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Chapter 647

(House Bill 860)

AN ACT concerning

Baltimore City Public Schools Construction ~~Authority~~ and Revitalization Act of 2013

~~FOR the purpose of establishing the Baltimore City Public Schools Construction Authority; providing for the purpose, duties, membership, appointment, terms, and compensation of the Authority; requiring the Authority to appoint an executive director and establishing the duties of that position; authorizing the Authority to employ or retain employees or contractors as appropriate; authorizing the Authority, under certain circumstances, to acquire and take title to property, enter into contracts, fix and collect certain rents and other charges, mortgage or encumber a project and its site, make a loan, contract for certain services, and receive certain contributions and gifts; specifying that the Authority shall be responsible for certain school facilities construction and capital improvement projects; authorizing the Authority or other issuer of bonds to hold title to certain properties or improvements to certain properties under certain circumstances; specifying that certain expenses incurred by the Authority are payable only from certain funds; requiring certain audits of the Authority; requiring certain audits to be submitted by a certain date to certain entities; declaring the intent of the General Assembly that the Authority shall remain in existence as long as certain debt is outstanding; authorizing the issuance of certain bonds; setting certain requirements, guidelines, and procedures for the issuance of certain bonds; specifying that certain projects financed under this Act shall be approved by the Interagency Committee on School Construction; requiring the Authority, the Baltimore City Board of School Commissioners, and the Interagency Committee on School Construction to enter into a certain memorandum of understanding; limiting the amount of certain outstanding debt of the Authority; specifying that the Authority may secure certain bonds by a trust agreement and setting the requirements, guidelines, and procedures for that trust agreement; authorizing certain financial entities to invest certain funds in certain bonds; specifying that certain bonds issued under this Act are not a debt, liability, moral obligation, or a pledge of the faith and credit of the State or any subdivision of the State; providing how proceeds from the sale of certain bonds may be expended; authorizing the issuance of refunding bonds and bond anticipation notes under certain circumstances and subject to certain provisions; exempting the Authority, its agent, lessee, and the principal and interest on certain bonds from State and local taxes; requiring the State to provide a certain block grant each year for school construction projects in Baltimore City; providing for the funding and an annual increase in the amount of funding for certain school construction projects in Baltimore City; specifying the uses for a certain block grant; authorizing the Baltimore City Board of School Commissioners to acquire,~~

~~construct, reconstruct, equip, maintain, repair, or renovate facilities at any location in Baltimore City through another entity acting as its agent and enter into contracts with public or private entities for such purposes; specifying that a transfer of a certain interest in a public school building in connection with financing the cost of improvements to that building is not a sale, lease, or disposal of that building; increasing the amount of bonds that the Baltimore City Board of School Commissioners may have outstanding; specifying that the amount of outstanding debt of the Baltimore City Board of School Commissioners does not include bonds issued by an entity other than the Board, including bonds issued by the Authority or other issuer of bonds; defining certain terms; authorizing the Maryland Health and Higher Educational Facilities Authority to issue bonds on behalf of the Authority; and generally relating to school construction projects in Baltimore City.~~

FOR the purpose of authorizing the Maryland Stadium Authority to issue bonds to finance the construction of or improvements to certain Baltimore City public school facilities in accordance with a certain 10-year plan for Baltimore City Public Schools and subject to certain limitations; specifying that the Authority and the Baltimore City Board of School Commissioners shall be responsible for certain public school facilities construction and improvement projects; prohibiting the interference with or limitation of the powers of the Authority and the Baltimore City Board of School Commissioners except under certain circumstances; specifying that certain expenses incurred by the Authority are payable only from certain funds; specifying that certain bonds issued under this Act are a limited obligation of the Authority payable solely from certain pledged money and are not a debt, liability, moral obligation, or a pledge of the faith and credit or taxing power of the State, the Authority, or any other governmental unit; requiring the Authority to obtain approval from the Board of Public Works before each issuance of bonds to finance improvements to Baltimore City public school facilities; requiring Baltimore City to deposit a certain amount of money into a certain fund by certain dates; requiring the Authority to transfer certain funds under certain circumstances; requiring the State Comptroller to withhold the distribution of certain income tax revenues to Baltimore City under certain circumstances; requiring the Authority to direct the State Comptroller to withhold certain payments to the Baltimore City Board of School Commissioners and instead deposit that money into a certain fund under certain circumstances; requiring a certain joint report on or before a certain date year; providing for certain requirements for the Baltimore City Board of School Commissioners regarding certain buildable sites and certain operational responsibilities; requiring the Baltimore City Board of School Commissioners to obtain approval from the State Superintendent of Schools and the Board of Public Works prior to the disposal of certain facilities except in certain circumstances; providing for the payment of certain costs; requiring the Authority, Baltimore City, the Baltimore City Board of School Commissioners, and the Interagency Committee on School Construction to agree to a certain memorandum of understanding on or before a certain date; prohibiting the issuance of bonds to finance improvements to Baltimore City public school

facilities unless the memorandum of understanding is signed by certain parties and the Baltimore City Board of School Commissioners has submitted a certain plan to certain committees of the General Assembly; specifying the requirements of the memorandum of understanding; requiring the State Superintendent of Schools to facilitate resolution in the event of a dispute of certain provisions in the memorandum of understanding; prohibiting the memorandum of understanding from taking effect until it is approved by the Board of Public Works; establishing the Baltimore City Public School Construction Financing Fund and the Baltimore City Public School Construction Facