUNTY; AND

2. GOVERNED BY TITLE 8, SUBTITLE 8 OF THE ELECTION LAW ARTICLE EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH OR WHERE SUCH CONSTRUCTION WOULD BE UNREASONABLE.

(IV) A VACANCY THAT OCCURS 180 DAYS OR LESS BEFORE THE EXPIRATION OF A MEMBER'S TERM OF OFFICE SHALL CONTINUE UNTIL A SUCCESSOR IS ELECTED AND QUALIFIES.

(V) AN INDIVIDUAL ELECTED TO A VACANT SEAT ON THE COUNTY BOARD AT THE GENERAL ELECTION HELD IN THE YEAR THAT THE TERM EXPIRES SHALL SERVE FOR THE REMAINDER OF THE EXPIRING TERM AND FOR THE FOLLOWING TERM.

(h) (1) With the approval of the Governor, the State Board may remove a member of the County Board for any of the following reasons:

- (i) Immorality;
- (ii) Misconduct in office;
- (iii) Incompetency; or
- (iv) Willful neglect of duty.

(2) Before removing a member, the State Board shall send the member a copy of the charges pending and give the member an opportunity within 10 days to request a hearing.

(3) If the member requests a hearing within the 10-day period:

(i) The State Board promptly shall hold a hearing, but a hearing may not be set within 10 days after the State Board sends the member a notice of the hearing; and

(ii) The member shall have an opportunity to be heard publicly before the State Board in the member's own defense, in person or by counsel.

(4) A member removed under this subsection has the right to a de novo review of the removal by the Circuit Court for Prince George's County.

(i) While serving on the County Board, a member may not be a candidate for a public office other than a position on the County Board.

[3-1003.] 3-1002.

(a) From and after December 4, 2006, at the beginning of each member's full term, the [chairman] **CHAIR** of the County Board is entitled to receive \$19,000 annually as compensation and the other elected members are each entitled to receive \$18,000 annually as compensation.

(b) (1) After submitting vouchers under the rules and regulations adopted by the County Board, the [chairman] **CHAIR** and the other members, including the student member, are entitled to the allowances for travel and other expenses provided in the Prince George's County budget.

(2) A member of the County Board may not be reimbursed more than \$7,000 in travel and other expenses incurred in a single fiscal year.

[3-1004.] 3-1003.

(a) The County Board shall hold an annual meeting on the first Monday in December to elect a [chairman] CHAIR and vice [chairman] CHAIR from among its members.

[(b) All actions of the County Board shall be taken at a public meeting and a record of the meeting and all actions shall be made public.

(c) This section does not prohibit the County Board from meeting and deliberating in executive session provided that all action of the County Board, together with the individual vote of each member, is contained in a public record.]

[(d)] (B) (1) Except as otherwise provided in paragraph (2) of this subsection, [the affirmative vote of the members of the County Board for the passage of a motion by the County Board shall be:

(i) Six members when the student member is voting; or

(ii) Five members when the student member is not voting] A QUORUM OF THE COUNTY BOARD IS FIVE ELECTED MEMBERS.

[(2) When there is one vacancy or more than one vacancy on the County Board, the affirmative vote of the members of the County Board for the passage of a motion by the Board shall be five members.]

(2) WHEN THERE ARE TWO OR MORE VACANCIES ON THE COUNTY BOARD, A QUORUM OF THE COUNTY BOARD IS FOUR ELECTED MEMBERS.

(3) THE AFFIRMATIVE VOTE OF A MAJORITY OF THE MEMBERS OF THE COUNTY BOARD IS REQUIRED TO PASS A MOTION OF THE COUNTY BOARD.

[3-1005.] 3-1004.

(a) There is a Shared Space Council for Prince George's County. The purpose of the Council is to consider the alternative use of any vacant public schools and any vacant space that exists in the Prince George's County public school system.

(b) The Council shall consist of 23 members, appointed as follows:

(1) One member from each legislative district within Prince George's County, each of whom shall be appointed by the legislative delegation from the district.

(2) One member from each of the following governmental agencies, departments, or institutions:

- (i) The staff of the county Board of Education;
- (ii) The staff of the County Executive;
- (iii) The staff of the County Council;
- (iv) The county Department of Social Services;
- (v) The staff of the county Superintendent of Education;
- (vi) The Prince George's County Planning Board;
- (vii) The county Department of Aging;
- (viii) The county Health Department;
- (ix) The county Office of Coordination of Services to the Handicapped;
- (x) The county Juvenile Services Administration;
- (xi) The county Memorial Library System; and
- (xii) The county Department of Program Planning and Economic Development.

(3) On a rotating basis, one member shall be from the faculty or administration of Bowie State College or Prince George's Community College. Such member shall be appointed by the president of the college.

(4) The members from governmental agencies, departments, or institutions shall be appointed by the director, chairman, or chief executive officer of the agency, department, or institution.

(5) Two members shall be appointed by the County Executive.

(c) The term of the members appointed pursuant to subsection (b)(2), (3), and (4) shall be 3 years. All other members shall serve for a term of 2 years. Any vacancy on the Council shall be filled in the same manner as the original appointment.

(d) The Council shall meet at least four times each year. It shall, on an annual basis and in conjunction with the County Board of Education, survey the

schools within the county public school system and compile a listing of any vacant public schools and any vacant space that exists within the system. The Council shall evaluate the feasibility of using any vacant public school or vacant space for community or governmental purposes.

(e) The Council shall report the results, findings, and recommendations derived from such survey, listing, and evaluation to the County Board of Education, the County Executive, the County Council and the mayor of each municipality in the county.

[3-1006.] 3-1005.

[(a)] In addition to the powers otherwise granted to the County Board in this article, the County Board or a designated committee of the County Board may hear an appeal from a decision of the County Superintendent that relates to the grade, transfer, tuition, or any aspect of participation in a program or activity of a specific student who is not subject to the provisions of Title 8, Subtitle 4 of this article.

[(b) A designated committee shall consist of at least 5 members of the Board and at least 5 members of a designated committee shall be present to constitute a quorum of the committee.]

[3-1007.] 3-1006.

Notwithstanding any other provision of law, in Prince George's County, the Board of Education may implement the use of school uniforms by all students in the public schools in the county.

[3-1008.

(a) There is a Chief Financial Officer in the Prince George's County public school system who shall:

(1) Be responsible for the day-to-day management and oversight of the fiscal affairs of the Prince George's County public school system; and

(2) Report directly to the County Superintendent.

(b) The County Superintendent shall, subject to the approval of the County Board:

(1) Select the Chief Financial Officer; and

(2) Establish the salary of the Chief Financial Officer.

(c) The employment contract of the Chief Financial Officer shall provide that continued employment is contingent on the effective fiscal management of the Prince George's County public schools.

(d) The Chief Financial Officer is not a public officer under the Constitution or the laws of the State.]

Chapter 289 of the Acts of 2002, as amended by Chapter 344 of the Acts of 2005

[SECTION 17. AND BE IT FURTHER ENACTED, That, on or before June 1, 2007, a consultant shall conduct a comprehensive review of the Prince George's County public school system and the New Prince George's County Board of Education (New Board). The Prince George's County Board of Education (Board) and the Maryland State Department of Education shall jointly select and equally share the cost of the consultant and determine the scope of the comprehensive review. At a minimum, the comprehensive review shall evaluate both the educational and management reforms made by the New Board and shall determine whether there has been improvement in the management of and student achievement in the public schools in Prince George's County. The review may include recommendations to the General Assembly concerning the organizational structure of the Prince George's County public school system, in addition to recommendations to the Board concerning modifications to the master plan adopted in accordance with this Act. The consultant shall report the findings of the evaluation to the Governor, the County Executive of Prince George's County, the Board and, in accordance with § 2-1246 of the State Government Article, the General Assembly.]

[SECTION 18. AND BE IT FURTHER ENACTED, That the Prince George's County Board and the State Board of Education shall review the findings of the comprehensive review set forth in Section 17 of this Act and shall conduct four public hearings throughout Prince George's County. On or before September 1, 2007, the Prince George's County Board and State Board of Education shall report to the General Assembly the results of the public hearings and the review of the final comprehensive review, and propose to the General Assembly any changes appropriate in the management structure and levels of funding of the Prince George's County public school system.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 662 - *Local Law Enforcement Agencies - Disposal of Personal Property*.

This bill requires local law enforcement agencies to hold personal property that comes into their possession until specified determinations are made, subject to a specified exception and establishes a procedure for local law enforcement agencies to notify the owner of the property and for the owner of the property to secure the release of the property in a specified manner within 30 days. It also authorizes a local law enforcement agency to sell personal property at public auction after 3 months.

House Bill 1067, 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 662.

Sincerely,

Martin O'Malley
Governor

Senate Bill 662

AN ACT concerning

Local Law Enforcement Agencies – Disposal of Personal Property

FOR the purpose of requiring local law enforcement agencies to hold certain personal property that comes into their possession until certain determinations are made, subject to a certain exception; establishing a procedure for local law enforcement agencies to notify the owner of the property and for the owner of the property to secure the release of the property in a certain manner within a certain period of time; authorizing a local law enforcement agency to sell certain personal property in a certain manner after a certain period of time; establishing that the amount received from the sale of personal property shall be distributed in a certain order of priority to certain entities; ~~requiring that a certain remaining amount from the sale of personal property that was in the~~

~~possession of the Baltimore Police Department be divided equally among certain entities;~~ providing that a person who submits certain proof of the right to possession of the property shall be paid a certain amount under certain circumstances; providing that a certain claim is barred after a certain period of time; providing for the interpretation of this Act; defining a certain term; and generally relating to the disposal of personal property in the possession of local law enforcement agencies.

BY adding to

Article – Public Safety

Section 3–505

Annotated Code of Maryland

(2003 Volume and 2006 Supplement)

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

Article – Public Safety

3–505.

(A) IN THIS SECTION, “LOCAL LAW ENFORCEMENT AGENCY” MEANS THE POLICE DEPARTMENT OF A COUNTY OR MUNICIPAL CORPORATION IN THE STATE.

(B) (1) THIS SECTION DOES NOT APPLY TO PERSONAL PROPERTY PURCHASED OR OTHERWISE ACQUIRED FOR USE BY A LOCAL LAW ENFORCEMENT AGENCY OR TO CONTRABAND.

(2) THIS SECTION DOES NOT APPLY TO PERSONAL PROPERTY RETAINED BY A LOCAL LAW ENFORCEMENT AGENCY FOR USE AS EVIDENCE IN A CRIMINAL PROSECUTION.

(3) THIS SECTION DOES NOT SUPERSEDE THE PROVISIONS FOR SEIZURE AND FORFEITURE CONTAINED IN TITLES 12 AND 13 OF THE CRIMINAL PROCEDURE ARTICLE.

(C) (1) ~~THE~~ EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE LOCAL LAW ENFORCEMENT AGENCY SHALL HOLD PERSONAL PROPERTY THAT COMES INTO THE POSSESSION OF THE LOCAL LAW ENFORCEMENT AGENCY UNTIL THE LOCAL LAW ENFORCEMENT AGENCY DETERMINES THAT:

~~(1)~~ (I) THE PROPERTY IS NO LONGER NEEDED IN CONNECTION WITH A PROSECUTION; OR

~~(2)~~ (II) IF THE PROPERTY IS NOT CONNECTED TO A PROSECUTION, RETENTION OF THE PROPERTY IS NO LONGER RELEVANT TO THE LOCAL LAW ENFORCEMENT AGENCY.

(2) PERSONAL PROPERTY THAT IS USED AS EVIDENCE IN A CRIMINAL PROSECUTION SHALL BE RETAINED BY A LOCAL LAW ENFORCEMENT AGENCY IN THE SAME MANNER AS OTHER EVIDENCE RETAINED BY THE AGENCY.

(D) (1) AFTER A LOCAL LAW ENFORCEMENT AGENCY DETERMINES THAT PERSONAL PROPERTY IS NO LONGER NEEDED IN CONNECTION WITH A PROSECUTION OR RETENTION OF THE PROPERTY IS NO LONGER RELEVANT TO THE LOCAL LAW ENFORCEMENT AGENCY, THE LOCAL LAW ENFORCEMENT AGENCY SHALL NOTIFY THE OWNER OF THE PROPERTY THAT THE LOCAL LAW ENFORCEMENT AGENCY IS IN POSSESSION OF THE PROPERTY.

(2) AFTER NOTIFICATION, THE OWNER OF THE PROPERTY HAS UP TO 30 DAYS TO SECURE THE IMMEDIATE RELEASE OF THE PROPERTY TO THE OWNER OR THE OWNER'S DESIGNEE WITH PROPER IDENTIFICATION.

(E) (1) AT ANY TIME AFTER PERSONAL PROPERTY HAS BEEN IN THE POSSESSION OF A LOCAL LAW ENFORCEMENT AGENCY FOR 3 MONTHS AND THE LOCAL LAW ENFORCEMENT AGENCY DETERMINES THAT THE PROPERTY IS NO LONGER NEEDED IN CONNECTION WITH A PROSECUTION OR RETENTION OF THE PROPERTY IS NO LONGER RELEVANT TO THE LOCAL LAW ENFORCEMENT AGENCY, THE LOCAL LAW ENFORCEMENT AGENCY SHALL:

(I) GIVE NOTICE OF THE SALE OF THE PROPERTY BY REGISTERED OR CERTIFIED MAIL TO THOSE PERSONS ENTITLED TO ITS POSSESSION AND TO THOSE LIENHOLDERS WHOSE NAMES AND ADDRESSES CAN BE ASCERTAINED BY THE EXERCISE OF REASONABLE DILIGENCE; AND

(II) PUBLISH A DESCRIPTION OF THE PROPERTY AND THE TIME, PLACE, AND TERMS OF THE SALE OF THE PROPERTY IN A NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY OR MUNICIPAL CORPORATION IN EACH OF TWO SUCCESSIVE WEEKS.

(2) AFTER COMPLYING WITH THE REQUIREMENTS OF PARAGRAPH (1) OF THIS SUBSECTION, THE LOCAL LAW ENFORCEMENT AGENCY MAY SELL THE PROPERTY AT PUBLIC AUCTION.

(3) THE TERMS AND MANNER OF SALE MAY BE ESTABLISHED BY RULE.

(F) THE CERTIFICATE OF THE LOCAL LAW ENFORCEMENT AGENCY THAT PERSONAL PROPERTY HAS BEEN SOLD UNDER THIS SECTION IS SUFFICIENT EVIDENCE OF TITLE TO THE PROPERTY FOR ALL PURPOSES, INCLUDING THE RIGHT TO OBTAIN A CERTIFICATE OF TITLE OR REGISTRATION FROM AN APPROPRIATE UNIT OF THE STATE.

(G) (1) THE AMOUNT RECEIVED FROM THE SALE OF PERSONAL PROPERTY IN ACCORDANCE WITH THIS SECTION SHALL BE DISTRIBUTED IN THE FOLLOWING ORDER OF PRIORITY:

(I) FIRST, TO THE LOCAL LAW ENFORCEMENT AGENCY IN AN AMOUNT EQUAL TO THE EXPENSE OF SALE AND ALL EXPENSES INCURRED WHILE THE PROPERTY WAS IN THE POSSESSION OF THE LOCAL LAW ENFORCEMENT AGENCY;

(II) SECOND, TO LIENHOLDERS IN ORDER OF THEIR PRIORITY; AND

(III) THIRD, TO THE GENERAL FUND OF THE COUNTY OR MUNICIPAL CORPORATION, SUBJECT TO PARAGRAPHS ~~(2), (3), AND (4)~~ (2) AND (3) OF THIS SUBSECTION.

~~(2) AFTER DISTRIBUTION OF THE AMOUNT RECEIVED FROM THE SALE OF PERSONAL PROPERTY THAT WAS IN THE POSSESSION OF THE BALTIMORE POLICE DEPARTMENT UNDER PARAGRAPH (1)(I) AND (II) OF THIS SUBSECTION, ANY REMAINING AMOUNT SHALL BE DIVIDED EQUALLY AMONG:~~

~~(I) THE POLICE ATHLETIC LEAGUE OF BALTIMORE CITY;~~

~~(II) THE BALTIMORE POLICE DEPARTMENT FOR EQUIPMENT EXPENDITURES; AND~~

~~(III) THE BALTIMORE CITY GENERAL FUND.~~

~~(3)~~ (2) AT ANY TIME WITHIN 3 YEARS AFTER THE DATE OF A SALE UNDER THIS SECTION, A PERSON WHO SUBMITS SATISFACTORY PROOF OF THE RIGHT TO POSSESSION OF THE PROPERTY SHALL BE PAID, WITHOUT INTEREST, THE AMOUNT DISTRIBUTED TO:

~~(H) THE GENERAL FUND OF THE COUNTY OR MUNICIPAL CORPORATION UNDER PARAGRAPH (1)(III) OF THIS SUBSECTION; OR~~

~~(H) THE BALTIMORE CITY GENERAL FUND UNDER PARAGRAPH (2)(III) OF THIS SUBSECTION.~~

~~(4) (3) A CLAIM UNDER PARAGRAPH (3) (2) OF THIS SUBSECTION IS BARRED IF MORE THAN 3 YEARS HAS PASSED SINCE THE DATE OF A SALE UNDER THIS SECTION.~~

(H) THIS SECTION DOES NOT CREATE OR RECOGNIZE ANY CAUSE, ACTION, OR DEFENSE OR ABRIDGE ANY IMMUNITY NOW OR IN THE FUTURE HELD BY A LOCAL LAW ENFORCEMENT AGENCY OR AN EMPLOYEE OF A LOCAL LAW ENFORCEMENT AGENCY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 668 - *Teachers' Retirement System and Teachers' Pension System - Reemployment of Retirees*.

This bill alters the total number of retirees of the Teachers' Retirement System or Teachers' Pension System that school districts may rehire and that are exempt from an earnings offset of a retirement allowance. The bill also broadens criteria under which retired teachers may be rehired to include teachers returning to work in either a low-performing school teaching any subject or class, or any type of school teaching in an area of critical shortage.

House Bill 962, 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 668.

Sincerely,

Martin O'Malley
Governor

Senate Bill 668

AN ACT concerning

**Teachers' Retirement System and Teachers' Pension ~~Systems~~ System –
Reemployment of Retirees**

FOR the purpose of ~~exempting, from a certain offset of a retirement allowance,~~
altering the total number of certain retirees of the Teachers' Retirement System
or Teachers' Pension System that certain school districts may rehire; altering
the criteria ~~that~~ for hiring certain retirees of the Teachers' Retirement System
or the Teachers' Pension System ~~are required to meet to be~~ who are exempt
from a certain offset of a retirement allowance; and generally relating to the
reemployment of retirees ~~of~~ in the Teachers' Retirement System or the
Teachers' Pension System.

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 22–406 and 23–407
Annotated Code of Maryland
(2004 Replacement Volume and 2006 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

22–406.

(a) In this section, “area of critical shortage” means an academic field identified by the State Department of Education in accordance with the provisions of § 18–703(g)(1) of the Education Article as having projected employment vacancies that substantially exceed projected qualified graduates.

(b) Except as provided in subsection (m) of this section, an individual who is receiving a service retirement allowance or vested allowance may accept employment with a participating employer on a permanent, temporary, or contractual basis, if:

(1) the individual immediately notifies the Board of Trustees of the individual's intention to accept this employment; and

(2) the individual specifies the compensation to be received.

(c) (1) The Board of Trustees shall reduce the allowance of an individual who accepts employment as provided under subsection (b) of this section if:

(i) the individual's current employer is a participating employer other than the State and is the same participating employer that employed the individual at the time of the individual's last separation from employment with a participating employer before the individual commenced receiving a service retirement allowance or vested allowance;

(ii) the individual's current employer is any unit of State government and the individual's employer at the time of the individual's last separation from employment with the State before the individual commenced receiving a service retirement allowance or vested allowance was also a unit of State government; or

(iii) the individual becomes reemployed within 12 months of receiving an early service retirement allowance under § 22-402 of this subtitle.

(2) The reduction required under paragraph (1) of this subsection shall equal:

(i) the amount by which the sum of the individual's initial annual basic allowance and the individual's annual compensation exceeds the average final compensation used to compute the basic allowance; or

(ii) for a retiree who retired under the Workforce Reduction Act (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual compensation and the retiree's annual basic allowance at the time of retirement, including the incentive provided by the Workforce Reduction Act, exceeds the average final compensation used to compute the basic allowance.

(3) A reduction of an early service retirement allowance under paragraph (1)(iii) of this subsection shall be applied only until the individual has received an allowance for 12 months.

(4) Except for an individual whose allowance is subject to a reduction as provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an allowance under this subsection does not apply to:

(i) an individual who has been retired for 9 years, beginning on January 1 after the date the individual retires;

(ii) an individual whose average final compensation was less than \$10,000 and who is reemployed on a temporary or contractual basis;

(iii) an individual who is serving in an elected position as an official of a participating governmental unit or as a constitutional officer for a county that is a participating governmental unit;

(iv) a retiree of the Teachers' Retirement System:

1. who retired and was reemployed by a participating employer other than the State on or before September 30, 1994; and

2. whose employment compensation does not derive, in whole or in part, from State funds;

(v) a retiree of the Teachers' Retirement System who:

1. is or has been certified to teach in the State;

2. has verification of satisfactory or better performance in the last assignment prior to retirement;

3. based on the retired teacher's qualifications, has been appointed in accordance with § 4-103 of the Education Article; and

4. receives verification of satisfactory or better performance each year the teacher is employed under paragraph (5) of this subsection;

(vi) a retiree of the Teachers' Retirement System who:

1. A. was employed as a principal within 5 years of retirement; or

B. was employed as a principal not more than 10 years before retirement and was employed in a position supervising principals in the retiree's last assignment prior to retirement;

2. has verification of satisfactory performance for each year as a principal and, if applicable, in a position supervising principals prior to retirement;

3. based on the retiree's qualifications, has been hired as a principal; and

4. receives verification of satisfactory performance each year the retiree is employed as a principal under paragraph (6) of this subsection;

(vii) a former employee of the Domestic Relations Division of Anne Arundel County Circuit Court who transfers into the State Employees' Personnel System under § 2-510 of the Courts Article; or

(viii) a retiree of the Employees' Retirement System who is reemployed on a contractual basis for not more than 4 years by the Department of Health and Mental Hygiene as a health care practitioner, as defined in § 1-301 of the Health Occupations Article, in:

1. a State residential center as defined in § 7-101 of the Health – General Article;

2. a chronic disease center subject to Title 19, Subtitle 5 of the Health – General Article;

3. a State facility as defined in § 10-101 of the Health – General Article; or

4. a local health department subject to Title 3, Subtitle 2 of the Health – General Article.

(5) ~~[(i)]~~ An individual who is rehired under paragraph (4)(v) of this subsection shall be employed as a classroom teacher, substitute classroom teacher, or teacher mentor~~;~~

~~(H)~~ in a public school that:

1. is not making adequate yearly progress or is a school in need of improvement as defined under the federal No Child Left Behind Act of 2001 and as implemented by the State Department of Education;

2. ~~is~~ receiving funds under Title 1 of the federal No Child Left Behind Act of 2001~~;~~

3. HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;
or

~~3.~~ **4.** provides an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school~~1.1-OR~~

(ii) ~~An individual rehired at a school described under subparagraph (i) of this paragraph shall teach:~~

1. ~~TEACHING~~ in an area of critical shortage;
2. ~~TEACHING~~ a special education class for students with special needs; or
3. ~~TEACHING~~ a class for students with limited English proficiency.

(6) An individual who is rehired under paragraph (4)(vi) of this subsection shall be employed as a principal at a public school that:

(i) is not making adequate yearly progress or is a school in need of improvement as defined under the federal No Child Left Behind Act of 2001 and as implemented by the State Department of Education;

(ii) ~~is~~ receiving funds under Title 1 of the federal No Child Left Behind Act of 2001~~;~~

(III) HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE; or

~~(iii)~~ **(IV)** provides an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school.

(7) An individual who is reemployed under paragraph (4)(v) or (vi) of this subsection at a school described under paragraph (5) or (6) of this subsection may not continue that reemployment after the school makes adequate yearly progress for 4 consecutive years.

(8) (i) Notwithstanding paragraph (5) of this subsection, each superintendent of a local school system may rehire an additional number of individuals described under paragraph (4)(v) of this subsection equal to the greater of:

1. ~~three~~ FIVE; or
2. ~~0.1%~~ 0.2% of the total full-time equivalent instructional teachers employed by that local school system, rounded up to the nearest whole number not to exceed ~~10~~ 15, as reported annually by the State Department of Education.

(ii) At any one time, the total number of individuals rehired by a superintendent of a local school system under this paragraph may not exceed the number determined under subparagraph (i) of this paragraph.

~~f~~(iii) An individual rehired under this paragraph:

1. A. shall be reemployed at a school specified in paragraph (5)(i) of this subsection; and

- ~~2.~~ B. may teach any subject or class or provide educational services assigned by the individual's superintendent; ~~f~~ OR

2. A. MAY BE REEMPLOYED AT ANY SCHOOL ASSIGNED BY THE INDIVIDUAL'S SUPERINTENDENT; AND

- B. SHALL TEACH A SUBJECT OR CLASS OR PROVIDE EDUCATIONAL SERVICES SPECIFIED IN PARAGRAPH (5)(II) OF THIS SUBSECTION.

(9) (i) The superintendent of the local school system rehiring an individual under paragraph (4)(v) or (vi) of this subsection shall:

1. approve the rehiring of that individual; and
2. determine the school where the individual is to be reemployed.

(ii) Within 30 days after rehiring an individual, the superintendent of a local school system shall complete and file with the Board of Trustees and the State Department of Education a form provided by the Board of Trustees that certifies that the individual rehired by the local school system under paragraph (4)(v) or (vi) of this subsection:

1. satisfied the criteria provided in paragraph (4)(v) or (vi) of this subsection; ~~AND~~

2. ~~A~~ was reemployed at a school described under paragraph (5)(i) or (6) of this subsection; ~~and~~

3. if rehired under paragraph (4)(v) of this subsection, was:

A. ~~B. WAS REEMPLOYED~~ teaching in an area specified in paragraph (5)(ii) of this subsection; or

~~B. C.~~ ~~teaching in any class or subject or providing educational services~~ ~~WAS REEMPLOYED~~ as provided under paragraph (8) of this subsection.

(iii) 1. On or before April 1 of each year, the Board of Trustees and the State Department of Education shall jointly review any forms filed by a superintendent of a local school system under subparagraph (ii) of this paragraph during the previous calendar year.

2. If the Board of Trustees and the State Department of Education agree that a superintendent of a local school system has rehired an individual that does not satisfy the criteria provided in paragraph (4)(v) or (vi) and (5), (6), or (8) of this subsection:

A. on or before July 1 of the year of the finding, the Board of Trustees shall notify the superintendent of the local school system of this individual; and

B. the local school system shall reimburse the Board of Trustees the amount equal to the reduction to the individual's retirement allowance that would have been made in paragraph (2) of this subsection.

(iv) The local school system shall make the reimbursement on or before December 31 of the year the local school system receives notice from the Board of Trustees under subparagraph (iii)2A of this paragraph.

(10) On or before August 1 of each year, the local superintendent shall report to the State Department of Education for the previous school year:

(i) the number of individuals rehired under paragraph (4)(v) or (vi) or (8) of this subsection;

(ii) 1. the school and school system where each individual was rehired; and

2. whether the school:

A. was not making adequate yearly progress or was a school in need of improvement as defined under the federal No Child Left Behind Act of 2001 and as implemented by the State Department of Education;

B. ~~was~~ receiving funds under Title 1 of the federal No Child Left Behind Act of 2001~~;~~;

C. HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE; or

~~C.~~ **D.** provided an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school;

(iii) the original date of rehire for each individual;

(iv) the subject matter taught by each individual; ~~and~~

(v) the annual salary of each individual; **AND**

(VI) THE PERCENTAGE OF STUDENT POPULATION COMPRISED OF CHILDREN IN POVERTY THAT IS REQUIRED TO BE PRESENT IN A SCHOOL IN THAT SCHOOL SYSTEM IN ORDER FOR THAT SCHOOL TO QUALIFY AS A TITLE 1 SCHOOL.

(d) An individual who is rehired under this section may not be rehired within 45 days of the date the individual retired if:

(1) the individual's current employer is a participating employer other than the State and is the same participating employer that employed the individual at the time of the individual's last separation from employment with a participating employer before the individual commenced receiving a service retirement allowance; or

(2) the individual's current employer is any unit of State government and the individual's employer at the time of the individual's last separation from employment with the State before the individual commenced receiving a service retirement allowance was also a unit of State government.

(e) An individual who is receiving a service retirement allowance or a vested allowance and who is reemployed by a participating employer may not receive creditable service or eligibility service during the period of reemployment.

(f) The individual's compensation during the period of reemployment may not be subject to the employer pickup provisions of § 21-303 of this article or any reduction or deduction as a member contribution for pension or retirement purposes.

(g) The State Retirement Agency shall institute appropriate reporting procedures with the affected payroll systems to ensure compliance with this section.

(h) (1) Immediately on the employment of any individual receiving a service retirement allowance or a vested allowance, a participating employer shall notify the State Retirement Agency of the type of employment and the anticipated earnings of the individual.

(2) At least once each year, in a format specified by the State Retirement Agency, each participating employer shall provide the State Retirement Agency with a list of all employees included on any payroll of the employer, the Social Security numbers of the employees, and their earnings for that year.

(i) The State Department of Education shall adopt regulations to carry out this section.

(j) At the request of the State Retirement Agency:

(1) a participating employer shall certify to the State Retirement Agency that it is not the same participating employer that employed an individual at the time of the individual's last separation from employment before the individual commenced receiving a service retirement allowance or a vested allowance; or

(2) a unit of State government shall certify to the State Retirement Agency that the individual was not employed by any unit of State government at the time of the individual's last separation from employment before the individual commenced receiving a service retirement allowance or a vested allowance.

(k) The Department of Health and Mental Hygiene shall notify the State Retirement Agency of any retirees who qualify under subsection (c)(4)(viii) of this section.

(l) On or before September 1 of each year, the Secretary of Health and Mental Hygiene shall submit a report in accordance with § 2-1246 of the State Government Article to the Joint Committee on Pensions that provides:

(1) the number of rehired retirees under subsection (c)(4)(viii) of this section;

(2) the annual salary of each rehired retiree at the time of retirement and the current annual salary of each rehired retiree;

(3) the number of health care practitioners hired who are not retirees; and

(4) the annual salary of each health care practitioner who is hired.

(m) An individual who is rehired under this section may not be rehired within 45 days of the date the individual retired if:

(1) the individual's current employer is a participating employer other than the State and is the same participating employer that employed the individual at the time of the individual's last separation from employment with a participating employer before the individual commenced receiving a service retirement allowance; or

(2) the individual's current employer is any unit of State government and the individual's employer at the time of the individual's last separation from employment with the State before the individual commenced receiving a service retirement allowance was also a unit of State government.

(n) On or before October 1 of each year, the State Superintendent of Schools shall submit a report for the previous school year, to the Joint Committee on Pensions, in accordance with § 2-1246 of the State Government Article, that provides:

(1) the number of rehired retirees under subsection (c)(4)(v) and (vi) and (8) of this section;

(2) (i) the school and school system where each retiree was rehired; and

(ii) whether the school:

1. was not making adequate yearly progress or was a school in need of improvement as defined under the federal No Child Left Behind Act of 2001 and as implemented by the State Department of Education;

2. ~~was~~ **was** receiving funds under Title 1 of the federal No Child Left Behind Act of 2001~~;~~

3. HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE

MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;
or

~~3.~~ **4.** provided an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school;

(3) a copy of the annual staffing report generated by the State Superintendent of Schools in accordance with § 18-703(g)(1) of the Education Article certifying areas of critical shortage for the previous school year as evidenced by projected employment vacancies substantially exceeding projected qualified graduates;

(4) the subject matter that each rehired retiree was teaching;

(5) the salary of each rehired retiree; ~~and~~

(6) the total number of years each retiree has been reemployed at the school where the retiree was rehired for the previous school year; **AND**

(7) THE PERCENTAGE OF STUDENT POPULATION COMPRISED OF CHILDREN IN POVERTY THAT IS REQUIRED TO BE PRESENT IN A SCHOOL IN THAT SCHOOL SYSTEM IN ORDER FOR THAT SCHOOL TO QUALIFY AS A TITLE 1 SCHOOL.

(o) On or before October 1 of each year, the Board of Trustees shall submit a report for the previous calendar year to the Joint Committee on Pensions, in accordance with § 2-1246 of the State Government Article, that provides:

(1) the number of individuals in each local school system that the Board of Trustees and the State Department of Education agree were rehired and did not satisfy the criteria provided in subsection (c)(4)(v) or (vi) and (5), (6), or (8) of this section; and

(2) any reimbursements a local school system made under subsection (c)(9)(iii) of this section.

23-407.

(a) In this section, "area of critical shortage" means an academic field identified by the State Department of Education in accordance with the provisions of § 18-703(g)(1) of the Education Article as having projected employment vacancies that substantially exceed projected qualified graduates.

(b) Except as provided in subsection (m) of this section, an individual who is receiving a service retirement allowance or a vested allowance may accept

employment with a participating employer on a permanent, temporary, or contractual basis, if:

(1) the individual immediately notifies the Board of Trustees of the individual's intention to accept this employment; and

(2) the individual specifies the compensation to be received.

(c) (1) The Board of Trustees shall reduce the allowance of an individual who accepts employment as provided under subsection (b) of this section if:

(i) the individual's current employer is a participating employer other than the State and is the same participating employer that employed the individual at the time of the individual's last separation from employment with a participating employer before the individual commenced receiving a service retirement allowance or vested allowance;

(ii) the individual's current employer is any unit of State government and the individual's employer at the time of the individual's last separation from employment with the State before the individual commenced receiving a service retirement allowance or vested allowance was also a unit of State government; or

(iii) the individual becomes reemployed within 12 months of receiving an early service retirement allowance or an early vested allowance computed under § 23-402 of this subtitle.

(2) The reduction required under paragraph (1) of this subsection shall equal:

(i) the amount by which the sum of the individual's initial annual basic allowance and the individual's annual compensation exceeds the average final compensation used to compute the basic allowance; or

(ii) for a retiree who retired under the Workforce Reduction Act (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual compensation and the retiree's annual basic allowance at the time of retirement, including the incentive provided by the Workforce Reduction Act, exceeds the average final compensation used to compute the basic allowance.

(3) A reduction of an early service retirement allowance or an early vested allowance under paragraph (1)(iii) of this subsection shall be applied only until the individual has received an allowance for 12 months.

(4) Except for an individual whose allowance is subject to a reduction as provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an allowance under this subsection does not apply to:

(i) an individual whose average final compensation was less than \$10,000 and who is reemployed on a temporary or contractual basis;

(ii) an individual who is serving in an elected position as an official of a participating governmental unit or as a constitutional officer for a county that is a participating governmental unit;

(iii) an individual who has been retired for 9 years, beginning on January 1 after the date the individual retires;

(iv) a retiree of the Teachers' Pension System who:

1. is or has been certified to teach in the State;
2. has verification of satisfactory or better performance in the last assignment prior to retirement;
3. based on the retired teacher's qualifications, has been appointed in accordance with § 4-103 of the Education Article; and
4. receives verification of satisfactory or better performance each year the teacher is employed under paragraph (5) of this subsection;

(v) a retiree of the Teachers' Pension System who:

1. A. was employed as a principal within 5 years of retirement; or
B. was employed as a principal not more than 10 years before retirement and was employed in a position supervising principals in the retiree's last assignment prior to retirement;
2. has verification of satisfactory performance for each year as a principal and, if applicable, in a position supervising principals prior to retirement;
3. based on the retiree's qualifications, has been hired as a principal; and
4. receives verification of satisfactory performance each year the retiree is employed as a principal under paragraph (6) of this subsection; or

(vi) a retiree of the Employees' Pension System who is reemployed on a contractual basis for not more than 4 years by the Department of Health and Mental Hygiene as a health care practitioner, as defined in § 1-301 of the Health Occupations Article in:

1. a State residential center as defined in § 7-101 of the Health – General Article;
2. a chronic disease center subject to Title 19, Subtitle 5 of the Health – General Article;
3. a State facility as defined in § 10-101 of the Health – General Article; or
4. a local health department subject to Title 3, Subtitle 2 of the Health – General Article.

(5) ~~[(i)]~~ An individual who is rehired under paragraph (4)(iv) of this subsection shall be employed as a classroom teacher, substitute classroom teacher, or teacher mentor~~;~~

~~[(i)]~~ in a public school that:

1. is not making adequate yearly progress or is a school in need of improvement as defined under the federal No Child Left Behind Act of 2001 and as implemented by the State Department of Education;

2. ~~[(i)]~~ is receiving funds under Title 1 of the federal No Child Left Behind Act of 2001~~;~~

3. HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;
or

~~3.~~ **4.** provides an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school~~[(i)]~~~~;~~~~OR~~

(ii) ~~[(i)]~~ An individual rehired at a school described under subparagraph (i) of this paragraph shall teach~~;~~

1. ~~TEACHING~~ in an area of critical shortage;

2. ~~TEACHING~~ a special education class for students with special needs; or

3. ~~TEACHING~~ a class for students with limited English proficiency.

(6) An individual who is rehired under paragraph (4)(v) of this subsection shall be employed as a principal at a public school that:

(i) is not making adequate yearly progress or is a school in need of improvement as defined under the federal No Child Left Behind Act of 2001 and as implemented by the State Department of Education;

(ii) ~~is~~ is receiving funds under Title 1 of the federal No Child Left Behind Act of 2001~~;~~

(III) HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE; or

~~(iii)~~ **(IV)** provides an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school.

(7) An individual who is reemployed under paragraph (4)(iv) or (v) of this subsection at a school described under paragraph (5) or (6) of this subsection may not continue that reemployment after the school makes adequate yearly progress for 4 consecutive years.

(8) (i) Notwithstanding paragraph (5) of this subsection, each superintendent of a local school system may rehire an additional number of individuals described under paragraph (4)(v) of this subsection equal to the greater of:

1. ~~three~~ **FIVE**; or

2. ~~0.1%~~ **0.2%** of the total full-time equivalent instructional teachers employed by that local school system, rounded up to the nearest whole number not to exceed ~~10~~ **15**, as reported annually by the State Department of Education.

(ii) At any one time, the total number of individuals rehired by a superintendent of a local school system under this paragraph may not exceed the number determined under subparagraph (i) of this paragraph.

~~¶~~(iii) An individual rehired under this paragraph:

1. A. shall be reemployed at a school specified in paragraph (5)(i) of this subsection; and

~~2.~~ B. may teach any subject or class or provide educational services assigned by the individual's superintendent~~;~~ OR

2. A. MAY BE REEMPLOYED AT ANY SCHOOL ASSIGNED BY THE INDIVIDUAL'S SUPERINTENDENT; AND

B. SHALL TEACH A SUBJECT OR CLASS OR PROVIDE EDUCATIONAL SERVICES SPECIFIED IN PARAGRAPH (5)(II) OF THIS SUBSECTION.

(9) (i) The superintendent of the local school system rehiring an individual under paragraph (4)(iv) or (v) of this subsection shall:

1. approve the rehiring of that individual; and
2. determine the school where the individual is to be reemployed.

(ii) Within 30 days after rehiring an individual, the superintendent of a local school system shall complete and file with the Board of Trustees and the State Department of Education a form provided by the Board of Trustees that certifies that the individual rehired by the local school system under paragraph (4)(v) or (vi) of this subsection:

1. satisfied the criteria provided in paragraph (4)(iv) or (v) of this subsection;

2. ~~A.~~ was reemployed at a school described under paragraph (5)(i) or (6) of this subsection; ~~and~~

3. if rehired under paragraph (4)(iv) of this subsection, was:

~~A. B. WAS REEMPLOYED~~ teaching in an area specified in paragraph (5)(ii) of this subsection; or

~~B. C.~~ ~~teaching in any class or subject or providing educational services~~ ~~WAS REEMPLOYED~~ as provided under paragraph (8) of this subsection.

(iii) 1. On or before April 1 of each year, the Board of Trustees and the State Department of Education shall jointly review any forms filed by a superintendent of a local school system under subparagraph (ii) of this paragraph.

2. If the Board of Trustees and the State Department of Education agree that a superintendent of a local school system has rehired an individual that does not satisfy the criteria provided in paragraph (4)(iv) or (v) and (5), (6), or (8) of this subsection:

A. on or before July 1 of the year of the finding, the Board of Trustees shall notify the superintendent of the local school system of this individual; and

B. the local school system shall reimburse the Board of Trustees the amount equal to the reduction to the individual's retirement allowance that would have been made in paragraph (2) of this subsection.

(iv) The local school system shall make the reimbursement on or before December 31 of the year the local school system receives notice from the Board of Trustees under subparagraph (iii)2A of this paragraph.

(10) On or before August 1 of each year, the local superintendent shall report to the State Department of Education for the previous school year:

(i) the number of individuals rehired under paragraph (4)(iv) or (v) or (8) of this subsection;

(ii) 1. the school and school system where each individual was rehired; and

2. whether the school:

A. was not making adequate yearly progress or was a school in need of improvement as defined under the federal No Child Left Behind Act of 2001 and as implemented by the State Department of Education;

B. ~~was~~ receiving funds under Title 1 of the federal No Child Left Behind Act of 2001~~;~~

C. HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;
or

~~€~~ **D.** provided an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school;

- (iii) the original date of rehire for each individual;
- (iv) the subject matter taught by each individual; ~~and~~
- (v) the annual salary of each individual; **AND**

(VI) THE PERCENTAGE OF STUDENT POPULATION COMPRISED OF CHILDREN IN POVERTY THAT IS REQUIRED TO BE PRESENT IN A SCHOOL IN THAT SCHOOL SYSTEM IN ORDER FOR THAT SCHOOL TO QUALIFY AS A TITLE 1 SCHOOL.

(d) An individual who is rehired under this section may not be rehired within 45 days of the date the individual retired if:

(1) the individual's current employer is a participating employer other than the State and is the same participating employer that employed the individual at the time of the individual's last separation from employment with a participating employer before the individual commenced receiving a service retirement allowance; or

(2) the individual's current employer is any unit of State government and the individual's employer at the time of the individual's last separation from employment with the State before the individual commenced receiving a service retirement allowance was also a unit of State government.

(e) An individual who is receiving a service retirement allowance or a vested allowance and who is reemployed by a participating employer may not receive creditable service or eligibility service during the period of reemployment.

(f) The individual's compensation during the period of reemployment may not be subject to the employer pickup provisions of § 21–303 of this article or any reduction or deduction as a member contribution for pension or retirement purposes.

(g) The State Retirement Agency shall institute appropriate reporting procedures with the affected payroll systems to ensure compliance with this section.

(h) (1) Immediately on the employment of any individual receiving a service retirement allowance or a vested allowance, a participating employer shall notify the State Retirement Agency of the type of employment and the anticipated earnings of the individual.

(2) At least once each year, in a format specified by the State Retirement Agency, each participating employer shall provide the State Retirement Agency with a list of all employees included on any payroll of the employer, the Social Security numbers of the employees, and their earnings for that year.

(i) The State Department of Education shall adopt regulations to carry out this section.

(j) At the request of the State Retirement Agency:

(1) a participating employer shall certify to the State Retirement Agency that it is not the same participating employer that employed an individual at the time of the individual's last separation from employment before the individual commenced receiving a service retirement allowance or a vested allowance; or

(2) a unit of State government shall certify to the State Retirement Agency that the individual was not employed by any unit of State government at the time of the individual's last separation from employment before the individual commenced receiving a service retirement allowance or a vested allowance.

(k) The Department of Health and Mental Hygiene shall notify the State Retirement Agency of any retirees who qualify under subsection (c)(4)(vi) of this section.

(l) On or before September 1 of each year, the Secretary of Health and Mental Hygiene shall submit a report in accordance with § 2-1246 of the State Government Article to the Joint Committee on Pensions that provides:

(1) the number of rehired retirees under subsection (c)(4)(vi) of this section;

(2) the annual salary of each rehired retiree at the time of retirement and the current annual salary of each rehired retiree;

(3) the number of health care practitioners hired who are not retirees; and

(4) the annual salary of each health care practitioner who is hired.

(m) An individual who is rehired under this section may not be rehired within 45 days of the date the individual retired if:

(1) the individual's current employer is a participating employer other than the State and is the same participating employer that employed the individual at

the time of the individual's last separation from employment with a participating employer before the individual commenced receiving a service retirement allowance; or

(2) the individual's current employer is any unit of State government and the individual's employer at the time of the individual's last separation from employment with the State before the individual commenced receiving a service retirement allowance was also a unit of State government.

(n) On or before October 1 of each year, the State Superintendent of Schools shall submit a report for the previous school year, to the Joint Committee on Pensions, in accordance with § 2-1246 of the State Government Article, that provides:

(1) the number of rehired retirees under subsection (c)(4)(iv) and (v) and (8) of this section;

(2) (i) the school and school system where each retiree was rehired; and

(ii) whether the school:

1. was not making adequate yearly progress or was a school in need of improvement as defined under the federal No Child Left Behind Act of 2001 and as implemented by the State Department of Education;

2. ~~was~~ was receiving funds under Title 1 of the federal No Child Left Behind Act of 2001~~;~~;

3. HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;
or

~~3.~~ **4.** provided an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school;

(3) a copy of the annual staffing report generated by the State Superintendent of Schools in accordance with § 18-703(g)(1) of the Education Article certifying areas of critical shortage for the previous school year as evidenced by projected employment vacancies substantially exceeding projected qualified graduates;

(4) the subject matter that each rehired retiree was teaching;

(5) the salary of each rehired retiree; ~~and~~

(6) the total number of years each retiree has been reemployed at the school where the retiree was rehired for the previous school year; AND

(7) THE PERCENTAGE OF STUDENT POPULATION COMPRISED OF CHILDREN IN POVERTY THAT IS REQUIRED TO BE PRESENT IN A SCHOOL IN THAT SCHOOL SYSTEM IN ORDER FOR THAT SCHOOL TO QUALIFY AS A TITLE 1 SCHOOL.

(o) On or before October 1 of each year, the Board of Trustees shall submit a report for the previous calendar year to the Joint Committee on Pensions, in accordance with § 2-1246 of the State Government Article, that provides:

(1) the number of individuals in each local school system that the Board of Trustees and the State Department of Education agree were rehired and did not satisfy the criteria provided in subsection (c)(4)(iv) or (v) and (5), (6), or (8) of this section; and

(2) any reimbursements a local school system made under subsection (c)(9)(ii) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 680 - *Cecil County - Public Facilities Bonds*.

This bill authorizes and empowers the County Commissioners of Cecil County to borrow not more than \$31,405,000 in order to finance the cost of the construction and improvement of specified public facilities in Cecil County and to effect that borrowing by the issuance and sale at public or private sale of its general obligation bonds.

House Bill 915, 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 680.

Sincerely,

Martin O'Malley
Governor

Senate Bill 680

AN ACT concerning

Cecil County – Public Facilities Bonds

FOR the purpose of authorizing and empowering the County Commissioners of Cecil County, from time to time, to borrow not more than \$31,405,000 in order to finance the cost of the construction and improvement of certain public facilities in Cecil County and to effect that borrowing by the issuance and sale at public or private sale of its general obligation bonds in like 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; and relating generally to the issuance and sale of the bonds by Cecil County.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, as used in this Act, the term "County" means that body politic and corporate of the State of Maryland known as the County Commissioners of Cecil County; and the term "construction and improvement of public facilities" means the alteration, construction, reconstruction, enlargement, expansion, extension, improvement, replacement, rehabilitation, renovation, upgrading and repair, and related architectural, financial, legal, planning, designing, or engineering services, for public capital projects in Cecil County, including any finance charges or interest prior to or during such financing and any other costs or expenditures incurred by the County in connection with the projects.

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, \$31,405,000 and to evidence its borrowing by the issuance and sale upon its full faith and credit of general obligation bonds in like 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 pursuant to a resolution of the County which shall describe generally the 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 Section 30 of Article 31 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 the County; the manner of executing 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; and generally all matters incident to the terms, conditions, issuance, sale, and delivery thereof.

The County may enter into agreements with agents, banks, fiduciaries, insurers, or others for the purpose of enhancing the marketability of and security for the bonds and for the purpose of securing any tender option that may be granted to holders of the bonds.

In case any officer whose signature appears on any bond ceases to be such officer before delivery, the signature shall nevertheless be valid and sufficient for all purposes as if the officer had remained in office until delivery. The bonds and their issue and sale shall be exempt from the provisions of Sections 9, 10, and 11 of Article 31 of the Annotated Code of Maryland, as amended.

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 bonds.

Upon delivery of any bonds to the purchaser or purchasers, payment shall be made to the Treasurer of Cecil County or such other official of the County as may be designated to receive payment in a resolution passed by the County Commissioners of Cecil County before 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 public facilities for which the bonds are sold.

If the net proceeds of the sale of any issue of bonds exceeds the amount needed to finance the public facilities described in the resolution, the excess funds 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 adopts a resolution allocating the excess funds to the construction, improvement, or development of other public facilities.

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 assume the payment, when due, of the principal of and interest on all the bonds maturing in each such fiscal year and, if the proceeds from the taxes so levied in any fiscal year prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any deficiency. The County may apply to the payment of the principal of and interest on any bonds issued under this Act any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality of either, or from any other source. If such funds are granted for the purpose of assisting the County in financing the construction, improvement, development, or renovation of the public facilities defined in this Act and, to the extent of any such funds received or receivable in any fiscal year, taxes that might otherwise be required to be levied under this Act may be reduced or need not be levied.

SECTION 6. AND BE IT FURTHER ENACTED, That the County is hereby 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, upon purchase or redemption, any bonds issued under this Act. The validity of any refunding bonds shall in no way be dependent upon or related to the validity or

invalidity of the obligations being refunded. The powers granted under this Act 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 purchase in the open market any of its outstanding bonds issued under this Act, prior to their maturity, or for the purpose of providing it with funds for the redemption prior to maturity of any outstanding bonds which are, by their terms, redeemable. The proceeds of the sale of any 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 delivery. The County may, by appropriate resolution, provide for the replacement of any bonds issued under this Act which may have become mutilated or lost or destroyed upon whatever conditions and after receiving whatever indemnity as the County may require.

SECTION 8. AND BE IT FURTHER ENACTED, That any and all obligations issued under this Act, their transfer, the interest payable on them, and any income derived from them from time to time (including any profit made in their sale) 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.

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 additional, alternative, and supplemental authority for borrowing money and shall be regarded as supplemental and additional to powers conferred upon the County by other laws and may not be regarded as in derogation of any power now existing; and all previously enacted laws authorizing the County to borrow money are hereby continued to the extent that the power contained in them is continuing or has not been exercised, unless any law is expressly repealed by this Act, and the validity of any bonds issued under previously enacted laws is hereby ratified, confirmed, and approved. This Act, being necessary for the welfare of the inhabitants of the County, shall be liberally construed to effect its purposes. All Acts and parts of Acts inconsistent with the provisions of this Act are hereby repealed to the extent of any inconsistency.

SECTION 10. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 681 - *Cecil County - Alcoholic Beverages - Caterer's License*.

This bill establishes a caterer's license in Cecil County. The bill also provides for a \$100 license fee, qualifications of license holders, license privileges, and requirements for a caterer's license. Finally, the bill provides that specified Class B license holders need not have a caterer's license for catering on the premises for which their license is issued.

House Bill 649, 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 681.

Sincerely,

Martin O'Malley
Governor

Senate Bill 681

AN ACT concerning

Cecil County – Alcoholic Beverages – Caterer's License

FOR the purpose of establishing a caterer's license in Cecil County; providing for a license fee, qualifications of license holders, license privileges, and requirements for a caterer's license; specifying that certain license holders need not have a caterer's license for a certain purpose; and generally relating to alcoholic beverages licenses in Cecil County.

BY adding to

Article 2B – Alcoholic Beverages
Section 6–711
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

6-711.

- (A) THIS SECTION APPLIES ONLY IN CECIL COUNTY.**
- (B) THE ANNUAL LICENSE FEE IS \$100.**
- (C) THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A CATERER'S LICENSE TO A HOLDER OF:**
 - (1) A CLASS B RESTAURANT OR HOTEL BEER, WINE AND LIQUOR LICENSE; OR**
 - (2) A CLASS B RESTAURANT OR HOTEL BEER AND LIGHT WINE LICENSE.**
- (D) A CATERER'S LICENSE AUTHORIZES THE HOLDER TO PROVIDE ALCOHOLIC BEVERAGES AT EVENTS THAT ARE HELD OFF THE PREMISES FOR WHICH THE CLASS B RESTAURANT OR HOTEL BEER, WINE AND LIQUOR LICENSE OR CLASS B RESTAURANT OR HOTEL BEER AND LIGHT WINE LICENSE IS ISSUED.**
- (E) THE HOLDER OF A CATERER'S LICENSE SHALL PROVIDE FOOD AS WELL AS ALCOHOLIC BEVERAGES FOR CONSUMPTION AT THE CATERED EVENT.**
- (F) A HOLDER MAY EXERCISE THE PRIVILEGES UNDER A CATERER'S LICENSE ONLY DURING THE DAYS AND HOURS THAT ARE AUTHORIZED UNDER THIS ARTICLE FOR A CLASS B RESTAURANT OR HOTEL BEER, WINE AND LIQUOR LICENSE OR A CLASS B RESTAURANT OR HOTEL BEER AND LIGHT WINE LICENSE.**
- (G) THIS SECTION DOES NOT REQUIRE A HOLDER OF AN EXISTING CLASS B BEER, WINE AND LIQUOR LICENSE OR AN EXISTING CLASS B RESTAURANT OR HOTEL BEER AND LIGHT WINE LICENSE TO HAVE A CATERER'S LICENSE FOR CATERING ON THE PREMISES FOR WHICH THE EXISTING LICENSE IS ISSUED.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 684 - *Cecil County - Alcoholic Beverages - New Year's Sales*.

This bill extends the hours of sale of alcoholic beverages in Cecil County when December 31 falls on a Sunday to 4 a.m. the following day and extends the hours of sale in a specified way when January 1 falls on a Sunday.

House Bill 658, 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 684.

Sincerely,

Martin O'Malley
Governor

Senate Bill 684

AN ACT concerning

Cecil County – Alcoholic Beverages – New Year's Sales

FOR the purpose of altering the hours of sale of alcoholic beverages in Cecil County when December 31 falls on a Sunday; altering the hours of sale when January 1 falls on a Sunday; and generally relating to sales of alcoholic beverages in Cecil County.

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 11–402(i)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

11-402.

(i) (1) This subsection applies only in Cecil County.

(2) **(I)** This article may not be construed to restrict the sale of alcoholic beverages under any class of license issued under this article or to restrict any person from consuming any alcoholic beverage on any premises licensed under this article [between the hours of 12 midnight and 4 a.m. on January 1st of any year or between the hours of 7 p.m. and 12 midnight, on December 31st in any year when December 31st falls on a Sunday]:

1. ON JANUARY 1, BETWEEN MIDNIGHT AND 4 A.M.;

OR

2. ON DECEMBER 31, WHEN THAT DATE FALLS ON A SUNDAY, BETWEEN 7 P.M. AND 4 A.M. THE FOLLOWING DAY.

(II) [However, in any year in which January 1st falls on a Sunday, it is unlawful to sell alcoholic beverages under any class of license or to consume any alcoholic beverages on any licensed premises on January 1st between the hours of 4 a.m. and 1 p.m. in Cecil County] **ON JANUARY 1, WHEN THAT DATE FALLS ON A SUNDAY, A PERSON MAY NOT SELL ANY CLASS OF ALCOHOLIC BEVERAGES OR CONSUME ALCOHOLIC BEVERAGES ON A LICENSED PREMISES BETWEEN 4 A.M. AND THE APPROPRIATE OPENING HOUR OF SALE LISTED IN § 11-508 OF THIS TITLE.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 693 - *HIV Testing - Exposure - Forensic Scientist*.

This bill includes a forensic scientist who works under the direction of a law enforcement agency within the definition of a public safety worker required to test for HIV in the event of a specified exposure.

House Bill 216, 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 693.

Sincerely,

Martin O'Malley
Governor

Senate Bill 693

AN ACT concerning

HIV Testing – ~~Prohibited Exposure – Victims~~ Forensic Scientist

FOR the purpose of ~~including a forensic scientist who works under the direction of a law enforcement agency within the list of possible victims of prohibited exposure to HIV;~~ including a forensic scientist who works under the direction of a law enforcement agency within the definition of a public safety worker required to test for HIV in the event of a certain exposure; and generally relating to ~~victims of prohibited~~ HIV exposure.

~~BY repealing and reenacting, with amendments,
Article – Criminal Procedure
Section 11-107
Annotated Code of Maryland
(2001 Volume and 2006 Supplement)~~

BY repealing and reenacting, with amendments,
Article – Health – General
Section 18-338.3(a)(8)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

~~Article—Criminal Procedure~~~~11-107.~~

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

(b) ~~“Charged” means to be the subject of an indictment, an information, or a petition alleging a delinquent act.~~

(c) ~~“Health officer” has the meaning stated in § 1-101 of the Health General Article.~~

(d) ~~“HIV” means any human immunodeficiency virus that causes Acquired Immune Deficiency Syndrome (AIDS).~~

(e) (1) ~~“Prohibited exposure” means a crime or delinquent act that may have caused or resulted in exposure to HIV.~~

(2) ~~“Prohibited exposure” includes:~~

(i) ~~contact that occurs on penetration, however slight, between the penis and the vulva or anus; and~~

(ii) ~~contact between the mouth and the penis, vulva, or anus.~~

(f) (1) ~~“Victim” means the victim of a prohibited exposure.~~

(2) ~~“Victim” includes:~~

(i) ~~a law enforcement officer who is exposed to HIV while acting in the performance of duty; [and]~~

(ii) ~~a paid or volunteer firefighter, an emergency medical technician, or rescue squad member who is exposed to HIV while acting in the performance of duty; AND~~

~~(iii) A FORENSIC SCIENTIST, WORKING UNDER THE DIRECTION OF A LAW ENFORCEMENT AGENCY, WHO IS EXPOSED TO HIV WHILE ACTING IN THE PERFORMANCE OF DUTY.~~

(g) ~~“Victim’s representative” means:~~

(1) ~~the parent of a victim who is a minor;~~

~~(2) the legal guardian of a victim; or~~

~~(3) the person authorized to give consent for the victim under § 5-605 of the Health General Article.~~

Article – Health – General

18-338.3.

(a) (8) “Public safety worker” means:

(i) A career or volunteer member of a fire, rescue, or emergency medical services department, company, squad, or auxiliary;

(ii) A law enforcement officer; [or]

(iii) The State Fire Marshal or a sworn member of the State Fire Marshal’s office; **OR**

(IV) A FORENSIC SCIENTIST THAT WORKS UNDER THE DIRECTION OF A LAW ENFORCEMENT AGENCY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 714 - *Health Insurance - Prohibited Discrimination and Rebates - Incentives for Participation in Wellness Programs and Other Exceptions*.

This bill provides that it is not discrimination or a rebate for a health insurer, nonprofit health service plan, HMO, or dental plan organization (carrier) to provide reasonable incentives to an individual who is an insured, subscriber, or member for participation in a bona fide wellness program offered by the carrier. The bill imposes

certain restrictions on a carrier's provision of incentives, including the prohibition that participation in the wellness program be a condition of coverage.

House Bill 157, 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 714.

Sincerely,

Martin O'Malley
Governor

Senate Bill 714

AN ACT concerning

Health Insurance – Prohibited Discrimination and Rebates – Incentives for Participation in Wellness Programs and Other Exceptions

FOR the purpose of providing that it is not discrimination or a rebate under certain insurance laws for an insurer, nonprofit health service plan, ~~or~~ health maintenance organization, or dental plan organization to provide reasonable incentives to an individual who is an insured, subscriber, or member for participation in a bona fide wellness program offered by the insurer, nonprofit health service plan, ~~or~~ health maintenance organization, or dental plan organization under certain circumstances; requiring any incentive offered for participation in a bona fide wellness program to be reasonably related to the program; prohibiting the value of the incentive from exceeding a certain limit; requiring the Maryland Insurance Commissioner to adopt certain regulations; applying certain exceptions to certain prohibitions against certain discrimination and rebates to health maintenance organizations; defining certain terms; and generally relating to exceptions to prohibitions against discrimination and rebates under insurance laws.

BY adding to

Article – Health – General
Section 19–706(jjj)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article – Insurance
Section 27–210
Annotated Code of Maryland
(2006 Replacement Volume and 2006 Supplement)

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

Article – Health – General

19–706.

(JJJ) THE PROVISIONS OF § 27–210 OF THE INSURANCE ARTICLE APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

Article – Insurance

27–210.

(a) Sections 27–208 and 27–209 of this subtitle may not be construed to include within the definition of discrimination or rebates any of the practices set forth in this section.

(b) For a contract of life insurance or an annuity contract, it is not discrimination or a rebate to pay bonuses to policyholders or otherwise abate their premiums wholly or partly out of the surplus accumulated from nonparticipating insurance, if the bonuses or abatement of premiums is fair, equitable to, and in the best interest of policyholders.

(c) For policies of life insurance or health insurance issued on the industrial debit, preauthorized check, bank draft, or similar plans, it is not discrimination or a rebate to make an allowance to policyholders who have continuously for a specified period made premium payments directly to an office of the insurer or by preauthorized check, bank draft, or similar plans in an amount that fairly represents the savings in collection expense.

(d) It is not discrimination or a rebate to readjust the rate of premium for a group policy based on the loss or expense experience under the policy, at the end of any policy year, retroactive only for that policy year.

(e) It is not discrimination or a rebate to reduce the premium rate for policies of large amount, if the reduction does not exceed savings in issuance and administrative expenses reasonably attributable to policies of large amount as compared with policies of similar plan issued in smaller amounts.

(f) It is not discrimination or a rebate to issue policies of life insurance or health insurance or annuity contracts on a salary savings or payroll deduction plan or other distribution plan at a reduced rate reasonably commensurate with the savings made by use of the plan.

(g) It is not discrimination or a rebate to issue policies of health insurance that provide for increases in benefits to policyholders who maintain their policies continuously in force without lapse for specified periods.

(H) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(II) "BONA FIDE WELLNESS PROGRAM" MEANS A PROGRAM THAT IS DESIGNED TO:

- 1. PREVENT OR DETECT DISEASE OR ILLNESS;**
- 2. REDUCE OR AVOID POOR CLINICAL OUTCOMES;**
- 3. PREVENT COMPLICATIONS FROM MEDICAL CONDITIONS; OR**
- 4. PROMOTE HEALTHY BEHAVIORS AND LIFESTYLE CHOICES.**

(III) "CARRIER" MEANS:

- 1. AN INSURER;**
- 2. A NONPROFIT HEALTH SERVICE PLAN; ~~OR~~**
- 3. A HEALTH MAINTENANCE ORGANIZATION; OR**
- 4. A DENTAL PLAN ORGANIZATION.**

(2) IT IS NOT DISCRIMINATION OR A REBATE FOR A CARRIER TO PROVIDE REASONABLE INCENTIVES TO AN INDIVIDUAL WHO IS AN INSURED, A SUBSCRIBER, OR A MEMBER FOR PARTICIPATION IN A BONA FIDE WELLNESS PROGRAM OFFERED BY THE CARRIER IF:

(I) THE CARRIER DOES NOT MAKE PARTICIPATION IN THE BONA FIDE WELLNESS PROGRAM A CONDITION OF COVERAGE UNDER A POLICY OR CONTRACT;

(II) PARTICIPATION IN THE BONA FIDE WELLNESS PROGRAM IS VOLUNTARY AND A PENALTY IS NOT IMPOSED ON AN INSURED, SUBSCRIBER, OR MEMBER FOR NONPARTICIPATION;

(III) AN INSURED, SUBSCRIBER, OR MEMBER IS NOT REQUIRED TO ACHIEVE ANY SPECIFIC OUTCOME IN ORDER TO RECEIVE AN INCENTIVE FOR PARTICIPATION IN THE BONA FIDE WELLNESS PROGRAM; AND

(IV) THE CARRIER DOES NOT MARKET THE BONA FIDE WELLNESS PROGRAM IN A MANNER THAT REASONABLY COULD BE CONSTRUED TO HAVE AS ITS PRIMARY PURPOSE THE PROVISION OF AN INCENTIVE OR INDUCEMENT TO PURCHASE COVERAGE FROM THE CARRIER.

(3) ANY INCENTIVE OFFERED FOR PARTICIPATION IN A BONA FIDE WELLNESS PROGRAM:

(I) SHALL BE REASONABLY RELATED TO THE BONA FIDE WELLNESS PROGRAM; AND

(II) MAY NOT HAVE A VALUE THAT EXCEEDS ANY LIMIT ESTABLISHED IN REGULATIONS ADOPTED BY THE COMMISSIONER.

(4) THE COMMISSIONER SHALL ADOPT REGULATIONS TO IMPLEMENT THE PROVISIONS OF THIS SUBSECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 723 - *Certified Social Workers-Clinical - Practice - Definition*.

This bill expands the scope of practice for an individual licensed as a certified social worker-clinical to include the evaluation, diagnosis, and treatment of mental and emotional conditions and impairments, in addition to psychosocial conditions and mental disorders.

House Bill 358, 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 723.

Sincerely,

Martin O'Malley
Governor

Senate Bill 723

AN ACT concerning

Certified Social Workers–Clinical – Practice – Definition

FOR the purpose of altering the definition of “practice social work” so as to authorize a licensed certified social worker–clinical to practice social work by evaluating, diagnosing, and treating certain mental and emotional conditions and impairments in addition to certain other conditions and disorders; and generally relating to defining the practice of social work for certified social workers–clinical.

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 19–101
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article – Health Occupations

19–101.

- (a) In this title the following words have the meanings indicated.
- (b) “Board” means the State Board of Social Work Examiners.
- (c) “Certified” means having demonstrated to the satisfaction of the Board that the individual has completed 2 years of supervised social work practice as defined in § 19–302(d) or (e) of this title.

(d) “License” means, unless the context requires otherwise, one of four types of licenses issued by the Board authorizing an individual to practice:

- (1) Associate social work;
- (2) Graduate social work;
- (3) Certified social work; or
- (4) Certified social work—clinical.

(e) “Licensed associate social worker” means an individual licensed by the Board to practice associate social work.

(f) “Licensed certified social worker” means an individual licensed by the Board to practice certified social work.

(g) “Licensed certified social worker—clinical” means an individual licensed by the Board to practice clinical social work.

(h) “Licensed graduate social worker” means an individual licensed by the Board to practice graduate social work.

(i) “Practice associate social work” means to practice social work:

(1) Under the supervision of a licensed certified social worker, licensed certified social worker—clinical, or licensed graduate social worker who meets the conditions specified in regulations; and

(2) Utilizing the education and training required under § 19–302(b) of this title.

(j) “Practice certified social work” means to practice social work utilizing the education, training, and experience required under § 19–302(d) or (e) of this title.

(k) “Practice clinical social work” means to practice social work utilizing the specialized education, training, and experience required under § 19–302(e) of this title.

(l) “Practice graduate social work” means to practice social work:

(1) Under the supervision of a licensed certified social worker, licensed certified social worker—clinical, or licensed graduate social worker who meets the conditions specified in regulations; and

(2) Utilizing the education and training required under § 19–302(c) of this title.

(m) (1) “Practice social work” means to apply the theories, knowledge, procedures, methods, or ethics derived from a formal educational program in social work to restore or enhance social functioning of individuals, couples, families, groups, organizations, or communities through:

- (i) Assessment;
- (ii) Formulating diagnostic impressions;
- (iii) Planning;
- (iv) Intervention;
- (v) Evaluation of intervention plans;
- (vi) Case management;
- (vii) Information and referral;
- (viii) Counseling that does not include diagnosis or treatment of mental disorders;
- (ix) Advocacy;
- (x) Consultation;
- (xi) Education;
- (xii) Research;
- (xiii) Community organization; or
- (xiv) Development, implementation, and administration of policies, programs, and activities.

(2) For an individual licensed as a graduate social worker, “practice social work” also includes:

- (i) Supervision of other social workers if the graduate social worker meets the requirements set out in regulations; and

(ii) Treatment of psychosocial conditions and mental disorders and the provision of psychotherapy under the direct supervision of a licensed certified social worker—clinical.

(3) For an individual licensed as a certified social worker, “practice social work” also includes:

(i) Supervision of other social workers; and

(ii) Treatment of psychosocial conditions and mental disorders and the provision of psychotherapy under the direct supervision of a licensed certified social worker—clinical.

(4) For an individual licensed as a certified social worker—clinical, “practice social work” also includes:

(i) Supervision of other social workers;

(ii) Evaluation, diagnosis, and treatment of psychosocial conditions, **MENTAL AND EMOTIONAL CONDITIONS AND IMPAIRMENTS**, and mental disorders as defined in § 10–101(f) of the Health – General Article; and

(iii) The provision of psychotherapy.

(n) “Psychotherapy” means a method for the treatment of mental disorders and behavioral disturbances in which a licensed health care practitioner enters into a professional contract with the patient and, through a therapeutic communication or interaction, attempts to:

(1) Alleviate emotional disturbances;

(2) Reverse or alter maladaptive patterns of behavior; or

(3) Encourage personality growth and development.

(o) “Supervision” means a formalized professional relationship between a supervisor and a supervisee that:

(1) Provides evaluation and direction of the supervisee; and

(2) Promotes continued development of the supervisee’s knowledge, skills, and abilities to provide social work services in an ethical and competent manner.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 733 - *Vehicle Laws - Exceptional Milk Hauling Permit - Raw Liquid Milk*.

This bill authorizes the State Highway Administration to issue an exceptional milk hauling permit for a combination of vehicles that carries specified raw liquid milk to a processing plant and has an axle configuration that meets specified requirements. It also requires a combination of vehicles operating under the authority of an exceptional milk hauling permit to comply with specified weight limits.

House Bill 420, 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 733.

Sincerely,

Martin O'Malley
Governor

Senate Bill 733

AN ACT concerning

Vehicle Laws – Exceptional Milk Hauling Permit – Raw Liquid Milk

FOR the purpose of authorizing the State Highway Administration to issue an exceptional milk hauling permit valid in certain counties for a combination of vehicles ~~or a straight truck~~ that carries certain raw liquid milk to a processing plant and has an axle configuration that meets certain requirements; requiring

a combination of vehicles ~~or a straight truck~~ operating under the authority of an exceptional milk hauling permit to comply with certain weight limits; requiring a certain combination of vehicles ~~or straight truck~~, twice each year, to submit to and pass a certain inspection and be allowed only a certain load limit tolerance; prohibiting a person who operates a certain combination of vehicles ~~or straight truck~~ from violating certain highway restrictions, operating the combination of vehicles on an interstate highway system, or operating the vehicle if it exceeds certain ratings or restrictions or fails to comply with the terms and conditions of the permit; requiring a person who operates a certain combination of vehicles ~~or straight truck~~ to have, in the person's possession, a certain permit and certain inspection reports; specifying the penalties for the violation of certain provisions of law, regulations, or the terms and conditions of certain exceptional milk hauling permits; authorizing the revocation of an exceptional milk hauling permit under certain circumstances; authorizing a certain person to appeal the revocation of an exceptional milk hauling permit; requiring certain records to be provided to the State Highway Administrator or the Administrator's designee on request; authorizing the State Highway Administrator to take certain action if certain records are not received; establishing certain fees; providing that an exceptional milk hauling permit is valid for a certain period; requiring the State Highway Administration, in consultation with the Secretary of State Police, to adopt certain regulations; requiring the State Highway Administration and the Department of State Police to submit a certain report on or before a certain date; establishing that the issuance of a permit under this Act is at the discretion of the State Highway Administrator; requiring the State Highway Administrator to report a certain decision to the General Assembly; providing for the construction of this Act; providing for the termination of this Act; and generally relating to vehicle size, weight, and load limits, and exceptional milk hauling permits.

BY adding to

Article – Transportation
 Section 24–113.3
 Annotated Code of Maryland
 (2006 Replacement Volume and 2006 Supplement)

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

Article – Transportation

24–113.3.

(A) AN EXCEPTIONAL MILK HAULING PERMIT ISSUED UNDER THIS SECTION IS VALID ONLY IN ALLEGANY COUNTY, ANNE ARUNDEL COUNTY, BALTIMORE COUNTY, CARROLL COUNTY, FREDERICK COUNTY, GARRETT

COUNTY, HOWARD COUNTY, MONTGOMERY COUNTY, PRINCE GEORGE'S COUNTY, AND WASHINGTON COUNTY.

~~(A)~~ (B) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, THE STATE HIGHWAY ADMINISTRATION MAY ISSUE AN EXCEPTIONAL MILK HAULING PERMIT FOR A COMBINATION OF VEHICLES ~~OR A STRAIGHT TRUCK~~ THAT:

(1) CARRIES TO A PROCESSING PLANT RAW LIQUID MILK THAT IS THE ONLY LOAD ON THE VEHICLE AND IS LOADED FROM BULK LIQUID MILK STORAGE TANKS AT ONE OR MORE FARM LOCATIONS; AND

(2) ~~(i) FOR A COMBINATION OF VEHICLES, HAS~~ HAS AN AXLE CONFIGURATION OF NOT LESS THAN SIX AXLES AND A FRONT-TO-REAR CENTERLINE AXLE SPACING OF NOT LESS THAN 50 FEET; ~~OR~~

~~(ii) FOR A STRAIGHT TRUCK, HAS AN AXLE CONFIGURATION OF NOT LESS THAN FOUR AXLES, ONE OF WHICH MAY BE A LIFT AXLE.~~

~~(B)~~ (C) A COMBINATION OF VEHICLES ~~OR A STRAIGHT TRUCK~~ OPERATING UNDER THE AUTHORITY OF AN EXCEPTIONAL MILK HAULING PERMIT ISSUED UNDER SUBSECTION ~~(A)~~ (B) OF THIS SECTION SHALL:

(1) COMPLY WITH THE FOLLOWING WEIGHT LIMITS:

(i) A MAXIMUM OF 20,000 POUNDS GROSS WEIGHT ON A SINGLE AXLE;

(ii) FOR ANY CONSECUTIVE AXLE CONFIGURATION OF TWO OR MORE AXLES ON INDIVIDUAL VEHICLES IN A COMBINATION ~~OR ON A STRAIGHT TRUCK~~, THE ~~MAXIMUM GROSS~~ WEIGHT SPECIFIED IN § 24-109(C) OF THIS SUBTITLE; AND

(iii) ~~1. FOR A COMBINATION OF VEHICLES, A~~ A MAXIMUM OF 87,000 POUNDS GROSS COMBINATION WEIGHT; ~~OR~~

~~2. FOR A STRAIGHT TRUCK WITH FOUR AXLES, A MAXIMUM OF 70,000 GROSS VEHICLE WEIGHT;~~

(2) TWICE EACH YEAR, SUBMIT TO AND PASS A NORTH AMERICAN STANDARD DRIVER/VEHICLE LEVEL 1 INSPECTION; AND

(3) BE ALLOWED A LOAD LIMIT TOLERANCE OF ONLY 1,000 POUNDS FOR GROSS COMBINATION WEIGHT AND 15% FOR AXLE WEIGHTS.

~~(C)~~ (D) WHILE OPERATING A COMBINATION OF VEHICLES ~~OR A STRAIGHT TRUCK~~ UNDER THE AUTHORITY OF AN EXCEPTIONAL MILK HAULING PERMIT ISSUED UNDER SUBSECTION ~~(A)~~ (B) OF THIS SECTION, A PERSON MAY NOT:

(1) VIOLATE A HIGHWAY RESTRICTION ISSUED BY A COMPETENT AUTHORITY;

(2) OPERATE THE COMBINATION OF VEHICLES ON THE INTERSTATE HIGHWAY SYSTEM, AS DEFINED IN § 8-101(J) OF THIS ARTICLE;

(3) OPERATE THE COMBINATION OF VEHICLES ~~OR STRAIGHT TRUCK~~ IF THE COMBINATION OF VEHICLES ~~OR STRAIGHT TRUCK~~ EXCEEDS ANY TIRE WEIGHT RATING OR TIRE SPEED RESTRICTION ADOPTED UNDER § 25-111 OF THIS ARTICLE; OR

(4) FAIL TO COMPLY WITH THE TERMS AND CONDITIONS OF THE EXCEPTIONAL MILK HAULING PERMIT.

~~(D)~~ (E) WHILE OPERATING A COMBINATION OF VEHICLES ~~OR A STRAIGHT TRUCK~~ UNDER THE AUTHORITY OF AN EXCEPTIONAL MILK HAULING PERMIT ISSUED UNDER SUBSECTION ~~(A)~~ (B) OF THIS SECTION, A PERSON SHALL HAVE IN THE PERSON'S POSSESSION:

(1) THE ORIGINAL EXCEPTIONAL MILK HAULING PERMIT ISSUED FOR THE VEHICLE; AND

(2) FOR EACH VEHICLE IN THE COMBINATION OF VEHICLES, A COPY OF A VALID NORTH AMERICAN STANDARD DRIVER/VEHICLE LEVEL 1 INSPECTION REPORT ISSUED WITHIN THE PRECEDING 180 DAYS THAT SHOWS NO OUT-OF-SERVICE VIOLATIONS.

~~(E)~~ (F) (1) A VIOLATION OF THIS SECTION, REGULATIONS ADOPTED TO IMPLEMENT THIS SECTION, OR THE TERMS AND CONDITIONS OF AN EXCEPTIONAL MILK HAULING PERMIT ISSUED UNDER SUBSECTION ~~(A)~~ (B) OF THIS SECTION SHALL:

(I) VOID THE AUTHORITY GRANTED UNDER THE EXCEPTIONAL MILK HAULING PERMIT;

(II) SUBJECT THE VEHICLE TO ALL WEIGHT REQUIREMENTS AND TOLERANCES SPECIFIED IN THIS ARTICLE; AND

(III) FOR A VIOLATION OF A WEIGHT RESTRICTION SPECIFIED IN THIS SECTION THAT EXCEEDS 5,000 POUNDS, SUBJECT THE EXCEPTIONAL MILK HAULING PERMIT TO IMMEDIATE CONFISCATION BY AN OFFICER OR AUTHORIZED CIVILIAN EMPLOYEE OF THE DEPARTMENT OF STATE POLICE, AN OFFICER OF THE MARYLAND TRANSPORTATION AUTHORITY POLICE, OR ANY POLICE OFFICER.

(2) A PERSON WHO CONFISCATES AN EXCEPTIONAL MILK HAULING PERMIT UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL IMMEDIATELY NOTIFY THE STATE HIGHWAY ADMINISTRATION.

(3) ON NOTIFICATION OF THE CONFISCATION OF AN EXCEPTIONAL MILK HAULING PERMIT, THE STATE HIGHWAY ADMINISTRATION SHALL REVIEW THE CONFISCATION, VERIFY THE VIOLATION OF A WEIGHT RESTRICTION, AND, IF THE STATE HIGHWAY ADMINISTRATION DETERMINES THAT A VIOLATION DID OCCUR, REVOKE THE PERMIT.

(4) AN OWNER OR OPERATOR OF A COMBINATION OF VEHICLES ~~OR A STRAIGHT TRUCK~~ MAY APPEAL THE REVOCATION OF AN EXCEPTIONAL MILK HAULING PERMIT TO THE STATE HIGHWAY ADMINISTRATOR OR THE ADMINISTRATOR'S DESIGNEE.

~~(F)~~ (G) (1) ON REQUEST FROM THE STATE HIGHWAY ADMINISTRATOR OR THE ADMINISTRATOR'S DESIGNEE, WEIGHT AND DELIVERY RECORDS OF THE HOLDER OF AN EXCEPTIONAL MILK HAULING PERMIT THAT ARE KEPT IN THE NORMAL COURSE OF BUSINESS SHALL BE PROVIDED BY:

(I) THE HOLDER OF THE EXCEPTIONAL MILK HAULING PERMIT; ~~OR~~

(II) A FACILITY THAT RECEIVES RAW LIQUID MILK DELIVERED BY A VEHICLE OPERATING UNDER THE AUTHORITY OF AN EXCEPTIONAL MILK HAULING PERMIT; OR

(III) A PRODUCER OF RAW LIQUID MILK HAVING THE PRODUCT TRANSPORTED UNDER THE AUTHORITY OF AN EXCEPTIONAL MILK HAULING PERMIT.

(2) IF THE HOLDER OF AN EXCEPTIONAL MILK HAULING PERMIT, ~~OR~~ A FACILITY THAT RECEIVES RAW LIQUID MILK, OR A PRODUCER OF RAW

LIQUID MILK DOES NOT COMPLY WITH A REQUEST UNDER THIS SUBSECTION, THE STATE HIGHWAY ADMINISTRATION MAY:

(I) SUSPEND THE HOLDER'S EXCEPTIONAL MILK HAULING PERMIT; OR

(II) PROHIBIT A VEHICLE FROM PICKING UP FROM THE PRODUCER OR DELIVERING TO THE NONCOMPLIANT FACILITY RAW LIQUID MILK UNDER THE AUTHORITY OF THE EXCEPTIONAL MILK HAULING PERMIT ~~TO THE NONCOMPLIANT FACILITY~~.

~~(G)~~ (H) (1) AN APPLICANT FOR AN EXCEPTIONAL MILK HAULING PERMIT SHALL PAY TO THE STATE HIGHWAY ADMINISTRATION:

(I) \$500 FOR THE ISSUANCE OF A NEW PERMIT OR THE ANNUAL RENEWAL OF A PERMIT;

(II) \$1,000 FOR THE REINSTATEMENT OF A PERMIT THAT WAS REVOKED UNDER SUBSECTION ~~(E)(3)~~ (F)(3) OF THIS SECTION FOR A FIRST VIOLATION; AND

(III) \$5,000 FOR THE REINSTATEMENT OF A PERMIT THAT WAS REVOKED UNDER SUBSECTION ~~(E)(3)~~ (F)(3) OF THIS SECTION FOR A SECOND OR SUBSEQUENT VIOLATION WITHIN THE PRIOR 24 MONTHS.

(2) A FEE PAID UNDER THIS SUBSECTION IS NONREFUNDABLE.

~~(H)~~ (I) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, AN EXCEPTIONAL MILK HAULING PERMIT IS VALID FOR 1 YEAR FROM THE DATE OF ISSUANCE.

~~(H)~~ (J) IN CONSULTATION WITH THE SECRETARY OF STATE POLICE, THE STATE HIGHWAY ADMINISTRATION SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That the State Highway Administration, in conjunction with the Department of State Police, shall report to the General Assembly on or before December 1, 2009, in accordance with § 2-1246 of the State Government Article, on the use and enforcement of exceptional hauling permits, including compliance with this Act, regulations adopted to implement this Act, and the terms and conditions of exceptional hauling permits.

SECTION 3. AND BE IT FURTHER ENACTED, That the issuance of permits under this Act is at the discretion of the State Highway Administrator. The State Highway Administrator may stop issuing and renewing permits under this Act if the Administrator determines that the use of exceptional milk hauling permits is adversely affecting any part of the State highway system. The State Highway Administrator shall promptly report to the General Assembly, in accordance with § 2-1246 of the State Government Article, regarding any decision to stop issuing or renewing permits under this Act and the reason for the decision.

SECTION 4. AND BE IT FURTHER ENACTED, That nothing in this Act shall be construed to exempt a holder of an exceptional milk hauling permit from any applicable State or federal motor carrier requirements not specifically addressed in this Act.

SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007. It shall remain effective for a period of 4 years and, at the end of September 30, 2011, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 736 - *Cecil County - Alcoholic Beverages - Sunday Sales for Class B and Class BLX Licenses*.

This bill alters the hours of Sunday sales of alcoholic beverages for specified Class B and Class BLX beer, wine and liquor license holders in Cecil County.

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 736.

Sincerely,

Martin O'Malley
Governor

Senate Bill 736

AN ACT concerning

**Cecil County – Alcoholic Beverages – Sunday Sales for Class B and Class BLX
Licenses**

FOR the purpose of altering the hours of Sunday sales of alcoholic beverages for certain Class B and Class BLX licenses in Cecil County; and generally relating to alcoholic beverages licenses in Cecil County.

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 11–508(a)(2)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

11–508.

(a) (2) Subject to paragraph (3) of this subsection, it is lawful for a licensee in Cecil County to sell alcoholic beverages authorized by its license on Sunday during the following hours:

- (i) For a Class A license, between 8 a.m. and 11 p.m.;
- (ii) For a Class B license or a Class BLX beer, wine and liquor license, between **[10 a.m.] 8 A.M.** and 11 p.m.; and
- (iii) For a Class D license, between 1 p.m. and 10 p.m.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 744 - *Former Governors - Death Benefits - Surviving Spouses*.

This bill corrects an oversight in the pension law by providing that regardless of a former Governor's age at the time of death, the surviving spouse shall receive a monthly retirement allowance equal to a specified percent of the benefit due to the former Governor.

House Bill 1013, 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 744.

Sincerely,

Martin O'Malley
Governor

Senate Bill 744

AN ACT concerning

Former Governors – Death Benefits – Surviving Spouses

FOR the purpose of providing certain death benefits to surviving spouses of former Governors; and generally relating to death benefits for surviving spouses of former Governors.

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 22–405
Annotated Code of Maryland
(2004 Replacement Volume and 2006 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

22-405.

(a) Subject to subsection (d) of this section, if a Governor serves for at least:

(1) one full term, the Governor is entitled to receive a retirement allowance equal to one-third of the annual salary received by the current Governor in office; or

(2) two full terms, the Governor is entitled to receive a retirement allowance equal to one-half of the annual salary received by the current Governor in office.

(b) The Board of Trustees shall suspend a retirement allowance received under this section during any period when the former Governor is employed by a unit of State government.

(c) Except as provided in subsection (d) of this section, a Governor may not receive a retirement allowance under this subsection until the Governor is at least 55 years old.

(d) (1) A Governor who leaves office because of physical or mental disability, under Article II, Section 6(c) of the Maryland Constitution, shall immediately receive a disability retirement allowance equal to the amount the Governor would have received had the Governor completed the current term and become 55 years old.

(2) If the physical or mental disability ends before the former Governor becomes 55 years old, the Board of Trustees shall stop the disability retirement allowance, but the former Governor shall receive the normal retirement allowance at age 55 if otherwise qualified.

(e) On the death of a former Governor [who has retired under this subsection], the surviving spouse of the former Governor shall receive an allowance that is equal to one-half of the former Governor's retirement allowance.

(f) On the death of a Governor while in office, the deceased Governor's surviving spouse shall receive one-half of the retirement allowance that the deceased Governor would have been entitled to receive had the deceased Governor completed the current term and become 55 years old.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 755 - *Ground Rents - Property Owned by Baltimore City - Reimbursement for Expenses - Notices*.

This bill provides that in any suit to recover back rent, a ground rent landlord may recover no more than 3 years back rent if the property is owned by Baltimore City. It also specifies a single place to send documents regarding ground rents on Baltimore City properties.

House Bill 458, 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 755.

Sincerely,

Martin O'Malley
Governor

Senate Bill 755

AN ACT concerning

**Ground Rents – Property Owned by Baltimore City – Reimbursement for
Expenses – Notices**

FOR the purpose of providing that in any suit, action, or proceeding to recover back rent, a ground rent landlord may only recover not more than a certain amount of back rent if the property is owned by Baltimore City and is abandoned or distressed under certain circumstances; authorizing a ground rent landlord of property that is owned by Baltimore City and is abandoned or distressed to request the Mayor and City Council of Baltimore to acquire the reversionary interest under the ground rent for a certain value under certain circumstances; prohibiting the application of a certain provision regarding reimbursement of a ground rent holder's expenses to collect a ground rent on property that is owned by Baltimore City and is abandoned or distressed under certain circumstances;

establishing a certain Baltimore City office as the recipient of certain bills, notices, or other documents sent with regard to any property owned by Baltimore City that is subject to a ground rent; and generally relating to property owned by Baltimore City that is subject to a ground rent.

BY repealing and reenacting, with amendments,

Article – Real Property

Section 8–111.1 and 8–402.3

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

BY adding to

Article – Real Property

Section 14–115.1

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

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

Article – Real Property

8–111.1.

(a) This section applies to all residential leases or subleases in effect on or after October 1, 1999, which have an initial term of 99 years and which create a leasehold estate, or subleasehold estate, subject to the payment of an annual ground rent.

(b) In any suit, action, or proceeding by a landlord, or the transferee of the reversion in leased property, to recover back rent, the landlord, or the transferee of the reversion in leased property is entitled to demand or recover not more than 3 years back rent.

(c) **[In] EXCEPT AS PROVIDED UNDER SUBSECTION (D) OF THIS SECTION,** IN addition to rent payable under subsection (b) of this section, a landlord may not receive reimbursement for any additional costs or expenses related to collection of the back rent unless the notice requirements of §§ 8–402.2 and 8–402.3 of this title are met.

(D) (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IN ANY SUIT, ACTION, OR PROCEEDING TO RECOVER BACK RENT, A LANDLORD OR HOLDER OF A GROUND RENT MAY ONLY RECOVER NOT MORE THAN 3 YEARS BACK RENT IF THE PROPERTY IS:

(I) OWNED OR ACQUIRED BY ANY MEANS BY THE MAYOR AND CITY COUNCIL OF BALTIMORE; AND

(II) ABANDONED PROPERTY, AS DEFINED IN § 21-17(A)(2) OF THE PUBLIC LOCAL LAWS OF BALTIMORE CITY, OR DISTRESSED PROPERTY, AS DEFINED IN § 21-17(A)(3) OF THE PUBLIC LOCAL LAWS OF BALTIMORE CITY.

(2) WITH REGARD TO PROPERTY DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION, A LANDLORD MAY REQUEST IN WRITING THAT THE MAYOR AND CITY COUNCIL OF BALTIMORE ACQUIRE THE REVERSIONARY INTEREST UNDER THE GROUND RENT FOR THE MARKET VALUE ESTABLISHED AT THE TIME OF THE ACQUISITION BY THE MAYOR AND CITY COUNCIL OF THE LEASEHOLD INTEREST UNDER THE GROUND RENT.

8-402.3.

(a) In this section, "ground rent" means a residential lease or sublease in effect on or after October 1, 2003, that has an initial term of 99 years renewable forever and creates a leasehold estate subject to the payment of semiannual installments of an annual lease amount.

(B) THIS SECTION DOES NOT APPLY TO A GROUND RENT ON PROPERTY THAT IS:

(1) OWNED OR ACQUIRED BY ANY MEANS BY THE MAYOR AND CITY COUNCIL OF BALTIMORE; AND

(2) ABANDONED PROPERTY, AS DEFINED IN § 21-17(A)(2) OF THE PUBLIC LOCAL LAWS OF BALTIMORE CITY, OR DISTRESSED PROPERTY, AS DEFINED IN § 21-17(A)(3) OF THE PUBLIC LOCAL LAWS OF BALTIMORE CITY.

[(b)] (C) (1) A holder of a ground rent that is at least 6 months in arrears is entitled to reimbursement for actual expenses not exceeding \$500 incurred in the collection of that past due ground rent and in complying with the notice requirements under § 8-402.2(a) of this subtitle, including:

- (i) Title abstract and examination fees;
- (ii) Judgment report fees;
- (iii) Photocopying and postage fees; and

(iv) Attorney's fees.

(2) Upon filing an action for ejectment, the plaintiff or holder of a ground rent is entitled to reimbursement for reasonable expenses incurred in the preparation and filing of the ejectment action, including:

(i) Filing fees and court costs;

(ii) Expenses incurred in the service of process or otherwise providing notice;

(iii) Title abstract and examination fees not included under paragraph (1) of this subsection, not exceeding \$300;

(iv) Reasonable attorney's fees not exceeding \$700; and

(v) Taxes, including interest and penalties, that have been paid by the plaintiff or holder of a ground rent.

[(c)] (D) Except as provided in subsection **[(b)] (C)** of this section or in § 8–402.2(c) of this subtitle, the plaintiff or holder of a ground rent is not entitled to reimbursement for any other expenses incurred in the collection of a ground rent.

[(d)] (E) (1) The holder of a ground rent may not be reimbursed for expenses under subsection **[(b)] (C)** of this section unless the holder sends the tenant as identified in the records of the State Department of Assessments and Taxation written notice at least 30 days before taking any action in accordance with § 8–402.2(a) of this subtitle and § 14–108.1 of this article.

(2) The notice shall be in 14 point, bold font, and contain the following:

(i) The amount of the past due ground rent;

(ii) A statement that unless the past due ground rent is paid within 30 days, further action will be taken in accordance with § 8–402.2(a) of this subtitle and § 14–108.1 of this article and the tenant will be liable for the expenses and fees incurred in connection with the collection of the past due ground rent as provided in this section.

(3) The holder of the ground rent shall:

(i) Mail the notice by first class mail to the tenant's last known address as shown in the records of the State Department of Assessments and Taxation; and

(ii) Obtain a certificate of mailing from the United States Postal Service.

14-115.1.

WITH REGARD TO ANY PROPERTY OWNED OR ACQUIRED BY ANY MEANS BY THE MAYOR AND CITY COUNCIL OF BALTIMORE THAT IS SUBJECT TO A GROUND RENT, ANY BILL, NOTICE, OR OTHER DOCUMENT FOR LEGAL OR OTHER ACTION SHALL BE SENT TO THE ~~SUPERVISOR OF ASSET MANAGEMENT DIRECTOR~~, BALTIMORE CITY DEPARTMENT OF ~~HOUSING AND COMMUNITY DEVELOPMENT~~ FINANCE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 770 - *Milk Products - Farmstead Cheese Production - Pilot Study*.

This bill establishes a "milk processor - farmstead cheese producer" permit and authorizes the holder of a "milk processor - farmstead cheese producer" permit to perform specified functions and to produce farmstead cheese. The bill also requires the Department of Health and Mental Hygiene to issue only a specified number of such permits and to issue this permit to persons meeting specified eligibility qualifications.

House Bill 865, 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 770.

Sincerely,

Martin O'Malley

Governor

Senate Bill 770

AN ACT concerning

Milk Products – Farmstead Cheese Production – Pilot Study

FOR the purpose of establishing a milk processor – farmstead cheese producer permit; authorizing the holder of a milk processor – farmstead cheese producer permit to perform certain functions and to produce farmstead cheese; requiring the Department of Health and Mental Hygiene to issue only a certain number of milk processor – farmstead cheese producer permits; establishing certain qualifications for a certain milk processor – farmstead cheese producer permit; providing for the expiration date of a milk processor – farmstead cheese producer permit; exempting the sale of farmstead cheese from a certain prohibition on the sale of raw milk; defining a certain term; providing for the termination of this Act; and generally relating to a pilot study for the production of farmstead cheese.

BY repealing and reenacting, with amendments,

Article – Health – General

Section 21–401, 21–410, 21–413, 21–416, 21–417, and 21–434

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY adding to

Article – Health – General

Section 21–416.1

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

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

Article – Health – General

21–401.

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

(b) “Bobtailer” means a person who operates or controls a Grade A milk route and distributes Grade A pasteurized milk products that the person buys from a Grade A distributor or a milk processor.

(c) “Bulk milk hauler/sampler” means any person who collects official samples and transports raw milk from a farm or raw milk products or both to or from a milk plant, receiving station, or transfer station and who possesses a permit from any state to sample the milk or raw milk products.

(d) “Certified industry dairy farm inspector” means an individual who is certified by the Secretary under § 21–414 of this subtitle.

(e) “Dairy farm” means a place where at least 1 cow or goat is kept, and from which the milk is sold or offered for sale.

(f) “Departmental inspection area” means the area in which the Department routinely makes inspections under this subtitle.

(G) “FARMSTEAD CHEESE” MEANS CHEESE MADE ON A FARM:

(1) USING ONLY THE RAW MILK PRODUCED BY THE HERD ON THE FARM; AND

(2) THAT MEETS THE DEFINITIONS AND STANDARDS OF A HARD CHEESE ESTABLISHED IN 21 C.F.R. 133.

[(g)] (H) “Grade A distribution station” means any place or vehicle where, for redistribution and sale, Grade A pasteurized milk products routinely are received, stored, or transferred.

[(h)] (I) “Grade A distributor” means a person who sells a Grade A pasteurized milk product.

[(i)] (J) (1) “Grade A milk product” means:

- (i) Grade A milk;
- (ii) Grade A cream; or
- (iii) Any other Grade A milk product that the Secretary designates.

(2) “Manufactured grade milk product” means:

- (i) Manufactured grade milk;
- (ii) Manufactured grade cream; or

(iii) Any other manufactured grade milk product that the Secretary designates.

[(j)] (K) “Grade A Pasteurized Milk Ordinance” means the recommended Grade “A” Pasteurized Milk Ordinance published by the federal government.

[(k)] (L) (1) “Milk” means the milk of a cow or goat.

(2) “Grade A milk” means the milk of a cow or goat produced, processed, pasteurized, bottled, packaged, or prepared in accordance with the Grade A Pasteurized Milk Ordinance.

(3) “Manufactured milk” means the milk of a cow or goat which is not Grade A milk and which is produced, processed, pasteurized, bottled, packaged, or prepared in accordance with “Milk for Manufacturing Purposes and Its Production and Processing: Recommended Requirements”.

[(l)] (M) “Milk fat” means the natural fat of milk.

[(m)] (N) “Milk for Manufacturing Purposes and Its Production and Processing: Recommended Requirements” means the Milk for Manufacturing Purposes and Its Production and Processing: Recommended Requirements published by the U.S. Department of Agriculture.

[(n)] (O) (1) “Milk plant” means any place where, for distribution, milk products are:

- (i) Processed;
- (ii) Pasteurized;
- (iii) Bottled or packaged; or
- (iv) Prepared.

(2) “Milk plant” does not include a place where milk products are sold at retail only.

[(o)] (P) “Milk processor” means a person who owns, operates, or controls a milk plant.

[(p)] (Q) “Milk producer” means a person who operates a dairy farm.

[(q)] (R) “Milk tank truck” means a truck and its equipment that are used to transport milk products.

[(r)] (s) “Milk transportation company” means a person responsible for a milk tank truck.

[(s)] (T) “Misbranded milk product” means a milk product:

(1) That is in a container that bears or is accompanied by any false or misleading written, printed, or graphic material; or

(2) That is not labeled in accordance with this subtitle.

[(t)] (U) (1) “Pasteurized” means having undergone the process of uniformly heating each particle of milk product, holding it in the heated state, and cooling it, in approved and properly operated equipment and under the conditions of temperature and time that the Secretary by rule or regulation establishes, to make the milk product safe and free of pathogens.

(2) “Pasteurized” includes having undergone any other process that:

(i) Is recognized by the appropriate federal authority to be equally as effective as the process described in paragraph (1) of this subsection in making milk products safe and free of pathogens; and

(ii) Is approved by the Secretary.

[(u)] (V) “Permit” means a permit issued by the Secretary under this subtitle that authorizes the holder of the permit to do any act that is within the scope of the permit.

[(v)] (W) “Raw milk” means unpasteurized milk.

[(w)] (X) “Receiving station” means any place where, for delivery to a milk plant, raw milk is collected, cooled, and stored.

[(x)] (Y) “Transfer station” means a place where milk is transferred directly from a milk tank truck to another milk tank truck for delivery to a milk plant.

21-410.

(a) Except as otherwise provided in this section, a person shall obtain a permit with a Grade A or a manufactured grade classification from the Secretary before that person may:

(1) Bring, send, or receive a milk product into this State for sale;

- (2) Offer a milk product for sale;
 - (3) Give a milk product away;
 - (4) Store a milk product; or
 - (5) Transport a milk product.
- (b) A permit is required to:
- (1) Be a bobtailer;
 - (2) Be a bulk milk hauler/sampler;
 - (3) Be a certified industry dairy farm inspector;
 - (4) Be a milk processor;
 - (5) BE A MILK PROCESSOR – FARMSTEAD CHEESE PRODUCER;**
- [(5)] (6)** Be a milk producer;
 - [(6)] (7)** Operate a distribution station;
 - [(7)] (8)** Operate a milk transportation company;
 - [(8)] (9)** Operate a receiving station; or
 - [(9)] (10)** Operate a transfer station.
- (c) A permit is not required for:
- (1) A milk producer who is outside the departmental inspection area if the raw milk from that milk producer is processed by a milk processor who holds a permit issued under this subtitle;
 - (2) A bulk milk hauler/sampler who receives raw milk from outside the departmental inspection area;
 - (3) A grocery store, restaurant, soda fountain, or similar establishment where milk products are served or sold at retail if:
 - (i) The establishment complies with all applicable provisions of this subtitle and all applicable rules or regulations adopted under this subtitle; and

(ii) The milk product is received from a permit holder; or

(4) A bulk milk hauler/sampler who is transporting a sealed tanker and not producers' samples.

(d) The Secretary shall designate all permits with one of the following classifications, as required by rules and regulations:

(1) Grade A milk; or

(2) Manufactured milk.

21-413.

(a) If the property of the applicant is in the departmental inspection area, before issuing a permit, the Secretary shall inspect the property, buildings, and equipment of an applicant for:

(1) A bobtailer permit;

(2) A distribution station permit;

(3) A milk processor permit;

(4) A MILK PROCESSOR – FARMSTEAD CHEESE PRODUCER PERMIT;

[(4)] (5) A milk producer permit;

[(5)] (6) A milk transportation company permit;

[(6)] (7) A receiving station permit; or

[(7)] (8) A transfer station permit.

(b) Each inspection under this section shall be to determine whether the property, buildings, equipment, and their operation conform to the rules and regulations adopted under this subtitle.

(c) To ensure continued conformity to the rules and regulations adopted under this subtitle, the Secretary from time to time shall reinspect the property, buildings, and equipment of each permit holder for whom an initial inspection is required under this section.

21-416.

(a) While it is effective, a bobtailer permit authorizes the holder, on a Grade A milk route that the holder operates or controls, to distribute Grade A pasteurized milk products that the holder purchased from a Grade A distributor or a Grade A milk processor.

(b) While it is effective, a certified industry dairy farm inspector permit authorizes the holder to inspect dairy farms in accordance with this subtitle.

(c) While it is effective, a distribution station permit authorizes the holder, for redistribution and sale, whether from a fixed location or from a vehicle:

- (1) To receive Grade A pasteurized milk products;
- (2) To store Grade A pasteurized milk products; and
- (3) To transfer Grade A pasteurized milk products for redistribution and sale.

(d) **(1)** While it is effective, a milk processor permit authorizes the holder:

- [(1)] (I)** To collect raw milk;
- [(2)] (II)** To handle raw milk;
- [(3)] (III)** To process raw milk;
- [(4)] (IV)** To pasteurize raw milk;
- [(5)] (V)** To store pasteurized milk;
- [(6)] (VI)** To bottle or package pasteurized milk;
- [(7)] (VII)** To prepare pasteurized milk for distribution; and
- [(8)] (VIII)** To distribute pasteurized milk.

(2) WHILE IT IS EFFECTIVE, A MILK PROCESSOR – FARMSTEAD CHEESE PRODUCER PERMIT AUTHORIZES THE HOLDER:

(I) TO PERFORM ALL THE FUNCTIONS SET FORTH IN PARAGRAPH (1) OF THIS SUBSECTION; AND

(II) TO PRODUCE FARMSTEAD CHEESE.

(e) While it is effective, a milk producer permit authorizes the holder:

- (1) To operate a dairy farm; and
- (2) To sell raw milk from the dairy farm to:
 - (i) A receiving station;
 - (ii) A transfer station; or
 - (iii) A milk plant.

(f) While it is effective, a bulk milk hauler/sampler permit authorizes the holder, while operating a milk tank truck:

- (1) To receive raw milk products from a milk producer, milk plant, receiving station, or transfer station;
- (2) To transport raw milk products that have been received from a milk producer, milk plant, receiving station, or transfer station; and
- (3) To deliver raw milk products that have been received from a milk producer, milk plant, receiving station, or transfer station.

(g) While it is effective, a receiving station permit authorizes the holder:

- (1) To collect raw milk;
- (2) To cool raw milk;
- (3) To process raw milk;
- (4) To store raw milk; and
- (5) To prepare raw milk for delivery to a milk plant.

(h) While it is effective, a transfer station permit authorizes the holder to operate a place where raw milk is transferred between milk tank trucks for eventual delivery to a milk plant.

(i) A permittee authorized to perform a function under this subtitle shall only exercise that authority as to the classification for which it is designated, except that:

(1) Unless otherwise specified in this subtitle, a milk producer permittee with a Grade A classification authorized to perform a function under this subtitle may exercise that authority for manufactured milk; and

(2) A milk processor, receiving station, or transfer station with a manufactured milk classification may exercise that authority using Grade A raw milk.

(j) While it is effective, a milk transportation company permit authorizes the holder to operate one or more milk tank trucks.

21-416.1.

(A) THE SECRETARY SHALL ISSUE MILK PROCESSOR – FARMSTEAD CHEESE PRODUCER PERMITS.

(B) TO QUALIFY FOR A MILK PROCESSOR – FARMSTEAD CHEESE PRODUCER PERMIT THE APPLICANT SHALL:

(1) OPERATE A DAIRY FARM WITH NO MORE THAN ~~50~~ 120 COWS IN THE HERD;

(2) BE LOCATED IN TALBOT COUNTY; AND

(3) MEET ANY OTHER REQUIREMENTS ESTABLISHED BY THE DEPARTMENT BY REGULATION.

21-417.

(a) (1) Except for a milk producer permit **AND A MILK PROCESSOR – FARMSTEAD CHEESE PRODUCER PERMIT**, a permit expires on the first anniversary of its effective date, unless the permit is renewed for a 1-year term as provided in this section.

(2) A milk producer permit does not expire.

(3) A MILK PROCESSOR – FARMSTEAD CHEESE PRODUCER PERMIT EXPIRES 5 YEARS AFTER ITS EFFECTIVE DATE.

(b) Before the permit expires, its holder may renew it for an additional 1-year term, if the holder:

(1) Otherwise is entitled to a permit;

(2) Pays to the Secretary a renewal fee equal to the fee for an original permit of the same type; and

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

(c) The Secretary shall renew the permit of each applicant for renewal who meets the requirements of this section.

(d) A permit is not transferable.

21-434.

Except for sale of raw milk by a holder of a milk producer permit to a holder of a milk processor permit **OR THE SALE OF A FARMSTEAD CHEESE**, a person may not sell raw milk for human consumption.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007. It shall remain effective for a period of 5 years and, at the end of September 30, 2012, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 801 - *Maryland Consolidated Capital Bond Loan of 2005 - Baltimore City - Baltimore Museum of Art*.

This bill amends the Maryland Consolidated Capital Bond Loan of 2005 to change the authorized uses of a specified grant to the Board of Trustees of the Baltimore Museum of Art, Inc.

House Bill 1235, 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 801.

Sincerely,

Martin O'Malley
Governor

Senate Bill 801

AN ACT concerning

**Maryland Consolidated Capital Bond Loan of 2005 – Baltimore City –
Baltimore Museum of Art**

FOR the purpose of amending the Maryland Consolidated Capital Bond Loan of 2005 to change the authorized uses of a certain grant to the Board of Trustees of the Baltimore Museum of Art, Inc.

BY repealing and reenacting, with amendments,
Chapter 445 of the Acts of the General Assembly of 2005
Section 1(3) Item ZA01 (A)

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

Chapter 445 of the Acts of 2005

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

(3) ZA01 LOCAL HOUSE OF DELEGATES INITIATIVES

- (A) Baltimore Museum of Art. Provide a grant equal to the lesser of (i) \$337,000 or (ii) the amount of the matching fund provided, to the Board of Trustees of the Baltimore Museum of Art, Inc. for the design, renovation, reconstruction, and capital equipping of the [west wing of the] Baltimore Museum of Art, located in Baltimore City, subject to a requirement that the grantee grant and convey an historic easement to the Maryland Historical Trust (Baltimore City) 337,000

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 833 - *Worcester County - Fire and Explosive Investigators – Authority*.

This bill extends to a Worcester County fire and explosive investigator specified authority of the State Fire Marshal and full-time investigative and inspection assistants in that office to make warrantless arrests and exercise powers of arrest. The bill authorizes a Worcester County fire and explosive investigator to exercise specified authority while operating outside Worcester County when detailed circumstances are present.

House Bill 683, 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 833.

Sincerely,

Martin O'Malley
Governor

Senate Bill 833

AN ACT concerning

**Worcester County – Fire and Explosive
Investigators – Authority**

FOR the purpose of providing that, under certain circumstances, a Worcester County fire and explosive investigator operating in Worcester County has the same authority as the State Fire Marshal and a full-time investigative and inspection assistant in the Office of the State Fire Marshal to make an arrest without a warrant and exercise certain powers of arrest; authorizing a Worcester County fire and explosive investigator to exercise certain authority while operating outside Worcester County under certain circumstances; authorizing the Worcester County Fire Marshal to limit certain authority of a fire and explosive investigator to make an arrest without a warrant or exercise certain powers of arrest; requiring the Worcester County Fire Marshal to express the limitation in writing; excluding a Worcester County fire and explosive investigator from the definition of “law enforcement officer” under the law relating to the Law Enforcement Officers’ Bill of Rights; including a Worcester County fire and explosive investigator in the definition of “police officer” in connection with provisions of law relating to the Maryland Police Training Commission and the authorized carrying of a handgun by a person engaged in law enforcement; defining certain terms; requiring the Maryland Police Training Commission to certify certain fire and explosive investigators as police officers under certain circumstances; and generally relating to the authority of Worcester County fire and explosive investigators.

BY repealing and reenacting, without amendments,
Article – Criminal Law
Section 4-201(a)
Annotated Code of Maryland
(2002 Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article – Criminal Law
Section 4-201(d)
Annotated Code of Maryland
(2002 Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,
Article – Criminal Procedure
Section 2–208
Annotated Code of Maryland
(2001 Volume and 2006 Supplement)

BY adding to
Article – Criminal Procedure
Section 2–208.3
Annotated Code of Maryland
(2001 Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,
Article – Public Safety
Section 3–101(a) and 3–201(a)
Annotated Code of Maryland
(2003 Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article – Public Safety
Section 3–101(e)(2) and 3–201(e)(2)
Annotated Code of Maryland
(2003 Volume and 2006 Supplement)

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

Article – Criminal Law

4–201.

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

(d) “Law enforcement official” means:

(1) a full-time member of a police force or other unit of the United States, a state, a county, a municipal corporation, or other political subdivision of a state who is responsible for the prevention and detection of crime and the enforcement of the laws of the United States, a state, a county, a municipal corporation, or other political subdivision of a state;

(2) a part-time member of a police force of a county or municipal corporation who is certified by the county or municipal corporation as being trained and qualified in the use of handguns;

(3) a fire investigator of the Prince George's County Fire Department who:

(i) is certified by Prince George's County as being trained and qualified in the use of handguns; and

(ii) has met the minimum qualifications and has satisfactorily completed the training required by the Maryland Police Training Commission;

(4) a Montgomery County fire and explosive investigator as defined in § 2-208.1 of the Criminal Procedure Article; [or]

(5) an Anne Arundel County or City of Annapolis fire and explosive investigator as defined in § 2-208.2 of the Criminal Procedure Article; **OR**

(6) A WORCESTER COUNTY FIRE AND EXPLOSIVE INVESTIGATOR AS DEFINED IN § 2-208.3 OF THE CRIMINAL PROCEDURE ARTICLE.

Article – Criminal Procedure

2-208.

(a) (1) The State Fire Marshal or a full-time investigative and inspection assistant of the Office of the State Fire Marshal may arrest a person without a warrant if the State Fire Marshal or assistant has probable cause to believe:

(i) a felony that is a crime listed in paragraph (2) of this subsection has been committed or attempted; and

(ii) the person to be arrested has committed or attempted to commit the felony whether or not in the presence or within the view of the State Fire Marshal or assistant.

(2) The powers of arrest set forth in paragraph (1) of this subsection apply only to the crimes listed in this paragraph and to attempts, conspiracies, and solicitations to commit these crimes:

(i) murder under § 2-201(4) of the Criminal Law Article;

(ii) setting fire to a dwelling or occupied structure under § 6-102 of the Criminal Law Article;

(iii) setting fire to a structure under § 6-103 of the Criminal Law Article;

(iv) a crime that relates to destructive devices under § 4–503 of the Criminal Law Article; and

(v) making a false statement or rumor as to a destructive device under § 9–504 of the Criminal Law Article.

(b) (1) The State Fire Marshal or a full-time investigative and inspection assistant of the Office of the State Fire Marshal may arrest a person without a warrant if the State Fire Marshal or assistant has probable cause to believe:

(i) the person has committed a crime listed in paragraph (2) of this subsection; and

(ii) unless the person is arrested immediately, the person:

1. may not be apprehended;

2. may cause physical injury or property damage to another; or

3. may tamper with, dispose of, or destroy evidence.

(2) The crimes referred to in paragraph (1) of this subsection are:

(i) a crime that relates to a device that is constructed to represent a destructive device under § 9–505 of the Criminal Law Article;

(ii) malicious burning in the first or second degree under § 6–104 or § 6–105 of the Criminal Law Article;

(iii) burning the contents of a trash container under § 6–108 of the Criminal Law Article;

(iv) making a false alarm of fire under § 9–604 of the Criminal Law Article;

(v) a crime that relates to burning or attempting to burn property as part of a religious or ethnic crime under § 10–304 or § 10–305 of the Criminal Law Article;

(vi) a crime that relates to interference, obstruction, or false representation of fire and safety personnel under § 6–602 or § 7–402 of the Public Safety Article; and

(vii) threatening arson or attempting, causing, aiding, counseling, or procuring arson in the first or second degree or malicious burning in the first or second degree under Title 6, Subtitle 1 of the Criminal Law Article.

(c) (1) The State Fire Marshal or a full-time investigative and inspection assistant in the Office of the State Fire Marshal may act under the authority granted by § 2-102 of this title to police officers as provided under paragraph (2) of this subsection.

(2) When acting under the authority granted by § 2-102 of this title, the State Fire Marshal or a full-time investigative and inspection assistant in the Office of the State Fire Marshal has the powers of arrest set forth in §§ 2-202, 2-203, and 2-204 of this subtitle.

(d) (1) The State Fire Marshal or a full-time investigative and inspection assistant in the Office of the State Fire Marshal who acts under the authority granted by this section shall notify the following persons of an investigation or enforcement action:

(i) 1. the chief of police, if any, or chief's designee, when in a municipal corporation;

2. the Police Commissioner or Police Commissioner's designee, when in Baltimore City;

3. the chief of police or chief's designee, when in a county with a county police department, except Baltimore City;

4. the sheriff or sheriff's designee, when in a county without a county police department;

5. the Secretary of Natural Resources or Secretary's designee, when on property owned, leased, operated by, or under the control of the Department of Natural Resources; or

6. the respective chief of police or chief's designee, when on property owned, leased, operated by, or under the control of the Maryland Transportation Authority, Maryland Aviation Administration, or Maryland Port Administration; and

(ii) the Department of State Police barrack commander or commander's designee, unless there is an agreement otherwise with the Department of State Police.

(2) When the State Fire Marshal or a full-time investigative and inspection assistant in the Office of the State Fire Marshal participates in a joint investigation with officials from another State, federal, or local law enforcement unit, the State Fire Marshal or a full-time investigative and inspection assistant in the Office of the State Fire Marshal shall give the notice required under paragraph (1) of this subsection reasonably in advance.

(e) A State Fire Marshal or a full-time investigative and inspection assistant in the Office of the State Fire Marshal who acts under the authority granted by this section:

(1) has the same immunities from liability and exemptions as a State Police officer in addition to any other immunities and exemptions to which the State Fire Marshal or full-time investigative and inspection assistant is otherwise entitled; and

(2) remains at all times and for all purposes an employee of the employing unit.

(f) (1) This section does not impair a right of arrest otherwise existing under the Code.

(2) This section does not deprive a person of the right to receive a citation for a traffic violation as provided in the Maryland Vehicle Law or a criminal violation as provided by law or the Maryland Rules.

2-208.3.

(A) IN THIS SECTION, "FIRE AND EXPLOSIVE INVESTIGATOR" MEANS AN INDIVIDUAL WHO:

(1) IS ASSIGNED FULL-TIME TO THE FIRE AND EXPLOSIVE INVESTIGATIONS SECTION OF THE COUNTY FIRE MARSHAL'S OFFICE; AND

(2) (I) HAS THE RANK OF DEPUTY FIRE MARSHAL OR HIGHER;
AND

(II) HAS SUCCESSFULLY COMPLETED A TRAINING PROGRAM FROM A POLICE TRAINING SCHOOL APPROVED BY THE POLICE TRAINING COMMISSION ESTABLISHED UNDER TITLE 3, SUBTITLE 2 OF THE PUBLIC SAFETY ARTICLE.

(B) THIS SECTION APPLIES ONLY TO WORCESTER COUNTY.

(C) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A FIRE AND EXPLOSIVE INVESTIGATOR HAS THE SAME AUTHORITY GRANTED TO THE STATE FIRE MARSHAL OR A FULL-TIME INVESTIGATIVE AND INSPECTION ASSISTANT OF THE OFFICE OF THE STATE FIRE MARSHAL UNDER § 2-208 OF THIS SUBTITLE:

(1) WHILE OPERATING IN WORCESTER COUNTY; AND

(2) WHILE OPERATING OUTSIDE WORCESTER COUNTY WHEN:

(I) THE FIRE AND EXPLOSIVE INVESTIGATOR IS PARTICIPATING IN A JOINT INVESTIGATION WITH OFFICIALS FROM ANOTHER STATE, FEDERAL, OR LOCAL LAW ENFORCEMENT UNIT, AT LEAST ONE OF WHICH HAS LOCAL JURISDICTION;

(II) THE FIRE AND EXPLOSIVE INVESTIGATOR IS RENDERING ASSISTANCE TO ANOTHER LAW ENFORCEMENT OFFICER;

(III) THE FIRE AND EXPLOSIVE INVESTIGATOR IS ACTING AT THE REQUEST OF A LAW ENFORCEMENT OFFICER OR STATE LAW ENFORCEMENT OFFICER; OR

(IV) AN EMERGENCY EXISTS.

(C) THE COUNTY FIRE MARSHAL:

(1) MAY LIMIT THE AUTHORITY OF A FIRE AND EXPLOSIVE INVESTIGATOR UNDER THIS SECTION; AND

(2) SHALL EXPRESS THE LIMITATION IN A WRITTEN POLICY.

Article – Public Safety

3-101.

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

(e) (2) “Law enforcement officer” does not include:

(i) an individual who serves at the pleasure of the Police Commissioner of Baltimore City;

(ii) an individual who serves at the pleasure of the appointing authority of a charter county;

(iii) the police chief of a municipal corporation;

(iv) an officer who is in probationary status on initial entry into the law enforcement agency except if an allegation of brutality in the execution of the officer's duties is made;

(v) a Montgomery County fire and explosive investigator as defined in § 2-208.1 of the Criminal Procedure Article; [or]

(vi) an Anne Arundel County or City of Annapolis fire and explosive investigator as defined in § 2-208.2 of the Criminal Procedure Article; **OR**

(VII) A WORCESTER COUNTY FIRE AND EXPLOSIVE INVESTIGATOR AS DEFINED IN § 2-208.3 OF THE CRIMINAL PROCEDURE ARTICLE.

3-201.

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

(e) (2) "Police officer" includes:

(i) a member of the Field Enforcement Bureau of the Comptroller's Office;

(ii) the State Fire Marshal or a deputy State fire marshal;

(iii) an investigator of the Internal Investigative Unit of the Department;

(iv) a Montgomery County fire and explosive investigator as defined in § 2-208.1 of the Criminal Procedure Article; [and]

(v) an Anne Arundel County or City of Annapolis fire and explosive investigator as defined in § 2-208.2 of the Criminal Procedure Article; **AND**

(VI) A WORCESTER COUNTY FIRE AND EXPLOSIVE INVESTIGATOR AS DEFINED IN § 2-208.3 OF THE CRIMINAL PROCEDURE ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Police Training Commission shall certify as a police officer each Worcester County fire and explosive investigator who meets the requirements of § 2-208.3 of the Criminal Procedure Article, as enacted by Section 1 of this Act, on October 1, 2007.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 868 - *Carroll County - Bingo and Gaming Events - Qualified Organizations*.

This bill repeals a requirement in Carroll County that restricts the conduct of bingo or gaming events in the county to qualified organizations that are located in the county.

House Bill 1278, 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 868.

Sincerely,

Martin O'Malley
Governor

Senate Bill 868

AN ACT concerning

Carroll County – Bingo and Gaming Events – Qualified Organizations

FOR the purpose of repealing a certain requirement in Carroll County that restricts the conduct of bingo or gaming events in the county to qualified organizations

that are located in the county; and generally relating to bingo and gaming events in Carroll County.

BY repealing and reenacting, without amendments,
Article – Criminal Law
Section 13–901(a) and (c) and 13–902(a)
Annotated Code of Maryland
(2002 Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article – Criminal Law
Section 13–903(b) and 13–907(b)(2)
Annotated Code of Maryland
(2002 Volume and 2006 Supplement)

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

Article – Criminal Law

13–901.

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

(c) “Gaming event” means a carnival, bazaar, raffle, or other game of entertainment.

13–902.

(a) This subtitle applies only in Carroll County.

13–903.

(b) To conduct bingo or a gaming event an organization [located in the county] must be a bona fide:

- (1) religious organization;
- (2) fraternal organization;
- (3) civic organization;
- (4) war veterans’ organization;
- (5) hospital;

- (6) amateur athletic organization;
- (7) charitable organization; or
- (8) volunteer fire company.

13-907.

(b) (2) A qualified organization [located in the county] may conduct bingo in the county to benefit charity or to further the purpose of the qualified organization.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 876 - *Child Abuse and Neglect - Disclosure of Records to Nonpublic School Principals and Superintendents*.

This bill extends to nonpublic school officials the same rights to receive child abuse and neglect records concerning a school employee who has allegedly abused or neglected a student as are afforded to public school officials. Nonpublic school officials may disclose these records when determining appropriate personnel or administrative actions following a report of suspected abuse or neglect of a student committed by the employee.

House Bill 1332, 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 876.

Sincerely,

Martin O'Malley

Governor

Senate Bill 876

AN ACT concerning

~~**Education – Suspected Child Abuse by Employee or Independent Contractor**~~
~~**– Notice to Nonpublic Schools**~~
Child Abuse and Neglect – Disclosure of Records to Nonpublic School
Principals and Superintendents

FOR the purpose of ~~providing that certain provisions relating to the disclosure of a report or record of suspected child abuse to public schools be made applicable to private schools; designating which individuals in nonpublic schools are to receive certain reports or records~~ authorizing the disclosure of certain reports and records concerning child abuse or neglect to certain nonpublic school officials under certain circumstances; 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 the disclosure of reports or records of suspected child abuse.

BY repealing and reenacting, with amendments,
Article 88A – Department of Human Resources
Section 6(b)(2)(vii)
Annotated Code of Maryland
(2003 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,
Article – Human Services
Section 1–202(a)
Annotated Code of Maryland
(As enacted by Chapter ____ (S.B. 6) of the Acts of the General Assembly of 2007)

BY repealing and reenacting, with amendments,
Article – Human Services
Section 1–202(c)(1)(vii)
Annotated Code of Maryland
(As enacted by Chapter ____ (S.B. 6) of the Acts of the General Assembly of 2007)

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

Article 88A – Department of Human Resources

6.

(b) Except as otherwise provided in Title 5, Subtitles 7 and 12 of the Family Law Article, and § 6A of this subtitle, and this section, all records and reports concerning child abuse or neglect are confidential, and their unauthorized disclosure is a criminal offense subject to the penalty set out in subsection (e) of this section. Reports or records concerning child abuse or neglect:

(2) May be disclosed on request:

(vii) **1.** To the appropriate public school superintendent **OR THE PRINCIPAL OR EQUIVALENT EMPLOYEE OF A NONPUBLIC SCHOOL THAT HOLDS A CERTIFICATE OF APPROVAL FROM THE STATE OR IS REGISTERED WITH THE STATE DEPARTMENT OF EDUCATION** for the purpose of carrying out appropriate personnel or administrative actions following a report of suspected child abuse involving a student committed by:

~~4.~~ **A.** A public school employee in that school system;

~~2.~~ **B.** **AN EMPLOYEE OF THAT NONPUBLIC SCHOOL;**

[2.] ~~3.~~ **C.** An independent contractor who supervises or works directly with students in that school system **OR THAT NONPUBLIC SCHOOL;** or

[3.] ~~4.~~ **D.** An employee of an independent contractor, including a bus driver or bus assistant, who supervises or works directly with students in that school system **OR THAT NONPUBLIC SCHOOL; AND**

2. IF THE REPORT CONCERNS SUSPECTED CHILD ABUSE INVOLVING A STUDENT COMMITTED BY AN EMPLOYEE, INDEPENDENT CONTRACTOR, OR EMPLOYEE OF AN INDEPENDENT CONTRACTOR DESCRIBED IN ITEM 1 OF THIS ITEM AND EMPLOYED BY A NONPUBLIC SCHOOL UNDER THE JURISDICTION OF THE SUPERINTENDENT OF SCHOOLS FOR THE ARCHDIOCESE OF BALTIMORE, THE ARCHDIOCESE OF WASHINGTON, OR THE CATHOLIC DIOCESE OF WILMINGTON, TO THE APPROPRIATE SUPERINTENDENT OF SCHOOLS;

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

Article – Human Services

1–202.

(a) Except as otherwise provided in Title 5, Subtitles 7 and 12 of the Family Law Article, § 1-203 of this subtitle, and this section, a person may not disclose a report or record concerning child abuse or neglect.

(c) A report or record concerning child abuse or neglect:

(1) may be disclosed on request to:

(vii) **1.** the appropriate public school superintendent **OR THE PRINCIPAL OR EQUIVALENT EMPLOYEE OF A NONPUBLIC SCHOOL THAT HOLDS A CERTIFICATE OF APPROVAL FROM THE STATE OR IS REGISTERED WITH THE STATE DEPARTMENT OF EDUCATION** to carry out appropriate personnel or administrative actions following a report of suspected child abuse involving a student committed by:

~~4.~~ **A.** a public school employee in that school system;

~~2.~~ **B.** **AN EMPLOYEE OF THAT NONPUBLIC SCHOOL;**

~~[2.]~~ ~~3.~~ **C.** an independent contractor who supervises or works directly with students in that school system **OR THAT NONPUBLIC SCHOOL;** or

~~[3.]~~ ~~4.~~ **D.** an employee of an independent contractor, including a bus driver or bus assistant, who supervises or works directly with students in that school system **OR THAT NONPUBLIC SCHOOL; AND**

2. IF THE REPORT CONCERNS SUSPECTED CHILD ABUSE INVOLVING A STUDENT COMMITTED BY AN EMPLOYEE, INDEPENDENT CONTRACTOR, OR EMPLOYEE OF AN INDEPENDENT CONTRACTOR DESCRIBED IN ITEM 1 OF THIS ITEM AND EMPLOYED BY A NONPUBLIC SCHOOL UNDER THE JURISDICTION OF THE SUPERINTENDENT OF SCHOOLS FOR THE ARCHDIOCESE OF BALTIMORE, THE ARCHDIOCESE OF WASHINGTON, OR THE CATHOLIC DIOCESE OF WILMINGTON, TO THE APPROPRIATE SUPERINTENDENT OF SCHOOLS;

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect on the taking effect of Chapter ____ (S.B. 6) of the Acts of the General Assembly of 2007. If Section 2 of this Act takes effect, Section 1 of this Act shall be abrogated and of no further force and effect.

SECTION 4. AND BE IT FURTHER ENACTED, That, subject to the provisions of Section 3 of this Act, this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 889 - *Anne Arundel County - Alcoholic Beverages - Board of License Commissioners - Inspectors*.

This bill increases the annual salaries of the chairman and other members of the Board of License Commissioners of Anne Arundel County to \$18,000 and \$15,000, respectively. The bill also increases the annual salaries and monthly expenses of the part-time chief inspector and part-time inspectors of the Board and increases the annual salary of the attorney for the Board. Finally, the bill authorizes the Board to increase to 19 the number of part-time inspectors and provides that the Act does not apply to the salary or compensation of the incumbent chairman or other members of the Board.

House Bill 1245, 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 889.

Sincerely,

Martin O'Malley
Governor

Senate Bill 889

AN ACT concerning

**Anne Arundel County – Alcoholic Beverages – Board of License
Commissioners – Inspectors**

FOR the purpose of altering the annual salaries of the chairman and other members of the Board of License Commissioners of Anne Arundel County; altering the annual salaries and monthly expenses of the part-time chief inspector and part-time inspectors of the Board; altering the annual salary of the attorney for the Board; authorizing the Board to increase the number of part-time inspectors; providing that this Act does not apply to the salary or compensation

of the incumbent chairman or other members of the Board; and generally relating to the members and employees of the Board of License Commissioners of Anne Arundel County.

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages

Section 15–109(c) and 15–112(c)

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

15–109.

(c) In Anne Arundel County the chairman of the Board of License Commissioners shall receive annually as salary not more than **[\$15,000] \$18,000**; each other member of the Board shall receive annually as salaries not more than **[\$8,500] \$15,000**, plus reimbursement for expenses reasonably incurred by them.

15–112.

(c) (1) This subsection applies only in Anne Arundel County. Except for paragraph (2) of this subsection, it does not apply in the City of Annapolis.

(2) (i) This paragraph applies only in the City of Annapolis.

(ii) The Mayor, Counselor and Aldermen of Annapolis may make and enforce regulations and restrictions, in addition to, or in substitution of, those contained in this article, but not inconsistent therewith, as in their judgment would give the municipality more effective control of each of the places of business.

(3) In addition to the powers given to the Board in subsection (a) of this section, the Board may employ one part–time chief inspector at an annual salary of **[\$8,000] \$10,000**, and **[16] 19** part–time inspectors at an annual salary of **[\$5,000] \$6,000** each. In addition to this salary, each of the inspectors shall receive a monthly expense of **[\$150] \$300** per month, subject to the approval of the State Comptroller.

(4) The **[17] 20** inspectors shall:

(i) Have all the powers of a peace officer or a constable or sheriff of this State;

(ii) Make oath to faithfully perform the duties entrusted to them, as provided in Article I, § 9 of the Constitution of this State; and

(iii) Furnish bond in the penalty of \$2,000 to the Board and the County Council jointly, conditioned “that inspector shall well and faithfully execute the office in all things appertaining thereto”. The cost of the bond shall be paid by the county. The inspectors for Anne Arundel County are known as the “liquor inspectors for Anne Arundel County”.

(5) The Board of License Commissioners:

(i) May employ up to two full-time administrators whose annual salaries shall be fixed by the Board as in a general Anne Arundel County classified salary schedule, within pay grade 16;

(ii) Shall employ 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

(iii) Shall employ an attorney at an annual salary of **[\$8,000]**
\$12,000.

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 chairman and other members of the Board of License Commissioners of Anne Arundel County in office on the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the chairman and other members of the Board of License Commissioners of Anne Arundel County shall take effect at the beginning of the next following term of office.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 890 - *Anne Arundel County - Mental Health Advisory Committee*.

This bill codifies existing practice by allowing the governing body of Anne Arundel County to designate the Anne Arundel County Mental Health Agency, Inc., the county's core service agency, as the Mental Health Advisory Committee for the county.

House Bill 1243, 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 890.

Sincerely,

Martin O'Malley
Governor

Senate Bill 890

AN ACT concerning

Anne Arundel County – Mental Health Advisory Committee

FOR the purpose of authorizing the governing body in Anne Arundel County to designate Anne Arundel County Mental Health Agency, Inc. as the mental health advisory committee for Anne Arundel County; providing for an exception to the membership requirements for a mental health advisory committee in Anne Arundel County; and generally relating to mental health advisory committees.

BY repealing and reenacting, with amendments,
Article – Health – General
Section 10–308 and 10–309(a)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article – Health – General

10–308.

(a) Except as otherwise provided in subsections (c) and (d) of this section, the governing body of each county shall establish a mental health advisory committee.

(b) The purpose of a mental health advisory committee shall be to serve as advocate for a comprehensive mental health system for persons of all ages.

(c) The governing bodies of two or more counties may establish, by agreement, an intercounty mental health advisory committee if:

(1) The population of one of the counties is too small to warrant the establishment of a mental health advisory committee for that county; and

(2) The Director consents.

(d) The governing body of a county may establish a joint mental health and addictions advisory committee.

(e) In Howard County, if a quasi-public authority is established under Subtitle 12 of this title, the governing body may designate the authority as the mental health advisory committee for the county.

(f) In Baltimore City, the governing body may designate Baltimore Mental Health Systems, Inc., the core service agency for Baltimore City under Subtitle 12 of this title, as the mental health advisory committee for Baltimore City.

(G) IN ANNE ARUNDEL COUNTY, THE GOVERNING BODY MAY DESIGNATE ANNE ARUNDEL COUNTY MENTAL HEALTH AGENCY, INC., THE CORE SERVICE AGENCY FOR ANNE ARUNDEL COUNTY UNDER SUBTITLE 12 OF THIS TITLE, AS THE MENTAL HEALTH ADVISORY COMMITTEE FOR ANNE ARUNDEL COUNTY.

10-309.

(a) (1) The mental health advisory committee of each county shall consist of:

(i) As nonvoting ex officio members, the following individuals or their designees:

1. The health officer for the county;
2. A representative of a State inpatient facility that serves that county, appointed as provided in paragraph (2) of this subsection;
3. The county mental health director;

4. The director of the core service agency, if any; and

5. In jurisdictions with designated State inpatient beds located in local general hospitals, a representative from that facility; and

(ii) As voting members, appointed by the governing body of the county and representative of the county's major socio-economic and ethnic groups:

1. At least 5, but not more than 7, representatives selected from among the following groups or agencies:

A. The governing body;

B. The county department of education;

C. The local department of social services;

D. The practicing physicians;

E. Mental health professionals who are not physicians;

F. The clergy;

G. The legal profession;

H. A local law enforcement agency;

I. A local general hospital that contains an inpatient psychiatric unit;

J. The Department of Aging;

K. The Department of Juvenile Services;

L. The local alcohol and drug abuse agency; and

M. A local community rehabilitation or housing program;
and

2. At least 5 individuals selected from among the following groups or organizations and appointed as provided in paragraph (3) of this subsection:

A. At least 2 individuals who are currently receiving or who have in the past received mental health services;

B. Parents or other relatives of adults with mental disorders;

C. Parents or other relatives of children or adolescents with emotional, behavioral, or mental disorders the onset of which occurred during childhood or adolescence;

D. The local mental health association, if any; and

E. A member of the general public.

(2) If more than one State inpatient facility serves a county, a representative from at least 1 of the facilities shall be appointed by the Director.

(3) At least one-half of the voting members shall be appointed from among the individuals listed in paragraph (1)(ii)2A through C of this subsection.

(4) Notwithstanding paragraphs (1) through (3) of this subsection, if the governing body of Baltimore City **OR ANNE ARUNDEL COUNTY** designates [the] A core service agency as the mental health advisory committee, the mental health advisory committee shall consist of the governing body of the core service agency.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 920 - *Individuals with Developmental Disabilities Respite Care - Sunset Extension*.

This bill extends the termination provisions relating to the requirement that State residential centers operated by the Department of Health and Mental Hygiene provide respite care.

House Bill 1359, 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 920.

Sincerely,

Martin O'Malley
Governor

Senate Bill 920

AN ACT concerning

**Individuals with Developmental Disabilities Respite Care – Sunset ~~Repeal~~
Extension**

FOR the purpose of ~~repealing~~ extending the termination provisions relating to the requirement that State residential centers operated by the Department of Health and Mental Hygiene provide respite care; and generally relating to respite care and individuals with developmental disabilities.

BY repealing and reenacting, with amendments,
Chapter 178 of the Acts of the General Assembly of 2004
Section 4

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

Chapter 178 of the Acts of 2004

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2004. ¶ It shall remain effective for a period of ~~3~~ 5 years and, at the end of September 30, ~~2007~~ 2009, 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, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 926 - *Harford County - Gaming - Political Fundraising*.

This bill authorizes a political committee in Harford County to conduct a fundraiser at which prizes of money or merchandise are awarded in specified games of chance and requires that a prize not exceed the amount otherwise allowed for a prize in the county.

House Bill 1391, 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 926.

Sincerely,

Martin O'Malley
Governor

Senate Bill 926

AN ACT concerning

Harford County – Gaming – Political Fundraising

FOR the purpose of authorizing a political committee in Harford County to conduct a fundraiser at which prizes of money or merchandise are awarded in certain games of chance; requiring that a prize not exceed the amount otherwise allowed for a prize in the county; and generally relating to gaming and political fundraising in Harford County.

BY repealing and reenacting, without amendments,
Article – Criminal Law
Section 13–1501(a), (b), (c), (d), and (e) and 13–1502
Annotated Code of Maryland
(2002 Volume and 2006 Supplement)

BY adding to

Article – Criminal Law

Section 13–1508.1

Annotated Code of Maryland

(2002 Volume and 2006 Supplement)

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

Article – Criminal Law

13–1501.

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

(b) “Bingo”:

(1) includes instant bingo; but

(2) does not include members–only instant bingo.

(c) “50/50” means a drawing from a finite number of chances in which the proceeds from the sale of chances are split evenly between the winner and the organization conducting the game.

(d) “Gaming event” means bingo, members–only instant bingo, a raffle, or a paddle wheel.

(e) “Members–only instant bingo” means an instant bingo game that is limited to members and guests of an organization listed in § 13–1503(b) of this subtitle.

13–1502.

(a) This subtitle applies only in Harford County.

(b) This subtitle does not authorize the use of a slot machine or any type of coin machine for gambling purposes.

13–1508.1.

(A) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, A POLITICAL COMMITTEE, AS DEFINED IN § 1–101 OF THE ELECTION LAW ARTICLE, MAY CONDUCT A FUNDRAISER AT WHICH PRIZES OF MONEY OR MERCHANDISE ARE AWARDED IN A GAMING EVENT OR 50/50.

(B) A POLITICAL COMMITTEE MAY AWARD A MONEY OR MERCHANDISE PRIZE UNDER THIS SECTION IF THE PRIZE DOES NOT EXCEED THE AMOUNT OTHERWISE ALLOWED FOR A PRIZE IN THE COUNTY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 936 - *Nonprofit Health Service Plans - Boards of Directors - Term Limits and Compensation*.

This bill makes certain changes to the term limits and compensation of nonprofit health service plan board members. It extends the term limit to a maximum of three full terms (or nine years) and specifies that a Compensation Committee of the board shall develop guidelines for reasonable compensation.

House Bill 487, 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 936.

Sincerely,

Martin O'Malley
Governor

Senate Bill 936

AN ACT concerning

Nonprofit Health Service Plans – Boards of Directors – Term Limits and Compensation

FOR the purpose of altering the number of terms and the total number of years that may be served by a member of the board of directors of a nonprofit health service plan; altering the amount and type of compensation that may be received by a board member; ~~requiring the Maryland Insurance Commissioner to make a certain review in a certain manner about the amount of compensation to be paid to board members; requiring the Commissioner to submit a certain report to certain committees of the General Assembly on or before a certain date each year;~~ altering the requirement that a certain corporation report certain information to the Maryland Insurance Commissioner; requiring a certain compensation committee to develop certain guidelines for certain compensation for board members; requiring the board of a nonprofit health service plan to provide a copy of certain guidelines to each member of the board; requiring the board of a nonprofit health service plan to adhere to certain guidelines in compensating the board members of the nonprofit health service plan; requiring the Commissioner to review certain compensation paid to board members; and generally relating to the boards of directors of nonprofit health service plans.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 14–115(e)(6) and (g) and 14–139(d)

Annotated Code of Maryland

(2006 Replacement Volume and 2006 Supplement)

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

Article – Insurance

14–115.

(e) (6) A member may not serve for more than:

(i) **[two] THREE** full terms; or

(ii) a total of more than **[6] 9** years.

(g) (1) **[Excluding reimbursement for ordinary and necessary expenses, a board member, in any calendar year, may receive compensation not to exceed:**

(i) \$15,000 for the chairman of the board or a board member who is the chairman of a committee; or

(ii) \$12,000 for a board member who is not the chairman of the board or a board committee.]

~~(I)~~ BOARD MEMBERS MAY RECEIVE THE FOLLOWING COMPENSATION:

~~1. (I) REIMBURSEMENT FOR ORDINARY AND NECESSARY EXPENSES; AND~~

~~2. (II) AN AMOUNT OF BASE COMPENSATION AND COMPENSATION FOR ATTENDANCE AT MEETINGS DETERMINED BY THE COMMISSIONER IN ACCORDANCE WITH SUBPARAGRAPH (II) OF THIS PARAGRAPH § 14-139 OF THIS SUBTITLE.~~

~~(II) THE COMMISSIONER AT LEAST ANNUALLY SHALL REVIEW THE AMOUNT OF BASE COMPENSATION AND COMPENSATION FOR ATTENDANCE AT MEETINGS TO BE PAID TO BOARD MEMBERS.~~

~~(III) IN EVALUATING THE FAIRNESS AND REASONABLENESS OF THE PROPOSED COMPENSATION, THE COMMISSIONER SHALL TAKE INTO ACCOUNT THE COMPENSATION PAID TO MEMBERS OF THE BOARDS OF OTHER NONPROFIT HEALTH SERVICE PLANS, INSURERS, AND BLUECROSS BLUESHIELD PLANS OF A SIMILAR SIZE.~~

~~(IV) ON OR BEFORE JANUARY 1 OF EACH YEAR, THE COMMISSIONER SHALL REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE RESULTS OF THE REVIEW UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH TO THE SENATE FINANCE COMMITTEE AND THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE.~~

(2) A board member may not receive more than the amount specified in paragraph (1) of this subsection for serving on more than one board of a corporation subject to this section.

(3) (i) This paragraph applies to a corporation that is:

1. issued a certificate of authority as a nonprofit health service plan; and

2. the sole member of a corporation issued a certificate of authority as a nonprofit health service plan.

(ii) [On or before March 1, 2004, and annually thereafter, a corporation subject to this paragraph shall report to the Commissioner on the amount of the ordinary and necessary expenses paid to each board member in the preceding calendar year.] **ON OR BEFORE JUNE 30 OF EACH CALENDAR YEAR, A**

CORPORATION SUBJECT TO THIS PARAGRAPH SHALL REPORT TO THE COMMISSIONER ON:

1. THE TOTAL AMOUNT OF BASE COMPENSATION, COMPENSATION FOR ATTENDANCE AT MEETINGS, AND REIMBURSEMENT FOR ORDINARY AND NECESSARY EXPENSES PAID TO EACH BOARD MEMBER IN THE PRECEDING CALENDAR YEAR; AND

2. THE PROPOSED ANNUAL COMPENSATION, TOGETHER WITH NECESSARY SUPPORTING DOCUMENTATION, TO BE PAID TO BOARD MEMBERS FOR THE NEXT CALENDAR YEAR.

14-139.

(d) (1) The compensation committee of the board shall:

(i) identify nonprofit health service plans in the United States that are similar in size and scope to the nonprofit health service plan managed by the board; and

(ii) develop proposed guidelines, for approval by the board[.]:

1. for compensation, including salary, bonuses, and perquisites, of all officers and executives that is reasonable in comparison to compensation for officers and executives of similar nonprofit health service plans; AND

2. FOR COMPENSATION FOR BOARD MEMBERS THAT IS REASONABLE IN COMPARISON TO COMPENSATION FOR BOARD MEMBERS OF SIMILAR NONPROFIT HEALTH SERVICE PLANS.

(2) The board shall review the proposed guidelines at least annually.

(3) The board shall:

(i) provide a copy of the approved guidelines:

1. to each officer and executive of the nonprofit health service plan;

2. to each candidate for an officer or executive position with the nonprofit health service plan; [and]

3. TO EACH BOARD MEMBER OF THE NONPROFIT HEALTH SERVICE PLAN; AND

4. on or before September 1, 2004, and annually thereafter, to the Commissioner; and

(ii) adhere to the approved guidelines in compensating the officers, [and] executives, **AND BOARD MEMBERS** of the nonprofit health service plan.

(4) On an annual basis, the Commissioner shall review:

(I) the compensation paid by the nonprofit health service plan to each officer and executive; **AND**

(II) **THE BASE COMPENSATION AND COMPENSATION FOR ATTENDANCE AT MEETINGS PAID BY THE NONPROFIT HEALTH SERVICE PLAN TO BOARD MEMBERS.**

(5) If the Commissioner finds that the compensation exceeds the amount authorized under the approved guidelines, the Commissioner shall issue an order prohibiting payment of the excess amount.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 953 - *Department of Health and Mental Hygiene - Maryland Medical Assistance Program - Information from and Liability of Health Insurance Carriers*.

This bill requires health insurance carriers, health maintenance organizations and certain third parties to provide the Department of Health and Mental Hygiene (DHMH) with information about individuals eligible for or enrolled in Medicaid so DHMH may determine whether an individual, the individual's spouse and/or

dependent are receiving private health care coverage. Carriers must accept Medicaid's right of recovery and the assignment to Medicaid of any right of an individual or other entity to payment from the carrier for an item or service for which payment has been made under Medicaid. As a condition of doing business in the State, a carrier must also comply with certain requirements of federal law regarding third-party liability.

House Bill 1313, 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 953.

Sincerely,

Martin O'Malley
Governor

Senate Bill 953

AN ACT concerning

Department of Health and Mental Hygiene – Maryland Medical Assistance Program – Information from and Liability of Health Insurance Carriers

FOR the purpose of requiring certain health insurance carriers to provide certain information in a certain manner to the Department of Health and Mental Hygiene, at the request of the Department, about individuals who are eligible for benefits under the Maryland Medical Assistance Program or are Program recipients; requiring certain health insurance carriers to accept the Program's right of recovery and the assignment of certain rights under certain circumstances; requiring certain health insurance carriers ~~to respond to certain inquiries by the Department under certain circumstances; prohibiting certain health insurance carriers from denying certain claims under certain circumstances~~ as a condition of doing business in the State, to comply with the requirements set forth in certain provisions of law; prohibiting certain health insurance carriers from denying or otherwise affecting a health insurance policy or contract due to the eligibility of an individual for Program benefits or receipt by an individual of benefits under the Program; defining a certain term; and generally relating to health insurance and the Maryland Medical Assistance Program.

BY adding to

Article – Health – General
Section 15–144 and 19–706(jjj)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article – Health – General

15–144.

(A) IN THIS SECTION, “CARRIER” MEANS:

- (1) A HEALTH INSURER;**
- (2) A NONPROFIT HEALTH SERVICE PLAN;**
- (3) A HEALTH MAINTENANCE ORGANIZATION;**
- (4) A DENTAL PLAN ORGANIZATION; AND**

(5) ANY OTHER PERSON INCLUDED AS A THIRD PARTY IN § 1902(A)(25)(A) OF THE SOCIAL SECURITY ACT, AS AMENDED BY THE FEDERAL DEFICIT REDUCTION ACT OF 2005.

(B) (1) A CARRIER SHALL PROVIDE, AT THE REQUEST OF THE DEPARTMENT, INFORMATION ABOUT INDIVIDUALS WHO ARE ELIGIBLE FOR BENEFITS UNDER THE PROGRAM OR ARE PROGRAM RECIPIENTS SO THAT THE DEPARTMENT MAY DETERMINE WHETHER AN INDIVIDUAL, THE SPOUSE OF AN INDIVIDUAL, OR THE DEPENDENT OF AN INDIVIDUAL IS RECEIVING HEALTH CARE COVERAGE FROM A CARRIER AND THE NATURE OF THAT COVERAGE.

(2) A CARRIER SHALL PROVIDE THE INFORMATION REQUIRED UNDER THIS SUBSECTION IN A MANNER PRESCRIBED BY THE DEPARTMENT.

(C) A CARRIER SHALL ACCEPT THE PROGRAM’S RIGHT OF RECOVERY AND THE ASSIGNMENT TO THE PROGRAM OF ANY RIGHT OF AN INDIVIDUAL OR OTHER ENTITY TO PAYMENT FROM THE CARRIER FOR AN ITEM OR SERVICE FOR WHICH PAYMENT HAS BEEN MADE UNDER THE PROGRAM IF THE CARRIER HAS A LEGAL OBLIGATION TO MAKE PAYMENT FOR THE ITEM OR SERVICE.

~~**(D) A CARRIER SHALL RESPOND TO ANY INQUIRY BY THE DEPARTMENT REGARDING A CLAIM FOR PAYMENT FOR ANY HEALTH CARE ITEM OR SERVICE THAT IS SUBMITTED NOT LATER THAN 3 YEARS AFTER THE DATE OF THE PROVISION OF THE HEALTH CARE ITEM OR SERVICE.**~~

~~(E) A CARRIER MAY NOT DENY A CLAIM SUBMITTED BY THE PROGRAM SOLELY ON THE BASIS OF THE DATE OF SUBMISSION OF THE CLAIM, THE TYPE OR FORMAT OF THE CLAIM FORM, OR FAILURE OF THE PROGRAM TO PRESENT PROPER DOCUMENTATION AT THE POINT OF SALE THAT IS THE BASIS OF THE CLAIM, IF:~~

~~(1) THE CLAIM IS SUBMITTED BY THE PROGRAM WITHIN 3 YEARS AFTER THE ITEM OR SERVICE WAS PROVIDED; AND~~

~~(2) THE PROGRAM COMMENCES AN ACTION TO ENFORCE ITS RIGHTS WITH RESPECT TO THE CLAIM WITHIN 6 YEARS OF SUBMISSION OF THE CLAIM BY THE PROGRAM.~~

(D) AS A CONDITION OF DOING BUSINESS IN THE STATE, A CARRIER SHALL COMPLY WITH THE REQUIREMENTS SET FORTH IN § 42 U.S.C. 1396A(A)(25)(I)(I) THROUGH (IV).

~~(F)~~ (E) A CARRIER SUBJECT TO THIS SECTION MAY NOT REJECT, DENY, LIMIT, CANCEL, REFUSE TO RENEW, INCREASE THE RATES OF, AFFECT THE TERMS OR CONDITIONS OF, OR OTHERWISE AFFECT A HEALTH INSURANCE POLICY OR CONTRACT FOR A REASON BASED WHOLLY OR PARTLY ON:

(1) THE ELIGIBILITY OF THE INDIVIDUAL FOR RECEIVING BENEFITS UNDER THE PROGRAM; OR

(2) THE RECEIPT BY AN INDIVIDUAL OF BENEFITS UNDER THE PROGRAM.

19-706.

(JJJ) THE PROVISIONS OF § 15-144 OF THIS ARTICLE APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.

President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 957 - *Frederick County - Public Facilities Bonds*.

This bill authorizes and empowers the County Commissioners of Frederick County, from time to time, to borrow not more than \$120,000,000 in order to finance the cost of specified public facilities in Frederick County. The bill also authorizes the Commissioners to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds.

House Bill 196, 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 957.

Sincerely,

Martin O'Malley
Governor

Senate Bill 957

AN ACT concerning

Frederick County – Public Facilities Bonds

FOR the purpose of authorizing and empowering the County Commissioners of Frederick County, from time to time, to borrow not more than \$120,000,000 in order to finance the cost of certain public facilities in Frederick County, as herein defined, ~~to finance the payment of any unfunded liability of the County to the State Retirement and Pension System of Maryland,~~ and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds; 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; providing that such borrowing may be undertaken by Frederick County in the form of installment purchase obligations executed and delivered by Frederick County for the purpose of acquiring agricultural land and woodland preservation easements; ~~providing that such borrowing may be undertaken by Frederick County to finance the payment of any unfunded liability of Frederick County to the State Retirement and Pension System of Maryland for certain public purposes;~~ and generally relating to the issuance and sale of the bonds by Frederick County.

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 Frederick County, and the term "public facilities" means the cost of construction and reconstruction of capital projects, including but not limited to landfill projects, public schools, roads, bridges, flood control projects, solid waste facilities, water and leachate treatment facilities, libraries, 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 communication systems, including the development of property, the acquisition and installation of equipment and furnishings, together with 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, ~~to finance the payment of any unfunded liability of the County to the State Retirement and Pension System of Maryland,~~ and to borrow money and incur indebtedness for ~~those purposes~~ *that purpose*, at one time or from time to time, in an amount not exceeding, in the aggregate, \$120,000,000 and to evidence such borrowing by the issuance and sale upon its full faith and credit of general obligation bonds, 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 pursuant to a resolution of the County, which shall describe generally the public facilities, ~~and the unfunded liability of the County to the State Retirement and Pension System of Maryland,~~ 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 Section 30 of Article 31 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 Frederick County; the manner of executing and sealing the bonds, which may be by facsimile; ~~the terms and conditions of a payment by the County of any unfunded liability of the County to the State Retirement and Pension System of Maryland;~~ 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 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 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.

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 Sections 2C, 9, 10, and 11 of Article 31 of the Annotated Code of Maryland.

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 may 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. Upon delivery of any bonds to the purchaser or purchasers, payment therefor shall be made to the Treasurer of Frederick County or such other official of Frederick County as may be designated to receive such payment in a resolution passed by the County Commissioners of Frederick County before delivery. For purposes of issuance and sale, bonds authorized hereunder may be consolidated into a single issue with any other bonds authorized to be issued by the County.

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 public facilities ~~or~~

~~to finance the payment of any unfunded liability of the County to the State Retirement and Pension System of Maryland~~ for which the bonds are sold. If the net proceeds of the sale of any issue of bonds exceeds the amount needed to finance the public facilities described in the resolution ~~or to finance the payment of any unfunded liability of the County to the State Retirement and Pension System of Maryland~~, 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 costs of other public facilities.

~~SECTION 5. AND BE IT FURTHER ENACTED, That the borrowing authorized by this Act to finance the payment of any unfunded liability of the County to the State Retirement and Pension System of Maryland may be issued for the public purposes of (i) realizing savings with respect to the aggregate cost of the County payment liability being funded, on either a direct comparison or present value basis; or (ii) structuring or restructuring payment liability costs in a manner that (a) in the aggregate effects a reduction in the total cost of the County payment liability as described, or (b) is determined by the County to be in the best interests of the County, to be consistent with the County's long term financial plan, and to realize a financial objective of the County, including improving the relationship of liability payment costs to a source of payments such as taxes, assessments or other charges. Any findings made by the County in the resolution regarding the public purposes achieved by the issuance of bonds for such purposes shall be conclusive.~~

SECTION ~~6.~~ 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 Frederick 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 construction, improvement, development, or renovation 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 might otherwise be levied under this Act, may be reduced or need not be levied.

SECTION ~~7~~ 6. AND BE IT FURTHER ENACTED, That the County is hereby 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 ~~8~~ 7. AND BE IT FURTHER ENACTED, That the County may, prior to the preparation of definitive bonds, issue interim certificates or temporary bonds, with or without coupons, 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 ~~9~~ 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 ~~10~~ 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 additional, alternative, and supplemental 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 Frederick 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 ~~11~~ 10. AND BE IT FURTHER ENACTED, That 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 land or woodland. The form of installment purchase obligations, the manner of accomplishing the acquisition of easements, which may be by 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.

~~SECTION 12. AND BE IT FURTHER ENACTED, That the borrowing authorized by this Act to finance the payment of any unfunded liability of the County to the State Retirement and Pension System of Maryland may be issued for the public purposes of (i) realizing savings with respect to the aggregate cost of the County payment liability being funded, on either a direct comparison or present value basis; or (ii) structuring or restructuring payment liability costs in a manner that (a) in the aggregate effects a reduction in the total cost of the County payment liability as described, or (b) is determined by the County to be in the best interests of the County, to be consistent with the County's long-term financial plan, and to realize a financial objective of the County, including improving the relationship of liability payment costs to a source of payments such as taxes, assessments or other charges. Any findings made by the County in the resolution regarding the public purposes achieved by the issuance of bonds for such purposes shall be conclusive.~~

SECTION ~~12~~ 11. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 958 - *Frederick County - Alcoholic Beverages - Tables and Chairs at Wineries*.

This bill allows in Frederick County a holder of a limited winery license to provide tables and chairs on the premises of the licensed facility for the sale, by the glass, of wine and pomace brandy made at the facility to a person who participates in a guided tour of the facility.

House Bill 320, 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 958.

Sincerely,

Martin O'Malley
Governor

Senate Bill 958

AN ACT concerning

Frederick County – Alcoholic Beverages – Tables and Chairs at Wineries

FOR the purpose of allowing in Frederick County a holder of a limited winery license to provide tables and chairs on the premises of the licensed facility for the sale, by the glass, of wine and pomace brandy made at the facility to a person who participates in a guided tour of the facility; and generally relating to alcoholic beverages in Frederick County.

BY repealing and reenacting, without amendments,
Article 2B – Alcoholic Beverages
Section 8–211(a)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 8–211(f)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

8–211.

(a) The provisions of this section apply only in Frederick County.

(f) **(1)** Notwithstanding any other provisions of this [section] **SECTION**, wine may be sold as provided under a winery license, a limited winery license, or a Class A light wine license in any election district.

(2) A HOLDER OF A LIMITED WINERY LICENSE MAY PROVIDE TABLES AND CHAIRS ON THE PREMISES OF THE LICENSED FACILITY FOR THE SALE, BY THE GLASS, OF WINE AND POMACE BRANDY MADE AT THE FACILITY TO A PERSON WHO PARTICIPATES IN A GUIDED TOUR OF THE FACILITY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 960 - *Frederick County - Procurement Contracts - Architectural and Engineering Services*.

This bill authorizes the Board of County Commissioners of Frederick County to award procurement contracts for architectural and engineering services costing more than \$30,000 based on an evaluation of the technical proposals and qualifications of at least two persons. It further requires that the contracts be fair, competitive, and reasonable.

House Bill 905, 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 960.

Sincerely,

Martin O'Malley
Governor

Senate Bill 960

AN ACT concerning

Frederick County – Procurement Contracts – Architectural and Engineering Services

FOR the purpose of authorizing the Board of County Commissioners of Frederick County to award certain procurement contracts for architectural and engineering services based on an evaluation of the technical proposals and qualifications of at least a certain number of persons; requiring that the contracts be fair, competitive, and reasonable; making stylistic changes; and generally relating to contracts for architectural and engineering services awarded by the Board of County Commissioners of Frederick County.

BY repealing and reenacting, without amendments,
Article 25 – County Commissioners
Section 3(l)(1)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article 25 – County Commissioners
Section 3(l)(3)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 25 – County Commissioners

3.

(l) (1) (i) To provide for competitive bidding for any county work and the making and awarding of contracts for the purchase of materials and supplies in excess of \$15,000 and to require bonds in connection with the work or contracts, regardless of the amount, whenever the county commissioners consider it proper to require a bond; and if no bids are submitted in response to any request for bids, to place the order in a manner that the county commissioners consider appropriate.

(ii) In Frederick County, to provide for competitive bidding for any county work and the making and awarding of contracts for the purchase of materials and supplies in excess of \$30,000 and to require bonds in connection with the work or contracts, regardless of the amount, whenever the County Commissioners consider it proper to require a bond; and if no bids are submitted in response to any request for bids, to place the order in a manner that the County Commissioners consider appropriate.

(3) (i) The provisions of paragraph (1)(ii) of this subsection are not applicable in Frederick County with regard solely to contracting for the services of an architectural, engineering, or consultant firm for design or consultation purposes.

(ii) In Frederick County, contracts for architectural and engineering services costing more than \$30,000, [shall] **MAY** be awarded on:

1. [a] **A** competitive basis which shall consist of either sealed competitive bids or competitive negotiation[. “Competitive negotiation” means a process] that includes the submission of written technical and price proposals from two or more sources and a written evaluation of those proposals in accordance with evaluation criteria; **OR**

2. **AN EVALUATION OF THE TECHNICAL PROPOSALS AND QUALIFICATIONS OF AT LEAST TWO PERSONS, WITH THE CONTRACT SET AT A RATE OF COMPENSATION THAT IS FAIR, COMPETITIVE, AND REASONABLE.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 979 - *Frederick County Commissioners - Zoning and Planning - Public Ethics*.

This bill establishes ethics requirements for planning and zoning proceedings in Frederick County.

House Bill 1344, 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 979.

Sincerely,

Martin O'Malley
Governor

Senate Bill 979

AN ACT concerning

Frederick County Commissioners – Zoning and Planning – Public Ethics

FOR the purpose of establishing certain ethics requirements that relate to planning and zoning proceedings and apply to members of the Frederick County Board of County Commissioners and certain other persons; prohibiting certain campaign contributions by certain persons under certain circumstances; prohibiting a Board member from participating in certain planning and zoning proceedings; requiring a Board member who communicates ex parte with an individual concerning a certain application to file a disclosure within a certain time; allowing a party of record in certain planning and zoning proceedings to submit certain affidavits; requiring the Frederick County Ethics Commission to direct and control the enforcement of this Act; requiring the County Manager to perform certain administrative functions and prepare certain reports; establishing certain requirements and procedures for judicial review of certain planning and zoning proceedings; establishing certain penalties for a violation

of this Act; requiring certain persons to retain and make available certain documents for inspection; defining certain terms; and generally relating to public ethics requirements in planning and zoning proceedings in Frederick County.

BY adding to

Article – Election Law
Section 13–504
Annotated Code of Maryland
(2003 Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,

Article – State Government
Section 1–101(a) and (d)
Annotated Code of Maryland
(2004 Replacement Volume and 2006 Supplement)

BY adding to

Article – State Government
Section 15–853 through 15–858 to be under the new part “Part VIII. Frederick County – Special Provisions”
Annotated Code of Maryland
(2004 Replacement Volume and 2006 Supplement)

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

Article – Election Law

13–504.

AS TO CONTRIBUTIONS TO THE FREDERICK COUNTY BOARD OF COUNTY COMMISSIONERS OR A CANDIDATE FOR THAT OFFICE, TITLE 15, SUBTITLE 8, PART VIII OF THE STATE GOVERNMENT ARTICLE MAY APPLY.

Article – State Government

1–101.

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

(d) “Person” means an individual, receiver, trustee, guardian, personal representative, fiduciary, or representative of any kind and any partnership, firm, association, corporation, or other entity.

15-851. RESERVED.

15-852. RESERVED.

PART VIII. FREDERICK COUNTY – SPECIAL PROVISIONS.

15-853.

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

(B) “AGGRIEVED PARTY” MEANS:

(1) A PROPERTY OWNER WHOSE PROPERTY:

(I) ADJOINS, FRONTS, OR IS LOCATED NEAR THE SUBJECT PROPERTY; OR

(II) IS LOCATED WITHIN SIGHT OR SOUND OF THE SUBJECT PROPERTY; OR

(2) AN INDIVIDUAL LOCATED WITHIN THE SAME SUBDIVISION AS THE SUBJECT PROPERTY OR WHO LIVES UP TO THREE-QUARTERS OF A MILE BY ROAD OR OTHERWISE ONE-HALF MILE AWAY FROM THE SUBJECT PROPERTY.

(C) (1) “APPLICANT” MEANS A PERSON THAT IS:

(I) A TITLE OWNER OR CONTRACT PURCHASER OF LAND THAT IS THE SUBJECT OF AN APPLICATION;

(II) A TRUSTEE WHO HAS AN INTEREST IN LAND THAT IS THE SUBJECT OF AN APPLICATION, EXCLUDING TRUSTEES DESCRIBED IN A MORTGAGE OR DEED OF TRUST; OR

(III) A HOLDER OF AT LEAST A 10% INTEREST IN LAND THAT IS THE SUBJECT OF AN APPLICATION.

(2) “APPLICANT” INCLUDES A PERSON THAT IS AN OFFICER OR DIRECTOR OF A CORPORATION THAT ACTUALLY HOLDS TITLE TO THE LAND OR IS A CONTRACT PURCHASER OF THE LAND THAT IS THE SUBJECT OF AN APPLICATION.

(3) "APPLICANT" DOES NOT INCLUDE:

(I) A FINANCIAL INSTITUTION THAT HAS LOANED MONEY OR EXTENDED FINANCING FOR THE ACQUISITION, DEVELOPMENT, OR CONSTRUCTION OF OR IMPROVEMENTS ON THE LAND THAT IS THE SUBJECT OF AN APPLICATION;

(II) A MUNICIPAL OR PUBLIC CORPORATION;

(III) A PUBLIC AUTHORITY;

(IV) AN ELECTRIC COMPANY OR ELECTRIC SUPPLIER APPLYING FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY UNDER § 7-207 OR § 7-208 OF THE PUBLIC UTILITY COMPANIES ARTICLE; OR

(V) A PERSON THAT IS HIRED OR RETAINED AS AN ACCOUNTANT, ATTORNEY, ARCHITECT, ENGINEER, LAND USE CONSULTANT, ECONOMIC CONSULTANT, REAL ESTATE AGENT, REAL ESTATE BROKER, TRAFFIC CONSULTANT, OR TRAFFIC ENGINEER.

(D) "APPLICATION" MEANS:

(1) AN APPLICATION FOR A ZONING MAP AMENDMENT AS PART OF A PIECEMEAL OR FLOATING ZONE REZONING PROCEEDING;

(2) A FORMAL APPLICATION FOR A COMPREHENSIVE MAP PLANNING CHANGE OR ZONING CHANGE DURING THE COUNTY COMPREHENSIVE LAND USE PLAN UPDATE;

(3) AN APPLICATION FOR A MAP AMENDMENT TO THE COUNTY WATER AND SEWERAGE PLAN;

(4) A REQUEST MADE UNDER ARTICLE 23A, § 9(C) OF THE CODE FOR THE BOARD TO APPROVE THE PLACEMENT OF ANNEXED LAND IN A ZONING CLASSIFICATION THAT ALLOWS A LAND USE THAT IS SUBSTANTIALLY DIFFERENT FROM THE USE FOR THE LAND AUTHORIZED IN THE ZONING CLASSIFICATION OF THE COUNTY APPLICABLE AT THE TIME OF ANNEXATION; OR

(5) AN APPLICATION TO CREATE A DISTRICT OR EASEMENT OR OTHER INTEREST IN REAL PROPERTY AS PART OF AN AGRICULTURAL LAND PRESERVATION PROGRAM.

(E) **“BOARD” MEANS THE BOARD OF COUNTY COMMISSIONERS FOR FREDERICK COUNTY.**

(F) **“BOARD MEMBER” INCLUDES AN INDIVIDUAL ELECTED OR APPOINTED TO THE BOARD OR A CANDIDATE WHO TAKES THE OATH OF OFFICE FOR THE BOARD.**

(G) **“BUSINESS ENTITY” MEANS:**

- (1) **A SOLE PROPRIETORSHIP;**
- (2) **A CORPORATION;**
- (3) **A PARTNERSHIP; OR**
- (4) **A LIMITED LIABILITY COMPANY.**

(H) **“CANDIDATE” MEANS A CANDIDATE FOR THE BOARD WHO BECOMES A MEMBER OF THE BOARD.**

(I) **“CONTRIBUTION” MEANS A PAYMENT OR TRANSFER OF MONEY OR PROPERTY WORTH AT LEAST \$100, CALCULATED CUMULATIVELY DURING THE PENDENCY OF THE APPLICATION, TO A CANDIDATE OR A TREASURER OR POLITICAL COMMITTEE OF A CANDIDATE.**

(J) **“PARTNERSHIP” INCLUDES A GENERAL PARTNERSHIP, A LIMITED LIABILITY PARTNERSHIP, A LIMITED PARTNERSHIP, A LIMITED LIABILITY LIMITED PARTNERSHIP, OR A JOINT VENTURE.**

(K) **“PARTY OF RECORD” MEANS A PERSON THAT PARTICIPATED IN A PROCEEDING ON AN APPLICATION BEFORE THE BOARD BY APPEARING AT A PUBLIC HEARING OR FILING A STATEMENT IN AN OFFICIAL RECORD.**

(L) **“PENDENCY OF THE APPLICATION” MEANS ANY TIME BETWEEN THE ACCEPTANCE BY THE COUNTY DEPARTMENT OF PLANNING AND ZONING OF A FILING OF AN APPLICATION AND THE EARLIER OF:**

- (1) **2 YEARS; OR**
- (2) **THE EXPIRATION OF 30 DAYS AFTER:**

(I) THE BOARD HAS TAKEN FINAL ACTION ON THE APPLICATION; OR

(II) THE APPLICATION IS WITHDRAWN.

(M) "POLITICAL COMMITTEE" MEANS A COMMITTEE SPECIFICALLY CREATED TO PROMOTE THE CANDIDACY OF A BOARD MEMBER WHO IS RUNNING FOR AN ELECTIVE OFFICE.

(N) "TREASURER" HAS THE MEANING STATED IN § 1-101 OF THE ELECTION LAW ARTICLE.

15-854.

(A) AN APPLICANT MAY NOT MAKE A CONTRIBUTION TO A BOARD MEMBER DURING THE PENDENCY OF THE APPLICATION.

(B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, AFTER AN APPLICATION HAS BEEN FILED, A BOARD MEMBER MAY NOT VOTE OR PARTICIPATE IN ANY WAY IN THE PROCEEDINGS ON THE APPLICATION IF THE BOARD MEMBER OR THE TREASURER OR POLITICAL COMMITTEE OF THE BOARD MEMBER RECEIVED A CONTRIBUTION FROM THE APPLICANT DURING THE PENDENCY OF THE APPLICATION.

(C) NOTWITHSTANDING SUBSECTION (B) OF THIS SECTION, A BOARD MEMBER MAY PARTICIPATE IN A COMPREHENSIVE ZONING OR REZONING PROCEEDING.

15-855.

(A) THIS SECTION DOES NOT APPLY TO A COMMUNICATION BETWEEN A BOARD MEMBER AND AN EMPLOYEE OF THE FREDERICK COUNTY GOVERNMENT WHOSE DUTIES INVOLVE GIVING AID OR ADVICE TO A BOARD MEMBER CONCERNING A PENDING APPLICATION.

(B) A BOARD MEMBER WHO COMMUNICATES EX PARTE WITH AN INDIVIDUAL CONCERNING A PENDING APPLICATION DURING THE PENDENCY OF THE APPLICATION SHALL FILE WITH THE COUNTY MANAGER A SEPARATE DISCLOSURE FOR EACH COMMUNICATION WITHIN THE LATER OF 7 DAYS AFTER THE COMMUNICATION WAS MADE OR RECEIVED.

15-856.

AT ANY TIME BEFORE FINAL ACTION ON AN APPLICATION, A PARTY OF RECORD MAY FILE WITH THE COUNTY MANAGER AN AFFIDAVIT INCLUDING COMPETENT EVIDENCE OF:

(1) A CONTRIBUTION BY AN APPLICANT COVERED UNDER § 15-854 OF THIS PART; OR

(2) AN EX PARTE COMMUNICATION COVERED UNDER § 15-855 OF THIS PART.

15-857.

(A) IN THE ENFORCEMENT OF THIS PART, THE COUNTY MANAGER SHALL BE SUBJECT TO THE DIRECTION AND CONTROL OF THE FREDERICK COUNTY ETHICS COMMISSION AND, UNLESS OTHERWISE SPECIFICALLY DIRECTED BY THE ETHICS COMMISSION, MAY ONLY:

(1) RECEIVE FILINGS;

(2) MAINTAIN RECORDS;

(3) REPORT VIOLATIONS; AND

(4) PERFORM OTHER MINISTERIAL DUTIES NECESSARY TO ADMINISTER THIS PART.

(B) (1) THE AFFIDAVITS AND DISCLOSURES REQUIRED UNDER THIS PART SHALL BE FILED IN THE APPROPRIATE CASE FILE OF AN APPLICATION.

(2) THE COUNTY MANAGER, AT LEAST TWICE ANNUALLY, SHALL PREPARE A SUMMARY REPORT COMPILING ALL AFFIDAVITS AND DISCLOSURES THAT HAVE BEEN FILED IN THE APPLICATION CASE FILES.

(3) ALL SUMMARY REPORTS COMPILED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL BE AVAILABLE TO MEMBERS OF THE PUBLIC ON WRITTEN REQUEST.

(4) ALL AFFIDAVITS, DISCLOSURES, AND ACCOMPANYING DOCUMENTATION REQUIRED UNDER THIS PART SHALL BE IN THE FORM REQUIRED BY THE FREDERICK COUNTY ETHICS COMMISSION.

15-858.

(A) (1) THE FREDERICK COUNTY ETHICS COMMISSION OR ANOTHER AGGRIEVED PARTY OF RECORD MAY ASSERT AS PROCEDURAL ERROR A VIOLATION OF THIS PART IN AN ACTION FOR JUDICIAL REVIEW OF THE APPLICATION.

(2) IF THE COURT FINDS THAT A VIOLATION OF THIS PART OCCURRED, THE COURT SHALL REMAND THE CASE TO THE BOARD FOR RECONSIDERATION.

(B) (1) A PERSON THAT KNOWINGLY AND WILLFULLY VIOLATES THIS PART IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 6 MONTHS OR A FINE NOT EXCEEDING \$1,000 OR BOTH.

(2) IF A PERSON SUBJECT TO A PENALTY UNDER PARAGRAPH (1) OF THIS SUBSECTION IS A BUSINESS ENTITY AND NOT AN INDIVIDUAL, EACH MEMBER, OFFICER, OR PARTNER OF THE BUSINESS ENTITY WHO KNOWINGLY AUTHORIZED OR PARTICIPATED IN THE VIOLATION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 6 MONTHS OR A FINE NOT EXCEEDING \$1,000 OR BOTH.

(3) AN ACTION TAKEN IN RELIANCE ON AN OPINION OF THE STATE ETHICS COMMISSION OR THE FREDERICK COUNTY ETHICS COMMISSION MAY NOT BE CONSIDERED A KNOWING AND WILLFUL VIOLATION.

(C) (1) A PERSON THAT IS SUBJECT TO THIS PART SHALL PRESERVE ALL BOOKS, PAPERS, AND DOCUMENTS NECESSARY TO COMPLETE AND SUBSTANTIATE ANY REPORTS, STATEMENTS, OR RECORDS REQUIRED TO BE MADE UNDER THIS PART FOR 3 YEARS FROM THE DATE OF FILING THE APPLICATION.

(2) THESE PAPERS AND DOCUMENTS SHALL BE AVAILABLE FOR INSPECTION ON REQUEST.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 1001 - *Baltimore City - West Arlington Planetarium and Multipurpose Center Loan of 1999*.

This bill provides that the proceeds of the Baltimore City - West Arlington Planetarium and Multipurpose Center Loan of 1999 must be encumbered by the Board of Public Works or expended for the purposes provided in the Act by June 1, 2009.

House Bill 1401, 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 1001.

Sincerely,

Martin O'Malley
Governor

Senate Bill 1001

AN ACT concerning

**Baltimore City – West Arlington Planetarium and Multipurpose Center Loan
of 1999**

FOR the purpose of amending the Baltimore City – West Arlington Planetarium and Multipurpose Center Loan of 1999 to require that the loan proceeds be encumbered by the Board of Public Works or expended for certain purposes by a certain date; and generally relating to the Baltimore City – West Arlington Planetarium and Multipurpose Center Loan of 1999.

BY repealing and reenacting, with amendments,
Chapter 292 of the Acts of the General Assembly of 1999, as amended by
Chapter 333 of the Acts of the General Assembly of 2001
Section 1

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

Chapter 292 of the Acts of 1999, as amended by Chapter 333 of the Acts of 2001

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

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Baltimore City – West Arlington Planetarium and Multipurpose Center Loan of 1999 in a total principal amount equal to the lesser of (i) \$100,000 or (ii) the amount of the matching fund provided in accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State general obligation bonds authorized by a resolution of the Board of Public Works and issued, sold, and delivered in accordance with §§ 8–117 through 8–124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

(2) The bonds to evidence this loan or installments of this loan may be sold as a single issue or may be consolidated and sold as part of a single issue of bonds under § 8–122 of the State Finance and Procurement Article.

(3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and first shall be applied to the payment of the expenses of issuing, selling, and delivering the bonds, unless funds for this purpose are otherwise provided, and then shall be credited on the books of the Comptroller and expended, on approval by the Board of Public Works, for the following public purposes, including any applicable architects' and engineers' fees: as a grant to the Board of Directors of the West Arlington Improvement Association of Baltimore City, Inc. (referred to hereafter in this Act as "the grantee") for the planning, design, repair, renovation, rehabilitation and capital equipping of the historic water tower in the West Arlington neighborhood of Baltimore City, the facility to be used as a planetarium and sky theater, and for the planning, design, construction, and capital equipping of a multipurpose center at the same site, the center to contain a swimming pool, community room, arts and crafts room, offices, and other appropriate facilities.

(4) An annual State tax is imposed on all assessable property in the State in rate and amount sufficient to pay the principal of and interest on the bonds, as and when due and until paid in full. The principal shall be discharged within 15 years after the date of issuance of the bonds.

(5) Prior to the payment of any funds under the provisions of this Act for the purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching fund. No part of the grantee's matching fund may be provided, either directly or indirectly, from funds of the State, whether appropriated or

unappropriated. No part of the fund may consist of real property, in kind contributions, or funds expended prior to the effective date of this Act. In case of any dispute as to the amount of the matching fund or what money or assets may qualify as matching funds, the Board of Public Works shall determine the matter and the Board's decision is final. The grantee has until June 1, 2003, to present evidence satisfactory to the Board of Public Works that a matching fund will be provided. If satisfactory evidence is presented, the Board shall certify this fact and the amount of the matching fund to the State Treasurer, and the proceeds of the loan equal to the amount of the matching fund shall be expended for the purposes provided in this Act. Any amount of the loan in excess of the amount of the matching fund certified by the Board of Public Works shall be canceled and be of no further effect.

(6) (a) Prior to the issuance of the bonds, the grantee shall grant and convey to the Maryland Historical Trust a perpetual preservation easement to the extent of its interest:

(i) On the land or such portion of the land acceptable to the Trust; and

(ii) On the exterior and interior, where appropriate, of the historic structures.

(b) The easement must be in form and substance acceptable to the Trust and the extent of the interest to be encumbered must be acceptable to the Trust.

(7) THE PROCEEDS OF THE LOAN MUST BE ENCUMBERED BY THE BOARD OF PUBLIC WORKS OR EXPENDED FOR THE PURPOSES PROVIDED IN THIS ACT NO LATER THAN JUNE 1, 2009.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 1006 - *Redhouse Run Stormwater Systems Loan of 1984*.

This bill amends the Redhouse Run Stormwater Systems Loan of 1984 to extend the date by which the loan proceeds must be encumbered by the Board of Public Works or expended.

House Bill 1396, 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 1006.

Sincerely,

Martin O'Malley
Governor

Senate Bill 1006

AN ACT concerning

Redhouse Run Stormwater Systems Loan of 1984

FOR the purpose of amending the Redhouse Run Stormwater Systems Loan of 1984 to extend the date by which the loan proceeds must be encumbered by the Board of Public Works or expended.

BY repealing and reenacting, with amendments,

Chapter 389 of the Acts of the General Assembly of 1984, as amended by Chapter 138 of the Acts of the General Assembly of 1985, Chapter 28 of the Acts of the General Assembly of 2004, and Chapter 533 of the Acts of the General Assembly of 2006

Section 1

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

Chapter 389 of the Acts of 1984, as amended by Chapter 138 of the Acts of 1985, Chapter 28 of the Acts of 2004, and Chapter 533 of the Acts of 2006

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

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Redhouse Run Stormwater Systems Loan of 1984 in the aggregate principal amount of \$3,000,000.

This loan shall be evidenced by the issuance and sale of State general obligation bonds authorized by a resolution of the Board of Public Works and issued, sold and delivered in accordance with the provisions of §§ 19 to 23 of Article 31 of the Annotated Code of Maryland (1983 Replacement Volume, as amended from time to time).

(2) The bonds issued to evidence this loan or installments thereof may be sold as a single issue, or may be consolidated and sold as part of a single issue of bonds under § 2B of Article 31 of the Code.

(3) The actual cash proceeds of the sale of the bonds shall be paid to the Treasurer and shall be first applied to the payment of the expenses of issuing and delivering the bonds unless funds for this purpose are otherwise provided and thereafter shall be credited on the books of the State Comptroller and expended, upon approval by the Board of Public Works, for the following public purposes, including any applicable architects' and engineers' fees: as a grant to the County Executive and County Council of Baltimore County for the purpose of the reconstruction, rehabilitation, renovation, reequipping, restoration, and improvement of the stormwater systems along Redhouse Run in Baltimore County.

(4) There is hereby levied and imposed an annual State tax on all assessable property in the State in rate and amount sufficient to pay the principal of and interest on the bonds as and when due and until paid in full, such principal to be discharged within fifteen years of the date of issue of the bonds.

(5) Prior to the payment of any funds under the provisions of this Act for the purposes set forth in Section 1(3) above, the County Executive and County Council of Baltimore County shall provide at least an equal and matching fund of \$3,000,000. No part of an applicant's matching fund may be provided, either directly or indirectly, from funds of the State, whether appropriated or unappropriated. No part of the fund may consist of real property, in kind contributions, or funds expended prior to the effective date of this Act. In case of any dispute as to what money or assets may qualify as matching funds, the Board of Public Works shall determine the matter and the Board's decision is final. The County Executive and County Council of Baltimore County have until June 1, 1987, to present evidence satisfactory to the Board of Public Works that the matching fund will be provided. If satisfactory evidence is presented, the Board shall certify this fact to the State Treasurer and the proceeds of the loan shall be expended for the purposes provided in this Act. If this evidence is not presented by June 1, 1987, the proceeds of the loan shall be applied to the purposes authorized in Article 78A, § 3 of the Code.

(6) The proceeds of the loan must be encumbered by the Board of Public Works or expended for the purposes provided in this Act no later than June 1, [2007] **2009.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 1009 - *Town of Eldorado (Dorchester County) - Urban Renewal Authority for Slum Clearance*.

This bill authorizes the Town of Eldorado, Dorchester County, to undertake and carry out specified urban renewal projects for slum clearance and redevelopment. The bill also prohibits specified land or property from being taken for specified purposes without just compensation first being paid to the party entitled to the compensation.

House Bill 1362, 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 1009.

Sincerely,

Martin O'Malley
Governor

Senate Bill 1009

AN ACT concerning

Town of Eldorado (Dorchester County) – Urban Renewal Authority for Slum Clearance

FOR the purpose of authorizing the Town of Eldorado, Dorchester County, to undertake and carry out certain urban renewal projects for slum clearance and redevelopment; prohibiting certain land or property from being taken for certain purposes without just compensation first being paid to the party entitled to the

compensation; declaring that certain land or property taken in connection with certain urban renewal powers is needed for public uses or purposes; authorizing the legislative body of the Town of Eldorado by ordinance to elect to have certain urban renewal powers exercised by a certain public body; imposing certain requirements for the initiation and approval of an urban renewal area; providing for the disposal of property in an urban renewal area; authorizing the municipal corporation to issue certain bonds under certain circumstances; clarifying that a certain appendix may be amended or repealed only by the General Assembly of Maryland; defining certain terms; and generally relating to urban renewal authority for slum clearance for the Town of Eldorado in Dorchester County.

BY adding to

Chapter 48 – Charter of the Town of Eldorado

Section A1–101 through A1–114 and the heading “Appendix I – Urban Renewal Authority for Slum Clearance”

Public Local Laws of Maryland – Compilation of Municipal Charters
(1990 Replacement Edition and 2005 Supplement)

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

Chapter 48 – Charter of the Town of Eldorado

APPENDIX I – URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE

A1–101. DEFINITIONS.

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

(B) “BLIGHTED AREA” MEANS AN AREA OR SINGLE PROPERTY IN WHICH THE BUILDING OR BUILDINGS HAVE DECLINED IN PRODUCTIVITY BY REASON OF OBSOLESCENCE, DEPRECIATION, OR OTHER CAUSES TO AN EXTENT THEY NO LONGER JUSTIFY FUNDAMENTAL REPAIRS AND ADEQUATE MAINTENANCE.

(C) “BONDS” MEANS ANY BONDS (INCLUDING REFUNDING BONDS), NOTES, INTERIM CERTIFICATES, CERTIFICATES OF INDEBTEDNESS, DEBENTURES, OR OTHER OBLIGATIONS.

(D) “FEDERAL GOVERNMENT” MEANS THE UNITED STATES OF AMERICA OR ANY AGENCY OR INSTRUMENTALITY, CORPORATE OR OTHERWISE, OF THE UNITED STATES OF AMERICA.

(E) "MUNICIPALITY" MEANS THE TOWN OF ELDORADO, MARYLAND.

(F) "PERSON" MEANS ANY INDIVIDUAL, FIRM, PARTNERSHIP, CORPORATION, COMPANY, ASSOCIATION, JOINT STOCK ASSOCIATION, OR BODY POLITIC. IT INCLUDES ANY TRUSTEE, RECEIVER, ASSIGNEE, OR OTHER PERSON ACTING IN SIMILAR REPRESENTATIVE CAPACITY.

(G) "SLUM AREA" MEANS ANY AREA OR SINGLE PROPERTY WHERE DWELLINGS PREDOMINATE WHICH, BY REASON OF DEPRECIATION, OVERCROWDING, FAULTY ARRANGEMENT OR DESIGN, LACK OF VENTILATION, LIGHT, OR SANITARY FACILITIES, OR ANY COMBINATION OF THESE FACTORS, ARE DETRIMENTAL TO THE PUBLIC SAFETY, HEALTH, OR MORALS.

(H) "URBAN RENEWAL AREA" MEANS A SLUM AREA OR A BLIGHTED AREA OR A COMBINATION OF THEM WHICH THE MUNICIPALITY DESIGNATES AS APPROPRIATE FOR AN URBAN RENEWAL PROJECT.

(I) "URBAN RENEWAL PLAN" MEANS A PLAN, AS IT EXISTS FROM TIME TO TIME, FOR AN URBAN RENEWAL PROJECT. THE PLAN SHALL BE SUFFICIENTLY COMPLETE TO INDICATE ANY LAND ACQUISITION, DEMOLITION, AND REMOVAL OF STRUCTURES, REDEVELOPMENT, IMPROVEMENTS, AND REHABILITATION AS MAY BE PROPOSED TO BE CARRIED OUT IN THE URBAN RENEWAL AREA, ZONING AND PLANNING CHANGES, IF ANY, LAND USES, MAXIMUM DENSITY, AND BUILDING REQUIREMENTS.

(J) "URBAN RENEWAL PROJECT" MEANS UNDERTAKINGS AND ACTIVITIES OF A MUNICIPALITY IN AN URBAN RENEWAL AREA FOR THE ELIMINATION AND FOR THE PREVENTION OF THE DEVELOPMENT OR SPREAD OF SLUMS AND BLIGHT, AND MAY INVOLVE SLUM CLEARANCE AND REDEVELOPMENT IN AN URBAN RENEWAL AREA, OR REHABILITATION OR CONSERVATION IN AN URBAN RENEWAL AREA, OR ANY COMBINATION OR PART OF THEM IN ACCORDANCE WITH AN URBAN RENEWAL PLAN. THESE UNDERTAKINGS AND ACTIVITIES MAY INCLUDE:

(1) ACQUISITION OF A SLUM AREA OR A BLIGHTED AREA OR PORTION OF THEM;

(2) DEMOLITION AND REMOVAL OF BUILDINGS AND IMPROVEMENTS;

(3) INSTALLATION, CONSTRUCTION OR RECONSTRUCTION OF STREETS, UTILITIES, PARKS, PLAYGROUNDS, AND OTHER IMPROVEMENTS

NECESSARY FOR CARRYING OUT THE URBAN RENEWAL OBJECTIVES OF THIS APPENDIX IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(4) DISPOSITION OF ANY PROPERTY ACQUIRED IN THE URBAN RENEWAL AREA, INCLUDING SALE, INITIAL LEASING, OR RETENTION BY THE MUNICIPALITY ITSELF, AT ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(5) CARRYING OUT PLANS FOR A PROGRAM OF VOLUNTARY OR COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS OR OTHER IMPROVEMENTS IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(6) ACQUISITION OF ANY OTHER REAL PROPERTY IN THE URBAN RENEWAL AREA WHERE NECESSARY TO ELIMINATE UNHEALTHFUL, UNSANITARY, OR UNSAFE CONDITIONS, LESSEN DENSITY, ELIMINATE OBSOLETE OR OTHER USES DETRIMENTAL TO THE PUBLIC WELFARE, OR OTHERWISE TO REMOVE OR PREVENT THE SPREAD OF BLIGHT OR DETERIORATION, OR TO PROVIDE LAND FOR NEEDED PUBLIC FACILITIES; AND

(7) THE PRESERVATION, IMPROVEMENT, OR EMBELLISHMENT OF HISTORIC STRUCTURES OR MONUMENTS.

A1-102. POWERS.

(A) THE MUNICIPALITY MAY UNDERTAKE AND CARRY OUT URBAN RENEWAL PROJECTS.

(B) THESE PROJECTS SHALL BE LIMITED:

(1) TO SLUM CLEARANCE IN SLUM OR BLIGHTED AREAS AND REDEVELOPMENT OR THE REHABILITATION OF SLUM OR BLIGHTED AREAS;

(2) TO ACQUIRE IN CONNECTION WITH THOSE PROJECTS, WITHIN THE CORPORATE LIMITS OF THE MUNICIPALITY, LAND AND PROPERTY OF EVERY KIND AND ANY RIGHT, INTEREST, FRANCHISE, EASEMENT, OR PRIVILEGE, INCLUDING LAND OR PROPERTY AND ANY RIGHT OR INTEREST ALREADY DEVOTED TO PUBLIC USE, BY PURCHASE, LEASE, GIFT, CONDEMNATION, OR ANY OTHER LEGAL MEANS; AND

(3) TO SELL, LEASE, CONVEY, TRANSFER, OR OTHERWISE DISPOSE OF ANY OF THE LAND OR PROPERTY, REGARDLESS OF WHETHER OR NOT IT HAS BEEN DEVELOPED, REDEVELOPED, ALTERED, OR IMPROVED AND

IRRESPECTIVE OF THE MANNER OR MEANS IN OR BY WHICH IT MAY HAVE BEEN ACQUIRED, TO ANY PRIVATE, PUBLIC, OR QUASI-PUBLIC CORPORATION, PARTNERSHIP, ASSOCIATION, PERSON, OR OTHER LEGAL ENTITY.

(C) LAND OR PROPERTY TAKEN BY THE MUNICIPALITY FOR ANY OF THESE PURPOSES OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS WHICH ARE GRANTED BY THIS APPENDIX TO THE MUNICIPALITY BY EXERCISING THE POWER OF EMINENT DOMAIN MAY NOT BE TAKEN WITHOUT JUST COMPENSATION, AS AGREED ON BETWEEN THE PARTIES, OR AWARDED BY A JURY, BEING FIRST PAID OR TENDERED TO THE PARTY ENTITLED TO THE COMPENSATION.

(D) ALL LAND OR PROPERTY NEEDED OR TAKEN BY THE EXERCISE OF THE POWER OF EMINENT DOMAIN BY THE MUNICIPALITY FOR ANY OF THESE PURPOSES OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS GRANTED BY THIS APPENDIX IS DECLARED TO BE NEEDED OR TAKEN FOR PUBLIC USES AND PURPOSES.

(E) ANY OR ALL OF THE ACTIVITIES AUTHORIZED PURSUANT TO THIS APPENDIX CONSTITUTE GOVERNMENTAL FUNCTIONS UNDERTAKEN FOR PUBLIC USES AND PURPOSES AND THE POWER OF TAXATION MAY BE EXERCISED, PUBLIC FUNDS EXPENDED, AND PUBLIC CREDIT EXTENDED IN FURTHERANCE OF THEM.

A1-103. ADDITIONAL POWERS.

THE MUNICIPALITY HAS THE FOLLOWING ADDITIONAL POWERS. THESE POWERS ARE DECLARED TO BE NECESSARY AND PROPER TO CARRY INTO FULL FORCE AND EFFECT THE SPECIFIC POWERS GRANTED IN THIS APPENDIX AND TO FULLY ACCOMPLISH THE PURPOSES AND OBJECTS CONTEMPLATED BY THE PROVISIONS OF THIS SECTION:

(1) TO MAKE OR HAVE MADE ALL SURVEYS AND PLANS NECESSARY TO THE CARRYING OUT OF THE PURPOSES OF THIS APPENDIX AND TO ADOPT OR APPROVE, MODIFY, AND AMEND THOSE PLANS. THESE PLANS MAY INCLUDE, BUT ARE NOT LIMITED TO:

(I) PLANS FOR CARRYING OUT A PROGRAM OF VOLUNTARY OR COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS AND IMPROVEMENTS;

(II) PLANS FOR THE ENFORCEMENT OF CODES AND REGULATIONS RELATING TO THE USE OF LAND AND THE USE AND OCCUPANCY OF BUILDINGS AND IMPROVEMENTS AND TO THE COMPULSORY REPAIR, REHABILITATION, DEMOLITION, OR REMOVAL OF BUILDINGS AND IMPROVEMENTS; AND

(III) APPRAISALS, TITLE SEARCHES, SURVEYS, STUDIES, AND OTHER PLANS AND WORK NECESSARY TO PREPARE FOR THE UNDERTAKING OF URBAN RENEWAL PROJECTS AND RELATED ACTIVITIES; AND TO APPLY FOR, ACCEPT, AND UTILIZE GRANTS OF FUNDS FROM THE FEDERAL GOVERNMENT OR OTHER GOVERNMENTAL ENTITY FOR THOSE PURPOSES;

(2) TO PREPARE PLANS FOR THE RELOCATION OF PERSONS (INCLUDING FAMILIES, BUSINESS CONCERNS, AND OTHERS) DISPLACED FROM AN URBAN RENEWAL AREA, AND TO MAKE RELOCATION PAYMENTS TO OR WITH RESPECT TO THOSE PERSONS FOR MOVING EXPENSES AND LOSSES OF PROPERTY FOR WHICH REIMBURSEMENT OR COMPENSATION IS NOT OTHERWISE MADE, INCLUDING THE MAKING OF PAYMENTS FINANCED BY THE FEDERAL GOVERNMENT;

(3) TO APPROPRIATE WHATEVER FUNDS AND MAKE WHATEVER EXPENDITURES AS MAY BE NECESSARY TO CARRY OUT THE PURPOSES OF THIS APPENDIX, INCLUDING, BUT NOT LIMITED:

(I) TO THE PAYMENT OF ANY AND ALL COSTS AND EXPENSES INCURRED IN CONNECTION WITH, OR INCIDENTAL TO, THE ACQUISITION OF LAND OR PROPERTY, AND FOR THE DEMOLITION, REMOVAL, RELOCATION, RENOVATION, OR ALTERATION OF LAND, BUILDINGS, STREETS, HIGHWAYS, ALLEYS, UTILITIES, OR SERVICES, AND OTHER STRUCTURES OR IMPROVEMENTS, AND FOR THE CONSTRUCTION, RECONSTRUCTION, INSTALLATION, RELOCATION, OR REPAIR OF STREETS, HIGHWAYS, ALLEYS, UTILITIES, OR SERVICES, IN CONNECTION WITH URBAN RENEWAL PROJECTS;

(II) TO LEVY TAXES AND ASSESSMENTS FOR THOSE PURPOSES;

(III) TO BORROW MONEY AND TO APPLY FOR AND ACCEPT ADVANCES, LOANS, GRANTS, CONTRIBUTIONS, AND ANY OTHER FORM OF FINANCIAL ASSISTANCE FROM THE FEDERAL GOVERNMENT, THE STATE, COUNTY, OR OTHER PUBLIC BODIES, OR FROM ANY SOURCES, PUBLIC OR PRIVATE, FOR THE PURPOSES OF THIS APPENDIX, AND TO GIVE WHATEVER SECURITY AS MAY BE REQUIRED FOR THIS FINANCIAL ASSISTANCE; AND

(IV) TO INVEST ANY URBAN RENEWAL FUNDS HELD IN RESERVES OR SINKING FUNDS OR ANY OF THESE FUNDS NOT REQUIRED FOR IMMEDIATE DISBURSEMENT IN PROPERTY OR SECURITIES WHICH ARE LEGAL INVESTMENTS FOR OTHER MUNICIPAL FUNDS;

(4) (I) TO HOLD, IMPROVE, CLEAR, OR PREPARE FOR REDEVELOPMENT ANY PROPERTY ACQUIRED IN CONNECTION WITH URBAN RENEWAL PROJECTS;

(II) TO MORTGAGE, PLEDGE, HYPOTHECATE, OR OTHERWISE ENCUMBER THAT PROPERTY; AND

(III) TO INSURE OR PROVIDE FOR THE INSURANCE OF THE PROPERTY OR OPERATIONS OF THE MUNICIPALITY AGAINST ANY RISKS OR HAZARDS, INCLUDING THE POWER TO PAY PREMIUMS ON ANY INSURANCE;

(5) TO MAKE AND EXECUTE ALL CONTRACTS AND OTHER INSTRUMENTS NECESSARY OR CONVENIENT TO THE EXERCISE OF ITS POWERS UNDER THIS APPENDIX, INCLUDING THE POWER TO ENTER INTO AGREEMENTS WITH OTHER PUBLIC BODIES OR AGENCIES (THESE AGREEMENTS MAY EXTEND OVER ANY PERIOD, NOTWITHSTANDING ANY PROVISION OR RULE OF LAW TO THE CONTRARY), AND TO INCLUDE IN ANY CONTRACT FOR FINANCIAL ASSISTANCE WITH THE FEDERAL GOVERNMENT FOR OR WITH RESPECT TO AN URBAN RENEWAL PROJECT AND RELATED ACTIVITIES ANY CONDITIONS IMPOSED PURSUANT TO FEDERAL LAWS AS THE MUNICIPALITY CONSIDERS REASONABLE AND APPROPRIATE;

(6) TO ENTER INTO ANY BUILDING OR PROPERTY IN ANY URBAN RENEWAL AREA IN ORDER TO MAKE INSPECTIONS, SURVEYS, APPRAISALS, SOUNDINGS, OR TEST BORINGS, AND TO OBTAIN AN ORDER FOR THIS PURPOSE FROM THE CIRCUIT COURT FOR THE COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN THE EVENT ENTRY IS DENIED OR RESISTED;

(7) TO PLAN, REPLAN, INSTALL, CONSTRUCT, RECONSTRUCT, REPAIR, CLOSE, OR VACATE STREETS, ROADS, SIDEWALKS, PUBLIC UTILITIES, PARKS, PLAYGROUNDS, AND OTHER PUBLIC IMPROVEMENTS IN CONNECTION WITH AN URBAN RENEWAL PROJECT; AND TO MAKE EXCEPTIONS FROM BUILDING REGULATIONS;

(8) TO GENERALLY ORGANIZE, COORDINATE, AND DIRECT THE ADMINISTRATION OF THE PROVISIONS OF THIS APPENDIX AS THEY APPLY TO

THE MUNICIPALITY IN ORDER THAT THE OBJECTIVE OF REMEDYING SLUM AND BLIGHTED AREAS AND PREVENTING ITS CAUSES WITHIN THE MUNICIPALITY MAY BE PROMOTED AND ACHIEVED MOST EFFECTIVELY; AND

(9) TO EXERCISE ALL OR ANY PART OR COMBINATION OF THE POWERS GRANTED IN THIS APPENDIX.

A1-104. ESTABLISHMENT OF URBAN RENEWAL AGENCY.

(A) A MUNICIPALITY MAY ITSELF EXERCISE ALL THE POWERS GRANTED BY THIS APPENDIX, OR MAY, IF ITS LEGISLATIVE BODY BY ORDINANCE DETERMINES THE ACTION TO BE IN THE PUBLIC INTEREST, ELECT TO HAVE THE POWERS EXERCISED BY A SEPARATE PUBLIC BODY OR AGENCY.

(B) IN THE EVENT THE LEGISLATIVE BODY MAKES THAT DETERMINATION, IT SHALL PROCEED BY ORDINANCE TO ESTABLISH A PUBLIC BODY OR AGENCY TO UNDERTAKE IN THE MUNICIPALITY THE ACTIVITIES AUTHORIZED BY THIS APPENDIX.

(C) THE ORDINANCE SHALL INCLUDE PROVISIONS ESTABLISHING THE NUMBER OF MEMBERS OF THE PUBLIC BODY OR AGENCY, THE MANNER OF THEIR APPOINTMENT AND REMOVAL, AND THE TERMS OF THE MEMBERS AND THEIR COMPENSATION.

(D) THE ORDINANCE MAY INCLUDE WHATEVER ADDITIONAL PROVISIONS RELATING TO THE ORGANIZATION OF THE PUBLIC BODY OR AGENCY AS MAY BE NECESSARY.

(E) IN THE EVENT THE LEGISLATIVE BODY ENACTS THIS ORDINANCE, ALL OF THE POWERS BY THIS APPENDIX GRANTED TO THE MUNICIPALITY, FROM THE EFFECTIVE DATE OF THE ORDINANCE, ARE VESTED IN THE PUBLIC BODY OR AGENCY ESTABLISHED BY THE ORDINANCE.

A1-105. POWERS WITHHELD FROM THE AGENCY.

THE AGENCY MAY NOT:

(1) PASS A RESOLUTION TO INITIATE AN URBAN RENEWAL PROJECT PURSUANT TO SECTIONS A1-102 AND A1-103 OF THIS APPENDIX;

(2) ISSUE GENERAL OBLIGATION BONDS PURSUANT TO SECTION A1-111 OF THIS APPENDIX; OR

(3) APPROPRIATE FUNDS OR LEVY TAXES AND ASSESSMENTS PURSUANT TO SECTION A1-103(3) OF THIS APPENDIX.

A1-106. INITIATION OF PROJECT.

IN ORDER TO INITIATE AN URBAN RENEWAL PROJECT, THE LEGISLATIVE BODY OF THE MUNICIPALITY SHALL ADOPT A RESOLUTION WHICH:

(1) FINDS THAT ONE OR MORE SLUM OR BLIGHTED AREAS EXIST IN THE MUNICIPALITY;

(2) LOCATES AND DEFINES THE SLUM OR BLIGHTED AREA; AND

(3) FINDS THAT THE REHABILITATION, REDEVELOPMENT, OR A COMBINATION OF THEM, OF THE AREA OR AREAS, IS NECESSARY AND IN THE INTEREST OF THE PUBLIC HEALTH, SAFETY, MORALS, OR WELFARE OF THE RESIDENTS OF THE MUNICIPALITY.

A1-107. PREPARATION AND APPROVAL OF PLAN FOR URBAN RENEWAL PROJECT.

(A) IN ORDER TO CARRY OUT THE PURPOSES OF THIS APPENDIX, THE MUNICIPALITY SHALL HAVE PREPARED AN URBAN RENEWAL PLAN FOR SLUM OR BLIGHTED AREAS IN THE MUNICIPALITY, AND SHALL APPROVE THE PLAN FORMALLY. THE MUNICIPALITY SHALL HOLD A PUBLIC HEARING ON AN URBAN RENEWAL PROJECT AFTER PUBLIC NOTICE OF IT BY PUBLICATION IN A NEWSPAPER HAVING A GENERAL CIRCULATION WITHIN THE CORPORATE LIMITS OF THE MUNICIPALITY. THE NOTICE SHALL DESCRIBE THE TIME, DATE, PLACE, AND PURPOSE OF THE HEARING, SHALL GENERALLY IDENTIFY THE URBAN RENEWAL AREA COVERED BY THE PLAN, AND SHALL OUTLINE THE GENERAL SCOPE OF THE URBAN RENEWAL PROJECT UNDER CONSIDERATION. FOLLOWING THE HEARING, THE MUNICIPALITY MAY APPROVE AN URBAN RENEWAL PROJECT AND THE PLAN THEREFOR IF IT FINDS THAT:

(1) A FEASIBLE METHOD EXISTS FOR THE LOCATION OF ANY FAMILIES OR NATURAL PERSONS WHO WILL BE DISPLACED FROM THE URBAN RENEWAL AREA IN DECENT, SAFE, AND SANITARY DWELLING ACCOMMODATIONS WITHIN THEIR MEANS AND WITHOUT UNDUE HARDSHIP TO THE FAMILIES OR NATURAL PERSONS;

(2) THE URBAN RENEWAL PLAN CONFORMS SUBSTANTIALLY TO THE MASTER PLAN OF THE MUNICIPALITY AS A WHOLE; AND

(3) THE URBAN RENEWAL PLAN WILL AFFORD MAXIMUM OPPORTUNITY, CONSISTENT WITH THE SOUND NEEDS OF THE MUNICIPALITY AS A WHOLE, FOR THE REHABILITATION OR REDEVELOPMENT OF THE URBAN RENEWAL AREA BY PRIVATE ENTERPRISE.

(B) AN URBAN RENEWAL PLAN MAY BE MODIFIED AT ANY TIME. IF MODIFIED AFTER THE LEASE OR SALE OF REAL PROPERTY IN THE URBAN RENEWAL PROJECT AREA, THE MODIFICATION MAY BE CONDITIONED ON WHATEVER APPROVAL OF THE OWNER, LESSEE, OR SUCCESSOR IN INTEREST AS THE MUNICIPALITY CONSIDERS ADVISABLE. IN ANY EVENT, IT SHALL BE SUBJECT TO WHATEVER RIGHTS AT LAW OR IN EQUITY AS A LESSEE OR PURCHASER, OR THE SUCCESSOR OR SUCCESSORS IN INTEREST, MAY BE ENTITLED TO ASSERT. WHERE THE PROPOSED MODIFICATION WILL CHANGE SUBSTANTIALLY THE URBAN RENEWAL PLAN AS APPROVED PREVIOUSLY BY THE MUNICIPALITY, THE MODIFICATION SHALL BE APPROVED FORMALLY BY THE MUNICIPALITY, AS IN THE CASE OF AN ORIGINAL PLAN.

(C) ON THE APPROVAL BY THE MUNICIPALITY OF AN URBAN RENEWAL PLAN OR OF ANY MODIFICATION OF IT, THE PLAN OR MODIFICATION SHALL BE CONSIDERED TO BE IN FULL FORCE AND EFFECT FOR THE RESPECTIVE URBAN RENEWAL AREA. THE MUNICIPALITY MAY HAVE THE PLAN OR MODIFICATION CARRIED OUT IN ACCORDANCE WITH ITS TERMS.

A1-108. DISPOSAL OF PROPERTY IN URBAN RENEWAL AREA.

(A) THE MUNICIPALITY, BY ORDINANCE, MAY SELL, LEASE, OR OTHERWISE TRANSFER REAL PROPERTY OR ANY INTEREST IN IT ACQUIRED BY IT FOR AN URBAN RENEWAL PROJECT TO ANY PERSON FOR RESIDENTIAL, RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDUCATIONAL, OR OTHER USES OR FOR PUBLIC USE, OR IT MAY RETAIN THE PROPERTY OR INTEREST FOR PUBLIC USE, IN ACCORDANCE WITH THE URBAN RENEWAL PLAN AND SUBJECT TO WHATEVER COVENANTS, CONDITIONS, AND RESTRICTIONS, INCLUDING COVENANTS RUNNING WITH THE LAND, AS IT CONSIDERS NECESSARY OR DESIRABLE TO ASSIST IN PREVENTING THE DEVELOPMENT OR SPREAD OF FUTURE SLUMS OR BLIGHTED AREAS OR TO OTHERWISE CARRY OUT THE PURPOSES OF THIS APPENDIX. THE PURCHASERS OR LESSEES AND THEIR SUCCESSORS AND ASSIGNS SHALL BE OBLIGATED TO DEVOTE THE REAL PROPERTY ONLY TO THE USES SPECIFIED IN THE URBAN RENEWAL PLAN, AND MAY BE OBLIGATED TO COMPLY WITH WHATEVER OTHER REQUIREMENTS THE

MUNICIPALITY DETERMINES TO BE IN THE PUBLIC INTEREST, INCLUDING THE OBLIGATION TO BEGIN WITHIN A REASONABLE TIME ANY IMPROVEMENTS ON THE REAL PROPERTY REQUIRED BY THE URBAN RENEWAL PLAN. THE REAL PROPERTY OR INTEREST MAY NOT BE SOLD, LEASED, OTHERWISE TRANSFERRED, OR RETAINED AT LESS THAN ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN. IN DETERMINING THE FAIR VALUE OF REAL PROPERTY FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN, THE MUNICIPALITY SHALL TAKE INTO ACCOUNT AND GIVE CONSIDERATION TO THE USES PROVIDED IN THE PLAN, THE RESTRICTIONS ON, AND THE COVENANTS, CONDITIONS, AND OBLIGATIONS ASSUMED BY THE PURCHASER OR LESSEE OR BY THE MUNICIPALITY RETAINING THE PROPERTY, AND THE OBJECTIVES OF THE PLAN FOR THE PREVENTION OF THE RECURRENCE OF SLUM OR BLIGHTED AREAS. IN ANY INSTRUMENT OR CONVEYANCE TO A PRIVATE PURCHASER OR LESSEE, THE MUNICIPALITY MAY PROVIDE THAT THE PURCHASER OR LESSEE MAY NOT SELL, LEASE, OR OTHERWISE TRANSFER THE REAL PROPERTY WITHOUT THE PRIOR WRITTEN CONSENT OF THE MUNICIPALITY UNTIL THE PURCHASER OR LESSEE HAS COMPLETED THE CONSTRUCTION OF ANY OR ALL IMPROVEMENTS WHICH THE PURCHASER OR LESSEE HAS BEEN OBLIGATED TO CONSTRUCT ON THE PROPERTY. REAL PROPERTY ACQUIRED BY THE MUNICIPALITY WHICH, IN ACCORDANCE WITH THE PROVISIONS OF THE URBAN RENEWAL PLAN, IS TO BE TRANSFERRED, SHALL BE TRANSFERRED AS RAPIDLY AS FEASIBLE IN THE PUBLIC INTEREST CONSISTENT WITH THE CARRYING OUT OF THE PROVISIONS OF THE URBAN RENEWAL PLAN. ANY CONTRACT FOR THE TRANSFER AND THE URBAN RENEWAL PLAN (OR ANY PART OR PARTS OF THE CONTRACT OR PLAN AS THE MUNICIPALITY DETERMINES) MAY BE RECORDED IN THE LAND RECORDS OF THE COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN A MANNER SO AS TO AFFORD ACTUAL OR CONSTRUCTIVE NOTICE OF IT.

(B) THE MUNICIPALITY, BY ORDINANCE, MAY DISPOSE OF REAL PROPERTY IN AN URBAN RENEWAL AREA TO PRIVATE PERSONS. THE MUNICIPALITY MAY, BY PUBLIC NOTICE BY PUBLICATION IN A NEWSPAPER HAVING A GENERAL CIRCULATION IN THE COMMUNITY, INVITE PROPOSALS FROM AND MAKE AVAILABLE ALL PERTINENT INFORMATION TO PRIVATE REDEVELOPERS OR ANY PERSONS INTERESTED IN UNDERTAKING TO REDEVELOP OR REHABILITATE AN URBAN RENEWAL AREA, OR ANY PART THEREOF. THE NOTICE SHALL IDENTIFY THE AREA, OR PORTION THEREOF, AND SHALL STATE THAT PROPOSALS SHALL BE MADE BY THOSE INTERESTED WITHIN A SPECIFIED PERIOD. THE MUNICIPALITY SHALL CONSIDER ALL REDEVELOPMENT OR REHABILITATION PROPOSALS AND THE FINANCIAL AND LEGAL ABILITY OF THE PERSONS MAKING PROPOSALS TO CARRY THEM OUT, AND MAY NEGOTIATE WITH ANY PERSONS FOR PROPOSALS FOR THE PURCHASE,

LEASE, OR OTHER TRANSFER OF ANY REAL PROPERTY ACQUIRED BY THE MUNICIPALITY IN THE URBAN RENEWAL AREA. THE MUNICIPALITY MAY ACCEPT ANY PROPOSAL AS IT DEEMS TO BE IN THE PUBLIC INTEREST AND IN FURTHERANCE OF THE PURPOSES OF THIS APPENDIX. THEREAFTER, THE MUNICIPALITY MAY EXECUTE AND DELIVER CONTRACTS, DEEDS, LEASES, AND OTHER INSTRUMENTS AND TAKE ALL STEPS NECESSARY TO EFFECTUATE THE TRANSFERS.

(C) THE MUNICIPALITY MAY OPERATE TEMPORARILY AND MAINTAIN REAL PROPERTY ACQUIRED BY IT IN AN URBAN RENEWAL AREA FOR OR IN CONNECTION WITH AN URBAN RENEWAL PROJECT PENDING THE DISPOSITION OF THE PROPERTY AS AUTHORIZED IN THIS APPENDIX, WITHOUT REGARD TO THE PROVISIONS OF SUBSECTION (A), FOR USES AND PURPOSES CONSIDERED DESIRABLE EVEN THOUGH NOT IN CONFORMITY WITH THE URBAN RENEWAL PLAN.

(D) ANY INSTRUMENT EXECUTED BY THE MUNICIPALITY AND PURPORTING TO CONVEY ANY RIGHT, TITLE, OR INTEREST IN ANY PROPERTY UNDER THIS APPENDIX SHALL BE PRESUMED CONCLUSIVELY TO HAVE BEEN EXECUTED IN COMPLIANCE WITH THE PROVISIONS OF THIS APPENDIX INsofar AS TITLE OR OTHER INTEREST OF ANY BONA FIDE PURCHASERS, LESSEES, OR TRANSFEREES OF THE PROPERTY IS CONCERNED.

A1-109. EMINENT DOMAIN.

CONDEMNATION OF LAND OR PROPERTY UNDER THE PROVISIONS OF THIS APPENDIX SHALL BE IN ACCORDANCE WITH THE PROCEDURE PROVIDED IN THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

A1-110. ENCOURAGEMENT OF PRIVATE ENTERPRISE.

THE MUNICIPALITY, TO THE EXTENT IT DETERMINES TO BE FEASIBLE IN CARRYING OUT THE PROVISIONS OF THIS APPENDIX, SHALL AFFORD MAXIMUM OPPORTUNITY TO THE REHABILITATION OR REDEVELOPMENT OF ANY URBAN RENEWAL AREA BY PRIVATE ENTERPRISE CONSISTENT WITH THE SOUND NEEDS OF THE MUNICIPALITY AS A WHOLE. THE MUNICIPALITY SHALL GIVE CONSIDERATION TO THIS OBJECTIVE IN EXERCISING ITS POWERS UNDER THIS APPENDIX.

A1-111. GENERAL OBLIGATION BONDS.

FOR THE PURPOSE OF FINANCING AND CARRYING OUT AN URBAN RENEWAL PROJECT AND RELATED ACTIVITIES, THE MUNICIPALITY MAY ISSUE AND SELL ITS GENERAL OBLIGATION BONDS. ANY BONDS ISSUED BY THE MUNICIPALITY PURSUANT TO THIS SECTION SHALL BE ISSUED IN THE MANNER AND WITHIN THE LIMITATIONS PRESCRIBED BY APPLICABLE LAW FOR THE ISSUANCE AND AUTHORIZATION OF GENERAL OBLIGATION BONDS BY THE MUNICIPALITY, AND ALSO WITHIN LIMITATIONS DETERMINED BY THE MUNICIPALITY.

A1-112. REVENUE BONDS.

(A) IN ADDITION TO THE AUTHORITY CONFERRED BY SECTION A1-111 OF THIS APPENDIX, THE MUNICIPALITY MAY ISSUE REVENUE BONDS TO FINANCE THE UNDERTAKING OF ANY URBAN RENEWAL PROJECT AND RELATED ACTIVITIES. ALSO, IT MAY ISSUE REFUNDING BONDS FOR THE PAYMENT OR RETIREMENT OF THE BONDS ISSUED PREVIOUSLY BY IT. THE BONDS SHALL BE MADE PAYABLE, AS TO BOTH PRINCIPAL AND INTEREST, SOLELY FROM THE INCOME, PROCEEDS, REVENUES, AND FUNDS OF THE MUNICIPALITY DERIVED FROM OR HELD IN CONNECTION WITH THE UNDERTAKING AND CARRYING OUT OF URBAN RENEWAL PROJECTS UNDER THIS APPENDIX. HOWEVER, PAYMENT OF THE BONDS, BOTH AS TO PRINCIPAL AND INTEREST, MAY BE FURTHER SECURED BY A PLEDGE OF ANY LOAN, GRANT, OR CONTRIBUTION FROM THE FEDERAL GOVERNMENT OR OTHER SOURCE, IN AID OF ANY URBAN RENEWAL PROJECTS OF THE MUNICIPALITY UNDER THIS APPENDIX, AND BY A MORTGAGE OF ANY URBAN RENEWAL PROJECT, OR ANY PART OF A PROJECT, TITLE TO WHICH IS IN THE MUNICIPALITY. IN ADDITION, THE MUNICIPALITY MAY ENTER INTO AN INDENTURE OF TRUST WITH ANY PRIVATE BANKING INSTITUTION OF THIS STATE HAVING TRUST POWERS AND MAY MAKE IN THE INDENTURE OF TRUST COVENANTS AND COMMITMENTS REQUIRED BY ANY PURCHASER FOR THE ADEQUATE SECURITY OF THE BONDS.

(B) BONDS ISSUED UNDER THIS SECTION DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION, ARE NOT SUBJECT TO THE PROVISIONS OF ANY OTHER LAW OR CHARTER RELATING TO THE AUTHORIZATION, ISSUANCE, OR SALE OF BONDS, AND ARE EXEMPTED SPECIFICALLY FROM THE RESTRICTIONS CONTAINED IN SECTIONS 9, 10, AND 11 OF ARTICLE 31 (DEBT – PUBLIC) OF THE ANNOTATED CODE OF MARYLAND. BONDS ISSUED UNDER THE PROVISIONS OF THIS APPENDIX ARE DECLARED TO BE ISSUED FOR AN ESSENTIAL PUBLIC AND GOVERNMENTAL PURPOSE AND, TOGETHER WITH INTEREST ON THEM AND INCOME FROM THEM, ARE EXEMPT FROM ALL TAXES.

(C) BONDS ISSUED UNDER THIS SECTION SHALL BE AUTHORIZED BY RESOLUTION OR ORDINANCE OF THE LEGISLATIVE BODY OF THE MUNICIPALITY. THEY MAY BE ISSUED IN ONE OR MORE SERIES AND SHALL:

- (1) BEAR A DATE OR DATES;**
- (2) MATURE AT A TIME OR TIMES;**
- (3) BEAR INTEREST AT A RATE OR RATES;**
- (4) BE IN A DENOMINATION OR DENOMINATIONS;**
- (5) BE IN A FORM EITHER WITH OR WITHOUT COUPON OR REGISTERED;**
- (6) CARRY A CONVERSION OR REGISTRATION PRIVILEGE;**
- (7) HAVE A RANK OR PRIORITY;**
- (8) BE EXECUTED IN A MANNER;**
- (9) BE PAYABLE IN A MEDIUM OF PAYMENT, AT A PLACE OR PLACES, AND BE SUBJECT TO TERMS OF REDEMPTION (WITH OR WITHOUT PREMIUM);**
- (10) BE SECURED IN A MANNER; AND**
- (11) HAVE OTHER CHARACTERISTICS, AS ARE PROVIDED BY THE RESOLUTION, TRUST INDENTURE, OR MORTGAGE ISSUED PURSUANT TO IT.**

(D) THESE BONDS MAY NOT BE SOLD AT LESS THAN PAR VALUE AT PUBLIC SALES WHICH ARE HELD AFTER NOTICE IS PUBLISHED PRIOR TO THE SALE IN A NEWSPAPER HAVING A GENERAL CIRCULATION IN THE AREA IN WHICH THE MUNICIPALITY IS LOCATED AND IN WHATEVER OTHER MEDIUM OF PUBLICATION AS THE MUNICIPALITY MAY DETERMINE. THE BONDS MAY BE EXCHANGED ALSO FOR OTHER BONDS ON THE BASIS OF PAR. HOWEVER, THE BONDS MAY NOT BE SOLD TO THE FEDERAL GOVERNMENT AT PRIVATE SALE AT LESS THAN PAR, AND, IN THE EVENT LESS THAN ALL OF THE AUTHORIZED PRINCIPAL AMOUNT OF THE BONDS IS SOLD TO THE FEDERAL GOVERNMENT, THE BALANCE MAY NOT BE SOLD AT PRIVATE SALE AT LESS THAN PAR AT AN INTEREST COST TO THE MUNICIPALITY WHICH DOES NOT EXCEED THE

INTEREST COST TO THE MUNICIPALITY OF THE PORTION OF THE BONDS SOLD TO THE FEDERAL GOVERNMENT.

(E) IN CASE ANY OF THE PUBLIC OFFICIALS OF THE MUNICIPALITY WHOSE SIGNATURES APPEAR ON ANY BONDS OR COUPONS ISSUED UNDER THIS APPENDIX CEASE TO BE OFFICIALS OF THE MUNICIPALITY BEFORE THE DELIVERY OF THE BONDS OR IN THE EVENT ANY OF THE OFFICIALS HAVE BECOME SUCH AFTER THE DATE OF ISSUE OF THEM, THE BONDS ARE VALID AND BINDING OBLIGATIONS OF THE MUNICIPALITY IN ACCORDANCE WITH THEIR TERMS. ANY PROVISION OF ANY LAW TO THE CONTRARY NOTWITHSTANDING, ANY BONDS ISSUED PURSUANT TO THIS APPENDIX ARE FULLY NEGOTIABLE.

(F) IN ANY SUIT, ACTION, OR PROCEEDING INVOLVING THE VALIDITY OR ENFORCEABILITY OF ANY BOND ISSUED UNDER THIS APPENDIX, OR THE SECURITY FOR IT, ANY BOND WHICH RECITES IN SUBSTANCE THAT IT HAS BEEN ISSUED BY THE MUNICIPALITY IN CONNECTION WITH AN URBAN RENEWAL PROJECT SHALL BE CONSIDERED CONCLUSIVELY TO HAVE BEEN ISSUED FOR THAT PURPOSE, AND THE PROJECT SHALL BE CONSIDERED CONCLUSIVELY TO HAVE BEEN PLANNED, LOCATED, AND CARRIED OUT IN ACCORDANCE WITH THE PROVISIONS OF THIS APPENDIX.

(G) ALL BANKS, TRUST COMPANIES, BANKERS, SAVINGS BANKS, AND INSTITUTIONS, BUILDING AND LOAN ASSOCIATIONS, SAVINGS AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES, AND OTHER PERSONS CARRYING ON A BANKING OR INVESTMENT BUSINESS; ALL INSURANCE COMPANIES, INSURANCE ASSOCIATIONS, AND OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS; AND ALL EXECUTORS, ADMINISTRATORS, CURATORS, TRUSTEES, AND OTHER FIDUCIARIES, MAY LEGALLY INVEST ANY SINKING FUNDS, MONEYS, OR OTHER FUNDS BELONGING TO THEM OR WITHIN THEIR CONTROL IN ANY BONDS OR OTHER OBLIGATIONS ISSUED BY THE MUNICIPALITY PURSUANT TO THIS APPENDIX. HOWEVER, THE BONDS AND OTHER OBLIGATIONS SHALL BE SECURED BY AN AGREEMENT BETWEEN THE ISSUER AND THE FEDERAL GOVERNMENT IN WHICH THE ISSUER AGREES TO BORROW FROM THE FEDERAL GOVERNMENT AND THE FEDERAL GOVERNMENT AGREES TO LEND TO THE ISSUER, PRIOR TO THE MATURITY OF THE BONDS OR OTHER OBLIGATIONS, MONEYS IN AN AMOUNT WHICH (TOGETHER WITH ANY OTHER MONEYS COMMITTED IRREVOCABLY TO THE PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS OR OTHER OBLIGATIONS) WILL SUFFICE TO PAY THE PRINCIPAL OF THE BONDS OR OTHER OBLIGATIONS WITH INTEREST TO MATURITY ON THEM. THE MONEYS UNDER THE TERMS OF THE AGREEMENT SHALL BE REQUIRED TO BE USED FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND THE INTEREST ON THE BONDS OR OTHER OBLIGATIONS AT THEIR MATURITY. THE BONDS AND

OTHER OBLIGATIONS SHALL BE AUTHORIZED SECURITY FOR ALL PUBLIC DEPOSITS. THIS SECTION AUTHORIZES ANY PERSONS OR PUBLIC OR PRIVATE POLITICAL SUBDIVISIONS AND OFFICERS TO USE ANY FUNDS OWNED OR CONTROLLED BY THEM FOR THE PURCHASE OF ANY BONDS OR OTHER OBLIGATIONS. WITH REGARD TO LEGAL INVESTMENTS, THIS SECTION MAY NOT BE CONSTRUED TO RELIEVE ANY PERSON OF ANY DUTY OF EXERCISING REASONABLE CARE IN SELECTING SECURITIES.

A1-113. SHORT TITLE.

THIS APPENDIX SHALL BE KNOWN AND MAY BE CITED AS THE ELDORADO URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE ACT.

A1-114. AUTHORITY TO AMEND OR REPEAL.

THIS APPENDIX, ENACTED PURSUANT TO ARTICLE III, SECTION 61 OF THE MARYLAND CONSTITUTION, MAY BE AMENDED OR REPEALED ONLY BY THE GENERAL ASSEMBLY OF MARYLAND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 1011 - *Town of Hurlock (Dorchester County) - Urban Renewal Authority for Slum Clearance*.

This bill authorizes the Town of Hurlock, Dorchester County, to undertake and carry out specified urban renewal projects for slum clearance and redevelopment. The bill also prohibits specified land or property from being taken for specified purposes without just compensation first being paid to the party entitled to the compensation.

House Bill 1364, 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 1011.

Sincerely,

Martin O'Malley
Governor

Senate Bill 1011

AN ACT concerning

Town of Hurlock (Dorchester County) – Urban Renewal Authority for Slum Clearance

FOR the purpose of authorizing the Town of Hurlock, Dorchester County, to undertake and carry out certain urban renewal projects for slum clearance and redevelopment; prohibiting certain land or property from being taken for certain purposes without just compensation first being paid to the party entitled to the compensation; declaring that certain land or property taken in connection with certain urban renewal powers is needed for public uses or purposes; authorizing the legislative body of the Town of Hurlock by ordinance to elect to have certain urban renewal powers exercised by a certain public body; imposing certain requirements for the initiation and approval of an urban renewal area; providing for the disposal of property in an urban renewal area; authorizing the municipal corporation to issue certain bonds under certain circumstances; clarifying that a certain appendix may be amended or repealed only by the General Assembly of Maryland; defining certain terms; and generally relating to urban renewal authority for slum clearance for the Town of Hurlock in Dorchester County.

BY adding to

Chapter 77 – Charter of the Town of Hurlock

Section A1–101 through A1–114 and the heading “Appendix I – Urban Renewal Authority for Slum Clearance”

Public Local Laws of Maryland – Compilation of Municipal Charters
(1990 Replacement Edition and 2005 Supplement)

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

Chapter 77 – Charter of the Town of Hurlock

APPENDIX I – URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE

A1-101. DEFINITIONS.

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

(B) “BLIGHTED AREA” MEANS AN AREA OR SINGLE PROPERTY IN WHICH THE BUILDING OR BUILDINGS HAVE DECLINED IN PRODUCTIVITY BY REASON OF OBSOLESCENCE, DEPRECIATION, OR OTHER CAUSES TO AN EXTENT THEY NO LONGER JUSTIFY FUNDAMENTAL REPAIRS AND ADEQUATE MAINTENANCE.

(C) “BONDS” MEANS ANY BONDS (INCLUDING REFUNDING BONDS), NOTES, INTERIM CERTIFICATES, CERTIFICATES OF INDEBTEDNESS, DEBENTURES, OR OTHER OBLIGATIONS.

(D) “FEDERAL GOVERNMENT” MEANS THE UNITED STATES OF AMERICA OR ANY AGENCY OR INSTRUMENTALITY, CORPORATE OR OTHERWISE, OF THE UNITED STATES OF AMERICA.

(E) “MUNICIPALITY” MEANS THE TOWN OF HURLOCK, MARYLAND.

(F) “PERSON” MEANS ANY INDIVIDUAL, FIRM, PARTNERSHIP, CORPORATION, COMPANY, ASSOCIATION, JOINT STOCK ASSOCIATION, OR BODY POLITIC. IT INCLUDES ANY TRUSTEE, RECEIVER, ASSIGNEE, OR OTHER PERSON ACTING IN SIMILAR REPRESENTATIVE CAPACITY.

(G) “SLUM AREA” MEANS ANY AREA OR SINGLE PROPERTY WHERE DWELLINGS PREDOMINATE WHICH, BY REASON OF DEPRECIATION, OVERCROWDING, FAULTY ARRANGEMENT OR DESIGN, LACK OF VENTILATION, LIGHT, OR SANITARY FACILITIES, OR ANY COMBINATION OF THESE FACTORS, ARE DETRIMENTAL TO THE PUBLIC SAFETY, HEALTH, OR MORALS.

(H) “URBAN RENEWAL AREA” MEANS A SLUM AREA OR A BLIGHTED AREA OR A COMBINATION OF THEM WHICH THE MUNICIPALITY DESIGNATES AS APPROPRIATE FOR AN URBAN RENEWAL PROJECT.

(I) “URBAN RENEWAL PLAN” MEANS A PLAN, AS IT EXISTS FROM TIME TO TIME, FOR AN URBAN RENEWAL PROJECT. THE PLAN SHALL BE SUFFICIENTLY COMPLETE TO INDICATE ANY LAND ACQUISITION, DEMOLITION, AND REMOVAL OF STRUCTURES, REDEVELOPMENT, IMPROVEMENTS, AND REHABILITATION AS MAY BE PROPOSED TO BE CARRIED OUT IN THE URBAN

RENEWAL AREA, ZONING AND PLANNING CHANGES, IF ANY, LAND USES, MAXIMUM DENSITY, AND BUILDING REQUIREMENTS.

(J) "URBAN RENEWAL PROJECT" MEANS UNDERTAKINGS AND ACTIVITIES OF A MUNICIPALITY IN AN URBAN RENEWAL AREA FOR THE ELIMINATION AND FOR THE PREVENTION OF THE DEVELOPMENT OR SPREAD OF SLUMS AND BLIGHT, AND MAY INVOLVE SLUM CLEARANCE AND REDEVELOPMENT IN AN URBAN RENEWAL AREA, OR REHABILITATION OR CONSERVATION IN AN URBAN RENEWAL AREA, OR ANY COMBINATION OR PART OF THEM IN ACCORDANCE WITH AN URBAN RENEWAL PLAN. THESE UNDERTAKINGS AND ACTIVITIES MAY INCLUDE:

(1) ACQUISITION OF A SLUM AREA OR A BLIGHTED AREA OR PORTION OF THEM;

(2) DEMOLITION AND REMOVAL OF BUILDINGS AND IMPROVEMENTS;

(3) INSTALLATION, CONSTRUCTION OR RECONSTRUCTION OF STREETS, UTILITIES, PARKS, PLAYGROUNDS, AND OTHER IMPROVEMENTS NECESSARY FOR CARRYING OUT THE URBAN RENEWAL OBJECTIVES OF THIS APPENDIX IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(4) DISPOSITION OF ANY PROPERTY ACQUIRED IN THE URBAN RENEWAL AREA, INCLUDING SALE, INITIAL LEASING, OR RETENTION BY THE MUNICIPALITY ITSELF, AT ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(5) CARRYING OUT PLANS FOR A PROGRAM OF VOLUNTARY OR COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS OR OTHER IMPROVEMENTS IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(6) ACQUISITION OF ANY OTHER REAL PROPERTY IN THE URBAN RENEWAL AREA WHERE NECESSARY TO ELIMINATE UNHEALTHFUL, UNSANITARY, OR UNSAFE CONDITIONS, LESSEN DENSITY, ELIMINATE OBSOLETE OR OTHER USES DETRIMENTAL TO THE PUBLIC WELFARE, OR OTHERWISE TO REMOVE OR PREVENT THE SPREAD OF BLIGHT OR DETERIORATION, OR TO PROVIDE LAND FOR NEEDED PUBLIC FACILITIES; AND

(7) THE PRESERVATION, IMPROVEMENT, OR EMBELLISHMENT OF HISTORIC STRUCTURES OR MONUMENTS.

A1-102. POWERS.

(A) THE MUNICIPALITY MAY UNDERTAKE AND CARRY OUT URBAN RENEWAL PROJECTS.

(B) THESE PROJECTS SHALL BE LIMITED:

(1) TO SLUM CLEARANCE IN SLUM OR BLIGHTED AREAS AND REDEVELOPMENT OR THE REHABILITATION OF SLUM OR BLIGHTED AREAS;

(2) TO ACQUIRE IN CONNECTION WITH THOSE PROJECTS, WITHIN THE CORPORATE LIMITS OF THE MUNICIPALITY, LAND AND PROPERTY OF EVERY KIND AND ANY RIGHT, INTEREST, FRANCHISE, EASEMENT, OR PRIVILEGE, INCLUDING LAND OR PROPERTY AND ANY RIGHT OR INTEREST ALREADY DEVOTED TO PUBLIC USE, BY PURCHASE, LEASE, GIFT, CONDEMNATION, OR ANY OTHER LEGAL MEANS; AND

(3) TO SELL, LEASE, CONVEY, TRANSFER, OR OTHERWISE DISPOSE OF ANY OF THE LAND OR PROPERTY, REGARDLESS OF WHETHER OR NOT IT HAS BEEN DEVELOPED, REDEVELOPED, ALTERED, OR IMPROVED AND IRRESPECTIVE OF THE MANNER OR MEANS IN OR BY WHICH IT MAY HAVE BEEN ACQUIRED, TO ANY PRIVATE, PUBLIC, OR QUASI-PUBLIC CORPORATION, PARTNERSHIP, ASSOCIATION, PERSON, OR OTHER LEGAL ENTITY.

(C) LAND OR PROPERTY TAKEN BY THE MUNICIPALITY FOR ANY OF THESE PURPOSES OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS WHICH ARE GRANTED BY THIS APPENDIX TO THE MUNICIPALITY BY EXERCISING THE POWER OF EMINENT DOMAIN MAY NOT BE TAKEN WITHOUT JUST COMPENSATION, AS AGREED ON BETWEEN THE PARTIES, OR AWARDED BY A JURY, BEING FIRST PAID OR TENDERED TO THE PARTY ENTITLED TO THE COMPENSATION.

(D) ALL LAND OR PROPERTY NEEDED OR TAKEN BY THE EXERCISE OF THE POWER OF EMINENT DOMAIN BY THE MUNICIPALITY FOR ANY OF THESE PURPOSES OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS GRANTED BY THIS APPENDIX IS DECLARED TO BE NEEDED OR TAKEN FOR PUBLIC USES AND PURPOSES.

(E) ANY OR ALL OF THE ACTIVITIES AUTHORIZED PURSUANT TO THIS APPENDIX CONSTITUTE GOVERNMENTAL FUNCTIONS UNDERTAKEN FOR PUBLIC USES AND PURPOSES AND THE POWER OF TAXATION MAY BE EXERCISED,

PUBLIC FUNDS EXPENDED, AND PUBLIC CREDIT EXTENDED IN FURTHERANCE OF THEM.

A1-103. ADDITIONAL POWERS.

THE MUNICIPALITY HAS THE FOLLOWING ADDITIONAL POWERS. THESE POWERS ARE DECLARED TO BE NECESSARY AND PROPER TO CARRY INTO FULL FORCE AND EFFECT THE SPECIFIC POWERS GRANTED IN THIS APPENDIX AND TO FULLY ACCOMPLISH THE PURPOSES AND OBJECTS CONTEMPLATED BY THE PROVISIONS OF THIS SECTION:

(1) TO MAKE OR HAVE MADE ALL SURVEYS AND PLANS NECESSARY TO THE CARRYING OUT OF THE PURPOSES OF THIS APPENDIX AND TO ADOPT OR APPROVE, MODIFY, AND AMEND THOSE PLANS. THESE PLANS MAY INCLUDE, BUT ARE NOT LIMITED TO:

(I) PLANS FOR CARRYING OUT A PROGRAM OF VOLUNTARY OR COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS AND IMPROVEMENTS;

(II) PLANS FOR THE ENFORCEMENT OF CODES AND REGULATIONS RELATING TO THE USE OF LAND AND THE USE AND OCCUPANCY OF BUILDINGS AND IMPROVEMENTS AND TO THE COMPULSORY REPAIR, REHABILITATION, DEMOLITION, OR REMOVAL OF BUILDINGS AND IMPROVEMENTS; AND

(III) APPRAISALS, TITLE SEARCHES, SURVEYS, STUDIES, AND OTHER PLANS AND WORK NECESSARY TO PREPARE FOR THE UNDERTAKING OF URBAN RENEWAL PROJECTS AND RELATED ACTIVITIES; AND TO APPLY FOR, ACCEPT, AND UTILIZE GRANTS OF FUNDS FROM THE FEDERAL GOVERNMENT OR OTHER GOVERNMENTAL ENTITY FOR THOSE PURPOSES;

(2) TO PREPARE PLANS FOR THE RELOCATION OF PERSONS (INCLUDING FAMILIES, BUSINESS CONCERNS, AND OTHERS) DISPLACED FROM AN URBAN RENEWAL AREA, AND TO MAKE RELOCATION PAYMENTS TO OR WITH RESPECT TO THOSE PERSONS FOR MOVING EXPENSES AND LOSSES OF PROPERTY FOR WHICH REIMBURSEMENT OR COMPENSATION IS NOT OTHERWISE MADE, INCLUDING THE MAKING OF PAYMENTS FINANCED BY THE FEDERAL GOVERNMENT;

(3) TO APPROPRIATE WHATEVER FUNDS AND MAKE WHATEVER EXPENDITURES AS MAY BE NECESSARY TO CARRY OUT THE PURPOSES OF THIS APPENDIX, INCLUDING, BUT NOT LIMITED:

(I) TO THE PAYMENT OF ANY AND ALL COSTS AND EXPENSES INCURRED IN CONNECTION WITH, OR INCIDENTAL TO, THE ACQUISITION OF LAND OR PROPERTY, AND FOR THE DEMOLITION, REMOVAL, RELOCATION, RENOVATION, OR ALTERATION OF LAND, BUILDINGS, STREETS, HIGHWAYS, ALLEYS, UTILITIES, OR SERVICES, AND OTHER STRUCTURES OR IMPROVEMENTS, AND FOR THE CONSTRUCTION, RECONSTRUCTION, INSTALLATION, RELOCATION, OR REPAIR OF STREETS, HIGHWAYS, ALLEYS, UTILITIES, OR SERVICES, IN CONNECTION WITH URBAN RENEWAL PROJECTS;

(II) TO LEVY TAXES AND ASSESSMENTS FOR THOSE PURPOSES;

(III) TO BORROW MONEY AND TO APPLY FOR AND ACCEPT ADVANCES, LOANS, GRANTS, CONTRIBUTIONS, AND ANY OTHER FORM OF FINANCIAL ASSISTANCE FROM THE FEDERAL GOVERNMENT, THE STATE, COUNTY, OR OTHER PUBLIC BODIES, OR FROM ANY SOURCES, PUBLIC OR PRIVATE, FOR THE PURPOSES OF THIS APPENDIX, AND TO GIVE WHATEVER SECURITY AS MAY BE REQUIRED FOR THIS FINANCIAL ASSISTANCE; AND

(IV) TO INVEST ANY URBAN RENEWAL FUNDS HELD IN RESERVES OR SINKING FUNDS OR ANY OF THESE FUNDS NOT REQUIRED FOR IMMEDIATE DISBURSEMENT IN PROPERTY OR SECURITIES WHICH ARE LEGAL INVESTMENTS FOR OTHER MUNICIPAL FUNDS;

(4) (I) TO HOLD, IMPROVE, CLEAR, OR PREPARE FOR REDEVELOPMENT ANY PROPERTY ACQUIRED IN CONNECTION WITH URBAN RENEWAL PROJECTS;

(II) TO MORTGAGE, PLEDGE, HYPOTHECATE, OR OTHERWISE ENCUMBER THAT PROPERTY; AND

(III) TO INSURE OR PROVIDE FOR THE INSURANCE OF THE PROPERTY OR OPERATIONS OF THE MUNICIPALITY AGAINST ANY RISKS OR HAZARDS, INCLUDING THE POWER TO PAY PREMIUMS ON ANY INSURANCE;

(5) TO MAKE AND EXECUTE ALL CONTRACTS AND OTHER INSTRUMENTS NECESSARY OR CONVENIENT TO THE EXERCISE OF ITS POWERS UNDER THIS APPENDIX, INCLUDING THE POWER TO ENTER INTO AGREEMENTS

WITH OTHER PUBLIC BODIES OR AGENCIES (THESE AGREEMENTS MAY EXTEND OVER ANY PERIOD, NOTWITHSTANDING ANY PROVISION OR RULE OF LAW TO THE CONTRARY), AND TO INCLUDE IN ANY CONTRACT FOR FINANCIAL ASSISTANCE WITH THE FEDERAL GOVERNMENT FOR OR WITH RESPECT TO AN URBAN RENEWAL PROJECT AND RELATED ACTIVITIES ANY CONDITIONS IMPOSED PURSUANT TO FEDERAL LAWS AS THE MUNICIPALITY CONSIDERS REASONABLE AND APPROPRIATE;

(6) TO ENTER INTO ANY BUILDING OR PROPERTY IN ANY URBAN RENEWAL AREA IN ORDER TO MAKE INSPECTIONS, SURVEYS, APPRAISALS, SOUNDINGS, OR TEST BORINGS, AND TO OBTAIN AN ORDER FOR THIS PURPOSE FROM THE CIRCUIT COURT FOR THE COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN THE EVENT ENTRY IS DENIED OR RESISTED;

(7) TO PLAN, REPLAN, INSTALL, CONSTRUCT, RECONSTRUCT, REPAIR, CLOSE, OR VACATE STREETS, ROADS, SIDEWALKS, PUBLIC UTILITIES, PARKS, PLAYGROUNDS, AND OTHER PUBLIC IMPROVEMENTS IN CONNECTION WITH AN URBAN RENEWAL PROJECT; AND TO MAKE EXCEPTIONS FROM BUILDING REGULATIONS;

(8) TO GENERALLY ORGANIZE, COORDINATE, AND DIRECT THE ADMINISTRATION OF THE PROVISIONS OF THIS APPENDIX AS THEY APPLY TO THE MUNICIPALITY IN ORDER THAT THE OBJECTIVE OF REMEDYING SLUM AND BLIGHTED AREAS AND PREVENTING ITS CAUSES WITHIN THE MUNICIPALITY MAY BE PROMOTED AND ACHIEVED MOST EFFECTIVELY; AND

(9) TO EXERCISE ALL OR ANY PART OR COMBINATION OF THE POWERS GRANTED IN THIS APPENDIX.

A1-104. ESTABLISHMENT OF URBAN RENEWAL AGENCY.

(A) A MUNICIPALITY MAY ITSELF EXERCISE ALL THE POWERS GRANTED BY THIS APPENDIX, OR MAY, IF ITS LEGISLATIVE BODY BY ORDINANCE DETERMINES THE ACTION TO BE IN THE PUBLIC INTEREST, ELECT TO HAVE THE POWERS EXERCISED BY A SEPARATE PUBLIC BODY OR AGENCY.

(B) IN THE EVENT THE LEGISLATIVE BODY MAKES THAT DETERMINATION, IT SHALL PROCEED BY ORDINANCE TO ESTABLISH A PUBLIC BODY OR AGENCY TO UNDERTAKE IN THE MUNICIPALITY THE ACTIVITIES AUTHORIZED BY THIS APPENDIX.

(C) THE ORDINANCE SHALL INCLUDE PROVISIONS ESTABLISHING THE NUMBER OF MEMBERS OF THE PUBLIC BODY OR AGENCY, THE MANNER OF THEIR APPOINTMENT AND REMOVAL, AND THE TERMS OF THE MEMBERS AND THEIR COMPENSATION.

(D) THE ORDINANCE MAY INCLUDE WHATEVER ADDITIONAL PROVISIONS RELATING TO THE ORGANIZATION OF THE PUBLIC BODY OR AGENCY AS MAY BE NECESSARY.

(E) IN THE EVENT THE LEGISLATIVE BODY ENACTS THIS ORDINANCE, ALL OF THE POWERS BY THIS APPENDIX GRANTED TO THE MUNICIPALITY, FROM THE EFFECTIVE DATE OF THE ORDINANCE, ARE VESTED IN THE PUBLIC BODY OR AGENCY ESTABLISHED BY THE ORDINANCE.

A1-105. POWERS WITHHELD FROM THE AGENCY.

THE AGENCY MAY NOT:

(1) PASS A RESOLUTION TO INITIATE AN URBAN RENEWAL PROJECT PURSUANT TO SECTIONS A1-102 AND A1-103 OF THIS APPENDIX;

(2) ISSUE GENERAL OBLIGATION BONDS PURSUANT TO SECTION A1-111 OF THIS APPENDIX; OR

(3) APPROPRIATE FUNDS OR LEVY TAXES AND ASSESSMENTS PURSUANT TO SECTION A1-103(3) OF THIS APPENDIX.

A1-106. INITIATION OF PROJECT.

IN ORDER TO INITIATE AN URBAN RENEWAL PROJECT, THE LEGISLATIVE BODY OF THE MUNICIPALITY SHALL ADOPT A RESOLUTION WHICH:

(1) FINDS THAT ONE OR MORE SLUM OR BLIGHTED AREAS EXIST IN THE MUNICIPALITY;

(2) LOCATES AND DEFINES THE SLUM OR BLIGHTED AREA; AND

(3) FINDS THAT THE REHABILITATION, REDEVELOPMENT, OR A COMBINATION OF THEM, OF THE AREA OR AREAS, IS NECESSARY AND IN THE INTEREST OF THE PUBLIC HEALTH, SAFETY, MORALS, OR WELFARE OF THE RESIDENTS OF THE MUNICIPALITY.

A1-107. PREPARATION AND APPROVAL OF PLAN FOR URBAN RENEWAL PROJECT.

(A) IN ORDER TO CARRY OUT THE PURPOSES OF THIS APPENDIX, THE MUNICIPALITY SHALL HAVE PREPARED AN URBAN RENEWAL PLAN FOR SLUM OR BLIGHTED AREAS IN THE MUNICIPALITY, AND SHALL APPROVE THE PLAN FORMALLY. THE MUNICIPALITY SHALL HOLD A PUBLIC HEARING ON AN URBAN RENEWAL PROJECT AFTER PUBLIC NOTICE OF IT BY PUBLICATION IN A NEWSPAPER HAVING A GENERAL CIRCULATION WITHIN THE CORPORATE LIMITS OF THE MUNICIPALITY. THE NOTICE SHALL DESCRIBE THE TIME, DATE, PLACE, AND PURPOSE OF THE HEARING, SHALL GENERALLY IDENTIFY THE URBAN RENEWAL AREA COVERED BY THE PLAN, AND SHALL OUTLINE THE GENERAL SCOPE OF THE URBAN RENEWAL PROJECT UNDER CONSIDERATION. FOLLOWING THE HEARING, THE MUNICIPALITY MAY APPROVE AN URBAN RENEWAL PROJECT AND THE PLAN THEREFOR IF IT FINDS THAT:

(1) A FEASIBLE METHOD EXISTS FOR THE LOCATION OF ANY FAMILIES OR NATURAL PERSONS WHO WILL BE DISPLACED FROM THE URBAN RENEWAL AREA IN DECENT, SAFE, AND SANITARY DWELLING ACCOMMODATIONS WITHIN THEIR MEANS AND WITHOUT UNDUE HARDSHIP TO THE FAMILIES OR NATURAL PERSONS;

(2) THE URBAN RENEWAL PLAN CONFORMS SUBSTANTIALLY TO THE MASTER PLAN OF THE MUNICIPALITY AS A WHOLE; AND

(3) THE URBAN RENEWAL PLAN WILL AFFORD MAXIMUM OPPORTUNITY, CONSISTENT WITH THE SOUND NEEDS OF THE MUNICIPALITY AS A WHOLE, FOR THE REHABILITATION OR REDEVELOPMENT OF THE URBAN RENEWAL AREA BY PRIVATE ENTERPRISE.

(B) AN URBAN RENEWAL PLAN MAY BE MODIFIED AT ANY TIME. IF MODIFIED AFTER THE LEASE OR SALE OF REAL PROPERTY IN THE URBAN RENEWAL PROJECT AREA, THE MODIFICATION MAY BE CONDITIONED ON WHATEVER APPROVAL OF THE OWNER, LESSEE, OR SUCCESSOR IN INTEREST AS THE MUNICIPALITY CONSIDERS ADVISABLE. IN ANY EVENT, IT SHALL BE SUBJECT TO WHATEVER RIGHTS AT LAW OR IN EQUITY AS A LESSEE OR PURCHASER, OR THE SUCCESSOR OR SUCCESSORS IN INTEREST, MAY BE ENTITLED TO ASSERT. WHERE THE PROPOSED MODIFICATION WILL CHANGE SUBSTANTIALLY THE URBAN RENEWAL PLAN AS APPROVED PREVIOUSLY BY THE MUNICIPALITY, THE MODIFICATION SHALL BE APPROVED FORMALLY BY THE MUNICIPALITY, AS IN THE CASE OF AN ORIGINAL PLAN.

(C) ON THE APPROVAL BY THE MUNICIPALITY OF AN URBAN RENEWAL PLAN OR OF ANY MODIFICATION OF IT, THE PLAN OR MODIFICATION SHALL BE CONSIDERED TO BE IN FULL FORCE AND EFFECT FOR THE RESPECTIVE URBAN RENEWAL AREA. THE MUNICIPALITY MAY HAVE THE PLAN OR MODIFICATION CARRIED OUT IN ACCORDANCE WITH ITS TERMS.

A1-108. DISPOSAL OF PROPERTY IN URBAN RENEWAL AREA.

(A) THE MUNICIPALITY, BY ORDINANCE, MAY SELL, LEASE, OR OTHERWISE TRANSFER REAL PROPERTY OR ANY INTEREST IN IT ACQUIRED BY IT FOR AN URBAN RENEWAL PROJECT TO ANY PERSON FOR RESIDENTIAL, RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDUCATIONAL, OR OTHER USES OR FOR PUBLIC USE, OR IT MAY RETAIN THE PROPERTY OR INTEREST FOR PUBLIC USE, IN ACCORDANCE WITH THE URBAN RENEWAL PLAN AND SUBJECT TO WHATEVER COVENANTS, CONDITIONS, AND RESTRICTIONS, INCLUDING COVENANTS RUNNING WITH THE LAND, AS IT CONSIDERS NECESSARY OR DESIRABLE TO ASSIST IN PREVENTING THE DEVELOPMENT OR SPREAD OF FUTURE SLUMS OR BLIGHTED AREAS OR TO OTHERWISE CARRY OUT THE PURPOSES OF THIS APPENDIX. THE PURCHASERS OR LESSEES AND THEIR SUCCESSORS AND ASSIGNS SHALL BE OBLIGATED TO DEVOTE THE REAL PROPERTY ONLY TO THE USES SPECIFIED IN THE URBAN RENEWAL PLAN, AND MAY BE OBLIGATED TO COMPLY WITH WHATEVER OTHER REQUIREMENTS THE MUNICIPALITY DETERMINES TO BE IN THE PUBLIC INTEREST, INCLUDING THE OBLIGATION TO BEGIN WITHIN A REASONABLE TIME ANY IMPROVEMENTS ON THE REAL PROPERTY REQUIRED BY THE URBAN RENEWAL PLAN. THE REAL PROPERTY OR INTEREST MAY NOT BE SOLD, LEASED, OTHERWISE TRANSFERRED, OR RETAINED AT LESS THAN ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN. IN DETERMINING THE FAIR VALUE OF REAL PROPERTY FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN, THE MUNICIPALITY SHALL TAKE INTO ACCOUNT AND GIVE CONSIDERATION TO THE USES PROVIDED IN THE PLAN, THE RESTRICTIONS ON, AND THE COVENANTS, CONDITIONS, AND OBLIGATIONS ASSUMED BY THE PURCHASER OR LESSEE OR BY THE MUNICIPALITY RETAINING THE PROPERTY, AND THE OBJECTIVES OF THE PLAN FOR THE PREVENTION OF THE RECURRENCE OF SLUM OR BLIGHTED AREAS. IN ANY INSTRUMENT OR CONVEYANCE TO A PRIVATE PURCHASER OR LESSEE, THE MUNICIPALITY MAY PROVIDE THAT THE PURCHASER OR LESSEE MAY NOT SELL, LEASE, OR OTHERWISE TRANSFER THE REAL PROPERTY WITHOUT THE PRIOR WRITTEN CONSENT OF THE MUNICIPALITY UNTIL THE PURCHASER OR LESSEE HAS COMPLETED THE CONSTRUCTION OF ANY OR ALL IMPROVEMENTS WHICH THE PURCHASER OR LESSEE HAS BEEN OBLIGATED TO CONSTRUCT ON THE PROPERTY. REAL PROPERTY ACQUIRED BY THE MUNICIPALITY WHICH, IN

ACCORDANCE WITH THE PROVISIONS OF THE URBAN RENEWAL PLAN, IS TO BE TRANSFERRED, SHALL BE TRANSFERRED AS RAPIDLY AS FEASIBLE IN THE PUBLIC INTEREST CONSISTENT WITH THE CARRYING OUT OF THE PROVISIONS OF THE URBAN RENEWAL PLAN. ANY CONTRACT FOR THE TRANSFER AND THE URBAN RENEWAL PLAN (OR ANY PART OR PARTS OF THE CONTRACT OR PLAN AS THE MUNICIPALITY DETERMINES) MAY BE RECORDED IN THE LAND RECORDS OF THE COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN A MANNER SO AS TO AFFORD ACTUAL OR CONSTRUCTIVE NOTICE OF IT.

(B) THE MUNICIPALITY, BY ORDINANCE, MAY DISPOSE OF REAL PROPERTY IN AN URBAN RENEWAL AREA TO PRIVATE PERSONS. THE MUNICIPALITY MAY, BY PUBLIC NOTICE BY PUBLICATION IN A NEWSPAPER HAVING A GENERAL CIRCULATION IN THE COMMUNITY, INVITE PROPOSALS FROM AND MAKE AVAILABLE ALL PERTINENT INFORMATION TO PRIVATE REDEVELOPERS OR ANY PERSONS INTERESTED IN UNDERTAKING TO REDEVELOP OR REHABILITATE AN URBAN RENEWAL AREA, OR ANY PART THEREOF. THE NOTICE SHALL IDENTIFY THE AREA, OR PORTION THEREOF, AND SHALL STATE THAT PROPOSALS SHALL BE MADE BY THOSE INTERESTED WITHIN A SPECIFIED PERIOD. THE MUNICIPALITY SHALL CONSIDER ALL REDEVELOPMENT OR REHABILITATION PROPOSALS AND THE FINANCIAL AND LEGAL ABILITY OF THE PERSONS MAKING PROPOSALS TO CARRY THEM OUT, AND MAY NEGOTIATE WITH ANY PERSONS FOR PROPOSALS FOR THE PURCHASE, LEASE, OR OTHER TRANSFER OF ANY REAL PROPERTY ACQUIRED BY THE MUNICIPALITY IN THE URBAN RENEWAL AREA. THE MUNICIPALITY MAY ACCEPT ANY PROPOSAL AS IT DEEMS TO BE IN THE PUBLIC INTEREST AND IN FURTHERANCE OF THE PURPOSES OF THIS APPENDIX. THEREAFTER, THE MUNICIPALITY MAY EXECUTE AND DELIVER CONTRACTS, DEEDS, LEASES, AND OTHER INSTRUMENTS AND TAKE ALL STEPS NECESSARY TO EFFECTUATE THE TRANSFERS.

(C) THE MUNICIPALITY MAY OPERATE TEMPORARILY AND MAINTAIN REAL PROPERTY ACQUIRED BY IT IN AN URBAN RENEWAL AREA FOR OR IN CONNECTION WITH AN URBAN RENEWAL PROJECT PENDING THE DISPOSITION OF THE PROPERTY AS AUTHORIZED IN THIS APPENDIX, WITHOUT REGARD TO THE PROVISIONS OF SUBSECTION (A), FOR USES AND PURPOSES CONSIDERED DESIRABLE EVEN THOUGH NOT IN CONFORMITY WITH THE URBAN RENEWAL PLAN.

(D) ANY INSTRUMENT EXECUTED BY THE MUNICIPALITY AND PURPORTING TO CONVEY ANY RIGHT, TITLE, OR INTEREST IN ANY PROPERTY UNDER THIS APPENDIX SHALL BE PRESUMED CONCLUSIVELY TO HAVE BEEN EXECUTED IN COMPLIANCE WITH THE PROVISIONS OF THIS APPENDIX INsofar

AS TITLE OR OTHER INTEREST OF ANY BONA FIDE PURCHASERS, LESSEES, OR TRANSFEREES OF THE PROPERTY IS CONCERNED.

A1-109. EMINENT DOMAIN.

CONDEMNATION OF LAND OR PROPERTY UNDER THE PROVISIONS OF THIS APPENDIX SHALL BE IN ACCORDANCE WITH THE PROCEDURE PROVIDED IN THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

A1-110. ENCOURAGEMENT OF PRIVATE ENTERPRISE.

THE MUNICIPALITY, TO THE EXTENT IT DETERMINES TO BE FEASIBLE IN CARRYING OUT THE PROVISIONS OF THIS APPENDIX, SHALL AFFORD MAXIMUM OPPORTUNITY TO THE REHABILITATION OR REDEVELOPMENT OF ANY URBAN RENEWAL AREA BY PRIVATE ENTERPRISE CONSISTENT WITH THE SOUND NEEDS OF THE MUNICIPALITY AS A WHOLE. THE MUNICIPALITY SHALL GIVE CONSIDERATION TO THIS OBJECTIVE IN EXERCISING ITS POWERS UNDER THIS APPENDIX.

A1-111. GENERAL OBLIGATION BONDS.

FOR THE PURPOSE OF FINANCING AND CARRYING OUT AN URBAN RENEWAL PROJECT AND RELATED ACTIVITIES, THE MUNICIPALITY MAY ISSUE AND SELL ITS GENERAL OBLIGATION BONDS. ANY BONDS ISSUED BY THE MUNICIPALITY PURSUANT TO THIS SECTION SHALL BE ISSUED IN THE MANNER AND WITHIN THE LIMITATIONS PRESCRIBED BY APPLICABLE LAW FOR THE ISSUANCE AND AUTHORIZATION OF GENERAL OBLIGATION BONDS BY THE MUNICIPALITY, AND ALSO WITHIN LIMITATIONS DETERMINED BY THE MUNICIPALITY.

A1-112. REVENUE BONDS.

(A) IN ADDITION TO THE AUTHORITY CONFERRED BY SECTION A1-111 OF THIS APPENDIX, THE MUNICIPALITY MAY ISSUE REVENUE BONDS TO FINANCE THE UNDERTAKING OF ANY URBAN RENEWAL PROJECT AND RELATED ACTIVITIES. ALSO, IT MAY ISSUE REFUNDING BONDS FOR THE PAYMENT OR RETIREMENT OF THE BONDS ISSUED PREVIOUSLY BY IT. THE BONDS SHALL BE MADE PAYABLE, AS TO BOTH PRINCIPAL AND INTEREST, SOLELY FROM THE INCOME, PROCEEDS, REVENUES, AND FUNDS OF THE MUNICIPALITY DERIVED FROM OR HELD IN CONNECTION WITH THE UNDERTAKING AND CARRYING OUT OF URBAN RENEWAL PROJECTS UNDER THIS APPENDIX. HOWEVER, PAYMENT OF THE BONDS, BOTH AS TO PRINCIPAL AND INTEREST, MAY BE FURTHER

SECURED BY A PLEDGE OF ANY LOAN, GRANT, OR CONTRIBUTION FROM THE FEDERAL GOVERNMENT OR OTHER SOURCE, IN AID OF ANY URBAN RENEWAL PROJECTS OF THE MUNICIPALITY UNDER THIS APPENDIX, AND BY A MORTGAGE OF ANY URBAN RENEWAL PROJECT, OR ANY PART OF A PROJECT, TITLE TO WHICH IS IN THE MUNICIPALITY. IN ADDITION, THE MUNICIPALITY MAY ENTER INTO AN INDENTURE OF TRUST WITH ANY PRIVATE BANKING INSTITUTION OF THIS STATE HAVING TRUST POWERS AND MAY MAKE IN THE INDENTURE OF TRUST COVENANTS AND COMMITMENTS REQUIRED BY ANY PURCHASER FOR THE ADEQUATE SECURITY OF THE BONDS.

(B) BONDS ISSUED UNDER THIS SECTION DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION, ARE NOT SUBJECT TO THE PROVISIONS OF ANY OTHER LAW OR CHARTER RELATING TO THE AUTHORIZATION, ISSUANCE, OR SALE OF BONDS, AND ARE EXEMPTED SPECIFICALLY FROM THE RESTRICTIONS CONTAINED IN SECTIONS 9, 10, AND 11 OF ARTICLE 31 (DEBT – PUBLIC) OF THE ANNOTATED CODE OF MARYLAND. BONDS ISSUED UNDER THE PROVISIONS OF THIS APPENDIX ARE DECLARED TO BE ISSUED FOR AN ESSENTIAL PUBLIC AND GOVERNMENTAL PURPOSE AND, TOGETHER WITH INTEREST ON THEM AND INCOME FROM THEM, ARE EXEMPT FROM ALL TAXES.

(C) BONDS ISSUED UNDER THIS SECTION SHALL BE AUTHORIZED BY RESOLUTION OR ORDINANCE OF THE LEGISLATIVE BODY OF THE MUNICIPALITY. THEY MAY BE ISSUED IN ONE OR MORE SERIES AND SHALL:

- (1) BEAR A DATE OR DATES;**
- (2) MATURE AT A TIME OR TIMES;**
- (3) BEAR INTEREST AT A RATE OR RATES;**
- (4) BE IN A DENOMINATION OR DENOMINATIONS;**
- (5) BE IN A FORM EITHER WITH OR WITHOUT COUPON OR REGISTERED;**
- (6) CARRY A CONVERSION OR REGISTRATION PRIVILEGE;**
- (7) HAVE A RANK OR PRIORITY;**
- (8) BE EXECUTED IN A MANNER;**

(9) BE PAYABLE IN A MEDIUM OF PAYMENT, AT A PLACE OR PLACES, AND BE SUBJECT TO TERMS OF REDEMPTION (WITH OR WITHOUT PREMIUM);

(10) BE SECURED IN A MANNER; AND

(11) HAVE OTHER CHARACTERISTICS, AS ARE PROVIDED BY THE RESOLUTION, TRUST INDENTURE, OR MORTGAGE ISSUED PURSUANT TO IT.

(D) THESE BONDS MAY NOT BE SOLD AT LESS THAN PAR VALUE AT PUBLIC SALES WHICH ARE HELD AFTER NOTICE IS PUBLISHED PRIOR TO THE SALE IN A NEWSPAPER HAVING A GENERAL CIRCULATION IN THE AREA IN WHICH THE MUNICIPALITY IS LOCATED AND IN WHATEVER OTHER MEDIUM OF PUBLICATION AS THE MUNICIPALITY MAY DETERMINE. THE BONDS MAY BE EXCHANGED ALSO FOR OTHER BONDS ON THE BASIS OF PAR. HOWEVER, THE BONDS MAY NOT BE SOLD TO THE FEDERAL GOVERNMENT AT PRIVATE SALE AT LESS THAN PAR, AND, IN THE EVENT LESS THAN ALL OF THE AUTHORIZED PRINCIPAL AMOUNT OF THE BONDS IS SOLD TO THE FEDERAL GOVERNMENT, THE BALANCE MAY NOT BE SOLD AT PRIVATE SALE AT LESS THAN PAR AT AN INTEREST COST TO THE MUNICIPALITY WHICH DOES NOT EXCEED THE INTEREST COST TO THE MUNICIPALITY OF THE PORTION OF THE BONDS SOLD TO THE FEDERAL GOVERNMENT.

(E) IN CASE ANY OF THE PUBLIC OFFICIALS OF THE MUNICIPALITY WHOSE SIGNATURES APPEAR ON ANY BONDS OR COUPONS ISSUED UNDER THIS APPENDIX CEASE TO BE OFFICIALS OF THE MUNICIPALITY BEFORE THE DELIVERY OF THE BONDS OR IN THE EVENT ANY OF THE OFFICIALS HAVE BECOME SUCH AFTER THE DATE OF ISSUE OF THEM, THE BONDS ARE VALID AND BINDING OBLIGATIONS OF THE MUNICIPALITY IN ACCORDANCE WITH THEIR TERMS. ANY PROVISION OF ANY LAW TO THE CONTRARY NOTWITHSTANDING, ANY BONDS ISSUED PURSUANT TO THIS APPENDIX ARE FULLY NEGOTIABLE.

(F) IN ANY SUIT, ACTION, OR PROCEEDING INVOLVING THE VALIDITY OR ENFORCEABILITY OF ANY BOND ISSUED UNDER THIS APPENDIX, OR THE SECURITY FOR IT, ANY BOND WHICH RECITES IN SUBSTANCE THAT IT HAS BEEN ISSUED BY THE MUNICIPALITY IN CONNECTION WITH AN URBAN RENEWAL PROJECT SHALL BE CONSIDERED CONCLUSIVELY TO HAVE BEEN ISSUED FOR THAT PURPOSE, AND THE PROJECT SHALL BE CONSIDERED CONCLUSIVELY TO HAVE BEEN PLANNED, LOCATED, AND CARRIED OUT IN ACCORDANCE WITH THE PROVISIONS OF THIS APPENDIX.

(G) ALL BANKS, TRUST COMPANIES, BANKERS, SAVINGS BANKS, AND INSTITUTIONS, BUILDING AND LOAN ASSOCIATIONS, SAVINGS AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES, AND OTHER PERSONS CARRYING ON A BANKING OR INVESTMENT BUSINESS; ALL INSURANCE COMPANIES, INSURANCE ASSOCIATIONS, AND OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS; AND ALL EXECUTORS, ADMINISTRATORS, CURATORS, TRUSTEES, AND OTHER FIDUCIARIES, MAY LEGALLY INVEST ANY SINKING FUNDS, MONEYS, OR OTHER FUNDS BELONGING TO THEM OR WITHIN THEIR CONTROL IN ANY BONDS OR OTHER OBLIGATIONS ISSUED BY THE MUNICIPALITY PURSUANT TO THIS APPENDIX. HOWEVER, THE BONDS AND OTHER OBLIGATIONS SHALL BE SECURED BY AN AGREEMENT BETWEEN THE ISSUER AND THE FEDERAL GOVERNMENT IN WHICH THE ISSUER AGREES TO BORROW FROM THE FEDERAL GOVERNMENT AND THE FEDERAL GOVERNMENT AGREES TO LEND TO THE ISSUER, PRIOR TO THE MATURITY OF THE BONDS OR OTHER OBLIGATIONS, MONEYS IN AN AMOUNT WHICH (TOGETHER WITH ANY OTHER MONEYS COMMITTED IRREVOCABLY TO THE PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS OR OTHER OBLIGATIONS) WILL SUFFICE TO PAY THE PRINCIPAL OF THE BONDS OR OTHER OBLIGATIONS WITH INTEREST TO MATURITY ON THEM. THE MONEYS UNDER THE TERMS OF THE AGREEMENT SHALL BE REQUIRED TO BE USED FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND THE INTEREST ON THE BONDS OR OTHER OBLIGATIONS AT THEIR MATURITY. THE BONDS AND OTHER OBLIGATIONS SHALL BE AUTHORIZED SECURITY FOR ALL PUBLIC DEPOSITS. THIS SECTION AUTHORIZES ANY PERSONS OR PUBLIC OR PRIVATE POLITICAL SUBDIVISIONS AND OFFICERS TO USE ANY FUNDS OWNED OR CONTROLLED BY THEM FOR THE PURCHASE OF ANY BONDS OR OTHER OBLIGATIONS. WITH REGARD TO LEGAL INVESTMENTS, THIS SECTION MAY NOT BE CONSTRUED TO RELIEVE ANY PERSON OF ANY DUTY OF EXERCISING REASONABLE CARE IN SELECTING SECURITIES.

A1-113. SHORT TITLE.

THIS APPENDIX SHALL BE KNOWN AND MAY BE CITED AS THE HURLOCK URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE ACT.

A1-114. AUTHORITY TO AMEND OR REPEAL.

THIS APPENDIX, ENACTED PURSUANT TO ARTICLE III, SECTION 61 OF THE MARYLAND CONSTITUTION, MAY BE AMENDED OR REPEALED ONLY BY THE GENERAL ASSEMBLY OF MARYLAND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 1015 - *Maryland Consolidated Capital Bond Loan of 2006 - Montgomery County - Blair Baseball Field Improvements*.

This bill amends the Maryland Consolidated Capital Bond Loan of 2006 to permit the Board of Directors of Maryland Community Baseball, Inc. to include funds expended on or after January 1, 2002, in the matching fund.

House Bill 1184, 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 1015.

Sincerely,

Martin O'Malley
Governor

Senate Bill 1015

AN ACT concerning

**Maryland Consolidated Capital Bond Loan of 2006 – Montgomery County –
Blair Baseball Field Improvements**

FOR the purpose of amending the Maryland Consolidated Capital Bond Loan of 2006 to permit the Board of Directors of Maryland Community Baseball, Inc. to include funds expended on or after a certain date in the matching fund.

BY repealing and reenacting, with amendments,
Chapter 46 of the Acts of the General Assembly of 2006
Section 1(3) Item ZA02

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

Chapter 46 of the Acts of 2006

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

(3) ZA02 LOCAL HOUSE OF DELEGATES INITIATIVES

(AS) Blair Baseball Field Improvements. Provide a grant equal to the lesser of (i) \$50,000 or (ii) the amount of the matching fund provided, to the Board of Directors of Maryland Community Baseball, Inc. for the planning, design, repair, renovation, construction of improvements, and capital equipping of the Blair Baseball Field, located in Silver Spring. Notwithstanding Section 1(5) of this Act, the matching fund may consist of funds expended prior to the effective date of this Act, **INCLUDING FUNDS EXPENDED ON OR AFTER JANUARY 1, 2002** (Montgomery County)..... 50,000

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 1032 - *Maryland Consolidated Capital Bond Loan of 2006 - Charles County - Black Box Theatre*.

This bill amends the Maryland Consolidated Capital Bond Loan of 2006 to authorize the Board of Directors of the Chesapeake Bay Floating Theatre, Inc. to include in kind contributions in the matching fund.

House Bill 1441, 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 1032.

Sincerely,

Martin O'Malley
Governor

Senate Bill 1032

AN ACT concerning

Maryland Consolidated Capital Bond Loan of 2006 – Charles County – Black Box Theatre

FOR the purpose of amending the Maryland Consolidated Capital Bond Loan of 2006 to authorize the Board of Directors of the Chesapeake Bay Floating Theatre, Inc. to include in kind contributions in the matching fund.

BY repealing and reenacting, with amendments,
Chapter 46 of the Acts of the General Assembly of 2006
Section 1(3) Item ZA02(AJ)

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

Chapter 46 of the Acts of 2006

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

(3) ZA02 LOCAL HOUSE OF DELEGATES INITIATIVES

(AJ) Black Box Theatre. Provide a grant equal to the lesser of (i) \$55,000 or (ii) the amount of the matching fund provided, to the Board of Directors of the Chesapeake Bay Floating Theatre, Inc. for the planning, design, construction, repair, renovation, and capital equipping of the lighting system, sound system, seating, and other upgrades at the Black Box Theatre, located in Indian Head. Notwithstanding Section 1(5) of this Act, the matching fund may consist of **IN KIND CONTRIBUTIONS OR** funds expended prior to the effective date of this Act (Charles County) 55,000

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 28 - *Procurement - Small Business Reserve Program - Sunset Extension*.

This bill extends the termination date for the Small Business Reserve Program for three years, from September 30, 2007, to September 30, 2010. Chapter 75 of 2004 established the Small Business Reserve Program, which requires 22 designated State agencies to structure their procurement procedures so that at least 10% of the total value of each agency's procurements of goods, supplies, and services are made directly to small businesses.

Senate Bill 23, 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 28.

Sincerely,

Martin O'Malley
Governor

House Bill 28

AN ACT concerning

Procurement – Small Business Reserve Program – ~~Sunset Extension~~ ~~Modifications~~ Sunset Extension

FOR the purpose of ~~altering certain reporting requirements relating to procurements involving small businesses under the Small Business Reserve Program;~~ continuing until a certain date the provisions of the State Procurement Law relating to ~~procurements from small businesses under~~ the Small Business Reserve Program; and generally relating to the Small Business Reserve Program.

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement
Section 14–501 through 14–505
Annotated Code of Maryland
(2006 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Chapter 75 of the Acts of the General Assembly of 2004
Section 2

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

Article – State Finance and Procurement

14–501.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Designated procurement unit” means:
 - (1) the State Treasurer;
 - (2) the Department of Budget and Management;
 - (3) the Department of Business and Economic Development;
 - (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 Agency; and
- (22) the Morgan State University.

(c) “Small business” means:

(1) a certified minority business enterprise, as defined in § 14–301 of this title, that meets the criteria specified under paragraph (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;

(iv) the wholesale operations of the business did not employ more than 50 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;

(v) the retail operations of the business did not employ more than 25 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;

(vi) the manufacturing operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;

(vii) the service operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years; and

(viii) the construction operations of the business did not employ more than 50 persons, and the gross sales of the business did not exceed an average of \$7,000,000 in its most recently completed 3 fiscal years.

(d) "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 unit shall structure its procurement procedures to achieve a minimum of 10 percent of the unit's total dollar value of goods, supplies, services, maintenance, construction, construction-related services, architectural service, 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.

14-503.

(a) The Department of General Services 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 Department's website.

(b) 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 90 days after the end of each fiscal year, each designated procurement unit shall submit a report on the operation and effectiveness of the Small Business Reserve Program that complies with subsection (d)(2) of this section to the Board of Public Works.

(b) Within 60 days after receipt of all reports required under subsection (a) of this section, the Board of Public Works shall compile the information and report on the operation and effectiveness of the entire Small Business Reserve Program to the Legislative Policy Committee, subject to § 2–1246 of the State Government Article.

(c) 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.

(d) (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, ~~BY INDUSTRY SECTOR AS IDENTIFIED UNDER § 14-501(C)(2)(IV) THROUGH (VIII) OF THIS SUBTITLE,~~ the total number and the dollar value of payments the unit made to small businesses under designated small business reserve contracts;

(ii) state, ~~BY INDUSTRY SECTOR AS IDENTIFIED UNDER § 14-501(C)(2)(IV) THROUGH (VIII) OF THIS SUBTITLE,~~ 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, ~~BY INDUSTRY SECTOR AS IDENTIFIED UNDER § 14-501(C)(2)(IV) THROUGH (VIII) OF THIS SUBTITLE,~~ the total dollar value of payments the unit made under procurement contracts; and ~~and~~

~~(IV) ANALYZE AND DETERMINE WHETHER CURRENT ELIGIBILITY STANDARDS ARE APPROPRIATE OR INSUFFICIENT AND A BARRIER TO THE UNIT'S ABILITY TO MEET THE 10% GOAL UNDER § 14-502 OF THIS SUBTITLE; AND~~

~~(iv) (v)~~ (iv) contain other such information as required by the Governor's Office of Minority Affairs.

(e) 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.

Chapter 75 of the Acts of 2004

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2004. It shall remain effective for a period of [3 years] **6 YEARS** and, at the end of [September 30, 2007] **SEPTEMBER 30, 2010**, with no further action required by the General Assembly, this Act, and any regulations adopted under the provisions of 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, 2007.

May 17, 2007

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, today I have vetoed House Bill 45 - *Calvert County Board of Education - Compensation*.

This bill alters the annual compensation received by the president of the Calvert County Board of Education from \$5,000 to \$6,500 and by other members of the Board from \$4,000 to \$5,500 beginning in the next following term of office.

Senate Bill 356, 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 45.

Sincerely,

Martin O'Malley
Governor

House Bill 45

AN ACT concerning

Calvert County Board of Education – Compensation

FOR the purpose of altering the compensation received by certain members of the Calvert County Board of Education; providing that this Act does not apply to the salary or compensation of the incumbent members of the Board; and generally relating to the compensation received by members of the Calvert County Board of Education.

BY repealing and reenacting, with amendments,

Article – Education
Section 3–303
Annotated Code of Maryland
(2006 Replacement Volume)

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

Article – Education

3–303.

(a) At its first meeting at the beginning of each calendar year, the County Board shall elect a president and a vice president from among its members.

(b) (1) The president of the County Board is entitled to receive ~~[\$5,000]~~ **\$6,500** annually as compensation and the other members are entitled to receive ~~[\$4,000]~~ **\$5,500** each annually as compensation.

(2) An elected member is entitled to health insurance benefits regularly provided to employees of the Board of Education under the same terms and conditions extended to other employees of the Board of Education.

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 president and members of the Calvert County Board of Education in office on the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the president and members of the Calvert County Board of Education shall take effect at the beginning of the next following term of office.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 53 - *Residential Child Care Programs - Out-of-Home Placement - Standards for Staff and System for Outcomes Evaluation*.

This bill requires the Departments of Juvenile Services (DJS), Human Resources (DHR), Health and Mental Hygiene (DHMH) and the Governor's Office for Children (OC) to develop and implement a system for outcomes evaluation of State-operated and supported residential child care programs for out-of-home child placements. The bill requires further that program providers collect and report information necessary for the evaluation system, and that data used shall remain confidential. The agencies must adopt regulations requiring residential program direct care staff to be at least 21 years old and complete a training program. Also, the agencies must develop standards for certification of direct care staff.

Senate Bill 177, 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 53.

Sincerely,

Martin O'Malley
Governor

House Bill 53

AN ACT concerning

Residential Child Care Programs – Out-of-Home Placement – Standards for Staff and System for Outcomes Evaluation

FOR the purpose of requiring the Department of Juvenile Services, the Department of Human Resources, the Department of Health and Mental Hygiene, and the Governor's Office for Children to adopt certain regulations to require certain staff members of certain residential child care programs to meet certain qualifications; requiring the Department of Juvenile Services, the Department of Human Resources, and the Governor's Office for Children to develop, coordinate, and implement a certain system of outcomes evaluation; specifying the uses of the system for outcomes evaluation; ~~requiring the system for outcomes evaluation to use certain measures for a certain purpose; requiring the Governor's Office for Children, the Department of Juvenile Services, and the Department of Human Resources to consult with the University of Maryland, Baltimore, in planning and implementing the system for outcomes evaluation;~~ establishing certain requirements for the system for outcomes evaluation; providing that the Department of Juvenile Services and the Department of Human Resources may not disclose personal identifiers and must ensure confidentiality of certain information when reporting certain information and data; requiring the Governor's Office for Children, in coordination with the Department of Juvenile Services and the Department of Human Resources, to submit a certain report to the Governor and the General Assembly on or before a certain date; requiring the Governor's Office for Children, the Department of Juvenile Services, the Department of Human Resources, and the Department of Health and Mental Hygiene, in cooperation with representatives of certain programs and certain groups, to develop certain regulations and certain recommendations; requiring the Governor's Office for Children to report to the General Assembly on certain recommendations on or before a certain date; defining certain terms; and generally relating to residential child care programs.

BY repealing and reenacting, without amendments,

Article – Human Services

Section 8–101(a), (b), (c), (k), and (m)

Annotated Code of Maryland

(As enacted by Chapter ____ (S.B. 6) of the Acts of the General Assembly of 2007)

BY adding to

Article – Human Services

Section 8–1001 through 8–1003, to be under the new subtitle “Subtitle 10.
Residential Child Care Programs – Standards for Staff and System for
Outcomes Evaluation”

Annotated Code of Maryland

(As enacted by Chapter ____ (S.B. 6) of the Acts of the General Assembly of 2007)

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

Article – Human Services

8–101.

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

(b) (1) “Child in need of out-of-state placement” means a child who is recommended by a unit represented on the local coordinating council for out-of-home placement outside of the State.

(2) “Child in need of out-of-state placement” does not include a child placed in foster care, as defined in § 5–501 of the Family Law Article.

(c) “Child in need of residential placement” means a child:

(1) who is recommended by a member of the local coordinating council for residential placement;

(2) on whose behalf the member of the local coordinating council seeks State funding for the placement; and

(3) who a unit represented on the local coordinating council has determined meets eligibility criteria for a State-funded placement.

(k) “Office” means the Governor’s Office for Children.

(m) (1) “Residential child care program” means an entity that provides 24-hour per day care for children within a structured set of services and activities that

are designed to achieve specific objectives relative to the needs of the children served and that include the provision of food, clothing, shelter, education, social services, health, mental health, recreation, or any combination of these services and activities.

(2) “Residential child care program” includes a program:

(i) licensed by:

1. the Department of Health and Mental Hygiene;
2. the Department of Human Resources; or
3. the Department of Juvenile Services; and

(ii) that is subject to the licensing regulations of the members of the Children’s Cabinet governing the operations of residential child care programs.

**SUBTITLE 10. RESIDENTIAL CHILD CARE PROGRAMS – STANDARDS FOR STAFF
AND SYSTEM FOR OUTCOMES EVALUATION.**

8–1001.

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

(B) (1) “COOPERATING DEPARTMENT” MEANS A UNIT OF THE STATE GOVERNMENT RESPONSIBLE FOR OUT-OF-HOME PLACEMENT OF CHILDREN.

(2) “COOPERATING DEPARTMENT” INCLUDES:

(I) THE DEPARTMENT OF JUVENILE SERVICES; AND

(II) THE DEPARTMENT OF HUMAN RESOURCES.

(C) “DIRECT CARE STAFF” MEANS STAFF ASSIGNED TO PERFORM DIRECT RESPONSIBILITIES RELATED TO ACTIVITIES OF DAILY LIVING, SELF-HELP, AND SOCIALIZATION SKILLS OF CHILDREN IN A RESIDENTIAL CHILD CARE PROGRAM.

(D) “OUT-OF-HOME PLACEMENT” MEANS:

(1) THE REMOVAL OF A CHILD FROM THE CHILD’S FAMILY; AND

(2) THE PLACEMENT OF THE CHILD BY A COOPERATING DEPARTMENT OR COURT IN A PUBLIC OR PRIVATE RESIDENTIAL CHILD CARE PROGRAM FOR MORE THAN 30 DAYS.

(E) "SYSTEM FOR OUTCOMES EVALUATION" MEANS AN OBJECTIVE AND STANDARDIZED METHOD OF MEASURING THE EFFECTIVENESS OF RESIDENTIAL CHILD CARE PROGRAMS.

8-1002.

THE DEPARTMENT OF JUVENILE SERVICES, THE DEPARTMENT OF HUMAN RESOURCES, THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE, AND THE GOVERNOR'S OFFICE FOR CHILDREN SHALL JOINTLY ADOPT REGULATIONS REQUIRING EACH MEMBER OF A DIRECT CARE STAFF TO:

(1) BE AT LEAST 21 YEARS OLD; AND

(2) ~~HAVE COMPLETED~~ COMPLETE A TRAINING PROGRAM THAT:

~~(I) IS APPROVED BY THE AGENCY THAT LICENSED THE RESIDENTIAL CHILD CARE PROGRAM; AND~~

~~(II) SUPPORTS THE SPECIFIC MISSION OF THE RESIDENTIAL CHILD CARE PROGRAM IN WHICH THE DIRECT CARE STAFF MEMBER WORKS.~~

8-1003.

(A) ON OR BEFORE JULY 1, ~~2009~~ 2008, THE OFFICE AND THE COOPERATING DEPARTMENTS SHALL DEVELOP, COORDINATE, AND IMPLEMENT A SYSTEM FOR OUTCOMES EVALUATION.

(B) THE SYSTEM FOR OUTCOMES EVALUATION SHALL BE USED TO:

(1) MONITOR THE CARE, SUPERVISION, EDUCATION, AND TREATMENT PROVIDED BY STATE-OPERATED AND STATE-SUPPORTED RESIDENTIAL CHILD CARE PROGRAMS SO THAT SUCCESSFUL SERVICES CAN BE EXPANDED AND SERVICES THAT DO NOT PRODUCE POSITIVE RESULTS CAN BE IDENTIFIED;

~~(2) ASSESS THE CAPACITY OF RESIDENTIAL CHILD CARE PROGRAMS TO MEET THE NEEDS OF A CHILD REQUIRING OUT-OF-HOME PLACEMENT IN THE CHILD'S COMMUNITY;~~

~~(3) EFFECTIVELY ALLOCATE RESOURCES BASED ON DEMONSTRATED OUTCOMES;~~

~~(4)~~ (2) ESTABLISH AN EVALUATION SYSTEM FOR PROGRAM PERFORMANCE, INCLUDING MEASURES OF SAFETY, QUALITY, AND EFFECTIVENESS; AND

~~(5)~~ (3) COMPLETE AN ASSESSMENT OF THE STATE'S RESIDENTIAL CHILD CARE PROGRAM CAPACITY THAT IDENTIFIES RESIDENTIAL CHILD CARE PROGRAMS IN EACH COMMUNITY TO SERVE THE NEEDS OF A FAMILY THAT RESIDES IN THE COMMUNITY.

(C) ~~(1)~~ THE SYSTEM FOR OUTCOMES EVALUATION SHALL USE STANDARDIZED MEASURES OF FUNCTION TO EVALUATE THE CHILD'S:

~~(I)~~ (1) PROTECTION FROM HARM WHILE IN OUT-OF-HOME PLACEMENT;

~~(II)~~ (2) STABILITY OF LIVING ENVIRONMENT;

~~(III)~~ (3) FAMILY SITUATION AND EFFORTS TO TREAT AND COUNSEL THE FAMILY UNIT;

~~(IV)~~ (4) EDUCATIONAL AND VOCATIONAL DEVELOPMENT;

~~(V)~~ (5) JOB SKILLS AND EMPLOYMENT READINESS;

~~(VI)~~ (6) ~~CESSATION OF DRUG AND ALCOHOL ABUSE~~ LEGAL AND APPROPRIATE USE OF DRUGS AND ALCOHOL;

~~(VII)~~ (7) ~~LEARNING TO NOT BE AGGRESSIVE~~ PROGRESS IN LEARNING POSITIVE, NONAGGRESSIVE BEHAVIORAL HABITS; AND

~~(VIII)~~ (8) ~~POSTDISCHARGE TRANSITION~~ DELINQUENCY STATUS.

~~(2) THE MEASURES OF FUNCTION TO EVALUATE THE CHILD'S POSTDISCHARGE TRANSITION SHALL INCLUDE:~~

~~(I)~~ ARREST;

~~(II)~~ REARREST;

~~(III) REARREST WITH A CHARGE OF A SERIOUS OR VIOLENT OFFENSE;~~

~~(IV) REARREST WITH A WAIVER TO THE ADULT SYSTEM;~~

~~(V) RE REFERRAL TO THE DEPARTMENT OF JUVENILE SERVICES;~~

~~(VI) READJUDICATION AND RECOMMITMENT; AND~~

~~(VII) GRADUATION FROM HIGH SCHOOL OR SUCCESSFUL COMPLETION OF A HIGH SCHOOL EQUIVALENCY EXAMINATION.~~

~~(D) THE OFFICE AND THE COOPERATING DEPARTMENTS SHALL CONSULT WITH THE UNIVERSITY OF MARYLAND, BALTIMORE, IN PLANNING AND IMPLEMENTING THE SYSTEM FOR OUTCOMES EVALUATION.~~

~~(E)~~ (D) THE SYSTEM FOR OUTCOMES EVALUATION SHALL ENSURE THAT COLLECTION AND USE OF DATA IN THE SYSTEM MAINTAINS CONFIDENTIALITY OF INFORMATION ON THE CHILDREN FROM THE COOPERATING DEPARTMENTS.

~~(F)~~ (E) THE SYSTEM FOR OUTCOMES EVALUATION SHALL ENSURE THAT A COOPERATING DEPARTMENT SHALL:

(1) FACILITATE THE PARTICIPATION OF RESIDENTIAL CHILD CARE PROGRAMS OPERATED BY THE COOPERATING DEPARTMENT OR PRIVATE AGENCIES WITH WHICH THE COOPERATING DEPARTMENT HAS A CONTRACT FOR THE PLACEMENT OF CHILDREN IN OUT-OF-HOME CARE; AND

(2) INCLUDE IN THE COOPERATING DEPARTMENT'S CONTRACT WITH A PRIVATE RESIDENTIAL CHILD CARE PROGRAM PROVISIONS REQUIRING THE PROGRAM TO COLLECT AND REPORT TO THE COOPERATING DEPARTMENT:

(I) CHILD-SPECIFIC DEMOGRAPHIC INFORMATION; AND

(II) DATA NECESSARY TO EVALUATE CHANGES IN FUNCTIONING OF THE CHILD AS PROVIDED IN SUBSECTION (C) OF THIS SECTION.

~~(G)~~ (F) WHEN REPORTING DEMOGRAPHIC INFORMATION AND DATA UNDER SUBSECTION ~~(F)~~ (E) OF THIS SECTION, A COOPERATING DEPARTMENT:

(1) MAY NOT DISCLOSE PERSONAL IDENTIFIERS; AND

(2) SHALL ENSURE THE CONFIDENTIALITY OF THE INFORMATION ABOUT THE CHILDREN UNDER ITS RESPONSIBILITY.

~~(H)~~ (G) ON OR BEFORE OCTOBER 1 OF EACH YEAR, THE OFFICE, IN COORDINATION WITH THE COOPERATING DEPARTMENTS, SHALL SUBMIT A REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY ON THE PROGRESS OF IMPLEMENTING THE SYSTEM FOR OUTCOMES EVALUATION.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The Governor's Office for Children and the departments that license residential child care programs in the State, in cooperation with representatives of residential child care programs and other advocacy groups for children, shall:

(1) develop the regulations required under § 8-1002 of the Human Services Article, as enacted by Section 1 of this Act; and

(2) develop recommendations for a process and standards for certification of the direct care staff of residential child care programs, taking into consideration the needs of children served by each licensing agency.

(b) On or before January 1, 2008, the Governor's Office for Children shall report, in accordance with § 2-1246 of the State Government Article, to the General Assembly on the recommendations for the process and standards for certification of direct care staff.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 61 - *Mid-Shore Regional Council - Membership*.

This bill provides that the governing bodies of Caroline, Dorchester, and Talbot counties shall appoint two voting members each to the Mid-Shore Regional Council. The bill also authorizes the bylaws of the Mid-Shore Regional Council to provide for additional public membership on the Council.

Senate Bill 440, 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 61.

Sincerely,

Martin O'Malley
Governor

House Bill 61

AN ACT concerning

Mid-Shore Regional Council – Membership – ~~Immunity~~

FOR the purpose of altering the number of voting members of the Mid-Shore Regional Council appointed by the governing bodies of Caroline, Dorchester, and Talbot counties; authorizing the bylaws of the Mid-Shore Regional Council to provide for additional public membership on the Council; and ~~providing that~~ generally relating to the membership of the Mid-Shore Regional Council ~~is immune from being sued.~~

BY repealing and reenacting, with amendments,
Article 20C – Mid-Shore Regional Council
Section 2–101
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

~~BY adding to~~
~~Article – Courts and Judicial Proceedings~~
~~Section 5–506.1~~
~~Annotated Code of Maryland~~
~~(2006 Replacement Volume)~~

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

Article 20C – Mid–Shore Regional Council

2–101.

(a) The membership of the Council consists of the following members from Caroline, Dorchester, and Talbot counties:

(1) **[Nine] SIX COUNCILMEMBERS OR** commissioners, **[three] TWO** from each county, appointed by their respective county governing bodies as voting members;

(2) Three county administrators, one from each county as nonvoting ex officio members;

(3) (i) Three municipal elected officials, one from each county, appointed by their respective municipal corporations as voting members; or

(ii) If the municipal corporations located in a county are unable to choose a municipal elected official within a reasonable period of time, the Eastern Shore Municipal Association shall appoint an elected municipal official to represent the municipal corporation;

(4) Members of the General Assembly representing the region who have a majority of their legislative district in the region as voting ex officio members;

(5) Members of the General Assembly representing the region who do not have a majority of their legislative district in the region as nonvoting ex officio members; and

(6) The other **COUNCILMEMBERS OR** commissioners as nonvoting ex officio members.

(b) (1) A voting **COUNCILMEMBER OR** commissioner listed under subsection (a)(1) of this section may designate another **COUNCILMEMBER OR** commissioner or county administrator representing the same county to vote by proxy on behalf of the voting **COUNCILMEMBER OR** commissioner when the voting **COUNCILMEMBER OR** commissioner is absent from a meeting.

(2) A voting **COUNCILMEMBER OR** commissioner listed under subsection (a)(1) of this section shall inform the council executive director, in advance, of which other council members the voting **COUNCILMEMBER OR** commissioner

designates to cast a proxy vote on behalf of the voting **COUNCILMEMBER OR** commissioner.

(c) The bylaws of the Council may provide for additional private citizen **OR PUBLIC** membership on the Council.

~~Article Courts and Judicial Proceedings~~

~~5-506.1.~~

~~THE MID-SHORE REGIONAL COUNCIL IS IMMUNE FROM BEING SUED.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 63 - *Dorchester County - Alcoholic Beverages - Special Class C Licensees - Distribution of Wristbands*.

This bill requires a holder of a specified special Class C license in Dorchester County to distribute, at the event for which the license is issued, a wristband to each individual who is at least 21 years old. The bill also prohibits the holder of such a license from serving an alcoholic beverage to any individual who does not wear the wristband.

Senate Bill 713, 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 63.

Sincerely,

Martin O'Malley

Governor

House Bill 63

AN ACT concerning

**Dorchester County – Alcoholic Beverages – Special Class C Licensees –
Distribution of Wristbands**

FOR the purpose of requiring in Dorchester County a holder of a certain special Class C license to distribute at the event for which the license is issued a wristband to each individual who is at least 21 years old; prohibiting a holder of a certain special Class C license from serving an alcoholic beverage to any individual who does not wear the wristband; making a certain stylistic change; and generally relating to alcoholic beverages in Dorchester County.

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 7–101(b)(6) and (d)(7)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

7–101.

(b) (6) In Dorchester County:

(i) A holder of a special Class C beer license or a special Class C beer and wine license may cater an event at the place described in the license on the effective days of the license; [and]

(ii) The fee is \$15 per day; AND

**(iii) A HOLDER OF A SPECIAL CLASS C BEER LICENSE OR A
SPECIAL CLASS C BEER AND WINE LICENSE:**

**1. SHALL DISTRIBUTE AT THE EVENT FOR WHICH
THE LICENSE IS ISSUED A WRISTBAND TO EACH INDIVIDUAL WHO IS AT LEAST 21
YEARS OLD; AND**

2. MAY NOT SERVE AN ALCOHOLIC BEVERAGE TO ANY INDIVIDUAL WHO DOES NOT WEAR THE WRISTBAND.

(d) (7) In Dorchester County:

(i) A holder of a **SPECIAL** Class C [special] beer, wine and liquor license may cater an event at the place described in the license on the effective days of the license; [and]

(ii) The fee is \$25 per day; **AND**

(III) A HOLDER OF A SPECIAL CLASS C BEER, WINE AND LIQUOR LICENSE:

1. SHALL DISTRIBUTE AT THE EVENT FOR WHICH THE LICENSE IS ISSUED A WRISTBAND TO EACH INDIVIDUAL WHO IS AT LEAST 21 YEARS OLD; AND

2. MAY NOT SERVE AN ALCOHOLIC BEVERAGE TO ANY INDIVIDUAL WHO DOES NOT WEAR THE WRISTBAND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 72 - *Environment - Groundwater Contamination - Notification and Reimbursement of Costs*.

This bill alters the procedures for the notification of property owners of groundwater contamination findings by the Department of the Environment and the local health department. The bill also alters the requirements for reimbursement by responsible persons.

Senate Bill 254, 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 72.

Sincerely,

Martin O'Malley
Governor

House Bill 72

AN ACT concerning

Environment – Groundwater Contamination – Notification and Reimbursement of Costs

FOR the purpose of altering certain procedures for notification of certain property owners of certain groundwater contamination findings by the Department of the Environment and the local health department; altering certain reimbursement requirements for certain responsible persons; and generally relating to groundwater contamination.

BY repealing and reenacting, with amendments,
Article – Environment
Section 4–411.2
Annotated Code of Maryland
(1996 Replacement Volume and 2006 Supplement)

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

Article – Environment

4–411.2.

(a) Within 14 days of the finding, the Department shall notify the appropriate local health department of a finding that a groundwater monitoring well sample taken from a high-risk groundwater use area, as defined by the Department, contains:

- (1) Methyl tertiary butyl ether at or in excess of 20 parts per billion;
- (2) Benzene at or in excess of 5 parts per billion; or

(3) A combination of benzene, toluene, ethyl benzene, and xylene at or in excess of 100 parts per billion.

(b) (1) [The local health department] **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE DEPARTMENT** shall notify each owner of property within one-half mile of the site from which the sample was taken.

(2) **IF THE DEPARTMENT AND THE LOCAL HEALTH DEPARTMENT AGREE, THE LOCAL HEALTH DEPARTMENT SHALL GIVE THE NOTICE REQUIRED UNDER THIS SECTION.**

(3) The notification shall:

(i) Be mailed within 14 days of the receipt of a notice from the Department under subsection (a) of this section;

(ii) Be mailed via certified mail; and

(iii) Provide the property owner with information regarding the amount of contamination at the site.

(c) The person responsible for the release that resulted in the groundwater contamination shall reimburse **THE DEPARTMENT OR** the local health department for the costs associated with providing the notice required under subsection (b) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 79 - *Wicomico County - Board of License Commissioners - Attorney's Salary*.

This bill increases the annual salary of the attorney for the Board of License Commissioners of Wicomico County to \$10,000.

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 79.

Sincerely,

Martin O'Malley
Governor

House Bill 79

AN ACT concerning

Wicomico County – Board of License Commissioners – Attorney's Salary

FOR the purpose of increasing the annual salary of the attorney for the Board of License Commissioners of Wicomico County; and generally relating to the Board of License Commissioners of Wicomico County.

BY repealing and reenacting, without amendments,
Article 2B – Alcoholic Beverages
Section 15–112(x)(1)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 15–112(x)(4)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

15–112.

- (x) (1) This subsection applies only in Wicomico County.
- (4) (i) The Board may designate an attorney for the Board.

(ii) The annual salary is ~~[\$6,000]~~ **\$10,000** which shall be provided in the county budget.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 102 - *Natural Resources - Open Air Burning Limitations - Application*.

This bill establishes that the prohibition against open air burning during a declared burning ban does not apply to a burning conducted under the direct control and supervision of certain fire personnel.

Senate Bill 237, 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 102.

Sincerely,

Martin O'Malley
Governor

House Bill 102

AN ACT concerning

Natural Resources – Open Air Burning Limitations – Application

FOR the purpose of establishing that the prohibition against open air burning at certain times and places does not apply to a burning conducted under the direct control and supervision of certain fire personnel; making a technical correction;

making certain stylistic changes; altering a certain definition; and generally relating to the application of a ban on open air burning.

BY repealing and reenacting, with amendments,
Article – Natural Resources
Section 5–720
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article – Natural Resources

5–720.

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

(2) “Burning ban” means a complete ban on all open air burning that is declared by the Secretary or the Governor as a result of prolonged or unusual conditions conducive to the easy starting and spread of fire.

(3) [(i)] “Open air burning” means a fire where any material is burned in the open or in a receptacle other than a furnace, incinerator, or other equipment connected to a stack or chimney.

[(ii)] “Open air burning” does not include the supervised burning of buildings or solid, liquid, or gaseous fuels conducted under the direct control and supervision of qualified instructors at a training center operated by a fire department or any other supervised burning conducted under the direct control and supervision of qualified instructors.]

(4) “Public officer” means:

(i) The authorized agents of the Department; or

(ii) Any police officer who is authorized to enforce the laws of the State or of a political subdivision of the State.

(b) (1) [A] **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A** person may not start or allow open air burning in an area in which a burning ban imposed by the Secretary **OR THE GOVERNOR** is in effect.

(2) **THIS SUBSECTION DOES NOT APPLY TO:**

(I) THE SUPERVISED BURNING OF BUILDINGS OR SOLID, LIQUID, OR GASEOUS FUELS CONDUCTED UNDER THE DIRECT CONTROL AND SUPERVISION OF QUALIFIED INSTRUCTORS AT A TRAINING CENTER OPERATED BY A FIRE DEPARTMENT; OR

(II) ANY OTHER SUPERVISED BURNING CONDUCTED UNDER THE DIRECT CONTROL AND SUPERVISION OF:

1. QUALIFIED FIRE INSTRUCTORS ~~FROM A FIRE DEPARTMENT TRAINING CENTER~~; OR

2. IN WICOMICO COUNTY ~~OR WORCESTER COUNTY~~, WORCESTER COUNTY, OR SOMERSET COUNTY, A FIRE CHIEF, CAPTAIN, OR FIRE LINE OFFICER OF A FIRE DEPARTMENT THAT HAS JURISDICTION OVER THE AREA WHERE THE SUPERVISED BURNING OCCURS.

(c) On reasonable suspicion of open air burning on privately owned property in an area in which a burning ban is in effect, a public officer may enter on the privately owned property of any person to extinguish the fire or to enforce the provisions of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 112 - *Wicomico County - Liquor Control Board – Salaries*.

This bill increases the annual salaries of the chairman and members of the Wicomico County Liquor Control Board to \$6,000 and \$5,000, respectively. The bill also provides that the increase does not apply to the salary or compensation of the incumbent chairman or members of the Board.

Senate Bill 814, 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 112.

Sincerely,

Martin O'Malley
Governor

House Bill 112

AN ACT concerning

Wicomico County – Liquor Control Board – Salaries

FOR the purpose of altering the annual salaries of the chairman and members of the Wicomico County Liquor Control Board; providing that this Act does not apply to the salary or compensation of the incumbent chairman or members of the Board; and generally relating to the Wicomico County Liquor Control Board.

BY repealing and reenacting, without amendments,
Article 2B – Alcoholic Beverages
Section 15–201(a)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 15–201(h)(6)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

15–201.

(a) There is hereby constituted and established in each county a liquor control board, to be appointed and to have the tenure, compensation, powers and duties as provided in this subtitle; provided that in Montgomery County there is

hereby constituted and established, effective July 1, 1951, a Department of Liquor Control, which shall be a department of the county government under the general supervision of the chief administrative officer, and which shall have the powers of a liquor control board as defined in § 15-205 of this subtitle. Whenever used in this subtitle the words "liquor control board" or "board" shall be construed to apply to the Department of Liquor Control in Montgomery County whenever such construction would be reasonable.

(h) Members of the several boards shall receive compensation as follows:

(6) Wicomico County — [~~\$2,750~~] **\$5,000** per annum, and a salary of [~~\$3,500~~] **\$6,000** per annum for the Chairman of the Board.

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 chairman or members in office on the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the chairman or members shall take effect at the beginning of the next following term of office.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 128 - *Maryland Consolidated Capital Bond Loan of 2005 - Montgomery County - Odd Fellows Hall*.

This bill amends the Maryland Consolidated Capital Bond Loan of 2005 to extend the deadline by which the Board of Trustees of the Grand United Order of Odd Fellows

Sandy Spring Lodge # 6430, Inc. may present evidence to the Board of Public Works that a matching fund will be provided.

Senate Bill 305, 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 128.

Sincerely,

Martin O'Malley
Governor

House Bill 128

AN ACT concerning

**Maryland Consolidated Capital Bond Loan of 2005 – Montgomery County –
Odd Fellows Hall**

FOR the purpose of amending the Maryland Consolidated Capital Bond Loan of 2005 to extend the deadline by which the Board of Trustees of the Grand United Order of Odd Fellows Sandy Spring Lodge # 6430, Inc. may present evidence to the Board of Public Works that a matching fund will be provided.

BY repealing and reenacting, with amendments,
Chapter 445 of the Acts of the General Assembly of 2005
Section 1(3) Item ZA01 (AQ)

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

Chapter 445 of the Acts of 2005

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

(3) ZA01 LOCAL HOUSE OF DELEGATES INITIATIVES

(AQ) Odd Fellows Hall. Provide a grant equal to the lesser of (i) \$100,000 or (ii) the amount of the matching fund provided, to the Board of Trustees of the Grand United Order of Odd Fellows Sandy Spring Lodge # 6430, Inc. for the repair, renovation, and preservation of the Odd Fellows Hall, located in Sandy Spring, subject to a requirement that the grantee grant and convey an historic easement to the Maryland Historical Trust. Notwithstanding Section 1(5) of this Act, the matching fund may consist of in kind contributions or funds expended prior to the effective date of this Act. **NOTWITHSTANDING SECTION 1(5) OF THIS ACT, THE GRANTEE HAS UNTIL JUNE 1, 2009, TO PRESENT EVIDENCE THAT A MATCHING FUND WILL BE PROVIDED** (Montgomery County) 100,000

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 135 - *Maryland Life Sciences Advisory Board*.

This bill establishes the Maryland Life Sciences Advisory Board in the Department of Business and Economic Development and provides for the membership, terms, chair, and duties of the Advisory Board. The bill also requires specified reports.

Senate Bill 104, 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 135.

Sincerely,

Martin O'Malley
Governor

House Bill 135

AN ACT concerning

Maryland Life Sciences Advisory Board

FOR the purpose of establishing the Maryland Life Sciences Advisory Board in the Department of Business and Economic Development; providing for the membership, terms, and chair of the Advisory Board; providing for the duties of the Advisory Board; requiring certain reports by the Advisory Board; and generally relating to the Maryland Life Sciences Advisory Board.

BY adding to

Article 83A – Department of Business and Economic Development
Section 5–2C–01 through 5–2C–03 to be under the new subtitle “Subtitle 2C.
Maryland Life Sciences Advisory Board”
Annotated Code of Maryland
(2003 Replacement Volume and 2006 Supplement)

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

Article 83A – Department of Business and Economic Development

SUBTITLE 2C. MARYLAND LIFE SCIENCES ADVISORY BOARD.

5–2C–01.

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

(B) "ADVISORY BOARD" MEANS THE MARYLAND LIFE SCIENCES ADVISORY BOARD.

(C) "LIFE SCIENCES" INCLUDES THE FIELDS OF BIOTECHNOLOGY, PHARMACEUTICALS, BIOMEDICAL TECHNOLOGIES, LIFE SYSTEMS TECHNOLOGIES, FOOD SCIENCES, ENVIRONMENTAL SCIENCES, AND BIOMEDICAL DEVICES.

5-2C-02.

(A) THERE IS A MARYLAND LIFE SCIENCES ADVISORY BOARD IN THE DEPARTMENT.

(B) (1) THE ADVISORY BOARD SHALL CONSIST OF 15 INDIVIDUALS, ~~ONE~~:

(I) ONE OF WHOM SHALL BE THE SECRETARY; AND

(II) ONE OF WHOM SHALL BE A REPRESENTATIVE OF THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION, DESIGNATED BY THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION.

(2) THE REMAINING MEMBERS OF THE ADVISORY BOARD SHALL BE APPOINTED BY THE GOVERNOR.

(C) OF THE ~~14~~ 13 APPOINTED MEMBERS:

(1) THREE SHALL REPRESENT FEDERAL AGENCIES LOCATED IN THE STATE WITH LIFE SCIENCES MISSIONS;

(2) FOUR SHALL HAVE EXECUTIVE EXPERIENCE IN LIFE SCIENCES BUSINESSES LOCATED IN THE STATE;

(3) FOUR SHALL REPRESENT ~~COLLEGES OR UNIVERSITIES~~ INSTITUTIONS OF HIGHER EDUCATION LOCATED IN THE STATE, ONE OF WHICH SHALL ~~BE~~ REPRESENT A COMMUNITY COLLEGE; AND

(4) ~~THREE~~ ONE SHALL HAVE GENERAL BUSINESS MARKETING EXPERIENCE IN A LIFE SCIENCES BUSINESS LOCATED IN THE STATE; AND

(5) ONE SHALL BE ~~MEMBERS~~ A MEMBER OF THE GENERAL PUBLIC.

(D) THE COMPOSITION OF THE ADVISORY BOARD SHALL REFLECT THE RACE AND GENDER DIVERSITY OF THE POPULATION OF THE STATE.

(E) A MEMBER OF THE ADVISORY BOARD MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE ADVISORY BOARD, BUT IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

~~(E)~~ (F) (1) EXCEPT FOR THE SECRETARY, THE TERM OF AN ADVISORY BOARD MEMBER IS 2 YEARS.

(2) AT THE END OF A TERM, A 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.

~~(F)~~ (G) THE GOVERNOR MAY REMOVE AN ADVISORY BOARD MEMBER FOR INCOMPETENCE, MISCONDUCT, OR FAILURE TO PERFORM THE DUTIES OF THE POSITION.

~~(G)~~ (H) A CHAIR SHALL BE SELECTED BY THE GOVERNOR FROM AMONG THE ADVISORY BOARD MEMBERS.

~~(H)~~ (I) THE ADVISORY BOARD MAY ACT WITH AN AFFIRMATIVE VOTE OF EIGHT MEMBERS.

~~(I)~~ (J) THE ADVISORY BOARD SHALL ASSIST THE DEPARTMENT IN:

(1) DEVELOPING A COMPREHENSIVE STATE STRATEGIC PLAN FOR LIFE SCIENCES;

(2) PROMOTING LIFE SCIENCES RESEARCH, DEVELOPMENT, COMMERCIALIZATION, AND MANUFACTURING IN THE STATE;

(3) PROMOTING COLLABORATION AND COORDINATION AMONG LIFE SCIENCES ORGANIZATIONS IN THE STATE;

(4) PROMOTING COLLABORATION AND COORDINATION AMONG RESEARCH INSTITUTIONS OF HIGHER EDUCATION IN THE STATE;

(5) DEVELOPING A STRATEGY TO COORDINATE STATE AND FEDERAL RESOURCES TO ATTRACT PRIVATE SECTOR INVESTMENT AND JOB CREATION IN THE LIFE SCIENCES;

~~(5)~~ (6) DEVELOPING A STRATEGY TO SUPPORT FEDERAL LIFE SCIENCES FACILITIES LOCATED IN THE STATE, INCLUDING SUPPORT FOR EDUCATION, TRANSPORTATION, HOUSING, AND CAPITAL INVESTMENT NEEDS; AND

~~(6)~~ (7) MAKING RECOMMENDATIONS TO ADDRESS CRITICAL NEEDS IN THE LIFE SCIENCES, INCLUDING ACCESS TO VENTURE CAPITAL AND CAPITAL CONSTRUCTION FUNDING.

(K) IN PERFORMING ITS DUTIES, THE ADVISORY BOARD SHALL GIVE DUE CONSIDERATION TO THE BUSINESS, SCIENTIFIC, MEDICAL, AND ETHICAL ASPECTS OF THE LIFE SCIENCES INDUSTRY.

5-2C-03.

(A) THE ADVISORY BOARD SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY ON OR BEFORE DECEMBER 15 OF EACH YEAR.

(B) THE REPORT SHALL SET FORTH ANY RECOMMENDATIONS FROM THE ADVISORY BOARD AND SUMMARIZE THE ADVISORY BOARD'S ACTIVITIES DURING THE PRECEDING YEAR.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 136 - *Base Realignment and Closure Subcabinet*.

This bill establishes the Base Realignment and Closure Subcabinet in State government. It provides for the membership, staffing, duties, and responsibilities of the Subcabinet.

Senate Bill 110, 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 136.

Sincerely,

Martin O'Malley
Governor

House Bill 136

AN ACT concerning

Base Realignment and Closure Subcabinet

FOR the purpose of establishing the Base Realignment and Closure Subcabinet in State government; providing for the membership, chair, and staffing of the Subcabinet; providing for the duties and responsibilities of the Subcabinet; requiring the Subcabinet to submit a certain annual report to the Governor and General Assembly; defining a certain term; providing for the termination of this Act; and generally relating to the Base Realignment and Closure Subcabinet.

BY adding to

Article – State Government
Section 9–802
Annotated Code of Maryland
(2004 Replacement Volume and 2006 Supplement)

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

Article – State Government

9–802.

(A) (1) IN THIS SECTION, “BRAC” MEANS THE BASE REALIGNMENT AND CLOSURE PROCESS AS ANNOUNCED BY THE UNITED STATES DEPARTMENT OF DEFENSE.

(2) "BRAC" INCLUDES THE DEFENSE CONVERSION AND DEFENSE ECONOMIC ADJUSTMENT PROGRAM OF THE UNITED STATES DEPARTMENT OF COMMERCE ECONOMIC DEVELOPMENT ADMINISTRATION.

(B) THERE IS A BASE REALIGNMENT AND CLOSURE SUBCABINET.

(C) THE SUBCABINET CONSISTS OF:

(1) THE LIEUTENANT GOVERNOR;

(2) THE SECRETARY OF BUDGET AND MANAGEMENT;

(3) THE SECRETARY OF BUSINESS AND ECONOMIC DEVELOPMENT;

(4) THE SECRETARY OF THE ENVIRONMENT;

(5) THE SECRETARY OF HIGHER EDUCATION;

(6) THE SECRETARY OF HOUSING AND COMMUNITY DEVELOPMENT;

(7) THE SECRETARY OF LABOR, LICENSING, AND REGULATION;

(8) THE SECRETARY OF PLANNING; ~~AND~~

(9) THE SECRETARY OF TRANSPORTATION; AND

(10) THE STATE SUPERINTENDENT OF SCHOOLS.

(D) THE LIEUTENANT GOVERNOR SHALL SERVE AS CHAIR OF THE SUBCABINET AND SHALL BE RESPONSIBLE FOR THE OVERSIGHT, DIRECTION, AND ACCOUNTABILITY OF THE WORK OF THE SUBCABINET.

(E) (1) THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT SHALL PROVIDE THE PRIMARY STAFF SUPPORT FOR THE SUBCABINET.

(2) THE CHAIR OF THE SUBCABINET MAY CALL ON ANY OF THE SUBCABINET MEMBERS TO PROVIDE ADDITIONAL STAFF ASSISTANCE AS NEEDED.

(F) (1) THE CHAIR MAY ESTABLISH SUBCOMMITTEES TO CARRY OUT THE WORK OF THE SUBCABINET.

(2) A SUBCOMMITTEE MAY INCLUDE AS A MEMBER AN INDIVIDUAL WHO IS NOT A SUBCABINET MEMBER.

(G) THE SUBCABINET SHALL MEET REGULARLY AT SUCH TIMES AND PLACES AS IT DETERMINES.

(H) THE SUBCABINET SHALL:

(1) COORDINATE AND OVERSEE THE IMPLEMENTATION OF ALL STATE ACTION TO SUPPORT THE MISSIONS OF MILITARY INSTALLATIONS IN THE STATE AFFECTED BY THE BRAC RECOMMENDATIONS;

(2) COORDINATE AND OVERSEE THE DEVELOPMENT OF BRAC-RELATED INITIATIVES IN THE AREAS OF WORKFORCE READINESS, GRADES K THROUGH 12 AND HIGHER EDUCATION, BUSINESS DEVELOPMENT, HEALTH CARE FACILITIES AND SERVICES, COMMUNITY INFRASTRUCTURE AND GROWTH, ENVIRONMENTAL STEWARDSHIP, WORKFORCE HOUSING, AND TRANSPORTATION;

(3) PROVIDE A FORUM FOR DISCUSSION OF INTERDEPARTMENTAL ISSUES AND COORDINATION RELATING TO ACTIVITIES THAT SUPPORT MILITARY INSTALLATIONS IN THE STATE;

(4) COLLABORATE WITH AND REVIEW THE RECOMMENDATIONS OF THE MARYLAND MILITARY INSTALLATION COUNCIL ESTABLISHED UNDER ARTICLE 83A § 5-1710.1 OF THE CODE;

(5) WORK WITH LOCAL JURISDICTIONS AFFECTED BY THE BRAC RECOMMENDATIONS TO ACHIEVE THE REQUISITE LEVELS OF PLANNING, COORDINATION, AND COOPERATION AMONG THE STATE AND LOCAL GOVERNMENTS;

(6) WORK WITH MARYLAND'S CONGRESSIONAL DELEGATION TO ATTAIN FEDERAL FUNDS TO SUPPORT THE MISSIONS OF MILITARY INSTALLATIONS IN THE STATE;

(7) MAKE POLICY AND BUDGET RECOMMENDATIONS TO THE GOVERNOR AND GENERAL ASSEMBLY TO STRENGTHEN STATE SUPPORT OF MILITARY INSTALLATIONS IN THE STATE; AND

(8) PERFORM OTHER DUTIES ASSIGNED BY THE GOVERNOR.

(I) IN COORDINATION WITH STATE AGENCIES, THE SUBCABINET SHALL EVALUATE AND REPORT ANNUALLY TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THIS ARTICLE, TO THE GENERAL ASSEMBLY ON STATE ACTION TO SUPPORT THE MISSION OF MILITARY INSTALLATIONS LOCATED IN THE STATE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007. It shall remain effective for a period of 4 years and 7 months and, at the end of December 31, 2011, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 17, 2007

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, today I have vetoed House Bill 140 - *Statewide Advisory Commission on Immunizations - Duties and Sunset Extension*.

This bill expands the scope of the Statewide Advisory Commission on Immunizations' study and reporting function to include: 1) the potential development of a universal vaccine purchasing system to increase access to necessary vaccines in the State; 2) the availability of options to improve provider reimbursements for the cost of administering immunizations; and 3) an update on the use of thimerosal in vaccines. The bill also adds a representative from a health insurance carrier to the membership of the Commission, and extends its sunset date from May 31, 2008, to May 31, 2010.

Senate Bill 105, 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 140.

Sincerely,

Martin O'Malley
Governor

House Bill 140

AN ACT concerning

**Statewide Advisory Commission on ~~Immunization~~ Immunizations –
~~Universal Vaccine Purchasing System~~ Duties and Sunset Extension**

FOR the purpose of expanding certain duties of the Statewide Advisory Commission on Immunizations; including a representative from a health insurance carrier on the Commission; extending the termination date of the Commission; requiring the Commission to make certain recommendations in a certain annual report by a certain date; providing for the termination of a certain provision of this Act; and generally relating to the Statewide Advisory Commission on Immunizations.

BY repealing and reenacting, with amendments,
Article – Health – General
Section 18–214
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Chapter 337 of the Acts of the General Assembly of 2002, as amended by
Chapter 200 of the Acts of the General Assembly of 2005
Section 2

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

Article – Health – General

18–214.

(a) In this section, “vaccine” means a product intended to elicit, in humans, active or passive immunity against an infectious agent or product of an infectious agent.

(b) There is a Statewide Advisory Commission on Immunizations.

(c) The Commission consists of at least the following members:

(1) One physician member of the Medical and Chirurgical Faculty Public Health Council;

(2) The chairperson of the Maryland Childhood Immunization Partnership;

(3) Two physician members of the Maryland Chapter of the American Academy of Pediatrics with experience in private practice and infectious diseases;

(4) One physician member of the Maryland Academy of Family Physicians;

(5) One physician member of the American College of Physicians – Internal Medicine Society of Maryland;

(6) The executive director of the Maryland Partnership for Prevention;

(7) One local health officer;

(8) One representative from the Department's Vaccines for Children Program;

(9) One representative of the Maryland school system with knowledge of the immunizations required of children entering schools;

(10) The Maryland State Epidemiologist;

(11) One representative from a public health consumer advocacy group;
~~and~~

(12) One nurse practitioner; **AND**

(13) ONE REPRESENTATIVE FROM A HEALTH INSURANCE CARRIER.

(d) The Secretary of the Department of Health and Mental Hygiene shall appoint the membership of the Commission, based on the recommendation of the appropriate medical society or agency.

(e) The physician member of the Medical and Chirurgical Faculty Public Health Council shall:

(1) Chair the Commission;

(2) Establish subcommittees to facilitate the work of the Commission;
and

(3) Appoint subcommittee chairs from among the Commission members.

(f) A member of the Commission may not receive compensation but is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(g) The Department of Health and Mental Hygiene shall provide the staffing for the Commission.

(h) The Commission shall:

(1) Determine where community vaccine shortages exist and which vaccines are in short supply;

(2) Develop a recommendation for a plan to effectuate the equitable distribution of vaccines; and

(3) Study and make recommendations about other related issues as determined by the Commission, including but not limited to:

(i) Immunizations required of children entering schools in times of vaccine shortage;

(ii) All available options for the purchasing of vaccines, **INCLUDING THE DEVELOPMENT OF A UNIVERSAL VACCINE PURCHASING SYSTEM, OR A SIMILAR PROGRAM TO INCREASE ACCESS TO NECESSARY VACCINES, FOR THE STATE;**

(III) AN UPDATE ON THE STATUS OF THE USE OF THIMEROSAL IN VACCINES, INCLUDING THE AVAILABILITY AND AFFORDABILITY OF THIMEROSAL-FREE VACCINES, AND ANY OTHER ISSUE RELATED TO THE USE OF THIMEROSAL IN VACCINES THAT IS IDENTIFIED BY THE COMMISSION;

~~(iii)~~ **(IV)** Elimination of any vaccine distribution disparities;

~~(iv)~~ **(V)** A public education campaign in the event of a vaccine shortage;

~~(v)~~ **(VI)** The availability and affordability of adult and childhood vaccines; and

~~(vi)~~ **(VII)** Strategies to increase immunizations among those adults and children recommended to receive immunizations, including catch-up immunizations.

(i) On or before December 15 of each year, the Commission shall submit a report on its findings and recommendations 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 Health and Government Operations Committee.

Chapter 337 of the Acts of 2002, as amended by Chapter 200 of the Acts of 2005

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2002. It shall remain effective for a period of [6] 8 years and, at the end of May 31, [2008,] 2010, 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:

(a) The report of the Statewide Advisory Commission on Immunizations that is due on December 15, 2007, shall contain recommendations on whether the State should consider implementing a Universal Vaccine Purchasing System or take other appropriate action to increase access to necessary vaccines.

(b) In developing its recommendations, the Commission shall:

(1) consult with all interested stakeholders;

(2) review the structure, cost, scope, success, and implementation issues of similar programs in other states;

(3) consider any existing State or federal programs or funds, or any other source of funds, that may be available to mitigate the cost and administrative burden of any proposed new program; ~~and~~

(4) provide a range of policy, structure, cost, and scope options to be considered in any proposed new program;

(5) consider the feasibility and advisability of requiring the Department of Health and Mental Hygiene to reimburse for vaccine administration on a per-antigen basis as an alternative to reimbursing on a per-dosage basis; and

(6) (i) consider all available options for requiring carriers to reimburse providers adequately for the full cost of immunizations including acquisition and overhead costs; and

(ii) consider the feasibility of publicizing a list of wholesale vendors and the prices charged by each vendor for vaccines.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007. Section 2 of this Act shall remain effective for a period of 1 year and 6 months and, at the end of December 31, 2008, with no further action required by the General Assembly, Section 2 of this Act shall be abrogated and of no further force and effect.

May 17, 2007

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, today I have vetoed House Bill 145 - *Somerset County - Treasurer - Salary*.

This bill alters the salary of the Treasurer of Somerset County and provides that the Act does not apply to the salary or compensation of the incumbent Treasurer of Somerset County.

Senate Bill 202, 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 145.

Sincerely,

Martin O'Malley
Governor

House Bill 145

AN ACT concerning

Somerset County – Treasurer – Salary

FOR the purpose of altering the salary of the Treasurer of Somerset County; providing that this Act does not apply to the salary or compensation of the incumbent Treasurer of Somerset County; and generally relating to the salary of the Treasurer of Somerset County.

BY repealing and reenacting, with amendments,
Article 25 – County Commissioners
Section 51(r)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 25 – County Commissioners

51.

(r) The annual salary of the County Treasurer of Somerset County is **[\$44,300] \$60,000.**

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 Treasurer of Somerset County in office on the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the Treasurer of Somerset County shall take effect at the beginning of the next following term of office.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 161 - *Governors Appointments Office and Appointing Authorities - Duties*.

This bill prohibits the Governors Appointments Office from directing or overruling specified decisions of specified appointing authorities in the Executive Branch of State government, the Secretary of Budget and Management, or a unit of the Department of Budget and Management.

Senate Bill 50, 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 161.

Sincerely,

Martin O'Malley
Governor

House Bill 161

AN ACT concerning

Governor's Appointments Office and Appointing Authorities – Duties

FOR the purpose of prohibiting the Governor's Appointments Office from ~~superseding or interfering with any function~~ directing or overruling certain decisions of certain appointing authorities in the Executive Branch of State government ~~and, the Secretary of the Department of Budget and Management with respect to the Secretary's functions regarding the State's personnel systems as assigned by law; prohibiting the Governor from delegating to the Appointments Office or any other unit, officer, official, or employee in the Office of the Governor or the Executive Branch any function or duty with respect to the hiring and termination of at will and special appointments in the principal departments of the Executive Branch and other units in the Executive Branch; providing a certain exception,~~ or a unit of the Department of Budget and Management; providing that appointing authorities in the Executive Branch of State government have certain exclusive powers and duties, ~~including the power to appoint, transfer, reassign, discipline, and terminate employees under their jurisdiction;~~ prohibiting an appointing authority from delegating final decisions on the termination of an employee; defining certain terms; and generally relating to gubernatorial appointments and appointing authorities in the Executive Branch of State government.

BY adding to

Article – State Government

Section 8-3A-01 to be under the new subtitle “Subtitle 3A. Appointments in State Government”

Annotated Code of Maryland

(2004 Replacement Volume and 2006 Supplement)

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

Article – State Government

SUBTITLE 3A. APPOINTMENTS IN STATE GOVERNMENT.

8-3A-01.

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

(2) “APPOINTING AUTHORITY” ~~MEANS AN INDIVIDUAL OR UNIT WITHIN A PRINCIPAL DEPARTMENT OR AN INDIVIDUAL IN ANY OTHER UNIT IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT THAT HAS THE POWER TO MAKE APPOINTMENTS AND TERMINATE EMPLOYMENT~~ HAS THE MEANING STATED IN § 1-101(B) OF THE STATE PERSONNEL AND PENSIONS ARTICLE.

(3) “OFFICE” MEANS THE APPOINTMENTS OFFICE IN THE OFFICE OF THE GOVERNOR ~~OR ANY OTHER UNIT, OFFICER, OFFICIAL, OR EMPLOYEE IN THE OFFICE OF THE GOVERNOR OR THE EXECUTIVE BRANCH~~ THAT PERFORMS THE FUNCTION OF RECOMMENDING TO THE GOVERNOR THE APPOINTMENT OR NOMINATION OF AN INDIVIDUAL TO SERVE AS A MEMBER OF A STATE OR LOCAL BOARD, COMMISSION, COUNCIL, COMMITTEE, AUTHORITY, TASK FORCE, OR OTHER ENTITY THAT BY LAW REQUIRES THE MEMBERSHIP TO BE APPOINTED IN WHOLE OR IN PART BY THE GOVERNOR, WHETHER OR NOT THE APPOINTMENT OR NOMINATION IS WITH THE ADVICE AND CONSENT OF THE SENATE OR HOUSE OF DELEGATES.

~~(B) (1) THE OFFICE MAY NOT SUPERSEDE OR INTERFERE WITH ANY FUNCTION ASSIGNED BY LAW TO:~~

~~(i) AN APPOINTING AUTHORITY IN EACH PRINCIPAL DEPARTMENT OR IN ANY OTHER UNIT IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT; OR~~

~~(H) THE SECRETARY OF THE DEPARTMENT OF BUDGET AND MANAGEMENT OR ANY UNIT OF THE DEPARTMENT OF BUDGET AND MANAGEMENT UNDER THE PROVISIONS OF DIVISION I OF THE STATE PERSONNEL AND PENSIONS ARTICLE.~~

(B) THE OFFICE MAY NOT DIRECT OR OVERRULE AN APPOINTING AUTHORITY, THE SECRETARY OF BUDGET AND MANAGEMENT, OR ANY UNIT OF THE DEPARTMENT OF BUDGET AND MANAGEMENT, ON ANY DECISION TO APPOINT, PROMOTE, TRANSFER, REASSIGN, DISCIPLINE, OR TERMINATE AN EMPLOYEE UNDER THE JURISDICTION OF THE APPOINTING AUTHORITY.

~~(2) THE OFFICE, DIRECTLY OR INDIRECTLY, MAY NOT OVERRULE, IGNORE, OR OTHERWISE BE INVOLVED WITH ANY DECISIONS MADE BY:~~

~~(I) AN APPOINTING AUTHORITY IN EACH PRINCIPAL DEPARTMENT OR IN ANY OTHER UNIT IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT; OR~~

~~(II) THE SECRETARY OF THE DEPARTMENT OF BUDGET AND MANAGEMENT REGARDING ANY FUNCTION ASSIGNED BY LAW TO THE SECRETARY OF THAT DEPARTMENT UNDER THE PROVISIONS OF DIVISION I OF THE STATE PERSONNEL AND PENSIONS ARTICLE.~~

~~(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE GOVERNOR MAY NOT DELEGATE TO THE OFFICE OR ANY OTHER OFFICE, UNIT, OR INDIVIDUAL IN THE OFFICE OF THE GOVERNOR OR THE EXECUTIVE BRANCH OF STATE GOVERNMENT ANY AUTHORITY OR DUTY REGARDING THE TERMINATION OF ANY EMPLOYEE, INCLUDING MANAGEMENT SERVICE AND SPECIAL APPOINTMENTS EMPLOYEES, WHO ARE IN THE PRINCIPAL DEPARTMENTS OR IN ANY OTHER UNIT IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT.~~

~~(2) THE GOVERNOR MAY DELEGATE TO AN INDIVIDUAL IN THE OFFICE OF THE GOVERNOR OR THE EXECUTIVE BRANCH OF STATE GOVERNMENT ANY AUTHORITY OR DUTY REGARDING THE TERMINATION OF AT WILL EMPLOYEES, INCLUDING SPECIAL APPOINTMENTS, WHO ARE:~~

~~(I) IN THE EXECUTIVE PAY PLAN;~~

~~(II) DIRECTLY APPOINTED BY THE GOVERNOR BY AN APPOINTMENT THAT IS NOT PROVIDED FOR BY THE MARYLAND CONSTITUTION;~~

~~(III) APPOINTED BY OR WHO ARE ON THE STAFF OF THE GOVERNOR OR LIEUTENANT GOVERNOR; OR~~

~~(IV) EMPLOYEES ASSIGNED TO THE GOVERNMENT HOUSE OR THE OFFICE OF THE GOVERNOR.~~

~~(D) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AN APPOINTING AUTHORITY EXCLUSIVELY HAS THE POWERS SET FORTH IN SUBSECTION (E) OF THIS SECTION.~~

~~(E)~~ (C) ONLY AN APPOINTING AUTHORITY MAY:

~~(1) APPOINT, PROMOTE, TRANSFER, REASSIGN, DISCIPLINE, AND TERMINATE EMPLOYEES UNDER THE JURISDICTION OF THE APPOINTING AUTHORITY; AND~~

~~(2)~~ DELEGATE IN WRITING THE AUTHORITY TO ACT ON THE APPOINTING AUTHORITY'S BEHALF, BUT ONLY TO ~~ANY OTHER~~ AN EMPLOYEE OR OFFICER UNDER THE JURISDICTION OF THE APPOINTING AUTHORITY.

~~(F)~~ (D) AN APPOINTING AUTHORITY MAY NOT DELEGATE THE AUTHORITY TO MAKE THE FINAL DECISION ON THE TERMINATION OF AN EMPLOYEE.

~~(G)~~ (E) AN APPOINTING AUTHORITY SHALL NOTIFY THE SECRETARY OF BUDGET AND MANAGEMENT OF ANY DELEGATION OF AUTHORITY AUTHORIZED UNDER THIS SECTION BY PROVIDING THE SECRETARY A COPY OF THE DELEGATION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 165 - *Baltimore City - Local Government Tort Claims Act - Baltimore Public Markets Corporation and Lexington Market, Inc.*

This bill provides that the Baltimore Public Markets Corporation, in Baltimore City, meets the definition of “local government” for the purposes of the Local Government Tort Claims Act. With the passage of this law, the Baltimore Public Markets Corporation and its employees may not raise as a defense a limitation on liability; providing that the notice requirement does not apply to actions for unliquidated damages.

Senate Bill 16, 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 165.

Sincerely,

Martin O'Malley
Governor

House Bill 165

AN ACT concerning

Baltimore City – Local Government Tort Claims Act – Baltimore Public Markets Corporation and Lexington Market, Inc.

FOR the purpose of including the Baltimore Public Markets Corporation, in Baltimore City, in the definition of “local government” for the purposes of the Local Government Tort Claims Act; providing that Baltimore Public Markets Corporation and its employees may not raise as a defense a certain limitation on liability; providing for the application of this Act; providing that a certain notice requirement does not apply to a certain action for unliquidated damages; and generally relating to the Local Government Tort Claims Act and the Baltimore Public Markets Corporation and Lexington Market, Inc., in Baltimore City.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 5–301(d) ~~and 5–303(f)~~, 5–303(f), and 5–304(a)
Annotated Code of Maryland
(2006 Replacement Volume)

BY repealing and reenacting, without amendments,
Article – Courts and Judicial Proceedings
Section 5–304(b)

Annotated Code of Maryland
(2006 Replacement Volume)

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

Article – Courts and Judicial Proceedings

5–301.

(d) “Local government” means:

- (1) A chartered county established under Article 25A of the Code;
- (2) A code county established under Article 25B of the Code;
- (3) A board of county commissioners established or operating under Article 25 of the Code;
- (4) Baltimore City;
- (5) A municipal corporation established or operating under Article 23A of the Code;
- (6) The Maryland–National Capital Park and Planning Commission;
- (7) The Washington Suburban Sanitary Commission;
- (8) The Northeast Maryland Waste Disposal Authority;
- (9) A community college or board of trustees for a community college established or operating under Title 16 of the Education Article, not including Baltimore City Community College;
- (10) A county public library or board of trustees of a county public library established or operating under Title 23, Subtitle 4 of the Education Article;
- (11) The Enoch Pratt Free Library or Board of Trustees of the Enoch Pratt Free Library;
- (12) The Washington County Free Library or the Board of Trustees of the Washington County Free Library;
- (13) A special taxing district;

(14) A nonprofit community service corporation incorporated under State law that is authorized to collect charges or assessments;

(15) Housing authorities created under Division II of the Housing and Community Development Article;

(16) A sanitary district, sanitary commission, metropolitan commission, or other sewer or water authority established or operating under public local law or public general law;

(17) The Baltimore Metropolitan Council;

(18) The Howard County Economic Development Authority;

(19) The Howard County Mental Health Authority;

(20) A commercial district management authority established by a county or municipal corporation if provided under local law;

(21) The Baltimore City Police Department;

(22) A regional library resource center or a cooperative library corporation established under Title 23, Subtitle 2 of the Education Article;

(23) Lexington Market, Inc., in Baltimore City;

(24) THE BALTIMORE PUBLIC MARKETS CORPORATION, IN BALTIMORE CITY;

[(24)] (25) The nonprofit corporation serving as the local public transportation authority for Carroll County pursuant to a contract or memorandum of understanding with Carroll County (Carroll County Senior Overland Service, Inc., t/a Carroll Area Transit System); and

[(25)] (26) The nonprofit corporation serving as the animal control and licensing authority for Carroll County pursuant to a contract or memorandum of understanding with Carroll County (the Humane Society of Carroll County, Inc.).

5-303.

(f) **(1)** Lexington Market, Inc., in Baltimore City, and its employees, may not raise as a defense a limitation on liability described under § 5-406 of this title.

(2) BALTIMORE PUBLIC MARKETS CORPORATION, IN BALTIMORE CITY, AND ITS EMPLOYEES, MAY NOT RAISE AS A DEFENSE A LIMITATION ON LIABILITY DESCRIBED UNDER § 5-406 OF THIS TITLE.

5-304.

(a) This section does not apply to an action against a nonprofit corporation described in [§ 5-301(d)(24) or (25)] § 5-301(D)(23), (24), (25), OR (26) of this subtitle or its employees.

(b) Except as provided in subsections (a) and (d) of this section, an action for unliquidated damages may not be brought against a local government or its employees unless the notice of the claim required by this section is given within 180 days after the injury.

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 cause of action arising before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 172 - *Real Property - Ground Rents - Prohibition on Creation of Reversionary Interests in Residential Property*.

This emergency bill prohibits the owner of a fee simple or leasehold estate in specified residential property from creating a reversionary interest in the property under a ground lease or a ground sublease under specified circumstances.

Senate Bill 106, 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 172.

Sincerely,

Martin O'Malley
Governor

House Bill 172

AN ACT concerning

Real Property – Ground Rents – Prohibition on Creation of ~~Ground Rent~~ ~~Leases for~~ Reversionary Interests in Residential Property

FOR the purpose of prohibiting, on or after a certain date, the ~~creation of a lease or sublease of a certain term and subject to the payment of a certain ground rent for certain residential property~~ owner of a fee simple or leasehold estate in certain residential property from creating a reversionary interest in the property under a ground lease or a ground sublease under certain circumstances; providing for the application of this Act; making this Act an emergency measure; and generally relating to ground ~~rent~~ leases for residential property.

BY adding to

Article – Real Property
Section 8–111.2
Annotated Code of Maryland
(2003 Replacement Volume and 2006 Supplement)

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

Article – Real Property

8–111.2.

ON OR AFTER JANUARY 22, 2007, A LEASE OR SUBLEASE FOR SINGLE FAMILY RESIDENTIAL PROPERTY IMPROVED BY FOUR OR FEWER SINGLE FAMILY UNITS THAT HAS AN INITIAL TERM OF 99 YEARS RENEWABLE FOREVER AND THAT CREATES A LEASEHOLD ESTATE OR SUBLEASEHOLD ESTATE SUBJECT TO THE PAYMENT OF AN ANNUAL GROUND RENT, MAY NOT BE CREATED THE OWNER OF A FEE SIMPLE OR LEASEHOLD ESTATE IN RESIDENTIAL PROPERTY THAT IS USED, INTENDED TO BE USED, OR

**AUTHORIZED TO BE USED FOR FOUR OR FEWER DWELLING UNITS MAY NOT
CREATE A REVERSIONARY INTEREST IN THE PROPERTY UNDER A GROUND
LEASE OR A GROUND SUBLEASE FOR A TERM OF YEARS RENEWABLE FOREVER
SUBJECT TO THE PAYMENT OF A PERIODIC GROUND RENT.**

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 ground lease or ground sublease created before
January 22, 2007.

SECTION ~~2~~ 3. 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 17, 2007

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, today I have
vetoed House Bill 191 - *Cecil County - Board of Parks and Recreation - Appointment of
Members*.

This bill changes the appointment procedure of the Cecil County Board of Parks and
Recreation. Rather than each county commissioner appointing two members, the
Board of County Commissioners would appoint all eight members.

Senate Bill 377, 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 191.

Sincerely,

Martin O'Malley
Governor

House Bill 191

AN ACT concerning

Cecil County – Board of Parks and Recreation – Appointment of Members

FOR the purpose of altering the manner of appointment of the members of the Board of Parks and Recreation for Cecil County; and generally relating to the appointment of the members of the Board of Parks and Recreation for Cecil County.

BY repealing and reenacting, without amendments,
The Public Local Laws of Cecil County
Section 57-1
Article 8 – Public Local Laws of Maryland
(1989 Edition and January 2006 Supplement, as amended)

BY repealing and reenacting, with amendments,
The Public Local Laws of Cecil County
Section 57-2 A.
Article 8 – Public Local Laws of Maryland
(1989 Edition and January 2006 Supplement, as amended)

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

Article 8 – Cecil County

57-1.

The Board of County Commissioners of Cecil County shall establish a Board of Parks and Recreation and a Director of Parks and Recreation, with powers and duties as specified in this chapter.

57-2.

A. The Board shall consist of eight (8) members, appointed by the Board of County Commissioners[, of whom each Commissioner shall appoint two (2)]. One (1) member shall be appointed by the Board of Education. The Board of County Commissioners shall annually select, from its membership, an ex officio member for this Board, who shall serve without voting privileges.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 197 - *Somerset County - Sale of Property - Whittington Elementary School*.

This bill allows the Somerset County Commissioners to sell the property known as Whittington Elementary School to Shore Up Inc., under terms deemed appropriate by the county commissioners. It exempts the sale of the property from specified general requirements for the sale of surplus property.

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 197.

Sincerely,

Martin O'Malley
Governor

House Bill 197

AN ACT concerning

Somerset County – Sale of Property – Whittington Elementary School

FOR the purpose of authorizing the County Commissioners of Somerset County to sell certain property known as Whittington Elementary School to Shore Up Inc., under terms the County Commissioners consider appropriate; exempting the sale of certain property from certain general requirements for the sale of surplus property; and generally relating to the sale of county property in Somerset County.

BY repealing and reenacting, without amendments,
Article 25 – County Commissioners
Section 11A(a) and (b)(1) and (5)

Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article 25 – County Commissioners
Section 11A(d)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 25 – County Commissioners

11A.

(a) (1) Except as provided in subsection (b) of this section, the county commissioners of every county may:

(i) Acquire by purchase, gift, devise, bequest, condemnation, or otherwise, any property, or any interest therein, of any kind needed for any public purpose;

(ii) Erect buildings thereon for the benefit of the county;

(iii) Sell at public sale any property when no longer needed for public use; and

(iv) Provide for the financing of any housing or housing project in whole or in part, including the placement of a deed of trust, mortgage, or other instrument upon the property to ensure repayment of funds used to purchase, construct, rehabilitate, or otherwise develop the housing project. The authority provided for in this subparagraph does not limit the existing powers of a county or county commissioners.

(2) Property may not be sold until it has been advertised for at least 20 days prior to the date of sale.

(b) (1) The provisions of this subsection prevail over those of subsection (a) of this section to the extent of any inconsistency.

(5) (i) In Somerset County, the County Commissioners may sell any interest in surplus property held by the county by acceptance of sealed bids solicited by advertisement.

(ii) An advertisement for bids shall be published at least twice in a newspaper of general circulation in the county not less than 10 days nor more than 90 days before the date set for opening the bids.

(iii) The bids shall be opened in public and the County Commissioners shall act on the bids only during a public session of the County Commissioners.

(iv) If the County Commissioners determine that the highest bid fails to yield a reasonable price for the property, the County Commissioners may reject all bids on the property.

(v) If all bids are rejected, the County Commissioners shall record the highest bid in the minutes of the public session and may proceed to sell the property:

1. By readvertising for sealed bids;

2. By public auction; or

3. If the property is surplus school property, in accordance with paragraph (2) of this subsection.

(vi) The County Commissioners shall adopt a local ordinance or resolution governing the sale of property under this paragraph.

(d) **(1)** The County Commissioners of Somerset County may sell the property known as the old Somerset County Jail, located on 48 North Beckford Avenue, Princess Anne, to the Town of Princess Anne.

(2) (I) THE PROVISIONS OF THIS SECTION DO NOT APPLY TO A SALE OF PROPERTY UNDER THIS PARAGRAPH.

(II) THE COUNTY COMMISSIONERS OF SOMERSET COUNTY MAY SELL THE APPROXIMATELY 4.02 ACRES OF PROPERTY AT COUNTY TAX MAP 103, GRID 8, PARCEL 1467 (KNOWN AS WHITTINGTON ELEMENTARY SCHOOL) TO SHORE UP INC., UNDER TERMS CONSIDERED APPROPRIATE BY THE COUNTY COMMISSIONERS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 222 - *Garrett County - Local Government Tort Claims Act - Inclusion of Specified Nonprofit Entity*.

This bill alters the definition of a “local government” under the Local Government Tort Claims Act to include a specified nonprofit corporation in Garrett County and provides that a notice requirement does not apply to specified actions against an identified nonprofit corporation in Garrett County or its employees.

Senate Bill 229, 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 222.

Sincerely,

Martin O'Malley
Governor

House Bill 222

AN ACT concerning

Garrett County – Local Government Tort Claims Act – Inclusion of Specified Nonprofit Entity

FOR the purpose of altering the definition of a “local government” under the Local Government Tort Claims Act to include a certain nonprofit corporation in Garrett County; providing that a certain notice requirement does not apply to certain actions against a certain nonprofit corporation in Garrett County or its employees; and generally relating to the inclusion of a certain nonprofit entity in Garrett County under the Local Government Tort Claims Act.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 5–301 and 5–304
Annotated Code of Maryland

(2006 Replacement Volume)

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

Article – Courts and Judicial Proceedings

5–301.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Actual malice” means ill will or improper motivation.
- (c) (1) “Employee” means any person who was employed by a local government at the time of the act or omission giving rise to potential liability against that person.
 - (2) “Employee” includes:
 - (i) Any employee, either within or without a classified service or merit system;
 - (ii) An appointed or elected official; or
 - (iii) A volunteer who, at the request of the local government, and under its control and direction, was providing services or performing duties.
- (d) “Local government” means:
 - (1) A chartered county established under Article 25A of the Code;
 - (2) A code county established under Article 25B of the Code;
 - (3) A board of county commissioners established or operating under Article 25 of the Code;
 - (4) Baltimore City;
 - (5) A municipal corporation established or operating under Article 23A of the Code;
 - (6) The Maryland–National Capital Park and Planning Commission;
 - (7) The Washington Suburban Sanitary Commission;

- (8) The Northeast Maryland Waste Disposal Authority;
- (9) A community college or board of trustees for a community college established or operating under Title 16 of the Education Article, not including Baltimore City Community College;
- (10) A county public library or board of trustees of a county public library established or operating under Title 23, Subtitle 4 of the Education Article;
- (11) The Enoch Pratt Free Library or Board of Trustees of the Enoch Pratt Free Library;
- (12) The Washington County Free Library or the Board of Trustees of the Washington County Free Library;
- (13) A special taxing district;
- (14) A nonprofit community service corporation incorporated under State law that is authorized to collect charges or assessments;
- (15) Housing authorities created under Division II of the Housing and Community Development Article;
- (16) A sanitary district, sanitary commission, metropolitan commission, or other sewer or water authority established or operating under public local law or public general law;
- (17) The Baltimore Metropolitan Council;
- (18) The Howard County Economic Development Authority;
- (19) The Howard County Mental Health Authority;
- (20) A commercial district management authority established by a county or municipal corporation if provided under local law;
- (21) The Baltimore City Police Department;
- (22) A regional library resource center or a cooperative library corporation established under Title 23, Subtitle 2 of the Education Article;
- (23) Lexington Market, Inc., in Baltimore City;
- (24) The nonprofit corporation serving as the local public transportation authority for Carroll County pursuant to a contract or memorandum of understanding

with Carroll County (Carroll County Senior Overland Service, Inc., t/a Carroll Area Transit System); [and]

(25) The nonprofit corporation serving as the animal control and licensing authority for Carroll County pursuant to a contract or memorandum of understanding with Carroll County (the Humane Society of Carroll County, Inc.); **AND**

(26) THE NONPROFIT CORPORATION SERVING AS THE LOCAL PUBLIC TRANSPORTATION AUTHORITY FOR GARRETT COUNTY PURSUANT TO A CONTRACT OR MEMORANDUM OF UNDERSTANDING WITH GARRETT COUNTY (GARRETT COUNTY COMMUNITY ACTION COMMITTEE, INC.).

5-304.

(a) This section does not apply to an action against a nonprofit corporation described in § 5-301(d)(24) [or], (25), **OR (26)** of this subtitle or its employees.

(b) Except as provided in subsections (a) and (d) of this section, an action for unliquidated damages may not be brought against a local government or its employees unless the notice of the claim required by this section is given within 180 days after the injury.

(c) (1) Except in Anne Arundel County, Baltimore County, Harford County, and Prince George's County, the notice shall be given in person or by certified mail, return receipt requested, bearing a postmark from the United States Postal Service, by the claimant or the representative of the claimant, to the county commissioner, county council, or corporate authorities of a defendant local government, or:

(i) In Baltimore City, to the City Solicitor;

(ii) In Howard County, to the County Executive; and

(iii) In Montgomery County, to the County Executive.

(2) In Anne Arundel County, Baltimore County, Harford County, and Prince George's County, the notice shall be given in person or by certified mail, return receipt requested, bearing a postmark from the United States Postal Service, by the claimant or the representative of the claimant, to the county solicitor or county attorney.

(3) The notice shall be in writing and shall state the time, place, and cause of the injury.

(d) Notwithstanding the other provisions of this section, unless the defendant can affirmatively show that its defense has been prejudiced by lack of required notice, upon motion and for good cause shown the court may entertain the suit even though the required notice was not given.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 252 - *Frederick County - Collective Bargaining - Representatives for Correctional Officers*.

This bill authorizes the representatives of full-time correctional officers in the Frederick County Sheriff's Office to collectively bargain with the Sheriff of Frederick County concerning wages and benefits. The bill requires that any additional funding required as a result of a negotiated agreement be subject to the approval of the County Commissioners of Frederick County.

Senate Bill 565, 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 252.

Sincerely,

Martin O'Malley
Governor

House Bill 252

AN ACT concerning

Frederick County – Collective Bargaining – Representatives for Correctional Officers

FOR the purpose of authorizing the representatives of certain full-time correctional officers in the Frederick County Sheriff's Office to collectively bargain with the Sheriff of Frederick County concerning wages and benefits; authorizing certain correctional officers to take certain actions or refrain from taking certain actions in connection with certain labor organizations and collective bargaining activities; requiring that any additional funding required as a result of a negotiated agreement be subject to the approval of the County Commissioners of Frederick County; providing for the procedures for certifying a labor organization as an exclusive representative and for collective bargaining negotiations; requiring a collective bargaining agreement to contain certain matters; and generally relating to collective bargaining with the Sheriff of Frederick County.

BY adding to

Article – Courts and Judicial Proceedings
Section 2-309(l)(6)
Annotated Code of Maryland
(2006 Replacement Volume)

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.

(l) (6) (i) THIS PARAGRAPH APPLIES TO ALL FULL-TIME CORRECTIONAL OFFICERS IN THE FREDERICK COUNTY SHERIFF'S OFFICE AT THE RANK OF SERGEANT AND BELOW.

(ii) 1. FULL-TIME CORRECTIONAL OFFICERS AT THE RANK OF SERGEANT AND BELOW MAY:

A. TAKE PART IN OR REFRAIN FROM TAKING PART IN FORMING, JOINING, SUPPORTING, OR PARTICIPATING IN A LABOR ORGANIZATION OR ITS LAWFUL ACTIVITIES;

B. SELECT A LABOR ORGANIZATION AS THEIR EXCLUSIVE REPRESENTATIVE;

C. ENGAGE IN COLLECTIVE BARGAINING WITH THE SHERIFF, OR THE SHERIFF'S DESIGNEE, CONCERNING WAGES AND BENEFITS, NOT REGULATED BY THE SHERIFF, THROUGH A LABOR ORGANIZATION CERTIFIED AS THEIR EXCLUSIVE REPRESENTATIVE;

D. SUBJECT TO SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, ENTER INTO A COLLECTIVE BARGAINING AGREEMENT, THROUGH THEIR EXCLUSIVE REPRESENTATIVE, COVERING THOSE WAGES AND BENEFITS NOT REGULATED BY THE SHERIFF; AND

E. DECERTIFY A LABOR ORGANIZATION AS THEIR EXCLUSIVE REPRESENTATIVE.

2. ANY ADDITIONAL FUNDING REQUIRED AS A RESULT OF A NEGOTIATED COLLECTIVE BARGAINING AGREEMENT SHALL BE SUBJECT TO APPROVAL BY THE BOARD OF COUNTY COMMISSIONERS OF FREDERICK COUNTY.

(III) 1. A LABOR ORGANIZATION SHALL BE DEEMED CERTIFIED AS AN EXCLUSIVE REPRESENTATIVE IF THE FOLLOWING CONDITIONS ARE MET:

A. A PETITION FOR THE LABOR ORGANIZATION TO BE RECOGNIZED BY THE SHERIFF IS SIGNED BY AT LEAST 51% OF THE CORRECTIONAL OFFICERS AT THE RANK OF SERGEANT AND BELOW INDICATING THEIR DESIRE TO BE EXCLUSIVELY REPRESENTED BY THE PETITIONER FOR THE PURPOSE OF COLLECTIVE BARGAINING; AND

B. THE PETITION IS SUBMITTED TO THE SHERIFF.

2. IF THE SHERIFF DOES NOT CHALLENGE THE VALIDITY OF THE PETITION WITHIN 10 CALENDAR DAYS FOLLOWING THE RECEIPT OF THE PETITION, THE LABOR ORGANIZATION SHALL BE DEEMED CERTIFIED AS THE EXCLUSIVE REPRESENTATIVE.

3. IF THE SHERIFF CHALLENGES THE VALIDITY OF THE PETITION, THE AMERICAN ARBITRATION ASSOCIATION SHALL BE REQUESTED TO APPOINT A THIRD PARTY NEUTRAL TO CONDUCT AN ELECTION AND TO CERTIFY WHETHER THE LABOR ORGANIZATION HAS BEEN SELECTED AS THE EXCLUSIVE REPRESENTATIVE BY A MAJORITY OF THE VOTES CAST IN THE ELECTION.

4. THE COSTS ASSOCIATED WITH THE AMERICAN ARBITRATION ASSOCIATION AND THE THIRD PARTY NEUTRAL SHALL BE SHARED EQUALLY BY THE PARTIES.

(iv) 1. FOLLOWING CERTIFICATION OF AN EXCLUSIVE REPRESENTATIVE AS PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH, THE PARTIES SHALL MEET AT REASONABLE TIMES AND ENGAGE IN COLLECTIVE BARGAINING IN GOOD FAITH.

2. THE PARTIES SHALL MAKE EVERY REASONABLE EFFORT TO CONCLUDE NEGOTIATIONS IN A TIMELY MANNER TO ALLOW FOR INCLUSION BY THE OFFICE OF THE SHERIFF OF MATTERS AGREED ON IN ITS BUDGET REQUEST TO THE BOARD OF COUNTY COMMISSIONERS OF FREDERICK COUNTY.

(v) 1. A COLLECTIVE BARGAINING AGREEMENT SHALL CONTAIN ALL MATTERS OF AGREEMENT REACHED IN THE COLLECTIVE BARGAINING PROCESS.

2. THE AGREEMENT MAY CONTAIN A GRIEVANCE PROCEDURE PROVIDING FOR NONBINDING ARBITRATION OF GRIEVANCES.

3. AN AGREEMENT REACHED IN ACCORDANCE WITH THIS SUBPARAGRAPH SHALL BE IN WRITING AND SIGNED BY THE DESIGNATED REPRESENTATIVES OF THE PARTIES INVOLVED IN THE COLLECTIVE BARGAINING NEGOTIATIONS.

4. A. SUBJECT TO SUBSUBSUBPARAGRAPH B OF THIS SUBSUBPARAGRAPH, AN AGREEMENT IS NOT EFFECTIVE UNTIL IT IS RATIFIED BY A MAJORITY OF THE VOTES CAST BY THE CORRECTIONAL OFFICERS IN THE BARGAINING UNIT AND THE SHERIFF.

B. ADDITIONAL FUNDING, IF ANY, REQUIRED AS A RESULT OF THE AGREEMENT SHALL BE SUBJECT TO THE APPROVAL OF THE BOARD OF COUNTY COMMISSIONERS.

(vi) NOTHING IN THIS PARAGRAPH MAY BE CONSTRUED AS AUTHORIZING OR OTHERWISE ALLOWING A CORRECTIONAL OFFICER TO ENGAGE IN A STRIKE AS DEFINED IN § 3-303 OF THE STATE PERSONNEL AND PENSIONS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 275 - *Education - Teachers - State and Local Aid Program for Certification by the National Board for Professional Teaching Standards*.

This bill extends the termination date on the State and Local Aid Program for Certification by the National Board for Professional Teaching Standards (NBPTS) from May 31, 2008 to June 30, 2013. The bill expands membership in the program to include teachers seeking recertification, raises the participation limit to 1,000 teachers, and authorizes the State board to fund up to one retake of an unsuccessful entry on the NBPTS assessment.

Senate Bill 57, 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 275.

Sincerely,

Martin O'Malley
Governor

House Bill 275

AN ACT concerning

Education – Teachers – State and Local Aid Program for Certification by the National Board for Professional Teaching Standards

FOR the purpose of including the renewal of certain certification by the National Board for Professional Teaching Standards as part of a certain State and local

aid program; altering the maximum number of teachers who may be selected to participate in a certain program; authorizing the State Board of Education to provide certain aid to certain participants for certain retakes of the National Board for Professional Teaching Standards assessment; extending a certain termination date; requiring the State Department of Education to request a certain amount of money needed to provide at least all eligible teachers with certain funds in a certain budget request; and generally relating to the State and Local Aid Program for Certification by the National Board for Professional Teaching Standards.

BY repealing and reenacting, with amendments,

Article – Education

Section 6–112

Annotated Code of Maryland

(2006 Replacement Volume)

BY repealing and reenacting, with amendments,

Chapter 179 of the Acts of the General Assembly of 1997, as amended by Chapter 536 of the Acts of the General Assembly of 1999, Chapter 61 of the Acts of the General Assembly of 2000, and Chapter 240 of the Acts of the General Assembly of 2004

Section 3

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

Article – Education

6–112.

(a) There is a program of State and local aid to teachers who pursue certification **OR RENEWAL OF CERTIFICATION** by the National Board for Professional Teaching Standards known as the State and Local Aid Program for Certification by the National Board for Professional Teaching Standards.

(b) Each school year, the State Board shall select, consistent with the amount provided in the State budget for the Program, a maximum of **[750] 1,000** teachers to participate in the Program.

(C) THE STATE BOARD MAY PROVIDE AID UNDER THE PROGRAM TO A PARTICIPANT FOR UP TO ONE RETAKE OF AN UNSUCCESSFUL ENTRY ON THE NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS ASSESSMENT.

[(c)] (D) The State Board shall adopt regulations to implement and administer the Program established under this section, including:

- (1) Procedures for submitting applications for aid; and
- (2) Criteria for the selection of recipients of aid.

[(d)] (E) (1) **[Each] EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, EACH** teacher selected by the State Board to receive aid shall receive from the State an amount equal to the certification fee charged by the National Board for Professional Teaching Standards.

(2) Each county shall pay to the State one-third of the cost of certification for each teacher who participates in the Program who teaches in the county.

(3) (i) A teacher who does not complete all the requirements for assessment by the National Board for Professional Teaching Standards shall reimburse the State the full amount of the aid received to participate in the Program.

(ii) The State shall reimburse the county the amount received under paragraph (2) of this subsection on receipt of the reimbursement of aid from a teacher under this paragraph.

(iii) The provisions of subparagraph (i) of this paragraph do not apply to a teacher who completes all the requirements for assessment by the National Board for Professional Teaching Standards but who does not receive certification.

[(e)] (F) The State Board shall establish a statewide staff development plan that utilizes the skills and knowledge of teachers who have obtained National Board certification.

Chapter 179 of the Acts of 1997, as amended by Chapter 536 of the Acts of 1999, Chapter 61 of the Acts of 2000, and Chapter 240 of the Acts of 2004

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect on June 1, 1997. It shall remain effective for a period of **[11] 16 years AND 1 MONTH**, and, at the end of **[May 31, 2008] JUNE 30, 2013**, and 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 in making a budget request for the State and Local Aid Program for Certification by the National Board for Professional Teaching Standards under § 6-112 of the Education Article, the Maryland State Department of Education shall request the total amount of money that would be needed to provide at least all eligible teachers with funds to cover initial certification, renewal of certification, and the funding of up to one retake of an

unsuccessful entry on the National Board for Professional Teaching Standards assessment.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 282 - *State Board of Physicians - Sunset Extension and Program Evaluation*.

This bill extends the termination date of the State Board of Physicians (MBP) from July 1, 2007, to July 1, 2013, and specifies that the next program evaluation of the board shall be a full review without the necessity of a preliminary evaluation. Other major components of the bill include: 1) changes to the Board's use of peer reviewers; 2) requirements regarding use of nonprofits for rehabilitation services and eligibility; 3) changes to the fee set-aside for all fees collected by MBP which reduce the diversion of physician licensure fees for loan repayment and scholarship funding; 4) making medical malpractice settlement information available upon request rather than as part of a licensee's online profile; and 5) requiring designation of a pool of administrative law judges to hear board complaints.

Senate Bill 255, 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 282.

Sincerely,

Martin O'Malley
Governor

House Bill 282

AN ACT concerning

State Board of Physicians – Sunset Extension and Program Evaluation

FOR the purpose of authorizing certain regulatory boards to investigate certain claims; continuing the State Board of Physicians 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; repealing a provision of law requiring the Board to elect a secretary-treasurer; authorizing the Board's executive director or other duly authorized agent or investigator of the Board to enter certain premises under certain circumstances; altering the percentages of certain fees required to be distributed in certain fiscal years from the Board to the Office of Student Financial Assistance within the Maryland Higher Education Commission for certain uses under certain circumstances; ~~requiring applicants for licensure by the Board to submit to a certain criminal history records check; prohibiting a certain applicant who has a certain disciplinary order in another state from qualifying for a license under certain circumstances; requiring certain applicants to submit certain fingerprints and certain fees to the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services under certain circumstances; requiring the Central Repository to forward certain information to the Board and to certain applicants; providing that certain information is confidential and may be used only for certain purposes; authorizing certain subjects to contest certain contents of certain printed statements; requiring certain applicants for licensure to submit certain evidence to the Board; prohibiting the Board from issuing certain licenses if certain criminal history record information has not been received;~~ authorizing the Board to impose a certain civil penalty in lieu of certain sanctions for a licensee's failure to obtain the required continuing medical education credits under certain circumstances; ~~requiring the Board to develop a pilot program for continuing competency for licensed physicians that addresses a physician's ability to practice medicine; authorizing a certain pilot program to be implemented in a certain teaching hospital; authorizing the Board to provide technical assistance and financial support to a certain teaching hospital for a continuing competency pilot program; requiring the Board to issue a certain report on or before a certain date including certain information;~~ altering the persons with which the Board must contract for peer review services; requiring the Board to obtain a certain number of peer review reports for certain allegations; altering certain qualifications a peer reviewer must meet; authorizing the Board to consult with certain societies to establish a list of physicians qualified to provide peer review services; authorizing the Board to use sole source procurement under certain circumstances; prohibiting certain stays of challenges because of the selection of certain peer reviewers prior to certain filings; repealing a provision requiring the Physician Rehabilitation

Committee to report certain noncompliance by a physician to the Board; ~~requiring the Board to provide services for physician rehabilitation or contract with an entity or entities for physician rehabilitation;~~ requiring the Board to issue a request for proposals and enter into a certain contract with a nonprofit entity to provide certain rehabilitation services on or before a certain date; requiring the Board to directly provide certain rehabilitation services under certain circumstances; altering certain requirements that the Board contract with an entity or entities for ~~further investigation and physician peer review~~ investigatory, mediation, and related services; repealing provisions of law requiring the Board to assess certain applicants a fee for physician rehabilitation and peer review activities; establishing separate grounds for disciplinary action for immoral conduct and unprofessional conduct; authorizing the Board to disclose certain licensee information to the National Practitioner Data Bank under certain circumstances; ~~modifying the criteria for the reporting of medical malpractice claims and settlement information on the individual licensee profiles~~ repealing the requirement that certain medical malpractice settlement information be available as part of a licensee's public individual profile; requiring the Board to provide certain notification regarding certain malpractice settlement information on the Board's Internet site; requiring the Board to provide certain information within a certain period of time; ~~requiring proceedings of the Board or the hearing officer to be open to the public under certain circumstances;~~ ~~authorizing the Board or hearing officer to close proceedings under certain circumstances;~~ ~~requiring the Board to adopt certain regulations;~~ ~~requiring the Administrative Office of the Courts and the Chief Judge of the District Court, in collaboration with the Board, to develop a certain procedure for required reporting;~~ altering certain confidentiality requirements so as to require that certain records and other information relating to the records of a proceeding or transaction before an entity or ~~entities~~ individual that contract contracts with the Board are confidential; authorizing the Board to impose a certain civil penalty for failure to file certain reports with the Board; prohibiting certain entities from employing certain individuals without a certificate; authorizing the Board to impose a certain civil penalty for employing certain uncertified individuals; ~~requiring the Comptroller to distribute certain funds for certain programs administered by the Maryland Higher Education Commission under certain circumstances;~~ repealing provisions of law requiring the Comptroller to distribute certain fees received from the Board to the General Fund; ~~providing that the Insurance Commissioner, instead of certain regulatory boards, determines if certain payments were provided as a result of a prohibited referral;~~ extending to a certain date the termination provision relating to the statutory and regulatory authority of the Polysomnography Professional Standards Committee; altering certain definitions; defining a certain term; making technical changes; repealing certain provisions requiring the Board to establish or designate a training program for certain physicians on or before a certain date; repealing certain provisions requiring the Board to inform physicians about the availability of certain training and experience;

authorizing the Board to adopt certain regulations to qualify certain physicians to practice certain opioid addiction therapy; repealing certain provisions of law relating to the use of peer reviewers by a certain entity or entities and the Board; requiring the Board to make certain regulatory changes on or before a certain date; requiring the Secretary of Health and Mental Hygiene to standardize investigator job classifications within the Board on or before a certain date; requiring the Board to provide certain training to certain personnel of the Office of Administrative Hearings; requiring the Department of Health and Mental Hygiene and the Office of the Attorney General to review a certain process for investigating self-referral cases and make certain recommendations on or before a certain date; requiring the Board to submit a certain report regarding certain disagreement among certain peer reviewers on or before a certain date; ~~requiring the Governor to include funding for certain new regular positions for the Board in the annual budget bill for a certain fiscal year; requiring the Chief Administrative Law Judge to designate certain administrative law judges to hear certain cases referred by the Board;~~ exempting the Board from certain provisions of law requiring a certain preliminary evaluation; and generally relating to the State Board of Physicians.

BY repealing and reenacting, with amendments,

Article – Health Occupations

Section ~~1-306, 14-101, 14-203(a), 14-206(d)(1), 14-207, 14-307(a) and (f), 14-309(a), 14-313, 14-316(d), 14-401, 14-402, 14-404(a)(3), 14-405, 14-411(b) and (c), 14-411(c), 14-411.1(b)(4), 14-411.1(b), (c), and (d), 14-413(b), 14-414(b),~~ 14-506, 14-5B-08, 14-5C-25, 14-702, and 15-206

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, without amendments,

Article – Health Occupations

Section 14-316(e), 14-411(a) and (b), ~~14-411.1(b)(3)~~, 14-5A-18(a), 14-5B-15(a), and 14-5C-18(a)

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY adding to

Article – Health Occupations

Section ~~14-307.1, 14-322, 14-411.2,~~ 14-5A-18(g), 14-5B-15(g), and 14-5C-18(g)

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

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

~~Article – Insurance~~

~~Section 15-110~~

~~Annotated Code of Maryland
(2006 Replacement Volume and 2006 Supplement)~~

BY repealing and reenacting, with amendments,
Article – State Government
Section 8–403(b)(49) and (53)
Annotated Code of Maryland
(2004 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Chapter 220 of the Acts of the General Assembly of 2003
Section 1

BY repealing
Chapter 252 of the Acts of the General Assembly of 2003
Section 8

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

Article – Health Occupations

1–306.

(A) A health care practitioner who fails to comply with the provisions of this subtitle shall be subject to disciplinary action by the appropriate regulatory board.

(B) THE APPROPRIATE REGULATORY BOARD MAY INVESTIGATE A CLAIM UNDER THIS SUBTITLE IN ACCORDANCE WITH THE INVESTIGATIVE AUTHORITY GRANTED UNDER THIS ARTICLE.

14–101.

- (a) In this title the following words have the meanings indicated.
- (b) “Board” means the State Board of Physicians.
- (c) “Civil action” includes a health care malpractice claim under Title 3, Subtitle 2A of the Courts Article.
- (d) “Faculty” means the Medical and Chirurgical Faculty of the State of Maryland.
- (e) “Hospital” has the meaning stated in § 19–301 of the Health – General Article.

(f) “License” means, unless the context requires otherwise, a license issued by the Board to practice medicine.

(g) “Licensed physician” means, unless the context requires otherwise, a physician, including a doctor of osteopathy, who is licensed by the Board to practice medicine.

(h) “Licensee” means an individual to whom a license is issued, including an individual practicing medicine within or as a professional corporation or professional association.

(i) “Perform acupuncture” means to stimulate a certain point or points on or near the surface of the human body by the insertion of needles to prevent or modify the perception of pain or to normalize physiological functions, including pain control, for the treatment of ailments or conditions of the body.

(j) “Physician” means an individual who practices medicine.

(k) “Physician Rehabilitation ~~[Committee]~~ **PROGRAM**” means the ~~[committee] PROGRAM~~ of the **BOARD OR THE NONPROFIT** entity ~~or entities with whom~~ **WITH WHICH** the Board contracts under [§ 14-401(e)] **§ 14-401(G)** of this title that evaluates and provides assistance to impaired physicians **AND OTHER HEALTH PROFESSIONALS REGULATED BY THE BOARD** ~~in need of~~ **WHO ARE DIRECTED BY THE BOARD TO RECEIVE** treatment and rehabilitation for alcoholism, chemical dependency, or other physical, emotional, or mental conditions.

(l) (1) “Practice medicine” means to engage, with or without compensation, in medical:

- (i) Diagnosis;
- (ii) Healing;
- (iii) Treatment; or
- (iv) Surgery.

(2) “Practice medicine” includes doing, undertaking, professing to do, and attempting any of the following:

(i) Diagnosing, healing, treating, preventing, prescribing for, or removing any physical, mental, or emotional ailment or supposed ailment of an individual:

1. By physical, mental, emotional, or other process that is exercised or invoked by the practitioner, the patient, or both; or

2. By appliance, test, drug, operation, or treatment;

(ii) Ending of a human pregnancy; and

(iii) Performing acupuncture **AS PROVIDED UNDER § 14-504**

OF THIS TITLE.

(3) "Practice medicine" does not include:

(i) Selling any nonprescription drug or medicine;

(ii) Practicing as an optician; or

(iii) Performing a massage or other manipulation by hand, but by no other means.

(m) "Related institution" has the meaning stated in § 19-301 of the Health – General Article.

14-203.

(a) From among its members, the Board shall elect a [chairman, secretary-treasurer,] **CHAIR** and any other officers that it considers necessary.

14-206.

(d) (1) If the entry is necessary to carry out a duty under this title, the Board's executive director or other duly authorized agent or investigator of the Board may enter at any reasonable hour:

(I) [a] **A** place of business of a licensed physician;

(II) **PRIVATE PREMISES WHERE THE BOARD SUSPECTS THAT A PERSON WHO IS NOT LICENSED BY THE BOARD IS PRACTICING, ATTEMPTING TO PRACTICE, OR OFFERING TO PRACTICE MEDICINE, BASED ON A FORMAL COMPLAINT;** or

(III) [public] **PUBLIC** premises.

14-207.

(a) There is a Board of Physicians Fund.

(b) (1) The Board may set reasonable fees for the issuance and renewal of licenses and its other services.

(2) The fees charged shall be set so as to approximate the cost of maintaining the Board.

(3) Funds to cover the compensation and expenses of the Board members shall be generated by fees set under this section.

(c) (1) [Except for fees assessed in accordance with the provisions of § 14-402(e) of this title, the] **THE** Board shall pay all fees collected under the provisions of this title to the Comptroller of the State.

(2) (i) If the Governor does not include in the State budget at least \$750,000 for the operation of the Health [Manpower] **PERSONNEL** Shortage Incentive **GRANT** Program under § 18-803 of the Education Article and the JANET L. HOFFMAN Loan Assistance Repayment Program for primary care services under § 18-1502(c) of the Education Article, as administered by the Maryland Higher Education Commission, the Comptroller shall distribute:

1. ~~14~~ **EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, 10 12** percent of the fees received from the Board to the Office of Student Financial Assistance to be used as follows:

A. One-half to make grants under the Health [Manpower] **PERSONNEL** Shortage Incentive Grant Program under § 18-803 of the Education Article; and

B. One-half to make grants under the Janet L. Hoffman Loan Assistance Repayment Program under § 18-1502(c) of the Education Article to physicians engaged in primary care or to medical residents specializing in primary care who agree to practice for at least 2 years as primary care physicians in a geographic area of the State that has been designated by the Secretary of Health and Mental Hygiene as being medically underserved; and

2. The balance of the fees to the Board of Physicians Fund.

(II) ~~1~~ FOR FISCAL 2008, IF THE GOVERNOR DOES NOT INCLUDE IN THE STATE BUDGET THE FUNDS SPECIFIED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COMPTROLLER SHALL DISTRIBUTE 14 PERCENT OF THE FEES RECEIVED FROM THE BOARD TO THE OFFICE OF STUDENT

FINANCIAL ASSISTANCE TO BE USED AS PROVIDED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

~~**2. FOR FISCAL 2009, IF THE GOVERNOR DOES NOT INCLUDE IN THE STATE BUDGET THE FUNDS SPECIFIED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COMPTROLLER SHALL DISTRIBUTE 12 PERCENT OF THE FEES RECEIVED FROM THE BOARD TO THE OFFICE OF STUDENT FINANCIAL ASSISTANCE TO BE USED AS PROVIDED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.**~~

~~(ii)~~ **(III)** If the Governor includes in the State budget at least \$750,000 for the operation of the Health [Manpower] **PERSONNEL** Shortage Incentive **GRANT** Program under § 18-803 of the Education Article and the **JANET L. HOFFMAN** Loan Assistance Repayment Program for primary care services under § 18-1502(c) of the Education Article, as administered by the Maryland Higher Education Commission, the Comptroller shall distribute the fees to the Board of Physicians Fund.

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

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

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

(3) Interest or other income earned on the investment of moneys in the Fund shall be paid into the Fund.

(4) No other State money may be used to support the Fund.

(e) (1) In addition to the requirements of subsection (d) of this section, the Board shall fund the budget of the Physician Rehabilitation [Committee] **PROGRAM** with fees set, collected, and distributed to the Fund under this title.

(2) After review and approval by the Board of a budget submitted by the Physician Rehabilitation [Committee] **PROGRAM**, the Board may allocate moneys from the Fund to the Physician Rehabilitation [Committee] **PROGRAM**.

(f) (1) The [chairman] **CHAIR** of the Board or the designee of the [chairman] **CHAIR** shall administer the Fund.

(2) Moneys in the Fund may be expended only for any lawful purpose authorized by the provisions of this title.

(g) The Legislative Auditor shall audit the accounts and transactions of the Fund as provided in § 2-1220 of the State Government Article.

~~14-307.~~

~~(a) To qualify for a license, an applicant shall be an individual who SUBMITS TO A CRIMINAL HISTORY RECORDS CHECK IN ACCORDANCE WITH § 14-307.1 OF THIS SUBTITLE AND meets the requirements of this section.~~

~~(f) (1) The applicant shall meet any other qualifications that the Board establishes in its regulations for license applicants.~~

~~(2) AN APPLICANT WHO HAS AN ACTIVE DISCIPLINARY ORDER ON A LICENSE IN ANOTHER STATE THAT IS GROUNDS FOR DISCIPLINARY ACTION UNDER § 14-404 OF THIS TITLE MAY NOT QUALIFY FOR A LICENSE.~~

~~14-307.1.~~

~~(A) IN THIS SECTION, "CENTRAL REPOSITORY" MEANS THE CRIMINAL JUSTICE INFORMATION SYSTEM CENTRAL REPOSITORY OF THE DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES.~~

~~(B) AS PART OF AN APPLICATION TO THE CENTRAL REPOSITORY FOR A STATE AND NATIONAL CRIMINAL HISTORY RECORDS CHECK, AN APPLICANT SHALL SUBMIT TO THE CENTRAL REPOSITORY:~~

~~(1) TWO COMPLETE SETS OF LEGIBLE FINGERPRINTS OF THE APPLICANT TAKEN IN A FORMAT APPROVED BY THE DIRECTOR OF THE CENTRAL REPOSITORY AND THE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION;~~

~~(2) THE FEE AUTHORIZED UNDER § 10-221(B)(7) OF THE CRIMINAL PROCEDURE ARTICLE FOR ACCESS TO STATE CRIMINAL HISTORY RECORDS; AND~~

~~(3) THE PROCESSING FEE REQUIRED BY THE FEDERAL BUREAU OF INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY RECORDS CHECK.~~

~~(C) IN ACCORDANCE WITH §§ 10-201 THROUGH 10-228 OF THE CRIMINAL PROCEDURE ARTICLE, THE CENTRAL REPOSITORY SHALL FORWARD TO THE BOARD AND TO THE APPLICANT THE CRIMINAL HISTORY RECORD INFORMATION OF THE APPLICANT.~~

~~(D) INFORMATION OBTAINED FROM THE CENTRAL REPOSITORY UNDER THIS SECTION SHALL BE:~~

~~(1) CONFIDENTIAL AND MAY NOT BE REDISSEMINATED; AND~~

~~(2) USED ONLY FOR THE LICENSING PURPOSE AUTHORIZED BY THIS TITLE.~~

~~(E) THE SUBJECT OF A CRIMINAL HISTORY RECORDS CHECK UNDER THIS SECTION MAY CONTEST THE CONTENTS OF THE PRINTED STATEMENT ISSUED BY THE CENTRAL REPOSITORY AS PROVIDED IN § 10-223 OF THE CRIMINAL PROCEDURE ARTICLE.~~

~~14-309.~~

~~(a) To apply for a license, an applicant shall:~~

~~(1) (i) SUBMIT TO A CRIMINAL HISTORY RECORDS CHECK IN ACCORDANCE WITH § 14-307.1 OF THIS SUBTITLE; OR~~

~~(ii) HAVE COMPLETED A CRIMINAL HISTORY RECORDS CHECK IN ACCORDANCE WITH § 14-307.1 OF THIS SUBTITLE THROUGH ANOTHER STATE MEDICAL BOARD WITHIN THE 5 YEARS PRECEDING THE DATE OF APPLICATION;~~

~~(2) Submit an application to the Board on the form that the Board requires; [and]~~

~~(3) SUBMIT WRITTEN, VERIFIED EVIDENCE THAT THE REQUIREMENT OF ITEM (1) OF THIS SUBSECTION IS BEING MET OR HAS BEEN MET; AND~~

~~[(2)] (4) Pay to the Board the application fee set by the Board.~~

~~14-313.~~

~~(A) [The] SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE Board shall issue a license to any applicant who meets the requirements of this title.~~

~~(B) THE BOARD MAY NOT ISSUE A LICENSE IF THE CRIMINAL HISTORY RECORD INFORMATION REQUIRED UNDER § 14-307.1 OF THIS SUBTITLE HAS NOT BEEN RECEIVED.~~

14-316.

(d) (1) In addition to any other qualifications and requirements established by the Board, the Board may establish continuing education requirements as a condition to the renewal of licenses under this section.

(2) In establishing these requirements, the Board shall evaluate existing methods, devices, and programs in use among the various medical specialties and other recognized medical groups.

(3) The Board may not establish or enforce these requirements if they would so reduce the number of physicians in a community as to jeopardize the availability of adequate medical care in that community.

(4) THE BOARD MAY IMPOSE A CIVIL PENALTY OF UP TO \$100 PER CONTINUING MEDICAL EDUCATION CREDIT IN LIEU OF A SANCTION UNDER § 14-404 OF THIS TITLE, FOR A FIRST OFFENSE, FOR THE FAILURE OF A LICENSEE TO OBTAIN THE CONTINUING MEDICAL EDUCATION CREDITS REQUIRED BY THE BOARD.

(e) The Board shall renew the license of each licensee who meets the requirements of this section.

~~14-322.~~

~~(A) THE BOARD SHALL DEVELOP A PILOT PROGRAM FOR CONTINUING COMPETENCY FOR LICENSED PHYSICIANS THAT ADDRESSES:~~

~~(1) AN ASSESSMENT OF A LICENSED PHYSICIAN'S ABILITY TO PRACTICE MEDICINE;~~

~~(2) THE DEVELOPMENT, EXECUTION, AND DOCUMENTATION OF A LEARNING PLAN BASED ON THE ASSESSMENT IN ITEM (1) OF THIS SUBSECTION; AND~~

~~(3) PERIODIC DEMONSTRATIONS OF CONTINUING COMPETENCE THROUGH EVIDENCE-BASED METHODS.~~

~~(B) THE PILOT PROGRAM MAY BE IMPLEMENTED IN A STATE-BASED TEACHING HOSPITAL SYSTEM THAT:~~

~~(1) ELECTS TO IMPLEMENT THE PILOT PROGRAM;~~

~~(2) DEMONSTRATES THE CAPACITY TO IMPLEMENT THE PILOT PROGRAM; AND~~

~~(3) AGREES TO COLLECT OUTCOME MEASURES TO COMPARE THE COMPETENCY OF INDIVIDUALS ON ENTRY INTO THE PROGRAM AND ON COMPLETION OF THE PROGRAM.~~

~~(C) THE BOARD MAY PROVIDE TECHNICAL ASSISTANCE AND FINANCIAL SUPPORT TO A STATE-BASED TEACHING HOSPITAL SYSTEM THAT IMPLEMENTS A PILOT PROGRAM UNDER THIS SUBSECTION.~~

~~(D) THE BOARD SHALL ISSUE A REPORT ON THE STATUS OF, AND THE BENEFITS ACCRUED FROM, THE PILOT PROGRAM, TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY WITHIN 2 YEARS AFTER THE DATE THE PILOT PROGRAM IS IMPLEMENTED UNDER THIS SECTION.~~

14-401.

(a) The Board shall perform any necessary preliminary investigation before the Board refers to an investigatory body an allegation of grounds for disciplinary or other action brought to its attention.

(b) If an allegation of grounds for disciplinary or other action is made by a patient or a family member of a patient based on § 14-404(a)(22) of this subtitle and a full investigation results from that allegation, the full investigation shall include an offer of an interview with the patient or a family member of the patient who was present on or about the time that the incident that gave rise to the allegation occurred.

(c) (1) Except as otherwise provided in this subsection, after performing any necessary preliminary investigation of an allegation of grounds for disciplinary or other action, the Board may:

(i) Refer the allegation for further investigation to the entity that has contracted with the Board under subsection (e) of this section;

(ii) Take any appropriate and immediate action as necessary; or

(iii) Come to an agreement for corrective action with a licensee pursuant to paragraph (4) of this subsection.

(2) After performing any necessary preliminary investigation of an allegation of grounds for disciplinary or other action, the Board shall refer any allegation based on § 14-404(a)(22) of this subtitle to the entity or entities that have contracted with the Board under subsection (e) of this section for further investigation and physician peer review within the involved medical specialty or specialties.

(3) If, after performing any necessary preliminary investigation, the Board determines that an allegation involving fees for professional or ancillary services does not constitute grounds for disciplinary or other action, the Board shall offer the complainant and the licensee an opportunity to mediate the dispute.

(4) (i) Except as provided in subparagraph (ii) of this paragraph, if an allegation is based on § 14-404(a)(40) of this subtitle, the Board:

1. May determine that an agreement for corrective action is warranted; and

2. Shall notify the licensee of the identified deficiencies and enter into an agreement for corrective action with the licensee as provided in this paragraph.

(ii) The Board may not enter into an agreement for corrective action with a licensee if patient safety is an issue.

(iii) The Board shall subsequently evaluate the licensee and shall:

1. Terminate the corrective action if the Board is satisfied that the licensee is in compliance with the agreement for corrective action and has corrected the deficiencies; or

2. Pursue disciplinary action under § 14-404 of this subtitle if the deficiencies persist or the licensee has failed to comply with the agreement for corrective action.

(iv) An agreement for corrective action under this paragraph may not be made public or considered a disciplinary action under this title.

(v) The Board shall provide a summary of the corrective action agreements in the executive director's report of Board activities.

(d) ~~The entity or entities with which the Board contracts under subsection (e) of this section, all committees of the entity or entities, [except for the Physician Rehabilitation Committee,] and all county~~ **COUNTY** medical societies shall refer to the Board all complaints that set forth allegations of grounds for disciplinary action under § 14-404 of this subtitle.

(e) (1) ~~(I) Except as provided in~~ **IN ACCORDANCE WITH** subsection (f) of this section, the Board shall enter into a written contract with [a nonprofit] **AN** entity or ~~entities~~ **INDIVIDUAL** for further [investigation, physician rehabilitation,] ~~INVESTIGATION and~~ **CONFIDENTIAL** physician peer review of allegations based on § 14-404(a)(22) of this subtitle.

(II) THE BOARD SHALL OBTAIN TWO PEER REVIEW REPORTS FOR EACH ALLEGATION IT REFERS FOR PEER REVIEW.

~~(2) The [nonprofit] entity or entities shall employ reviewers that:~~

(2) A PEER REVIEWER SHALL:

- (i) ~~Are~~ **BE** Board certified;
- (ii) Have special qualifications to judge the matter at hand;
- (iii) Have received a specified amount of medical experience and training;
- (iv) Have no formal actions against ~~their own licenses~~ **THE PEER REVIEWER'S OWN LICENSE;**
- (v) Receive training in peer review; ~~and~~
- (vi) Have a standard format for peer review reports; **AND**

(VII) TO THE EXTENT PRACTICABLE, BE LICENSED AND ENGAGED IN THE PRACTICE OF MEDICINE WITHIN THE PAST YEAR IN THE STATE.

(3) ~~The [nonprofit] entity or entities shall make a reasonable effort to employ physicians that are licensed in the State~~ **THE BOARD MAY CONSULT WITH THE APPROPRIATE SPECIALTY HEALTH CARE PROVIDER SOCIETIES IN THE STATE TO OBTAIN A LIST OF PHYSICIANS QUALIFIED TO PROVIDE PEER REVIEW SERVICES.**

(4) FOR PURPOSES OF PEER REVIEW, THE BOARD MAY USE SOLE SOURCE PROCUREMENT UNDER § 13-107 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(5) THE HEARING OF CHARGES MAY NOT BE STAYED OR CHALLENGED BECAUSE OF THE SELECTION OF PEER REVIEWERS UNDER THIS SUBSECTION BEFORE THE FILING OF CHARGES.

(f) (1) ~~[(i)]~~ The [nonprofit] entity or ~~entities~~ **INDIVIDUAL PEER REVIEWER** with which the Board contracts under subsection (e) of this section shall have 90 days for completion of peer review.

~~[(ii)]~~ (2) The [nonprofit] entity or ~~entities~~ **INDIVIDUAL PEER REVIEWER** may apply to the Board for an extension of up to 30 days to the time limit imposed under [subparagraph (i) of this paragraph] **PARAGRAPH (1) OF THIS SUBSECTION.**

~~[(iii)]~~ (3) If an extension is not granted, and 90 days have elapsed, the Board may contract with any other entity **OR INDIVIDUAL WHO MEETS THE REQUIREMENTS OF SUBSECTION (E)(2) OF THIS SECTION** for the services of peer review.

~~[(iv)]~~ (4) If an extension has been granted, and 120 days have elapsed, the Board may contract with any other entity **OR INDIVIDUAL WHO MEETS THE REQUIREMENTS OF SUBSECTION (E)(2) OF THIS SECTION** for the services of peer review.

[(2) If a physician has been noncompliant with a Physician Rehabilitation Committee for 60 days, the Physician Rehabilitation Committee shall report this noncompliance to the Board.]

~~(G) THE BOARD SHALL:~~

~~(1) PROVIDE SERVICES FOR PHYSICIAN REHABILITATION; OR~~

~~(2) ENTER INTO A WRITTEN CONTRACT WITH AN ENTITY OR ENTITIES FOR PHYSICIAN REHABILITATION.~~

(G) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, ON OR BEFORE JANUARY 1, 2008, THE BOARD SHALL ISSUE A REQUEST FOR PROPOSALS AND ENTER INTO A WRITTEN CONTRACT WITH A NONPROFIT ENTITY TO PROVIDE REHABILITATION SERVICES FOR PHYSICIANS

OR OTHER ALLIED HEALTH PROFESSIONALS DIRECTED BY THE BOARD TO RECEIVE REHABILITATION SERVICES.

(2) IF THE BOARD DOES NOT RECEIVE A RESPONSIVE PROPOSAL UNDER PARAGRAPH (1) OF THIS SUBSECTION OR IS NOT ABLE TO CONTRACT WITH A NONPROFIT ENTITY, THE BOARD SHALL PROVIDE DIRECTLY REHABILITATION SERVICES FOR PHYSICIANS.

[(g)] (H) (1) To facilitate the investigation and prosecution of disciplinary matters and the mediation of fee disputes coming before it, the Board may[:

(i) Contract] **CONTRACT** with [the Faculty, its committees, and the component medical societies] **AN ENTITY OR ENTITIES** for the purchase of investigatory, mediation, and related services[; and

(ii) Contract with others for the purchase of investigatory, mediation, and related services and make these services available to the Faculty, its committees, and the component medical societies].

(2) Services that may be contracted for under this subsection include the services of:

- (i) Investigators;
- (ii) Attorneys;
- (iii) Accountants;
- (iv) Expert witnesses;
- (v) Consultants; and
- (vi) Mediators.

[(h)] (I) The Board may issue subpoenas and administer oaths in connection with any investigation under this section and any hearing or proceeding before it.

[(i)] (J) Those individuals not licensed under this title but covered under § 14–413(a)(1)(ii)3 and 4 of this subtitle are subject to the hearing provisions of § 14–405 of this subtitle.

[(j)] (K) (1) It is the intent of this section that the disposition of every complaint against a licensee that sets forth allegations of grounds for disciplinary

action filed with the Board shall be completed as expeditiously as possible and, in any event, within 18 months after the complaint was received by the Board.

(2) If the Board is unable to complete the disposition of a complaint within 1 year, the Board shall include in the record of that complaint a detailed explanation of the reason for the delay.

14-402.

(a) In reviewing an application for licensure, certification, or registration or in investigating an allegation brought against a licensed physician or any allied health professional regulated by the Board under this title, the Physician Rehabilitation **[Committee] PROGRAM** may request the Board to direct, or the Board on its own initiative may direct, the licensed physician or any allied health professional regulated by the Board under this title to submit to an appropriate examination.

(b) In return for the privilege given by the State issuing a license, certification, or registration, the licensed, certified, or registered individual is deemed to have:

(1) Consented to submit to an examination under this section, if requested by the Board in writing; and

(2) Waived any claim of privilege as to the testimony or examination reports.

(c) The unreasonable failure or refusal of the licensed, certified, or registered individual to submit to an examination is prima facie evidence of the licensed, certified, or registered individual's inability to practice medicine or the respective discipline competently, unless the Board finds that the failure or refusal was beyond the control of the licensed, certified, or registered individual.

(d) The Board shall pay the costs of any examination made under this section.

[(e) (1) The Board shall assess each applicant for a license to practice medicine or for renewal of a license to practice medicine a fee of not more than \$50 to be set after the submission of a budget for the physician rehabilitation program and peer review activities.

(2) The fee is to be used to fund the physician rehabilitation program and peer review activities.

(3) The Board shall set a fee under this subsection in accordance with the budget submitted by the entity or entities with which the Board contracts.】

~~[(f)] (E)~~ (1) The **BOARD OR THE** entity or entities with which the Board contracts shall appoint the members of the Physician Rehabilitation ~~[Committee]~~ **PROGRAM**.

(2) The ~~[chairman]~~ **CHAIR** of the Board shall appoint one member of the Board to serve as a liaison to the Physician Rehabilitation ~~[Committee]~~ **PROGRAM**.

~~[(g)] (F)~~ The Legislative Auditor shall every 2 years audit the accounts and transactions of the Physician Rehabilitation ~~[Committee]~~ **PROGRAM** as provided in § 2-1220 of the State Government Article.

14-404.

(a) Subject to the hearing provisions of § 14-405 of this subtitle, the Board, on the affirmative vote of a majority of the quorum, may reprimand any licensee, place any licensee on probation, or suspend or revoke a license if the licensee:

(3) Is guilty of:

(I) [immoral or unprofessional] IMMORAL conduct in the practice of medicine; OR

(II) UNPROFESSIONAL CONDUCT IN THE PRACTICE OF MEDICINE;

~~14-405.~~

~~(a) Except as otherwise provided in the Administrative Procedure Act, before the Board takes any action under § 14-404(a) of this subtitle or § 14-5A-17(a), § 14-5B-14(A), OR § 14-5C-17(A) of this title, it shall give the individual against whom the action is contemplated an opportunity for a hearing before a hearing officer.~~

~~(b) (1) The hearing officer shall give notice and hold the hearing in accordance with the Administrative Procedure Act.~~

~~(2) Factual findings shall be supported by a preponderance of the evidence.~~

~~(c) The individual may be represented at the hearing by counsel.~~

~~(d) If after due notice the individual against whom the action is contemplated fails or refuses to appear, nevertheless the hearing officer may hear and refer the matter to the Board for disposition.~~

~~(e) After performing any necessary hearing under this section, the hearing officer shall refer proposed factual findings to the Board for the Board's disposition.~~

~~(f) The Board may adopt regulations to govern the taking of depositions and discovery in the hearing of charges.~~

~~(g) The hearing of charges may not be stayed or challenged by any procedural defects alleged to have occurred prior to the filing of charges.~~

14-411.

(a) In this section, "record" means the proceedings, records, or files of the Board.

(b) Except as otherwise expressly provided in this section and ~~§ 14-411.1~~ ~~§§ 14-411.1 AND 14-411.2~~ of this subtitle, the Board or any of its investigatory bodies may not disclose any information contained in a record.

(c) Nothing in this section shall be construed to prevent or limit the disclosure of:

(1) General licensure, certification, or registration information maintained by the Board, if the request for release complies with the criteria of § 10-617(h) of the State Government Article; **[or]**

(2) Profile information collected and disseminated under § 14-411.1 of this subtitle; **OR**

~~**(3) DISCIPLINARY INFORMATION DISCLOSED UNDER § 14-411.2 OF THIS SUBTITLE; OR**~~

~~**(4)**~~ **(3) PERSONAL AND OTHER IDENTIFYING INFORMATION OF A LICENSEE, AS REQUIRED BY THE NATIONAL PRACTITIONER DATA BANK FOR PARTICIPATION IN THE PROACTIVE DISCLOSURE SERVICE.**

14-411.1.

(b) The Board shall create and maintain a public individual profile on each licensee that includes the following information:

(1) A description of any disciplinary action taken by the Board against the licensee within the most recent 10-year period that includes a copy of the public order;

(2) A description in summary form of any final disciplinary action taken by a licensing board in any other state or jurisdiction against the licensee within the most recent 10-year period;

(3) The number of medical malpractice final court judgments and arbitration awards against the licensee within the most recent 10-year period for which all appeals have been exhausted as reported to the Board;

~~(4) The number of medical malpractice settlements involving the licensee if there are three or more [with a settlement amount of \$150,000 or greater] within the most recent [5-year] 10-YEAR period as reported to the Board;~~

[(5)] (4) A description of a conviction or entry of a plea of guilty or nolo contendere by the licensee for a crime involving moral turpitude reported to the Board under § 14-413(b) of this subtitle; and

[(6)] (5) Medical 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.

(c) In addition to the requirements of subsection (b) of this section, the Board shall:

(1) Provide appropriate and accessible Internet links from the Board's Internet site;

(i) To the extent available, to the appropriate portion of the Internet site of each health maintenance organization licensed in this State which will allow the public to ascertain the names of the physicians affiliated with the health maintenance organization; and

(ii) To the appropriate portion of the Internet site of the American Medical Association; [and]

(2) Include a statement on each licensee's profile of information to be taken into consideration by a consumer when viewing a licensee's profile, including factors to consider when evaluating a licensee's malpractice data; AND

(3) PROVIDE ON THE BOARD'S INTERNET SITE:

(I) NOTIFICATION THAT A PERSON MAY CONTACT THE BOARD BY TELEPHONE, ELECTRONIC MAIL, OR WRITTEN REQUEST TO FIND OUT WHETHER THE NUMBER OF MEDICAL MALPRACTICE SETTLEMENTS INVOLVING A PARTICULAR LICENSEE TOTALS THREE OR MORE WITH A SETTLEMENT AMOUNT OF \$150,000 OR GREATER WITHIN THE MOST RECENT ~~10-YEAR~~ 5-YEAR PERIOD AS REPORTED TO THE BOARD; AND

(II) A TELEPHONE NUMBER, ELECTRONIC MAIL ADDRESS, AND PHYSICAL ADDRESS THROUGH WHICH A PERSON MAY CONTACT THE BOARD TO REQUEST THE INFORMATION REQUIRED TO BE PROVIDED UNDER ITEM (I) OF THIS ITEM.

(d) The Board:

(1) On receipt of a written request for a licensee's profile from any person, shall forward a written copy of the profile to the person; [and]

(2) Shall maintain a website that serves as a single point of entry where all physician profile information is available to the public on the Internet; AND

(3) ON RECEIPT OF A VERBAL, ELECTRONIC, OR WRITTEN REQUEST IN ACCORDANCE WITH SUBSECTION (C)(3) OF THIS SECTION, SHALL PROVIDE THE INFORMATION WITHIN 2 BUSINESS DAYS OF THE REQUEST.

~~14-411.2.~~

~~(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE PROCEEDINGS OF THE BOARD OR THE HEARING OFFICER FOLLOWING THE~~

~~ISSUANCE OF FORMAL CHARGES BY THE BOARD SHALL BE OPEN TO THE PUBLIC.~~

~~(B) THE BOARD OR A HEARING OFFICER MAY CONDUCT A PROCEEDING IN CLOSED SESSION ON REQUEST BY THE LICENSEE OR THE COMPLAINANT, FOR GOOD CAUSE SHOWN.~~

~~(C) THE BOARD SHALL ADOPT REGULATIONS THAT SPECIFY WHEN A PROCEEDING MAY BE CLOSED FOR GOOD CAUSE.~~

~~14-413.~~

~~(b) (1) Each court shall report to the Board each conviction of or entry of a plea of guilty or nolo contendere by a physician for any crime involving moral turpitude.~~

~~(2) The court shall submit the report within 10 days of the conviction or entry of the plea.~~

~~(3) THE ADMINISTRATIVE OFFICE OF THE COURTS AND THE CHIEF JUDGE OF THE DISTRICT COURT, IN COLLABORATION WITH THE BOARD, SHALL DEVELOP A PROCEDURE FOR REPORTING AS REQUIRED IN PARAGRAPH (1) OF THIS SUBSECTION.~~

~~14-414.~~

~~(b) (1) Each court shall report to the Board each conviction of or entry of a plea of guilty or nolo contendere by a physician for any crime involving moral turpitude.~~

~~(2) The court shall submit the report within 10 days of the conviction or entry of the plea.~~

~~(3) THE ADMINISTRATIVE OFFICE OF THE COURTS AND THE CHIEF JUDGE OF THE DISTRICT COURT, IN COLLABORATION WITH THE BOARD, SHALL DEVELOP A PROCEDURE FOR REPORTING AS REQUIRED IN PARAGRAPH (1) OF THIS SUBSECTION.~~

~~14-506.~~

(a) In this section, "the Maryland Institute for Emergency Medical Services Systems" means the State agency described in § 13-503 of the Education Article.

(b) The following records and other information are confidential records:

(1) Any record and other information obtained by the Faculty, a component society of the Faculty, the Maryland Institute for Emergency Medical Services Systems, a hospital staff committee, or a national medical society or group organized for research, if that record or information identifies any person; and

(2) Any record of a proceeding or transaction before the [Faculty] **ENTITY OR ENTITIES INDIVIDUAL THAT ~~CONTRACT~~ CONTRACTS WITH THE BOARD** or one of its committees that relates to any investigation or report under § 14-401 of this title as to an allegation of grounds for disciplinary or other action.

(c) Access to and use of any confidential record described in subsection (b) of this section is regulated by §§ 5-601 and 10-205(b) of the Courts Article.

(d) This section does not restrict the publication of any statistics or other information that does not disclose the identity of any person.

14-5A-18.

(a) Except as provided in subsections (b) and (d) of this section, hospitals, related institutions, alternative health systems as defined in § 1-401 of this article, and employers shall file with the Board a report that the hospital, related institution, alternative health system, or employer limited, reduced, otherwise changed, or terminated any licensed respiratory care practitioner for any reasons that might be grounds for disciplinary action under § 14-5A-17 of this subtitle.

(G) (1) THE BOARD MAY IMPOSE A CIVIL PENALTY OF UP TO \$1,000 FOR FAILURE TO REPORT UNDER THIS SECTION.

(2) THE BOARD SHALL REMIT ANY PENALTY COLLECTED UNDER THIS SUBSECTION INTO THE GENERAL FUND OF THE STATE.

14-5B-08.

(a) Except as otherwise provided in this subtitle, an individual shall be certified by the Board before the individual may practice radiation oncology/therapy technology, medical radiation technology, or nuclear medicine technology in this State.

(b) Except as otherwise provided in this subtitle, a licensed physician may not employ or supervise an individual practicing radiation oncology/therapy technology, medical radiation technology, or nuclear medicine technology without a certificate.

(C) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE, A HOSPITAL, RELATED INSTITUTION, ALTERNATIVE HEALTH SYSTEM, OR EMPLOYER MAY

NOT EMPLOY AN INDIVIDUAL PRACTICING RADIATION ONCOLOGY/THERAPY TECHNOLOGY, MEDICAL RADIATION TECHNOLOGY, OR NUCLEAR MEDICINE TECHNOLOGY WITHOUT A CERTIFICATE.

(D) (1) THE BOARD MAY IMPOSE A CIVIL PENALTY OF UP TO \$1,000 FOR EMPLOYING AN UNCERTIFIED INDIVIDUAL UNDER THIS SECTION.

(2) THE BOARD SHALL REMIT ANY PENALTY COLLECTED UNDER THIS SUBSECTION INTO THE GENERAL FUND OF THE STATE.

14-5B-15.

(a) Except as provided in subsections (b) and (d) of this section, hospitals, related institutions, alternative health systems as defined in § 1-401 of this article, and employers shall file with the Board a report that the hospital, related institution, alternative health system, or employer limited, reduced, otherwise changed, or terminated any radiation oncology/therapy technologist, certified medical radiation technologist, or certified nuclear medicine technologist for any reasons that might be grounds for disciplinary action under § 14-5B-13 of this subtitle.

(G) (1) THE BOARD MAY IMPOSE A CIVIL PENALTY OF UP TO \$1,000 FOR FAILURE TO REPORT UNDER THIS SECTION.

(2) THE BOARD SHALL REMIT ANY PENALTY COLLECTED UNDER THIS SUBSECTION INTO THE GENERAL FUND OF THE STATE.

14-5C-18.

(a) Except as provided in subsections (b) and (d) of this section, hospitals, related institutions, alternative health systems as defined in § 1-401 of this article, and employers shall file with the Board a report that the hospital, related institution, alternative health system, or employer limited, reduced, otherwise changed, or terminated any licensed polysomnographic technologist for any reason that might be grounds for disciplinary action under § 14-5C-17 of this subtitle.

(G) (1) THE BOARD MAY IMPOSE A CIVIL PENALTY OF UP TO \$1,000 FOR FAILURE TO REPORT UNDER THIS SECTION.

(2) THE BOARD SHALL REMIT ANY PENALTY COLLECTED UNDER THIS SUBSECTION INTO THE GENERAL FUND OF THE STATE.

14-5C-25.

Subject to the evaluation and reestablishment provisions of the Maryland Program Evaluation Act and subject to the termination of this title under § 14-702 of this title, this subtitle and all regulations adopted under this subtitle shall terminate and be of no effect after July 1, [2011] **2013**.

14-702.

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, [2007] **2013**.

15-206.

(a) The Board shall set reasonable fees for:

(1) The issuance and renewal of certificates; and

(2) The other services rendered by the Board in connection with physician assistants.

(b) **(1)** The Board shall pay all [funds] **FEES** collected under this title to the Comptroller of the State.

(2) (I) IF THE GOVERNOR DOES NOT INCLUDE IN THE STATE BUDGET AT LEAST \$750,000 FOR THE OPERATION OF THE HEALTH PERSONNEL SHORTAGE INCENTIVE GRANT PROGRAM UNDER § 18-803 OF THE EDUCATION ARTICLE AND THE JANET L. HOFFMAN LOAN ASSISTANCE REPAYMENT PROGRAM FOR PRIMARY CARE SERVICES UNDER § 18-1502(C) OF THE EDUCATION ARTICLE, AS ADMINISTERED BY THE MARYLAND HIGHER EDUCATION COMMISSION, THE COMPTROLLER SHALL DISTRIBUTE:

1. ~~14~~ EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, ~~10~~ 12 PERCENT OF THE FEES RECEIVED FROM THE BOARD TO THE OFFICE OF STUDENT FINANCIAL ASSISTANCE TO BE USED AS FOLLOWS:

A. ONE-HALF TO MAKE GRANTS UNDER THE HEALTH PERSONNEL SHORTAGE INCENTIVE GRANT PROGRAM UNDER § 18-803 OF THE EDUCATION ARTICLE; AND

B. ONE-HALF TO MAKE GRANTS UNDER THE JANET L. HOFFMAN LOAN ASSISTANCE REPAYMENT PROGRAM UNDER § 18-1502(C) OF THE EDUCATION ARTICLE TO PHYSICIANS ENGAGED IN PRIMARY CARE OR TO MEDICAL RESIDENTS SPECIALIZING IN PRIMARY CARE WHO AGREE TO

PRACTICE FOR AT LEAST 2 YEARS AS PRIMARY CARE PHYSICIANS IN A GEOGRAPHIC AREA OF THE STATE THAT HAS BEEN DESIGNATED BY THE SECRETARY OF HEALTH AND MENTAL HYGIENE AS BEING MEDICALLY UNDERSERVED; AND

2. THE BALANCE OF THE FEES TO THE BOARD OF PHYSICIANS FUND.

(II) ~~1.~~ FOR FISCAL 2008, IF THE GOVERNOR DOES NOT INCLUDE IN THE STATE BUDGET THE FUNDS SPECIFIED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COMPTROLLER SHALL DISTRIBUTE 14 PERCENT OF THE FEES RECEIVED FROM THE BOARD TO THE OFFICE OF STUDENT FINANCIAL ASSISTANCE TO BE USED AS PROVIDED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

~~2. FOR FISCAL 2009, IF THE GOVERNOR DOES NOT INCLUDE IN THE STATE BUDGET THE FUNDS SPECIFIED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COMPTROLLER SHALL DISTRIBUTE 12 PERCENT OF THE FEES RECEIVED FROM THE BOARD TO THE OFFICE OF STUDENT FINANCIAL ASSISTANCE TO BE USED AS PROVIDED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.~~

~~(H)~~ (III) IF THE GOVERNOR INCLUDES IN THE STATE BUDGET AT LEAST \$750,000 FOR THE OPERATION OF THE HEALTH PERSONNEL SHORTAGE INCENTIVE GRANT PROGRAM UNDER § 18-803 OF THE EDUCATION ARTICLE AND THE JANET L. HOFFMAN LOAN ASSISTANCE REPAYMENT PROGRAM FOR PRIMARY CARE SERVICES UNDER § 18-1502(C) OF THE EDUCATION ARTICLE, AS ADMINISTERED BY THE MARYLAND HIGHER EDUCATION COMMISSION, THE COMPTROLLER SHALL DISTRIBUTE THE FEES TO THE BOARD OF PHYSICIANS FUND.

[(c) The Comptroller shall distribute:

(1) 20 percent of the fees received from the Board to the General Fund of the State; and

(2) The balance of the fees to the Board of Physicians Fund.]

~~Article—Insurance~~

~~15-110.~~

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

~~(2) "Health care practitioner" has the meaning stated in § 1-301 of the Health Occupations Article.~~

~~(3) "Health care service" has the meaning stated in § 1-301 of the Health Occupations Article.~~

~~(4) "Prohibited referral" means a referral prohibited by § 1-302 of the Health Occupations Article.~~

~~(b) This section applies to insurers and nonprofit health service plans that issue or deliver individual or group health insurance policies in the State.~~

~~(c) An entity subject to this section may seek repayment from a health care practitioner of any moneys paid for a claim, bill, or other demand or request for payment for health care services that the [appropriate regulatory board] COMMISSIONER determines were provided as a result of a prohibited referral.~~

~~(d) Each individual and group health insurance policy that is issued for delivery in the State by an entity subject to this section and that provides coverage for health care services shall include a provision that excludes payment of any claim, bill, or other demand or request for payment for health care services that the [appropriate regulatory board] COMMISSIONER determines were provided as a result of a prohibited referral.~~

~~(e) An entity subject to this section shall report to the Commissioner and the appropriate regulatory board any pattern of claims, bills, or other demands or requests for payment submitted for health care services provided as a result of a prohibited referral within 30 days after the entity has knowledge of the pattern.~~

~~(f) (1) Notwithstanding any other provision of this section, an entity subject to this section that reimburses for health care services is not required to audit or investigate a claim, bill, or other demand or request for payment for health care services to determine whether those services were provided as a result of a prohibited referral.~~

~~(2) An audit or investigation of a claim, bill, or other demand or request for payment for health care services to determine whether those services were provided as a result of a prohibited referral is not grounds to delay payment or waive the provisions of §§ 15-1004 and 15-1005 of this title.~~

~~(g) In accordance with § 1-305 of the Health Occupations Article, an entity subject to this section may seek a refund of a payment made for a claim, bill, or other demand or request for payment that is subsequently determined to be for a health care service provided as a result of a prohibited referral.~~

Article – State Government

8–403.

(b) Except as otherwise provided in subsection (a) of this section, on or before the evaluation date for the following governmental activities or units, an evaluation shall be made of the following governmental activities or units and the statutes and regulations that relate to the governmental activities or units:

(49) Physicians, State Board of (§ 14–201 of the Health Occupations Article: July 1, [2006] **2012**);

(53) Polysomnography Professional Standards Committee (§ 14–5C–05 of the Health Occupations Article: July 1, [2010] **2012**);

Chapter 220 of the Acts of 2003

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

(a) [On or before November 1, 2003, the State Board of Physician Quality Assurance shall establish or designate a program to train Maryland physicians who wish to apply for a waiver from SAMHSA to practice office–based, medication–assisted opioid addiction therapy.

(b) In establishing or designating a training program required under subsection (a) of this section, the Board shall:

(1) consult the Model Policy Guidelines for Opioid Addiction Treatment in the Medical Office adopted by the Federation of State Medical Boards of the United States, Inc.; and

(2) adopt regulations regarding the specific experience or training qualifications required to:

(i) demonstrate the ability of the physician to treat and manage opiate–dependent patients in an office–based setting; and

(ii) qualify a physician for certification by the Board to apply for a waiver from SAMHSA to practice office–based, medication–assisted opioid addiction therapy.

(c) In addition to establishing or designating a program as required under subsection (a) of this section, the] **THE** Board shall, through its website, newsletter, and other correspondence with licensed physicians:

(1) educate licensed physicians about provisions of the federal Drug Addiction Treatment Act of 2000 that authorize qualifying physicians to practice office-based, medication-assisted opioid addiction therapy under a waiver from SAMHSA; **AND**

(2) encourage family practitioners and primary care providers to consider participating in office-based, medication-assisted opioid addiction therapy[; and

(3) inform licensed physicians about the availability of training and experience to qualify for a waiver to practice office-based, medication-assisted opioid addiction therapy that:

(i) addresses the treatment and management of opiate-dependent patients in an office-based setting; and

(ii) satisfies the training requirements that the Board establishes in the regulations adopted under subsection (b)(2) of this section].

[(d)] (B) To the extent feasible, the Board shall, in cooperation with the Alcohol and Drug Abuse Administration, develop an outreach strategy to educate opioid addicts about the availability of office-based, medication-assisted opioid addiction therapy.

(C) THE BOARD MAY ADOPT REGULATIONS REGARDING EXPERIENCE OR TRAINING QUALIFICATIONS REQUIRED TO QUALIFY A PHYSICIAN TO PRACTICE OFFICE-BASED, MEDICATION-ASSISTED OPIOID ADDICTION THERAPY.

Chapter 252 of the Acts of 2003

[SECTION 8. AND BE IT FURTHER ENACTED, That the entity or entities with which the State Board of Physicians contracts under § 14-401(e) of the Health Occupations Article for further investigation and peer review of allegations based on § 14-404(a)(22) of the Health Occupations Article shall utilize two peer reviewers, and in the event of a lack of agreement between the two reviewers, the Board shall utilize a third reviewer to render a final peer review decision.]

SECTION 2. AND BE IT FURTHER ENACTED, That the State Board of Physicians shall make regulatory changes necessary to reflect the procedures of the Board, including exceptions from licensure, and to implement the recommendations

made in the "Report on the Maryland Board of Physicians' Investigative Processes and Optimal Caseloads" on or before September 1, 2007.

SECTION 3. AND BE IT FURTHER ENACTED, That, on or before July 1, 2007, the Secretary of Health and Mental Hygiene shall standardize job classifications for investigators at the State Board of Physicians by increasing the base salary grade to a Grade 16.

SECTION 4. AND BE IT FURTHER ENACTED, That the Chief Administrative Law Judge shall designate a pool of administrative law judges in the Office of Administrative Hearings to hear cases referred to it by the State Board of Physicians.

SECTION 5. AND BE IT FURTHER ENACTED, That the State Board of Physicians shall provide training at least annually to the personnel of the Office of Administrative Hearings in order to improve the quality and efficiency of the hearings in physician discipline cases. The training shall include medical terminology, medical ethics, and, to the extent practicable, descriptions of basic medical and surgical procedures currently in use.

SECTION ~~4~~ 6. AND BE IT FURTHER ENACTED, That, on or before October 1, 2007, the Department of Health and Mental Hygiene and the Office of the Attorney General shall:

(1) review the process for the investigation of self-referral cases by the health occupations boards;

(2) recommend a revised investigative process for self-referral cases that includes the determination of investigative resources for the health occupations boards in the investigation of self-referral cases; and

(3) 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 Health and Government Operations Committee on their findings, recommendations, and any legislative or regulatory changes necessary to implement any recommended changes.

SECTION 7. AND BE IT FURTHER ENACTED, That the State Board of Physicians shall submit a report to the Governor and, in accordance with § 2-1246 of the State Government Article, to the General Assembly, on or before December 31, 2008, regarding:

(1) how many complaints reviewed by two peer reviewers resulted in disagreement between the peer reviewers; and

(2) of these complaints, how many resulted in charges being brought against a licensee.

~~SECTION 8. AND BE IT FURTHER ENACTED, That for fiscal 2009, the Governor shall include in the annual budget bill funding for an additional 7 new regular positions as compliance analysts for the State Board of Physicians, to be fully funded by the Board of Physicians Fund established under § 14-207 of the Health Occupations Article, in order to efficiently investigate complaints and protect the health, safety, and welfare of the public.~~

SECTION ~~4~~ 5 ~~9~~ 8. AND BE IT FURTHER ENACTED, That the provisions of § 8-404 of the State Government Article requiring a preliminary evaluation do not apply to the State Board of Physicians prior to the evaluation required on or before July 1, 2012.

SECTION ~~5~~ 6 ~~10~~ 9. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 284 - *Maryland Consolidated Capital Bond Loan of 2005 - Montgomery County - Pyramid Atlantic*.

This bill amends the Maryland Consolidated Capital Bond Loan of 2005 to extend the deadline by which the Board of Directors of Pyramid Atlantic, Inc. may present evidence to the Board of Public Works that a matching fund will be provided.

Senate 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 House Bill 284.

Sincerely,

Martin O'Malley
Governor

House Bill 284

AN ACT concerning

**Maryland Consolidated Capital Bond Loan of 2005 – Montgomery County –
Pyramid Atlantic**

FOR the purpose of amending the Maryland Consolidated Capital Bond Loan of 2005 to extend the deadline by which the Board of Directors of Pyramid Atlantic, Inc. may present evidence to the Board of Public Works that a matching fund will be provided; ~~and expanding the authorized uses of the loan proceeds and matching fund.~~

BY repealing and reenacting, with amendments,
Chapter 445 of the Acts of the General Assembly of 2005
Section 1(3) Item ZA02 (AY)

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

Chapter 445 of the Acts of 2005

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

(3) ZA02 LOCAL SENATE INITIATIVES

(AY) Pyramid Atlantic. Provide a grant equal to the lesser of (i) \$100,000 or (ii) the amount of the matching fund provided, to the Board of Directors of Pyramid Atlantic, Inc. for the design, construction, ~~CAPITAL EQUIPPING~~, and renovation of an elevator and attachment of a welcome center to the existing Pyramid Atlantic property, located in Silver Spring. Notwithstanding Section 1(5) of this Act, the matching fund may consist of in kind contributions.

NOTWITHSTANDING SECTION 1(5) OF THIS ACT, THE GRANTEE HAS UNTIL JUNE 1, 2009, TO PRESENT EVIDENCE THAT A MATCHING FUND WILL BE PROVIDED (Montgomery County) \$100,000

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 297 - *Harford County - Alcoholic Beverages Licensees - Age of Employees*.

This bill prohibits an alcoholic beverages licensee in Harford County from employing a person under the age of 21 years to act as a bartender or to serve alcoholic beverages at a permanent full-service bar and provides an exception to the prohibition. The bill

also authorizes a licensee to employ a person at least 18 years old to serve alcoholic beverages while acting as a waiter or waitress. Finally, the bill authorizes a licensee to employ a person at least 16 years old to act as a bartender's assistant.

Senate Bill 189, 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 297.

Sincerely,

Martin O'Malley
Governor

House Bill 297

AN ACT concerning

Harford County – Alcoholic Beverages Licensees – Age of Employees

FOR the purpose of prohibiting an alcoholic beverages licensee in Harford County from employing a person under a certain age to act as a bartender or to serve alcoholic beverages at a permanent full-service bar; providing a certain exception to the prohibition; authorizing a licensee to employ a person of a certain age to serve alcoholic beverages while acting as a waiter or waitress; authorizing a licensee to employ a person of a certain age to act as a bartender's assistant who may perform certain tasks; making certain stylistic changes; and generally relating to alcoholic beverages licensees in Harford County.

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 12-213(e)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 2B – Alcoholic Beverages

12-213.

(e) **(1) [In] THIS SUBSECTION APPLIES ONLY IN** Harford County [a licensee under this article may not:].

[(1)] (2) AN ALCOHOLIC BEVERAGES LICENSEE MAY NOT:

(I) Employ any person under **THE AGE OF** 18 years [of age] for the purposes of selling or serving alcoholic beverages; [or]

[(2)] (II) Permit any person under **THE AGE OF** 18 years [of age] to sell or serve alcoholic beverages; **OR**

(III) ~~EMPLOY~~ **EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, EMPLOY A PERSON UNDER THE AGE OF 21 YEARS TO ACT AS A BARTENDER OR TO SERVE ALCOHOLIC BEVERAGES AT A PERMANENT FULL-SERVICE BAR.**

(3) A PERSON AT LEAST 18 YEARS OLD MAY ACT AS A BARTENDER OR SERVE ALCOHOLIC BEVERAGES AT A PERMANENT FULL-SERVICE BAR IF THE PERSON IS THE SON OR DAUGHTER OF THE OWNER OF THE ESTABLISHMENT.

~~(3)~~ (4) **AN ALCOHOLIC BEVERAGES LICENSEE MAY EMPLOY:**

(I) **A PERSON AT LEAST 18 YEARS OLD TO SERVE ALCOHOLIC BEVERAGES WHILE ACTING AS A WAITER OR WAITRESS; OR**

(II) **A PERSON AT LEAST 16 YEARS OLD TO ACT AS A BARTENDER'S ASSISTANT WHO:**

1. **MAY REPLACE ICE, REMOVE TRASH, OR PERFORM SIMILAR TASKS THAT DO NOT INVOLVE ALCOHOLIC BEVERAGES; BUT**

2. **MAY NOT ENGAGE IN THE DISTRIBUTION OR SALE OF ALCOHOLIC BEVERAGES.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 302 - *Jury Selection and Service*.

This bill alters provisions of law relating to jury selection and service, including provisions relating to limits on frequency of service, the contents of the juror qualification form, and postponement and other rescheduling of jury service.

Senate Bill 142, 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 302.

Sincerely,

Martin O'Malley
Governor

House Bill 302

AN ACT concerning

Jury Selection and Service

FOR the purpose of altering certain provisions of law relating to jury selection and service, including provisions relating to limits on frequency of service, the contents of the juror qualification form, and postponement and other rescheduling of jury service; providing for the application of this Act; and generally relating to jury selection and service.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 8–215(4), 8–216, 8–302(a), 8–304(b)(2), 8–305(2), 8–310(c)(2), 8–314(a),
and 8–402(a)
Annotated Code of Maryland
(2006 Replacement Volume)

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

Article – Courts and Judicial Proceedings

8–215.

The jury plan for a county may enable its jury commissioner, subject to criteria set forth in the jury plan and under the overall supervision of the county's jury judge, to:

(4) [Postpone] **RESCHEDULE** jury service by prospective or qualified jurors for specific reasons stated in this title.

8-216.

A jury plan may provide that, notwithstanding the limit on frequency of trial jury service in § 8-310(c)(2) of this title, an individual who serves on a [trial] jury for fewer than 5 days in a 3-year period may be summoned for jury service after 1 year.

8-302.

(a) In accordance with an agreement, if any, under § 8-213 of this title, a juror qualification form in substantially the following form shall be provided to each prospective juror:

Juror Qualification Form

Name: _____

Resident address: _____

TELEPHONE: (HOME) _____ **(WORK)** _____ **(CELLULAR)** _____

Age: _____ Date of Birth: _____

If you are over 70 years of age, do you wish to be exempted from jury services?
 _____Yes _____No

U.S. Citizen? _____Yes _____No

Able to comprehend, read, speak, and write English? _____Yes _____No

[Education: _____] **HIGHEST LEVEL OF EDUCATION COMPLETED:**
 ____ **HIGH SCHOOL** ____ **COLLEGE** ____ **GRADUATE SCHOOL** ____ **OTHER**

Occupation of prospective juror: _____

NAME OF EMPLOYER: _____

Occupation of spouse, if any: _____

Disability preventing satisfactory jury service? _____Yes _____No

DO YOU WANT AN ACCOMMODATION UNDER THE FEDERAL AMERICANS WITH DISABILITIES ACT? ____YES ____NO

Pending charge for a crime punishable by imprisonment exceeding 6 months?
____Yes ____No

Conviction of crime punishable by imprisonment exceeding 6 months and received a sentence of imprisonment for more than 6 months and not legally pardoned? ____Yes ____No

Date of Conviction _____

____ Elected official of the federal Legislative Branch, as defined in 2 U.S.C. § 30a.

____ Active duty member of armed forces exempted in accordance with 10 U.S.C. § 982.

____ Member of Maryland's organized militia exempted in accordance with Public Safety Article § 13-218.

Prior jury service within 3 preceding years: _____

Form completed by me ____ Another (name) ____ and, if another, why?

Under the penalties of perjury, the responses are true to the best of my knowledge

Signed:_____

Prospective Juror

Individual completing form for prospective juror:

This form must be completed, signed, and returned to the jury commissioner within 10 days after receipt. Documentation for excusal due to disability, exemption based on armed forces or militia service, pardons, and/or prior jury service must be attached.

8-304.

(b) Whenever a person appears under this section, a jury commissioner or jury judge:

(2) If, at that time, it seems to the jury commissioner or jury judge to be warranted, may question the person but only as to responses to questions in the

form and grounds for disqualification, excusal, exemption, or **[postponement]**
RESCHEDULING.

8-305.

Whenever a person appears for jury service, a jury commissioner or jury judge:

(2) If, at that time, it seems to the jury commissioner or jury judge to be warranted, may question the person but only as to responses to questions in the form and grounds for disqualification, excusal, exemption, or **[postponement]**
RESCHEDULING.

8-310.

(c) (2) Except as needed to complete service in a particular case or as otherwise provided in a jury plan, an individual may not be required, in any 3-year period, to serve or attend court for **[prospective] JURY** service **[as a trial juror]** more than once.

8-314.

(a) A jury commissioner shall document each addition or other change to information provided under this subtitle and each decision with regard to disqualification, exemption, or excusal from, or **[postponement] RESCHEDULING** of, jury service.

8-402.

(a) Subject to the requirements of this section, a jury judge or, if a county's jury plan allows, its jury commissioner may disqualify, excuse, or exempt an individual who is summoned for jury service or **[postpone] RESCHEDULE** jury service.

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 jury service or selection for jury service, including juror qualification forms used before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 305 - *Task Force to Study the Boating Industry in Maryland*.

This bill establishes a Task Force to Study the Boating Industry in Maryland. The bill also requires the Task Force to submit a preliminary report and a final report to the Governor and General Assembly and its committees regarding its recommendations by specified dates.

Senate Bill 165, 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 305.

Sincerely,

Martin O'Malley
Governor

House Bill 305

AN ACT concerning

Task Force to Study the Boating Industry in Maryland

FOR the purpose of establishing a Task Force to Study the Boating Industry in Maryland; establishing the membership and staffing of the Task Force; requiring the President of the Senate and the Speaker of the House to designate the chair of the Task Force; authorizing the Task Force to establish certain subcommittees; requiring the Task Force to evaluate and make recommendations regarding certain issues; requiring the Task Force to submit a preliminary report and a final report to the Governor and General Assembly and its committees regarding its recommendations by a certain date; prohibiting a member of the Task Force from receiving certain compensation, but authorizing a member of the Task Force to receive certain reimbursements; providing for the termination of this Act; and generally relating to the Task Force to Study the Boating Industry in Maryland.

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

- (a) There is a Task Force to Study the Boating ~~and~~ Industry in Maryland.
- (b) The Task Force consists of the following members:
 - (1) One member of the Senate of Maryland, appointed by the President of the Senate;
 - (2) One member of the House of Delegates, appointed by the Speaker of the House;
 - (3) The Secretary of Natural Resources, or the Secretary's designee;
 - (4) The Secretary of Business and Economic Development, or the Secretary's designee;
 - (5) The Secretary of the Environment, or the Secretary's designee; and
 - ~~(5)~~ (6) The following members, appointed by the Governor:
 - (i) Two representatives from the Marine Trade Association of Maryland;
 - (ii) Two representatives from local tourism boards or visitor bureaus that are from counties that border the Chesapeake Bay;
 - (iii) One representative from a local yacht club;
 - (iv) One owner and operator of a marina in the State;
 - (v) One owner or operator of a boat dealership in the State; and
 - (vi) One representative from the Maryland Tourism Council.
- (c) The President of the Senate and the Speaker of the House of Delegates jointly shall designate the chair of the Task Force.
- (d) The Task Force may establish subcommittees as it determines necessary to fulfill its duties.
- (e) The Department of Business and Economic Development and the Department of Natural Resources shall provide staff for the Task Force.

(f) A member of the Task Force may not receive compensation for serving as a member of the Task Force but is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(g) The Task Force shall:

(1) Evaluate and make recommendations regarding growing the boating industry within the State, including:

(i) Evaluating incentives to encourage large boats and yachts to use marinas and boatyards for recreation, repair, and outfitting within the State;

(ii) Determining ways to encourage and promote tourism throughout waters of the State;

(iii) Researching the economic impact that marine industries and recreational boaters contribute to the State's economy; and

(iv) Identifying barriers that limit the State's competitiveness with other states regarding the boating industry and developing methods to overcome these barriers; and

(2) (i) On or before November 30, 2007, submit a preliminary report of its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, to the Senate Finance Committee and the House Economic Matters Committee; and

(ii) On or before June 30, 2008, submit a final report of its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, to the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007. It shall remain effective for a period of 1 year and 1 month and, at the end of July 31, 2008, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 17, 2007

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, today I have vetoed House Bill 337 - *Criminal Procedure - Pretrial Release - Posting of Bond Without Appearance of Defendant*.

This bill allows a defendant to post bond by means of electronic transmission or hand delivery of documentation without appearing before the commissioner or judge under specified circumstances if authorized by the County Administrative Judge or the Chief Judge of the District Court.

Senate Bill 685, 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 337.

Sincerely,

Martin O'Malley
Governor

House Bill 337

AN ACT concerning

~~Cecil County Criminal Procedure – Pretrial Release – Use of Technology to Facilitate Pretrial Release Process Posting of Bond Without Appearance of Defendant~~

FOR the purpose of allowing ~~the use of video conferencing technology to facilitate the pretrial release process~~ a defendant to post bond by means of electronic transmission or hand delivery of certain documentation without appearing before the commissioner or judge under certain circumstances if authorized by the County Administrative Judge or the ~~District Administrative Judge~~ requiring certain documents to be delivered to the appropriate court immediately after a certain proceeding Chief Judge of the District Court; and generally relating to the pretrial release process.

BY adding to
Article – Criminal Procedure
Section 5–214
Annotated Code of Maryland
(2001 Volume and 2006 Supplement)

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

Article – Criminal Procedure

5-214.

~~(A) THIS SECTION APPLIES ONLY IN CECIL COUNTY.~~

~~(B) VIDEO CONFERENCING PROCEDURES AND TECHNOLOGY MAY BE USED TO FACILITATE THE PRETRIAL RELEASE PROCESS AFTER NOTWITHSTANDING MARYLAND RULE 4-217(G), AFTER A DEFENDANT HAS APPEARED IN PERSON BEFORE THE COMMISSIONER OR JUDGE IN A CASE, THE DEFENDANT MAY POST BOND BY MEANS OF ELECTRONIC TRANSMISSION OR HAND DELIVERY OF THE RELEVANT DOCUMENTATION WITHOUT APPEARING BEFORE THE COMMISSIONER OR JUDGE, IF AUTHORIZED BY:~~

~~(1) IN THE CIRCUIT COURT, THE COUNTY ADMINISTRATIVE JUDGE; AND~~

~~(2) IN THE DISTRICT COURT COURT, THE DISTRICT ADMINISTRATIVE JUDGE CHIEF JUDGE OF THE DISTRICT COURT.~~

~~(C) IMMEDIATELY AFTER A PROCEEDING CONDUCTED THROUGH VIDEO CONFERENCING, ALL DOCUMENTS THAT ARE NOT A PART OF THE COURT FILE AND THAT WOULD BE A PART OF THE FILE IF THE PROCEEDING HAD BEEN CONDUCTED AT THE COURT SHALL BE ELECTRONICALLY TRANSMITTED OR HAND DELIVERED TO THE APPROPRIATE COURT.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 351 - *City of Annapolis - Housing Authority - Approval of Commissioners by City Council*.

This bill requires that the Commissioners of the Housing Authority of the City of Annapolis who are appointed by the Mayor of Annapolis be approved by the Annapolis City Council.

Senate Bill 256, 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 351.

Sincerely,

Martin O'Malley
Governor

House Bill 351

AN ACT concerning

City of Annapolis – Housing Authority – Approval of Commissioners by City Council

FOR the purpose of requiring that the Commissioners of the Housing Authority of the City of Annapolis who are appointed by the Mayor of Annapolis be approved by the Annapolis City Council; and generally relating to the Housing Authority of the City of Annapolis.

BY repealing and reenacting, with amendments,
Article – Housing and Community Development
Section 13–104(a)
Annotated Code of Maryland
(2006 Volume)

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

Article – Housing and Community Development

13–104.

(a) (1) The Annapolis Authority consists of seven Commissioners appointed by the Mayor of Annapolis **AND APPROVED BY THE ANNAPOLIS CITY COUNCIL**.

(2) Of the seven Commissioners:

(i) one shall be a tenant of an Annapolis Authority property other than an Annapolis Authority property for seniors; and

(ii) one shall be a tenant of an Annapolis Authority property for seniors.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 425 - *Civil Actions - Liability of Insurer - Failure to Act in Good Faith*.

This bill authorizes the recovery of actual damages, expenses, litigation costs, and interest in first-party claims against property and casualty insurers under specific circumstances. It also provides that accrued interest is to be computed at a specified rate and from a specified date. The clerk of a court will be required to file a copy of specified verdicts and other dispositions with the Maryland Insurance Administration.

Senate Bill 389, 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 425.

Sincerely,

Martin O'Malley
Governor

House Bill 425

AN ACT concerning

Civil Actions – Liability of Insurer – Failure to Act in Good Faith

FOR the purpose of authorizing the recovery ~~by an insured, in certain civil actions between an insured and an insurer,~~ of actual damages, expenses, litigation costs, and interest in first-party claims against property and casualty insurers under certain circumstances; requiring the court to make certain findings before the insured may recover certain damages, expenses, costs, and interest from the insurer; providing that the interest is to be computed at a certain rate and from a certain date; requiring a clerk of a court to file a copy of certain verdicts and other dispositions with the Maryland Insurance Administration; providing that a failure to act in good faith under certain circumstances constitutes an unfair claim settlement practice for certain purposes; providing for certain penalties; providing for certain restitution in certain proceedings under certain circumstances; providing for certain procedures; providing for a certain appeal to a circuit court from a final decision under certain circumstances; providing for the tolling of certain limitations under certain circumstances; requiring the Administration to report annually on certain matters to the General Assembly on or before a certain date; defining certain terms; providing for the application of this Act; and generally relating to a civil cause of action between an insured and an insurer. certain proceedings concerning property and casualty insurers who fail to act in good faith in settling a first-party claim under certain circumstances.

BY repealing and reenacting, with amendments,

Article 1 – Rules of Interpretation

Section 32

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY adding to

Article – Courts and Judicial Proceedings

Section 3-1701 to be under the new subtitle “Subtitle 17. Liability of Insurer”;
and 5-118

Annotated Code of Maryland

(2006 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Insurance

Section 27-303(7) and (8), 27-304(16) and (17), and 27-305(a) and (c)

Annotated Code of Maryland

(2006 Replacement Volume and 2006 Supplement)

BY adding to

Article – Insurance

Section 27–303(9), 27–304(18), and 27–1001 and the subtitle “Subtitle 10.

Property and Casualty Insurance – First–Party Claims”

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

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

Article 1 – Rules of Interpretation

32.

(a) Except as provided in subsection (b) of this section, in a statute providing for de novo judicial review or appeal of a quasi-judicial administrative agency action, the term “de novo” means judicial review based upon an administrative record and such additional evidence as would be authorized by § 10–222(f) and (g) of the State Government Article.

(b) This section does not apply to review of cases from:

(1) The Workers' Compensation Commission; [or]

(2) The Health Care Alternative Dispute Resolution Office; OR

(3) THE MARYLAND INSURANCE ADMINISTRATION UNDER § 27–1001 OF THE INSURANCE ARTICLE.

Article – Courts and Judicial Proceedings

SUBTITLE 17. LIABILITY OF INSURER.

3–1701.

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

(2) “CASUALTY INSURANCE” HAS THE MEANING STATED IN § 1–101 OF THE INSURANCE ARTICLE.

(3) “COMMERCIAL INSURANCE” HAS THE MEANING STATED IN § 27–601 OF THE INSURANCE ARTICLE.

(4) "GOOD FAITH" MEANS AN INFORMED JUDGMENT BASED ON HONESTY AND DILIGENCE SUPPORTED BY EVIDENCE THE INSURER KNEW OR SHOULD HAVE KNOWN AT THE TIME THE INSURER MADE A DECISION ON A CLAIM.

(5) "INSURER" HAS THE MEANING STATED IN § 1-101 OF THE INSURANCE ARTICLE.

(6) "PROPERTY INSURANCE" HAS THE MEANING STATED IN § 1-101 OF THE INSURANCE ARTICLE.

(B) THIS SUBTITLE APPLIES ONLY TO FIRST-PARTY CLAIMS UNDER PROPERTY AND CASUALTY INSURANCE POLICIES ISSUED, SOLD, OR DELIVERED IN THE STATE.

(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A PARTY MAY NOT FILE AN ACTION UNDER THIS SUBTITLE BEFORE THE DATE OF A FINAL DECISION UNDER § 27-1001 OF THE INSURANCE ARTICLE.

(2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO AN ACTION:

(I) WITHIN THE SMALL CLAIM JURISDICTION OF THE DISTRICT COURT UNDER § 4-405 OF THIS ARTICLE;

(II) IF THE INSURED AND THE INSURER AGREE TO WAIVE THE REQUIREMENT UNDER PARAGRAPH (1) OF THIS SUBSECTION; OR

(III) UNDER A COMMERCIAL INSURANCE POLICY ON A CLAIM WITH RESPECT TO WHICH THE APPLICABLE LIMIT OF LIABILITY EXCEEDS \$1,000,000.

~~(A) (D) THIS SECTION APPLIES IN A CIVIL ACTION FILED BY AN INSURED AGAINST ITS INSURER OR BY AN INSURER AGAINST ITS INSURED TO DETERMINE:~~

~~(1) THE COVERAGE THAT EXISTS UNDER THE INSURER'S INSURANCE POLICY; OR~~

~~(2) THE EXTENT TO WHICH THE INSURED IS ENTITLED TO RECEIVE PAYMENT FROM THE INSURER FOR A COVERED LOSS ONLY IN A CIVIL ACTION:~~

(1) (i) TO DETERMINE THE COVERAGE THAT EXISTS UNDER THE INSURER'S INSURANCE POLICY; OR

(ii) TO DETERMINE THE EXTENT TO WHICH THE INSURED IS ENTITLED TO RECEIVE PAYMENT FROM THE INSURER FOR A COVERED LOSS;

(2) THAT ALLEGES THAT THE INSURER FAILED TO ACT IN GOOD FAITH; AND

(3) THAT SEEKS, IN ADDITION TO THE ACTUAL DAMAGES UNDER THE POLICY, TO RECOVER EXPENSES AND LITIGATION COSTS, AND INTEREST ON THOSE EXPENSES OR COSTS, UNDER SUBSECTION (E) OF THIS SECTION.

~~(B)~~ (E) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IF THE ~~COURT~~ TRIER OF FACT IN AN ACTION UNDER THIS SECTION FINDS IN FAVOR OF THE INSURED AND FINDS THAT THE INSURER FAILED TO ACT IN GOOD FAITH, THE INSURED MAY RECOVER FROM THE INSURER:

(1) ACTUAL DAMAGES, WHICH ACTUAL DAMAGES MAY NOT EXCEED THE LIMITS OF THE APPLICABLE POLICY;

(2) EXPENSES AND LITIGATION COSTS INCURRED BY THE INSURED IN AN ACTION UNDER THIS SECTION OR UNDER § 27-1001 OF THE INSURANCE ARTICLE OR BOTH, INCLUDING REASONABLE ATTORNEY'S FEES; AND

(3) INTEREST ON ALL ~~EXPENSES~~ ACTUAL DAMAGES, EXPENSES, AND LITIGATION COSTS INCURRED BY THE INSURED, COMPUTED:

(i) AT THE RATE ALLOWED UNDER § 11-107(A) OF THIS ARTICLE; AND

(ii) FROM THE DATE ~~THE CLAIM THAT WAS THE SUBJECT OF THE CIVIL ACTION WAS SUBMITTED TO THE INSURED OR THE AGENT OF THE INSURED~~ ON WHICH THE INSURED'S CLAIM WOULD HAVE BEEN PAID IF THE INSURER ACTED IN GOOD FAITH.

(F) AN INSURER MAY NOT BE FOUND TO HAVE FAILED TO ACT IN GOOD FAITH UNDER THIS SECTION SOLELY ON THE BASIS OF DELAY IN DETERMINING COVERAGE OR THE EXTENT OF PAYMENT TO WHICH THE INSURED IS ENTITLED IF THE INSURER ACTED WITHIN THE TIME PERIOD SPECIFIED BY STATUTE OR REGULATION FOR INVESTIGATION OF A CLAIM BY AN INSURER.

(G) THE AMOUNT OF ATTORNEY'S FEES RECOVERED FROM AN INSURER UNDER SUBSECTION (E) OF THIS SECTION MAY NOT EXCEED ONE-THIRD OF THE ACTUAL DAMAGES RECOVERED.

(H) THE CLERK OF THE COURT SHALL FILE A COPY OF THE VERDICT OR ANY OTHER FINAL DISPOSITION OF AN ACTION UNDER THIS SECTION WITH THE MARYLAND INSURANCE ADMINISTRATION.

(I) THIS SECTION DOES NOT LIMIT THE RIGHT OF ANY PERSON TO MAINTAIN A CIVIL ACTION FOR DAMAGES OR OTHER REMEDIES OTHERWISE AVAILABLE UNDER ANY OTHER PROVISION OF LAW.

(J) IF A PARTY TO THE PROCEEDING ELECTS TO HAVE THE CASE TRIED BY A JURY IN ACCORDANCE WITH THE MARYLAND RULES, THE CASE SHALL BE TRIED BY A JURY.

5-118.

FOR THE PURPOSES OF THIS SUBTITLE, THE FILING OF A COMPLAINT WITH THE MARYLAND INSURANCE ADMINISTRATION IN ACCORDANCE WITH § 27-1001 OF THE INSURANCE ARTICLE SHALL BE DEEMED THE FILING OF AN ACTION UNDER § 3-1701 OF THIS ARTICLE.

Article – Insurance

27-303.

It is an unfair claim settlement practice and a violation of this subtitle for an insurer or nonprofit health service plan to:

(7) fail to meet the requirements of Title 15, Subtitle 10B of this article for preauthorization for a health care service; [or]

(8) fail to comply with the provisions of Title 15, Subtitle 10A of this article; OR

(9) FAIL TO ACT IN GOOD FAITH, AS DEFINED UNDER § 27-1001 OF THIS TITLE, IN SETTLING A FIRST-PARTY CLAIM UNDER A POLICY OF PROPERTY AND CASUALTY INSURANCE.

27-304.

It is an unfair claim settlement practice and a violation of this subtitle for an insurer or nonprofit health service plan, when committed with the frequency to indicate a general business practice, to:

(16) fail to meet the requirements of Title 15, Subtitle 10B of this article for preauthorization for a health care service; [or]

(17) fail to comply with the provisions of Title 15, Subtitle 10A of this article; OR

(18) FAIL TO ACT IN GOOD FAITH, AS DEFINED UNDER § 27-1001 OF THIS TITLE, IN SETTling A FIRST-PARTY CLAIM UNDER A POLICY OF PROPERTY AND CASUALTY INSURANCE.

27-305.

(a) The Commissioner may impose a penalty:

(1) not exceeding \$2,500 for each violation of § 27-303 of this subtitle or a regulation adopted under § 27-303 of this subtitle; AND

(2) NOT EXCEEDING \$125,000 FOR EACH VIOLATION OF § 27-303 (9) OF THIS SUBTITLE OR A REGULATION ADOPTED UNDER § 27-303(9) OF THIS SUBTITLE.

(c) (1) On finding a violation of this subtitle, the Commissioner may require an insurer or nonprofit health service plan to make restitution to each claimant who has suffered actual economic damage because of the violation.

(2) [Restitution] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, RESTITUTION may not exceed the amount of actual economic damage sustained, subject to the limits of any applicable policy.

(3) FOR A VIOLATION OF § 27-303(9) OF THIS SUBTITLE, THE COMMISSIONER MAY REQUIRE RESTITUTION TO AN INSURED FOR THE FOLLOWING:

(I) ACTUAL DAMAGES, WHICH ACTUAL DAMAGES MAY NOT EXCEED THE LIMITS OF ANY APPLICABLE POLICY;

(II) EXPENSES AND LITIGATION COSTS INCURRED BY THE INSURED IN PURSUING AN ADMINISTRATIVE COMPLAINT UNDER § 27-303(9) OF THIS SUBTITLE, INCLUDING REASONABLE ATTORNEY'S FEES; AND

(III) INTEREST ON ALL ACTUAL DAMAGES, EXPENSES, AND LITIGATION COSTS INCURRED BY THE INSURED COMPUTED:

1. AT THE RATE ALLOWED UNDER § 11-107(A) OF THE COURTS ARTICLE; AND

2. FROM THE DATE ON WHICH THE INSURED'S CLAIM WOULD HAVE BEEN PAID IF THE INSURER ACTED IN GOOD FAITH.

(4) THE AMOUNT OF ATTORNEY'S FEES RECOVERED FROM AN ~~INSURED~~ INSURER UNDER PARAGRAPH (3) OF THIS SUBSECTION MAY NOT EXCEED ONE-THIRD OF THE ACTUAL DAMAGES RECOVERED.

SUBTITLE 10. PROPERTY AND CASUALTY INSURANCE – FIRST-PARTY CLAIMS.

27-1001.

(A) IN THIS SECTION, "GOOD FAITH" MEANS AN INFORMED JUDGMENT BASED ON HONESTY AND DILIGENCE SUPPORTED BY EVIDENCE THE INSURER KNEW OR SHOULD HAVE KNOWN AT THE TIME THE INSURER MADE A DECISION ON A CLAIM.

(B) THIS SECTION APPLIES ONLY TO ACTIONS UNDER § 3-1701 OF THE COURTS ARTICLE.

(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A PERSON MAY NOT BRING OR PURSUE AN ACTION UNDER § 3-1701 OF THE COURTS ARTICLE IN A COURT UNLESS THE PERSON COMPLIES WITH THIS SECTION.

(2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO AN ACTION:

(I) WITHIN THE SMALL CLAIM JURISDICTION OF THE DISTRICT COURT UNDER § 4-405 OF THE COURTS ARTICLE;

(II) IF THE INSURED AND THE INSURER AGREE TO WAIVE THE REQUIREMENT UNDER PARAGRAPH (1) OF THIS SUBSECTION; OR

(III) UNDER A COMMERCIAL INSURANCE POLICY ON A CLAIM WITH RESPECT TO WHICH THE APPLICABLE LIMIT OF LIABILITY EXCEEDS \$1,000,000.

(D) (1) A COMPLAINT STATING A CAUSE OF ACTION UNDER § 3-1701 OF THE COURTS ARTICLE SHALL FIRST BE FILED WITH THE ADMINISTRATION.

(2) THE COMPLAINT SHALL:

(I) BE ACCOMPANIED BY EACH DOCUMENT THAT THE INSURED HAS SUBMITTED TO THE INSURER FOR PROOF OF LOSS;

(II) SPECIFY THE APPLICABLE INSURANCE COVERAGE AND THE AMOUNT OF THE CLAIM UNDER THE APPLICABLE COVERAGE; AND

(III) STATE THE AMOUNT OF ACTUAL DAMAGES, AND THE ~~AMOUNT OF~~ CLAIM FOR EXPENSES AND LITIGATION COSTS DESCRIBED UNDER SUBSECTION (E)(2) OF THIS SECTION.

(3) THE ADMINISTRATION SHALL FORWARD THE FILING TO THE INSURER.

(4) WITHIN 30 DAYS AFTER THE DATE THE FILING IS FORWARDED TO THE INSURER BY THE ADMINISTRATION, THE INSURER SHALL:

(I) FILE WITH THE ADMINISTRATION, EXCEPT FOR GOOD CAUSE SHOWN, A WRITTEN RESPONSE TOGETHER WITH A COPY OF EACH DOCUMENT FROM THE INSURER'S CLAIM FILE THAT ENABLES RECONSTRUCTION OF THE INSURER'S ACTIVITIES RELATIVE TO THE INSURED'S CLAIM, INCLUDING DOCUMENTATION OF EACH PERTINENT COMMUNICATION, TRANSACTION, NOTE, WORK PAPER, CLAIM FORM, BILL, AND EXPLANATION OF BENEFITS FORM RELATIVE TO THE CLAIM; AND

(II) MAIL TO THE INSURED A COPY OF THE RESPONSE AND, EXCEPT FOR GOOD CAUSE SHOWN, EACH DOCUMENT FROM THE INSURER'S CLAIM FILE THAT ENABLES RECONSTRUCTION OF THE INSURER'S ACTIVITIES RELATIVE TO THE INSURED'S CLAIM, INCLUDING DOCUMENTATION OF EACH PERTINENT COMMUNICATION, TRANSACTION, NOTE, WORK PAPER, CLAIM FORM, BILL, AND EXPLANATION OF BENEFITS FORM RELATIVE TO THE CLAIM.

(E) (1) (I) WITHIN 90 DAYS AFTER THE DATE THE FILING WAS RECEIVED BY THE ADMINISTRATION, THE ADMINISTRATION SHALL ISSUE A DECISION THAT DETERMINES:

1. WHETHER THE INSURER IS OBLIGATED UNDER THE APPLICABLE POLICY TO COVER THE UNDERLYING FIRST-PARTY CLAIM;

2. THE AMOUNT THE INSURED WAS ENTITLED TO RECEIVE FROM THE INSURER UNDER THE APPLICABLE POLICY ON THE UNDERLYING COVERED FIRST-PARTY CLAIM;

3. WHETHER THE INSURER BREACHED ITS OBLIGATION UNDER THE APPLICABLE POLICY TO COVER AND PAY THE UNDERLYING COVERED FIRST-PARTY CLAIM, AS DETERMINED BY THE ADMINISTRATION;

4. WHETHER AN INSURER THAT BREACHED ITS OBLIGATION FAILED TO ACT IN GOOD FAITH; AND

5. THE AMOUNT OF DAMAGES, EXPENSES, LITIGATION COSTS, AND INTEREST, AS APPLICABLE AND AS AUTHORIZED UNDER PARAGRAPH (2) OF THIS SUBSECTION.

(II) THE FAILURE OF THE ADMINISTRATION TO ISSUE A DECISION WITHIN THE TIME SPECIFIED IN ~~PARAGRAPH (1) OF THIS SUBSECTION~~ ~~ITEM~~ SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE CONSIDERED A DETERMINATION THAT THE INSURER DID NOT BREACH ANY OBLIGATION TO THE INSURED.

(2) WITH RESPECT TO THE DETERMINATION OF DAMAGES UNDER ~~ITEM~~ PARAGRAPH (1)(I)5 OF THIS SUBSECTION:

(I) IF THE ADMINISTRATION FINDS THAT THE INSURER BREACHED AN OBLIGATION TO THE INSURED, THE ADMINISTRATION SHALL DETERMINE THE OBLIGATION OF THE INSURER TO PAY:

1. ACTUAL DAMAGES, WHICH ACTUAL DAMAGES MAY NOT EXCEED THE LIMITS OF ANY APPLICABLE POLICY; AND

2. INTEREST ON ALL ACTUAL DAMAGES INCURRED BY THE INSURED COMPUTED:

A. AT THE RATE ALLOWED UNDER § 11-107(A) OF THE COURTS ARTICLE; AND

B. FROM THE DATE ON WHICH THE INSURED'S CLAIM SHOULD HAVE BEEN PAID; AND

(II) IF THE ADMINISTRATION ALSO FINDS THAT THE INSURER FAILED TO ACT IN GOOD FAITH, THE ADMINISTRATION SHALL ALSO DETERMINE THE OBLIGATION OF THE INSURER TO PAY:

1. EXPENSES AND LITIGATION COSTS INCURRED BY THE INSURED, INCLUDING REASONABLE ATTORNEY'S FEES, IN PURSUING RECOVERY UNDER THIS SUBTITLE; AND

2. INTEREST ON ALL EXPENSES AND LITIGATION COSTS INCURRED BY THE INSURED COMPUTED:

A. AT THE RATE ALLOWED UNDER § 11-107(A) OF THE COURTS ARTICLE; AND

B. FROM THE APPLICABLE DATE OR DATES ON WHICH THE INSURED'S EXPENSES AND COSTS WERE INCURRED.

(3) AN INSURER MAY NOT BE FOUND TO HAVE FAILED TO ACT IN GOOD FAITH UNDER THIS SECTION SOLELY ON THE BASIS OF DELAY IN DETERMINING COVERAGE OR THE EXTENT OF PAYMENT TO WHICH THE INSURED IS ENTITLED IF THE INSURER ACTED WITHIN THE TIME PERIOD SPECIFIED BY STATUTE OR REGULATION FOR INVESTIGATION OF A CLAIM BY AN INSURER.

(4) THE AMOUNT OF THE ATTORNEY'S FEES DETERMINED TO BE PAYABLE TO AN INSURED UNDER PARAGRAPH (2) OF THIS SUBSECTION MAY NOT EXCEED ONE-THIRD OF THE ACTUAL DAMAGES PAYABLE TO THE INSURED.

(5) THE ADMINISTRATION SHALL SERVE A COPY OF THE DECISION ON THE INSURED AND THE INSURER IN ACCORDANCE WITH § 2-204(C) OF THIS ARTICLE.

(F) (1) ~~A~~ IF A PARTY RECEIVES AN ADVERSE DECISION, THE PARTY SHALL HAVE 30 DAYS AFTER THE DATE OF SERVICE OF THE ADMINISTRATION'S DECISION TO REQUEST A HEARING.

(2) ALL HEARINGS REQUESTED UNDER THIS SECTION SHALL:

(I) BE REFERRED BY THE COMMISSIONER TO THE OFFICE OF ADMINISTRATIVE HEARINGS FOR A FINAL DECISION UNDER TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE;

(II) BE HEARD DE NOVO;

(III) RESULT IN A FINAL DECISION THAT MAKES THE DETERMINATIONS SET FORTH IN SUBSECTION (E) OF THIS SECTION.

(3) IF NO ADMINISTRATIVE HEARING IS REQUESTED IN ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION, THE DECISION ISSUED BY THE ADMINISTRATION SHALL BECOME A FINAL DECISION.

(G) (1) ~~A~~ IF A PARTY RECEIVES AN ADVERSE DECISION, THE PARTY MAY APPEAL A FINAL DECISION BY THE ADMINISTRATION OR AN ADMINISTRATIVE LAW JUDGE UNDER THIS SECTION TO A CIRCUIT COURT IN ACCORDANCE WITH § 2-215 OF THIS ARTICLE AND TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.

(2) (I) THIS PARAGRAPH APPLIES ONLY IF MORE THAN ONE PARTY RECEIVES AN ADVERSE DECISION FROM THE ADMINISTRATION.

(II) IF A PARTY REQUESTS A HEARING BEFORE THE OFFICE OF ADMINISTRATIVE HEARINGS AND ANOTHER PARTY FILES AN APPEAL TO A CIRCUIT COURT:

1. JURISDICTION OVER THE REQUEST FOR HEARING IS TRANSFERRED TO THE CIRCUIT COURT;

2. THE REQUEST FOR HEARING, THE ADMINISTRATION'S DECISION, AND THE ADMINISTRATION'S CASE FILE, INCLUDING THE COMPLAINT, RESPONSE, AND ALL DOCUMENTS SUBMITTED TO THE ADMINISTRATION, SHALL BE TRANSMITTED PROMPTLY TO THE CIRCUIT COURT; AND

3. THE REQUEST FOR HEARING SHALL BE DOCKETED IN THE CIRCUIT COURT AND CONSOLIDATED FOR TRIAL WITH THE APPEAL.

~~(2)~~ (3) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AN APPEAL TO A CIRCUIT COURT UNDER THIS SECTION SHALL BE HEARD DE NOVO.

(H) ON OR BEFORE JANUARY 1 OF EACH YEAR BEGINNING IN 2009, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE ADMINISTRATION SHALL REPORT TO THE GENERAL ASSEMBLY ON THE FOLLOWING FOR THE PRIOR FISCAL YEAR:

(1) THE NUMBER AND TYPES OF COMPLAINTS UNDER THIS SECTION OR § 3-1701 OF THE COURTS ARTICLE FROM INSUREDS REGARDING

FIRST-PARTY INSURANCE CLAIMS UNDER PROPERTY AND CASUALTY INSURANCE POLICIES;

(2) THE ADMINISTRATIVE AND JUDICIAL DISPOSITIONS OF THE COMPLAINTS DESCRIBED IN ITEM (1) OF THIS SUBSECTION;

(3) THE NUMBER AND TYPES OF REGULATORY ENFORCEMENT ACTIONS INSTITUTED BY THE ADMINISTRATION FOR UNFAIR CLAIM SETTLEMENT PRACTICES UNDER § 27-303(9) OR § 24-304(18) OF THIS TITLE; AND

(4) THE ADMINISTRATIVE AND JUDICIAL DISPOSITIONS OF THE REGULATORY ENFORCEMENT ACTIONS FOR UNFAIR CLAIM SETTLEMENT PRACTICES DESCRIBED UNDER ITEM (3) OF THIS SUBSECTION.

~~SECTION 2. AND BE IT FURTHER ENACTED, That Section 1 of 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 cause of action arising complaint or action filed before the effective date of this Act.~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That, notwithstanding Section 2 of this Act, the provisions of this Act providing for expenses and litigation costs apply only to a cause of action arising on or after the effective date of this Act.~~

~~SECTION 4. 2. AND BE IT FURTHER ENACTED, That, notwithstanding Section 2 of this Act, the provisions of this Act providing for administrative penalties and license sanctions that may be imposed by the Maryland Insurance Commissioner apply only to an act or omission occurring on or after the effective date of this Act.~~

~~SECTION 5. AND BE IT FURTHER ENACTED, That, on or before January 1, the Maryland Insurance Administration, in accordance with § 2-1246 of the State Government Article, shall report to the General Assembly on the following for the prior fiscal year:~~

~~(1) the number and types of complaints from insureds regarding first party insurance claims under property and casualty insurance policies under this Act;~~

~~(2) the administrative and judicial dispositions of the complaints described in item (1) of this section;~~

~~(3) the number and types of regulatory enforcement actions instituted by the Administration for unfair claim settlement practices under this Act; and~~

~~(4) the administrative and judicial dispositions of the regulatory enforcement actions for unfair claim settlement practices described under item (3) of this section.~~

SECTION ~~2~~ ~~6~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 442 - *Potomac River Fisheries Commission - Commissioner Compensation*.

This bill authorizes the members of the Potomac River Fisheries Commission to receive up to \$250 in compensation for each day or portion of a day spent in the performance of their duties. The bill also provides that the members of the Potomac River Fisheries Commission may not receive more than \$1,500 in compensation in any year and further provides that the Act does not apply to the compensation of the incumbent members of the Potomac River Fisheries Commission from Maryland. Finally, the bill provides that its provisions take effect upon enactment of similar legislation in Virginia.

Senate Bill 282, 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 442.

Sincerely,

Martin O'Malley
Governor

House Bill 442

AN ACT concerning

Potomac River Fisheries Commission – Commissioner Compensation

FOR the purpose of authorizing the members of the Potomac River Fisheries Commission to receive up to a certain amount of compensation for each day or portion of a day spent in the performance of their duties; providing that members of the Potomac River Fisheries Commission may not receive more than a certain amount of compensation in any year; providing that this Act does not apply to the compensation of the incumbent members of the Potomac River Fisheries Commission from Maryland; making this Act subject to a certain contingency; and generally relating to compensation of the members of the Potomac River Fisheries Commission.

BY repealing and reenacting, with amendments,
Article – Natural Resources
Section 4–306 Article I Section 5
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article – Natural Resources

4–306.

Article I.

Commission — Membership and Organization

Section 5. Commissioners shall be entitled to receive from the general fund of the commission compensation [of twenty–five dollars (\$25.00)] **NOT TO EXCEED TWO HUNDRED AND FIFTY DOLLARS (\$250.00)** for each day or portion thereof spent in the performance of their duties, **BUT IN NO EVENT TO EXCEED ONE THOUSAND FIVE HUNDRED DOLLARS (\$1,500.00) IN ANY YEAR**, and reimbursement for reasonable expenses incident to the performance of their duties.

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 members of the Potomac River Fisheries Commission from Maryland in office on the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the members of the Potomac River Fisheries Commission from Maryland shall take effect at the beginning of the next following term of office.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act may not take effect until a similar act is enacted by the Commonwealth of Virginia; that the

Commonwealth of Virginia is requested to concur in this Act of the General Assembly of Maryland by the enactment of a similar act; that the Department of Legislative Services shall notify the appropriate officials of the Commonwealth of Virginia ~~and the United States Congress~~ of the enactment of this Act; and that on the concurrence in this Act by the Commonwealth of Virginia ~~and approval by the United States Congress~~, the Governor of the State of Maryland shall issue a proclamation declaring this Act valid and effective and shall forward a copy of the proclamation to the Executive Director of the Department of Legislative Services.

SECTION 4. AND BE IT FURTHER ENACTED, That, subject to Sections 2 and 3 of this Act, this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 463 - *Ground Rents - Remedies for Nonpayment of Ground Rent*.

This bill eliminates the possibility that a leasehold tenant could lose the tenant's home for failure to pay a ground rent by repealing the leaseholder's ability to bring an ejectment action and providing instead for the creation of a lien.

Senate Bill 396, 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 463.

Sincerely,

Martin O'Malley
Governor

House Bill 463

AN ACT concerning

Ground Rents – ~~Remedy~~ Remedies for Nonpayment of Ground Rent

FOR the purpose of ~~repealing~~ applying provisions of law authorizing a landlord under a ground lease to bring an action for ejectment for nonpayment of ground rent to certain property; repealing provisions of law entitling the holder of a ground rent to reimbursement for certain expenses incurred in collecting past due ground rent and filing an action for ejectment; providing that the establishment of a lien is the ~~sole~~ remedy for nonpayment of a ground rent on certain residential property; requiring a certain person seeking to impose a lien to give a certain notice to certain persons in a certain manner; authorizing a person to whom notice is given to file a certain complaint and request a hearing in a certain circuit court; establishing procedures for imposing and releasing a lien; authorizing the court to award costs and reasonable attorney's fees to the prevailing party in a certain action; specifying the form for a statement of lien; providing for the enforcement and foreclosure of a lien; providing for the application, effect, and construction of certain provisions of this Act; clarifying the application of certain provisions of law prohibiting the creation of certain reversionary interests under certain ground leases or subleases; providing that certain provisions of law authorizing a certain action for possession do not apply to certain actions for nonpayment of ground rent; making certain conforming changes; defining certain terms; and generally relating to remedies for nonpayment of ground rent.

BY repealing

Article – Real Property

Section ~~8-402.2~~ and 8-402.3

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

BY adding to

Article – Real Property

Section ~~8-402.2~~ 8-402.3

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article – Real Property

Section ~~8-402.2~~, 8-111.1, and 14-108.1

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article – Real Property

Section 8-111.2

Annotated Code of Maryland

(As enacted by Chapter 1 of the Acts of the General Assembly of 2007)

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

Article – Real Property

~~§~~8-402.2.

(A) (1) THIS SECTION APPLIES TO PROPERTY:

(I) LEASED FOR BUSINESS, COMMERCIAL, MANUFACTURING, MERCANTILE, OR INDUSTRIAL PURPOSES, OR ANY OTHER PURPOSE THAT IS NOT PRIMARILY RESIDENTIAL;

(II) IMPROVED OR TO BE IMPROVED BY ANY APARTMENT, CONDOMINIUM, COOPERATIVE, OR OTHER BUILDING FOR MULTIFAMILY USE OF GREATER THAN FOUR DWELLING UNITS; OR

(III) LEASED FOR DWELLINGS OR MOBILE HOMES THAT ARE ERECTED OR PLACED IN A MOBILE HOME DEVELOPMENT OR MOBILE HOME PARK.

(2) THIS SECTION DOES NOT APPLY TO RESIDENTIAL PROPERTY THAT IS OR WAS USED, INTENDED TO BE USED, OR AUTHORIZED TO BE USED FOR FOUR OR FEWER DWELLING UNITS.

~~(B)~~ **(B)** Whenever, in a case that involves a 99-year ground lease renewable forever, at least 6 months ground rent is in arrears and the landlord has the lawful right to reenter for the nonpayment of the rent, the landlord, no less than 45 days after sending to the tenant by certified mail, return receipt requested, at the tenant's last known address, and also by first class mail to the title agent or attorney listed on the deed to the property or the intake sheet recorded with the deed, a bill for the ground rent due, may bring an action for possession of the property under § 14-108.1 of this article; if the tenant cannot be personally served or there is no tenant in actual possession of the property, service by posting notice on the property may be made in accordance with the Maryland Rules. Personal service or posting in accordance with the Maryland Rules shall stand in the place of a demand and reentry.

~~(C)~~ **(C)** (1) Before entry of a judgment the landlord shall give written notice of the pending entry of judgment to each mortgagee of the lease, or any part of the lease, who before entry of the judgment has recorded in the land records of each county where the property is located a timely request for notice of judgment. A request for notice of judgment shall:

(i) Be recorded in a separate docket or book that is indexed under the name of the mortgagor;

(ii) Identify the property on which the mortgage is held and refer to the date and recording reference of that mortgage;

(iii) State the name and address of the holder of the mortgage;
and

(iv) Identify the ground lease by stating:

1. The name of the original lessor;
2. The date the ground lease was recorded; and
3. The office, docket or book, and page where the ground lease is recorded.

(2) The landlord shall mail the notice by certified mail return receipt requested to the mortgagee at the address stated in the recorded request for notice of judgment. If the notice is not given, judgment in favor of the landlord does not impair the lien of the mortgagee. Except as otherwise provided in subsection ~~(b)~~ **(C)** of this section, the property is discharged from the lease and the rights of all persons claiming under the lease are foreclosed unless, within 6 calendar months after execution of the judgment for possession, the tenant or any other person claiming under the lease:

(i) Pays the ground rent, arrears, and all costs awarded against that person; and

(ii) Commences a proceeding to obtain relief from the judgment.

~~(c)~~ **(D)** This section does not bar the right of any mortgagee of the lease, or any part of the lease, who is not in possession at any time before expiration of 6 calendar months after execution of the judgment awarding the landlord possession, to pay all costs and damages sustained by the landlord and to perform all the covenants and agreements that are to be performed by the tenant.

[(d) Except as otherwise provided by law, a landlord may not receive reimbursement for any additional costs or expenses related to collection of the back rent unless the notice requirements of this section and § 8-402.3 of this subtitle are met.]

[8-402.3.

(a) In this section, “ground rent” means a residential lease or sublease in effect on or after October 1, 2003, that has an initial term of 99 years renewable forever and creates a leasehold estate subject to the payment of semiannual installments of an annual lease amount.

(b) (1) A holder of a ground rent that is at least 6 months in arrears is entitled to reimbursement for actual expenses not exceeding \$500 incurred in the collection of that past due ground rent and in complying with the notice requirements under § 8–402.2(a) of this subtitle, including:

- (i) Title abstract and examination fees;
- (ii) Judgment report fees;
- (iii) Photocopying and postage fees; and
- (iv) Attorney’s fees.

(2) Upon filing an action for ejectment, the plaintiff or holder of a ground rent is entitled to reimbursement for reasonable expenses incurred in the preparation and filing of the ejectment action, including:

- (i) Filing fees and court costs;
- (ii) Expenses incurred in the service of process or otherwise providing notice;
- (iii) Title abstract and examination fees not included under paragraph (1) of this subsection, not exceeding \$300;
- (iv) Reasonable attorney’s fees not exceeding \$700; and
- (v) Taxes, including interest and penalties, that have been paid by the plaintiff or holder of a ground rent.

(c) Except as provided in subsection (b) of this section or in § 8–402.2(c) of this subtitle, the plaintiff or holder of a ground rent is not entitled to reimbursement for any other expenses incurred in the collection of a ground rent.

(d) (1) The holder of a ground rent may not be reimbursed for expenses under subsection (b) of this section unless the holder sends the tenant as identified in the records of the State Department of Assessments and Taxation written notice at least 30 days before taking any action in accordance with § 8–402.2(a) of this subtitle and § 14–108.1 of this article.

(2) The notice shall be in 14 point, bold font, and contain the following:

(i) The amount of the past due ground rent;

(ii) A statement that unless the past due ground rent is paid within 30 days, further action will be taken in accordance with § 8-402.2(a) of this subtitle and § 14-108.1 of this article and the tenant will be liable for the expenses and fees incurred in connection with the collection of the past due ground rent as provided in this section.

(3) The holder of the ground rent shall:

(i) Mail the notice by first class mail to the tenant's last known address as shown in the records of the State Department of Assessments and Taxation; and

(ii) Obtain a certificate of mailing from the United States Postal Service.]

~~§ 402.2.~~ 8-402.3.

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

~~(2) "GROUND LEASE" MEANS A RESIDENTIAL LEASE OR SUBLEASE IN EFFECT ON OR AFTER FEBRUARY 5, 2007, THAT HAS AN INITIAL TERM OF 99 YEARS RENEWABLE FOREVER AND IS SUBJECT TO THE PAYMENT OF AN ANNUAL GROUND RENT.~~

~~(3) "GROUND RENT" MEANS A RENT ISSUING OUT OF, OR COLLECTIBLE IN CONNECTION WITH, THE REVERSION IN FEE SIMPLE RESERVED IN A GROUND LEASE.~~

~~(4) "LANDLORD" MEANS THE HOLDER OF THE REVERSIONARY INTEREST UNDER A GROUND LEASE.~~

~~(5) "TENANT" MEANS THE HOLDER OF THE LEASEHOLD INTEREST UNDER A GROUND LEASE.~~

(2) "GROUND LEASE" MEANS A RESIDENTIAL LEASE OR SUBLEASE FOR A TERM OF YEARS RENEWABLE FOREVER SUBJECT TO THE PAYMENT OF A PERIODIC GROUND RENT.

(3) (I) “GROUND LEASE HOLDER” MEANS THE HOLDER OF THE REVERSIONARY INTEREST UNDER A GROUND LEASE.

(II) “GROUND LEASE HOLDER” INCLUDES AN AGENT OF THE GROUND LEASE HOLDER.

(4) “GROUND RENT” MEANS A RENT ISSUING OUT OF, OR COLLECTIBLE IN CONNECTION WITH, THE REVERSIONARY INTEREST UNDER A GROUND LEASE.

(5) “LEASEHOLD INTEREST” MEANS THE TENANCY IN REAL PROPERTY CREATED UNDER A GROUND LEASE.

(6) “LEASEHOLD TENANT” MEANS THE HOLDER OF THE LEASEHOLD INTEREST UNDER A GROUND LEASE.

(7) “PROPERTY” MEANS PROPERTY SUBJECT TO A GROUND LEASE AGAINST WHICH A LIEN IS INTENDED TO BE IMPOSED UNDER THIS SECTION.

(B) (1) THIS SECTION APPLIES TO RESIDENTIAL PROPERTY THAT IS OR WAS USED, INTENDED TO BE USED, OR AUTHORIZED TO BE USED FOR FOUR OR FEWER DWELLING UNITS.

(2) THIS SECTION DOES NOT APPLY TO PROPERTY:

(I) LEASED FOR BUSINESS, COMMERCIAL, MANUFACTURING, MERCANTILE, OR INDUSTRIAL PURPOSES, OR ANY OTHER PURPOSE THAT IS NOT PRIMARILY RESIDENTIAL;

(II) IMPROVED OR TO BE IMPROVED BY ANY APARTMENT, CONDOMINIUM, COOPERATIVE, OR OTHER BUILDING FOR MULTIFAMILY USE OF GREATER THAN FOUR DWELLING UNITS; OR

(III) LEASED FOR DWELLINGS OR MOBILE HOMES THAT ARE ERECTED OR PLACED IN A MOBILE HOME DEVELOPMENT OR MOBILE HOME PARK.

~~(B)~~ (C) (1) NOTWITHSTANDING ANY PROVISION OF A GROUND LEASE GIVING THE ~~LANDLORD~~ GROUND LEASE HOLDER THE RIGHT TO REENTER, THE ESTABLISHMENT OF A LIEN UNDER THIS SECTION IS THE ~~SOLE~~ REMEDY FOR NONPAYMENT OF A GROUND RENT.

(2) THIS SECTION DOES NOT AFFECT THE RIGHT OF A GROUND LEASE HOLDER TO BRING A CIVIL ACTION AGAINST THE LEASEHOLD TENANT SEEKING A MONEY JUDGMENT FOR THE AMOUNT OF THE PAST DUE GROUND RENT.

~~(C)~~ (D) SUBJECT TO §§ 8-111 AND 8-111.1 OF THIS ARTICLE, IF A GROUND RENT IS ~~AT LEAST UNPAID 6 MONTHS IN ARREARS~~ AFTER ITS DUE DATE, THE ~~LANDLORD~~ GROUND LEASE HOLDER MAY OBTAIN A LIEN UNDER THIS SECTION IN THE AMOUNT OF THE GROUND RENT DUE.

~~(D)~~ (E) (1) A ~~LANDLORD~~ GROUND LEASE HOLDER SEEKING TO CREATE A LIEN UNDER THIS SECTION SHALL GIVE WRITTEN NOTICE TO ~~THE~~:

(I) THE LEASEHOLD TENANT AGAINST WHOSE PROPERTY THE LIEN IS INTENDED TO BE IMPOSED; AND

(II) EACH MORTGAGEE OR TRUSTEE OF THE PROPERTY WHOSE LIEN IS ON RECORD.

(2) (I) NOTICE UNDER THIS SUBSECTION SHALL BE SERVED ON THE LEASEHOLD TENANT BY:

~~(H)~~ 1. CERTIFIED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO THE LEASEHOLD TENANT OR THE LEASEHOLD TENANT'S SUCCESSOR IN INTEREST AT THE INDIVIDUAL'S CURRENT ADDRESS; OR

2. PERSONAL DELIVERY TO THE LEASEHOLD TENANT OR THE LEASEHOLD TENANT'S SUCCESSOR IN INTEREST; ~~AND,~~

~~(H) POSTING NOTICE IN A CONSPICUOUS MANNER ON THE PROPERTY.~~

(II) IF THE GROUND LEASE HOLDER IS UNABLE TO SERVE THE LEASEHOLD TENANT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, NOTICE UNDER THIS SUBSECTION SHALL BE GIVEN BY:

1. MAILING THE NOTICE TO THE LEASEHOLD TENANT'S LAST KNOWN ADDRESS; AND

2. POSTING THE NOTICE IN A CONSPICUOUS MANNER ON THE PROPERTY ON THE DOOR OR OTHER FRONT PART OF THE PROPERTY BY THE GROUND LEASE HOLDER IN THE PRESENCE OF A COMPETENT WITNESS.

(III) NOTICE TO ANY MORTGAGEE OR TRUSTEE UNDER THIS SUBSECTION SHALL BE GIVEN BY SENDING THE NOTICE BY CERTIFIED AND FIRST CLASS MAIL TO THE MOST CURRENT ADDRESS FOR NOTICES AS SET FORTH IN THE LAND RECORDS OR, IF NO SUCH ADDRESS IS CONTAINED IN THE LAND RECORDS, TO THE MORTGAGEE'S OR TRUSTEE'S CURRENT ADDRESS.

~~(E)~~ (3) A NOTICE UNDER THIS SUBSECTION ~~(D) OF THIS SECTION~~ SHALL INCLUDE:

~~(1)~~ (I) THE NAME AND ADDRESS OF THE PARTY SEEKING TO CREATE THE LIEN;

~~(2)~~ (II) A STATEMENT OF INTENT TO CREATE A LIEN;

~~(3)~~ (III) AN IDENTIFICATION OF THE GROUND LEASE;

~~(4)~~ (IV) THE AMOUNT OF GROUND RENT ALLEGED TO BE DUE;

~~(5)~~ (V) A DESCRIPTION OF THE PROPERTY ~~AGAINST WHICH THE LIEN IS INTENDED TO BE IMPOSED~~ SUFFICIENT TO IDENTIFY THE PROPERTY;

~~(6)~~ (VI) A STATEMENT THAT THE PARTY ~~AGAINST WHOSE PROPERTY THE LIEN IS INTENDED TO BE IMPOSED~~ TO WHOM NOTICE IS GIVEN UNDER THIS SUBSECTION HAS THE RIGHT TO OBJECT TO THE ESTABLISHMENT OF A LIEN BY FILING A COMPLAINT IN THE CIRCUIT COURT AND THE RIGHT TO A HEARING;

~~(7)~~ (VII) AN EXPLANATION OF THE PROCEDURE TO FILE A COMPLAINT AND REQUEST A HEARING; AND

~~(8)~~ (VIII) A STATEMENT THAT, UNLESS THE PAST DUE GROUND RENT IS PAID OR A COMPLAINT IS FILED UNDER SUBSECTION (F) OF THIS SECTION WITHIN 45 DAYS AFTER THE NOTICE IS SERVED, A LIEN WILL BE IMPOSED ON THE PROPERTY.

(F) (1) A PARTY TO WHOM NOTICE IS GIVEN UNDER SUBSECTION ~~(D)~~ (E) OF THIS SECTION MAY, WITHIN 45 DAYS AFTER THE NOTICE IS SERVED ON THE PARTY, FILE A COMPLAINT IN THE CIRCUIT COURT FOR THE COUNTY IN WHICH THE PROPERTY IS LOCATED TO DETERMINE WHETHER A LIEN SHOULD BE ESTABLISHED.

(2) A COMPLAINT FILED UNDER THIS SUBSECTION SHALL INCLUDE:

(I) THE NAME OF THE COMPLAINANT AND THE NAME OF THE PARTY SEEKING TO ESTABLISH THE LIEN;

(II) A COPY OF THE NOTICE SERVED UNDER SUBSECTION ~~(D)~~ (E) OF THIS SECTION; AND

(III) AN AFFIDAVIT CONTAINING A STATEMENT OF FACTS THAT WOULD PRECLUDE ESTABLISHMENT OF THE LIEN FOR THE ~~AMOUNT OF UNPAID~~ GROUND RENT ALLEGED IN THE NOTICE.

(3) A PARTY FILING A COMPLAINT UNDER THIS SUBSECTION MAY REQUEST A HEARING AT WHICH ANY PARTY MAY APPEAR TO PRESENT EVIDENCE.

(G) IF A COMPLAINT IS FILED, THE PARTY SEEKING TO ESTABLISH THE LIEN HAS THE BURDEN OF PROOF.

~~(H) THE CLERK OF THE CIRCUIT COURT SHALL DOCKET THE PROCEEDINGS UNDER THIS SECTION, AND ALL PROCESS SHALL ISSUE OUT OF AND ALL PLEADINGS SHALL BE FILED IN A SINGLE ACTION.~~

~~(H)~~ (H) BEFORE ANY HEARING HELD UNDER SUBSECTION (F) OF THIS SECTION, THE PARTY SEEKING TO ESTABLISH A LIEN MAY SUPPLEMENT, BY MEANS OF AN AFFIDAVIT, ANY INFORMATION CONTAINED IN THE NOTICE GIVEN UNDER SUBSECTION ~~(D)~~ (E) OF THIS SECTION.

~~(H)~~ (I) IF A COMPLAINT IS FILED UNDER SUBSECTION (F) OF THIS SECTION, THE COURT SHALL REVIEW ANY PLEADINGS FILED, INCLUDING ANY SUPPLEMENTARY AFFIDAVIT FILED UNDER SUBSECTION ~~(H)~~ (H) OF THIS SECTION, AND SHALL CONDUCT A HEARING IF REQUESTED UNDER SUBSECTION (F)(3) OF THIS SECTION.

~~(K)~~ (J) (1) IF THE COURT DETERMINES THAT A LIEN SHOULD BE ESTABLISHED, IT SHALL ENTER AN ORDER FINDING THE AMOUNT OF GROUND RENT DUE AND IMPOSING A LIEN ON THE PROPERTY IDENTIFIED IN THE NOTICE UNDER SUBSECTION (E) OF THIS SECTION.

(2) IF THE COURT DETERMINES THAT A LIEN SHOULD NOT BE ESTABLISHED, IT SHALL ENTER AN ORDER DENYING A LIEN.

~~(3) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE COURT MAY AWARD COSTS AND REASONABLE ATTORNEY'S FEES TO THE PREVAILING PARTY IN AN ACTION UNDER THIS SECTION.~~

~~(II) IF THE LANDLORD IS THE PREVAILING PARTY, AN AWARD OF COSTS AND REASONABLE ATTORNEY'S FEES MAY NOT EXCEED \$500.~~

(3) THE COURT MAY AWARD TO THE PREVAILING PARTY IN AN ACTION UNDER THIS SECTION:

(I) COURT COSTS; AND

(II) REASONABLE EXPENSES AND ATTORNEY'S FEES NOT EXCEEDING \$500.

~~(4) (K) (1) (I) THE IF A COMPLAINT WAS FILED UNDER SUBSECTION (F) OF THIS SECTION, THE~~ AMOUNT OF THE LIEN SHALL BE FOR THE GROUND RENT FOUND BY THE COURT TO BE DUE AND ANY COSTS, EXPENSES, AND ATTORNEY'S FEES AWARDED BY THE COURT.

(II) IF A COMPLAINT WAS NOT FILED UNDER SUBSECTION (F) OF THIS SECTION AND THE PAST DUE GROUND RENT WAS NOT PAID, THE AMOUNT OF THE LIEN SHALL BE FOR THE AMOUNT ALLEGED TO BE DUE IN THE NOTICE UNDER SUBSECTION (E) OF THIS SECTION AND REASONABLE EXPENSES AND ATTORNEY'S FEES NOT EXCEEDING \$150.

~~(H) (2)~~ THE AMOUNT OF THE LIEN SHALL INCREASE ANNUALLY BY THE AMOUNT OF GROUND RENT DUE ACCRUING AFTER THE FILING OF THE STATEMENT OF LIEN IN THE LAND RECORDS PLUS SIMPLE INTEREST AT THE RATE PRESCRIBED BY LAW ACCRUING FROM THE DATE OF ENTRY OF THE JUDGMENT THE FILING OF THE STATEMENT OF LIEN IN THE LAND RECORDS.

~~(5) AN ORDER IMPOSING A LIEN SHALL STATE THAT THE OWNER OF THE PROPERTY AGAINST WHICH THE LIEN IS IMPOSED MAY FILE A BOND IN A SPECIFIED AMOUNT TO HAVE THE LIEN AGAINST THE PROPERTY RELEASED.~~

(L) (1) IF THE COURT ORDERS A LIEN TO BE IMPOSED UNDER SUBSECTION (K) (J) OF THIS SECTION, OR IF THE OWNER LEASEHOLD TENANT OR ANY MORTGAGEE OF THE PROPERTY AGAINST WHICH A LIEN IS INTENDED TO BE IMPOSED FAILS TO PAY THE PAST DUE GROUND RENT AMOUNT OF THE LIEN UNDER SUBSECTION (K)(1)(II) OF THIS SECTION OR FILE A COMPLAINT UNDER SUBSECTION (F) OF THIS SECTION, THE PARTY SEEKING TO CREATE THE

~~LIEN~~ GROUND LEASE HOLDER MAY FILE A STATEMENT OF LIEN IN THE LAND RECORDS OF THE COUNTY IN WHICH THE PROPERTY IS LOCATED.

~~(2) THE PARTY SEEKING TO CREATE THE LIEN MAY FILE THE LIEN STATEMENT IN THE COUNTY LAND RECORDS;~~

~~(i) IF A COMPLAINT WAS FILED UNDER SUBSECTION (F) OF THIS SECTION, AFTER THE DATE OF ENTRY OF A FINAL NONAPPEALABLE JUDGMENT IMPOSING A LIEN, UNLESS BEFORE THE JUDGMENT BECOMES FINAL, THE OWNER OF THE PROPERTY AGAINST WHICH THE LIEN IS IMPOSED PAYS THE AMOUNT OF THE GROUND RENT FOUND BY THE COURT TO BE DUE AND ANY COSTS AND ATTORNEY'S FEES AWARDED BY THE COURT; OR~~

~~(ii) IF A COMPLAINT WAS NOT FILED UNDER SUBSECTION (F) OF THIS SECTION OR THE PAST DUE GROUND RENT WAS NOT PAID, 45 DAYS AFTER THE OWNER WAS SERVED UNDER SUBSECTION (D)(2)(i) OF THIS SECTION.~~

~~(3) UNLESS THE PARTY SEEKING TO CREATE THE LIEN AND THE OWNER OF THE PROPERTY AGREE OTHERWISE, IF THE PARTY SEEKING TO CREATE THE LIEN FAILS TO FILE THE LIEN STATEMENT WITHIN THE APPLICABLE TIME PERIOD DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION, THE PARTY SEEKING TO CREATE THE LIEN;~~

~~(i) MAY NOT FILE THE LIEN STATEMENT IN THE COUNTY LAND RECORDS; AND~~

~~(ii) MAY FILE FOR A NEW LIEN BY COMPLYING WITH THE REQUIREMENTS OF THIS SECTION.~~

~~(4) (2)~~ A LIEN IMPOSED UNDER THIS SUBTITLE HAS PRIORITY FROM THE DATE THE ~~STATEMENT OF LIEN IS FILED~~ GROUND LEASE WAS CREATED.

(M) A STATEMENT OF LIEN IS SUFFICIENT FOR PURPOSES OF THIS SECTION IF IT IS IN SUBSTANTIALLY THE FOLLOWING FORM:

“STATEMENT OF LIEN

THIS IS TO CERTIFY THAT THE PROPERTY DESCRIBED AS _____ IS SUBJECT TO A LIEN UNDER ~~§ 8-402.2~~ § 8-402.3 OF THE REAL PROPERTY ARTICLE, ANNOTATED CODE OF MARYLAND, IN THE AMOUNT OF \$ _____. THE PROPERTY IS OWNED BY _____.

I HEREBY AFFIRM UNDER THE PENALTY OF PERJURY THAT NOTICE WAS GIVEN UNDER ~~§ 8-402.2(D)~~ ~~§ 8-402.2(E)~~ § 8-402.3(E) OF THE REAL PROPERTY ARTICLE ON _____, AND THAT THE INFORMATION CONTAINED IN THE FOREGOING STATEMENT OF LIEN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

(NAME OF PARTY CLAIMING LIEN)".

~~(N) IF A BOND IS FILED IN THE AMOUNT SPECIFIED BY THE COURT UNDER SUBSECTION (K)(5) OF THIS SECTION, THE CLERK OF THE CIRCUIT COURT SHALL ENTER A NOTATION IN THE LAND RECORDS RELEASING THE LIEN.~~

~~(O)~~ (N) (1) A LIEN UNDER THIS SECTION MAY BE ENFORCED AND FORECLOSED BY THE PARTY WHO OBTAINED THE LIEN IN THE SAME MANNER AND SUBJECT TO THE SAME REQUIREMENTS, AS THE FORECLOSURE OF A MORTGAGE OR DEED OF TRUST CONTAINING NEITHER A POWER OF SALE NOR AN ASSENT TO DECREE.

(2) A FORECLOSURE SALE MAY NOT BE MADE IF, AT ANY TIME BEFORE THE SALE, THE LIEN IS SATISFIED AND THE COSTS OF GIVING NOTICE OF THE SALE ARE PAID.

(3) IF THE PROPERTY SUBJECT TO THE LIEN IS SOLD AT A FORECLOSURE SALE, THE ~~LANDLORD~~ GROUND LEASE HOLDER SHALL BE PAID OUT OF THE PROCEEDS OF THE SALE ~~THE GREATER OF:~~

(I) FOR A REDEEMABLE GROUND RENT, THE AMOUNT OF THE LIEN ~~OR~~ AND THE REDEMPTION AMOUNT ~~CALCULATED~~ UNDER § 8-110(B)(2)(I) § 8-110(B)(2) OF THIS TITLE AND THE PURCHASER SHALL TAKE TITLE TO THE PROPERTY FREE AND CLEAR OF THE GROUND LEASE; AND

(II) FOR AN IRREDEEMABLE GROUND RENT, THE AMOUNT OF THE LIEN AND THE PURCHASER SHALL TAKE TITLE TO THE PROPERTY SUBJECT TO THE GROUND LEASE.

~~(P)~~ (O) IF THE LIENHOLDER CANNOT BE LOCATED, THE LIEN MAY BE SATISFIED AND THE REDEEMABLE GROUND RENT REDEEMED IN ACCORDANCE WITH § 8-110(G) OF THIS TITLE BY PAYING ~~THE GREATER OF~~ THE AMOUNT OF THE LIEN ~~OR~~ AND THE AMOUNT SET FORTH IN § 8-110(G)(4) OF THIS TITLE.

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

Article – Real Property

8-111.1.

(a) This section applies to all residential leases or subleases in effect on or after October 1, 1999, which have an initial term of 99 years and which create a leasehold estate, or subleasehold estate, subject to the payment of an annual ground rent.

(b) In any suit, action, or proceeding by a landlord, or the transferee of the reversion in leased property, to recover back rent, the landlord, or the transferee of the reversion in leased property is entitled to demand or recover not more than 3 years back rent.

~~(c) In addition to rent payable under subsection (b) of this section, a landlord may not receive reimbursement for any additional costs or expenses related to collection of the back rent [unless the notice requirements of §§ 8-402.2 and 8-402.3 of this title are met].~~

8-111.2.

(A) THIS SECTION DOES NOT APPLY TO PROPERTY:

(1) LEASED FOR BUSINESS, COMMERCIAL, MANUFACTURING, MERCANTILE, OR INDUSTRIAL PURPOSES, OR ANY OTHER PURPOSE THAT IS NOT PRIMARILY RESIDENTIAL;

(2) IMPROVED OR TO BE IMPROVED BY ANY APARTMENT, CONDOMINIUM, COOPERATIVE, OR OTHER BUILDING FOR MULTIFAMILY USE OF GREATER THAN FOUR DWELLING UNITS; OR

(3) LEASED FOR DWELLINGS OR MOBILE HOMES THAT ARE ERECTED OR PLACED IN A MOBILE HOME DEVELOPMENT OR MOBILE HOME PARK.

(B) On or after January 22, 2007, the owner of a fee simple or leasehold estate in residential property that is OR WAS used, intended to be used, or authorized to be used for four or fewer dwelling units may not create a reversionary interest in the property under a ground lease or a ground sublease for a term of years renewable forever subject to the payment of a periodic ground rent.

14-108.1.

(a) This section does not apply to:

(1) A grantee action under § 14–109 of this subtitle; [or]

(2) A landlord–tenant action that is within the exclusive original jurisdiction of the District Court; **OR**

(3) AN ACTION FOR NONPAYMENT OF GROUND RENT UNDER A GROUND LEASE ON RESIDENTIAL PROPERTY THAT IS OR WAS USED, INTENDED TO BE USED, OR AUTHORIZED TO BE USED FOR FOUR OR FEWER DWELLING UNITS.

(b) (1) A person who is not in possession of property and claims title and right to possession may bring an action for possession against the person in possession of the property.

(2) Encumbrance of property by a mortgage or deed of trust to secure a debt does not prevent an action under this section by the owner of the property.

(c) When personal jurisdiction is not obtained over the defendant, the plaintiff may obtain a default judgment under the Maryland Rules only on proof of title and right to possession. The judgment shall be in rem for possession of the property. Entry and enforcement of the judgment does not bar further pursuit, in the same or another action, of the plaintiff's claim for mesne profits and damages.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 564 - *Dorchester and Talbot Counties - Unattended Marine Vessel Motor Fuel Retail Service Stations at Marinas—Pilot Program*.

This bill requires the State Fire Prevention Commission to establish a pilot program allowing the continuous operation of an unattended marine vessel motor fuel retail service station at marinas in Dorchester and Talbot counties. The pilot must be developed in conjunction with the Clean Marina Initiative of the Department of Natural Resources (DNR). The Commission may adopt any regulations necessary to implement the pilot program. The regulations must be consistent with any provisions or regulations governing the continuous operation of an unattended motor vehicle retail service station.

We recognize that the law currently allows for unattended land-based retail service stations for motor vehicles. However, fuel spills directly into the water are more difficult to access, contain, mitigate and recover from than fuel spills on land. A fuel spill directly into the open water at any marina must be immediately reported to the Department of Environment and the United States Coast Guard. The Department of Environment's Emergency Response Division and Oil Control Division responds to numerous spills at unattended land-based service stations each year. Permitting unattended marina fuel dispensing systems to operate increases the opportunity for a spill to go unnoticed or unreported, or for a fuel spill report to be delayed until the Chesapeake Bay, one of its prime recreational and sport boating and fishing areas, or one of its many commercial fisheries is significantly damaged. Although I believe there certainly are safety measures that could be put into place to minimize the likelihood of a spill, it is this last factor—the grave consequences that could result to the Bay or its fisheries from a delayed response to a spill—that compels me to veto this bill.

The bill also technically is deficient in that it does not specify an end date for the pilot program.

For the above reasons, I have vetoed House Bill 564.

Sincerely,

Martin O'Malley
Governor

House Bill 564

AN ACT concerning

Dorchester and Talbot Counties – Unattended Marine Vessel Motor Fuel Retail Service Stations at Marinas – Pilot Program

FOR the purpose of requiring the State Fire Prevention Commission to establish a pilot program to allow the continuous operation of unattended marine vessel

motor fuel retail service stations at marinas in Dorchester and Talbot Counties; requiring the operation of marine vessel motor fuel retail service stations under the pilot program to be consistent with certain provisions of law or regulations; requiring that the pilot program be developed in conjunction with a certain initiative of the Department of Natural Resources; stating the intent of the General Assembly; requiring the Commission to report to the General Assembly by a certain date on the results of the pilot program; and generally relating to a pilot program to allow unattended marine vessel motor fuel retail service stations at marinas in Dorchester and Talbot Counties.

BY repealing and reenacting, with amendments,

Article – Public Safety

Section 6–206(a)

Annotated Code of Maryland

(2003 Volume and 2006 Supplement)

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

Article – Public Safety

6–206.

(a) (1) (i) To protect life and property from the hazards of fire and explosion, the Commission shall adopt comprehensive regulations as a State Fire Prevention Code.

(ii) The State Fire Prevention Code shall comply with standard safe practice as embodied in widely recognized standards of good practice for fire prevention and fire protection.

(iii) The State Fire Prevention Code has the force and effect of law in the political subdivisions of the State.

(2) (i) Except as provided in subparagraph (ii) of this paragraph, the regulations adopted under this subsection do not apply to existing installations, plants, or equipment.

(ii) If the Commission determines that an installation, plant, or equipment is a hazard so inimicable to the public safety as to require correction, the regulations adopted under this subsection apply to the installation, plant, or equipment.

(3) (I) THE COMMISSION SHALL ESTABLISH A PILOT PROGRAM TO ALLOW THE CONTINUOUS OPERATION OF UNATTENDED MARINE VESSEL

MOTOR FUEL RETAIL SERVICE STATIONS AT MARINAS IN DORCHESTER AND TALBOT COUNTIES.

(II) UNDER THE PILOT PROGRAM, THE OPERATION OF UNATTENDED MARINE VESSEL MOTOR FUEL RETAIL SERVICE STATIONS AT MARINAS SHALL BE CONSISTENT WITH PROVISIONS OF LAW OR REGULATIONS GOVERNING THE CONTINUOUS OPERATION OF AN UNATTENDED MOTOR VEHICLE RETAIL SERVICE STATION.

(III) THE PILOT PROGRAM SHALL BE DEVELOPED IN CONJUNCTION WITH THE CLEAN MARINA INITIATIVE OF THE DEPARTMENT OF NATURAL RESOURCES.

(IV) THE COMMISSION MAY ADOPT ANY REGULATIONS NECESSARY TO IMPLEMENT THE PILOT PROGRAM UNDER THIS PARAGRAPH.

SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the State Fire Commission ensure that the pilot program required by Section 1 of this Act is fully operational as soon as reasonably practicable after the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That the Commission shall report to the General Assembly on or before June 1, 2008, in accordance with § 2-1246 of the State Government Article, on the results of the pilot program required under Section 1 of this Act.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 610 - *State Department of Education and Department of Health and Mental Hygiene - Student Surveys - Workgroup*.

This bill requires the Maryland State Department of Education and the Department of Health and Mental Hygiene to establish a workgroup to evaluate and reduce the impact on schools and students of administering and taking various health-related surveys while collecting valid data that meet the legal data collection responsibilities of the departments. The workgroup may consult with various stakeholders and must study the feasibility of administering a single survey or coordinating the administration of multiple health-related surveys.

Senate Bill 9, 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 610.

Sincerely,

Martin O'Malley
Governor

House Bill 610

AN ACT concerning

Education State Department of Education and Department of Health and Mental Hygiene – Student Surveys – ~~Youth Risk Behavior Surveillance System Survey~~ Workgroup

FOR the purpose of requiring the State Department of Education ~~to collaborate with the Department of Health and Mental Hygiene to incorporate the provisions of the Maryland Adolescent Survey and the Youth Tobacco Survey into the Centers for Disease Control and Prevention Youth Risk Behavior Surveillance System survey; providing for certain exceptions to the authority of the Department of Education to omit certain survey questions; altering certain parental notification requirements; clarifying that certain surveys are part of the Youth Risk Behavior Surveillance System survey; requiring the Department of Health and Mental Hygiene, certain county boards, and certain schools to cooperate with the Department of Education in administering the survey; defining certain terms; and the Department of Health and Mental Hygiene to jointly to establish a certain Workgroup; providing for the composition, meeting requirements, purposes, and duties of the Workgroup; authorizing the Workgroup to consult with certain groups or individuals; requiring the Workgroup to submit a certain report to certain committees of the General Assembly on or before a certain date in certain years; requiring the Department~~

~~of Education to administer a certain survey on or before a certain school year; providing for the termination of this Act; and generally relating to the administration of the Centers for Disease Control and Prevention Youth Risk Behavior Surveillance System survey~~ the establishment of a Workgroup workgroup relating to student surveys.

BY repealing and reenacting, without amendments,

Article – Education

Section 7-420

Annotated Code of Maryland

(2006 Replacement Volume)

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

Article – Education

Section ~~7-420~~ 7-420.1

Annotated Code of Maryland

(2006 Replacement Volume)

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

~~Article – Health – General~~

~~Section 13-1001(l) and (w) and 13-1003(d)~~

~~Annotated Code of Maryland~~

~~(2005 Replacement Volume and 2006 Supplement)~~

~~BY adding to~~

~~Article – Health – General~~

~~Section 13-1001(w)~~

~~Annotated Code of Maryland~~

~~(2005 Replacement Volume and 2006 Supplement)~~

Preamble

WHEREAS, Public agencies concerned with the health of Maryland children need periodic surveys to acquire data in order to determine appropriate preventive education, regulations, and services; and

WHEREAS, Federal and State laws mandate the periodic collection of data regarding the use of tobacco, alcohol, and other drugs by the youth of the State; and

WHEREAS, ~~The United States Centers for Disease Control and Prevention provides a Youth Risk Behavior Surveillance System survey to states which generates health risk data in a broad range of areas~~ has established and maintains, in collaboration with the states, systems for the collection of data regarding the use of tobacco, alcohol, and other drugs by youth, including the Youth Tobacco Survey and the Youth Risk Behavior Survey; and

WHEREAS, The national nature of ~~the Youth Risk Behavior Surveillance System survey~~ these surveys enables states to compare the risk behaviors of their children with those of children in other parts of the country and is required data for the receipt of certain federal grant funding; and

~~WHEREAS, In 2004, the Maryland General Assembly passed legislation requiring that the Youth Risk Behavior Surveillance System survey be administered every 2 years in a randomly selected sample of Maryland schools; and~~

WHEREAS, The administration of surveys requires substantial time and effort by Maryland schools; and

WHEREAS, ~~The Youth Risk Behavior Surveillance System survey obtains some of the data required for the Maryland Adolescent Survey and the Youth Tobacco Survey and can be modified to obtain all legally required data on the use of tobacco, alcohol, and other drugs~~ It is desirable to minimize the administrative impact of these surveys on both students and schools in order to improve the quality and validity of the data collected; now, therefore,

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

Article – Education

7-420.

(a) The Department shall establish procedures for the administration of the Centers for Disease Control and Prevention Youth Risk Behavior Surveillance System survey.

(b) The Department may omit up to a maximum of one-third of the survey questions if the Department considers the content of the questions inappropriate.

(c) (1) The Department shall require a local school system to obtain parental consent using a parental consent form before administering the survey.

(2) The parental consent form shall include a statement that explains how a parent can obtain a copy of the survey questions that will be administered and more information regarding the survey, including the mailing address, telephone number, and website address of the Centers for Disease Control and Prevention.

~~7-420.~~

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

~~(2) "MARYLAND ADOLESCENT SURVEY" HAS THE MEANING STATED IN § 13-1001(L) OF THE HEALTH GENERAL ARTICLE.~~

~~(3) "SURVEY" MEANS THE CENTERS FOR DISEASE CONTROL AND PREVENTION YOUTH RISK BEHAVIOR SURVEILLANCE SYSTEM SURVEY.~~

~~(4) "YOUTH TOBACCO SURVEY" HAS THE MEANING STATED IN § 13-1001(X) OF THE HEALTH GENERAL ARTICLE.~~

~~(B) (1) The Department shall establish procedures for the administration of [the Centers for Disease Control and Prevention Youth Risk Behavior Surveillance System] THE survey.~~

~~(2) THE DEPARTMENT SHALL COLLABORATE WITH THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE TO INCORPORATE THE PROVISIONS OF THE MARYLAND ADOLESCENT SURVEY AND THE YOUTH TOBACCO SURVEY INTO THE SURVEY.~~

~~[(b)](C) (1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE Department may omit up to a maximum of one third of the survey questions if the Department considers the content of the questions inappropriate.~~

~~(2) EXCEPT AS PROVIDED IN § 13-1003(D) OF THE HEALTH GENERAL ARTICLE, THE DEPARTMENT SHALL ENSURE THAT THE CONTENT OF THE SURVEY INCLUDES THE CONTENT PROVISIONS OF THE MARYLAND ADOLESCENT SURVEY AND THE YOUTH TOBACCO SURVEY.~~

~~[(e)](D) (1) The Department shall require a local school system to [obtain parental consent using a parental consent form] NOTIFY PARENTS before administering the survey.~~

~~(2) The [parental consent form] NOTIFICATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION shall include:~~

~~(I) A FORM THAT MAY BE RETURNED BY A PARENT TO DENY A STUDENT'S PARTICIPATION IN THE SURVEY; AND~~

~~(II) [a] A statement that explains how a parent can obtain a copy of the survey questions that will be administered and more information regarding~~

~~the survey, including the mailing address, telephone number, and website address of the Centers for Disease Control and Prevention.~~

~~Article Health General~~

~~13-1001.~~

~~(l) "Maryland Adolescent Survey" means the Maryland Adolescent Survey that is administered by the Maryland State Department of Education AS PART OF THE YOUTH RISK BEHAVIOR SURVEILLANCE SYSTEM SURVEY.~~

~~(w) "YOUTH RISK BEHAVIOR SURVEILLANCE SYSTEM SURVEY" MEANS THE CENTERS FOR DISEASE CONTROL AND PREVENTION YOUTH RISK BEHAVIOR SURVEILLANCE SYSTEM SURVEY ADMINISTERED BY THE MARYLAND STATE DEPARTMENT OF EDUCATION UNDER § 7-420 OF THE EDUCATION ARTICLE.~~

~~[(w)](x) "Youth Tobacco Survey" means the Youth Tobacco Survey developed by the Centers for Disease Control and Prevention and administered by the [Department with the assistance of the] Maryland State Department of Education AS PART OF THE YOUTH RISK BEHAVIOR SURVEILLANCE SYSTEM SURVEY.~~

~~13-1003.~~

~~(d) (1) In conducting the Baseline Tobacco Study, the Department may consider any data collected after March 1, 2000 through the administration of the Maryland Adolescent Survey or the Youth Tobacco Survey AS PART OF THE YOUTH RISK BEHAVIOR SURVEILLANCE SYSTEM SURVEY.~~

~~(2) The [Maryland State Department of Education] DEPARTMENT, county boards of education, and each school selected to participate in the Maryland Adolescent Survey or the Youth Tobacco Survey AS PART OF THE YOUTH RISK BEHAVIOR SURVEILLANCE SYSTEM SURVEY shall cooperate with the MARYLAND STATE Department OF EDUCATION in administering the surveys.~~

~~(3) (i) Subject to subparagraph (ii) of this paragraph, the Maryland State Department of Education may not discontinue administration of the Maryland Adolescent Survey PORTION OF THE YOUTH RISK BEHAVIOR SURVEILLANCE SYSTEM SURVEY until after it has submitted a report to the Governor and, subject to § 2-1246 of the State Government Article, the General Assembly that states the reason for discontinuing the survey.~~

~~(ii) If the Maryland State Department of Education submits a report as provided under subparagraph (i) of this paragraph, it may discontinue the~~

~~Maryland Adolescent Survey~~ ~~PORTION OF THE YOUTH RISK BEHAVIOR SURVEILLANCE SYSTEM SURVEY~~ in the first school year that begins after the report has been submitted.

7-420.1.

(A) THE DEPARTMENT AND THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE JOINTLY SHALL ESTABLISH A WORKGROUP TO EVALUATE AND REDUCE:

(1) THE IMPACT ON SCHOOLS OF ADMINISTERING VARIOUS HEALTH-RELATED SURVEYS TO STUDENTS; AND

(2) THE IMPACT ON STUDENTS OF TAKING VARIOUS HEALTH-RELATED SURVEYS WITH SIMILAR OR OVERLAPPING CONTENT.

(B) THE WORKGROUP SHALL BE COMPOSED OF THE FOLLOWING:

(1) AT LEAST ONE REPRESENTATIVE FROM THE DEPARTMENT;

(2) AT LEAST ONE REPRESENTATIVE FROM THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE;

(3) REPRESENTATIVES FROM LOCAL SCHOOL DISTRICTS OF VARYING SIZES;

(4) REPRESENTATIVES FROM LOCAL HEALTH DEPARTMENTS OF VARYING SIZES;

(5) AT LEAST ONE REPRESENTATIVE WHO IS A PARENT WITH A CHILD IN A PUBLIC SCHOOL;

(6) ONE EPIDEMIOLOGIST WHO HAS KNOWLEDGE OF AND EXPERIENCE WITH STATISTICAL ANALYSIS; AND

(7) REPRESENTATIVES WHO HAVE KNOWLEDGE OF AND EXPERIENCE WITH THE MARYLAND ADOLESCENT SURVEY, THE MARYLAND YOUTH TOBACCO SURVEY, THE YOUTH RISK BEHAVIOR SURVEY, OR ANY OTHER HEALTH-RELATED SURVEY ADMINISTERED TO STUDENTS IN A PUBLIC SCHOOL FROM:

(I) THE DEPARTMENT; AND

(II) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE.

(C) THE WORKGROUP SHALL MEET AS A WHOLE AT LEAST FOUR TIMES EACH YEAR.

(D) THE PURPOSES OF THE WORKGROUP ARE TO:

(1) MINIMIZE THE IMPACT ON SCHOOLS OF ADMINISTERING HEALTH-RELATED SURVEYS TO STUDENTS DURING SCHOOL HOURS;

(2) MINIMIZE THE IMPACT ON STUDENTS OF TAKING HEALTH-RELATED SURVEYS WITH SIMILAR OR OVERLAPPING CONTENT; AND

(3) COLLECT VALID AND OBJECTIVE DATA FROM HEALTH-RELATED SURVEYS OF STUDENTS THAT MEET THE LEGAL DATA COLLECTION RESPONSIBILITIES OF THE DEPARTMENT AND DEPARTMENT OF HEALTH AND MENTAL HYGIENE TO THE FEDERAL GOVERNMENT.

(E) THE WORKGROUP SHALL STUDY AND EVALUATE:

(1) THE FEASIBILITY AND DESIRABILITY OF DEVELOPING AND ADMINISTERING A SINGLE SURVEY INSTRUMENT;

~~(2) THE DEVELOPMENT OF A UNIFORM PASSIVE PARENTAL CONSENT FORM FOR ANY SURVEY ADMINISTERED IN SCHOOLS IN THE STATE;~~

~~(3)~~ (2) THE COORDINATED ADMINISTRATION OF SEVERAL SURVEYS DURING A SINGLE SESSION;

~~(4)~~ (3) THE COORDINATED ADMINISTRATION OF SURVEYS USING CORE SURVEY MODULES SUPPLEMENTED BY ADDITIONAL SURVEY MODULES;

~~(5)~~ (4) ALTERNATING THE ADMINISTRATION OF SURVEYS OVER MULTIPLE SCHOOL YEARS;

~~(6)~~ (5) METHODS OF ADMINISTERING HEALTH-RELATED SURVEYS TO STUDENTS USED BY OTHER STATES, WITH EMPHASIS ON STATES THAT CONDUCT COUNTY-SPECIFIC SURVEYS; AND

~~(7)~~ (6) USING A COMBINATION OF SURVEY ADMINISTRATION METHODS, INCLUDING ADMINISTERING COUNTY-SPECIFIC SURVEYS WITH STATEWIDE SURVEYS.

(F) THE WORKGROUP MAY CONSULT WITH THE FOLLOWING ~~GROUPS~~ ENTITIES, GROUPS, OR INDIVIDUALS:

(1) THE FEDERAL CENTERS FOR DISEASE CONTROL AND PREVENTION OR ANY OTHER UNIT OF FEDERAL GOVERNMENT THAT ISSUES GUIDELINES OR RECOMMENDATIONS REGARDING ANY HEALTH-RELATED SURVEY ADMINISTERED TO YOUTH;

(2) COUNTY HEALTH OFFICERS OR HEALTH EDUCATORS TO ASSESS:

(I) THE UTILITY OF SURVEY DATA; AND

(II) WHETHER CHANGES TO SURVEY METHODOLOGY ARE NEEDED TO IMPROVE THE DATA COLLECTED; AND

(3) PARENTS, TEACHERS, AND PRINCIPALS TO:

(I) DETERMINE THE IMPACT OF ADMINISTERING SURVEYS; AND

(II) SOLICIT IDEAS FOR REDUCING THE IMPACT OF ADMINISTERING OR TAKING SURVEYS.

(G) (1) ON OR BEFORE SEPTEMBER 1 ~~OF EACH EVEN-NUMBERED YEAR, 2008,~~ THE WORKGROUP SHALL SUBMIT A REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE SENATE FINANCE COMMITTEE, THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE, THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE, AND THE HOUSE WAYS AND MEANS COMMITTEE ON ITS FINDINGS AND RECOMMENDATIONS.

(2) THE REPORT SHALL INCLUDE:

(I) A DESCRIPTION OF EACH HEALTH-RELATED SURVEY ADMINISTERED TO STUDENTS IN SCHOOLS BY THE DEPARTMENT OR THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE INCLUDING:

1. THE NAME OF THE SPONSORING AGENCY;

2. ANY APPLICABLE FEDERAL OR STATE MANDATES THAT IMPACT THE METHODS OF ADMINISTERING THE SURVEY;

3. THE SURVEY METHODOLOGY;

4. A SAMPLE SURVEY QUESTIONNAIRE;

5. THE SAMPLE SIZE AND FREQUENCY OF THE SURVEY ADMINISTRATION;

6. FUNDING SOURCES AND SURVEY COSTS; AND

7. A COPY OF THE EXECUTIVE SUMMARY OF THE LATEST REPORT DEVELOPED FROM EACH SURVEY;

(II) AN EXPLANATION OF:

1. THE UTILITY OF THE DATA COLLECTED BY THE SURVEY; AND

2. HOW THE DATA WILL BE USED TO STUDY OR IMPROVE STATE AND LOCAL HEALTH EDUCATION OR SAFETY FOR YOUTH OF THE STATE;

(III) AN EXPLANATION OF METHODS OF SURVEY ADMINISTRATION USED IN OTHER STATES THAT ADMINISTER COUNTY-LEVEL HEALTH-RELATED SURVEYS TO STUDENTS;

(IV) A SUMMARY OF ANY CONCERNS EXPRESSED BY LOCAL SCHOOL DISTRICTS, PRINCIPALS, TEACHERS, OR PARENTS REGARDING:

1. THE IMPACT OF ADMINISTERING OR TAKING SURVEYS; AND

2. IDEAS FOR ALTERNATIVE WAYS OF MINIMIZING THE IMPACT OF ADMINISTERING OR TAKING SURVEYS;

(V) AN ANALYSIS OF ALTERNATIVE SURVEYS CONSIDERED, INCLUDING THE ADVANTAGES AND DISADVANTAGES OF EACH SURVEY CONSIDERED, INCLUDING:

1. THE FEASIBILITY OF USE AND IMPLEMENTATION;

2. CONSISTENCY WITH THE PURPOSES OF THE WORKGROUP; AND

3. COMPLIANCE WITH FEDERAL AND STATE LEGAL REQUIREMENTS;

(VI) AN ANALYSIS OF ANY CHANGES MADE TO THE ADMINISTRATION OF SURVEYS IN SCHOOLS AND HOW THE CHANGES HELPED TO REDUCE THE IMPACT ON SCHOOLS AND STUDENTS; AND

(VII) ANY OTHER RECOMMENDATIONS OF THE WORKGROUP, INCLUDING LEGAL, REGULATORY, OR POLICY CHANGES.

~~SECTION 2. AND BE IT FURTHER ENACTED, That the State Department of Education shall administer the version of the Youth Risk Behavior Surveillance System survey that incorporates the provisions of the Maryland Adolescent Survey and the Youth Tobacco Survey on or before the 2009-2010 school year.~~

SECTION ~~2~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 2007. It shall remain effective for a period of 2 years and, at the end of June 30, 2009, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 17, 2007

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, today I have vetoed House Bill 629 - *Prince George's County - Task Force on the Establishment of Vocational and Technical Education High School Academies* PG 423-07.

This bill establishes a Task Force on the Establishment of Vocational and Technical Education High School Academies in Prince George's County. It requires the Task Force to examine the needs of specified students and explore possible changes in curriculum and instruction that might better meet the needs of those students, including vocational and technical education high school academies.

Senate Bill 112, 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 629.

Sincerely,

Martin O'Malley
Governor

House Bill 629

AN ACT concerning

Prince George's County – Task Force on the Establishment of Vocational and Technical Education High School Academies**PG 423–07**

FOR the purpose of establishing a Task Force on the Establishment of Vocational and Technical Education High School Academies in Prince George's County; establishing the membership and staffing of the Task Force; requiring the members of the Task Force to designate the chair of the Task Force; requiring the Task Force to evaluate and make recommendations regarding certain issues; requiring the Task Force to submit a report to certain officials regarding its recommendations by a certain date; prohibiting a member of the Task Force from receiving certain compensation, but authorizing a member of the Task Force to receive certain reimbursements; providing for the termination of this Act; and generally relating to the Task Force on the Establishment of Vocational and Technical Education High School Academies in Prince George's County.

Preamble

WHEREAS, A disproportionately large number of students do not graduate from high school and may not be prepared for the workplace in Prince George's County; and

WHEREAS, A large percentage of students who do graduate from high school in Prince George's County do not go on to postsecondary education and instead directly enter the workforce; and

WHEREAS, It has been reported that the current Prince George's County public high school curriculum and method of teaching does not adequately prepare all students for meaningful and productive work; and

WHEREAS, There have been complaints from employers in Prince George's County that students are not adequately prepared for work; and

WHEREAS, There is a clear need for skilled workers in many industries and fields now located in Prince George's County or likely to move there; and

WHEREAS, There is a constitutional obligation that all students receive an adequate public education that prepares them for work and citizenship; and

WHEREAS, There is interest in the community in Prince George's County in exploring an alternative model for education for students who do not go on to postsecondary education; and

WHEREAS, There exists a need to identify research-based models that better prepare students for entry into the workplace and for lifelong advancement and learning; and

WHEREAS, There has been interest in the establishment of vocational and technical training academies in Prince George's County; and

WHEREAS, There is a need for a broad-based forum, with participation from many stakeholders, for the exploration of these topics in ways that lead to practical solutions; now, therefore,

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

(a) There is a Task Force on the Establishment of Vocational and Technical Education High School Academies in Prince George's County.

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

(1) Two members of the House of Delegates, appointed by the Speaker of the House;

(2) One member of the Senate of Maryland, appointed by the President of the Senate;

(3) Three members appointed by the Chief Executive Officer of the Prince George's County public school system;

(4) Two members appointed by the Prince George's County Executive;

(5) Three members appointed by the Prince George's County Council;

(6) Two members appointed by the Prince George's County Chamber of Commerce;

(7) Two members appointed by the Maryland State Superintendent of Schools;

(8) One member appointed by the Prince George's County Economic Development Corporation;

(9) One member appointed by the President of Prince George's Community College; ~~and~~

(10) One member employed by the Maryland State and District of Columbia AFL-CIO who is familiar with union apprenticeship programs, appointed by the President of the Maryland State and District of Columbia AFL-CIO;

(11) One member appointed by the Metro Washington Chapter of the Associated Builders and Contractors, Inc.; and

(12) Two members of the Prince George's County Board of Education, appointed by the Chair of the Prince George's County Board of Education.

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

(d) The Prince George's County public school system shall provide staff for the Task Force.

(e) A member of the Task Force may not receive compensation for serving on the Task Force but is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) The Task Force shall:

(1) Examine the needs of students in the Prince George's County public school system who are not completing high school to determine if they are being prepared for meaningful work and citizenship;

(2) Examine the needs of students in the Prince George's County public school system who are not going on to postsecondary education to determine if they are being prepared for meaningful work and citizenship;

(3) Explore whether the high school curriculum is contributing to the decisions of some students not to complete high school;

(4) Examine the workforce needs of the community, focusing especially on present and future opportunities for workers who are not college educated;

(5) Examine whether the current Prince George's County public high school curriculum meets the needs of students who are not going on to postsecondary education;

(6) Explore research-based alternatives to the current Prince George's County public high school curriculum that might better prepare students who are not going on to postsecondary education;

(7) Identify strategies and approaches that might better address the needs of students not going on to postsecondary education, including the feasibility of curriculum changes and the development of vocational and technical high school academies and other alternative instructional models;

(8) Identify legal, financial, regulatory, and organizational obstacles to the implementation of curriculum and instructional changes in Prince George's County public high schools, including the use of vocational and technical academies;

(9) Explore the willingness of stakeholders in Prince George's County to implement changes to curriculum and instruction in the county's public high schools; and

(g) On or before July 1, 2008, the Task Force shall report its findings and recommendations to the Governor, Prince George's County Executive, Prince George's County Council, Prince George's County Board of Education, 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 July 1, 2007. It shall remain effective for a period of 1 year and 1 month and, at the end of July 31, 2008, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 17, 2007

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, today I have vetoed House Bill 634 - *Insurance - Binders or Policies - Personal Insurance*.

This bill applies provisions governing binders or contracts for temporary insurance to personal insurance. The bill also establishes a 10-day notice period for cancellations due to nonpayment of premium during the underwriting period.

Senate Bill 588, 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 634.

Sincerely,

Martin O'Malley
Governor

House Bill 634

AN ACT concerning

Insurance – Binders or Policies – Personal Insurance

FOR the purpose of providing that certain provisions of law regarding binders or policies are applicable to personal insurance; altering certain notice requirements for cancellation of a certain binder or policy for nonpayment of premium; defining a certain term; providing for the application of this Act; and generally relating to binders and policies of personal insurance.

BY repealing and reenacting, with amendments,
Article – Insurance
Section 12–106
Annotated Code of Maryland
(2003 Replacement Volume and 2006 Supplement)

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

Article – Insurance

12–106.

(a) **IN THIS SECTION, “PERSONAL INSURANCE” MEANS PROPERTY INSURANCE OR CASUALTY INSURANCE ISSUED TO AN INDIVIDUAL, TRUST,**

ESTATE, OR SIMILAR ENTITY THAT IS INTENDED TO INSURE AGAINST LOSS ARISING PRINCIPALLY FROM THE PERSONAL, NONCOMMERCIAL ACTIVITIES OF THE INSURED.

(B) This section applies only to a binder or policy, other than a renewal policy, of:

~~(1) private passenger motor vehicle, homeowners, dwelling, credit loss,~~
~~or PERSONAL INSURANCE,~~ commercial property insurance, ~~or liability AND~~
COMMERCIAL LIABILITY insurance; ~~AND~~

~~(2) PERSONAL INSURANCE.~~

[(b)] (C) A binder or policy is subject to a 45-day underwriting period beginning on the effective date of coverage.

[(c)] (D) An insurer may cancel a binder or policy during the underwriting period if the risk does not meet the underwriting standards of the insurer.

[(d)] (E) If applicable, at the time of application or when a binder or policy is issued, an insurer shall provide written notice of its ability to cancel a binder or policy during the underwriting period.

[(e)] (F) (1) A EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A notice of cancellation under this section shall:

~~(1)~~ (I) be in writing;

~~(2)~~ (II) have an effective date not less than 15 days after mailing; and

~~(3)~~ (III) state clearly and specifically the insurer's actual reason for the cancellation.

(2) A NOTICE OF CANCELLATION UNDER THIS SECTION FOR NONPAYMENT OF PREMIUM SHALL:

(I) BE IN WRITING;

(II) HAVE AN EFFECTIVE DATE OF NOT LESS THAN 10 DAYS AFTER MAILING;

(III) STATE THE INSURER'S INTENT TO CANCEL FOR NONPAYMENT OF PREMIUM; AND

(IV) BE SENT BY CERTIFICATE OF MAIL.

[(f)] (G) A binder or other contract for temporary insurance:

(1) may be made orally or in writing; and

(2) except as superseded by the clear and express terms of the binder, is considered to include:

(i) all the usual terms of the policy as to which the binder was given; and

(ii) the applicable endorsements designated in the binder.

[(g)] (H) A binder is no longer valid after the policy as to which it was given is issued.

[(h)] (I) (1) If a binder is given to a consumer borrower to satisfy a lender's requirement that the borrower obtain property insurance or credit loss insurance as a condition of making a loan secured by a first mortgage or first deed of trust on an interest in owner-occupied residential real property, the insurer or its insurance producer shall include in or with the binder:

(i) the name and address of the insured consumer borrower;

(ii) the name and address of the lender;

(iii) a description of the insured residential real property;

(iv) a provision that the binder may not be canceled within the term of the binder unless the lender and the insured borrower receive written notice at least 15 days before the cancellation;

(v) except in the case of the renewal of a policy after the closing of a loan, a paid receipt for the full amount of the applicable premium; and

(vi) the amount of coverage.

(2) With respect to a binder given under this subsection, an insurer:

(i) if the binder is to be canceled, shall give the lender and the insured consumer borrower at least 15 days' written notice before the cancellation; and

(ii) within 45 days after the date the binder was given, shall issue a policy of insurance or provide the required notice of cancellation of the binder.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply to all binders or policies of personal insurance issued or delivered on or after the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 651 - *Cecil County - Alcoholic Beverages - Board of License Commissioners - Summonses and Subpoenas*.

This bill authorizes inspectors employed by the Board of License Commissioners of Cecil County to serve summonses for witnesses. The bill also authorizes the Board to subpoena records or papers pertaining to a licensed business or establishment.

Senate Bill 683, 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 651.

Sincerely,

Martin O'Malley
Governor

House Bill 651

AN ACT concerning

**Cecil County – Alcoholic Beverages – Board of License Commissioners –
Summonses and Subpoenas**

FOR the purpose of authorizing inspectors employed by the Board of License Commissioners of Cecil County to serve summonses for witnesses; authorizing the Board to subpoena records or papers pertaining to a licensed business or establishment; and generally relating to the powers of the Board of License Commissioners of Cecil County and inspectors employed by the Board.

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages

Section 16–410(b)(2)(i) and (c)

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

(As enacted by Chapter 78 of the Acts of the General Assembly of 2003)

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

Article 2B – Alcoholic Beverages

16–410.

(b) (2) (i) All summonses shall be served by the sheriff, except that:

1. In the City of Annapolis, summonses may also be served by the Annapolis Police Department;

2. In Anne Arundel County, summonses may also be served by inspectors employed by the Board and by the Anne Arundel County Police Department;

3. In Baltimore City, summonses may also be served by inspectors employed by the Board of Liquor License Commissioners for Baltimore City; [and]

4. IN CECIL COUNTY, SUMMONSES MAY ALSO BE SERVED BY INSPECTORS EMPLOYED BY THE CECIL COUNTY BOARD OF LICENSE COMMISSIONERS; AND

[4.] **5.** In Harford County, summonses may also be served by inspectors employed by the Harford County Liquor Control Board.

(c) (1) This subsection applies in the following counties:

(i) Anne Arundel County;

- (ii) Baltimore City;
- (iii) Baltimore County;
- (iv) Carroll County;
- (v) CECIL COUNTY;**
- [(v)] (VI)** Frederick County;
- [(vi)] (VII)** Garrett County;
- [(vii)] (VIII)** Howard County;
- [(viii)] (IX)** Prince George's County;
- [(ix)] (X)** Wicomico County; and
- [(x)] (XI)** Worcester County.

(2) A board may subpoena any records or papers pertaining to a licensed business or establishment.

(3) If a witness refuses to produce any records or papers so subpoenaed the board shall report the fact to the circuit court for the county, and the court shall proceed by attachment against the witness in all respects as if the refusal had been by a witness summoned to appear in the court in a case pending before it.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 677 - *Harford County - Nuisance Abatement and Local Code Enforcement - Enforcement Authority*.

This bill authorizes the State's Attorney for Harford County to bring specified actions in the District Court for relief from specified nuisances within Harford County; and requires specified notices to the county code enforcement agency and to specified tenants and property owners before a nuisance abatement action may be brought.

Senate Bill 577, 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 677.

Sincerely,

Martin O'Malley
Governor

House Bill 677

AN ACT concerning

Harford County – Nuisance Abatement and Local Code Enforcement – Enforcement Authority

FOR the purpose of authorizing ~~certain community associations,~~ the State's Attorney for Harford County, ~~the County Attorney for Harford County and the city attorneys for the incorporated municipalities of Aberdeen, Havre de Grace, and Bel Air~~ to bring certain actions in the District Court for relief from certain nuisances within Harford County; requiring certain notices to the county code enforcement agency and to certain tenants and property owners before a nuisance abatement action may be brought; providing that a political subdivision may not be subject to certain actions; providing for certain remedies; providing for the construction of this Act; defining certain terms; and generally relating to the right of ~~community associations,~~ the State's Attorney for Harford County, ~~the County Attorney for Harford County and the city attorneys for the incorporated municipalities of Aberdeen, Havre de Grace, and Bel Air~~ to seek judicial abatement of certain nuisances in Harford County.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 4-401(7)
Annotated Code of Maryland
(2006 Replacement Volume)

BY adding to

Article – Real Property

Section 14–125.2

Annotated Code of Maryland

(2003 Replacement Volume and 2006 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

4–401.

Except as provided in § 4–402 of this subtitle, and subject to the venue provisions of Title 6 of this article, the District Court has exclusive original civil jurisdiction in:

(7) A petition of injunction filed by:

(i) A tenant in an action under § 8–211 of the Real Property Article or a local rent escrow law; or

(ii) A person who brings an action under [§ 14–120 or § 14–125.1] **§ 14–120, § 14–125.1, OR § 14–125.2** of the Real Property Article;

Article – Real Property

14–125.2.

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

~~(2) “COMMUNITY ASSOCIATION” MEANS A MARYLAND NONPROFIT ASSOCIATION, CORPORATION, OR OTHER ORGANIZATION THAT:~~

~~(i) IS COMPRISED OF AT LEAST 20% OF THE TOTAL NUMBER OF HOUSEHOLDS AS MEMBERS OF A LOCAL COMMUNITY THAT CONSISTS OF 40 OR MORE INDIVIDUAL HOUSEHOLDS AS DEFINED BY SPECIFIC GEOGRAPHIC BOUNDARIES IN THE BYLAWS OR CHARTER OF THE COMMUNITY ASSOCIATION;~~

~~(ii) REQUIRES, AS A CONDITION OF MEMBERSHIP, THE PAYMENT OF MONETARY DUES AT LEAST ANNUALLY;~~

~~(III) IS OPERATED PRIMARILY FOR THE PROMOTION OF SOCIAL WELFARE AND GENERAL NEIGHBORHOOD IMPROVEMENT AND ENHANCEMENT;~~

~~(IV) HAS BEEN IN EXISTENCE FOR AT LEAST 1 YEAR WHEN IT FILES SUIT UNDER THIS SECTION;~~

~~(V) IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OR (4) OF THE INTERNAL REVENUE CODE; AND~~

~~(VI) IS IN GOOD STANDING.~~

~~(3)~~ (2) “LOCAL CODE VIOLATION” MEANS A VIOLATION UNDER THE FOLLOWING PROVISIONS OF THE HARFORD COUNTY CODE AS AMENDED FROM TIME TO TIME OR UNDER ANY APPLICABLE CODE RELATING TO THE FOLLOWING PROVISIONS INCORPORATED IN THE HARFORD COUNTY CODE BY REFERENCE, OR COMPARABLE PROVISIONS WITHIN THE CODES OF THE INCORPORATED MUNICIPALITIES OF ABERDEEN, HAVRE DE GRACE, AND BEL AIR:

- (I) CHAPTER 64 – ANIMALS;
- (II) CHAPTER 82 – BUILDING CONSTRUCTION;
- (III) CHAPTER 84 – BUILDINGS, GENERAL;
- (IV) CHAPTER 109 – ENVIRONMENTAL CONTROL;
- (V) CHAPTER 157 – LICENSES AND PERMITS;
- (VI) CHAPTER 162 – LIVABILITY CODE;
- (VII) CHAPTER 173 – MOBILE HOMES AND TRAILERS; AND
- (VIII) CHAPTER 179 – NUISANCES AND PUBLIC HEALTH.

~~(4)~~ (3) “NUISANCE” MEANS:

(I) AN ACT OR CONDITION CREATED, PERFORMED, OR MAINTAINED ON PRIVATE PROPERTY THAT CONSTITUTES A LOCAL CODE VIOLATION AND THAT:

1. NEGATIVELY IMPACTS THE WELL-BEING OF OTHER RESIDENTS; AND

2. A. IS INJURIOUS TO PUBLIC HEALTH, SAFETY,
OR WELFARE; OR

B. OBSTRUCTS THE REASONABLE USE OF
PROPERTY;

(II) A PROPERTY WHERE THE TENANT, OWNER, OR OTHER
OCCUPANT HAS BEEN CONVICTED OF VIOLATIONS OF § 10-201 OR § 10-202 OF
THE CRIMINAL LAW ARTICLE FOR CONDUCT OCCURRING ON, IN, OR IN
RELATION TO THE PROPERTY;

(III) A PROPERTY TO WHICH POLICE OR OTHER LAW
ENFORCEMENT AGENCIES HAVE RESPONDED TO COMPLAINTS OR CALLS FOR
SERVICE 4 OR MORE TIMES WITHIN ANY 30 DAY PERIOD AND THAT:

1. NEGATIVELY IMPACTS THE WELL-BEING OF
OTHER RESIDENTS; AND

2. A. IS INJURIOUS TO PUBLIC HEALTH, SAFETY,
OR WELFARE; OR

B. OBSTRUCTS THE REASONABLE USE OF
PROPERTY;

(IV) A PROPERTY WHERE THE TENANT, OWNER, OR OTHER
OCCUPANT HAS BEEN CONVICTED OF VIOLATIONS OF ANY CRIMINAL LAW
OCCURRING ON, IN, OR IN RELATION TO THE PROPERTY AND IS RELATED TO
THE ACTIVITIES OF A CRIMINAL GANG AS DEFINED IN § 9-801 OF THE CRIMINAL
LAW ARTICLE; OR

(V) A BUILDING, STRUCTURE, DWELLING, DWELLING UNIT,
OR ACCESSORY STRUCTURE THAT:

1. CONTAINS DEFECTS DUE TO INADEQUATE
MAINTENANCE, OBSOLESCENCE, OR ABANDONMENT THAT INCREASE THE
HAZARD OF FIRE, ACCIDENT, OR OTHER CALAMITY; OR

2. IS UNSAFE, UNSANITARY, DANGEROUS, OR
DETRIMENTAL TO THE HEALTH, SAFETY, OR GENERAL WELFARE OF THE
COMMUNITY DUE TO LACK OF MAINTENANCE, INADEQUATE VENTILATION,
LIGHT, SANITARY FACILITIES, OR OTHER CONDITIONS.

(B) THIS SECTION ONLY APPLIES TO A NUISANCE LOCATED WITHIN THE BOUNDARIES OF HARFORD COUNTY.

(C) AN ACTION TO ABATE A NUISANCE MAY BE BROUGHT UNDER THIS SECTION AND § 4-401 OF THE COURTS ARTICLE BY:

(1) ~~THE~~ THE STATE'S ATTORNEY FOR HARFORD COUNTY;

(2) ~~THE COUNTY ATTORNEY FOR HARFORD COUNTY;~~

(3) ~~A COMMUNITY ASSOCIATION WITHIN WHOSE BOUNDARIES THE NUISANCE IS LOCATED; OR~~

(4) ~~THE CITY ATTORNEYS FOR THE INCORPORATED MUNICIPALITIES OF ABERDEEN, HAVRE DE GRACE, AND BEL AIR.~~

(D) (1) ~~A PERSON SPECIFIED IN SUBSECTION (C) OF THIS SECTION~~ THE STATE'S ATTORNEY MAY SEEK INJUNCTIVE AND OTHER EQUITABLE RELIEF IN THE DISTRICT COURT FOR ABATEMENT OF A NUISANCE UPON SHOWING:

(I) THE NOTICE REQUIREMENTS UNDER PARAGRAPHS (2) AND (3) OF THIS SUBSECTION HAVE BEEN SATISFIED; AND

(II) THE NUISANCE HAS NOT BEEN ABATED.

(2) (I) AN ACTION MAY NOT BE BROUGHT UNDER THIS SECTION BASED ON A NUISANCE UNTIL 60 DAYS AFTER THE ~~PLAINTIFF~~ STATE'S ATTORNEY GIVES NOTICE OF THE VIOLATION AND OF THE ~~PLAINTIFF'S~~ STATE'S ATTORNEY'S INTENT TO BRING AN ACTION UNDER THIS SECTION BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE APPLICABLE LOCAL ENFORCEMENT AGENCY.

(II) AN ACTION MAY NOT BE BROUGHT UNDER THIS SECTION IF THE APPLICABLE CODE ENFORCEMENT AGENCY HAS FILED AN ACTION FOR EQUITABLE RELIEF FROM THE NUISANCE.

(3) (I) AN ACTION MAY NOT BE BROUGHT UNDER THIS SECTION UNTIL 60 DAYS AFTER THE TENANT, IF ANY, AND OWNER OF RECORD RECEIVE NOTICE FROM THE ~~PLAINTIFF~~ STATE'S ATTORNEY THAT A NUISANCE EXISTS AND THAT LEGAL ACTION MAY BE TAKEN IF THE NUISANCE IS NOT ABATED.

(II) THE NOTICE SHALL SPECIFY:

- 1. THE NATURE OF THE ALLEGED NUISANCE;**
- 2. THE DATE AND TIME OF DAY THE NUISANCE WAS FIRST DISCOVERED;**
- 3. THE LOCATION ON THE PROPERTY WHERE THE NUISANCE IS ALLEGEDLY OCCURRING; AND**
- 4. THE RELIEF SOUGHT.**

(III) THE NOTICE SHALL INDICATE:

- 1. THE NATURE OF THE PROCEEDINGS;**
- 2. THE TIME AND PLACE OF THE HEARING; AND**
- 3. THE NAME AND TELEPHONE NUMBER OF THE PERSON TO CONTACT FOR ADDITIONAL INFORMATION.**

(4) IN FILING A SUIT UNDER THIS SECTION, THE ~~PLAINTIFF~~ STATE'S ATTORNEY SHALL CERTIFY TO THE COURT:

(I) WHAT STEPS THE ~~PLAINTIFF~~ STATE'S ATTORNEY HAS TAKEN TO SATISFY THE NOTICE REQUIREMENTS UNDER THIS SUBSECTION; AND

(II) THAT EACH CONDITION PRECEDENT TO THE FILING OF AN ACTION UNDER THIS SECTION HAS BEEN MET.

(E) A POLITICAL SUBDIVISION OF THE STATE OR ANY AGENCY OF A POLITICAL SUBDIVISION MAY NOT BE SUBJECT TO ANY ACTION BROUGHT UNDER THIS SECTION OR AN ACTION RESULTING FROM AN ACTION BROUGHT UNDER THIS SECTION AGAINST A PRIVATE PROPERTY OWNER.

(F) (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, AND IN ADDITION TO OR AS A COMPONENT OF ANY REMEDY ORDERED UNDER SUBSECTION (D) OF THIS SECTION, THE COURT, AFTER A HEARING, MAY ORDER A TENANT WHO KNEW OR SHOULD HAVE KNOWN OF THE EXISTENCE OF THE NUISANCE TO VACATE THE PROPERTY WITHIN 72 HOURS.

(2) THE COURT, AFTER A HEARING, MAY GRANT A JUDGMENT OF RESTITUTION OR THE POSSESSION OF RENTAL PROPERTY TO THE OWNER IF:

(I) THE OWNER AND TENANT ARE PARTIES TO THE ACTION;
AND

(II) A TENANT HAS FAILED TO OBEY AN ORDER UNDER
SUBSECTION (D) OF THIS SECTION OR PARAGRAPH (1) OF THIS SUBSECTION.

(3) IF THE COURT ORDERS RESTITUTION OR THE POSSESSION OF
THE PROPERTY UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE COURT
SHALL IMMEDIATELY ISSUE ITS WARRANT TO THE SHERIFF OR CONSTABLE
COMMANDING EXECUTION OF THE WARRANT WITHIN 5 DAYS AFTER ISSUANCE
OF THE WARRANT.

(4) IN ADDITION TO OR AS A PART OF ANY INJUNCTION,
RESTRAINING ORDER, OR OTHER RELIEF ORDERED, THE COURT MAY ORDER
THE OWNER OF THE PROPERTY TO SUBMIT FOR COURT APPROVAL A PLAN OF
CORRECTION TO ENSURE, TO THE EXTENT REASONABLY POSSIBLE, THAT THE
PROPERTY WILL NOT AGAIN BE USED FOR A NUISANCE IF:

(I) THE OWNER IS A PARTY TO THE ACTION; AND

(II) THE OWNER KNEW OR SHOULD HAVE KNOWN OF THE
EXISTENCE OF THE NUISANCE.

(5) IF AN OWNER FAILS TO COMPLY WITH AN ORDER TO ABATE A
NUISANCE, AFTER A HEARING, THE COURT MAY, IN ADDITION TO ANY OTHER
RELIEF GRANTED, ORDER THAT THE PROPERTY BE DEMOLISHED IF THE
PROPERTY IS UNFIT FOR HABITATION AND THE ESTIMATED COST OF
REHABILITATION SIGNIFICANTLY EXCEEDS THE ESTIMATED MARKET VALUE OF
THE PROPERTY AFTER REHABILITATION.

~~(G) (G) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,~~
~~THIS~~ THIS SECTION MAY NOT BE CONSTRUED TO ABROGATE ANY EQUITABLE OR
LEGAL RIGHT OR REMEDY OTHERWISE AVAILABLE UNDER THE LAW TO ABATE A
NUISANCE.

~~(2) THIS SECTION MAY NOT BE CONSTRUED AS GRANTING
STANDING FOR AN ACTION;~~

~~(I) CHALLENGING ANY ZONING APPLICATION OR
APPROVAL;~~

~~(II) IN WHICH THE ALLEGED NUISANCE CONSISTS OF;~~

~~1. A CONDITION RELATING TO LEAD PAINT; OR~~

~~2. AN INTERIOR PHYSICAL DEFECT OF A PROPERTY;~~

~~(III) INVOLVING ANY VIOLATION OF ALCOHOLIC BEVERAGES LAWS UNDER ARTICLE 2B OF THE CODE; OR~~

~~(IV) INVOLVING ANY MATTER IN WHICH A CERTIFICATE, LICENSE, PERMIT, OR REGISTRATION IS REQUIRED OR ALLOWED UNDER THE ENVIRONMENT ARTICLE.~~

(H) PROVISIONS OF THE REAL PROPERTY ARTICLE OR PUBLIC LOCAL LAWS APPLICABLE TO ACTIONS BETWEEN A LANDLORD AND A TENANT ARE NOT APPLICABLE TO ACTIONS BROUGHT AGAINST A LANDLORD OR A TENANT UNDER THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 697 - *Prince George's County School Facilities Surcharge - Exemption PG 410-07*.

This bill alters an exemption from the school facilities surcharge in Prince George's County for specified multi-family housing designated as student housing in specified areas.

Senate Bill 582, 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 697.

Sincerely,

Martin O'Malley
Governor

House Bill 697

AN ACT concerning

Prince George's County School Facilities Surcharge – Exemption

PG 410-07

FOR the purpose of altering an exemption from the school facilities surcharge in Prince George's County for certain multi-family housing designated as student housing; and generally relating to an exemption from the school facilities surcharge in Prince George's County.

BY repealing and reenacting, without amendments,
The Public Local Laws of Prince George's County
Section 10-192.01(a)
Article 17 – Public Local Laws of Maryland
(2003 Edition, as amended)
(As enacted by Chapter 431 of the Acts of the General Assembly of 2003)

BY repealing and reenacting, with amendments,
The Public Local Laws of Prince George's County
Section 10-192.01(b)(4)
Article 17 – Public Local Laws of Maryland
(2003 Edition, as amended)
(As enacted by Chapter 431 of the Acts of the General Assembly of 2003)

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

Article 17 – Prince George's County

10-192.01.

(a) (1) The County Council, by ordinance, shall impose a school facilities surcharge on new residential construction for which a building permit is issued on or after July 1, 2003.

(2) (i) Except as provided under subparagraph (ii) of this paragraph, the County Council may impose a school facilities surcharge on new

residential construction for which a building permit is issued on or after July 1, 2003, by a municipal corporation in Prince George's County with zoning authority and the authority to issue building permits.

(ii) The County Council may not impose a school facilities surcharge on new residential construction for which a building permit is issued by a municipal corporation if Prince George's County has collected a surcharge on issuance of a county permit for the same new residential construction.

(b) (4) (I) The school facilities surcharge does not apply to multi-family housing designated as student housing [within 1.5 miles of the University of Maryland, College Park campus.] **THAT IS LOCATED IN:**

1. THE AREA BOUNDED BY MARYLAND ROUTE 193 TO THE WEST AND NORTH, U.S. ROUTE 1 TO THE EAST, AND THE SOUTHERN BOUNDARY OF THE CITY OF COLLEGE PARK TO THE SOUTH;

2. THE AREA BOUNDED BY U.S. ROUTE 1 TO THE WEST, BERWYN HOUSE ROAD TO THE NORTH, RHODE ISLAND AVENUE TO THE EAST, AND LAKELAND ROAD TO THE SOUTH;

3. THE AREA BOUNDED BY U.S. ROUTE 1 TO THE WEST, PAINT BRANCH PARKWAY TO THE NORTH AND EAST, RHODE ISLAND AVENUE TO THE EAST, AND COLLEGE AVENUE TO THE SOUTH; ~~OR~~

4. THE AREA BOUNDED BY UNIVERSITY BOULEVARD TO THE NORTH, ADELPHI ROAD TO THE EAST, STANFORD STREET TO THE SOUTH, AND UNIVERSITY HILLS PARK TO THE WEST; ~~OR~~

5. THE AREA BOUNDED BY THE EASTERN BOUNDARY OF PAINT BRANCH STREAM VALLEY PARK TO THE WEST, PARK ROAD AND A LINE EXTENDING FROM THE WESTERN END OF PARK ROAD DIRECTLY WEST TO PAINT BRANCH STREAM VALLEY PARK TO THE NORTH, U.S. ROUTE 1 TO THE EAST, AND ERIE STREET AND A LINE EXTENDING FROM THE WESTERN END OF ERIE STREET DIRECTLY WEST TO PAINT BRANCH STREAM VALLEY PARK TO THE SOUTH;

6. THE AREA BOUNDED BY AUTOVILLE DRIVE AND A LINE EXTENDING FROM THE SOUTHERN END OF AUTOVILLE DRIVE DIRECTLY SOUTH TO MARYLAND ROUTE 193 TO THE WEST, ERIE STREET TO THE NORTH, U.S. ROUTE 1 TO THE EAST, AND MARYLAND ROUTE 193 TO THE SOUTH; OR

7. THE AREA BOUNDED BY U.S. ROUTE 1 TO THE WEST, MARYLAND ROUTE 193 TO THE NORTH, 48TH AVENUE TO THE EAST, AND GREENBELT ROAD TO THE SOUTH.

(II) SUBJECT TO THE APPROVAL OF THE COUNTY COUNCIL AND THE MUNICIPALITY WHERE THE MULTI-FAMILY HOUSING IS LOCATED, THE SCHOOL FACILITIES SURCHARGE DOES NOT APPLY TO MULTI-FAMILY HOUSING DESIGNATED AS STUDENT HOUSING FOR ANY AREAS NOT LISTED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH IN THE CITY OF COLLEGE PARK, THE CITY OF HYATTSVILLE, AND THE TOWN OF RIVERDALE PARK.

(III) If the housing is converted from student housing to multi-family housing for the general population, the owner of the property shall pay, at the time of the conversion, the school facilities surcharge in accordance with the laws at the time of the conversion.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 769 - *Disease Prevention - Sexually Transmitted Diseases - Expedited Partner Therapy Pilot Program*.

This bill creates an Expedited Partner Therapy Pilot Program in the Baltimore City Health Department to provide antibiotic therapy to the partner of a patient diagnosed with a specified sexually transmitted infection in order to contain the infection.

Senate Bill 349, 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 769.

Sincerely,

Martin O'Malley
Governor

House Bill 769

AN ACT concerning

Disease Prevention – Sexually Transmitted Diseases – Expedited Partner Therapy Pilot Program

FOR the purpose of establishing the Expedited Partner Therapy Pilot Program in the Baltimore City Health Department; providing for the purpose of the Program; authorizing certain health care providers to ~~prescribe, dispense,~~ dispense or otherwise provide certain antibiotic therapy to certain partners of patients diagnosed with certain sexually transmitted diseases without making a certain physical assessment; requiring the Secretary of Health and Mental Hygiene ~~and the Commissioner of the Baltimore City Health Department~~ to adopt jointly certain regulations; ~~establishing civil immunity for certain health care providers in certain circumstances;~~ requiring the Baltimore City Health Department to report to the Governor and General Assembly regarding the operation and performance of the Program on or before a certain date each year; providing for the termination of this Act; and generally relating to the prevention of sexually transmitted diseases and the Expedited Partner Therapy Pilot Program.

BY adding to

Article – Health – General
Section 18–214.1
Annotated Code of Maryland
(2005 Replacement Volume and 2006 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) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “COMMISSIONER” MEANS THE COMMISSIONER OF HEALTH OF THE BALTIMORE CITY HEALTH DEPARTMENT.

(3) "PROGRAM" MEANS THE EXPEDITED PARTNER THERAPY PILOT PROGRAM.

(B) THERE IS AN EXPEDITED PARTNER THERAPY PILOT PROGRAM IN THE BALTIMORE CITY HEALTH DEPARTMENT.

(C) THE PURPOSE OF THE PROGRAM IS TO PROVIDE ANTIBIOTIC THERAPY TO THE PARTNER OF A PATIENT DIAGNOSED WITH A SEXUALLY TRANSMITTED INFECTION IDENTIFIED IN SUBSECTION (D) OF THIS SECTION IN ORDER TO CONTAIN THE INFECTION AND STOP THE FURTHER SPREAD OF IT.

(D) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IN A PUBLIC HEALTH CLINIC ESTABLISHED BY THE COMMISSIONER IN BALTIMORE CITY, THE FOLLOWING HEALTH CARE PROVIDERS MAY ~~PRESCRIBE, DISPENSE,~~ DISPENSE OR OTHERWISE PROVIDE ANTIBIOTIC THERAPY TO ANY SEXUAL PARTNER OF A PATIENT DIAGNOSED WITH CHLAMYDIA OR GONORRHEA WITHOUT MAKING A PERSONAL PHYSICAL ASSESSMENT OF THE PATIENT'S PARTNER:

(1) A PHYSICIAN LICENSED UNDER TITLE 14 OF THE HEALTH OCCUPATIONS ARTICLE;

(2) A CERTIFIED NURSE PRACTITIONER IN ACCORDANCE WITH § 8-508 OF THE HEALTH OCCUPATIONS ARTICLE; AND

(3) AN AUTHORIZED PHYSICIAN ASSISTANT IN ACCORDANCE WITH § 15-302.2 OF THE HEALTH OCCUPATIONS ARTICLE.

(E) ~~THE SECRETARY AND THE COMMISSIONER JOINTLY~~ SHALL ADOPT REGULATIONS TO IMPLEMENT THE REQUIREMENTS OF THIS SECTION.

~~(F) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A LICENSED PHYSICIAN, CERTIFIED NURSE PRACTITIONER, LICENSED REGISTERED NURSE, LICENSED PRACTICAL NURSE, OR CERTIFIED PHYSICIAN ASSISTANT MAY NOT BE HELD CIVILLY LIABLE FOR ANY ACT OR OMISSION PERFORMED IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION IF:~~

~~(1) THE ACT OR OMISSION DOES NOT CONSTITUTE GROSS NEGLIGENCE;~~

~~(2) THE PRESCRIPTION ANTIBIOTIC THERAPY IS PROVIDED TO THE PATIENT'S PARTNER WITHOUT FEE OR OTHER COMPENSATION FROM THE PATIENT'S PARTNER; OR~~

~~(3) THE PRESCRIPTION ANTIBIOTIC THERAPY IS PROVIDED IN BALTIMORE CITY TO THE PATIENT AT A PUBLIC HEALTH CLINIC FOR THE PATIENT'S SEXUAL PARTNER.~~

~~(G)~~ (F) ON OR BEFORE DECEMBER 31, 2007, AND EACH YEAR THEREAFTER, THE BALTIMORE CITY HEALTH DEPARTMENT SHALL REPORT TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY, ON THE OPERATION AND PERFORMANCE OF THE EXPEDITED PARTNER THERAPY PILOT PROGRAM.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007. It shall remain effective for a period of ~~5~~ 3 years and, at the end of June 30, ~~2012~~ 2010, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 17, 2007

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, today I have vetoed House Bill 770 - *Maryland Transit Administration - Continuation of Passenger Railroad Service on Amtrak and CSX Lines*.

This bill requires the Maryland Transit Administration (MTA) to continue to operate the Amtrak Line between Perryville and Penn Station in Baltimore at an equivalent or greater level of service than was provided on May 1, 1991, and the CSX line between Frederick and Point of Rocks at an equivalent or greater level of service than was provided on December 17, 2001. The bill also prohibits MTA from closing a station on any route before June 30, 2008, and prohibits MTA from closing a station on any route until a public hearing has been held. MTA may only close a station in a four and one-half month window, specifically between six weeks and six months after the public hearing.

Senate Bill 438, 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 770.

Sincerely,

Martin O'Malley
Governor

House Bill 770

AN ACT concerning

Maryland Transit Administration – Continuation of Passenger Railroad Service on Amtrak and CSX Lines

FOR the purpose of requiring the Maryland Transit Administration to continue to operate passenger railroad service on certain lines at levels equivalent to the levels established as of certain dates; prohibiting the Administration from closing a station before a certain date, subject to an exception; requiring the Administration to hold a certain public hearing under certain circumstances; requiring the Administration to give a certain notice of the hearing; prohibiting the Administration from taking certain actions if inadequate notice is given; prohibiting the Administration from making certain policy changes during a certain time period; and generally relating to passenger railroad service on certain railroad lines.

BY repealing and reenacting, with amendments,
Article – Transportation
Section 7–902
Annotated Code of Maryland
(2001 Replacement Volume and 2006 Supplement)

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

Article – Transportation

7–902.

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

(2) “LEVEL OF SERVICE” INCLUDES THE NUMBER OF ROUND TRIPS OPERATED ON A ROUTE AND THE NUMBER OF STATIONS ALONG A ROUTE.

(3) "ROUTE" MEANS A PASSENGER RAILROAD SERVICE LINE DESCRIBED UNDER SUBSECTIONS (B) THROUGH (D) OF THIS SECTION.

[(a)] (B) The Administration shall continue to operate the following passenger railroad services at levels of service at least equivalent to the level of service established as of July 1, 1981:

(1) The CSX line between Brunswick and the District of Columbia;

(2) The Amtrak line between Penn Station in Baltimore and the District of Columbia; and

(3) The CSX line between Camden Station in Baltimore and the District of Columbia.

(C) THE ADMINISTRATION SHALL CONTINUE TO OPERATE THE PASSENGER RAILROAD SERVICE ON THE AMTRAK LINE BETWEEN PERRYVILLE AND PENN STATION IN BALTIMORE AT THE LEVEL OF SERVICE AT LEAST EQUIVALENT TO THE LEVEL OF SERVICE ESTABLISHED AS OF MAY 1, 1991.

(D) THE ADMINISTRATION SHALL CONTINUE TO OPERATE THE PASSENGER SERVICES ON THE CSX LINE BETWEEN FREDERICK AND POINT OF ROCKS AT THE LEVEL OF SERVICE AT LEAST EQUIVALENT TO THE LEVEL OF SERVICE ESTABLISHED AS OF DECEMBER 17, 2001.

[(b)] (E) The Administration shall recover at least 50 percent of total operating costs for all passenger railroad services under its control from fares and operating revenues. Notwithstanding § 7-208 of this title, the Maryland Transit Administration shall calculate for passenger rail services a separate farebox recovery ratio for the administrative purposes of determining a separate cost recovery ratio for each of the aforementioned transit modes from the calculation for mass transit, Metro, and light rail.

[(c)] (F) (1) [Except as provided in paragraph (2) of this subsection, the] **THE** Administration may not close a station on [a passenger railroad service line described in subsection (a) of this section] **ANY ROUTE** before [March 6, 2007] **JUNE 30, 2008.**

(2) [The] **NOTWITHSTANDING THE PROVISIONS OF THIS SECTION,** **THE** Administration may close the Jessup Station on the CSX line between Camden Station in Baltimore and the District of Columbia at any time if the Administration finds that the ridership at the Jessup Station does not warrant keeping the station open.

[(d)] (G) The Administration shall adopt regulations to facilitate the transportation of bicycles on board passenger railroad services.

[(e)] (H) Before closing a station on a passenger railroad service line described in subsection **[(a)] (B)** of this section, the **[Mass] MARYLAND** Transit Administration shall review and report, in accordance with § 2-1246 of the State Government Article, to the Governor and the General Assembly, on the following:

(1) With respect to the Dickerson and Boyds MARC stations on the CSX line between Brunswick and the District of Columbia:

(i) The impact on traffic congestion along the Interstate 270, Md State Route 117, and Md State Route 28 corridors as a result of the station closures;

(ii) The impact of future growth in upper Montgomery and southern Frederick counties, particularly in Clarksburg over the next 5 years, and the projected ridership for the Boyds and Dickerson stations as a result of that future growth;

(iii) The impact of the projected growth in upper Montgomery and southern Frederick counties on traffic congestion along the Interstate 270, Md State Route 117, and Md State Route 28 corridors and the transit alternatives that are contemplated to meet any increased demand;

(iv) The methodology used to compute average daily ridership;

(v) The impact on projected ridership on the line if the stations are closed and later reopened due to impending growth;

(vi) The projected ridership if train stops are increased from three stops each to nine stops each for trains arriving at Washington Union Station and from four stops each to ten stops each (to discharge passengers only) for trains departing Washington Union Station;

(vii) Under an expanded schedule, the estimated increase in train service as a result of increasing the number of stops;

(viii) Options to increase ridership at stations with low ridership, including investing in a ridership campaign to promote stations with low ridership;

(ix) The projected ridership after investing in a ridership campaign to promote the stations;

(x) The schedule for installing ticket vending machines at the stations and whether such vending machines have already been purchased;

(xi) Whether a vending machine that is scheduled to be installed at another station could temporarily be used at either or both of these stations;

(xii) The impact on riders boarding at these stations if vending machines are not installed at the stations;

(xiii) An evaluation of potential increased bus service to the stations, and parking lot expansion near the stations, including any possible options for parking lot expansion;

(xiv) Specific efforts undertaken to:

1. Attract new riders on the lines and to retain riders already using the lines; and

2. improve access for individuals with disabilities;

(xv) Potential alternatives to closing stations that would achieve greater efficiency on the Brunswick and Camden CSX lines;

(xvi) Potential sources of alternative funding for the operating and capital costs of keeping the stations open, including collaboration with local governments; and

(xvii) The description of the \$300,000 passenger warning system for the Dickerson Station and whether other possible, less costly, passenger warning systems were considered and the reasons why such systems were not employed; and

(2) With regard to the St. Denis Station on the CSX line between Camden Station in Baltimore and the District of Columbia:

(i) The information required under items (1)(vii) through (xvi) of this subsection;

(ii) The implications of closing a passenger railroad service facility that is a State or federally designated historic landmark or that is located in a State or federally designated historic district;

(iii) The impact on traffic congestion along the Interstate 95, Interstate 295, and Md State Route 100 corridors as a result of the station closure;

(iv) The effect of closing the St. Denis Station on ridership at the Halethorpe Station, including the effect on traffic and parking at the Halethorpe Station and in Arbutus;

(v) The projected ridership at the St. Denis Station if train stops are increased up to nine stops; and

(vi) The projected ridership at the St. Denis Station if service to and from Baltimore is resumed.

(I) (1) UNTIL A PUBLIC HEARING IS HELD ON THE MATTER, THE ADMINISTRATION MAY NOT ESTABLISH OR ABANDON A STATION ON A ROUTE.

(2) THE ADMINISTRATION SHALL GIVE NOTICE OF A HEARING AT LEAST 30 DAYS BEFORE THE HEARING.

(3) THE NOTICE SHALL BE:

(I) PUBLISHED ONCE A WEEK FOR 2 SUCCESSIVE WEEKS IN TWO OR MORE NEWSPAPERS OF ~~GENERAL DAILY~~ WIDE CIRCULATION THROUGHOUT ~~EACH COUNTY THROUGH WHICH A ROUTE TRAVELS~~ THE ADMINISTRATION'S COMMUTER RAIL SERVICE AREA; AND

(II) POSTED IN ALL OF THE ADMINISTRATION'S OFFICES, STATIONS, AND TERMINALS AND ALL OF ITS ~~VEHICLES AND~~ COMMUTER RAIL ROLLING STOCK IN REVENUE SERVICE.

(4) THE 30-DAY PERIOD BEGINS WHEN THE NOTICE FIRST APPEARS IN THE NEWSPAPER.

(5) (I) IF THE ADMINISTRATION GIVES INADEQUATE NOTICE OF A PUBLIC HEARING ON A MATTER DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION, THE ADMINISTRATION MAY NOT ESTABLISH OR ABANDON A STATION UNLESS A LEGALLY SUFFICIENT PUBLIC HEARING IS HELD.

(II) FOR THE PURPOSES OF THIS PARAGRAPH, NOTICE SHALL BE CONSIDERED INADEQUATE IF:

1. THE ADMINISTRATION DOES NOT COMPLY WITH THE NEWSPAPER PUBLICATION REQUIREMENT UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION; OR

2. AT LEAST 30% OF THE ADMINISTRATION'S FACILITIES ARE NOT POSTED AS REQUIRED UNDER PARAGRAPH (3)(II) OF THIS SUBSECTION.

(6) THE ADMINISTRATION MAY IMPLEMENT A CHANGE OF POLICY ON A MATTER DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION ONLY DURING THE TIME PERIOD BEGINNING 6 WEEKS AFTER THE DATE OF THE PUBLIC HEARING AND ENDING 6 MONTHS AFTER THE DATE OF THE PUBLIC HEARING.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 789 - *Banking Institutions - Deceptive Use of Names, Trade Names, Trademarks, Service Marks, Logos, or Taglines - Penalties*.

This bill clarifies the entities that may use a name, title, or other words that represent that the person is authorized to do the business of banking in Maryland. No person may use the name of a bank or any term or design that is similar to the name without the consent of the actual bank. The bill proscribes a penalty for a violation of the Act.

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 789.

Sincerely,

Martin O'Malley
Governor

House Bill 789

AN ACT concerning

**Banking Institutions – Deceptive Use of Names, Trade Names, Trademarks,
Service Marks, Logos, or Taglines – Penalties**

FOR the purpose of clarifying the entities that may use a name, title, or other words that represent that the person is authorized to do the business of banking in the State; providing that under certain circumstances, a person may not use the name, trade name, trademark, service mark, logo, or tagline of a certain bank ~~that is similar to that which is used by the bank or a term or design that is similar to the name, trade name, trademark, service mark, logo, or tagline of a certain bank~~ in certain material; providing for an exception; providing for a penalty for a violation of ~~the~~ this Act; defining ~~a certain term~~ certain terms; and generally relating to the deceptive use of the name, trade name, trademark, service mark, logo, or tagline of a bank.

BY repealing and reenacting, with amendments,
Article – Financial Institutions
Section 5–806
Annotated Code of Maryland
(2003 Replacement Volume and 2006 Supplement)

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

Article – Financial Institutions

5–806.

(a) Except for a bank, trust company, ~~or~~ savings bank, **OR SAVINGS AND LOAN ASSOCIATION** that is authorized to do business in this State, a person may not use any name, title, or other words that represent that the person is authorized to do the business of banking in this State.

(B) (1) (I) IN THIS SUBSECTION, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.

(II) 1. “BANK” “BANK” MEANS ANY BANK, TRUST COMPANY, SAVINGS BANK, OR SAVINGS AND LOAN ASSOCIATION INCORPORATED OR CHARTERED UNDER THE LAWS OF THIS STATE OR THE UNITED STATES THAT ACCEPTS DEPOSITS THAT IS AUTHORIZED TO DO BUSINESS IN THIS STATE, AND ANY SUBSIDIARY OR AFFILIATE OF THE ENTITY.

2. "BANK" INCLUDES ANY FARM CREDIT SYSTEM INSTITUTION IN THIS STATE.

(III) "NAME" MEANS THE NAME, TRADE NAME, TRADEMARK, SERVICE MARK, LOGO, OR TAGLINE USED BY A BANK TO IDENTIFY ITSELF.

(2) EXCEPT WITH THE CONSENT OF THE BANK, A PERSON MAY NOT USE THE NAME, ~~TRADE NAME, LOGO, OR TAGLINE~~ OF A BANK ~~OR THE NAME, TRADE NAME, LOGO, OR TAGLINE~~ OR ANY TERM OR DESIGN THAT IS SIMILAR TO THAT WHICH IS USED BY THE NAME OF THE A BANK IN ANY MARKETING MATERIAL PROVIDED TO ANOTHER PERSON OR IN ANY SOLICITATION OF ANOTHER PERSON ~~IF THE NAME, TRADE NAME, LOGO, OR TAGLINE~~ IN A MANNER THAT MAY CAUSE A REASONABLE PERSON TO ~~BELIEVE~~ BE CONFUSED, MISTAKEN, OR DECEIVED THAT THE MARKETING MATERIAL OR SOLICITATION:

(I) ORIGINATED FROM THE BANK;

(II) ORIGINATED FROM SOMEONE AFFILIATED, CONNECTED, OR ASSOCIATED WITH THE BANK;

(III) IS ~~ENDORSED~~ APPROVED OR SPONSORED BY THE BANK;
OR

~~(III)~~ (IV) IS THE RESPONSIBILITY OF THE BANK.

(C) IN ADDITION TO ANY OTHER REMEDIES A BANK MAY HAVE UNDER ANY OTHER PROVISION OF LAW, A BANK THAT IS AFFECTED BY A VIOLATION OF SUBSECTION (B) OF THIS SECTION MAY BRING AN ACTION AGAINST THE PERSON THAT COMMITTED THE VIOLATION TO RECOVER:

(1) ACTUAL DAMAGES SUSTAINED AS A RESULT OF THE VIOLATION;

(2) EITHER:

(I) ALL PROFITS ATTRIBUTABLE TO THE VIOLATION; OR

(II) \$1,000 FOR EACH VIOLATION; AND

(3) ~~REASONABLE~~ COURT COSTS AND REASONABLE ATTORNEY'S FEES ~~AND COURT COSTS~~.

~~(D) (1) IF THE COMMISSIONER REASONABLY BELIEVES THAT A PERSON HAS VIOLATED OR INTENDS TO VIOLATE SUBSECTION (B) OF THIS SECTION, THE COMMISSIONER MAY ISSUE A CEASE AND DESIST ORDER TO THE PERSON IN ACCORDANCE WITH § 2-115 OF THIS ARTICLE.~~

~~(2) IF A PERSON FAILS TO COMPLY WITH A CEASE AND DESIST ORDER ISSUED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE COMMISSIONER MAY IMPOSE A CIVIL PENALTY NOT EXCEEDING \$5,000 FOR EACH VIOLATION.~~

~~(3) FOR THE PURPOSES OF IMPOSING PENALTIES UNDER PARAGRAPH (2) OF THIS SUBSECTION, EACH INSTANCE OF A VIOLATION OF THIS SECTION IS A SEPARATE VIOLATION.~~

[(b)] ~~(E) (D)~~ Any person who violates [any provision] **SUBSECTION (A)** of this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$3,000 or imprisonment not exceeding 5 years or both.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 791 - *Queen Anne's County - State's Attorney - Salary*.

This bill alters the salary of the State's Attorney for Queen Anne's County and authorizes the State's Attorney to appoint one or more deputy State's Attorneys. The bill specifies duties of the States Attorney, a deputy State's Attorney, and an assistant State's Attorney and establishes that the State's Attorney is entitled to expenses for business related purposes.

Senate Bill 775, 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 791.

Sincerely,

Martin O'Malley
Governor

House Bill 791

AN ACT concerning

Queen Anne's County – State's Attorney – Salary

FOR the purpose of altering the salary of the State's Attorney for Queen Anne's County; authorizing the State's Attorney to appoint one or more deputy State's Attorneys; specifying certain duties of the State's Attorney, a deputy State's Attorney, and an assistant State's Attorney; establishing that the State's Attorney is entitled to certain expenses for certain purposes; providing that this Act does not apply to the salary or compensation of the incumbent State's Attorney for Queen Anne's County; ~~providing for a delayed effective date;~~ and generally relating to the State's Attorney for Queen Anne's County.

BY repealing and reenacting, with amendments,
Article 10 – Legal Officials
Section 40(r)
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

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

Article 10 – Legal Officials

40.

(r) (1) In Queen Anne's County, the annual salary of the State's Attorney is [90 percent of] **EQUAL TO** the salary of a judge of the District Court of Maryland. The salary shall be set prior to the date on which a newly elected State's Attorney first assumes his or her position during his or her term of office.

(2) The State's Attorney may not engage in the private practice of law at any time in any jurisdiction during the State's Attorney's tenure in office.

(3) The State's Attorney may not appear professionally in any criminal proceeding in this State, except in the performance of his or her position as State's Attorney.

(4) The State's Attorney may appoint one or more **DEPUTY OR** assistant State's Attorneys with the approval of the County Commissioners at a salary set by the County Commissioners.

[(5) The County Commissioners shall furnish the State's Attorney with an office and with a secretary, whose salary shall be determined by the County Commissioners. The County Commissioners shall furnish the State's Attorney with supplies and equipment for the office, as the County Commissioners shall deem appropriate. The County Commissioners shall reimburse the State's Attorney for any actual expenses of the office, which shall be shown by vouchers. The vouchers shall be presented to the County Commissioners for reimbursement.]

(5) THE STATE'S ATTORNEY, DEPUTY STATE'S ATTORNEYS, OR ASSISTANT STATE'S ATTORNEYS SHALL PRESENT CASES TO THE GRAND JURY AND PERFORM OTHER ACTS AND DUTIES IN RELATION TO THE GRAND JURY, THE CIRCUIT COURT, INCLUDING THE JUVENILE COURT, AND THE DISTRICT COURT AS ARE NECESSARY AND PROPER IN THE JUDGMENT OF THE STATE'S ATTORNEY.

(6) IN ADDITION TO THE COMPENSATION PROVIDED FOR UNDER THIS SECTION, THE STATE'S ATTORNEY IS ENTITLED TO REASONABLE EXPENSES AS PROVIDED FOR IN THE QUEEN ANNE'S COUNTY BUDGET FOR THE OPERATION OF THE STATE'S ATTORNEY'S OFFICE AND THE PERFORMANCE OF THE STATE'S ATTORNEY'S DUTIES.

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 Queen Anne's County in office on the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the State's Attorney for Queen Anne's County shall take effect at the beginning of the next following term of office.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~January 3, 2011~~ October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 879 - *Forensic Laboratories - Standards and Oversight*.

This bill requires the Secretary of Health and Mental Hygiene to adopt regulations that set standards and requirements for forensic laboratories. It also requires a laboratory that examines or analyzes forensic specimens to demonstrate satisfactory performance in a specified proficiency testing program and mandates that the Department of Health and Mental Hygiene review proficiency tests and proficiency testing programs.

Senate Bill 351, 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 879.

Sincerely,

Martin O'Malley
Governor

House Bill 879

AN ACT concerning

Forensic Laboratories – Standards and Oversight

FOR the purpose of requiring the Secretary of Health and Mental Hygiene to adopt regulations that set certain standards and requirements; specifying the required contents of certain regulations; requiring ~~an individual who~~ a laboratory that examines or analyzes forensic specimens ~~on behalf of a certain laboratory~~ to demonstrate satisfactory performance in a certain proficiency testing program; requiring the Secretary to adopt certain regulations for a certain proficiency testing program; requiring ~~a certain employee~~ the Department of Health and Mental Hygiene to review certain proficiency tests and proficiency ~~test results at certain times~~ testing programs; requiring the Secretary to conduct certain inspections for a certain purpose; authorizing the Secretary to conduct certain investigations and surveys; providing that certain

documents are public documents; requiring the Secretary a forensic laboratory to make certain information available to the public within a certain time of a written request; requiring the Secretary to adopt regulations that set qualifications for certain personnel; requiring the Secretary to set certain fees; ~~authorizing the Secretary to set a certain fee;~~ requiring a ~~person~~ forensic laboratory to hold a certain license before the ~~person~~ forensic laboratory may offer or perform certain tests, examinations, or analyses in the State on or after a certain date; requiring the Secretary to issue a letter of exception to certain laboratories under certain circumstances; authorizing the Secretary to grant a certain waiver to certain laboratories; requiring an applicant to provide certain evidence to qualify for a certain license; requiring a certain applicant to submit an application to the Secretary on a certain form; specifying the required contents of an application for a certain license; requiring a certain applicant to pay a certain fee to the Department of Health and Mental Hygiene; requiring the Secretary to issue a certain license to a certain applicant; specifying the required contents of a certain license; requiring a certain license to designate the tests, examinations, or analyses that may be offered or performed by the laboratory; prohibiting a certain laboratory from operating in a manner not designated by its license; providing that a certain license is not transferable; providing that a certain license expires on a certain date, unless the license is renewed in accordance with this Act; authorizing a certain licensee to renew its license for an additional term under certain circumstances; requiring the Secretary to renew the license of each licensee ~~who~~ that meets certain requirements; authorizing the Secretary to deny a certain license or suspend, revoke, or limit a certain license or the authority of a certain licensee to offer or perform tests that a certain license sets forth under certain circumstances; ~~requiring the Secretary to take certain actions if the Secretary finds that a certain laboratory no longer meets certain standards and requirements and the Secretary does not suspend or revoke the laboratory's license; requiring the Secretary to undertake a certain due diligence review under certain circumstances;~~ requiring authorizing the Secretary to order a certain laboratory to take certain actions if the Secretary finds that the laboratory provided erroneous or questionable reports, analyses, examinations, or test results; requiring a State's Attorney to provide certain notice to certain victims under certain circumstances; providing for certain penalties; requiring the Secretary to give a certain applicant or licensee notice and an opportunity for a hearing under certain circumstances; requiring a certain laboratory to post a certain notice in a certain place; specifying the required contents of a certain notice; authorizing an employee of a forensic laboratory to disclose certain information to the Secretary under certain circumstances; requiring the Secretary to specify the form of a certain notice; prohibiting a certain laboratory from ~~discriminating or retaliating~~ taking certain adverse employment actions against a certain employee for ~~a certain reason~~ certain reasons; authorizing a certain employee to initiate ~~judicial~~ an action under certain circumstances; providing that a certain employee who prevails in a certain ~~judicial~~ action is entitled to certain

remedies; limiting the time in which a certain ~~judicial~~ action may be filed; establishing a Forensic Laboratory Advisory Committee; specifying the membership of the Advisory Committee; requiring the ~~Secretary~~ Governor to designate a chair of the Advisory Committee and appoint members of the Advisory Committee at certain times; establishing the terms of the members of the Advisory Committee; prohibiting a member of the Advisory Committee from receiving certain compensation; requiring the Department to staff the Advisory Committee; ~~establishing the Maryland Forensic Laboratory Improvement Fund as a special fund; providing for the funding of a certain fund; requiring the Governor's Office of Crime Control and Prevention to administer a certain fund; specifying the purposes for which grants shall be made from a certain fund; providing that certain proceedings, records, and files of a certain organization or agency~~ certain organizations or agencies are not discoverable and are not admissible in a certain criminal case; ~~providing that certain reports, findings, recommendations, and corrective actions issued by a certain organization or agency are discoverable and admissible to a certain extent; requiring the Governor to include certain funds in the State budget for a certain purpose for certain years;~~ requiring the Secretary to make certain appointments on or before a certain date; requiring the Secretary to adopt certain regulations on or before a certain date; defining certain terms; modifying a certain definition; ~~providing that this Act does not apply to a certain type of testing;~~ and generally relating to standards and oversight for forensic laboratories.

BY repealing and reenacting, without amendments,

Article – Health – General

Section 1–101(c) and (j)

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY adding to

Article – Health – General

Section 17–2A–01 through ~~17–2A–16~~ 17–2A–12 to be under the new subtitle

“Subtitle 2A. Forensic Laboratories”

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article – ~~Health Occupations~~ Health – General

Section ~~1–401~~ 19–2301

Annotated Code of Maryland

(2005 Replacement Volume and 2006 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.

- (c) “Department” means the Department of Health and Mental Hygiene.
- (j) “Secretary” means the Secretary of Health and Mental Hygiene.

SUBTITLE 2A. FORENSIC LABORATORIES.**17-2A-01.**

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

(B) (1) “FORENSIC ANALYSIS” MEANS A MEDICAL, CHEMICAL, TOXICOLOGIC, FIREARMS, OR OTHER EXPERT EXAMINATION OR TEST PERFORMED ON PHYSICAL EVIDENCE, INCLUDING DNA EVIDENCE, FOR THE PURPOSE OF DETERMINING THE CONNECTION OF THE EVIDENCE TO A CRIMINAL ACT.

(2) “FORENSIC ANALYSIS” INCLUDES AN EXAMINATION OR TEST REQUIRED BY A LAW ENFORCEMENT AGENCY, PROSECUTOR, CRIMINAL SUSPECT OR DEFENDANT, OR COURT.

(3) “FORENSIC ANALYSIS” DOES NOT INCLUDE:

(I) A TEST OF A SPECIMEN OF BREATH OR BLOOD TO DETERMINE ALCOHOL CONCENTRATION OR CONTROLLED DANGEROUS SUBSTANCE CONTENT;

(II) FORENSIC INFORMATION TECHNOLOGY;

(III) A PRESUMPTIVE TEST PERFORMED AT A CRIME SCENE;

(IV) A PRESUMPTIVE TEST PERFORMED FOR THE PURPOSE OF DETERMINING COMPLIANCE WITH A TERM OR CONDITION OF COMMUNITY SUPERVISION OR PAROLE AND CONDUCTED BY OR UNDER CONTRACT WITH A COUNTY DEPARTMENT OF CORRECTIONS OR THE STATE DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES; OR

(V) AN EXPERT EXAMINATION OR TEST CONDUCTED PRINCIPALLY FOR THE PURPOSE OF SCIENTIFIC RESEARCH, MEDICAL

PRACTICE, CIVIL OR ADMINISTRATIVE LITIGATION, OR ANY OTHER PURPOSE UNRELATED TO DETERMINING THE CONNECTION OF PHYSICAL EVIDENCE TO A CRIMINAL ACT.

(C) "FORENSIC INFORMATION TECHNOLOGY" MEANS DIGITAL OR ELECTRONIC EVIDENCE THAT IS STORED OR TRANSMITTED ELECTRONICALLY.

~~(B) (D)~~ (1) "FORENSIC LABORATORY" MEANS A FACILITY, ENTITY, OR SITE THAT OFFERS OR PERFORMS ~~TESTS, EXAMINATIONS, OR ANALYSES THAT MAY BE USED TO DETERMINE A CONNECTION BETWEEN THE ITEMS TESTED, EXAMINED, OR ANALYZED AND A CRIMINAL ACT~~ FORENSIC ANALYSIS.

(2) "FORENSIC LABORATORY" INCLUDES A LABORATORY OWNED OR OPERATED BY THE STATE, A COUNTY OR MUNICIPAL CORPORATION IN THE STATE, OR ~~OTHER~~ ANOTHER GOVERNMENTAL ENTITY.

(3) "FORENSIC LABORATORY" DOES NOT INCLUDE:

(I) A FORENSIC LABORATORY OPERATED BY THE FEDERAL GOVERNMENT; OR

(II) A LABORATORY LICENSED OR CERTIFIED BY THE DEPARTMENT OF AGRICULTURE.

~~(C)~~ (E) "LICENSE" MEANS A PERMIT, LETTER OF EXCEPTION, CERTIFICATE, OR OTHER DOCUMENT ISSUED BY THE SECRETARY GRANTING APPROVAL OR AUTHORITY TO OFFER OR PERFORM FORENSIC LABORATORY TESTS, EXAMINATIONS, OR ANALYSES IN THE STATE.

(F) "LIMITED FORENSIC ANALYSIS" MEANS A FORENSIC LABORATORY TEST OR ANALYSIS DEFINED IN REGULATIONS ADOPTED BY THE SECRETARY.

(G) "PHYSICAL EVIDENCE" MEANS ANY OBJECT, THING, OR SUBSTANCE RELATING TO A CRIMINAL ACT.

17-2A-02.

~~THIS SUBTITLE DOES NOT APPLY TO THE TESTING OF A PERSON'S BLOOD OR BREATH TO DETERMINE ALCOHOL CONCENTRATION OR CONTROLLED DANGEROUS SUBSTANCE CONTENT.~~

~~17-2A-03.~~

(A) (1) THE SECRETARY SHALL ADOPT REGULATIONS THAT SET STANDARDS AND REQUIREMENTS FOR FORENSIC LABORATORIES.

(2) THE REGULATIONS SHALL CONTAIN THE STANDARDS AND REQUIREMENTS THAT THE SECRETARY CONSIDERS NECESSARY TO ASSURE THE CITIZENS OF THE STATE THAT FORENSIC LABORATORIES PROVIDE SAFE, RELIABLE, AND ACCURATE SERVICES.

(3) THE REGULATIONS SHALL:

(I) REQUIRE THE DIRECTOR OF A FORENSIC LABORATORY TO ESTABLISH AND ADMINISTER AN ONGOING QUALITY ASSURANCE PROGRAM USING STANDARDS ACCEPTABLE TO THE SECRETARY;

(II) REQUIRE THE DIRECTOR OF A FORENSIC LABORATORY TO RETAIN ALL CASE FILES FOR AT LEAST 10 YEARS; ~~AND~~

(III) ESTABLISH QUALIFICATIONS FOR THE PERSONNEL OF FORENSIC LABORATORIES;

(IV) ESTABLISH PROCEDURES FOR VERIFYING THE BACKGROUND AND EDUCATION OF THE PERSONNEL OF FORENSIC LABORATORIES;

(V) REQUIRE THE SECRETARY TO CHARGE FEES THAT MAY NOT EXCEED THE ACTUAL DIRECT AND INDIRECT COSTS TO THE DEPARTMENT TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE; AND

~~(III)~~ (VI) ESTABLISH ANY ADDITIONAL STANDARDS THAT THE SECRETARY CONSIDERS NECESSARY TO ASSURE THAT FORENSIC LABORATORIES PROVIDE ~~SAFE~~ ACCURATE AND RELIABLE SERVICES.

(B) (1) ~~AN INDIVIDUAL WHO EXAMINES OR ANALYZES FORENSIC SPECIMENS ON BEHALF OF A LICENSED FORENSIC LABORATORY SHALL DEMONSTRATE SATISFACTORY PERFORMANCE IN AN APPROVED PROFICIENCY TESTING PROGRAM SPECIFICALLY RELATED TO THE PARTICULAR TESTING OR ANALYSIS BEING PERFORMED~~ A FORENSIC LABORATORY THAT EXAMINES OR ANALYZES PHYSICAL EVIDENCE SHALL DEMONSTRATE SATISFACTORY PERFORMANCE IN AN APPROVED PROFICIENCY TESTING PROGRAM SPECIFICALLY RELATED TO THE PARTICULAR FORENSIC ANALYSIS BEING PERFORMED.

(2) THE SECRETARY SHALL ADOPT REGULATIONS FOR THE FORENSIC PROFICIENCY TESTING PROGRAM THAT:

(I) DEFINE SATISFACTORY PROFICIENCY TESTING PERFORMANCE; AND

(II) SET STANDARDS AND REQUIREMENTS THAT A FORENSIC PROFICIENCY TESTING PROGRAM SHALL MEET ~~BEFORE IT MAY BE DESIGNATED AN APPROVED PROGRAM.~~

(3) ~~AN EMPLOYEE OF THE~~ THE DEPARTMENT SHALL REVIEW ~~ALL PROFICIENCY TESTS AND PROFICIENCY TEST RESULTS EVERY 2 YEARS~~ A FORENSIC LABORATORY'S PROFICIENCY TESTING PROGRAM.

(C) TO ASSURE COMPLIANCE WITH THE STANDARDS AND REQUIREMENTS ~~SET FORTH IN REGULATIONS ADOPTED~~ UNDER THIS SUBTITLE, THE SECRETARY SHALL CONDUCT:

(1) AN INSPECTION OF EACH FORENSIC LABORATORY FOR WHICH A LICENSE TO OPERATE IS SOUGHT; AND

(2) ~~PERIODIC INSPECTIONS~~ AN INSPECTION OF EACH FORENSIC LABORATORY FOR WHICH A LICENSE HAS BEEN ISSUED; ~~AND~~

(3) ~~AN INSPECTION WITHIN 6 MONTHS PRIOR TO REISSUING A LICENSE TO A FORENSIC LABORATORY.~~

(D) TO ASSURE COMPLIANCE WITH THE STANDARDS AND REQUIREMENTS UNDER THIS SUBTITLE, THE SECRETARY MAY CONDUCT:

(1) A COMPLAINT INVESTIGATION; AND

(2) A VALIDATION SURVEY OF AN ACCREDITED FORENSIC LABORATORY.

~~17-2A-04.~~ 17-2A-03.

~~THE SECRETARY SHALL MAKE REPORTS OF INSPECTIONS CONDUCTED BY THE SECRETARY UNDER THIS SUBTITLE, DISCREPANCY LOGS, CONTAMINATION RECORDS, PROFICIENCY TESTS AND TEST RESULTS, AND DIRECTED PLANS OF CORRECTION AVAILABLE TO THE PUBLIC WITHIN 10 DAYS OF A WRITTEN REQUEST.~~

~~17-2A-05.~~

~~THE SECRETARY SHALL ADOPT REGULATIONS THAT SET QUALIFICATIONS FOR THE PERSONNEL OF FORENSIC LABORATORIES.~~

~~17-2A-06.~~

~~THE SECRETARY:~~

~~(1) SHALL SET LICENSING FEES FOR FORENSIC LABORATORIES IN ACCORDANCE WITH § 2-104 OF THIS ARTICLE; AND~~

~~(2) MAY SET A FEE FOR THE PROFICIENCY TESTING PROGRAM.~~

~~17-2A-07.~~

~~ON OR AFTER SEPTEMBER 1, 2009, A PERSON SHALL HOLD A LICENSE ISSUED BY THE SECRETARY BEFORE THE PERSON MAY OFFER OR PERFORM FORENSIC LABORATORY TESTS, EXAMINATIONS, OR ANALYSES IN THE STATE.~~

(A) FORENSIC LABORATORY DEFICIENCY STATEMENTS AND PLANS OF CORRECTION ARE PUBLIC DOCUMENTS.

(B) A FORENSIC LABORATORY SHALL MAKE DISCREPANCY LOGS, CONTAMINATION RECORDS, AND TEST RESULTS AVAILABLE TO THE PUBLIC WITHIN 30 DAYS OF A WRITTEN REQUEST.

(C) EXCEPT AS PROVIDED IN SUBSECTION (A) OF THIS SECTION, THE PROCEEDINGS, RECORDS, AND FILES OF AN ORGANIZATION OR STATE AGENCY RESPONSIBLE FOR ASSURING COMPLIANCE WITH THIS SUBTITLE SHALL BE CONFIDENTIAL AND NOT DISCOVERABLE OR ADMISSIBLE IN EVIDENCE IN A CIVIL OR CRIMINAL ACTION.

~~17-2A-04.~~

(A) AFTER DECEMBER 31, 2011, A ~~PERSON~~ FORENSIC LABORATORY SHALL HOLD A LICENSE ISSUED BY THE SECRETARY BEFORE THE ~~PERSON~~ FORENSIC LABORATORY MAY OFFER OR PERFORM FORENSIC ANALYSIS IN THE STATE.

(B) THE SECRETARY SHALL ISSUE A LETTER OF EXCEPTION TO A LABORATORY THAT:

(1) PERFORMS ONLY LIMITED FORENSIC ANALYSIS; AND

(2) MEETS THE EXCEPTION REQUIREMENTS IN REGULATIONS ADOPTED BY THE SECRETARY.

(C) THE SECRETARY MAY GRANT AN OUT-OF-STATE FORENSIC LABORATORY A WAIVER FROM THE LICENSURE REQUIREMENTS OF THIS SUBTITLE WITH CONDITIONS.

~~17-2A-08.~~ 17-2A-05.

TO QUALIFY FOR A LICENSE, AN APPLICANT SHALL PROVIDE EVIDENCE TO SATISFY THE SECRETARY THAT THE FORENSIC LABORATORY AND ITS PERSONNEL MEET THE STANDARDS AND REQUIREMENTS OF THIS SUBTITLE ~~AND THE REGULATIONS ADOPTED UNDER THIS SUBTITLE.~~

~~17-2A-09.~~ 17-2A-06.

(A) AN APPLICANT FOR A LICENSE SHALL SUBMIT AN APPLICATION TO THE SECRETARY ON THE FORM THAT THE SECRETARY REQUIRES.

(B) AN APPLICATION FOR A LICENSE TO OPERATE A FORENSIC LABORATORY SHALL INCLUDE:

(1) THE NAME OF THE OPERATOR OR OWNER;

(2) THE TESTS OR EXAMINATIONS THAT THE FORENSIC LABORATORY WOULD PROVIDE; AND

(3) ANY OTHER INFORMATION THAT THE SECRETARY REQUIRES.

(C) THE APPLICANT SHALL PAY TO THE DEPARTMENT THE APPLICATION FEE SET BY THE SECRETARY IN ACCORDANCE WITH § 2-104 OF THIS ARTICLE.

~~17-2A-10.~~ 17-2A-07.

(A) THE SECRETARY SHALL ISSUE A LICENSE TO AN APPLICANT ~~WHO~~ THAT MEETS THE STANDARDS AND REQUIREMENTS OF THIS SUBTITLE ~~AND THE REGULATIONS ADOPTED UNDER THIS SUBTITLE.~~

(B) A FORENSIC LABORATORY LICENSE SHALL INCLUDE THE NAME OF THE:

- (1) FORENSIC LABORATORY;
- (2) LABORATORY DIRECTOR; AND
- (3) OPERATOR OR OWNER OF THE LABORATORY.

(C) A FORENSIC LABORATORY LICENSE SHALL DESIGNATE THE TESTS, EXAMINATIONS, OR ANALYSES THAT MAY BE OFFERED OR PERFORMED BY THE LABORATORY.

(D) A FORENSIC LABORATORY MAY NOT OPERATE IN A MANNER NOT DESIGNATED BY ~~ITS LICENSE~~ THE LICENSE ISSUED UNDER THIS SUBTITLE.

(E) A FORENSIC LABORATORY LICENSE ISSUED BY THE SECRETARY UNDER THIS SUBTITLE IS NOT TRANSFERABLE.

~~17-2A-11.~~ 17-2A-08.

(A) A LICENSE EXPIRES ON THE DATE SET BY THE SECRETARY UNLESS THE LICENSE IS RENEWED AS PROVIDED IN THIS SECTION.

(B) BEFORE THE LICENSE EXPIRES, THE LICENSEE MAY RENEW ITS LICENSE FOR AN ADDITIONAL TERM, IF THE LICENSEE:

(1) PAYS TO THE DEPARTMENT THE RENEWAL FEE SET BY THE SECRETARY AND ANY OUTSTANDING LICENSING OR PROFICIENCY TESTING FEES;

(2) SUBMITS TO THE SECRETARY A RENEWAL APPLICATION ON THE FORM THAT THE SECRETARY REQUIRES; AND

(3) IS IN COMPLIANCE WITH ALL STANDARDS AND REQUIREMENTS OF THIS SUBTITLE ~~AND REGULATIONS ADOPTED UNDER THIS SUBTITLE~~.

(C) THE SECRETARY SHALL RENEW THE LICENSE OF EACH LICENSEE THAT MEETS THE REQUIREMENTS OF THIS SECTION.

~~17-2A-12.~~ 17-2A-09.

(A) THE SECRETARY MAY DENY A LICENSE TO AN APPLICANT OR SUSPEND, REVOKE, OR LIMIT A LICENSE OR THE AUTHORITY OF A LICENSEE TO

OFFER OR PERFORM TESTS THAT A LICENSE SETS FORTH, IF THE FORENSIC LABORATORY OR ITS DIRECTOR OR OTHER PERSONNEL FAIL TO MEET THE STANDARDS AND REQUIREMENTS OF THIS SUBTITLE ~~OR REGULATIONS ADOPTED UNDER THIS SUBTITLE.~~

~~(B) IF THE SECRETARY FINDS THAT A FORENSIC LABORATORY ISSUED A LICENSE UNDER THIS SUBTITLE NO LONGER MEETS THE STANDARDS AND REQUIREMENTS OF THIS SUBTITLE OR REGULATIONS ADOPTED UNDER THIS SUBTITLE AND THE SECRETARY DOES NOT SUSPEND OR REVOKE THE LABORATORY'S LICENSE, THE SECRETARY:~~

~~(1) SHALL IMPOSE A DIRECTED PLAN OF CORRECTION;~~

~~(2) REGULARLY SHALL INSPECT THE LABORATORY TO ASSURE COMPLIANCE WITH THE DIRECTED PLAN OF CORRECTION; AND~~

~~(3) MAY LIMIT THE TESTING AUTHORIZED BY THE LICENSE.~~

~~(C) IF THE SECRETARY FINDS THAT A LABORATORY THAT WAS ISSUED A LICENSE UNDER THIS SUBTITLE NO LONGER MEETS THE STANDARDS AND REQUIREMENTS OF THIS SUBTITLE OR REGULATIONS ADOPTED UNDER THIS SUBTITLE, THE SECRETARY SHALL UNDERTAKE A DUE DILIGENCE REVIEW OF THE LABORATORY TO IDENTIFY ERRONEOUS OR QUESTIONABLE REPORTS, ANALYSES, EXAMINATIONS, OR TEST RESULTS.~~

~~(D) IF THE SECRETARY FINDS THAT A FORENSIC LABORATORY PROVIDED ERRONEOUS OR QUESTIONABLE REPORTS, ANALYSES, EXAMINATIONS, OR TEST RESULTS, THE SECRETARY SHALL ORDER THE LABORATORY TO:~~

~~(1) PROVIDE WRITTEN NOTIFICATION OF THE ERRONEOUS OR QUESTIONABLE TEST RESULTS TO:~~

~~(i) THE PERSON OR AGENCY THAT ORDERED THE TESTS;~~

~~(ii) THE RELEVANT PROSECUTING AUTHORITY;~~

~~(iii) THE SUSPECT OR DEFENDANT AFFECTED BY THE ERRONEOUS OR QUESTIONABLE TEST RESULTS;~~

~~(iv) THE COUNSEL OF RECORD FOR THE SUSPECT OR DEFENDANT AFFECTED BY THE ERRONEOUS OR QUESTIONABLE TEST RESULTS;~~

~~(V) THE COURT TO WHICH THE ERRONEOUS OR QUESTIONABLE TEST RESULTS WERE PROFFERED; AND~~

~~(VI) THE VICTIM OF THE CRIMINAL ACT AT ISSUE; AND~~

~~(2) TAKE ANY OTHER MEASURES NECESSARY TO MEET THE STANDARDS AND REQUIREMENTS OF THIS SUBTITLE AND THE REGULATIONS ADOPTED UNDER THIS SUBTITLE.~~

(B) (1) IF THE SECRETARY FINDS THAT A FORENSIC LABORATORY LICENSED UNDER THIS SUBTITLE NO LONGER MEETS THE STANDARDS AND REQUIREMENTS OF THIS SUBTITLE, THE SECRETARY MAY:

(I) REVOKE THE LICENSE OF THE FORENSIC LABORATORY;
OR

(II) SUSPEND THE LICENSE OF THE FORENSIC LABORATORY.

(2) IF A DEFICIENCY EXISTS, THE SECRETARY MAY:

(I) IMPOSE A DIRECTED PLAN OF CORRECTION;

(II) REGULARLY INSPECT THE FORENSIC LABORATORY TO ASSURE COMPLIANCE WITH THE DIRECTED PLAN OF CORRECTION; OR

(III) LIMIT THE TESTING AUTHORIZED BY THE LICENSE.

(C) IF THE SECRETARY FINDS THAT A FORENSIC LABORATORY PROVIDED ERRONEOUS OR QUESTIONABLE TEST RESULTS, THE SECRETARY MAY ORDER THE LABORATORY TO PROVIDE WRITTEN NOTIFICATION TO:

(1) THE PERSON OR AGENCY THAT ORDERED THE TESTS;

(2) THE OFFICE OF THE PUBLIC DEFENDER OR COUNSEL OF RECORD; AND

(3) THE STATE'S ATTORNEY.

(D) A STATE'S ATTORNEY WHO RECEIVES NOTIFICATION FROM A LABORATORY UNDER SUBSECTION (C) OF THIS SECTION SHALL NOTIFY THE VICTIM OF THE CRIMINAL ACT OR THE VICTIM'S REPRESENTATIVE OF THE ERRONEOUS OR QUESTIONABLE TEST RESULTS.

(E) A FORENSIC LABORATORY THAT FAILS TO COMPLY WITH AN ORDER ISSUED BY THE SECRETARY UNDER SUBSECTION ~~(D)~~ (C) OF THIS SECTION IS SUBJECT TO A CIVIL PENALTY OF UP TO \$1,000 FOR EACH DAY OF NONCOMPLIANCE AFTER THE DEADLINE FOR COMPLIANCE STATED IN THE SECRETARY'S ORDER, NOT TO EXCEED A MAXIMUM PENALTY OF \$50,000.

(F) EXCEPT AS OTHERWISE PROVIDED IN THE ADMINISTRATIVE PROCEDURE ACT, BEFORE THE SECRETARY DENIES, SUSPENDS, OR REVOKES A LICENSE, OR IMPOSES A CIVIL PENALTY UNDER THIS SECTION, THE SECRETARY SHALL GIVE THE APPLICANT OR LICENSEE NOTICE AND AN OPPORTUNITY FOR A HEARING.

~~17-2A-13.~~ 17-2A-10.

(A) IN THIS SECTION, "DISCRIMINATE OR RETALIATE" INCLUDES:

(1) FAILING TO PROMOTE AN INDIVIDUAL OR TO PROVIDE ANOTHER EMPLOYMENT-RELATED BENEFIT FOR WHICH THE INDIVIDUAL WOULD OTHERWISE BE ELIGIBLE;

(2) MAKING AN ADVERSE EVALUATION OR DECISION IN RELATION TO ACCREDITATION, CERTIFICATION, CREDENTIALING, OR LICENSING OF THE INDIVIDUAL; OR

(3) TAKING A PERSONNEL ACTION THAT IS ADVERSE TO THE INDIVIDUAL CONCERNED.

~~(B) (1) A FORENSIC LABORATORY SHALL POST IN A CONSPICUOUS PLACE A NOTICE TO EMPLOYEES THAT INDICATES THE MANNER IN WHICH TO REPORT INSTANCES OF NONCOMPLIANCE WITH THE REQUIREMENTS OF THIS SUBTITLE, INCLUDING DEFICIENCIES WITH RESPECT TO TESTING, QUALITY, AND TRAINING OF PERSONNEL.~~

~~(2) A NOTICE UNDER THIS SUBSECTION SHALL INCLUDE:~~

~~(I) THE NAME AND CONTACT INFORMATION OF THE APPROPRIATE ENTITY OR STATE AGENCY TO WHICH INSTANCES OF NONCOMPLIANCE MAY BE REPORTED; AND~~

~~(II) A DESCRIPTION OF THE RIGHTS OF AND PROTECTIONS AVAILABLE TO INDIVIDUALS WHO REPORT INSTANCES OF NONCOMPLIANCE.~~

~~(3) THE SECRETARY SHALL SPECIFY THE FORM OF THE NOTICE.~~

~~(C) A FORENSIC LABORATORY MAY NOT DISCRIMINATE OR RETALIATE AGAINST AN EMPLOYEE OF THE LABORATORY BECAUSE THAT EMPLOYEE OR ANY OTHER PERSON HAS PRESENTED A GRIEVANCE OR COMPLAINT OR HAS INITIATED OR COOPERATED IN AN INVESTIGATION OR PROCEEDING RELATING TO THE TESTS PERFORMED BY THE LABORATORY OR TO OTHER REQUIREMENTS OR PROHIBITIONS OF THIS SUBTITLE.~~

(B) AN EMPLOYEE WHO WORKS IN A FORENSIC LABORATORY MAY DISCLOSE INFORMATION TO THE SECRETARY THAT THE EMPLOYEE BELIEVES EVIDENCES A VIOLATION OF STANDARDS AND REQUIREMENTS FOR FORENSIC LABORATORIES IN THE STATE.

(C) A FORENSIC LABORATORY MAY NOT DISCRIMINATE OR RETALIATE AGAINST AN EMPLOYEE BECAUSE THE EMPLOYEE:

(1) DISCLOSES INFORMATION UNDER SUBSECTION (B) OF THIS SECTION; OR

(2) HAS AGREED TO COOPERATE WITH AN INVESTIGATION OF THE FORENSIC LABORATORY.

(D) (1) THE SECRETARY SHALL DEVELOP, THROUGH REGULATION, A DOCUMENT THAT INFORMS THE EMPLOYEES OF A FORENSIC LABORATORY OF THE PROCEDURES TO REPORT INSTANCES OF NONCOMPLIANCE OR OTHER VIOLATIONS OF THE STANDARDS AND REQUIREMENTS FOR FORENSIC LABORATORIES IN THE STATE.

(2) THE SECRETARY SHALL DISTRIBUTE THE DOCUMENT DEVELOPED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO FORENSIC LABORATORIES IN THE STATE.

(E) A FORENSIC LABORATORY SHALL POST THE DOCUMENT DEVELOPED UNDER SUBSECTION (D) OF THIS SECTION IN A CONSPICUOUS PLACE.

~~(D)~~ (F) AN EMPLOYEE OF A FORENSIC LABORATORY WHO HAS BEEN DISCRIMINATED OR RETALIATED AGAINST IN VIOLATION OF SUBSECTION (C) OF THIS SECTION MAY INITIATE JUDICIAL AN ACTION AND, ON PREVAILING, SHALL BE ENTITLED TO:

(1) REINSTATEMENT;

(2) REIMBURSEMENT FOR LOST WAGES;

(3) WORK BENEFITS LOST AS A RESULT OF THE UNLAWFUL ACTS OF THE EMPLOYING LABORATORY; AND

(4) REASONABLE ATTORNEY'S FEES AND COSTS ASSOCIATED WITH PURSUING THE ~~JUDICIAL~~ ACTION.

~~(E)~~ (G) NO ~~JUDICIAL~~ ACTION MAY BE BROUGHT UNDER THIS SUBSECTION ~~(D) OF THIS SECTION~~ MORE THAN 2 YEARS AFTER THE DISCRIMINATION OR RETALIATION THAT IS THE BASIS FOR THE ACTION.

~~17-2A-14.~~ 17-2A-11.

(A) A PERSON THAT VIOLATES ANY PROVISION OF THIS SUBTITLE IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO:

(1) A FINE NOT EXCEEDING \$100 FOR THE FIRST OFFENSE; AND

(2) A FINE NOT EXCEEDING \$500 FOR EACH SUBSEQUENT CONVICTION FOR A VIOLATION OF THE SAME PROVISION.

(B) EACH DAY A VIOLATION IS CONTINUED AFTER THE FIRST CONVICTION IS A SUBSEQUENT OFFENSE ON WHICH A VIOLATION OCCURS IS A SEPARATE VIOLATION UNDER THIS SECTION.

~~17-2A-15.~~ 17-2A-12.

(A) THE ~~SECRETARY~~ GOVERNOR SHALL ESTABLISH A FORENSIC LABORATORY ADVISORY COMMITTEE TO ADVISE THE SECRETARY ON MATTERS RELATING TO THE IMPLEMENTATION OF THE PROVISIONS OF THIS SUBTITLE.

~~(B) THE ADVISORY COMMITTEE SHALL CONSIST OF ONE REPRESENTATIVE OR DESIGNEE OF:~~

~~(1) THE AMERICAN SOCIETY FOR CLINICAL LABORATORY SCIENCE;~~

~~(2) THE UNIVERSITY OF MARYLAND SCHOOL OF MEDICINE DEPARTMENT OF MEDICAL RESEARCH AND TECHNOLOGY;~~

~~(3) THE JOHN JAY CENTER FOR MODERN FORENSIC PRACTICE;~~

~~(4) THE CLINICAL LABORATORY MANAGEMENT ASSOCIATION;~~

~~(5) THE AMERICAN ASSOCIATION FOR LABORATORY ACCREDITATION;~~

~~(6) THE CLINICAL AND LABORATORY STANDARDS INSTITUTE;~~
~~AND~~

~~(7) ONE DIRECTOR OF A FORENSIC LABORATORY IN THE STATE.~~

~~(C) THE SECRETARY SHALL:~~

~~(1) APPOINT MEMBERS OF THE ADVISORY COMMITTEE EVERY 2 YEARS; AND~~

~~(2) DESIGNATE THE CHAIR OF THE ADVISORY COMMITTEE.~~

(B) THE ADVISORY COMMITTEE SHALL CONSIST OF THE FOLLOWING 10 MEMBERS:

(1) THE DIRECTOR OF THE LABORATORIES ADMINISTRATION IN THE DEPARTMENT, OR THE DIRECTOR'S DESIGNEE;

(2) THE DIRECTOR OF THE OFFICE OF HEALTH CARE QUALITY IN THE DEPARTMENT, OR THE DIRECTOR'S DESIGNEE; AND

(3) THE FOLLOWING MEMBERS, APPOINTED BY THE GOVERNOR:

(I) ONE FROM THE AMERICAN SOCIETY FOR CLINICAL LABORATORY SCIENCE;

(II) ONE FROM THE UNIVERSITY OF MARYLAND SCHOOL OF MEDICINE, DEPARTMENT OF MEDICAL RESEARCH AND TECHNOLOGY;

(III) ONE FROM THE AMERICAN ASSOCIATION FOR LABORATORY ACCREDITATION;

(IV) ONE FROM THE AMERICAN ACADEMY OF FORENSIC SCIENCES;

(V) ONE FROM THE AMERICAN SOCIETY OF CRIME LABORATORY DIRECTORS/LABORATORY ACCREDITATION BOARD; AND

(VI) THREE DIRECTORS OF FORENSIC LABORATORIES IN THE STATE, INCLUDING:

1. ONE FROM A FORENSIC LABORATORY OPERATED BY THE STATE;
2. ONE FROM A FORENSIC LABORATORY OPERATED BY A COUNTY; AND
3. ONE FROM A FORENSIC LABORATORY OPERATED BY A MUNICIPAL CORPORATION.

(C) (1) THE TERM OF AN APPOINTED MEMBER IS 3 YEARS.

(2) THE TERMS OF APPOINTED MEMBERS ARE STAGGERED AS REQUIRED BY THE TERMS PROVIDED FOR APPOINTED MEMBERS OF THE ADVISORY COMMITTEE ON OCTOBER 1, 2007.

(D) THE GOVERNOR SHALL DESIGNATE THE CHAIR OF THE ADVISORY COMMITTEE.

(E) A MAJORITY OF THE MEMBERS SERVING ON THE ADVISORY COMMITTEE REPRESENTS A QUORUM TO CONDUCT BUSINESS.

(F) A MEMBER OF THE ADVISORY COMMITTEE MAY NOT RECEIVE COMPENSATION BUT IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

(G) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE SHALL PROVIDE STAFF FOR THE ADVISORY COMMITTEE.

~~17-2A-16.~~

~~(A) THERE IS A SPECIAL FUND CALLED THE MARYLAND FORENSIC LABORATORY IMPROVEMENT FUND.~~

~~(B) THE FUND SHALL CONTAIN SUCH FUNDS AS PROVIDED IN THE STATE BUDGET.~~

~~(C) THE FUND MAY INCLUDE FUNDS GENERATED BY LICENSING AND ENFORCEMENT FEES IMPOSED UNDER THIS SUBTITLE.~~

~~(D) THE FUND SHALL BE ADMINISTERED BY THE GOVERNOR'S OFFICE OF CRIME CONTROL AND PREVENTION.~~

~~(E) GRANTS SHALL BE MADE FROM THE FUND TO FORENSIC LABORATORIES FOR THE PURPOSE OF PAYING FOR FACILITIES, EQUIPMENT, AND TRAINING OR OTHER COSTS ASSOCIATED WITH COMPLIANCE WITH THIS SUBTITLE.~~

19-2301.

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

(b) "Accreditation organization" means a private entity that conducts inspections and surveys of health care facilities based on nationally recognized and developed standards.

(c) "Deemed status" means a status under which a health care facility may be exempt from routine surveys conducted by the Department.

(d) "Health care facility" means:

(1) A hospital as defined in § 19-301(b) of this title;

(2) A health maintenance organization as defined in § 19-701(g) of this title;

(3) A freestanding ambulatory care facility as defined in § 19-3B-01 of this title;

(4) An assisted living facility as defined in § 19-1801 of this title;

(5) A laboratory as defined in § 17-201 of this article;

(6) A home health agency as defined in § 19-401 of this title;

(7) A residential treatment center as defined in § 19-301 of this title;
[and]

(8) A comprehensive rehabilitation facility as defined in § 19-1201 of this title; AND

(9) A FORENSIC LABORATORY AS DEFINED IN § 17-2A-01 OF THIS ARTICLE.

~~Article — Health Occupations~~~~1—401.~~~~(a) (1) In this section the following words have the meanings indicated:~~~~(2) (i) “Alternative health care system” means a system of health care delivery other than a hospital or related institution.~~~~(ii) “Alternative health care system” includes:~~~~1. A health maintenance organization;~~~~2. A preferred provider organization;~~~~3. An independent practice association;~~~~4. A community health center that is a nonprofit, freestanding ambulatory health care provider governed by a voluntary board of directors and that provides primary health care services to the medically indigent;~~~~5. A freestanding ambulatory care facility as that term is defined in § 19-3B-01 of the Health General Article; or~~~~6. Any other health care delivery system that utilizes a medical review committee.~~~~(3) “Medical review committee” means a committee or board that:~~~~(i) Is within one of the categories described in subsection (b) of this section; and~~~~(ii) Performs functions that include at least one of the functions listed in subsection (c) of this section.~~~~(4) (i) “Provider of health care” means any person who is licensed by law to provide health care to individuals.~~~~(ii) “Provider of health care” does not include any nursing institution that is conducted by and for those who rely on treatment by spiritual means through prayer alone in accordance with the tenets and practices of a recognized church or religious denomination.~~~~(5) “The Maryland Institute for Emergency Medical Services Systems” means the State agency described in § 13-503 of the Education Article.~~

- (b) ~~For purposes of this section, a medical review committee is:~~
- (1) ~~A regulatory board or agency established by State or federal law to license, certify, or discipline any provider of health care;~~
 - (2) ~~A committee of the Faculty or any of its component societies or a committee of any other professional society or association composed of providers of health care;~~
 - (3) ~~A committee appointed by or established in a local health department for review purposes;~~
 - (4) ~~A committee appointed by or established in the Maryland Institute for Emergency Medical Services Systems;~~
 - (5) ~~A committee of the medical staff or other committee, including any risk management, credentialing, or utilization review committee established in accordance with § 19-319 of the Health General Article, of a hospital, related institution, or alternative health care system, if the governing board of the hospital, related institution, or alternative health care system forms and approves the committee or approves the written bylaws under which the committee operates;~~
 - (6) ~~A committee or individual designated by the holder of a pharmacy permit, as defined in § 12-101 of this article, that performs the functions listed in subsection (c) of this section, as part of a pharmacy's ongoing quality assurance program;~~
 - (7) ~~Any person, including a professional standard review organization, who contracts with an agency of this State or of the federal government to perform any of the functions listed in subsection (c) of this section;~~
 - (8) ~~Any person who contracts with a provider of health care to perform any of those functions listed in subsection (c) of this section that are limited to the review of services provided by the provider of health care;~~
 - (9) ~~An organization, established by the Maryland Hospital Association, Inc. and the Faculty, that contracts with a hospital, related institution, or alternative delivery system to:~~
 - (i) ~~Assist in performing the functions listed in subsection (c) of this section; or~~
 - (ii) ~~Assist a hospital in meeting the requirements of § 19-319(e) of the Health General Article;~~

~~(10) A committee appointed by or established in an accredited health occupations school;~~

~~(11) An organization described under § 14-501 of this article that contracts with a hospital, related institution, or health maintenance organization to:~~

~~(i) Assist in performing the functions listed in subsection (c) of this section; or~~

~~(ii) Assist a health maintenance organization in meeting the requirements of Title 19, Subtitle 7 of the Health General Article, the National Committee for Quality Assurance (NCQA), or any other applicable credentialing law or regulation;~~

~~(12) An accrediting organization as defined in § 14-501 of this article;~~

~~(13) A Mortality and Quality Review Committee established under § 5-801 of the Health General Article; [or]~~

~~(14) A center designated by the Maryland Health Care Commission as the Maryland Patient Safety Center that performs the functions listed in subsection (c)(1) of this section; OR~~

~~**(15) AN ORGANIZATION OR STATE AGENCY RESPONSIBLE FOR ASSURING COMPLIANCE WITH TITLE 17, SUBTITLE 2A OF THE HEALTH GENERAL ARTICLE.**~~

~~(c) For purposes of this section, a medical review committee:~~

~~(1) Evaluates and seeks to improve the quality of health care provided by providers of health care;~~

~~(2) Evaluates the need for and the level of performance of health care provided by providers of health care;~~

~~(3) Evaluates the qualifications, competence, and performance of providers of health care; or~~

~~(4) Evaluates and acts on matters that relate to the discipline of any provider of health care.~~

~~(d) (1) Except as otherwise provided in this section, the proceedings, records, and files of a medical review committee are not discoverable and are not admissible in evidence in any civil action.~~

~~(2) The proceedings, records, and files of a medical review committee are confidential and are not discoverable and are not admissible in evidence in any civil action arising out of matters that are being reviewed and evaluated by the medical review committee if requested by the following:~~

~~(i) The Department of Health and Mental Hygiene to ensure compliance with the provisions of § 19-319 of the Health — General Article;~~

~~(ii) A health maintenance organization to ensure compliance with the provisions of Title 19, Subtitle 7 of the Health — General Article and applicable regulations;~~

~~(iii) A health maintenance organization to ensure compliance with the National Committee for Quality Assurance (NCQA) credentialing requirements; or~~

~~(iv) An accrediting organization to ensure compliance with accreditation requirements or the procedures and policies of the accrediting organization.~~

~~(3) If the proceedings, records, and files of a medical review committee are requested by any person from any of the entities in paragraph (2) of this subsection:~~

~~(i) The person shall give the medical review committee notice by certified mail of the nature of the request and the medical review committee shall be granted a protective order preventing the release of its proceedings, records, and files; and~~

~~(ii) The entities listed in paragraph (2) of this subsection may not release any of the proceedings, records, and files of the medical review committee.~~

~~(e) Subsection (d)(1) of this section does not apply to:~~

~~(1) A civil action brought by a party to the proceedings of the medical review committee who claims to be aggrieved by the decision of the medical review committee; or~~

~~(2) Any record or document that is considered by the medical review committee and that otherwise would be subject to discovery and introduction into evidence in a civil trial.~~

~~(f) (1) A person shall have the immunity from liability described under § 5-637 of the Courts and Judicial Proceedings Article for any action as a member of the~~

~~medical review committee or for giving information to, participating in, or contributing to the function of the medical review committee.~~

~~(2) A contribution to the function of a medical review committee includes any statement by any person, regardless of whether it is a direct communication with the medical review committee, that is made within the context of the person's employment or is made to a person with a professional interest in the functions of a medical review committee and is intended to lead to redress of a matter within the scope of a medical review committee's functions.~~

~~(g) Notwithstanding this section, §§ 14-410 and 14-412 of this article apply to:~~

~~(1) The Board of Physicians; and~~

~~(2) Any other entity, to the extent that it is acting in an investigatory capacity for the Board of Physicians.~~

~~(H) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE INTERNAL PROCEEDINGS, RECORDS, AND FILES OF AN ORGANIZATION OR STATE AGENCY RESPONSIBLE FOR ASSURING COMPLIANCE WITH TITLE 17, SUBTITLE 2A OF THE HEALTH GENERAL ARTICLE ARE NOT DISCOVERABLE AND ARE NOT ADMISSIBLE IN A CRIMINAL CASE IN WHICH EVIDENCE PRODUCED BY A FORENSIC LABORATORY IS INVOLVED.~~

~~(2) REPORTS, FINDINGS, RECOMMENDATIONS, AND CORRECTIVE ACTIONS ISSUED BY AN ORGANIZATION OR STATE AGENCY RESPONSIBLE FOR ASSURING COMPLIANCE WITH TITLE 17, SUBTITLE 2A OF THE HEALTH GENERAL ARTICLE TO A FORENSIC LABORATORY ARE DISCOVERABLE AND ADMISSIBLE TO THE EXTENT REQUIRED BY LAW.~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That the Governor shall include in the State budget for fiscal year 2009 and each year thereafter an appropriation sufficient to fund not less than one supervisor, three surveyors, and related administrative costs for the Office of Health Care Quality Laboratory Licensing and Certification Unit to implement this Act.~~

~~SECTION 3. 2. AND BE IT FURTHER ENACTED, That the Secretary of Health and Mental Hygiene Governor shall make initial appointments to the Forensic Laboratory Advisory Committee on or before November 1, 2007 December 1, 2008.~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That the terms of the appointed members of the Forensic Laboratory Advisory Committee shall expire as follows:~~

- (a) Three members in 2009;
- (b) Three members in 2010; and
- (c) Two members in 2011.

SECTION 4. AND BE IT FURTHER ENACTED, That the Secretary of Health and Mental Hygiene shall adopt the regulations necessary to implement this Act, including standards for licensing, on or before ~~September 1, 2008~~ December 31, 2010.

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 15, 2007

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, today I have vetoed House Bill 988 – *State Board of Dental Examiners – Restructuring and Licensee Protection*. I have done so because, due to a technical error, the enrolled bill that actually passed was not the version the General Assembly believed it enacted, and thus it does not reflect legislative intent.

House Bill 988 as originally filed would have made substantial changes to the operation of the State Board of Dental Examiners. As it moved through the House and Senate, numerous amendments to the bill altered its scope significantly. An inadvertent procedural error on *sine die*, however, resulted in the enactment of the wrong set of amendments to the bill. The amendments that passed are not the amendments that were adopted by the Senate Education, Health, and Environmental Affairs Committee (EHEA) and described in the EHEA floor report. They are also not the amendments with which the House Health and Government Operations Committee believed it concurred, and that were described on the House floor before the House concurred with the Senate amendments.

While I have vetoed the bill because it does not reflect legislative intent, I believe that concerns about potential bias and inequities in the way the Board operates should be

addressed nonetheless. To that end, I have directed the Department of Health and Mental Hygiene's Inspector General to conduct an audit of the last five years of the Board's complaint files, and to report back to me and to the General Assembly on his findings. This audit would have been mandated by the version of House Bill 988 the General Assembly intended to enact, and it will enable us to address next Session any problems that may be uncovered by the Inspector General.

For the above stated reason, I have vetoed House Bill 988.

Sincerely,

Martin O'Malley
Governor

House Bill 988

AN ACT concerning

State Board of Dental Examiners – ~~Restructuring~~ Program Evaluation and Licensee Protection

FOR the purpose of prohibiting certain boards from taking or refusing to take certain action as reprisal against certain licensees or certificate holders under certain circumstances; establishing that certain protection only applies if a licensee or certificate holder has a certain reasonable, good faith belief; authorizing certain individuals to institute certain civil actions in certain counties within certain periods of time; authorizing certain courts to provide certain relief under certain circumstances; providing for a certain defense; ~~requiring the Department of Health and Mental Hygiene to submit a certain list of names of individuals for nomination for membership on the State Board of Dental Examiners to the Governor;~~ requiring that a certain list of names be compiled by the Department ~~in consultation with~~ certain academies, associations, organizations, or societies; requiring that individuals on a certain list reflect certain diversity of the State; requiring that certain members appointed to the Board reflect certain diversity of this State; requiring that the Maryland State Dental Association and the Maryland Dental Society invite certain representatives to a certain meeting; ~~requiring that certain terms of membership on the Board be staggered as provided for on a certain date~~ increasing the number of weeks before a certain meeting that certain notice must be mailed; altering the number of years for certain terms; requiring the Governor to appoint a president of the Board from among certain Board members; ~~requiring the Secretary to appoint a certain executive director of the Board~~ altering the number of times the board is required to meet; requiring the executive director to report to the Secretary; repealing provisions authorizing the Board to initiate or file certain complaints; ~~establishing the terms of office of members of the Board appointed on a certain~~

~~date; requiring a certain board to adopt certain regulations by a certain date; requiring the Office of the Attorney General to provide a rotation process for certain assistant attorney generals~~ altering a certain termination date for provisions relating to the statutory and regulatory authority of the Board; altering a certain date for evaluation of certain Board activities; providing for the continued service of certain board members until certain appointments are made; requiring the Inspector General to conduct certain audits of certain complaint files; establishing that certain members are not eligible to serve another term; requiring the Board to submit a certain report exempting the Board from certain provisions of law requiring a certain preliminary evaluation; requiring that a certain evaluation conducted by the Department of Legislative Services incorporate a comprehensive review of certain complaints during a certain period of time and assess and identify, including the assessment and identification of certain patterns, and recommend certain tracking mechanisms for certain complaints; requiring the Department of Legislative Services to collaborate with the Inspector General in the Department of Health and Mental Hygiene in the review of certain complaint outcomes; defining certain terms; making this Act an emergency measure; and generally relating to the restructuring of the State Board of Dental Examiners.

BY repealing and reenacting, with amendments,

Article – Health Occupations

Section 1–501 through 1–506, 4–202 through 4–204, ~~and 4–316~~ 4–316, and 4–702

Annotated Code of Maryland

(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government

Section 8–403(b)(17)

Annotated Code of Maryland

(2004 Replacement Volume and 2006 Supplement)

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

Article – Health Occupations

1–501.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Board” means any board established under this article.

(c) (1) "Employee" means any individual licensed or certified by a board under this article who performs services for and under the control and direction of an employer for wages or other remuneration.

(2) "Employee" does not include a State employee.

(D) "CERTIFICATE HOLDER" MEANS AN INDIVIDUAL ISSUED A CERTIFICATE BY A BOARD UNDER THIS ARTICLE.

(E) "LICENSEE" MEANS AN INDIVIDUAL LICENSED BY A BOARD UNDER THIS ARTICLE.

[(d)] (F) "Supervisor" means any individual within an employer's organization who has the authority to direct and control the work performance of an employee, or who has managerial authority to take corrective action regarding the violation of a law, rule, or regulation of which the employee complains.

1-502.

(A) Subject to § 1-503 of this subtitle, an employer may not take or refuse to take any personnel action as reprisal against an employee because the employee:

(1) Discloses or threatens to disclose to a supervisor or board an activity, policy, or practice of the employer that is in violation of a law, rule, or regulation;

(2) Provides information to or testifies before any public body conducting an investigation, hearing, or inquiry into any violation of a law, rule, or regulation by the employer; or

(3) Objects to or refuses to participate in any activity, policy, or practice in violation of a law, rule, or regulation.

(B) SUBJECT TO § 1-503 OF THIS SUBTITLE, A BOARD MAY NOT TAKE OR REFUSE TO TAKE ANY ACTION UNDER THIS ARTICLE AS REPRISAL AGAINST A LICENSEE OR CERTIFICATE HOLDER BECAUSE THE LICENSEE OR CERTIFICATE HOLDER:

(1) DISCLOSES OR THREATENS TO DISCLOSE TO THE GOVERNOR OR THE GENERAL ASSEMBLY AN ACTIVITY, POLICY, OR PRACTICE OF THE BOARD THAT IS IN VIOLATION OF A LAW, RULE, OR REGULATION; OR

(2) PROVIDES INFORMATION TO OR TESTIFIES BEFORE ANY PUBLIC BODY CONDUCTING AN INVESTIGATION, HEARING, OR INQUIRY INTO ANY VIOLATION OF A LAW, RULE, OR REGULATION BY THE BOARD.

1-503.

(A) The protection provided against a violation of [§ 1-502]§ 1-502(A) of this subtitle shall only apply if:

(1) The employee has a reasonable, good faith belief that the employer has, or still is, engaged in an activity, policy, or practice that is in violation of a law, rule, or regulation;

(2) The employer's activity, policy, or practice that is the subject of the employee's disclosure poses a substantial and specific danger to the public health or safety; and

(3) Before reporting to the board:

(i) The employee has reported the activity, policy, or practice to a supervisor or administrator of the employer in writing and afforded the employer a reasonable opportunity to correct the activity, policy, or practice; or

(ii) If the employer has a corporate compliance plan specifying who to notify of an alleged violation of a rule, law, or regulation, the employee has followed the plan.

(B) THE PROTECTION PROVIDED AGAINST A VIOLATION OF § 1-502(B) OF THIS SUBTITLE SHALL ONLY APPLY IF THE LICENSEE OR CERTIFICATE HOLDER HAS A REASONABLE, GOOD FAITH BELIEF THAT THE BOARD HAS, OR STILL IS, ENGAGED IN AN ACTIVITY, POLICY, OR PRACTICE THAT IS IN VIOLATION OF A LAW, RULE, OR REGULATION.

1-504.

(a) Any [employee] **INDIVIDUAL** who is subject to [a personnel] **AN** action in violation of § 1-502 of this subtitle may institute a civil action in the county where:

(1) The alleged violation occurred;

(2) The [employee] **INDIVIDUAL** resides; or

(3) The employer **OR BOARD** maintains its principal offices in the State.

(b) The action shall be brought within 1 year after the alleged violation of § 1-502 of this subtitle occurred, or within 1 year after the [employee] **INDIVIDUAL** first became aware of the alleged violation of § 1-502 of this subtitle.

1-505.

In any action brought under this subtitle, a court may:

- (1) Issue an injunction to restrain continued violation of this subtitle;
- (2) Reinstate the [employee] **INDIVIDUAL** to the same, or an equivalent position held before the violation of § 1-502 of this subtitle;
- (3) Remove any adverse personnel **OR DISCIPLINARY** record entries based on or related to the violation of § 1-502 of this subtitle;
- (4) Reinstate full fringe benefits and seniority rights;
- (5) Require compensation for lost wages, benefits, and other remuneration; and
- (6) Assess reasonable attorney's fees and other litigation expenses against:
 - (i) The employer **OR BOARD**, if the employee, **LICENSEE, OR CERTIFICATE HOLDER** prevails; or
 - (ii) The employee, **LICENSEE, OR CERTIFICATE HOLDER**, if the court determines that the action was brought by the employee, **LICENSEE, OR CERTIFICATE HOLDER** in bad faith and without basis in law or fact.

1-506.

In any action brought under this subtitle, it is a defense that the [personnel] action was based on grounds other than the [employee's] **INDIVIDUAL'S** exercise of any rights protected under this subtitle.

4-202.

- (a) (1) The Board consists of 16 members.
- (2) Of the 16 Board members:
 - (i) 9 shall be licensed dentists;

(ii) 4 shall be licensed dental hygienists; and

(iii) 3 shall be consumer members.

(3) **(I)** The Governor shall appoint the dentist Board members, with the advice of the Secretary, from a list of names submitted to the Governor jointly by the ~~the~~ Maryland State Dental Association and the Maryland Dental Society~~]~~
~~DEPARTMENT~~.

~~(II)~~ ~~THE LIST OF NAMES SHALL BE COMPILED BY THE~~
~~DEPARTMENT~~ **(II)** IN CONSULTATION WITH EACH ESTABLISHED ACADEMY, ASSOCIATION, ORGANIZATION, OR SOCIETY COMMITTED TO EXCELLENCE IN DENTISTRY.

~~(III)~~ **(II)** The number of names on the list for one vacancy shall be at least four names, for two vacancies at least three names for each vacancy, and for three or more vacancies at least two names for each vacancy.

~~(IV)~~ **(III)** THE INDIVIDUALS ON THE LIST SHALL REASONABLY REFLECT THE GEOGRAPHIC, RACIAL, ETHNIC, CULTURAL, AND GENDER DIVERSITY OF THE STATE.

(4) The Governor shall appoint the dental hygienist Board members, with the advice of the Secretary, from a list of names submitted to the Governor by the Maryland Dental Hygienists' Association. The number of names on the list shall be four times the number of vacancies.

(5) The Governor shall appoint the consumer members with the advice of the Secretary and the advice and consent of the Senate.

(6) TO THE EXTENT PRACTICABLE, THE MEMBERS APPOINTED TO THE BOARD SHALL REASONABLY REFLECT THE GEOGRAPHIC, RACIAL, ETHNIC, CULTURAL, AND GENDER DIVERSITY OF THE STATE.

(b) (1) **(I)** At a [joint] meeting held by the Maryland State Dental Association and the Maryland Dental Society called to choose nominees for a dentist vacancy on the Board, a majority of the dentists present at the meeting shall choose the list of names of dentist nominees to the Board for submission to the ~~the~~ Governor~~]~~
~~DEPARTMENT~~.

(II) THE MARYLAND STATE DENTAL ASSOCIATION AND THE MARYLAND DENTAL SOCIETY SHALL INVITE REPRESENTATIVES FROM EACH ESTABLISHED ACADEMY, ASSOCIATION, ORGANIZATION, OR SOCIETY

COMMITTED TO EXCELLENCE IN DENTISTRY TO A MEETING HELD IN ACCORDANCE WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH.

(2) At a meeting held by the Maryland Dental Hygienists' Association called to choose nominees for a dental hygienist vacancy on the Board, a majority of the dental hygienists present at the meeting shall choose the list of names of dental hygienist nominees to the Board for submission to the Governor.

(3) At least ~~2~~ **4** weeks before a meeting is held under paragraph (1) of this subsection, the secretaries of the appropriate organizations shall mail to each licensed practitioner actively practicing in Maryland, at the address appearing in their records or the records of the Board, a notice that states the time, place, and purpose of the meeting.

(4) At least ~~2~~ **4** weeks before a meeting is held under paragraph (2) of this subsection, the secretary of the Maryland Dental Hygienists' Association shall mail to each licensed dental hygienist, at the address appearing in their records or the records of the Board, a notice that states the time, place, and purpose of the meeting.

(c) Each dentist Board member:

(1) Shall be an individual of recognized ability and honor;

(2) Shall be a practicing holder of a general license to practice dentistry who has practiced dentistry actively in this State for at least 5 years immediately before appointment;

(3) Shall be a resident of this State; and

(4) In the case of a Board member belonging to an association whose members are regulated by the Board, may not be:

(i) An officer of the association;

(ii) A member of the association's governing board or committee;

(iii) A member of the association's house of delegates; or

(iv) A voting member of a committee of the association that contributes to the establishment of governmental, regulatory, or legislative policy objectives of the association.

(d) Each dental hygienist Board member:

(1) Shall be a practicing holder of a general license to practice dental hygiene who has practiced dental hygiene actively in this State for at least 3 years immediately before appointment;

(2) Shall be a resident of this State;

(3) In the case of a Board member belonging to an association whose members are regulated by the Board, may not be:

(i) An officer of the association;

(ii) A member of the association's governing board or committee;

(iii) A member of the association's house of delegates; or

(iv) A voting member of a committee of the association that contributes to the establishment of governmental, regulatory, or legislative policy objectives of the association.

(e) Each consumer member of the Board:

(1) Shall be a member of the general public;

(2) May not be or ever have been a dentist or dental hygienist or in training to become a dentist or dental hygienist;

(3) May not have a household member who is a dentist or dental hygienist or in training to become a dentist or dental hygienist;

(4) May not participate or ever have participated in a commercial or professional field related to dentistry;

(5) May not have a household member who participates in a commercial or professional field related to dentistry; and

(6) May not have had within 2 years before appointment a substantial financial interest in a person regulated by the Board.

(f) While a member of the Board, a consumer member may not have a substantial financial interest in a person regulated by the Board.

(g) Before taking office, each appointee to the Board shall take the oath required by Article I, § 9 of the State Constitution.

(h) (1) The term of a member is ~~4~~ 2 years.

(2) The terms of the members are staggered as required by the terms provided for members of the Board on ~~October 1, 2006~~ **JANUARY 1, 2008**.

(3) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

(4) 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.

(5) A member may not be appointed for more than 2 consecutive full terms.

(6) To the extent practicable, the Governor shall fill any vacancy on the Board within 60 days of the date of the vacancy.

(i) (1) The Governor may remove a member for incompetence, misconduct, continued neglect of duties imposed by this subtitle, unprofessional conduct, or dishonorable conduct.

(2) The Governor shall remove a member whom the Governor finds to have been absent from 2 successive Board meetings without adequate reason.

4-203.

(A) FROM AMONG THE BOARD MEMBERS, THE GOVERNOR SHALL APPOINT A PRESIDENT.

~~[(a)]~~ **(B)** From among its members, the Board shall elect ~~[a president and]~~ a secretary.

~~[(b)]~~ **(C)** The Board shall determine:

(1) The manner of election of ~~[officers]~~ **THE SECRETARY;**

(2) The term of office of each officer; and

(3) The duties of each officer.

4-204.

(a) (1) The Board shall meet at least ~~twice a year~~ **ONCE A MONTH**, at the times and places that it determines.

when: (2) The Board shall hold special meetings, at the places it determines,

(i) The Secretary requests a meeting; or

(ii) The Board considers a meeting necessary.

(3) After giving due notice, the president or Board secretary shall call meetings. However, the Board may meet at any time and place without notice if each member of the Board either consents in writing or attends the meeting.

(b) Each member of the Board is entitled to:

(1) Compensation in accordance with the budget of the Board; and

(2) Reimbursement for expenses at a rate determined by the Board.

(c) **(1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE** Board may employ a staff in accordance with the budget of the Board.

(2) ~~THE SECRETARY SHALL APPOINT AN EXECUTIVE DIRECTOR FOR THE BOARD. THE EXECUTIVE DIRECTOR SHALL REPORT TO THE SECRETARY.~~

4-316.

(a) On [its own initiative or on] a written complaint filed with the Board by any person, the Board may commence proceedings under § 4-315 of this subtitle.

(b) [If a person who is not a member of the Board files a complaint, the] **A** complaint shall:

(1) Be in writing;

(2) Be verified by a person who is familiar with the alleged facts;

(3) Request Board action; and

(4) Be filed with the secretary of the Board.

(c) **[(1)]** The Board shall investigate each complaint filed with the Board if the complaint:

[(i)] (1) Alleges facts that are grounds for action under § 4-315 of this subtitle; and

[(ii)] (2) Meets the requirements of this section.

[(2) If the Board begins action on its own initiative or if after investigation it elects to substitute its own complaint for one filed by a person who is not a member of the Board, the Board shall prepare a written complaint.]

(d) If, after performing any preliminary investigation, the Board determines that an allegation involving fees for professional or ancillary services does not constitute grounds for discipline or other action, the Board may refer the allegation concerning a member of a professional society or association composed of providers of dental care to a committee of the Society for Mediation.

4-702.

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, [2011] 2009.

Article – State Government

8-403.

(b) Except as otherwise provided in subsection (a) of this section, on or before the evaluation date for the following governmental activities or units, an evaluation shall be made of the following governmental activities or units and the statutes and regulations that relate to the governmental activities or units:

(17) Dental Examiners, State Board of (§ 4-201 of the Health Occupations Article: July 1, [2010] 2008);

SECTION 2. AND BE IT FURTHER ENACTED, That members of the Board who have served for 4 or more years as of the effective date of this Act shall continue to serve until a successor is appointed and qualifies. The Governor shall appoint successors as soon as is practicable after the effective date of this Act. Members of the Board who have not served 4 years as of the effective date of this Act may continue to serve until they have completed their term. At the end of the term, the member is not eligible to serve another term and shall continue to serve until a successor is appointed and qualifies.

~~(a) Notwithstanding any law, rules, or regulation, the term of office of each member of the State Board of Dental Examiners serving on the effective date of this Act shall terminate at the end of December 31, 2007.~~

~~(b) The terms of office of each of the members of the Board appointed under Section 1 of this Act shall begin on January 1, 2008.~~

~~(c) (1) If a member's term terminates between the effective date of this Act and December 31, 2007, the member shall continue to serve until a successor is appointed and qualifies.~~

~~(2) A member who is appointed between the effective date of this Act and December 31, 2007, shall serve until December 31, 2007.~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That:~~

~~(a) On or before December 31, 2008, the State Board of Dental Examiners appointed under Section 2 of this Act shall adopt new regulations for the rules of procedure for the disciplinary process.~~

~~(b) The Board shall draft the new regulations in consultation with each established academy, association, organization, or society committed to excellence in dentistry.~~

~~(c) The new regulations shall include:~~

~~(1) guidelines for complaints;~~

~~(2) guidelines for investigations such as when an investigation is warranted and the thoroughness and length of an investigation that is warranted under different circumstances;~~

~~(3) guidelines for sanctions such as remedial education and corresponding degrees of sanctions with severity of violation;~~

~~(4) guidelines for probationary periods such as length;~~

~~(5) an appeals process;~~

~~(6) guidelines for confidentiality.~~

~~SECTION 4. AND BE IT FURTHER ENACTED, That the terms of the members of the State Board of Dental Examiners beginning on January 1, 2008, shall expire as follows:~~

~~(1) in 2010, three dentist members, one dental hygienist member, and one consumer member; and~~

~~(2) in 2011, three dentist members, two dental hygienist members, and one consumer member; and~~

~~(3) in 2012, three dentist members, one dental hygienist member, and one consumer member.~~

~~SECTION 5. 3. AND BE IT FURTHER ENACTED, That the Office of the Inspector General in the Department of Health and Mental Hygiene shall shall:~~

~~(a) collaborate with the Department of Legislative Services under Section 4 of this Act; and~~

~~(b) (1) audit the State Board of Dental Examiners complaint files once on or before July 1 of each year between the effective date of this Act and December 31, 2010 from July 1, 2008 to July 1, 2012, both inclusive, to ensure that during the previous year ending December 31 the Board has consistently applied sanctions against licensees and only sanctioned licensees within the bounds of its legislative and regulatory authority; and~~

~~(2) report to the General Assembly in accordance with § 2-1246 of the State Government Article on the finding of the audits on or before July 1 of each year between July 1, 2008 and July 1, 2012, both inclusive.~~

~~SECTION 6. AND BE IT FURTHER ENACTED, That the Office of the Attorney General shall provide a rotation process for assistant attorney generals working for the State Board of Dental Examiners.~~

~~SECTION 7. 4. 3. AND BE IT FURTHER ENACTED, That, on or before December 31, 2008, the State Board of Dental Examiners shall report to the General Assembly, in accordance with § 2-1246 of the State Government Article, on the implementation of this Act. That:~~

~~(a) The provisions of § 8-404 of the State Government Article requiring a preliminary evaluation do not apply to the State Board of Dental Examiners prior to the evaluation required on or before July 1, 2008.~~

~~(b) The evaluation of the board conducted by the Department of Legislative Services ~~shall~~ shall:~~

~~(1) incorporate a comprehensive review of complaint outcomes between January 1, 2002 and December 31, 2006, including assessing and identifying patterns related to:~~

~~(1) (i) the source of each complaint;~~

~~(2)~~ (ii) the length of time from receipt of a complaint to it being dismissed or formal action being taken;

~~(3)~~ (iii) the focus of any investigations conducted and the process for closing out a case;

~~(4)~~ (iv) the types of violations for which sanctions are imposed, the range of sanctions imposed, and the consistency of their application;

~~(5)~~ (v) the board's use of its authority to impose a fine instead of suspending a license or in addition to suspending or revoking a license or reprimanding a licensee;

~~(6)~~ (vi) the reinstatement process associated with suspended or revoked licenses;

~~(7)~~ (vii) the use of consent decrees and how they are monitored;

~~(8)~~ (viii) the use of committees by the board in the complaint and disciplinary process and the extent to which the recommendations of the committees are followed; and

~~(9)~~ (ix) the board's use of probation and remedial measures, including educational and advisory letters to enhance compliance rather than or in addition to suspending or revoking a license or otherwise reprimanding a licensee; and

(2) recommend a mechanism for tracking future complaints in a manner similar to the review outlined in item (1) of this subsection to ensure that sanctions are consistently applied against licensees and that sanctions are within the bounds of the Board's legislative and regulatory authority.

(c) The Department of Legislative Services shall collaborate with the Office of the Inspector General in the Department of Health and Mental Hygiene in the review of complaint outcomes, as appropriate.

SECTION ~~8~~ ~~5~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007 is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a ye 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 17, 2007

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, today I have vetoed House Bill 990 - *Frederick County - Employees' Pension System - Alternate Contributory Pension Selection*.

This bill authorizes Frederick County to pay the additional liabilities that result from its employees' participation in the Alternate Contributory Pension Selection enacted in 2006. The bill also allows participating Frederick County employees to purchase service credit for their employment from July 1, 2006 to July 1, 2007. The bill is contingent on the Board of County Commissioners of Frederick County voting to approve its employees' participation in Alternate Contributory Pension Selection by July 1, 2007.

Senate Bill 961, 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 990.

Sincerely,

Martin O'Malley
Governor

House Bill 990

AN ACT concerning

**Frederick County – Employees' Pension System – Alternate Contributory
Pension Selection**

FOR the purpose of allowing the employees of Frederick County who are members of the Employees' Pension System to become subject to the Alternate Contributory Pension Selection that alters the benefits those members receive and requires a certain member contribution; authorizing the purchase of service credit under certain circumstances; requiring Frederick County to pay for certain additional pension liabilities according to a certain amortization schedule approved by the Board of Trustees for the State Retirement and Pension System; making this

Act subject to a certain contingency; requiring the State Retirement Agency to verify certain information; and generally relating to participation in the Alternate Contributory Pension Selection part of the Employees' Pension System by certain employees of Frederick County.

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 21–307(k), 23–221, and 23–307.2
Annotated Code of Maryland
(2004 Replacement Volume and 2006 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

21–307.

(k) **(1)** For each employee who is subject to the contributory pension benefit under Title 23, Subtitle 2, Part II of this article, Frederick County shall pay the additional liabilities that result from the contributory pension benefit according to a schedule of amortization that is subject to the approval of the Board of Trustees.

(2) FOR EACH EMPLOYEE WHO IS SUBJECT TO THE ALTERNATE CONTRIBUTORY PENSION SELECTION UNDER TITLE 23, SUBTITLE 2, PART III OF THIS ARTICLE, FREDERICK COUNTY SHALL PAY THE ADDITIONAL LIABILITIES THAT RESULT FROM THE ALTERNATE CONTRIBUTORY PENSION SELECTION ACCORDING TO A SCHEDULE OF AMORTIZATION THAT IS SUBJECT TO THE APPROVAL OF THE BOARD OF TRUSTEES.

23–221.

(a) In this section, “active member” means a member who is not separated from employment with the State or a participating employer of the State.

(b) Except as provided in subsection (c) of this section, this part applies to an individual who on or after June 30, 2006, is:

(1) an active member of the Employees' Pension System or the Teachers' Pension System; or

(2) a member of the Teachers' Retirement System or Employees' Retirement System who is subject to Selection C (Combination Formula) as provided in § 22–221 of this article.

(c) This Part III does not apply to:

(1) an employee of a participating governmental unit participating in the Employees' Pension System that has not elected to participate in the Alternate Contributory Pension Selection under § 31-116.1 of this article or a former participating governmental unit, **OTHER THAN FREDERICK COUNTY**, that has withdrawn from the Employees' Pension System; or

(2) a member of the Employees' Pension System or the Teachers' Pension System who transferred from the Employees' Retirement System or the Teachers' Retirement System after April 1, 1998.

23-307.2.

(a) This section applies only to a former member, member, retiree, or surviving beneficiary of the Employees' Pension System who, while a member, was an employee of Frederick County.

(b) Except as provided in subsection [(c)] **(D)** of this section, a member who is subject to the contributory pension benefit under Subtitle 2, Part II of this title may purchase credit for eligibility service for the period of employment from July 1, 1998, through July 1, 2000, by paying to the Board of Trustees:

(1) on or before June 30, 2001, the amount the member would have been required to contribute for that period of employment; or

(2) on or after July 1, 2001, the amount the member would have been required to contribute for that period of employment plus regular interest compounded annually.

(C) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A MEMBER WHO IS SUBJECT TO THE ALTERNATE CONTRIBUTORY PENSION SELECTION UNDER SUBTITLE 2, PART III OF THIS TITLE MAY PURCHASE CREDIT FOR ELIGIBILITY SERVICE FOR THE PERIOD OF EMPLOYMENT FROM JULY 1, 2006, THROUGH JULY 1, 2007, BY PAYING TO THE BOARD OF TRUSTEES:

(1) ON OR BEFORE JUNE 30, 2008, THE AMOUNT THE MEMBER WOULD HAVE BEEN REQUIRED TO CONTRIBUTE FOR THAT PERIOD OF EMPLOYMENT; OR

(2) ON OR AFTER JULY 1, 2008, THE AMOUNT THE MEMBER WOULD HAVE BEEN REQUIRED TO CONTRIBUTE FOR THAT PERIOD OF EMPLOYMENT PLUS REGULAR INTEREST COMPOUNDED ANNUALLY.

[(c)] (D) If the member fails to make the payment as provided under subsection (b) **OR (C)** of this section, the Board of Trustees shall reduce actuarially the allowance payable to a former member, retiree, or surviving beneficiary of a deceased member, former member, or retiree.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007, contingent on approval on or before July 1, 2007, by the Board of County Commissioners of Frederick County for the participation of the employees of Frederick County in the Alternate Contributory Pension Selection of the Employees' Pension System under Title 23, Subtitle 2, Part III of the State Personnel and Pensions Article. If the Board of County Commissioners of Frederick County does not approve on or before July 1, 2007, the participation of the employees of Frederick County in the Alternate Contributory Pension Selection of the Employees' Pension System, this Act, with no further action required by the General Assembly, shall be null and void and of no force and effect. On or before July 15, 2007, the State Retirement Agency shall verify whether the Board of County Commissioners of Frederick County approved on or before July 1, 2007, the participation of the employees of Frederick County in the Alternate Contributory Pension Selection of the Employees' Pension System and shall notify in writing the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401.

May 17, 2007

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, today I have vetoed House Bill 991 - *Baltimore City - Hotel Room Tax - Convention Center Promotion*.

This bill extends through the fiscal year beginning July 1, 2011, provisions requiring that 40% of the proceeds from a hotel room tax imposed by Baltimore City be appropriated specifically for Convention Center marketing and tourism promotion. The required appropriation shall be made to the Baltimore Area Convention and Visitors Association.

Senate Bill 407, 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,

Martin O'Malley
Governor

House Bill 991

AN ACT concerning

Baltimore City – Hotel Room Tax – Convention Center Promotion

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 for certain purposes; requiring that the required appropriation be made to a certain association; repealing certain obsolete language; and generally relating to hotel room taxes and convention center marketing and tourism promotion in Baltimore City.

BY repealing and reenacting, with amendments,
The Charter of Baltimore City
Article II – General Powers
Section (40)(e)
(2006 Edition)

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) Notwithstanding subsection (a) of this section, for any fiscal year beginning before July 1, 2002, the rate of any hotel room tax imposed by the Mayor and City Council of Baltimore may not exceed 7.5%.]

[(2)] (1) For each fiscal year beginning on or after July 1, 1997 but before [July 1, 2007,] **JULY 1, 2012**, the Mayor and City Council shall appropriate from its General Fund **TO THE BALTIMORE AREA CONVENTION AND VISITORS ASSOCIATION** specifically for Convention Center marketing and tourism promotion an amount equal to at least 40% of the proceeds of any hotel room tax imposed.

[(3)] (2) If the appropriation made for any fiscal year pursuant to paragraph [(2)] (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 [(2)] (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, 2007.

May 16, 2007

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, today I have vetoed House Bill 992 - *Criminal Procedure - Drug-Related Offenses - Parole Eligibility for Second Offenders*.

The current law, introduced in 1982 by Governor Harry Hughes and overwhelmingly passed by the General Assembly, mandates a minimum 10 year non-suspendable, non-parolable sentence for offenders convicted a second time of distributing, manufacturing, creating or dispensing Schedule I or Schedule II narcotics or hallucinogens. House Bill 992 would repeal the prohibition against parole if the person was not convicted of a crime of violence arising out of the incident that resulted in the mandatory minimum sentence.

After careful consideration, it is my conclusion that signing this bill into law is both unnecessary and contrary to the interests of public safety for the following reasons:

1. Despite the bill's applicability to "non-violent" criminals, drug dealers participate in an activity that fuels violent crime and murder.
2. Maryland law already affords two-time offenders an opportunity to receive drug treatment services in lieu of a mandatory sentence.
3. The bill seeks to aid addicted individuals, but does not require individuals to receive drug treatment services or make progress in addressing the public health and public safety issue of drug addiction.

Much has been said and written about this bill and, as discussed below, I share most of the policy goals of those who support this bill. However, it is difficult for me, and many Marylanders, to lose sight of the fact that this bill potentially reduces the sentence of individuals who have been twice convicted of distributing drugs in our communities.¹

The drug trade is an inherently violent business. While an individual drug-dealing transaction, or an individual drug production operation, may not experience an incident of violence, the illegal drug market as a whole is shaped and protected through a culture of violence. We know all too well that somewhere along the chain of drug production and distribution lives are lost, families are devastated, and communities are destroyed.

Further, Maryland law has long allowed a second-time offender to ask to receive treatment services for a drug addiction through the Department of Health and Mental Hygiene. Sections 5-608(b)(4) and 5-609(b)(4) of the Criminal Law Article, which are amended by House Bill 992, clearly state that a person convicted of the crime in question "is not prohibited from participating in a drug treatment program under Section 8-507 of the Health-General Article because of the length of the sentence."²

In 1993, the Maryland Court of Appeals addressed the issue of "whether a defendant, who is committed to a drug treatment center pursuant to [Section 8-507] and

¹ While the bill aims to aid addicts convicted of these crimes, it is well accepted that not all drug manufacturers and dealers are addicted to, or even use, the product that they produce and peddle. Yet the bill affords non-addicted street entrepreneurs the same opportunity to make a case to avoid the mandatory minimum sentence as those individuals who may in fact be addicted to and dealing drugs.

² Section 8-507 provides that "a court that finds in a criminal case that a defendant has an alcohol or drug dependency may commit the defendant as a condition of release, after conviction, or at any other time the defendant voluntarily agrees to participate in treatment," to DHMH for appropriate treatment. This commitment can last for any period of time between 72 hours and 1 year.

successfully completes the program of treatment, is required to serve the balance of the mandatorily imposed sentence of incarceration prescribed by” the precursor to the law amended by this bill [pre-Code Revision of Article 27]. *State v. Thompson*, 332 Md. 1, 3 (1993).³ The Court considered the specific question of “whether the treatment ordered is in lieu of, or, as the State argues, in addition to, the mandatory sentence,” and held that “when a defendant successfully completes the drug treatment program, whether he or she must serve the remainder of the mandatory ten year sentence, imposed pursuant to [this statute], is within the trial court’s discretion to determine.” *Thompson* at 10, 11.⁴

Finally, many proponents of the bill have also been long-time supporters of drug treatment funds and services for those in need. This is an issue I have championed throughout my time in public service. During my time as Mayor of Baltimore City, funding for drug treatment services doubled. This year, I provided, and the General Assembly approved, a \$5 million increase in drug treatment funding in a very difficult budget. This bill, however, does nothing to advance the amount of drug treatment services available to addicted individuals.

Supporters of this bill have worked in good faith, hoping to primarily meet the needs of low-level dealers who sell small quantities of drugs in order to gain the means to support their own habits. In my opinion, State law has long been carefully crafted to meet that narrow, legitimate public policy goal. The desire of the bill’s supporters to have a trial judge consider the individual circumstances of a defendant to determine whether the addiction precipitated the unlawful behavior, and order treatment for the underlying addiction, is met under current law. This bill, as passed by the General Assembly, unnecessarily broadens current law and makes parole a possibility, however remote, for drug dealers who are driven by greed and profit supported by violence, not addiction.

For the above stated reasons, I have vetoed House Bill 992.

Sincerely,

Martin O’Malley
Governor

³ *Thompson* involved an individual who was a second-time distributor of cocaine. He was sentenced to several concurrent sentences, ten years of which were to be served without parole pursuant to the law that is the subject of HB 992. As a condition of release, he was committed to Second Genesis, a drug treatment program. The State argued that once treatment was completed the defendant should be remanded to the Department of Corrections to serve the balance of the mandatory minimum sentence, contending that treatment does not allow a defendant to avoid the mandatory sentence.

⁴ The Court rejected the State’s argument that remand for service of the balance of the sentence was mandatory, stating that “[t]he trial judge, having observed the defendant before and after treatment, will be in the position to determine whether society’s interest would be better served if that defendant, upon completion of treatment, is returned to prison or released.” *Thompson* at 19, 20.

House Bill 992

AN ACT concerning

**Criminal Procedure – Drug-Related Offenses – ~~Repeal of Mandatory~~
~~Minimum Sentences~~ Parole Eligibility for Second Offenders**

FOR the purpose of ~~repealing certain mandatory minimum sentences for certain drug-related offenses; specifying that a person convicted of certain drug-related offenses is not prohibited from participating in a certain drug treatment program; providing that a person who is serving a term of confinement that includes a mandatory minimum sentence imposed on or before a certain date is entitled to be granted a certain hearing and a certain sentence review; requiring that a person who seeks to be granted a hearing or sentence review submit an application on or before a certain date; altering certain penalties; repealing a prohibition against a person possessing a regulated firearm if the person was previously convicted of certain drug-related offenses~~ altering a certain provision concerning eligibility for parole by providing that a person convicted of a certain drug-related offense is not eligible for parole during a certain mandatory minimum sentence if the person has been convicted of a violation of a certain crime of violence arising out of the incident that resulted in the imposition of the mandatory minimum sentence; and generally relating to penalties for drug-related offenses.

BY repealing and reenacting, without amendments,
Article – Criminal Law
Section 5-602, 5-603, 5-604, 5-605, and 5-606
Annotated Code of Maryland
(2002 Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article – Criminal Law
Section ~~5-607, 5-608, 5-608~~ and 5-609
Annotated Code of Maryland
(2002 Volume and 2006 Supplement)

~~BY repealing and reenacting, with amendments,~~
~~Article – Public Safety~~
~~Section 5-133(c)~~
~~Annotated Code of Maryland~~
~~(2003 Volume and 2006 Supplement)~~

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

Article – Criminal Law

5-602.

Except as otherwise provided in this title, a person may not:

(1) manufacture, distribute, or dispense a controlled dangerous substance; or

(2) possess a controlled dangerous substance in sufficient quantity reasonably to indicate under all circumstances an intent to manufacture, distribute, or dispense a controlled dangerous substance.

5-603.

Except as otherwise provided in this title, a person may not manufacture, distribute, or possess a machine, equipment, instrument, implement, device, or a combination of them that is adapted to produce a controlled dangerous substance under circumstances that reasonably indicate an intent to use it to produce, sell, or dispense a controlled dangerous substance in violation of this title.

5-604.

(a) In this section, “counterfeit substance” means a controlled dangerous substance, or its container or labeling, that:

(1) without authorization, bears a likeness of the trademark, trade name, or other identifying mark, imprint, number, or device of a manufacturer, distributor, or dispenser other than the actual manufacturer, distributor, or dispenser; and

(2) thereby falsely purports or is represented to be the product of, or to have been distributed by, the other manufacturer, distributor, or dispenser.

(b) Except as otherwise provided in this title, a person may not:

(1) create or distribute a counterfeit substance; or

(2) possess a counterfeit substance with intent to distribute it.

(c) Except as otherwise provided in this title, a person may not manufacture, distribute, or possess equipment that is designed to print, imprint, or reproduce an authentic or imitation trademark, trade name, other identifying mark, imprint,

number, or device of another onto a drug or the container or label of a drug, rendering the drug a counterfeit substance.

5-605.

(a) "Common nuisance" means a dwelling, building, vehicle, vessel, aircraft, or other place:

(1) resorted to by individuals for the purpose of administering illegally controlled dangerous substances; or

(2) where controlled dangerous substances or controlled paraphernalia are manufactured, distributed, dispensed, stored, or concealed illegally.

(b) A person may not keep a common nuisance.

5-606.

(a) Except as otherwise provided in this title, a person may not pass, issue, make, or possess a false, counterfeit, or altered prescription for a controlled dangerous substance with intent to distribute the controlled dangerous substance.

(b) Information that is communicated to an authorized prescriber in an effort to obtain a controlled dangerous substance in violation of subsection (a) of this section is not a privileged communication.

~~5-607.~~

~~(a) Except as provided in §§ 5-608 and 5-609 of this subtitle, a person who violates a provision of §§ 5-602 through 5-606 of this subtitle is guilty of a felony and on conviction is subject to imprisonment not exceeding 5 years or a fine not exceeding \$15,000 or both.~~

~~(b) [(1) A person who has been convicted previously under subsection (a) of this section shall be sentenced to imprisonment for not less than 2 years.~~

~~(2) The court may not suspend the mandatory minimum sentence to less than 2 years.~~

~~(3) Except as provided in § 4-305 of the Correctional Services Article, the person is not eligible for parole during the mandatory minimum sentence.] A PERSON CONVICTED UNDER SUBSECTION (A) OF THIS SECTION IS NOT PROHIBITED FROM PARTICIPATING IN A DRUG TREATMENT PROGRAM UNDER § 8-507 OF THE HEALTH GENERAL ARTICLE BECAUSE OF THE LENGTH OF THE SENTENCE.~~

~~(C) (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW AND SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A PERSON WHO IS SERVING A TERM OF CONFINEMENT THAT INCLUDES A MANDATORY MINIMUM SENTENCE IMPOSED ON OR BEFORE SEPTEMBER 30, 2007, FOR A VIOLATION OF §§ 5-602 THROUGH 5-606 OF THIS SUBTITLE IS ELIGIBLE TO BE GRANTED:~~

~~(I) ONE HEARING BEFORE THE COURT TO MODIFY OR REDUCE THE MANDATORY MINIMUM SENTENCE AS PROVIDED IN MARYLAND RULE 4-345, EVEN IF THE DEFENDANT DID NOT TIMELY FILE A MOTION FOR RECONSIDERATION OR A MOTION FOR RECONSIDERATION WAS DENIED BY THE COURT; AND~~

~~(II) ONE SENTENCE REVIEW OF THE MANDATORY MINIMUM SENTENCE BY A REVIEW PANEL AS PROVIDED IN § 8-102 OF THE CRIMINAL PROCEDURE ARTICLE.~~

~~(2) THE COURT OR THE REVIEW PANEL MAY STRIKE THE RESTRICTION AGAINST PAROLE OR REDUCE THE LENGTH OF THE SENTENCE.~~

~~(3) TO BE GRANTED A HEARING OR SENTENCE REVIEW UNDER PARAGRAPH (1) OF THIS SUBSECTION, A PERSON SHALL SUBMIT AN APPLICATION TO THE COURT OR REVIEW PANEL ON OR BEFORE SEPTEMBER 30, 2010.~~

5-608.

(a) Except as otherwise provided in this section, a person who violates a provision of §§ 5-602 through 5-606 of this subtitle with respect to a Schedule I or Schedule II narcotic drug is guilty of a felony and on conviction is subject to imprisonment not exceeding 20 years or a fine not exceeding \$25,000 or both.

(b) ~~[(1)]~~ A person who is convicted under subsection (a) of this section or of conspiracy to commit a crime included in subsection (a) of this section ~~[(shall be sentenced to imprisonment for not less than 10 years and is subject to a fine not exceeding \$100,000)]~~ ~~IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 20 YEARS OR A FINE NOT EXCEEDING \$100,000 OR BOTH~~ if the person previously has been convicted once:

~~[(i)] (1)~~ under subsection (a) of this section or § 5-609 of this subtitle;

~~[(ii)] (2)~~ of conspiracy to commit a crime included in subsection (a) of this section or § 5-609 of this subtitle; or

~~[(iii)] (3)~~ of a crime under the laws of another state or the United States that would be a crime included in subsection (a) of this section or § 5-609 of this subtitle if committed in this State.

~~[(2)]~~ The court may not suspend the mandatory minimum sentence to less than 10 years.

(3) Except as provided in § 4-305 of the Correctional Services Article, the person is not eligible for parole during the mandatory minimum sentence **IF THE PERSON HAS BEEN CONVICTED OF A VIOLATION OF A CRIME OF VIOLENCE, AS DEFINED IN § 14-101 OF THIS ARTICLE, ARISING OUT OF THE INCIDENT THAT RESULTED IN THE IMPOSITION OF THE MANDATORY MINIMUM SENTENCE.**

(4) A person convicted under subsection (a) of this section is not prohibited from participating in a drug treatment program under § 8-507 of the Health – General Article because of the length of the sentence.~~[(4)]~~

(c) (1) A person who is convicted under subsection (a) of this section or of conspiracy to commit a crime included in subsection (a) of this section ~~[(1)]~~ shall be sentenced to imprisonment for not less than 25 years and is subject to a fine not exceeding \$100,000~~[(1)]~~ ~~IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 25 YEARS OR A FINE NOT EXCEEDING \$100,000 OR BOTH~~ if the person previously:

(i) has served at least one term of confinement of at least 180 days in a correctional institution as a result of a conviction under subsection (a) of this section, § 5-609 of this subtitle, or § 5-614 of this subtitle; and

(ii) has been convicted twice, if the convictions arise from separate occasions:

1. under subsection (a) of this section or § 5-609 of this subtitle;

2. of conspiracy to commit a crime included in subsection (a) of this section or § 5-609 of this subtitle;

3. of a crime under the laws of another state or the United States that would be a crime included in subsection (a) of this section or § 5-609 of this subtitle if committed in this State; or

4. of any combination of these crimes.

(2) ~~¶~~ The court may not suspend any part of the mandatory minimum sentence of 25 years.

(3) Except as provided in § 4-305 of the Correctional Services Article, the person is not eligible for parole during the mandatory minimum sentence.

(4)~~¶~~ A separate occasion is one in which the second or succeeding crime is committed after there has been a charging document filed for the preceding crime.

(d) ~~¶(1)¶~~ A person who is convicted under subsection (a) of this section or of conspiracy to commit a crime included in subsection (a) of this section ~~shall be sentenced to imprisonment for not less than 40 years and is subject to a fine not exceeding \$100,000~~ ~~IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 40 YEARS OR A FINE NOT EXCEEDING \$100,000 OR BOTH~~ if the person previously has served three or more separate terms of confinement as a result of three or more separate convictions:

~~¶(i)¶ (1)~~ under subsection (a) of this section or § 5-609 of this subtitle;

~~¶(ii)¶ (2)~~ of conspiracy to commit a crime included in subsection (a) of this section or § 5-609 of this subtitle;

~~¶(iii)¶ (3)~~ of a crime under the laws of another state or the United States that would be a crime included in subsection (a) of this section or § 5-609 of this subtitle if committed in this State; or

~~¶(iv)¶ (4)~~ of any combination of these crimes.

~~¶(2)~~ The court may not suspend any part of the mandatory minimum sentence of 40 years.

(3) Except as provided in § 4-305 of the Correctional Services Article, the person is not eligible for parole during the mandatory minimum sentence.¶

~~(E) A PERSON CONVICTED UNDER SUBSECTION (A) OF THIS SECTION OR OF CONSPIRACY TO COMMIT A CRIME INCLUDED IN SUBSECTION (A) OF THIS SECTION IS NOT PROHIBITED FROM PARTICIPATING IN A DRUG TREATMENT PROGRAM UNDER § 8-507 OF THE HEALTH GENERAL ARTICLE BECAUSE OF THE LENGTH OF THE SENTENCE.~~

~~(F) (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW AND SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A PERSON WHO IS SERVING A TERM OF CONFINEMENT THAT INCLUDES A MANDATORY MINIMUM SENTENCE~~

~~IMPOSED ON OR BEFORE SEPTEMBER 30, 2007, FOR A VIOLATION OF THIS SECTION IS ELIGIBLE TO BE GRANTED:~~

~~(I) ONE HEARING BEFORE THE COURT TO MODIFY OR REDUCE THE MANDATORY MINIMUM SENTENCE AS PROVIDED IN MARYLAND RULE 4-345, EVEN IF THE DEFENDANT DID NOT TIMELY FILE A MOTION FOR RECONSIDERATION OR A MOTION FOR RECONSIDERATION WAS DENIED BY THE COURT; AND~~

~~(II) ONE SENTENCE REVIEW OF THE MANDATORY MINIMUM SENTENCE BY A REVIEW PANEL AS PROVIDED IN § 8-102 OF THE CRIMINAL PROCEDURE ARTICLE.~~

~~(2) THE COURT OR THE REVIEW PANEL MAY STRIKE THE RESTRICTION AGAINST PAROLE OR REDUCE THE LENGTH OF THE SENTENCE.~~

~~(3) TO BE GRANTED A HEARING OR SENTENCE REVIEW UNDER PARAGRAPH (1) OF THIS SUBSECTION, A PERSON SHALL SUBMIT AN APPLICATION TO THE COURT OR REVIEW PANEL ON OR BEFORE SEPTEMBER 30, 2010.~~

5-609.

(a) Except as otherwise provided in this section, a person who violates a provision of §§ 5-602 through 5-606 of this subtitle with respect to any of the following controlled dangerous substances is guilty of a felony and on conviction is subject to imprisonment not exceeding 20 years or a fine not exceeding \$20,000 or both:

- (1) phencyclidine;
- (2) 1-(1-phenylcyclohexyl) piperidine;
- (3) 1-phenylcyclohexylamine;
- (4) 1-piperidinocyclohexanecarbonitrile;
- (5) N-ethyl-1-phenylcyclohexylamine;
- (6) 1-(1-phenylcyclohexyl)-pyrrolidine;
- (7) 1-(1-(2-thienyl)-cyclohexyl)-piperidine;
- (8) lysergic acid diethylamide; or

(9) 750 grams or more of 3, 4-methylenedioxymethamphetamine (MDMA).

(b) ~~¶(1)~~ A person who is convicted under subsection (a) of this section or of conspiracy to commit a crime included in subsection (a) of this section ~~¶shall be sentenced to imprisonment for not less than 10 years and is subject to a fine not exceeding \$100,000~~ ~~IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 20 YEARS OR A FINE NOT EXCEEDING \$100,000 OR BOTH~~ if the person previously has been convicted once:

~~¶(i)~~ ~~(1)~~ under subsection (a) of this section or § 5-608 of this subtitle;

~~¶(ii)~~ ~~(2)~~ of conspiracy to commit a crime included in subsection (a) of this section or § 5-608 of this subtitle;

~~¶(iii)~~ ~~(3)~~ of a crime under the laws of another state or the United States that would be a crime included in subsection (a) of this section or § 5-608 of this subtitle if committed in this State; or

~~¶(iv)~~ ~~(4)~~ of any combination of these crimes.

~~¶(2)~~ The court may not suspend the mandatory minimum sentence to less than 10 years.

(3) Except as provided in § 4-305 of the Correctional Services Article, the person is not eligible for parole during the mandatory minimum sentence **IF THE PERSON HAS BEEN CONVICTED OF A VIOLATION OF A CRIME OF VIOLENCE, AS DEFINED IN § 14-101 OF THIS ARTICLE, ARISING OUT OF THE INCIDENT THAT RESULTED IN THE IMPOSITION OF THE MANDATORY MINIMUM SENTENCE.**

(4) A person convicted under subsection (a) of this section is not prohibited from participating in a drug treatment program under § 8-507 of the Health – General Article because of the length of the sentence.~~¶~~

(c) (1) A person who is convicted under subsection (a) of this section or of conspiracy to commit a crime included in subsection (a) of this section ~~¶shall be sentenced to imprisonment for not less than 25 years and is subject to a fine not exceeding \$100,000~~ ~~IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 30 YEARS OR A FINE NOT EXCEEDING \$100,000 OR BOTH~~ if the person previously:

(i) has served at least one term of confinement of at least 180 days in a correctional institution as a result of a conviction under subsection (a) of this section, § 5-608 of this subtitle, or § 5-614 of this subtitle; and

(ii) if the convictions do not arise from a single incident, has been convicted twice:

1. under subsection (a) of this section or § 5-608 of this subtitle;

2. of conspiracy to commit a crime included in subsection (a) of this section or § 5-608 of this subtitle;

3. of a crime under the laws of another state or the United States that would be a crime included in subsection (a) of this section or § 5-608 of this subtitle if committed in this State; or

4. of any combination of these crimes.

(2) ~~¶~~The court may not suspend any part of the mandatory minimum sentence of 25 years.

(3) Except as provided in § 4-305 of the Correctional Services Article, the person is not eligible for parole during the mandatory minimum sentence.

(4)~~¶~~ A separate occasion is one in which the second or succeeding crime is committed after there has been a charging document filed for the preceding crime.

(d) ~~¶(1)¶~~ A person who is convicted under subsection (a) of this section or of conspiracy to commit a crime included in subsection (a) of this section ~~¶shall be sentenced to imprisonment for not less than 40 years and is subject to a fine not exceeding \$100,000¶~~ ~~IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 40 YEARS OR A FINE NOT EXCEEDING \$100,000 OR BOTH~~ if the person previously has served three separate terms of confinement as a result of three separate convictions:

~~¶(i)¶~~ ~~(1)~~ under subsection (a) of this section or § 5-608 of this subtitle;

~~¶(ii)¶~~ ~~(2)~~ of conspiracy to commit a crime included in subsection (a) of this section or § 5-608 of this subtitle;

~~¶(iii)¶~~ ~~(3)~~ of a crime under the laws of another state or the United States that would be a crime included in subsection (a) of this section or § 5-608 of this subtitle if committed in this State; or

~~[(iv)]~~ ~~(4)~~ of any combination of these crimes.

~~[(2)]~~ The court may not suspend any part of the mandatory minimum sentence of 40 years.

(3) Except as provided in § 4-305 of the Correctional Services Article, the person is not eligible for parole during the mandatory minimum sentence.†

~~(E) A PERSON CONVICTED UNDER SUBSECTION (A) OF THIS SECTION OR OF CONSPIRACY TO COMMIT A CRIME INCLUDED IN SUBSECTION (A) OF THIS SECTION IS NOT PROHIBITED FROM PARTICIPATING IN A DRUG TREATMENT PROGRAM UNDER § 8-507 OF THE HEALTH GENERAL ARTICLE BECAUSE OF THE LENGTH OF THE SENTENCE.~~

~~(F) (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW AND SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A PERSON WHO IS SERVING A TERM OF CONFINEMENT THAT INCLUDES A MANDATORY MINIMUM SENTENCE IMPOSED ON OR BEFORE SEPTEMBER 30, 2007, FOR A VIOLATION OF THIS SECTION IS ELIGIBLE TO BE GRANTED:~~

~~(I) ONE HEARING BEFORE THE COURT TO MODIFY OR REDUCE THE MANDATORY MINIMUM SENTENCE AS PROVIDED IN MARYLAND RULE 4-345, EVEN IF THE DEFENDANT DID NOT TIMELY FILE A MOTION FOR RECONSIDERATION OR A MOTION FOR RECONSIDERATION WAS DENIED BY THE COURT; AND~~

~~(II) ONE SENTENCE REVIEW OF THE MANDATORY MINIMUM SENTENCE BY A REVIEW PANEL AS PROVIDED IN § 8-102 OF THE CRIMINAL PROCEDURE ARTICLE.~~

~~(2) THE COURT OR THE REVIEW PANEL MAY STRIKE THE RESTRICTION AGAINST PAROLE OR REDUCE THE LENGTH OF THE SENTENCE.~~

~~(3) TO BE GRANTED A HEARING OR SENTENCE REVIEW UNDER PARAGRAPH (1) OF THIS SUBSECTION, A PERSON SHALL SUBMIT AN APPLICATION TO THE COURT OR REVIEW PANEL ON OR BEFORE SEPTEMBER 30, 2010.~~

~~Article—Public Safety~~

~~(c) (1) A person may not possess a regulated firearm if the person was previously convicted of:~~

~~(i) a crime of violence; or~~

~~(ii) a violation of § 5-602, § 5-603, § 5-604, § 5-605, § 5-606, § 5-607, § 5-608, § 5-609, § 5-612, § 5-613, or § 5-614 of the Criminal Law Article.~~

~~(2) A person who violates this subsection is guilty of a felony and on conviction is subject to imprisonment for not less than 5 years, no part of which may be suspended.~~

~~(3) A person sentenced under paragraph (1) of this subsection may not be eligible for parole.~~

~~(4) Each violation of this subsection is a separate crime.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 1091 - *Frederick County Board of Elections - Salary Increase*.

This bill increases to \$5,500 the salary of the president and \$5,000 of the other members of the Frederick County Board of Elections. It also increases to \$4,500 the salary of the substitute member of the Frederick County Board of Elections and provides that the Act does not apply to the salary or compensation of the incumbent president, other members, or substitute member of the Frederick County Board of Elections.

Senate Bill 959, 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 1091.

Sincerely,

Martin O'Malley
Governor

House Bill 1091

AN ACT concerning

Frederick County Board of Elections – Salary Increase

FOR the purpose of increasing the salaries of the president, other members, and substitute member of the Frederick County Board of Elections; providing that this Act does not apply to the salary or compensation of the incumbent president, other members, or substitute member of the Frederick County Board of Elections; and generally relating to the salary of the members of the Frederick County Board of Elections.

BY repealing and reenacting, with amendments,
Article – Election Law
Section 2–204(a)(11) and (b)
Annotated Code of Maryland
(2003 Volume and 2006 Supplement)

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

Article – Election Law

2–204.

(a) Each regular member of a local board shall receive the salary and reimbursement of expenses provided in the county budget, but in no event may the annual compensation be less than the following amounts:

(11) in Frederick County, ~~[\$2,100]~~ ~~\$5,000~~ \$5,500 FOR THE PRESIDENT AND ~~\$4,500~~ \$5,000 FOR OTHER REGULAR MEMBERS;

(b) (1) Consistent with paragraph (2) of this subsection, each substitute member shall be compensated for each day of service as provided in the county budget.

(2) (i) Except as provided in subparagraph (ii) of this paragraph, a substitute member shall be compensated at a rate of at least \$25 for each meeting of the local board that the substitute member attends.

(ii) 1. In Baltimore City, a substitute member shall be paid \$200 for each meeting that the substitute member attends.

2. In Calvert County, a substitute member shall be paid at least \$50 for each meeting that the substitute member attends.

3. IN FREDERICK COUNTY, A SUBSTITUTE MEMBER SHALL BE PAID ~~\$3,600~~ \$4,500 ANNUALLY.

[3.] 4. In Garrett County, a substitute member shall be paid the amount set by the County Commissioners under Chapter 91 of the Public Local Laws of Garrett County.

[4.] 5. In Kent County, a substitute member shall be paid at least \$50 for each meeting that the substitute member attends.

[5.] 6. In Washington County, a substitute member shall be paid \$75 for each meeting that the substitute member attends.

[6.] 7. In Wicomico County, a substitute member shall be paid \$1,200 annually.

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 president and other members of the Frederick County Board of Elections in office on the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the president and other members of the Frederick County Board of Elections shall take effect at the beginning of the next following term of office.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ June 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 1093 - *Charles County - Boys and Girls Clubs of Southern Maryland Loan of 2001*.

This bill provides that the proceeds of the Charles County - Boys and Girls Clubs of Southern Maryland Loan of 2001 must be encumbered by the Board of Public Works or expended for the purposes provided in the Act by June 1, 2009.

Senate Bill 816, 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,

Martin O'Malley
Governor

House Bill 1093

AN ACT concerning

Charles County – Boys and Girls Clubs of Southern Maryland Loan of 2001

FOR the purpose of amending the Charles County – Boys and Girls Clubs of Southern Maryland Loan of 2001 to require that the loan proceeds be encumbered by the Board of Public Works or expended for certain purposes by a certain date; and generally relating to the Charles County – Boys and Girls Clubs of Southern Maryland Loan of 2001.

BY repealing and reenacting, with amendments,
Chapter 257 of the Acts of the General Assembly of 2001
Section 1

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

Chapter 257 of the Acts of 2001

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

(1) The Board of Public Works may borrow money and incur indebtedness on behalf of the State of Maryland through a State loan to be known as the Charles County – The Boys and Girls Clubs of Southern Maryland Loan of 2001 in a total principal amount equal to the lesser of (i) \$50,000 or (ii) the amount of the matching fund provided in accordance with Section 1(5) below. This loan shall be evidenced by the issuance, sale, and delivery of State general obligation bonds authorized by a resolution of the Board of Public Works and issued, sold, and delivered in accordance with §§ 8–117 through 8–124 of the State Finance and Procurement Article and Article 31, § 22 of the Code.

(2) The bonds to evidence this loan or installments of this loan may be sold as a single issue or may be consolidated and sold as part of a single issue of bonds under § 8–122 of the State Finance and Procurement Article.

(3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer and first shall be applied to the payment of the expenses of issuing, selling, and delivering the bonds, unless funds for this purpose are otherwise provided, and then shall be credited on the books of the Comptroller and expended, on approval by the Board of Public Works, for the following public purposes, including any applicable architects' and engineers' fees: as a grant to the Board of Directors of The Boys and Girls Clubs of Southern Maryland, Inc. (referred to hereafter in this Act as "the grantee") for the acquisition, planning, design, construction, reconstruction, and capital equipping of a site in Charles County to house a boys and girls club.

(4) An annual State tax is imposed on all assessable property in the State in rate and amount sufficient to pay the principal of and interest on the bonds, as and when due and until paid in full. The principal shall be discharged within 15 years after the date of issuance of the bonds.

(5) Prior to the payment of any funds under the provisions of this Act for the purposes set forth in Section 1(3) above, the grantee shall provide and expend a matching fund. No part of the grantee's matching fund may be provided, either directly or indirectly, from funds of the State, whether appropriated or unappropriated. No part of the fund may consist of real property, in kind contributions, or funds expended prior to the effective date of this Act. In case of any dispute as to the amount of the matching fund or what money or assets may qualify as matching funds, the Board of Public Works shall determine the matter and the Board's decision is final. The grantee has until June 1, 2003, to present evidence satisfactory to the Board of Public Works that a matching fund will be provided. If satisfactory evidence is presented, the Board shall certify this fact and the amount of the matching fund to the State Treasurer, and the proceeds of the loan equal to the amount of the matching fund shall be expended for the purposes provided in this Act. Any amount of the loan in excess of the amount of the matching fund certified by the Board of Public Works shall be canceled and be of no further effect.

(6) THE PROCEEDS OF THE LOAN MUST BE ENCUMBERED BY THE BOARD OF PUBLIC WORKS OR EXPENDED FOR THE PURPOSES PROVIDED IN THIS ACT NO LATER THAN JUNE 1, 2009.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 1106 - *Homeowners Insurance - Insurance Producers - Notice of Coverage for Flood Loss - Statement of Additional Optional Coverage*.

This bill repeals provisions requiring an insurance producer to provide an applicant for homeowner's insurance with notice that the policy does not cover flood losses. The bill leaves intact the requirement that an insurer provide such notice. The bill also specifies that the statement an insurer must give to an applicant about optional coverage does not give rise to a private cause of action.

Senate Bill 790, 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 1106.

Sincerely,

Martin O'Malley
Governor

House Bill 1106

AN ACT concerning

**Homeowner's Insurance – Insurance Producers – Notice of Coverage for
Flood Loss – Statement of Additional Optional Coverage**

FOR the purpose of repealing a requirement for an insurance producer at a certain time and in a certain manner to provide an applicant for homeowner's insurance with a certain notice about homeowner's insurance coverage for losses from flood; repealing certain provisions that deem an insurance producer to be in compliance with the notice requirement under certain circumstances; repealing a requirement for an insurance producer at a certain time and in a certain manner to provide an applicant for homeowner's insurance with a certain statement about additional optional coverage; repealing certain provisions that deem an insurance producer to be in compliance with the statement requirement under certain circumstances; providing that a certain statement does not create a private right of action; providing for the application of this Act; and generally relating to notices of coverage under homeowner's insurance.

BY repealing and reenacting, with amendments,
Article – Insurance
Section 19–206 and 19–207
Annotated Code of Maryland
(2006 Replacement Volume and 2006 Supplement)

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

Article – Insurance

19–206.

(a) (1) An insurer [or an insurance producer] that sells or negotiates homeowner's insurance in the State shall provide an applicant, at the time a policy of homeowner's insurance is initially purchased, with a written notice that states that a standard homeowner's insurance policy does not cover losses from flood.

(2) If an application is made by telephone, the insurer [or insurance producer] is deemed to be in compliance with this section if, within 7 calendar days after the date of application, the insurer [or insurance producer] sends by certificate of mailing the notice to the applicant or insured.

(3) If an application is made using the Internet, the insurer [or insurance producer] is deemed to be in compliance with this section if the insurer [or insurance producer] provides the notice to the applicant prior to the submission of the application.

(b) The notice shall:

(1) state that flood insurance may be available through the National Flood Insurance Program or other sources;

(2) provide the applicant with the contact information for the National Flood Insurance Program;

(3) advise the applicant to confirm the need for flood insurance with the National Flood Insurance Program or the applicant's mortgage lender;

(4) advise the applicant to contact the National Flood Insurance Program, the applicant's insurer, or the applicant's insurance producer for information about flood insurance;

(5) advise the applicant that flood insurance may be available for covered structures and their contents;

(6) advise the applicant that a claim under a flood insurance policy may be adjusted and paid on a different basis than a claim under a homeowner's insurance policy; and

(7) advise the applicant that a separate application must be completed to purchase flood insurance.

(c) A notice required to be sent by certificate of mailing under this section may be sent with the statement required under § 19–207 of this article.

(d) A notice provided under this section does not create a private right of action.

19–207.

(a) (1) An insurer [or an insurance producer] that sells or negotiates homeowner's insurance in the State shall provide an applicant, at the time of application for homeowner's insurance, with a written statement that lists all additional optional coverage available from the insurer to the applicant.

(2) If an application is made by telephone, the insurer [or insurance producer] is deemed to be in compliance with this section if, within 7 calendar days after the date of application, the insurer [or insurance producer] sends by certificate of mailing the statement to the applicant or insured.

(3) If an application is made using the Internet, the insurer [or insurance producer] is deemed to be in compliance with this section if the insurer [or insurance producer] provides the statement to the applicant prior to submission of the application.

(b) The statement shall:

(1) be on a separate form;

(2) be titled, in at least 12 point type, "Additional Optional Coverage Not Included in the Standard Homeowner's Insurance Policy";

(3) contain the following disclosure in at least 10 point type:

"Your standard homeowner's insurance policy does not cover all risks. You may need to obtain additional insurance to cover loss or damage to your home, property, and the contents of your home or to cover risks related to business or personal activities on your property.

This statement provides a list of the types of additional insurance coverage that are available. Contact your insurance company, insurance producer, or insurance agent to discuss these additional coverages."; and

(4) contain a list of additional optional coverage.

(c) A statement required to be sent by certificate of mailing under this section may be sent with the notice required under § 19-206 of this article.

(D) A STATEMENT PROVIDED UNDER THIS SECTION DOES NOT CREATE A PRIVATE RIGHT OF ACTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to personal lines homeowner's insurance policies and contracts issued, delivered, or renewed in the State on or after October 1, 2007.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 1133 - *Delmarva Advisory Council - Repeal*.

This bill repeals the provisions of law establishing Maryland's membership on the Delmarva Advisory Council. It eliminates the representative of the Delmarva Advisory Council from the membership of the Executive Board of the Rural Maryland Council. It also requires the Department of Legislative Services to notify the appropriate officials in Delaware and Virginia of the dissolution of the Delmarva Advisory Council.

Senate Bill 777, 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 1133.

Sincerely,

Martin O'Malley
Governor

House Bill 1133

AN ACT concerning

Delmarva Advisory Council – Repeal

FOR the purpose of repealing provisions of law establishing Maryland's membership on the Delmarva Advisory Council; eliminating the representative of the Delmarva Advisory Council from the membership of the Executive Board of the Rural Maryland Council; requiring the Department of Legislative Services to provide certain notice of the enactment of this Act; and generally relating to the Delmarva Advisory Council.

BY repealing

Article 32B – Delmarva Advisory Council

Section 1–101 through 1–111 and the article “Article 32B. Delmarva Advisory Council”

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

BY repealing

Article 41 – Governor – Executive and Administrative Departments

Section 15–104(c)(2)(xii)

Annotated Code of Maryland

(2003 Replacement Volume and 2006 Supplement)

BY renumbering

Article 41 – Governor – Executive and Administrative Departments
Section 15–104(c)(2)(xiii) through (xxvii), respectively
to be Section 15–104(c)(2)(xii) through (xxvi), respectively
Annotated Code of Maryland
(2003 Replacement Volume and 2006 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 1–101 through 1–111 and the article “Article 32B. Delmarva Advisory Council” of the Annotated Code of Maryland be repealed.

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

Article 41 – Governor – Executive and Administrative Departments

15–104.

(c) (2) The Executive Board shall include:

[(xii) One representative of the Delmarva Advisory Council;]

SECTION 3. AND BE IT FURTHER ENACTED, That Section(s) 15–104(c)(2)(xiii) through (xxvii), respectively, of Article 41 of the Annotated Code of Maryland be renumbered to be Section(s) 15–104(c)(2)(xii) through (xxvi), respectively.

SECTION 4. AND BE IT FURTHER ENACTED, That the Department of Legislative Services shall notify the appropriate officials of the State of Delaware and the Commonwealth of Virginia of the enactment of this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 1239 - *Prince George's County - Board of Education PG 433-07*.

House Bill 1239 alters the election structure of the Prince George's County Board of Education beginning in 2010 by requiring that each of the nine elected members of the Board reside in, and be elected only by the residents of, designated school board districts. The bill also establishes eligibility criteria for school board members and new procedures for electing members to fill vacant positions. Furthermore, the bill repeals a mandated external review of the Prince George's County school system.

The Prince George's County Board of Education is currently an elected board consisting of five regional members, four at-large members, and one student member. This board took office on December 4, 2006, following the November 2006 general election. House Bill 1239 would replace this board in 2010 with nine single-member school board districts. While I have no policy objections to the bill, the Attorney General has informed me in a letter dated May 15, 2007, that in his view, the school board districts proposed under House Bill 1239 violate the one person/one vote requirement of the Fourteenth Amendment and are unconstitutional. The Attorney General further states in his letter that the unconstitutional election plan is not severable from the remainder of the bill and, therefore, he cannot recommend that the legislation be signed into law.

Based on the Attorney General's opinion alone, I regretfully must veto House Bill 1239.

Sincerely,

Martin O'Malley
Governor

House Bill 1239

AN ACT concerning

Prince George's County – Board of Education – ~~Election of Members~~

PG 433-07

FOR the purpose of repealing certain provisions of law relating to the composition of certain school districts in Prince George's County; requiring the members of the Prince George's County Board of Education to be elected from certain school board districts; providing for the boundaries of certain school board districts; requiring candidates to live in certain school board districts and be registered

voters; providing for the initial terms of the elected members of the County Board; requiring that a vacancy on the County Board be filled by a certain election if the vacancy occurs within a certain time period; requiring that certain vacancies on the County Board remain vacant under certain circumstances; requiring certain special elections to take place within a certain number of days under certain provisions of law; requiring that certain special elections be funded by Prince George's County; requiring a certain individual elected to the County Board to serve for the remainder of a certain term and the following term; prohibiting a member of the County Board from holding an office of profit in Prince George's County government; repealing certain provisions relating to public meetings and executive sessions of the County Board; requiring a certain vote of the County Board to pass a motion of the County Board; ~~requiring the presence of a certain quorum of the County Board in order for the County Board to take any action~~; altering the requirements for a quorum of the County Board; repealing a certain provision relating to the composition of a committee of the County Board; repealing certain provisions relating to the Chief Financial Officer of the county public school system; repealing a certain requirement that the County Board and the Maryland State Department of Education hire a consultant to conduct a comprehensive review of the Prince George's County school system; repealing certain requirements that the County Board and the Maryland State Department of Education conduct certain hearings and prepare certain reports concerning a certain comprehensive review; making stylistic changes; and generally relating to the Prince George's County Board of Education.

BY repealing

Article – Education
Section 3–1001 and 3–1008
Annotated Code of Maryland
(2006 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Education
Section 3–1002 through 3–1007
Annotated Code of Maryland
(2006 Replacement Volume)

BY repealing

Chapter 289 of the Acts of the General Assembly of 2002, as amended by
Chapter 344 of the Acts of the General Assembly of 2005
Section 17 and 18

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

Article – Education

[3–1001.

(a) The descriptions of school board districts in this section are to the election district and precinct boundaries as reviewed and certified by the Prince George's County Board of Elections or their designees before they were reported to the United States Bureau of the Census as part of the 2000 Census Redistricting Data Program and as those election district and precinct lines are specifically shown on the Public Law 94–171 census block maps provided by the United States Bureau of the Census.

(b) School board district I consists of:

- (1) Election district 1;
- (2) Election district 10;
- (3) Election district 14, precincts 2, 7, and 8;
- (4) Election district 20, precincts 1, 2, 3, 5, 6, 7, and 9 through 11;
- (5) Election district 21, precincts 3, 4, 6 through 11, 13, 14, and 16;

and

(6) That part of election district 14, precinct 9 that consists of the following census tracts and blocks:

(i) Census tract 8004.01, blocks 1000 through 1003; and

(ii) Census tract 8004.06, blocks 1000 through 1002, 1011, 1012, 1020 through 1028, 1999 through 2003, 2006 through 2010, 2017, 2023 through 2027, 2041 through 2048, 3000 through 3014, 3017, 3018, and 3068.

(c) School board district II consists of:

- (1) Election district 2, precincts 1, 2, 3, 5, 6, 7, 8, and 10;
- (2) Election district 16;
- (3) Election district 17;
- (4) Election district 19; and
- (5) Election district 21, precincts 1, 2, 5, 12, 15, and 17.

(d) School board district III consists of:

- (1) Election district 2, precincts 4 and 9;
 - (2) Election district 6, precincts 1, 3, 4, 5, 6, 10, 11, 15, 16, and 19 through 23;
 - (3) Election district 13, precincts 1, 2, 3, 7, 8, 9, 10, 14, 16, and 17;
 - (4) Election district 15, precinct 2;
 - (5) Election district 18; and
 - (6) Election district 20, precincts 3, 4, and 8.
- (e) School board district IV consists of:
- (1) Election district 5, precincts 2 through 7;
 - (2) Election district 6, precincts 2, 7, 8, 9, 12, 13, 14, 17, and 18;
 - (3) Election district 9, precincts 1, 2, 3, 4, 5, 7, 10, and 11; and
 - (4) Election district 12.
- (f) School board district V consists of:
- (1) Election district 3;
 - (2) Election district 4;
 - (3) Election district 5, precincts 1 and 8;
 - (4) Election district 7;
 - (5) Election district 8;
 - (6) Election district 9, precincts 6, 8, and 9;
 - (7) Election district 11;
 - (8) Election district 13, precincts 4, 5, 6, 11, 12, 13, and 15;
 - (9) Election district 14, precincts 1, 3 through 6, and 10;
 - (10) Election district 15; and

(11) That part of election district 14, precinct 9 that consists of census tract 8004.06, blocks 2004, 2005, 2011 through 2016, 2018 through 2022, 2028 through 2040, 3015, 3016, 3019 through 3025, 3029 through 3035, 3054 through 3065, and 3069.]

[3-1002.] **3-1001.**

(a) In this subtitle, “elected member” means one of the nine elected members of the Prince George’s County Board [or a member appointed to fill a vacancy of one of these nine members].

(b) The Prince George’s County Board consists of [10 members as follows:

(1) Five elected members, each of whom resides in a different school board district;

(2) Four elected members who may reside anywhere in the county;
and

(3) One] **NINE ELECTED MEMBERS AND ONE** student member selected under subsection (f)(2) of this section.

(c) (1) **(I)** [A candidate for the County Board shall be a resident of Prince George’s County for at least 3 years and a registered voter of the county before the election] **ONE MEMBER FROM EACH OF THE NINE SCHOOL BOARD DISTRICTS SHALL BE ELECTED AS DESCRIBED IN SUBSECTION (D) OF THIS SECTION.**

(II) THE ELECTED MEMBERS OF THE COUNTY BOARD SHALL BE ELECTED AS FOLLOWS:

1. AT THE GENERAL ELECTION EVERY 4 YEARS AS REQUIRED BY SUBSECTION (G) OF THIS SECTION; AND

2. BY THE VOTERS OF THE SCHOOL BOARD DISTRICT THAT EACH MEMBER REPRESENTS.

(2) From the time of filing as a candidate for election, each candidate [for a position on the County Board representing a school board district shall reside in the school board district the candidate seeks to represent] **SHALL BE A REGISTERED VOTER OF THE COUNTY AND A RESIDENT OF THE SCHOOL BOARD DISTRICT THE CANDIDATE SEEKS TO REPRESENT.**

(3) An elected County Board member shall forfeit the office if the member:

(i) [In the case of a member elected to represent a school board district, fails] **FAILS** to reside in the school board district from which the member was elected, unless this change is caused by a change in the boundaries of the district; or

(ii) Fails to be a registered voter of the county.

(4) A County Board member may not hold another office of profit in ~~THE county~~ **PRINCE GEORGE'S COUNTY** government during the member's term.

(5) Each elected member of the County Board for a position representing a school board district shall be nominated by the registered voters of the member's school board district.

[(d) Members of the Prince George's County Board shall be elected:

(1) At the general election every 4 years as required by subsection (g) of this section; and

(2) By the registered voters of the entire county.]

(D) (1) THE DESCRIPTIONS OF SCHOOL BOARD DISTRICTS IN THIS SUBSECTION ARE TO THE ELECTION DISTRICT AND PRECINCT BOUNDARIES AS REVIEWED AND CERTIFIED BY THE PRINCE GEORGE'S COUNTY BOARD OF ELECTIONS OR ITS DESIGNEES AS THEY WERE ESTABLISHED ON SEPTEMBER 1, 2002, AND AS THOSE ELECTION DISTRICT AND PRECINCT LINES ARE SPECIFICALLY SHOWN ON THE PUBLIC LAW 94-171 CENSUS BLOCK MAPS PROVIDED BY THE UNITED STATES BUREAU OF THE CENSUS.

(2) SCHOOL BOARD DISTRICT I CONSISTS OF:

(I) ELECTION DISTRICT 1;

(II) ELECTION DISTRICT 10;

(III) ELECTION DISTRICT 14, PRECINCT 9; AND

(IV) ELECTION DISTRICT 21, PRECINCTS 4, 5, 14, 15, 97, AND

99.

(3) SCHOOL BOARD DISTRICT II CONSISTS OF:

- (I) ELECTION DISTRICT 14, PRECINCTS 2 AND 8;
- (II) ELECTION DISTRICT 16, PRECINCT 1;
- (III) ELECTION DISTRICT 19, PRECINCTS 1 THROUGH 3;
- (IV) ELECTION DISTRICT 20, PRECINCTS 1, 5, 6, AND 10; AND
- (V) ELECTION DISTRICT 21, PRECINCTS 1, 2, 3, 6 THROUGH 13, 16, 17, AND 98.

(4) SCHOOL BOARD DISTRICT III CONSISTS OF:

- (I) ELECTION DISTRICT 16, PRECINCTS 2 THROUGH 4; AND
- (II) ELECTION DISTRICT 17.

(5) SCHOOL BOARD DISTRICT IV CONSISTS OF:

- (I) ELECTION DISTRICT 2;
- (II) ELECTION DISTRICT 13, PRECINCTS 1 THROUGH 3, 8, AND 17;
- (III) ELECTION DISTRICT 14, PRECINCT 7;
- (IV) ELECTION DISTRICT 16, PRECINCT 99;
- (V) ELECTION DISTRICT 18, PRECINCTS 5 AND 12;
- (VI) ELECTION DISTRICT 19, PRECINCT 4; AND
- (VII) ELECTION DISTRICT 20, PRECINCTS 2, 4, 7 THROUGH 9, AND 11.

(6) SCHOOL BOARD DISTRICT V CONSISTS OF:

- (I) ELECTION DISTRICT 3, PRECINCTS 2 AND 3;
- (II) ELECTION DISTRICT 7;
- (III) ELECTION DISTRICT 14, PRECINCTS 1, 3 THROUGH 6, AND 10; AND

(IV) ELECTION DISTRICT 15, PRECINCT 5.

(7) SCHOOL BOARD DISTRICT VI CONSISTS OF:

(I) ELECTION DISTRICT 6, PRECINCTS 19 AND 20;

(II) ELECTION DISTRICT 13, PRECINCTS 4 THROUGH 7 AND 9 THROUGH 16;

(III) ELECTION DISTRICT 18, PRECINCTS 1 THROUGH 4 AND 6 THROUGH 11; AND

(IV) ELECTION DISTRICT 20, PRECINCT 3.

(8) SCHOOL BOARD DISTRICT VII CONSISTS OF:

(I) ELECTION DISTRICT 6, PRECINCTS 1, 3 THROUGH 7, 9 THROUGH 12, 15 THROUGH 18, AND 21 THROUGH 23;

(II) ELECTION DISTRICT 9, PRECINCT 3; AND

(III) ELECTION DISTRICT 15, PRECINCT 2.

(9) SCHOOL BOARD DISTRICT VIII CONSISTS OF:

(I) ELECTION DISTRICT 12;

(II) ELECTION DISTRICT 5, ~~PRECINCT 6~~ PRECINCTS 2, 5, 6, AND 7;

(III) ELECTION DISTRICT 6, PRECINCTS 2, 8, 13, AND 14; AND

(IV) ELECTION DISTRICT 9, PRECINCTS 2 AND 5.

(10) SCHOOL BOARD DISTRICT IX CONSISTS OF:

(I) ELECTION DISTRICT 4;

(II) ELECTION DISTRICT 8;

(III) ELECTION DISTRICT 11;

(IV) ELECTION DISTRICT 3, PRECINCT 1;

**~~(IV)~~ (V) ELECTION DISTRICT 5, PRECINCTS 1 ~~THROUGH 5,~~
3, 4, AND ~~7~~ 8 THROUGH 11;**

**~~(V)~~ (VI) ELECTION DISTRICT 9, PRECINCTS 1, 4, AND 6
THROUGH 11; AND**

~~(VI)~~ (VII) ELECTION DISTRICT 15, PRECINCTS 1, 3, AND 4.

(e) (1) If a candidate for the County Board dies or withdraws the candidacy during the period beginning with the date of the primary and ending 70 days before the date of the general election, the Board of [Supervisors of] Elections shall:

(i) Replace the name of the deceased or withdrawn candidate on the ballot for the general election with the name of the candidate who received the next highest number of votes in the primary election; or

(ii) If a contested primary was not held, reopen the filing process to allow other persons to file as candidates.

(2) (i) Except as otherwise provided in subparagraph (ii) of this paragraph, the Board of [Supervisors of] Elections shall add to the ballot for the general election the name of any person who files as a candidate in accordance with paragraph (1)(ii) of this subsection.

(ii) The Board of [Supervisors of] Elections may not add additional candidates to the ballot for the general election within 70 days before the date of the election.

(f) (1) The student member shall be an eleventh or twelfth grade student in the Prince George's County public school system during the student's term in office.

(2) An eligible student shall file a nomination form at least 2 weeks before a special election meeting of the Prince George's Regional Association of Student Governments. Nomination forms shall be made available in the administrative offices of all public senior high schools in the county, the office of student concerns, and the office of the president of the regional association. The delegates to the regional association annually shall elect the student member to the Board at a special election meeting to be held each school year.

(3) The student member may vote on all matters before the Board except those relating to:

- (i) Capital and operating budgets;
- (ii) School closings, reopenings, and boundaries;
- (iii) Collective bargaining decisions;
- (iv) Student disciplinary matters;
- (v) Teacher and administrator disciplinary matters as provided under § 6–202(a) of this article; and
- (vi) Other personnel matters.

(4) On an affirmative vote of a majority of the elected members of the County Board **PRESENT AND VOTING AT A MEETING AT WHICH A QUORUM IS PRESENT**, the Board may determine if a matter before the Board relates to a subject that the student member may not vote on under paragraph (3) of this subsection.

(5) Unless invited to attend by an affirmative vote of a majority **OF THE ELECTED MEMBERS** of the County Board **PRESENT AND VOTING AT A MEETING AT WHICH A QUORUM IS PRESENT**, the student member may not attend an executive session that relates to hearings on appeals of special education placements, hearings held under § 6–202(a) of this article, or collective bargaining.

(6) The Prince George's Regional Association of Student Governments may establish procedures for the election of the student member of the County Board.

(7) The election procedures established by the Prince George's Regional Association of Student Governments are subject to the approval of the elected members of the County Board.

(g) (1) **[An] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AN** elected member serves for a term of 4 years beginning on the first Monday in December after the member's election and until the member's successor is elected and qualifies.

(2) THE TERMS OF THE ELECTED MEMBERS ARE STAGGERED AS FOLLOWS:

(1) THE FIVE ELECTED MEMBERS WHO RECEIVED THE LOWEST PERCENTAGE OF VOTES, AS DETERMINED BY THE FINAL VOTE COUNT OF THE 2010 GENERAL ELECTION AS CERTIFIED BY THE BOARD OF ELECTIONS, SHALL SERVE FOR A TERM OF 2 YEARS; AND

(II) THE OTHER FOUR MEMBERS ELECTED IN THE 2010 GENERAL ELECTION SHALL SERVE FOR A TERM OF 4 YEARS.

[(2)] (3) The student member serves for a term of 1 year beginning at the end of a school year.

[(3) Subject to the confirmation of the County Council, the County Executive of Prince George's County shall appoint a qualified individual to fill any vacancy on the County Board until a successor is elected and qualifies at the next congressional election.】

(4) (I) A SEAT ON THE COUNTY BOARD HELD BY AN ELECTED MEMBER THAT BECOMES VACANT MORE THAN 180 DAYS BEFORE THE END OF THAT MEMBER'S TERM OF OFFICE SHALL BE FILLED FOR THE REMAINDER OF THE TERM AT A SPECIAL ELECTION.

(II) A SPECIAL ELECTION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE HELD:

1. AT THE NEXT PRIMARY OR GENERAL ELECTION IF THE VACANCY OCCURS 180 DAYS OR LESS BEFORE A PRIMARY OR GENERAL ELECTION; OR

2. NO LATER THAN 60 DAYS AFTER THE VACANCY OCCURS IF THE VACANCY OCCURS MORE THAN 180 DAYS BEFORE A PRIMARY OR GENERAL ELECTION.

(III) A SPECIAL ELECTION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE:

1. FUNDED BY PRINCE GEORGE'S COUNTY; AND

2. GOVERNED BY TITLE 8, SUBTITLE 8 OF THE ELECTION LAW ARTICLE EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH OR WHERE SUCH CONSTRUCTION WOULD BE UNREASONABLE.

(IV) A VACANCY THAT OCCURS 180 DAYS OR LESS BEFORE THE EXPIRATION OF A MEMBER'S TERM OF OFFICE SHALL CONTINUE UNTIL A SUCCESSOR IS ELECTED AND QUALIFIES.

(V) AN INDIVIDUAL ELECTED TO A VACANT SEAT ON THE COUNTY BOARD AT THE GENERAL ELECTION HELD IN THE YEAR THAT THE

TERM EXPIRES SHALL SERVE FOR THE REMAINDER OF THE EXPIRING TERM AND FOR THE FOLLOWING TERM.

(h) (1) With the approval of the Governor, the State Board may remove a member of the County Board for any of the following reasons:

- (i) Immorality;
- (ii) Misconduct in office;
- (iii) Incompetency; or
- (iv) Willful neglect of duty.

(2) Before removing a member, the State Board shall send the member a copy of the charges pending and give the member an opportunity within 10 days to request a hearing.

(3) If the member requests a hearing within the 10-day period:

(i) The State Board promptly shall hold a hearing, but a hearing may not be set within 10 days after the State Board sends the member a notice of the hearing; and

(ii) The member shall have an opportunity to be heard publicly before the State Board in the member's own defense, in person or by counsel.

(4) A member removed under this subsection has the right to a de novo review of the removal by the Circuit Court for Prince George's County.

(i) While serving on the County Board, a member may not be a candidate for a public office other than a position on the County Board.

[3-1003.] 3-1002.

(a) From and after December 4, 2006, at the beginning of each member's full term, the [chairman] **CHAIR** of the County Board is entitled to receive \$19,000 annually as compensation and the other elected members are each entitled to receive \$18,000 annually as compensation.

(b) (1) After submitting vouchers under the rules and regulations adopted by the County Board, the [chairman] **CHAIR** and the other members, including the student member, are entitled to the allowances for travel and other expenses provided in the Prince George's County budget.

(2) A member of the County Board may not be reimbursed more than \$7,000 in travel and other expenses incurred in a single fiscal year.

[3-1004.] 3-1003.

(a) The County Board shall hold an annual meeting on the first Monday in December to elect a [chairman] **CHAIR** and vice [chairman] **CHAIR** from among its members.

[(b) All actions of the County Board shall be taken at a public meeting and a record of the meeting and all actions shall be made public.

(c) This section does not prohibit the County Board from meeting and deliberating in executive session provided that all action of the County Board, together with the individual vote of each member, is contained in a public record.]

[(d)] **(B)** (1) Except as otherwise provided in paragraph (2) of this subsection, [the affirmative vote of the members of the County Board for the passage of a motion by the County Board shall be:

(i) Six members when the student member is voting; or

(ii) Five members when the student member is not voting] **A QUORUM OF THE COUNTY BOARD IS FIVE ELECTED MEMBERS.**

~~(2) When there is one vacancy or more than one vacancy on the County Board, the affirmative vote of the members of the County Board for the passage of a motion by the Board shall be five members.~~

(2) WHEN THERE ARE TWO OR MORE VACANCIES ON THE COUNTY BOARD, A QUORUM OF THE COUNTY BOARD IS FOUR ELECTED MEMBERS.

(3) THE AFFIRMATIVE VOTE OF A MAJORITY OF THE ELECTED MEMBERS OF THE COUNTY BOARD PRESENT AND VOTING AT A MEETING AT WHICH A QUORUM IS PRESENT IS REQUIRED TO PASS A MOTION OF THE COUNTY BOARD.

[3-1005.] 3-1004.

(a) There is a Shared Space Council for Prince George's County. The purpose of the Council is to consider the alternative use of any vacant public schools and any vacant space that exists in the Prince George's County public school system.

(b) The Council shall consist of 23 members, appointed as follows:

(1) One member from each legislative district within Prince George's County, each of whom shall be appointed by the legislative delegation from the district.

(2) One member from each of the following governmental agencies, departments, or institutions:

- (i) The staff of the county Board of Education;
- (ii) The staff of the County Executive;
- (iii) The staff of the County Council;
- (iv) The county Department of Social Services;
- (v) The staff of the county Superintendent of Education;
- (vi) The Prince George's County Planning Board;
- (vii) The county Department of Aging;
- (viii) The county health department;
- (ix) The county Office of Coordination of Services to the Handicapped;
- (x) The county Juvenile Services Administration;
- (xi) The county Memorial Library System; and
- (xii) The county Department of Program Planning and Economic Development.

(3) On a rotating basis, one member shall be from the faculty or administration of Bowie State College or Prince George's Community College. Such member shall be appointed by the president of the college.

(4) The members from governmental agencies, departments, or institutions shall be appointed by the director, chairman, or chief executive officer of the agency, department, or institution.

(5) Two members shall be appointed by the County Executive.

(c) The term of the members appointed pursuant to subsection (b)(2), (3), and (4) shall be 3 years. All other members shall serve for a term of 2 years. Any vacancy on the Council shall be filled in the same manner as the original appointment.

(d) The Council shall meet at least four times each year. It shall, on an annual basis and in conjunction with the County Board of Education, survey the schools within the county public school system and compile a listing of any vacant public schools and any vacant space that exists within the system. The Council shall evaluate the feasibility of using any vacant public school or vacant space for community or governmental purposes.

(e) The Council shall report the results, findings, and recommendations derived from such survey, listing, and evaluation to the County Board of Education, the County Executive, the County Council and the mayor of each municipality in the county.

[3-1006.] 3-1005.

[(a)] In addition to the powers otherwise granted to the County Board in this article, the County Board or a designated committee of the County Board may hear an appeal from a decision of the County Superintendent that relates to the grade, transfer, tuition, or any aspect of participation in a program or activity of a specific student who is not subject to the provisions of Title 8, Subtitle 4 of this article.

[(b)] A designated committee shall consist of at least 5 members of the Board and at least 5 members of a designated committee shall be present to constitute a quorum of the committee.]

[3-1007.] 3-1006.

Notwithstanding any other provision of law, in Prince George's County, the Board of Education may implement the use of school uniforms by all students in the public schools in the county.

[3-1008.

(a) There is a Chief Financial Officer in the Prince George's County public school system who shall:

(1) Be responsible for the day-to-day management and oversight of the fiscal affairs of the Prince George's County public school system; and

(2) Report directly to the County Superintendent.

(b) The County Superintendent shall, subject to the approval of the County Board:

(1) Select the Chief Financial Officer; and

(2) Establish the salary of the Chief Financial Officer.

(c) The employment contract of the Chief Financial Officer shall provide that continued employment is contingent on the effective fiscal management of the Prince George's County public schools.

(d) The Chief Financial Officer is not a public officer under the Constitution or the laws of the State.]

Chapter 289 of the Acts of 2002, as amended by Chapter 344 of the Acts of 2005

[SECTION 17. AND BE IT FURTHER ENACTED, That, on or before June 1, 2007, a consultant shall conduct a comprehensive review of the Prince George's County public school system and the New Prince George's County Board of Education (New Board). The Prince George's County Board of Education (Board) and the Maryland State Department of Education shall jointly select and equally share the cost of the consultant and determine the scope of the comprehensive review. At a minimum, the comprehensive review shall evaluate both the educational and management reforms made by the New Board and shall determine whether there has been improvement in the management of and student achievement in the public schools in Prince George's County. The review may include recommendations to the General Assembly concerning the organizational structure of the Prince George's County public school system, in addition to recommendations to the Board concerning modifications to the master plan adopted in accordance with this Act. The consultant shall report the findings of the evaluation to the Governor, the County Executive of Prince George's County, the Board and, in accordance with § 2-1246 of the State Government Article, the General Assembly.]

[SECTION 18. AND BE IT FURTHER ENACTED, That the Prince George's County Board and the State Board of Education shall review the findings of the comprehensive review set forth in Section 17 of this Act and shall conduct four public hearings throughout Prince George's County. On or before September 1, 2007, the Prince George's County Board and State Board of Education shall report to the General Assembly the results of the public hearings and the review of the final comprehensive review, and propose to the General Assembly any changes appropriate in the management structure and levels of funding of the Prince George's County public school system.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 1247 - *Postretirement Health Benefits Trust Fund - Clarification*.

This bill requires the transfer to the Postretirement Health Benefits Trust Fund of all future budgetary allocations for the purpose of reducing the State's accrued liabilities associated with health benefits provided to State retirees. The bill also authorizes the transfer of funds allocated in the fiscal 2007 and 2008 budgets for retiree health liabilities to the trust fund and allows payments from the trust fund in future years to pay the ongoing costs of providing health benefits to State retirees.

Senate Bill 780, 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 1247.

Sincerely,

Martin O'Malley
Governor

House Bill 1247

AN ACT concerning

Postretirement Health Benefits Trust Fund – Clarification

FOR the purpose of specifying that certain funds shall be deposited into the Postretirement Health Benefits Trust Fund; limiting the amount to be paid for administrative expenses for operating the Postretirement Health Benefits Trust Fund; altering the time period when payments may be made from the

Postretirement Health Benefits Trust Fund; altering the amount and the manner in which certain payments may be made from the Postretirement Health Benefits Trust Fund; repealing certain provisions that require assets of the Postretirement Health Benefits Trust Fund to be transferred to the General Fund under certain circumstances; authorizing the Board of Trustees of the State Retirement and Pension System to adopt a trust document and regulations; altering the membership of the Blue Ribbon Commission to Study Retiree Health Care Funding Options; requiring the State Retirement Agency to request certain documentation from the Internal Revenue Service; and generally relating to the Postretirement Health Benefits Trust Fund.

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 34–101 and 34–201
Annotated Code of Maryland
(2004 Replacement Volume and 2006 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

34–101.

- (a) There is a Postretirement Health Benefits Trust Fund.
- (b) The Postretirement Health Benefits Trust Fund shall be established as a tax-exempt trust, in accordance with § 115 of the Internal Revenue Code or other applicable federal statute.
- (c) The purpose of the Postretirement Health Benefits Trust Fund is to assist the State in financing the postretirement health insurance subsidy, as specified in § 2–508 of this article.
- (d) Beginning in fiscal year 2008, **THE FOLLOWING FUNDS SHALL BE DEPOSITED INTO THE POSTRETIREMENT HEALTH BENEFITS TRUST FUND:**
- (1)** any subsidy received by the State that is provided to employers as a result of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003, or similar federal subsidy received as a result of the State's prescription drug program[, shall be deposited into the Postretirement Health Benefits Trust Fund]; **AND**

(2) ANY FUNDS APPROPRIATED TO THE POSTRETIREMENT HEALTH BENEFITS TRUST FUND, WHETHER DIRECTLY OR THROUGH THE BUDGETS OF ANY STATE AGENCY.

(2) (E) AFTER JUNE 1, 2008, ANY FUNDS DEPOSITED INTO THE DEDICATED PURPOSE ACCOUNT IN FISCAL YEAR 2007 AND FISCAL YEAR 2008 THAT WERE APPROPRIATED IN CHAPTER 216 OF THE ACTS OF 2006 OR CHAPTER _____ OF THE ACTS OF 2007 (H.B. 50) FOR THE PURPOSE OF DEFRAYING THE FUTURE COSTS ASSOCIATED WITH RETIREMENT BENEFITS FOR STATE ~~EMPLOYEES; AND~~ EMPLOYEES, MAY BE DEPOSITED INTO THE POSTRETIREMENT HEALTH BENEFITS TRUST FUND.

~~(3) ANY FUNDS APPROPRIATED IN THE STATE BUDGET BILL FOR THE PURPOSE OF FUNDING THE ACCRUED LIABILITY FOR RETIREE HEALTH CARE BENEFITS UNDER THE STATE EMPLOYEE AND RETIREE HEALTH AND WELFARE BENEFITS PROGRAM.~~

(F) (1) The Board of Trustees are the trustees of the Postretirement Health Benefits Trust Fund.

(2) Notwithstanding any other provision of law:

(i) the Board of Trustees shall have full power to invest and manage the assets of the Postretirement Health Benefits Trust Fund to achieve the statutory purpose of the Fund; and

(ii) each member of the Board of Trustees shall discharge the member's duties with respect to the Postretirement Health Benefits Trust Fund as a fiduciary and be indemnified in accordance with the provisions of Title 21, Subtitle 2 of this article.

(3) The Board of Trustees may incur reasonable investment expenses payable from the assets of the Postretirement Health Benefits Trust Fund, and in accordance with § 21-315(d) of this article, for:

(i) services of managers to invest the assets of the Postretirement Health Benefits Trust Fund;

(ii) services of one or more duly qualified banks or trust companies for the safe custody of the investments and banking services; and

(iii) any other service that the Board of Trustees deems reasonable and necessary in connection with the investments of the Postretirement Health Benefits Trust Fund.

(4) (i) The Board of Trustees may incur reasonable administrative expenses payable from the assets of the Postretirement Health Benefits Trust Fund.

(ii) Administrative expenses paid under subparagraph (i) of this paragraph may not exceed [an amount equal to the amount of administrative expenses paid by the Board of Trustees under § 21–315(c) of this article multiplied by a fraction:

1. the numerator of which equals the total assets of the Postretirement Health Benefits Trust Fund; and

2. the denominator of which equals the combined total assets of the several systems and the Postretirement Health Benefits Trust Fund] **\$100,000 ANNUALLY.**

(5) The Board of Trustees is not subject to Division II of the State Finance and Procurement Article for:

(i) obtaining services of managers to invest the assets of the Postretirement Health Benefits Trust Fund; and

(ii) expenditures to manage, maintain, and enhance the value of the assets of the Postretirement Health Benefits Trust Fund.

~~(F)~~ **(G)** To the extent possible, the assets of the Postretirement Health Benefits Trust Fund shall be invested in the same manner as those of the several systems.

~~(G)~~ **(H)** [For fiscal year 2008 through fiscal year 2017] **PRIOR TO FISCAL YEAR 2009**, no payments may be made from the Postretirement Health Benefits Trust Fund.

~~(H)~~ **(I)** [For fiscal year 2018 and each fiscal year thereafter] **BEGINNING IN FISCAL YEAR 2009**, the Board of Trustees [shall] **MAY** transfer **AN AMOUNT FROM THE POSTRETIREMENT HEALTH BENEFITS TRUST FUND** to the [General Fund] **THE DEPARTMENT OF BUDGET AND MANAGEMENT, SUBJECT TO APPROPRIATION IN THE STATE BUDGET**, for the sole purpose of assisting in the payment of the State's postretirement health insurance subsidy[, the lesser of:

(1) one-quarter of the prior year's investment gains of the Postretirement Health Benefits Trust Fund; or

(2) the amount necessary to pay the annual health insurance premiums and other costs that constitute the State's postretirement health insurance subsidy specified in § 2-508 of this article].

~~(J)~~ **(J)** [If for any reason the State discontinues the postretirement health insurance subsidy specified in § 2-508 of this article or a successor subsidy, the assets of the Postretirement Health Benefits Trust Fund shall be transferred to the General Fund.

(j)] On or before October 1, 2009, and on or before October 1 thereafter, the Board of Trustees shall publish an annual consolidated report that includes:

(1) the fiscal transactions of the Postretirement Health Benefits Trust Fund for the preceding fiscal year; and

(2) the amount of the accumulated cash, securities, and other assets of the Postretirement Health Benefits Trust Fund.

(K) THE BOARD OF TRUSTEES MAY ADOPT A TRUST DOCUMENT AND REGULATIONS TO CARRY OUT THIS TITLE.

34-201.

(a) There is a Blue Ribbon Commission to Study Retiree Health Care Funding Options.

(b) The Commission shall consist of the following members:

(1) **[three] FIVE** members from the Senate of Maryland, appointed by the President of the Senate[, including:

(i) the Senate Chair of the Joint Committee on Pensions; and

(ii) two members from among the members of the Joint Committee on Pensions];

(2) **[three] FIVE** members from the House of Delegates, appointed by the Speaker of the House[, including:

(i) the House Chair of the Joint Committee on Pensions; and

(ii) two members from among the members of the Joint Committee on Pensions];

(3) the State Treasurer, or the Treasurer's designee;

- (4) the Comptroller, or the Comptroller's designee;
- (5) the Secretary of Budget and Management, or the Secretary's designee;
- (6) the Chancellor of the University System of Maryland, or the Chancellor's designee;
- (7) the Executive Director of the State Retirement and Pension System, or the Executive Director's designee; and
- (8) three members of the public with expertise in either funding retiree health benefits, the economics of affordable retiree health care programs, or investing pension fund assets, with one member each appointed by the Governor, the President of the Senate, and the Speaker of the House.

(c) [The Senate and House Chairs of the Joint Committee on Pensions shall serve jointly as the Chairs of the Commission.] **THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE SHALL JOINTLY DESIGNATE CO-CHAIRS OF THE COMMISSION FROM THE SENATE MEMBERS AND HOUSE MEMBERS APPOINTED TO THE COMMISSION.**

(d) The Commission shall be guided by the following principles:

- (1) a recognition that:
 - (i) funding State retiree health benefits solely on a pay-as-you-go basis is no longer a viable solution; and
 - (ii) any proposed solution, funding or otherwise, should treat employees, retirees, and taxpaying citizens fairly;
- (2) in light of the enormity of the State's projected unfunded accrued liability for retiree health care ~~that is estimated to be as high as \$20,400,000,000~~ and the potential effect this liability may have on the State's bond rating, the State's ultimate goal should be to fully fund the obligations set forth under the Government Accounting Standards Board (GASB) Statement 45;
- (3) a clear message should be sent to the bond rating agencies that the State is taking this issue seriously, and a multiyear plan that clearly articulates the State's commitment to address this issue should be implemented as soon as practicable;

(4) any funding solution proposed by the Commission will likely include some direct State appropriation, with the Commission pursuing any and all viable funding sources, including the possibility of employee contributions during active service;

(5) the Commission should consider the actual impact any changes in the State Employee and Retiree Health and Welfare Benefits Program will have on the State's annual required contribution and should look for appropriate cost efficiencies that maintain the quality health care coverage the State provides for retirees; and

(6) special consideration should be given to State retirees who are receiving benefits or State employees who have accrued at least 16 years of service with the State and have vested for State retiree health benefits under current law, recognizing that while there may be no legal obligation on the part of the State to provide retiree health care benefits to these individuals, the Commission should view the commitment to provide retiree health care benefits to these individuals as an ethical one.

(e) The Commission shall:

(1) contract with an actuarial consulting firm to:

(i) commission an actuarial valuation that illustrates the State's annual required contribution as both a fixed dollar amount and also as a percentage of payroll; and

(ii) provide ongoing services to the Commission throughout its existence;

(2) review the specific legal obligations of the State to provide retiree health benefits to existing retirees, fully vested employees, active employees, and new employees;

(3) study the cost drivers associated with the State's unfunded retiree health care liabilities which provide the basis for the unfunded accrued liability ~~that is estimated to be as high as \$20,400,000,000~~ as well as the ongoing normal costs associated with the retiree health care liabilities;

(4) review the current health care benefit levels for both State employees and retirees and how the benefits compare to benefits provided under Medicare, by private employers, and by other public employers, with a particular emphasis on whether the various levels are appropriate, equitable, and sustainable;

(5) review the eligibility requirements for State retiree health care benefits with a particular emphasis on whether the requirements are appropriate and equitable;

(6) review alternative vehicles for providing health care benefits to State retirees including Voluntary Employee Beneficiary Accounts (VEBAs), Section 401(h) accounts, Section 115 trusts, health reimbursement arrangements, and health savings accounts; and

(7) recommend a multiyear implementation plan to address fully funding the obligations of the State as set forth in GASB Statement 45 as soon as practicable.

(f) (1) The Commission shall be staffed by the Department of Legislative Services.

(2) (i) The Department of Budget and Management shall provide any information the Commission may require with regard to health care benefits and health benefit costs for State employees and retirees.

(ii) If the Department of Budget and Management is unable to provide the information requested by the Commission under subparagraph (i) of this paragraph, the Commission may contract with an independent health care consulting firm for assistance.

(3) (i) The Department of Budget and Management shall provide the funding for the Commission to hire more than one actuarial consulting firm and a health care consulting firm.

(ii) 1. The Commission may request up to two actuarial valuations annually.

2. If the Commission requests two actuarial valuations in the same year, each shall be performed by a different actuarial consulting firm.

(g) On or before December 31, 2008, the Commission shall issue a final report of 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:

(a) On or before August 1, 2007, the State Retirement Agency shall request a ~~determination letter~~ ruling from the Internal Revenue Service that confirms the qualification of the Postretirement Health Benefits Trust Fund under Section 1 of this

Act as a tax-exempt trust established in accordance with § 115 of the Internal Revenue Code.

(b) The State Retirement Agency, within 5 days after receiving the ~~determination letter~~ ruling from the Internal Revenue Service, shall forward a copy of the ruling to the Executive Director of the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 1356 - *Vehicle Laws - Motor Vehicle and Bicycle Racing Events - Approval*.

This bill permits motor vehicle racing on a highway under the jurisdiction of the State Highway Administration or a local authority if the State Highway Administration or local authority approves under specified circumstances. It authorizes the approval of a motor vehicle or bicycle racing event only if the specified conditions are met and terminates the Act at the end of September 30, 2009.

Senate Bill 984, 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 1356.

Sincerely,

Martin O'Malley
Governor

House Bill 1356

AN ACT concerning

Vehicle Laws – Motor Vehicle and Bicycle Racing Events – Approval

FOR the purpose of authorizing motor vehicle racing on a highway under the jurisdiction of the State Highway Administration or a local authority if the State Highway Administration or local authority approves the racing event, subject to certain conditions; authorizing the approval of a motor vehicle or bicycle racing event only if the sponsors of the event indemnify the State and local governments against certain loss and provide certain liability insurance, the county or other local jurisdiction in which the event is held provides written authorization for the event, and the highway on which the event is held is closed in a certain manner; authorizing the State Highway Administration or a local authority to exempt participants in an approved motor vehicle racing event from certain provisions of law; making this Act an emergency measure; providing for the termination of this Act; and generally relating to approval of motor vehicle and bicycle racing events.

BY repealing and reenacting, without amendments,
Article – Transportation
Section 21–1116
Annotated Code of Maryland
(2006 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article – Transportation
Section 21–1211
Annotated Code of Maryland
(2006 Replacement Volume and 2006 Supplement)

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

Article – Transportation

21–1116.

(a) Except as provided in § 21–1211 of this title, on any highway or on any private property that is used by the public in general, a person may not drive a vehicle in a race or speed contest, whether or not on a wager or for a prize or reward.

(b) Except as provided in § 21-1211 of this title, a person may not participate as a timekeeper or flagman in any race or speed contest specified in subsection (a) of this section.

21-1211.

(a) When the State Highway Administration or a local authority approves a **MOTOR VEHICLE OR** bicycle racing event on a highway or a highway bridge under its respective jurisdiction, **MOTOR VEHICLE OR** bicycle racing shall be lawful.

(b) The State Highway Administration or a local authority may approve a **MOTOR VEHICLE OR** bicycle racing event only **IF**:

(1) THE RACING EVENT IS HELD under conditions that:

[(1)] (I) Provide reasonable safety for race participants, spectators, and other highway or highway bridge users; and

[(2)] (II) Prevent unreasonable interference with traffic flow that would seriously inconvenience other highway or highway bridge users;

(2) THE SPONSORS OF THE RACING EVENT:

(I) INDEMNIFY THE STATE AND LOCAL GOVERNMENTS FROM ANY LOSS ARISING OUT OF OR RELATING TO THE RACING EVENT; AND

(II) PROVIDE COMPREHENSIVE LIABILITY INSURANCE, IN AN AMOUNT TO BE DETERMINED BY THE STATE HIGHWAY ADMINISTRATION OR LOCAL AUTHORITY WITH JURISDICTION OVER THE HIGHWAY ON WHICH THE RACING EVENT IS TO BE HELD, FOR THE BENEFIT OF THE STATE AND LOCAL GOVERNMENTS, SPECTATORS, AND OTHER HIGHWAY OR HIGHWAY BRIDGE USERS;

(3) THE COUNTY OR OTHER LOCAL JURISDICTION IN WHICH THE RACING EVENT IS HELD PROVIDES WRITTEN AUTHORIZATION FOR THE RACING EVENT; AND

(4) THE HIGHWAY ON WHICH THE RACING EVENT IS HELD IS CLOSED, IN A MANNER APPROVED BY THE STATE HIGHWAY ADMINISTRATION OR LOCAL AUTHORITY WITH JURISDICTION OVER THE HIGHWAY, WITH APPROPRIATE ACCESS MEASURES IN PLACE.

(c) If traffic control adequately assures the safety of participants, spectators, and other highway or highway bridge users, the State Highway Administration or a

local authority may exempt participants in an approved **MOTOR VEHICLE OR** bicycle racing event from compliance with other provisions of the Maryland Vehicle Law that otherwise would be applicable to the participants in the **MOTOR VEHICLE OR** bicycle racing event.

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. It shall remain effective through September 30, 2009, and at the end of September 30, 2009, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 17, 2007

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, today I have vetoed House Bill 1365 - *Town of Brookview (Dorchester County) - Urban Renewal Authority for Slum Clearance*.

This bill authorizes the Town of Brookview, Dorchester County, to undertake and carry out specified urban renewal projects for slum clearance and redevelopment. The bill also prohibits specified land or property from being taken for specified purposes without just compensation first being paid to the party entitled to the compensation.

Senate Bill 1008, 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 1365.

Sincerely,

Martin O'Malley
Governor

House Bill 1365

AN ACT concerning

**Town of Brookview (Dorchester County) – Urban Renewal Authority for
Slum Clearance**

FOR the purpose of authorizing the Town of Brookview, Dorchester County, to undertake and carry out certain urban renewal projects for slum clearance and redevelopment; prohibiting certain land or property from being taken for certain purposes without just compensation first being paid to the party entitled to the compensation; declaring that certain land or property taken in connection with certain urban renewal powers is needed for public uses or purposes; authorizing the legislative body of the Town of Brookview by ordinance to elect to have certain urban renewal powers exercised by a certain public body; imposing certain requirements for the initiation and approval of an urban renewal area; providing for the disposal of property in an urban renewal area; authorizing the municipal corporation to issue certain bonds under certain circumstances; clarifying that a certain appendix may be amended or repealed only by the General Assembly of Maryland; defining certain terms; and generally relating to urban renewal authority for slum clearance for the Town of Brookview in Dorchester County.

BY adding to

Chapter 16 – Charter of the Town of Brookview

Section A1–101 through A1–114 and the heading “Appendix I
– Urban Renewal Authority for Slum Clearance”

Public Local Laws of Maryland – Compilation of Municipal Charters
(1990 Replacement Edition and 2005 Supplement)

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

Chapter 16 – Charter of the Town of Brookview

APPENDIX I – URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE

A1–101. DEFINITIONS.

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

(B) “BLIGHTED AREA” MEANS AN AREA OR SINGLE PROPERTY IN WHICH THE BUILDING OR BUILDINGS HAVE DECLINED IN PRODUCTIVITY BY REASON OF

OBSOLESCENCE, DEPRECIATION, OR OTHER CAUSES TO AN EXTENT THEY NO LONGER JUSTIFY FUNDAMENTAL REPAIRS AND ADEQUATE MAINTENANCE.

(C) "BONDS" MEANS ANY BONDS (INCLUDING REFUNDING BONDS), NOTES, INTERIM CERTIFICATES, CERTIFICATES OF INDEBTEDNESS, DEBENTURES, OR OTHER OBLIGATIONS.

(D) "FEDERAL GOVERNMENT" MEANS THE UNITED STATES OF AMERICA OR ANY AGENCY OR INSTRUMENTALITY, CORPORATE OR OTHERWISE, OF THE UNITED STATES OF AMERICA.

(E) "MUNICIPALITY" MEANS THE TOWN OF BROOKVIEW, MARYLAND.

(F) "PERSON" MEANS ANY INDIVIDUAL, FIRM, PARTNERSHIP, CORPORATION, COMPANY, ASSOCIATION, JOINT STOCK ASSOCIATION, OR BODY POLITIC. IT INCLUDES ANY TRUSTEE, RECEIVER, ASSIGNEE, OR OTHER PERSON ACTING IN SIMILAR REPRESENTATIVE CAPACITY.

(G) "SLUM AREA" MEANS ANY AREA OR SINGLE PROPERTY WHERE DWELLINGS PREDOMINATE WHICH, BY REASON OF DEPRECIATION, OVERCROWDING, FAULTY ARRANGEMENT OR DESIGN, LACK OF VENTILATION, LIGHT, OR SANITARY FACILITIES, OR ANY COMBINATION OF THESE FACTORS, ARE DETRIMENTAL TO THE PUBLIC SAFETY, HEALTH, OR MORALS.

(H) "URBAN RENEWAL AREA" MEANS A SLUM AREA OR A BLIGHTED AREA OR A COMBINATION OF THEM WHICH THE MUNICIPALITY DESIGNATES AS APPROPRIATE FOR AN URBAN RENEWAL PROJECT.

(I) "URBAN RENEWAL PLAN" MEANS A PLAN, AS IT EXISTS FROM TIME TO TIME, FOR AN URBAN RENEWAL PROJECT. THE PLAN SHALL BE SUFFICIENTLY COMPLETE TO INDICATE ANY LAND ACQUISITION, DEMOLITION, AND REMOVAL OF STRUCTURES, REDEVELOPMENT, IMPROVEMENTS, AND REHABILITATION AS MAY BE PROPOSED TO BE CARRIED OUT IN THE URBAN RENEWAL AREA, ZONING AND PLANNING CHANGES, IF ANY, LAND USES, MAXIMUM DENSITY, AND BUILDING REQUIREMENTS.

(J) "URBAN RENEWAL PROJECT" MEANS UNDERTAKINGS AND ACTIVITIES OF A MUNICIPALITY IN AN URBAN RENEWAL AREA FOR THE ELIMINATION AND FOR THE PREVENTION OF THE DEVELOPMENT OR SPREAD OF SLUMS AND BLIGHT, AND MAY INVOLVE SLUM CLEARANCE AND REDEVELOPMENT IN AN URBAN RENEWAL AREA, OR REHABILITATION OR CONSERVATION IN AN URBAN RENEWAL AREA, OR ANY COMBINATION OR PART

OF THEM IN ACCORDANCE WITH AN URBAN RENEWAL PLAN. THESE UNDERTAKINGS AND ACTIVITIES MAY INCLUDE:

(1) ACQUISITION OF A SLUM AREA OR A BLIGHTED AREA OR PORTION OF THEM;

(2) DEMOLITION AND REMOVAL OF BUILDINGS AND IMPROVEMENTS;

(3) INSTALLATION, CONSTRUCTION OR RECONSTRUCTION OF STREETS, UTILITIES, PARKS, PLAYGROUNDS, AND OTHER IMPROVEMENTS NECESSARY FOR CARRYING OUT THE URBAN RENEWAL OBJECTIVES OF THIS APPENDIX IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(4) DISPOSITION OF ANY PROPERTY ACQUIRED IN THE URBAN RENEWAL AREA, INCLUDING SALE, INITIAL LEASING, OR RETENTION BY THE MUNICIPALITY ITSELF, AT ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(5) CARRYING OUT PLANS FOR A PROGRAM OF VOLUNTARY OR COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS OR OTHER IMPROVEMENTS IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(6) ACQUISITION OF ANY OTHER REAL PROPERTY IN THE URBAN RENEWAL AREA WHERE NECESSARY TO ELIMINATE UNHEALTHFUL, UNSANITARY, OR UNSAFE CONDITIONS, LESSEN DENSITY, ELIMINATE OBSOLETE OR OTHER USES DETRIMENTAL TO THE PUBLIC WELFARE, OR OTHERWISE TO REMOVE OR PREVENT THE SPREAD OF BLIGHT OR DETERIORATION, OR TO PROVIDE LAND FOR NEEDED PUBLIC FACILITIES; AND

(7) THE PRESERVATION, IMPROVEMENT, OR EMBELLISHMENT OF HISTORIC STRUCTURES OR MONUMENTS.

A1-102. POWERS.

(A) THE MUNICIPALITY MAY UNDERTAKE AND CARRY OUT URBAN RENEWAL PROJECTS.

(B) THESE PROJECTS SHALL BE LIMITED:

(1) TO SLUM CLEARANCE IN SLUM OR BLIGHTED AREAS AND REDEVELOPMENT OR THE REHABILITATION OF SLUM OR BLIGHTED AREAS;

(2) TO ACQUIRE IN CONNECTION WITH THOSE PROJECTS, WITHIN THE CORPORATE LIMITS OF THE MUNICIPALITY, LAND AND PROPERTY OF EVERY KIND AND ANY RIGHT, INTEREST, FRANCHISE, EASEMENT, OR PRIVILEGE, INCLUDING LAND OR PROPERTY AND ANY RIGHT OR INTEREST ALREADY DEVOTED TO PUBLIC USE, BY PURCHASE, LEASE, GIFT, CONDEMNATION, OR ANY OTHER LEGAL MEANS; AND

(3) TO SELL, LEASE, CONVEY, TRANSFER, OR OTHERWISE DISPOSE OF ANY OF THE LAND OR PROPERTY, REGARDLESS OF WHETHER OR NOT IT HAS BEEN DEVELOPED, REDEVELOPED, ALTERED, OR IMPROVED AND IRRESPECTIVE OF THE MANNER OR MEANS IN OR BY WHICH IT MAY HAVE BEEN ACQUIRED, TO ANY PRIVATE, PUBLIC, OR QUASI-PUBLIC CORPORATION, PARTNERSHIP, ASSOCIATION, PERSON, OR OTHER LEGAL ENTITY.

(C) LAND OR PROPERTY TAKEN BY THE MUNICIPALITY FOR ANY OF THESE PURPOSES OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS WHICH ARE GRANTED BY THIS APPENDIX TO THE MUNICIPALITY BY EXERCISING THE POWER OF EMINENT DOMAIN MAY NOT BE TAKEN WITHOUT JUST COMPENSATION, AS AGREED ON BETWEEN THE PARTIES, OR AWARDED BY A JURY, BEING FIRST PAID OR TENDERED TO THE PARTY ENTITLED TO THE COMPENSATION.

(D) ALL LAND OR PROPERTY NEEDED OR TAKEN BY THE EXERCISE OF THE POWER OF EMINENT DOMAIN BY THE MUNICIPALITY FOR ANY OF THESE PURPOSES OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS GRANTED BY THIS APPENDIX IS DECLARED TO BE NEEDED OR TAKEN FOR PUBLIC USES AND PURPOSES.

(E) ANY OR ALL OF THE ACTIVITIES AUTHORIZED PURSUANT TO THIS APPENDIX CONSTITUTE GOVERNMENTAL FUNCTIONS UNDERTAKEN FOR PUBLIC USES AND PURPOSES AND THE POWER OF TAXATION MAY BE EXERCISED, PUBLIC FUNDS EXPENDED, AND PUBLIC CREDIT EXTENDED IN FURTHERANCE OF THEM.

A1-103. ADDITIONAL POWERS.

THE MUNICIPALITY HAS THE FOLLOWING ADDITIONAL POWERS. THESE POWERS ARE DECLARED TO BE NECESSARY AND PROPER TO CARRY INTO FULL FORCE AND EFFECT THE SPECIFIC POWERS GRANTED IN THIS APPENDIX AND TO FULLY ACCOMPLISH THE PURPOSES AND OBJECTS CONTEMPLATED BY THE PROVISIONS OF THIS SECTION:

(1) TO MAKE OR HAVE MADE ALL SURVEYS AND PLANS NECESSARY TO THE CARRYING OUT OF THE PURPOSES OF THIS APPENDIX AND TO ADOPT OR APPROVE, MODIFY, AND AMEND THOSE PLANS. THESE PLANS MAY INCLUDE, BUT ARE NOT LIMITED TO:

(I) PLANS FOR CARRYING OUT A PROGRAM OF VOLUNTARY OR COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS AND IMPROVEMENTS;

(II) PLANS FOR THE ENFORCEMENT OF CODES AND REGULATIONS RELATING TO THE USE OF LAND AND THE USE AND OCCUPANCY OF BUILDINGS AND IMPROVEMENTS AND TO THE COMPULSORY REPAIR, REHABILITATION, DEMOLITION, OR REMOVAL OF BUILDINGS AND IMPROVEMENTS; AND

(III) APPRAISALS, TITLE SEARCHES, SURVEYS, STUDIES, AND OTHER PLANS AND WORK NECESSARY TO PREPARE FOR THE UNDERTAKING OF URBAN RENEWAL PROJECTS AND RELATED ACTIVITIES; AND TO APPLY FOR, ACCEPT, AND UTILIZE GRANTS OF FUNDS FROM THE FEDERAL GOVERNMENT OR OTHER GOVERNMENTAL ENTITY FOR THOSE PURPOSES;

(2) TO PREPARE PLANS FOR THE RELOCATION OF PERSONS (INCLUDING FAMILIES, BUSINESS CONCERNS, AND OTHERS) DISPLACED FROM AN URBAN RENEWAL AREA, AND TO MAKE RELOCATION PAYMENTS TO OR WITH RESPECT TO THOSE PERSONS FOR MOVING EXPENSES AND LOSSES OF PROPERTY FOR WHICH REIMBURSEMENT OR COMPENSATION IS NOT OTHERWISE MADE, INCLUDING THE MAKING OF PAYMENTS FINANCED BY THE FEDERAL GOVERNMENT;

(3) TO APPROPRIATE WHATEVER FUNDS AND MAKE WHATEVER EXPENDITURES AS MAY BE NECESSARY TO CARRY OUT THE PURPOSES OF THIS APPENDIX, INCLUDING, BUT NOT LIMITED:

(I) TO THE PAYMENT OF ANY AND ALL COSTS AND EXPENSES INCURRED IN CONNECTION WITH, OR INCIDENTAL TO, THE ACQUISITION OF LAND OR PROPERTY, AND FOR THE DEMOLITION, REMOVAL, RELOCATION, RENOVATION, OR ALTERATION OF LAND, BUILDINGS, STREETS, HIGHWAYS, ALLEYS, UTILITIES, OR SERVICES, AND OTHER STRUCTURES OR IMPROVEMENTS, AND FOR THE CONSTRUCTION, RECONSTRUCTION, INSTALLATION, RELOCATION, OR REPAIR OF STREETS, HIGHWAYS, ALLEYS, UTILITIES, OR SERVICES, IN CONNECTION WITH URBAN RENEWAL PROJECTS;

(II) TO LEVY TAXES AND ASSESSMENTS FOR THOSE PURPOSES;

(III) TO BORROW MONEY AND TO APPLY FOR AND ACCEPT ADVANCES, LOANS, GRANTS, CONTRIBUTIONS, AND ANY OTHER FORM OF FINANCIAL ASSISTANCE FROM THE FEDERAL GOVERNMENT, THE STATE, COUNTY, OR OTHER PUBLIC BODIES, OR FROM ANY SOURCES, PUBLIC OR PRIVATE, FOR THE PURPOSES OF THIS APPENDIX, AND TO GIVE WHATEVER SECURITY AS MAY BE REQUIRED FOR THIS FINANCIAL ASSISTANCE; AND

(IV) TO INVEST ANY URBAN RENEWAL FUNDS HELD IN RESERVES OR SINKING FUNDS OR ANY OF THESE FUNDS NOT REQUIRED FOR IMMEDIATE DISBURSEMENT IN PROPERTY OR SECURITIES WHICH ARE LEGAL INVESTMENTS FOR OTHER MUNICIPAL FUNDS;

(4) (I) TO HOLD, IMPROVE, CLEAR, OR PREPARE FOR REDEVELOPMENT ANY PROPERTY ACQUIRED IN CONNECTION WITH URBAN RENEWAL PROJECTS;

(II) TO MORTGAGE, PLEDGE, HYPOTHECATE, OR OTHERWISE ENCUMBER THAT PROPERTY; AND

(III) TO INSURE OR PROVIDE FOR THE INSURANCE OF THE PROPERTY OR OPERATIONS OF THE MUNICIPALITY AGAINST ANY RISKS OR HAZARDS, INCLUDING THE POWER TO PAY PREMIUMS ON ANY INSURANCE;

(5) TO MAKE AND EXECUTE ALL CONTRACTS AND OTHER INSTRUMENTS NECESSARY OR CONVENIENT TO THE EXERCISE OF ITS POWERS UNDER THIS APPENDIX, INCLUDING THE POWER TO ENTER INTO AGREEMENTS WITH OTHER PUBLIC BODIES OR AGENCIES (THESE AGREEMENTS MAY EXTEND OVER ANY PERIOD, NOTWITHSTANDING ANY PROVISION OR RULE OF LAW TO THE CONTRARY), AND TO INCLUDE IN ANY CONTRACT FOR FINANCIAL ASSISTANCE WITH THE FEDERAL GOVERNMENT FOR OR WITH RESPECT TO AN URBAN RENEWAL PROJECT AND RELATED ACTIVITIES ANY CONDITIONS IMPOSED PURSUANT TO FEDERAL LAWS AS THE MUNICIPALITY CONSIDERS REASONABLE AND APPROPRIATE;

(6) TO ENTER INTO ANY BUILDING OR PROPERTY IN ANY URBAN RENEWAL AREA IN ORDER TO MAKE INSPECTIONS, SURVEYS, APPRAISALS, SOUNDINGS, OR TEST BORINGS, AND TO OBTAIN AN ORDER FOR THIS PURPOSE

FROM THE CIRCUIT COURT FOR THE COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN THE EVENT ENTRY IS DENIED OR RESISTED;

(7) TO PLAN, REPLAN, INSTALL, CONSTRUCT, RECONSTRUCT, REPAIR, CLOSE, OR VACATE STREETS, ROADS, SIDEWALKS, PUBLIC UTILITIES, PARKS, PLAYGROUNDS, AND OTHER PUBLIC IMPROVEMENTS IN CONNECTION WITH AN URBAN RENEWAL PROJECT; AND TO MAKE EXCEPTIONS FROM BUILDING REGULATIONS;

(8) TO GENERALLY ORGANIZE, COORDINATE, AND DIRECT THE ADMINISTRATION OF THE PROVISIONS OF THIS APPENDIX AS THEY APPLY TO THE MUNICIPALITY IN ORDER THAT THE OBJECTIVE OF REMEDYING SLUM AND BLIGHTED AREAS AND PREVENTING ITS CAUSES WITHIN THE MUNICIPALITY MAY BE PROMOTED AND ACHIEVED MOST EFFECTIVELY; AND

(9) TO EXERCISE ALL OR ANY PART OR COMBINATION OF THE POWERS GRANTED IN THIS APPENDIX.

A1-104. ESTABLISHMENT OF URBAN RENEWAL AGENCY.

(A) A MUNICIPALITY MAY ITSELF EXERCISE ALL THE POWERS GRANTED BY THIS APPENDIX, OR MAY, IF ITS LEGISLATIVE BODY BY ORDINANCE DETERMINES THE ACTION TO BE IN THE PUBLIC INTEREST, ELECT TO HAVE THE POWERS EXERCISED BY A SEPARATE PUBLIC BODY OR AGENCY.

(B) IN THE EVENT THE LEGISLATIVE BODY MAKES THAT DETERMINATION, IT SHALL PROCEED BY ORDINANCE TO ESTABLISH A PUBLIC BODY OR AGENCY TO UNDERTAKE IN THE MUNICIPALITY THE ACTIVITIES AUTHORIZED BY THIS APPENDIX.

(C) THE ORDINANCE SHALL INCLUDE PROVISIONS ESTABLISHING THE NUMBER OF MEMBERS OF THE PUBLIC BODY OR AGENCY, THE MANNER OF THEIR APPOINTMENT AND REMOVAL, AND THE TERMS OF THE MEMBERS AND THEIR COMPENSATION.

(D) THE ORDINANCE MAY INCLUDE WHATEVER ADDITIONAL PROVISIONS RELATING TO THE ORGANIZATION OF THE PUBLIC BODY OR AGENCY AS MAY BE NECESSARY.

(E) IN THE EVENT THE LEGISLATIVE BODY ENACTS THIS ORDINANCE, ALL OF THE POWERS BY THIS APPENDIX GRANTED TO THE MUNICIPALITY, FROM

THE EFFECTIVE DATE OF THE ORDINANCE, ARE VESTED IN THE PUBLIC BODY OR AGENCY ESTABLISHED BY THE ORDINANCE.

A1-105. POWERS WITHHELD FROM THE AGENCY.

THE AGENCY MAY NOT:

(1) PASS A RESOLUTION TO INITIATE AN URBAN RENEWAL PROJECT PURSUANT TO SECTIONS A1-102 AND A1-103 OF THIS APPENDIX;

(2) ISSUE GENERAL OBLIGATION BONDS PURSUANT TO SECTION A1-111 OF THIS APPENDIX; OR

(3) APPROPRIATE FUNDS OR LEVY TAXES AND ASSESSMENTS PURSUANT TO SECTION A1-103(3) OF THIS APPENDIX.

A1-106. INITIATION OF PROJECT.

IN ORDER TO INITIATE AN URBAN RENEWAL PROJECT, THE LEGISLATIVE BODY OF THE MUNICIPALITY SHALL ADOPT A RESOLUTION WHICH:

(1) FINDS THAT ONE OR MORE SLUM OR BLIGHTED AREAS EXIST IN THE MUNICIPALITY;

(2) LOCATES AND DEFINES THE SLUM OR BLIGHTED AREA; AND

(3) FINDS THAT THE REHABILITATION, REDEVELOPMENT, OR A COMBINATION OF THEM, OF THE AREA OR AREAS, IS NECESSARY AND IN THE INTEREST OF THE PUBLIC HEALTH, SAFETY, MORALS, OR WELFARE OF THE RESIDENTS OF THE MUNICIPALITY.

A1-107. PREPARATION AND APPROVAL OF PLAN FOR URBAN RENEWAL PROJECT.

(A) IN ORDER TO CARRY OUT THE PURPOSES OF THIS APPENDIX, THE MUNICIPALITY SHALL HAVE PREPARED AN URBAN RENEWAL PLAN FOR SLUM OR BLIGHTED AREAS IN THE MUNICIPALITY, AND SHALL APPROVE THE PLAN FORMALLY. THE MUNICIPALITY SHALL HOLD A PUBLIC HEARING ON AN URBAN RENEWAL PROJECT AFTER PUBLIC NOTICE OF IT BY PUBLICATION IN A NEWSPAPER HAVING A GENERAL CIRCULATION WITHIN THE CORPORATE LIMITS OF THE MUNICIPALITY. THE NOTICE SHALL DESCRIBE THE TIME, DATE, PLACE, AND PURPOSE OF THE HEARING, SHALL GENERALLY IDENTIFY THE URBAN

RENEWAL AREA COVERED BY THE PLAN, AND SHALL OUTLINE THE GENERAL SCOPE OF THE URBAN RENEWAL PROJECT UNDER CONSIDERATION. FOLLOWING THE HEARING, THE MUNICIPALITY MAY APPROVE AN URBAN RENEWAL PROJECT AND THE PLAN THEREFOR IF IT FINDS THAT:

(1) A FEASIBLE METHOD EXISTS FOR THE LOCATION OF ANY FAMILIES OR NATURAL PERSONS WHO WILL BE DISPLACED FROM THE URBAN RENEWAL AREA IN DECENT, SAFE, AND SANITARY DWELLING ACCOMMODATIONS WITHIN THEIR MEANS AND WITHOUT UNDUE HARDSHIP TO THE FAMILIES OR NATURAL PERSONS;

(2) THE URBAN RENEWAL PLAN CONFORMS SUBSTANTIALLY TO THE MASTER PLAN OF THE MUNICIPALITY AS A WHOLE; AND

(3) THE URBAN RENEWAL PLAN WILL AFFORD MAXIMUM OPPORTUNITY, CONSISTENT WITH THE SOUND NEEDS OF THE MUNICIPALITY AS A WHOLE, FOR THE REHABILITATION OR REDEVELOPMENT OF THE URBAN RENEWAL AREA BY PRIVATE ENTERPRISE.

(B) AN URBAN RENEWAL PLAN MAY BE MODIFIED AT ANY TIME. IF MODIFIED AFTER THE LEASE OR SALE OF REAL PROPERTY IN THE URBAN RENEWAL PROJECT AREA, THE MODIFICATION MAY BE CONDITIONED ON WHATEVER APPROVAL OF THE OWNER, LESSEE, OR SUCCESSOR IN INTEREST AS THE MUNICIPALITY CONSIDERS ADVISABLE. IN ANY EVENT, IT SHALL BE SUBJECT TO WHATEVER RIGHTS AT LAW OR IN EQUITY AS A LESSEE OR PURCHASER, OR THE SUCCESSOR OR SUCCESSORS IN INTEREST, MAY BE ENTITLED TO ASSERT. WHERE THE PROPOSED MODIFICATION WILL CHANGE SUBSTANTIALLY THE URBAN RENEWAL PLAN AS APPROVED PREVIOUSLY BY THE MUNICIPALITY, THE MODIFICATION SHALL BE APPROVED FORMALLY BY THE MUNICIPALITY, AS IN THE CASE OF AN ORIGINAL PLAN.

(C) ON THE APPROVAL BY THE MUNICIPALITY OF AN URBAN RENEWAL PLAN OR OF ANY MODIFICATION OF IT, THE PLAN OR MODIFICATION SHALL BE CONSIDERED TO BE IN FULL FORCE AND EFFECT FOR THE RESPECTIVE URBAN RENEWAL AREA. THE MUNICIPALITY MAY HAVE THE PLAN OR MODIFICATION CARRIED OUT IN ACCORDANCE WITH ITS TERMS.

A1-108. DISPOSAL OF PROPERTY IN URBAN RENEWAL AREA.

(A) THE MUNICIPALITY, BY ORDINANCE, MAY SELL, LEASE, OR OTHERWISE TRANSFER REAL PROPERTY OR ANY INTEREST IN IT ACQUIRED BY IT FOR AN URBAN RENEWAL PROJECT TO ANY PERSON FOR RESIDENTIAL,

RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDUCATIONAL, OR OTHER USES OR FOR PUBLIC USE, OR IT MAY RETAIN THE PROPERTY OR INTEREST FOR PUBLIC USE, IN ACCORDANCE WITH THE URBAN RENEWAL PLAN AND SUBJECT TO WHATEVER COVENANTS, CONDITIONS, AND RESTRICTIONS, INCLUDING COVENANTS RUNNING WITH THE LAND, AS IT CONSIDERS NECESSARY OR DESIRABLE TO ASSIST IN PREVENTING THE DEVELOPMENT OR SPREAD OF FUTURE SLUMS OR BLIGHTED AREAS OR TO OTHERWISE CARRY OUT THE PURPOSES OF THIS APPENDIX. THE PURCHASERS OR LESSEES AND THEIR SUCCESSORS AND ASSIGNS SHALL BE OBLIGATED TO DEVOTE THE REAL PROPERTY ONLY TO THE USES SPECIFIED IN THE URBAN RENEWAL PLAN, AND MAY BE OBLIGATED TO COMPLY WITH WHATEVER OTHER REQUIREMENTS THE MUNICIPALITY DETERMINES TO BE IN THE PUBLIC INTEREST, INCLUDING THE OBLIGATION TO BEGIN WITHIN A REASONABLE TIME ANY IMPROVEMENTS ON THE REAL PROPERTY REQUIRED BY THE URBAN RENEWAL PLAN. THE REAL PROPERTY OR INTEREST MAY NOT BE SOLD, LEASED, OTHERWISE TRANSFERRED, OR RETAINED AT LESS THAN ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN. IN DETERMINING THE FAIR VALUE OF REAL PROPERTY FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN, THE MUNICIPALITY SHALL TAKE INTO ACCOUNT AND GIVE CONSIDERATION TO THE USES PROVIDED IN THE PLAN, THE RESTRICTIONS ON, AND THE COVENANTS, CONDITIONS, AND OBLIGATIONS ASSUMED BY THE PURCHASER OR LESSEE OR BY THE MUNICIPALITY RETAINING THE PROPERTY, AND THE OBJECTIVES OF THE PLAN FOR THE PREVENTION OF THE RECURRENCE OF SLUM OR BLIGHTED AREAS. IN ANY INSTRUMENT OR CONVEYANCE TO A PRIVATE PURCHASER OR LESSEE, THE MUNICIPALITY MAY PROVIDE THAT THE PURCHASER OR LESSEE MAY NOT SELL, LEASE, OR OTHERWISE TRANSFER THE REAL PROPERTY WITHOUT THE PRIOR WRITTEN CONSENT OF THE MUNICIPALITY UNTIL THE PURCHASER OR LESSEE HAS COMPLETED THE CONSTRUCTION OF ANY OR ALL IMPROVEMENTS WHICH THE PURCHASER OR LESSEE HAS BEEN OBLIGATED TO CONSTRUCT ON THE PROPERTY. REAL PROPERTY ACQUIRED BY THE MUNICIPALITY WHICH, IN ACCORDANCE WITH THE PROVISIONS OF THE URBAN RENEWAL PLAN, IS TO BE TRANSFERRED, SHALL BE TRANSFERRED AS RAPIDLY AS FEASIBLE IN THE PUBLIC INTEREST CONSISTENT WITH THE CARRYING OUT OF THE PROVISIONS OF THE URBAN RENEWAL PLAN. ANY CONTRACT FOR THE TRANSFER AND THE URBAN RENEWAL PLAN (OR ANY PART OR PARTS OF THE CONTRACT OR PLAN AS THE MUNICIPALITY DETERMINES) MAY BE RECORDED IN THE LAND RECORDS OF THE COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN A MANNER SO AS TO AFFORD ACTUAL OR CONSTRUCTIVE NOTICE OF IT.

(B) THE MUNICIPALITY, BY ORDINANCE, MAY DISPOSE OF REAL PROPERTY IN AN URBAN RENEWAL AREA TO PRIVATE PERSONS. THE

MUNICIPALITY MAY, BY PUBLIC NOTICE BY PUBLICATION IN A NEWSPAPER HAVING A GENERAL CIRCULATION IN THE COMMUNITY, INVITE PROPOSALS FROM AND MAKE AVAILABLE ALL PERTINENT INFORMATION TO PRIVATE REDEVELOPERS OR ANY PERSONS INTERESTED IN UNDERTAKING TO REDEVELOP OR REHABILITATE AN URBAN RENEWAL AREA, OR ANY PART THEREOF. THE NOTICE SHALL IDENTIFY THE AREA, OR PORTION THEREOF, AND SHALL STATE THAT PROPOSALS SHALL BE MADE BY THOSE INTERESTED WITHIN A SPECIFIED PERIOD. THE MUNICIPALITY SHALL CONSIDER ALL REDEVELOPMENT OR REHABILITATION PROPOSALS AND THE FINANCIAL AND LEGAL ABILITY OF THE PERSONS MAKING PROPOSALS TO CARRY THEM OUT, AND MAY NEGOTIATE WITH ANY PERSONS FOR PROPOSALS FOR THE PURCHASE, LEASE, OR OTHER TRANSFER OF ANY REAL PROPERTY ACQUIRED BY THE MUNICIPALITY IN THE URBAN RENEWAL AREA. THE MUNICIPALITY MAY ACCEPT ANY PROPOSAL AS IT DEEMS TO BE IN THE PUBLIC INTEREST AND IN FURTHERANCE OF THE PURPOSES OF THIS APPENDIX. THEREAFTER, THE MUNICIPALITY MAY EXECUTE AND DELIVER CONTRACTS, DEEDS, LEASES, AND OTHER INSTRUMENTS AND TAKE ALL STEPS NECESSARY TO EFFECTUATE THE TRANSFERS.

(C) THE MUNICIPALITY MAY OPERATE TEMPORARILY AND MAINTAIN REAL PROPERTY ACQUIRED BY IT IN AN URBAN RENEWAL AREA FOR OR IN CONNECTION WITH AN URBAN RENEWAL PROJECT PENDING THE DISPOSITION OF THE PROPERTY AS AUTHORIZED IN THIS APPENDIX, WITHOUT REGARD TO THE PROVISIONS OF SUBSECTION (A), FOR USES AND PURPOSES CONSIDERED DESIRABLE EVEN THOUGH NOT IN CONFORMITY WITH THE URBAN RENEWAL PLAN.

(D) ANY INSTRUMENT EXECUTED BY THE MUNICIPALITY AND PURPORTING TO CONVEY ANY RIGHT, TITLE, OR INTEREST IN ANY PROPERTY UNDER THIS APPENDIX SHALL BE PRESUMED CONCLUSIVELY TO HAVE BEEN EXECUTED IN COMPLIANCE WITH THE PROVISIONS OF THIS APPENDIX INsofar AS TITLE OR OTHER INTEREST OF ANY BONA FIDE PURCHASERS, LESSEES, OR TRANSFEREES OF THE PROPERTY IS CONCERNED.

A1-109. EMINENT DOMAIN.

CONDEMNATION OF LAND OR PROPERTY UNDER THE PROVISIONS OF THIS APPENDIX SHALL BE IN ACCORDANCE WITH THE PROCEDURE PROVIDED IN THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

A1-110. ENCOURAGEMENT OF PRIVATE ENTERPRISE.

THE MUNICIPALITY, TO THE EXTENT IT DETERMINES TO BE FEASIBLE IN CARRYING OUT THE PROVISIONS OF THIS APPENDIX, SHALL AFFORD MAXIMUM OPPORTUNITY TO THE REHABILITATION OR REDEVELOPMENT OF ANY URBAN RENEWAL AREA BY PRIVATE ENTERPRISE CONSISTENT WITH THE SOUND NEEDS OF THE MUNICIPALITY AS A WHOLE. THE MUNICIPALITY SHALL GIVE CONSIDERATION TO THIS OBJECTIVE IN EXERCISING ITS POWERS UNDER THIS APPENDIX.

A1-111. GENERAL OBLIGATION BONDS.

FOR THE PURPOSE OF FINANCING AND CARRYING OUT AN URBAN RENEWAL PROJECT AND RELATED ACTIVITIES, THE MUNICIPALITY MAY ISSUE AND SELL ITS GENERAL OBLIGATION BONDS. ANY BONDS ISSUED BY THE MUNICIPALITY PURSUANT TO THIS SECTION SHALL BE ISSUED IN THE MANNER AND WITHIN THE LIMITATIONS PRESCRIBED BY APPLICABLE LAW FOR THE ISSUANCE AND AUTHORIZATION OF GENERAL OBLIGATION BONDS BY THE MUNICIPALITY, AND ALSO WITHIN LIMITATIONS DETERMINED BY THE MUNICIPALITY.

A1-112. REVENUE BONDS.

(A) IN ADDITION TO THE AUTHORITY CONFERRED BY SECTION A1-111 OF THIS APPENDIX, THE MUNICIPALITY MAY ISSUE REVENUE BONDS TO FINANCE THE UNDERTAKING OF ANY URBAN RENEWAL PROJECT AND RELATED ACTIVITIES. ALSO, IT MAY ISSUE REFUNDING BONDS FOR THE PAYMENT OR RETIREMENT OF THE BONDS ISSUED PREVIOUSLY BY IT. THE BONDS SHALL BE MADE PAYABLE, AS TO BOTH PRINCIPAL AND INTEREST, SOLELY FROM THE INCOME, PROCEEDS, REVENUES, AND FUNDS OF THE MUNICIPALITY DERIVED FROM OR HELD IN CONNECTION WITH THE UNDERTAKING AND CARRYING OUT OF URBAN RENEWAL PROJECTS UNDER THIS APPENDIX. HOWEVER, PAYMENT OF THE BONDS, BOTH AS TO PRINCIPAL AND INTEREST, MAY BE FURTHER SECURED BY A PLEDGE OF ANY LOAN, GRANT, OR CONTRIBUTION FROM THE FEDERAL GOVERNMENT OR OTHER SOURCE, IN AID OF ANY URBAN RENEWAL PROJECTS OF THE MUNICIPALITY UNDER THIS APPENDIX, AND BY A MORTGAGE OF ANY URBAN RENEWAL PROJECT, OR ANY PART OF A PROJECT, TITLE TO WHICH IS IN THE MUNICIPALITY. IN ADDITION, THE MUNICIPALITY MAY ENTER INTO AN INDENTURE OF TRUST WITH ANY PRIVATE BANKING INSTITUTION OF THIS STATE HAVING TRUST POWERS AND MAY MAKE IN THE INDENTURE OF TRUST COVENANTS AND COMMITMENTS REQUIRED BY ANY PURCHASER FOR THE ADEQUATE SECURITY OF THE BONDS.

(B) BONDS ISSUED UNDER THIS SECTION DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION, ARE NOT SUBJECT TO THE PROVISIONS OF ANY OTHER LAW OR CHARTER RELATING TO THE AUTHORIZATION, ISSUANCE, OR SALE OF BONDS, AND ARE EXEMPTED SPECIFICALLY FROM THE RESTRICTIONS CONTAINED IN SECTIONS 9, 10, AND 11 OF ARTICLE 31 (DEBT – PUBLIC) OF THE ANNOTATED CODE OF MARYLAND. BONDS ISSUED UNDER THE PROVISIONS OF THIS APPENDIX ARE DECLARED TO BE ISSUED FOR AN ESSENTIAL PUBLIC AND GOVERNMENTAL PURPOSE AND, TOGETHER WITH INTEREST ON THEM AND INCOME FROM THEM, ARE EXEMPT FROM ALL TAXES.

(C) BONDS ISSUED UNDER THIS SECTION SHALL BE AUTHORIZED BY RESOLUTION OR ORDINANCE OF THE LEGISLATIVE BODY OF THE MUNICIPALITY. THEY MAY BE ISSUED IN ONE OR MORE SERIES AND SHALL:

- (1) BEAR A DATE OR DATES;**
- (2) MATURE AT A TIME OR TIMES;**
- (3) BEAR INTEREST AT A RATE OR RATES;**
- (4) BE IN A DENOMINATION OR DENOMINATIONS;**
- (5) BE IN A FORM EITHER WITH OR WITHOUT COUPON OR REGISTERED;**
- (6) CARRY A CONVERSION OR REGISTRATION PRIVILEGE;**
- (7) HAVE A RANK OR PRIORITY;**
- (8) BE EXECUTED IN A MANNER;**
- (9) BE PAYABLE IN A MEDIUM OF PAYMENT, AT A PLACE OR PLACES, AND BE SUBJECT TO TERMS OF REDEMPTION (WITH OR WITHOUT PREMIUM);**
- (10) BE SECURED IN A MANNER; AND**
- (11) HAVE OTHER CHARACTERISTICS, AS ARE PROVIDED BY THE RESOLUTION, TRUST INDENTURE, OR MORTGAGE ISSUED PURSUANT TO IT.**

(D) THESE BONDS MAY NOT BE SOLD AT LESS THAN PAR VALUE AT PUBLIC SALES WHICH ARE HELD AFTER NOTICE IS PUBLISHED PRIOR TO THE SALE IN A NEWSPAPER HAVING A GENERAL CIRCULATION IN THE AREA IN WHICH THE MUNICIPALITY IS LOCATED AND IN WHATEVER OTHER MEDIUM OF PUBLICATION AS THE MUNICIPALITY MAY DETERMINE. THE BONDS MAY BE EXCHANGED ALSO FOR OTHER BONDS ON THE BASIS OF PAR. HOWEVER, THE BONDS MAY NOT BE SOLD TO THE FEDERAL GOVERNMENT AT PRIVATE SALE AT LESS THAN PAR, AND, IN THE EVENT LESS THAN ALL OF THE AUTHORIZED PRINCIPAL AMOUNT OF THE BONDS IS SOLD TO THE FEDERAL GOVERNMENT, THE BALANCE MAY NOT BE SOLD AT PRIVATE SALE AT LESS THAN PAR AT AN INTEREST COST TO THE MUNICIPALITY WHICH DOES NOT EXCEED THE INTEREST COST TO THE MUNICIPALITY OF THE PORTION OF THE BONDS SOLD TO THE FEDERAL GOVERNMENT.

(E) IN CASE ANY OF THE PUBLIC OFFICIALS OF THE MUNICIPALITY WHOSE SIGNATURES APPEAR ON ANY BONDS OR COUPONS ISSUED UNDER THIS APPENDIX CEASE TO BE OFFICIALS OF THE MUNICIPALITY BEFORE THE DELIVERY OF THE BONDS OR IN THE EVENT ANY OF THE OFFICIALS HAVE BECOME SUCH AFTER THE DATE OF ISSUE OF THEM, THE BONDS ARE VALID AND BINDING OBLIGATIONS OF THE MUNICIPALITY IN ACCORDANCE WITH THEIR TERMS. ANY PROVISION OF ANY LAW TO THE CONTRARY NOTWITHSTANDING, ANY BONDS ISSUED PURSUANT TO THIS APPENDIX ARE FULLY NEGOTIABLE.

(F) IN ANY SUIT, ACTION, OR PROCEEDING INVOLVING THE VALIDITY OR ENFORCEABILITY OF ANY BOND ISSUED UNDER THIS APPENDIX, OR THE SECURITY FOR IT, ANY BOND WHICH RECITES IN SUBSTANCE THAT IT HAS BEEN ISSUED BY THE MUNICIPALITY IN CONNECTION WITH AN URBAN RENEWAL PROJECT SHALL BE CONSIDERED CONCLUSIVELY TO HAVE BEEN ISSUED FOR THAT PURPOSE, AND THE PROJECT SHALL BE CONSIDERED CONCLUSIVELY TO HAVE BEEN PLANNED, LOCATED, AND CARRIED OUT IN ACCORDANCE WITH THE PROVISIONS OF THIS APPENDIX.

(G) ALL BANKS, TRUST COMPANIES, BANKERS, SAVINGS BANKS, AND INSTITUTIONS, BUILDING AND LOAN ASSOCIATIONS, SAVINGS AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES, AND OTHER PERSONS CARRYING ON A BANKING OR INVESTMENT BUSINESS; ALL INSURANCE COMPANIES, INSURANCE ASSOCIATIONS, AND OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS; AND ALL EXECUTORS, ADMINISTRATORS, CURATORS, TRUSTEES, AND OTHER FIDUCIARIES, MAY LEGALLY INVEST ANY SINKING FUNDS, MONEYS, OR OTHER FUNDS BELONGING TO THEM OR WITHIN THEIR CONTROL IN ANY BONDS OR OTHER OBLIGATIONS ISSUED BY THE MUNICIPALITY PURSUANT TO THIS APPENDIX. HOWEVER, THE BONDS AND OTHER OBLIGATIONS SHALL BE

SECURED BY AN AGREEMENT BETWEEN THE ISSUER AND THE FEDERAL GOVERNMENT IN WHICH THE ISSUER AGREES TO BORROW FROM THE FEDERAL GOVERNMENT AND THE FEDERAL GOVERNMENT AGREES TO LEND TO THE ISSUER, PRIOR TO THE MATURITY OF THE BONDS OR OTHER OBLIGATIONS, MONEYS IN AN AMOUNT WHICH (TOGETHER WITH ANY OTHER MONEYS COMMITTED IRREVOCABLY TO THE PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS OR OTHER OBLIGATIONS) WILL SUFFICE TO PAY THE PRINCIPAL OF THE BONDS OR OTHER OBLIGATIONS WITH INTEREST TO MATURITY ON THEM. THE MONEYS UNDER THE TERMS OF THE AGREEMENT SHALL BE REQUIRED TO BE USED FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND THE INTEREST ON THE BONDS OR OTHER OBLIGATIONS AT THEIR MATURITY. THE BONDS AND OTHER OBLIGATIONS SHALL BE AUTHORIZED SECURITY FOR ALL PUBLIC DEPOSITS. THIS SECTION AUTHORIZES ANY PERSONS OR PUBLIC OR PRIVATE POLITICAL SUBDIVISIONS AND OFFICERS TO USE ANY FUNDS OWNED OR CONTROLLED BY THEM FOR THE PURCHASE OF ANY BONDS OR OTHER OBLIGATIONS. WITH REGARD TO LEGAL INVESTMENTS, THIS SECTION MAY NOT BE CONSTRUED TO RELIEVE ANY PERSON OF ANY DUTY OF EXERCISING REASONABLE CARE IN SELECTING SECURITIES.

A1-113. SHORT TITLE.

THIS APPENDIX SHALL BE KNOWN AND MAY BE CITED AS THE BROOKVIEW URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE ACT.

A1-114. AUTHORITY TO AMEND OR REPEAL.

THIS APPENDIX, ENACTED PURSUANT TO ARTICLE III, SECTION 61 OF THE MARYLAND CONSTITUTION, MAY BE AMENDED OR REPEALED ONLY BY THE GENERAL ASSEMBLY OF MARYLAND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 1366 - *Town of Galestown (Dorchester County) - Urban Renewal Authority for Slum Clearance*.

This bill authorizes the Town of Galestown, Dorchester County, to undertake and carry out specified urban renewal projects for slum clearance and redevelopment. The bill also prohibits specified land or property from being taken for specified purposes without just compensation first being paid to the party entitled to the compensation.

Senate Bill 1010, 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 1366.

Sincerely,

Martin O'Malley
Governor

House Bill 1366

AN ACT concerning

**Town of Galestown (Dorchester County) – Urban Renewal Authority for
Slum Clearance**

FOR the purpose of authorizing the Town of Galestown, Dorchester County, to undertake and carry out certain urban renewal projects for slum clearance and redevelopment; prohibiting certain land or property from being taken for certain purposes without just compensation first being paid to the party entitled to the compensation; declaring that certain land or property taken in connection with certain urban renewal powers is needed for public uses or purposes; authorizing the legislative body of the Town of Galestown by ordinance to elect to have certain urban renewal powers exercised by a certain public body; imposing certain requirements for the initiation and approval of an urban renewal area; providing for the disposal of property in an urban renewal area; authorizing the municipal corporation to issue certain bonds under certain circumstances; clarifying that a certain appendix may be amended or repealed only by the General Assembly of Maryland; defining certain terms; and generally relating to urban renewal authority for slum clearance for the Town of Galestown in Dorchester County.

BY adding to

Chapter 61 – Charter of the Town of Galestown
Section A1–101 through A1–114 and the heading “Appendix I – Urban Renewal Authority for Slum Clearance”
Public Local Laws of Maryland – Compilation of Municipal Charters
(1990 Replacement Edition and 2005 Supplement)

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

Chapter 61 – Charter of the Town of Galestown

APPENDIX I – URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE

A1–101. DEFINITIONS.

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

(B) “BLIGHTED AREA” MEANS AN AREA OR SINGLE PROPERTY IN WHICH THE BUILDING OR BUILDINGS HAVE DECLINED IN PRODUCTIVITY BY REASON OF OBSOLESCENCE, DEPRECIATION, OR OTHER CAUSES TO AN EXTENT THEY NO LONGER JUSTIFY FUNDAMENTAL REPAIRS AND ADEQUATE MAINTENANCE.

(C) “BONDS” MEANS ANY BONDS (INCLUDING REFUNDING BONDS), NOTES, INTERIM CERTIFICATES, CERTIFICATES OF INDEBTEDNESS, DEBENTURES, OR OTHER OBLIGATIONS.

(D) “FEDERAL GOVERNMENT” MEANS THE UNITED STATES OF AMERICA OR ANY AGENCY OR INSTRUMENTALITY, CORPORATE OR OTHERWISE, OF THE UNITED STATES OF AMERICA.

(E) “MUNICIPALITY” MEANS THE TOWN OF GALESTOWN, MARYLAND.

(F) “PERSON” MEANS ANY INDIVIDUAL, FIRM, PARTNERSHIP, CORPORATION, COMPANY, ASSOCIATION, JOINT STOCK ASSOCIATION, OR BODY POLITIC. IT INCLUDES ANY TRUSTEE, RECEIVER, ASSIGNEE, OR OTHER PERSON ACTING IN SIMILAR REPRESENTATIVE CAPACITY.

(G) “SLUM AREA” MEANS ANY AREA OR SINGLE PROPERTY WHERE DWELLINGS PREDOMINATE WHICH, BY REASON OF DEPRECIATION, OVERCROWDING, FAULTY ARRANGEMENT OR DESIGN, LACK OF VENTILATION, LIGHT, OR SANITARY FACILITIES, OR ANY COMBINATION OF THESE FACTORS, ARE DETRIMENTAL TO THE PUBLIC SAFETY, HEALTH, OR MORALS.

(H) "URBAN RENEWAL AREA" MEANS A SLUM AREA OR A BLIGHTED AREA OR A COMBINATION OF THEM WHICH THE MUNICIPALITY DESIGNATES AS APPROPRIATE FOR AN URBAN RENEWAL PROJECT.

(I) "URBAN RENEWAL PLAN" MEANS A PLAN, AS IT EXISTS FROM TIME TO TIME, FOR AN URBAN RENEWAL PROJECT. THE PLAN SHALL BE SUFFICIENTLY COMPLETE TO INDICATE ANY LAND ACQUISITION, DEMOLITION, AND REMOVAL OF STRUCTURES, REDEVELOPMENT, IMPROVEMENTS, AND REHABILITATION AS MAY BE PROPOSED TO BE CARRIED OUT IN THE URBAN RENEWAL AREA, ZONING AND PLANNING CHANGES, IF ANY, LAND USES, MAXIMUM DENSITY, AND BUILDING REQUIREMENTS.

(J) "URBAN RENEWAL PROJECT" MEANS UNDERTAKINGS AND ACTIVITIES OF A MUNICIPALITY IN AN URBAN RENEWAL AREA FOR THE ELIMINATION AND FOR THE PREVENTION OF THE DEVELOPMENT OR SPREAD OF SLUMS AND BLIGHT, AND MAY INVOLVE SLUM CLEARANCE AND REDEVELOPMENT IN AN URBAN RENEWAL AREA, OR REHABILITATION OR CONSERVATION IN AN URBAN RENEWAL AREA, OR ANY COMBINATION OR PART OF THEM IN ACCORDANCE WITH AN URBAN RENEWAL PLAN. THESE UNDERTAKINGS AND ACTIVITIES MAY INCLUDE:

(1) ACQUISITION OF A SLUM AREA OR A BLIGHTED AREA OR PORTION OF THEM;

(2) DEMOLITION AND REMOVAL OF BUILDINGS AND IMPROVEMENTS;

(3) INSTALLATION, CONSTRUCTION OR RECONSTRUCTION OF STREETS, UTILITIES, PARKS, PLAYGROUNDS, AND OTHER IMPROVEMENTS NECESSARY FOR CARRYING OUT THE URBAN RENEWAL OBJECTIVES OF THIS APPENDIX IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(4) DISPOSITION OF ANY PROPERTY ACQUIRED IN THE URBAN RENEWAL AREA, INCLUDING SALE, INITIAL LEASING, OR RETENTION BY THE MUNICIPALITY ITSELF, AT ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(5) CARRYING OUT PLANS FOR A PROGRAM OF VOLUNTARY OR COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS OR OTHER IMPROVEMENTS IN ACCORDANCE WITH THE URBAN RENEWAL PLAN;

(6) ACQUISITION OF ANY OTHER REAL PROPERTY IN THE URBAN RENEWAL AREA WHERE NECESSARY TO ELIMINATE UNHEALTHFUL, UNSANITARY, OR UNSAFE CONDITIONS, LESSEN DENSITY, ELIMINATE OBSOLETE OR OTHER USES DETRIMENTAL TO THE PUBLIC WELFARE, OR OTHERWISE TO REMOVE OR PREVENT THE SPREAD OF BLIGHT OR DETERIORATION, OR TO PROVIDE LAND FOR NEEDED PUBLIC FACILITIES; AND

(7) THE PRESERVATION, IMPROVEMENT, OR EMBELLISHMENT OF HISTORIC STRUCTURES OR MONUMENTS.

A1-102. POWERS.

(A) THE MUNICIPALITY MAY UNDERTAKE AND CARRY OUT URBAN RENEWAL PROJECTS.

(B) THESE PROJECTS SHALL BE LIMITED:

(1) TO SLUM CLEARANCE IN SLUM OR BLIGHTED AREAS AND REDEVELOPMENT OR THE REHABILITATION OF SLUM OR BLIGHTED AREAS;

(2) TO ACQUIRE IN CONNECTION WITH THOSE PROJECTS, WITHIN THE CORPORATE LIMITS OF THE MUNICIPALITY, LAND AND PROPERTY OF EVERY KIND AND ANY RIGHT, INTEREST, FRANCHISE, EASEMENT, OR PRIVILEGE, INCLUDING LAND OR PROPERTY AND ANY RIGHT OR INTEREST ALREADY DEVOTED TO PUBLIC USE, BY PURCHASE, LEASE, GIFT, CONDEMNATION, OR ANY OTHER LEGAL MEANS; AND

(3) TO SELL, LEASE, CONVEY, TRANSFER, OR OTHERWISE DISPOSE OF ANY OF THE LAND OR PROPERTY, REGARDLESS OF WHETHER OR NOT IT HAS BEEN DEVELOPED, REDEVELOPED, ALTERED, OR IMPROVED AND IRRESPECTIVE OF THE MANNER OR MEANS IN OR BY WHICH IT MAY HAVE BEEN ACQUIRED, TO ANY PRIVATE, PUBLIC, OR QUASI-PUBLIC CORPORATION, PARTNERSHIP, ASSOCIATION, PERSON, OR OTHER LEGAL ENTITY.

(C) LAND OR PROPERTY TAKEN BY THE MUNICIPALITY FOR ANY OF THESE PURPOSES OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS WHICH ARE GRANTED BY THIS APPENDIX TO THE MUNICIPALITY BY EXERCISING THE POWER OF EMINENT DOMAIN MAY NOT BE TAKEN WITHOUT JUST COMPENSATION, AS AGREED ON BETWEEN THE PARTIES, OR AWARDED BY A JURY, BEING FIRST PAID OR TENDERED TO THE PARTY ENTITLED TO THE COMPENSATION.

(D) ALL LAND OR PROPERTY NEEDED OR TAKEN BY THE EXERCISE OF THE POWER OF EMINENT DOMAIN BY THE MUNICIPALITY FOR ANY OF THESE PURPOSES OR IN CONNECTION WITH THE EXERCISE OF ANY OF THE POWERS GRANTED BY THIS APPENDIX IS DECLARED TO BE NEEDED OR TAKEN FOR PUBLIC USES AND PURPOSES.

(E) ANY OR ALL OF THE ACTIVITIES AUTHORIZED PURSUANT TO THIS APPENDIX CONSTITUTE GOVERNMENTAL FUNCTIONS UNDERTAKEN FOR PUBLIC USES AND PURPOSES AND THE POWER OF TAXATION MAY BE EXERCISED, PUBLIC FUNDS EXPENDED, AND PUBLIC CREDIT EXTENDED IN FURTHERANCE OF THEM.

A1-103. ADDITIONAL POWERS.

THE MUNICIPALITY HAS THE FOLLOWING ADDITIONAL POWERS. THESE POWERS ARE DECLARED TO BE NECESSARY AND PROPER TO CARRY INTO FULL FORCE AND EFFECT THE SPECIFIC POWERS GRANTED IN THIS APPENDIX AND TO FULLY ACCOMPLISH THE PURPOSES AND OBJECTS CONTEMPLATED BY THE PROVISIONS OF THIS SECTION:

(1) TO MAKE OR HAVE MADE ALL SURVEYS AND PLANS NECESSARY TO THE CARRYING OUT OF THE PURPOSES OF THIS APPENDIX AND TO ADOPT OR APPROVE, MODIFY, AND AMEND THOSE PLANS. THESE PLANS MAY INCLUDE, BUT ARE NOT LIMITED TO:

(I) PLANS FOR CARRYING OUT A PROGRAM OF VOLUNTARY OR COMPULSORY REPAIR AND REHABILITATION OF BUILDINGS AND IMPROVEMENTS;

(II) PLANS FOR THE ENFORCEMENT OF CODES AND REGULATIONS RELATING TO THE USE OF LAND AND THE USE AND OCCUPANCY OF BUILDINGS AND IMPROVEMENTS AND TO THE COMPULSORY REPAIR, REHABILITATION, DEMOLITION, OR REMOVAL OF BUILDINGS AND IMPROVEMENTS; AND

(III) APPRAISALS, TITLE SEARCHES, SURVEYS, STUDIES, AND OTHER PLANS AND WORK NECESSARY TO PREPARE FOR THE UNDERTAKING OF URBAN RENEWAL PROJECTS AND RELATED ACTIVITIES; AND TO APPLY FOR, ACCEPT, AND UTILIZE GRANTS OF FUNDS FROM THE FEDERAL GOVERNMENT OR OTHER GOVERNMENTAL ENTITY FOR THOSE PURPOSES;

(2) TO PREPARE PLANS FOR THE RELOCATION OF PERSONS (INCLUDING FAMILIES, BUSINESS CONCERNS, AND OTHERS) DISPLACED FROM AN URBAN RENEWAL AREA, AND TO MAKE RELOCATION PAYMENTS TO OR WITH RESPECT TO THOSE PERSONS FOR MOVING EXPENSES AND LOSSES OF PROPERTY FOR WHICH REIMBURSEMENT OR COMPENSATION IS NOT OTHERWISE MADE, INCLUDING THE MAKING OF PAYMENTS FINANCED BY THE FEDERAL GOVERNMENT;

(3) TO APPROPRIATE WHATEVER FUNDS AND MAKE WHATEVER EXPENDITURES AS MAY BE NECESSARY TO CARRY OUT THE PURPOSES OF THIS APPENDIX, INCLUDING, BUT NOT LIMITED:

(I) TO THE PAYMENT OF ANY AND ALL COSTS AND EXPENSES INCURRED IN CONNECTION WITH, OR INCIDENTAL TO, THE ACQUISITION OF LAND OR PROPERTY, AND FOR THE DEMOLITION, REMOVAL, RELOCATION, RENOVATION, OR ALTERATION OF LAND, BUILDINGS, STREETS, HIGHWAYS, ALLEYS, UTILITIES, OR SERVICES, AND OTHER STRUCTURES OR IMPROVEMENTS, AND FOR THE CONSTRUCTION, RECONSTRUCTION, INSTALLATION, RELOCATION, OR REPAIR OF STREETS, HIGHWAYS, ALLEYS, UTILITIES, OR SERVICES, IN CONNECTION WITH URBAN RENEWAL PROJECTS;

(II) TO LEVY TAXES AND ASSESSMENTS FOR THOSE PURPOSES;

(III) TO BORROW MONEY AND TO APPLY FOR AND ACCEPT ADVANCES, LOANS, GRANTS, CONTRIBUTIONS, AND ANY OTHER FORM OF FINANCIAL ASSISTANCE FROM THE FEDERAL GOVERNMENT, THE STATE, COUNTY, OR OTHER PUBLIC BODIES, OR FROM ANY SOURCES, PUBLIC OR PRIVATE, FOR THE PURPOSES OF THIS APPENDIX, AND TO GIVE WHATEVER SECURITY AS MAY BE REQUIRED FOR THIS FINANCIAL ASSISTANCE; AND

(IV) TO INVEST ANY URBAN RENEWAL FUNDS HELD IN RESERVES OR SINKING FUNDS OR ANY OF THESE FUNDS NOT REQUIRED FOR IMMEDIATE DISBURSEMENT IN PROPERTY OR SECURITIES WHICH ARE LEGAL INVESTMENTS FOR OTHER MUNICIPAL FUNDS;

(4) (I) TO HOLD, IMPROVE, CLEAR, OR PREPARE FOR REDEVELOPMENT ANY PROPERTY ACQUIRED IN CONNECTION WITH URBAN RENEWAL PROJECTS;

(II) TO MORTGAGE, PLEDGE, HYPOTHECATE, OR OTHERWISE ENCUMBER THAT PROPERTY; AND

(III) TO INSURE OR PROVIDE FOR THE INSURANCE OF THE PROPERTY OR OPERATIONS OF THE MUNICIPALITY AGAINST ANY RISKS OR HAZARDS, INCLUDING THE POWER TO PAY PREMIUMS ON ANY INSURANCE;

(5) TO MAKE AND EXECUTE ALL CONTRACTS AND OTHER INSTRUMENTS NECESSARY OR CONVENIENT TO THE EXERCISE OF ITS POWERS UNDER THIS APPENDIX, INCLUDING THE POWER TO ENTER INTO AGREEMENTS WITH OTHER PUBLIC BODIES OR AGENCIES (THESE AGREEMENTS MAY EXTEND OVER ANY PERIOD, NOTWITHSTANDING ANY PROVISION OR RULE OF LAW TO THE CONTRARY), AND TO INCLUDE IN ANY CONTRACT FOR FINANCIAL ASSISTANCE WITH THE FEDERAL GOVERNMENT FOR OR WITH RESPECT TO AN URBAN RENEWAL PROJECT AND RELATED ACTIVITIES ANY CONDITIONS IMPOSED PURSUANT TO FEDERAL LAWS AS THE MUNICIPALITY CONSIDERS REASONABLE AND APPROPRIATE;

(6) TO ENTER INTO ANY BUILDING OR PROPERTY IN ANY URBAN RENEWAL AREA IN ORDER TO MAKE INSPECTIONS, SURVEYS, APPRAISALS, SOUNDINGS, OR TEST BORINGS, AND TO OBTAIN AN ORDER FOR THIS PURPOSE FROM THE CIRCUIT COURT FOR THE COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN THE EVENT ENTRY IS DENIED OR RESISTED;

(7) TO PLAN, REPLAN, INSTALL, CONSTRUCT, RECONSTRUCT, REPAIR, CLOSE, OR VACATE STREETS, ROADS, SIDEWALKS, PUBLIC UTILITIES, PARKS, PLAYGROUNDS, AND OTHER PUBLIC IMPROVEMENTS IN CONNECTION WITH AN URBAN RENEWAL PROJECT; AND TO MAKE EXCEPTIONS FROM BUILDING REGULATIONS;

(8) TO GENERALLY ORGANIZE, COORDINATE, AND DIRECT THE ADMINISTRATION OF THE PROVISIONS OF THIS APPENDIX AS THEY APPLY TO THE MUNICIPALITY IN ORDER THAT THE OBJECTIVE OF REMEDYING SLUM AND BLIGHTED AREAS AND PREVENTING ITS CAUSES WITHIN THE MUNICIPALITY MAY BE PROMOTED AND ACHIEVED MOST EFFECTIVELY; AND

(9) TO EXERCISE ALL OR ANY PART OR COMBINATION OF THE POWERS GRANTED IN THIS APPENDIX.

A1-104. ESTABLISHMENT OF URBAN RENEWAL AGENCY.

(A) A MUNICIPALITY MAY ITSELF EXERCISE ALL THE POWERS GRANTED BY THIS APPENDIX, OR MAY, IF ITS LEGISLATIVE BODY BY ORDINANCE

DETERMINES THE ACTION TO BE IN THE PUBLIC INTEREST, ELECT TO HAVE THE POWERS EXERCISED BY A SEPARATE PUBLIC BODY OR AGENCY.

(B) IN THE EVENT THE LEGISLATIVE BODY MAKES THAT DETERMINATION, IT SHALL PROCEED BY ORDINANCE TO ESTABLISH A PUBLIC BODY OR AGENCY TO UNDERTAKE IN THE MUNICIPALITY THE ACTIVITIES AUTHORIZED BY THIS APPENDIX.

(C) THE ORDINANCE SHALL INCLUDE PROVISIONS ESTABLISHING THE NUMBER OF MEMBERS OF THE PUBLIC BODY OR AGENCY, THE MANNER OF THEIR APPOINTMENT AND REMOVAL, AND THE TERMS OF THE MEMBERS AND THEIR COMPENSATION.

(D) THE ORDINANCE MAY INCLUDE WHATEVER ADDITIONAL PROVISIONS RELATING TO THE ORGANIZATION OF THE PUBLIC BODY OR AGENCY AS MAY BE NECESSARY.

(E) IN THE EVENT THE LEGISLATIVE BODY ENACTS THIS ORDINANCE, ALL OF THE POWERS BY THIS APPENDIX GRANTED TO THE MUNICIPALITY, FROM THE EFFECTIVE DATE OF THE ORDINANCE, ARE VESTED IN THE PUBLIC BODY OR AGENCY ESTABLISHED BY THE ORDINANCE.

A1-105. POWERS WITHHELD FROM THE AGENCY.

THE AGENCY MAY NOT:

(1) PASS A RESOLUTION TO INITIATE AN URBAN RENEWAL PROJECT PURSUANT TO SECTIONS A1-102 AND A1-103 OF THIS APPENDIX;

(2) ISSUE GENERAL OBLIGATION BONDS PURSUANT TO SECTION A1-111 OF THIS APPENDIX; OR

(3) APPROPRIATE FUNDS OR LEVY TAXES AND ASSESSMENTS PURSUANT TO SECTION A1-103(3) OF THIS APPENDIX.

A1-106. INITIATION OF PROJECT.

IN ORDER TO INITIATE AN URBAN RENEWAL PROJECT, THE LEGISLATIVE BODY OF THE MUNICIPALITY SHALL ADOPT A RESOLUTION WHICH:

(1) FINDS THAT ONE OR MORE SLUM OR BLIGHTED AREAS EXIST IN THE MUNICIPALITY;

(2) LOCATES AND DEFINES THE SLUM OR BLIGHTED AREA; AND

(3) FINDS THAT THE REHABILITATION, REDEVELOPMENT, OR A COMBINATION OF THEM, OF THE AREA OR AREAS, IS NECESSARY AND IN THE INTEREST OF THE PUBLIC HEALTH, SAFETY, MORALS, OR WELFARE OF THE RESIDENTS OF THE MUNICIPALITY.

A1-107. PREPARATION AND APPROVAL OF PLAN FOR URBAN RENEWAL PROJECT.

(A) IN ORDER TO CARRY OUT THE PURPOSES OF THIS APPENDIX, THE MUNICIPALITY SHALL HAVE PREPARED AN URBAN RENEWAL PLAN FOR SLUM OR BLIGHTED AREAS IN THE MUNICIPALITY, AND SHALL APPROVE THE PLAN FORMALLY. THE MUNICIPALITY SHALL HOLD A PUBLIC HEARING ON AN URBAN RENEWAL PROJECT AFTER PUBLIC NOTICE OF IT BY PUBLICATION IN A NEWSPAPER HAVING A GENERAL CIRCULATION WITHIN THE CORPORATE LIMITS OF THE MUNICIPALITY. THE NOTICE SHALL DESCRIBE THE TIME, DATE, PLACE, AND PURPOSE OF THE HEARING, SHALL GENERALLY IDENTIFY THE URBAN RENEWAL AREA COVERED BY THE PLAN, AND SHALL OUTLINE THE GENERAL SCOPE OF THE URBAN RENEWAL PROJECT UNDER CONSIDERATION. FOLLOWING THE HEARING, THE MUNICIPALITY MAY APPROVE AN URBAN RENEWAL PROJECT AND THE PLAN THEREFOR IF IT FINDS THAT:

(1) A FEASIBLE METHOD EXISTS FOR THE LOCATION OF ANY FAMILIES OR NATURAL PERSONS WHO WILL BE DISPLACED FROM THE URBAN RENEWAL AREA IN DECENT, SAFE, AND SANITARY DWELLING ACCOMMODATIONS WITHIN THEIR MEANS AND WITHOUT UNDUE HARDSHIP TO THE FAMILIES OR NATURAL PERSONS;

(2) THE URBAN RENEWAL PLAN CONFORMS SUBSTANTIALLY TO THE MASTER PLAN OF THE MUNICIPALITY AS A WHOLE; AND

(3) THE URBAN RENEWAL PLAN WILL AFFORD MAXIMUM OPPORTUNITY, CONSISTENT WITH THE SOUND NEEDS OF THE MUNICIPALITY AS A WHOLE, FOR THE REHABILITATION OR REDEVELOPMENT OF THE URBAN RENEWAL AREA BY PRIVATE ENTERPRISE.

(B) AN URBAN RENEWAL PLAN MAY BE MODIFIED AT ANY TIME. IF MODIFIED AFTER THE LEASE OR SALE OF REAL PROPERTY IN THE URBAN RENEWAL PROJECT AREA, THE MODIFICATION MAY BE CONDITIONED ON WHATEVER APPROVAL OF THE OWNER, LESSEE, OR SUCCESSOR IN INTEREST AS

THE MUNICIPALITY CONSIDERS ADVISABLE. IN ANY EVENT, IT SHALL BE SUBJECT TO WHATEVER RIGHTS AT LAW OR IN EQUITY AS A LESSEE OR PURCHASER, OR THE SUCCESSOR OR SUCCESSORS IN INTEREST, MAY BE ENTITLED TO ASSERT. WHERE THE PROPOSED MODIFICATION WILL CHANGE SUBSTANTIALLY THE URBAN RENEWAL PLAN AS APPROVED PREVIOUSLY BY THE MUNICIPALITY, THE MODIFICATION SHALL BE APPROVED FORMALLY BY THE MUNICIPALITY, AS IN THE CASE OF AN ORIGINAL PLAN.

(C) ON THE APPROVAL BY THE MUNICIPALITY OF AN URBAN RENEWAL PLAN OR OF ANY MODIFICATION OF IT, THE PLAN OR MODIFICATION SHALL BE CONSIDERED TO BE IN FULL FORCE AND EFFECT FOR THE RESPECTIVE URBAN RENEWAL AREA. THE MUNICIPALITY MAY HAVE THE PLAN OR MODIFICATION CARRIED OUT IN ACCORDANCE WITH ITS TERMS.

A1-108. DISPOSAL OF PROPERTY IN URBAN RENEWAL AREA.

(A) THE MUNICIPALITY, BY ORDINANCE, MAY SELL, LEASE, OR OTHERWISE TRANSFER REAL PROPERTY OR ANY INTEREST IN IT ACQUIRED BY IT FOR AN URBAN RENEWAL PROJECT TO ANY PERSON FOR RESIDENTIAL, RECREATIONAL, COMMERCIAL, INDUSTRIAL, EDUCATIONAL, OR OTHER USES OR FOR PUBLIC USE, OR IT MAY RETAIN THE PROPERTY OR INTEREST FOR PUBLIC USE, IN ACCORDANCE WITH THE URBAN RENEWAL PLAN AND SUBJECT TO WHATEVER COVENANTS, CONDITIONS, AND RESTRICTIONS, INCLUDING COVENANTS RUNNING WITH THE LAND, AS IT CONSIDERS NECESSARY OR DESIRABLE TO ASSIST IN PREVENTING THE DEVELOPMENT OR SPREAD OF FUTURE SLUMS OR BLIGHTED AREAS OR TO OTHERWISE CARRY OUT THE PURPOSES OF THIS APPENDIX. THE PURCHASERS OR LESSEES AND THEIR SUCCESSORS AND ASSIGNS SHALL BE OBLIGATED TO DEVOTE THE REAL PROPERTY ONLY TO THE USES SPECIFIED IN THE URBAN RENEWAL PLAN, AND MAY BE OBLIGATED TO COMPLY WITH WHATEVER OTHER REQUIREMENTS THE MUNICIPALITY DETERMINES TO BE IN THE PUBLIC INTEREST, INCLUDING THE OBLIGATION TO BEGIN WITHIN A REASONABLE TIME ANY IMPROVEMENTS ON THE REAL PROPERTY REQUIRED BY THE URBAN RENEWAL PLAN. THE REAL PROPERTY OR INTEREST MAY NOT BE SOLD, LEASED, OTHERWISE TRANSFERRED, OR RETAINED AT LESS THAN ITS FAIR VALUE FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN. IN DETERMINING THE FAIR VALUE OF REAL PROPERTY FOR USES IN ACCORDANCE WITH THE URBAN RENEWAL PLAN, THE MUNICIPALITY SHALL TAKE INTO ACCOUNT AND GIVE CONSIDERATION TO THE USES PROVIDED IN THE PLAN, THE RESTRICTIONS ON, AND THE COVENANTS, CONDITIONS, AND OBLIGATIONS ASSUMED BY THE PURCHASER OR LESSEE OR BY THE MUNICIPALITY RETAINING THE PROPERTY, AND THE OBJECTIVES OF THE PLAN FOR THE PREVENTION OF THE

RECURRENCE OF SLUM OR BLIGHTED AREAS. IN ANY INSTRUMENT OR CONVEYANCE TO A PRIVATE PURCHASER OR LESSEE, THE MUNICIPALITY MAY PROVIDE THAT THE PURCHASER OR LESSEE MAY NOT SELL, LEASE, OR OTHERWISE TRANSFER THE REAL PROPERTY WITHOUT THE PRIOR WRITTEN CONSENT OF THE MUNICIPALITY UNTIL THE PURCHASER OR LESSEE HAS COMPLETED THE CONSTRUCTION OF ANY OR ALL IMPROVEMENTS WHICH THE PURCHASER OR LESSEE HAS BEEN OBLIGATED TO CONSTRUCT ON THE PROPERTY. REAL PROPERTY ACQUIRED BY THE MUNICIPALITY WHICH, IN ACCORDANCE WITH THE PROVISIONS OF THE URBAN RENEWAL PLAN, IS TO BE TRANSFERRED, SHALL BE TRANSFERRED AS RAPIDLY AS FEASIBLE IN THE PUBLIC INTEREST CONSISTENT WITH THE CARRYING OUT OF THE PROVISIONS OF THE URBAN RENEWAL PLAN. ANY CONTRACT FOR THE TRANSFER AND THE URBAN RENEWAL PLAN (OR ANY PART OR PARTS OF THE CONTRACT OR PLAN AS THE MUNICIPALITY DETERMINES) MAY BE RECORDED IN THE LAND RECORDS OF THE COUNTY IN WHICH THE MUNICIPALITY IS SITUATED IN A MANNER SO AS TO AFFORD ACTUAL OR CONSTRUCTIVE NOTICE OF IT.

(B) THE MUNICIPALITY, BY ORDINANCE, MAY DISPOSE OF REAL PROPERTY IN AN URBAN RENEWAL AREA TO PRIVATE PERSONS. THE MUNICIPALITY MAY, BY PUBLIC NOTICE BY PUBLICATION IN A NEWSPAPER HAVING A GENERAL CIRCULATION IN THE COMMUNITY, INVITE PROPOSALS FROM AND MAKE AVAILABLE ALL PERTINENT INFORMATION TO PRIVATE REDEVELOPERS OR ANY PERSONS INTERESTED IN UNDERTAKING TO REDEVELOP OR REHABILITATE AN URBAN RENEWAL AREA, OR ANY PART THEREOF. THE NOTICE SHALL IDENTIFY THE AREA, OR PORTION THEREOF, AND SHALL STATE THAT PROPOSALS SHALL BE MADE BY THOSE INTERESTED WITHIN A SPECIFIED PERIOD. THE MUNICIPALITY SHALL CONSIDER ALL REDEVELOPMENT OR REHABILITATION PROPOSALS AND THE FINANCIAL AND LEGAL ABILITY OF THE PERSONS MAKING PROPOSALS TO CARRY THEM OUT, AND MAY NEGOTIATE WITH ANY PERSONS FOR PROPOSALS FOR THE PURCHASE, LEASE, OR OTHER TRANSFER OF ANY REAL PROPERTY ACQUIRED BY THE MUNICIPALITY IN THE URBAN RENEWAL AREA. THE MUNICIPALITY MAY ACCEPT ANY PROPOSAL AS IT DEEMS TO BE IN THE PUBLIC INTEREST AND IN FURTHERANCE OF THE PURPOSES OF THIS APPENDIX. THEREAFTER, THE MUNICIPALITY MAY EXECUTE AND DELIVER CONTRACTS, DEEDS, LEASES, AND OTHER INSTRUMENTS AND TAKE ALL STEPS NECESSARY TO EFFECTUATE THE TRANSFERS.

(C) THE MUNICIPALITY MAY OPERATE TEMPORARILY AND MAINTAIN REAL PROPERTY ACQUIRED BY IT IN AN URBAN RENEWAL AREA FOR OR IN CONNECTION WITH AN URBAN RENEWAL PROJECT PENDING THE DISPOSITION OF THE PROPERTY AS AUTHORIZED IN THIS APPENDIX, WITHOUT REGARD TO

THE PROVISIONS OF SUBSECTION (A), FOR USES AND PURPOSES CONSIDERED DESIRABLE EVEN THOUGH NOT IN CONFORMITY WITH THE URBAN RENEWAL PLAN.

(D) ANY INSTRUMENT EXECUTED BY THE MUNICIPALITY AND PURPORTING TO CONVEY ANY RIGHT, TITLE, OR INTEREST IN ANY PROPERTY UNDER THIS APPENDIX SHALL BE PRESUMED CONCLUSIVELY TO HAVE BEEN EXECUTED IN COMPLIANCE WITH THE PROVISIONS OF THIS APPENDIX INsofar AS TITLE OR OTHER INTEREST OF ANY BONA FIDE PURCHASERS, LESSEES, OR TRANSFEREES OF THE PROPERTY IS CONCERNED.

A1-109. EMINENT DOMAIN.

CONDEMNATION OF LAND OR PROPERTY UNDER THE PROVISIONS OF THIS APPENDIX SHALL BE IN ACCORDANCE WITH THE PROCEDURE PROVIDED IN THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

A1-110. ENCOURAGEMENT OF PRIVATE ENTERPRISE.

THE MUNICIPALITY, TO THE EXTENT IT DETERMINES TO BE FEASIBLE IN CARRYING OUT THE PROVISIONS OF THIS APPENDIX, SHALL AFFORD MAXIMUM OPPORTUNITY TO THE REHABILITATION OR REDEVELOPMENT OF ANY URBAN RENEWAL AREA BY PRIVATE ENTERPRISE CONSISTENT WITH THE SOUND NEEDS OF THE MUNICIPALITY AS A WHOLE. THE MUNICIPALITY SHALL GIVE CONSIDERATION TO THIS OBJECTIVE IN EXERCISING ITS POWERS UNDER THIS APPENDIX.

A1-111. GENERAL OBLIGATION BONDS.

FOR THE PURPOSE OF FINANCING AND CARRYING OUT AN URBAN RENEWAL PROJECT AND RELATED ACTIVITIES, THE MUNICIPALITY MAY ISSUE AND SELL ITS GENERAL OBLIGATION BONDS. ANY BONDS ISSUED BY THE MUNICIPALITY PURSUANT TO THIS SECTION SHALL BE ISSUED IN THE MANNER AND WITHIN THE LIMITATIONS PRESCRIBED BY APPLICABLE LAW FOR THE ISSUANCE AND AUTHORIZATION OF GENERAL OBLIGATION BONDS BY THE MUNICIPALITY, AND ALSO WITHIN LIMITATIONS DETERMINED BY THE MUNICIPALITY.

A1-112. REVENUE BONDS.

(A) IN ADDITION TO THE AUTHORITY CONFERRED BY SECTION A1-111 OF THIS APPENDIX, THE MUNICIPALITY MAY ISSUE REVENUE BONDS TO

FINANCE THE UNDERTAKING OF ANY URBAN RENEWAL PROJECT AND RELATED ACTIVITIES. ALSO, IT MAY ISSUE REFUNDING BONDS FOR THE PAYMENT OR RETIREMENT OF THE BONDS ISSUED PREVIOUSLY BY IT. THE BONDS SHALL BE MADE PAYABLE, AS TO BOTH PRINCIPAL AND INTEREST, SOLELY FROM THE INCOME, PROCEEDS, REVENUES, AND FUNDS OF THE MUNICIPALITY DERIVED FROM OR HELD IN CONNECTION WITH THE UNDERTAKING AND CARRYING OUT OF URBAN RENEWAL PROJECTS UNDER THIS APPENDIX. HOWEVER, PAYMENT OF THE BONDS, BOTH AS TO PRINCIPAL AND INTEREST, MAY BE FURTHER SECURED BY A PLEDGE OF ANY LOAN, GRANT, OR CONTRIBUTION FROM THE FEDERAL GOVERNMENT OR OTHER SOURCE, IN AID OF ANY URBAN RENEWAL PROJECTS OF THE MUNICIPALITY UNDER THIS APPENDIX, AND BY A MORTGAGE OF ANY URBAN RENEWAL PROJECT, OR ANY PART OF A PROJECT, TITLE TO WHICH IS IN THE MUNICIPALITY. IN ADDITION, THE MUNICIPALITY MAY ENTER INTO AN INDENTURE OF TRUST WITH ANY PRIVATE BANKING INSTITUTION OF THIS STATE HAVING TRUST POWERS AND MAY MAKE IN THE INDENTURE OF TRUST COVENANTS AND COMMITMENTS REQUIRED BY ANY PURCHASER FOR THE ADEQUATE SECURITY OF THE BONDS.

(B) BONDS ISSUED UNDER THIS SECTION DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION, ARE NOT SUBJECT TO THE PROVISIONS OF ANY OTHER LAW OR CHARTER RELATING TO THE AUTHORIZATION, ISSUANCE, OR SALE OF BONDS, AND ARE EXEMPTED SPECIFICALLY FROM THE RESTRICTIONS CONTAINED IN SECTIONS 9, 10, AND 11 OF ARTICLE 31 (DEBT – PUBLIC) OF THE ANNOTATED CODE OF MARYLAND. BONDS ISSUED UNDER THE PROVISIONS OF THIS APPENDIX ARE DECLARED TO BE ISSUED FOR AN ESSENTIAL PUBLIC AND GOVERNMENTAL PURPOSE AND, TOGETHER WITH INTEREST ON THEM AND INCOME FROM THEM, ARE EXEMPT FROM ALL TAXES.

(C) BONDS ISSUED UNDER THIS SECTION SHALL BE AUTHORIZED BY RESOLUTION OR ORDINANCE OF THE LEGISLATIVE BODY OF THE MUNICIPALITY. THEY MAY BE ISSUED IN ONE OR MORE SERIES AND SHALL:

- (1) BEAR A DATE OR DATES;**
- (2) MATURE AT A TIME OR TIMES;**
- (3) BEAR INTEREST AT A RATE OR RATES;**
- (4) BE IN A DENOMINATION OR DENOMINATIONS;**

(5) BE IN A FORM EITHER WITH OR WITHOUT COUPON OR REGISTERED;

(6) CARRY A CONVERSION OR REGISTRATION PRIVILEGE;

(7) HAVE A RANK OR PRIORITY;

(8) BE EXECUTED IN A MANNER;

(9) BE PAYABLE IN A MEDIUM OF PAYMENT, AT A PLACE OR PLACES, AND BE SUBJECT TO TERMS OF REDEMPTION (WITH OR WITHOUT PREMIUM);

(10) BE SECURED IN A MANNER; AND

(11) HAVE OTHER CHARACTERISTICS, AS ARE PROVIDED BY THE RESOLUTION, TRUST INDENTURE, OR MORTGAGE ISSUED PURSUANT TO IT.

(D) THESE BONDS MAY NOT BE SOLD AT LESS THAN PAR VALUE AT PUBLIC SALES WHICH ARE HELD AFTER NOTICE IS PUBLISHED PRIOR TO THE SALE IN A NEWSPAPER HAVING A GENERAL CIRCULATION IN THE AREA IN WHICH THE MUNICIPALITY IS LOCATED AND IN WHATEVER OTHER MEDIUM OF PUBLICATION AS THE MUNICIPALITY MAY DETERMINE. THE BONDS MAY BE EXCHANGED ALSO FOR OTHER BONDS ON THE BASIS OF PAR. HOWEVER, THE BONDS MAY NOT BE SOLD TO THE FEDERAL GOVERNMENT AT PRIVATE SALE AT LESS THAN PAR, AND, IN THE EVENT LESS THAN ALL OF THE AUTHORIZED PRINCIPAL AMOUNT OF THE BONDS IS SOLD TO THE FEDERAL GOVERNMENT, THE BALANCE MAY NOT BE SOLD AT PRIVATE SALE AT LESS THAN PAR AT AN INTEREST COST TO THE MUNICIPALITY WHICH DOES NOT EXCEED THE INTEREST COST TO THE MUNICIPALITY OF THE PORTION OF THE BONDS SOLD TO THE FEDERAL GOVERNMENT.

(E) IN CASE ANY OF THE PUBLIC OFFICIALS OF THE MUNICIPALITY WHOSE SIGNATURES APPEAR ON ANY BONDS OR COUPONS ISSUED UNDER THIS APPENDIX CEASE TO BE OFFICIALS OF THE MUNICIPALITY BEFORE THE DELIVERY OF THE BONDS OR IN THE EVENT ANY OF THE OFFICIALS HAVE BECOME SUCH AFTER THE DATE OF ISSUE OF THEM, THE BONDS ARE VALID AND BINDING OBLIGATIONS OF THE MUNICIPALITY IN ACCORDANCE WITH THEIR TERMS. ANY PROVISION OF ANY LAW TO THE CONTRARY NOTWITHSTANDING, ANY BONDS ISSUED PURSUANT TO THIS APPENDIX ARE FULLY NEGOTIABLE.

(F) IN ANY SUIT, ACTION, OR PROCEEDING INVOLVING THE VALIDITY OR ENFORCEABILITY OF ANY BOND ISSUED UNDER THIS APPENDIX, OR THE SECURITY FOR IT, ANY BOND WHICH RECITES IN SUBSTANCE THAT IT HAS BEEN ISSUED BY THE MUNICIPALITY IN CONNECTION WITH AN URBAN RENEWAL PROJECT SHALL BE CONSIDERED CONCLUSIVELY TO HAVE BEEN ISSUED FOR THAT PURPOSE, AND THE PROJECT SHALL BE CONSIDERED CONCLUSIVELY TO HAVE BEEN PLANNED, LOCATED, AND CARRIED OUT IN ACCORDANCE WITH THE PROVISIONS OF THIS APPENDIX.

(G) ALL BANKS, TRUST COMPANIES, BANKERS, SAVINGS BANKS, AND INSTITUTIONS, BUILDING AND LOAN ASSOCIATIONS, SAVINGS AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES, AND OTHER PERSONS CARRYING ON A BANKING OR INVESTMENT BUSINESS; ALL INSURANCE COMPANIES, INSURANCE ASSOCIATIONS, AND OTHER PERSONS CARRYING ON AN INSURANCE BUSINESS; AND ALL EXECUTORS, ADMINISTRATORS, CURATORS, TRUSTEES, AND OTHER FIDUCIARIES, MAY LEGALLY INVEST ANY SINKING FUNDS, MONEYS, OR OTHER FUNDS BELONGING TO THEM OR WITHIN THEIR CONTROL IN ANY BONDS OR OTHER OBLIGATIONS ISSUED BY THE MUNICIPALITY PURSUANT TO THIS APPENDIX. HOWEVER, THE BONDS AND OTHER OBLIGATIONS SHALL BE SECURED BY AN AGREEMENT BETWEEN THE ISSUER AND THE FEDERAL GOVERNMENT IN WHICH THE ISSUER AGREES TO BORROW FROM THE FEDERAL GOVERNMENT AND THE FEDERAL GOVERNMENT AGREES TO LEND TO THE ISSUER, PRIOR TO THE MATURITY OF THE BONDS OR OTHER OBLIGATIONS, MONEYS IN AN AMOUNT WHICH (TOGETHER WITH ANY OTHER MONEYS COMMITTED IRREVOCABLY TO THE PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS OR OTHER OBLIGATIONS) WILL SUFFICE TO PAY THE PRINCIPAL OF THE BONDS OR OTHER OBLIGATIONS WITH INTEREST TO MATURITY ON THEM. THE MONEYS UNDER THE TERMS OF THE AGREEMENT SHALL BE REQUIRED TO BE USED FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND THE INTEREST ON THE BONDS OR OTHER OBLIGATIONS AT THEIR MATURITY. THE BONDS AND OTHER OBLIGATIONS SHALL BE AUTHORIZED SECURITY FOR ALL PUBLIC DEPOSITS. THIS SECTION AUTHORIZES ANY PERSONS OR PUBLIC OR PRIVATE POLITICAL SUBDIVISIONS AND OFFICERS TO USE ANY FUNDS OWNED OR CONTROLLED BY THEM FOR THE PURCHASE OF ANY BONDS OR OTHER OBLIGATIONS. WITH REGARD TO LEGAL INVESTMENTS, THIS SECTION MAY NOT BE CONSTRUED TO RELIEVE ANY PERSON OF ANY DUTY OF EXERCISING REASONABLE CARE IN SELECTING SECURITIES.

A1-113. SHORT TITLE.

THIS APPENDIX SHALL BE KNOWN AND MAY BE CITED AS THE GALESTOWN URBAN RENEWAL AUTHORITY FOR SLUM CLEARANCE ACT.

A1-114. AUTHORITY TO AMEND OR REPEAL.

THIS APPENDIX, ENACTED PURSUANT TO ARTICLE III, SECTION 61 OF THE MARYLAND CONSTITUTION, MAY BE AMENDED OR REPEALED ONLY BY THE GENERAL ASSEMBLY OF MARYLAND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 1412 - *State Government - Maryland Veterans Commission - Membership*.

This bill adds a member of the Colonial Chapter of the Paralyzed Veterans of America to the Maryland Veterans Commission.

Senate Bill 915, 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 1412.

Sincerely,

Martin O'Malley
Governor

House Bill 1412

AN ACT concerning

State Government – Maryland Veterans Commission – Membership

FOR the purpose of adding a member of the Colonial Chapter of the Paralyzed Veterans of America to the Maryland Veterans Commission; and generally relating to the Maryland Veterans Commission.

BY repealing and reenacting, without amendments,
Article – State Government
Section 9–916
Annotated Code of Maryland
(2004 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 9–917
Annotated Code of Maryland
(2004 Replacement Volume and 2006 Supplement)

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

Article – State Government

9–916.

There is a Maryland Veterans Commission in the Department that shall advise the Secretary of all matters pertaining to veterans issues.

9–917.

(a) (1) The Commission consists of [27] **28** members appointed by the Governor.

(2) Of the members:

(i) 1 shall be appointed from each of the 8 congressional districts in the State;

(ii) 1 shall be a veteran appointed from the State at large;

(iii) 1 shall be a representative of a women veterans organization in the State;

(iv) 1 shall be a representative of a retired enlisted organization;
and

(v) 1 shall be appointed from a list of individuals submitted to the Governor by each of the following organizations:

1. the American Ex-Prisoners of War, Inc.;
2. the American Legion;
3. the Amvets;
4. the Catholic War Veterans;
5. the Disabled American Veterans;
6. the Fleet Reserve Association;
7. the Jewish War Veterans;
8. the Marine Corps League;
9. the Maryland Military Officers Association of America;
10. the Military Order of the Purple Heart;
11. the Pearl Harbor Survivors Association;
12. the Polish Legion of American Veterans;
13. the Veterans of Foreign Wars;
14. the Vietnam Veterans of America;
15. the Korean War Veterans Association, Inc.; [and]
16. the Black Veterans of All Wars, Inc.; AND

17. THE COLONIAL CHAPTER OF THE PARALYZED VETERANS OF AMERICA.

(b) Each member must be a resident of the State and a veteran.

(c) (1) The term of an appointed member is 5 years.

(2) The terms of the appointed members are staggered as required by the terms provided for members of the Commission on October 1, 1984.

(3) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

(4) 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.

(5) When an organization is no longer a part of the Commission, the appointment shall terminate at the end of the current member's term.

(d) A new organization may not be eligible for representation on the Commission, by appointment of the Governor, unless it is congressionally chartered.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

May 17, 2007

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, today I have vetoed House Bill 1434 - *Election Law - Presidential Primary Election Date*.

This bill alters the date of the statewide primary election in the year in which the President of the United States is elected from the first Tuesday in March to the second Tuesday in February. The bill also makes miscellaneous technical and clarifying changes to conform to the change in the date for the statewide presidential primary election, including provisions relating to specified deadlines and the certification of specified candidates by the Secretary of State.

Senate Bill 1025, 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 1434.

Sincerely,

Martin O'Malley
Governor

House Bill 1434

AN ACT concerning

Election Law – Presidential Primary Election Date

FOR the purpose of altering the date of the statewide primary election in the year in which the President of the United States is elected; making miscellaneous technical and clarifying changes to conform to the change in the date for the statewide presidential primary election, including provisions relating to deadlines for the filing of a certificate of candidacy, the submission of a delegate selection plan, candidate withdrawal, and petition candidates and including provisions relating to the certification of certain candidates by the Secretary of State; altering the schedule for the filing of certain campaign finance reports in the year of a presidential primary; and generally relating to the statewide presidential primary election.

BY repealing and reenacting, with amendments,

Article – Election Law

Section ~~8-201~~ 5-303(a), 5-502, 8-201, 8-501, 8-502, and 13-309(a)

Annotated Code of Maryland

(2003 Volume and 2006 Supplement)

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

Article – Election Law5-303.

(a) Except as provided in subsections (b) and (c) of this section, a certificate of candidacy shall be filed [as follows:

(1) for candidates for offices other than delegate to the Democratic National Convention,] not later than 9 p.m. on the Monday that is 10 weeks or 70 days before the day on which the primary election will be held[; and

(2) for candidates for delegate to the Democratic National Convention, between 9 a.m. on the first regular business day of the year in which the President of the United States is elected and 5 p.m. on the day that is 1 week later than that day].

5-502.

(a) Subject to § 5-402 of this title, an individual who has filed a certificate of candidacy may withdraw the candidacy by filing a certificate of withdrawal on the form prescribed by the State Board within 10 days after the filing date established under § 5-303 of this title.

(b) [An individual who has filed a certificate of candidacy and a petition in accordance with § 8-502(d) of this article, or a candidate for delegate to the Democratic National Convention subject to § 5-303(a)(2) of this title, may withdraw the candidacy by filing a certificate of withdrawal on the form prescribed by the State Board within 4 days after the filing date established under § 5-303 of this title.

(c) An individual who has filed a certificate of candidacy for the special election to fill a vacancy for Representative in Congress may withdraw the certificate on the prescribed form within 2 days after the filing date established in the proclamation issued by the Governor.

8-201.

(a) (1) There shall be a statewide primary election in every even-numbered year.

(2) A primary election shall be held:

(i) in the year in which the Governor is elected, on the second Tuesday after the first Monday in September; and

(ii) in the year in which the President of the United States is elected, on the [first] **SECOND** Tuesday in [March] **FEBRUARY**.

(b) In Baltimore City, there shall be a primary election for municipal offices on the second Tuesday following the first Monday in September in the year following the election of the Governor.

8-501.

(a) Delegates and alternate delegates to the national presidential nominating convention of a political party shall be selected as provided in the national party rules of the party.

(b) The State central committee of each political party shall certify to the State Board, not later than [January 1 in the year of the election] **OCTOBER 1 IN THE YEAR PRECEDING THE ELECTION:**

(1) the number of delegates and alternate delegates to be selected in the State and the mode or modes of selection; and

(2) in the case of a principal political party:

(i) if delegates are to be elected by district, the number of delegates to be elected from each district;

(ii) provisions for placing on the ballot the name of a presidential candidate, or the word “uncommitted”, adjacent to the name of each candidate for delegate;

(iii) provisions for how, if a candidate for delegate withdraws in accordance with § 5-502[(b)] of this article and the withdrawing candidate's name would have appeared on the ballot adjacent to the name of a presidential candidate, that presidential candidate will designate a replacement candidate for delegate no later than [2] 5 days after the deadline established in § 5-502[(b)] of this article; and

(iv) any other provisions of the national party rules of the party that relate to the election of delegates or alternate delegates at the primary election.

8-502.

(a) This section applies to the placement on the ballot in the primary election of the names of individuals who are candidates for nomination by principal political parties to the office of President of the United States.

(b) An individual who desires to run in the primary election may be placed on the ballot only:

(1) by direction of the Secretary of State in accordance with subsection (c) of this section; or

(2) by filing, in accordance with subsection (d) of this section, a petition containing the signatures of at least 400 registered voters from each congressional district in the State.

(c) (1) [(i) Except as provided in subparagraph (ii) of this paragraph, the] THE Secretary of State shall certify to the State Board the names of candidates for nomination by a principal political party during the period beginning 90 days before the primary election and ending 80 days before the primary election.

[(ii) The Secretary of State shall certify to the State Board the names of candidates for the Democratic Party nomination on the first business day in the year of the election.]

(2) The Secretary of State shall certify the name of a presidential candidate on the ballot when the Secretary has determined, in the Secretary's sole discretion and consistent with party rules, that the candidate's candidacy is generally advocated or recognized in the news media throughout the United States or in Maryland, unless the candidate executes and files with the Secretary of State an

affidavit stating without qualification that the candidate is not and does not intend to become a candidate for the office in the Maryland primary election.

(d) A candidate who seeks to be placed on the ballot by the petition process specified in subsection (b)(2) of this section shall file the petition, in the form prescribed by the State Board, [as follows:

(1) for candidates for the nomination of the Democratic Party, not later than 5 p.m. on the day that is 1 week later than the first business day of the year of the election; and

(2) for candidates for the nomination of any other principal political party, at least] ON THE MONDAY THAT IS 70 days before the day of the election.

(e) The State Board shall establish a procedure for the Democratic presidential primary through which votes may be cast as uncommitted to any presidential candidate.

(f) The names of the candidates for President qualifying under this section shall be certified to the local boards by the State Board and shall be printed on all ballots used for the primary election.

13-309.

(a) Subject to other provisions of this subtitle, a campaign finance entity shall file campaign finance reports as follows:

(1) except for a ballot issue committee, on or before the fourth Tuesday immediately preceding [a] EACH primary election EXCEPT A PRESIDENTIAL PRIMARY ELECTION;

(2) except for a ballot issue committee, on or before the second Friday immediately preceding a primary election;

(3) on or before the second Friday immediately preceding a general election; and

(4) on or before the third Tuesday after a general election.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2007.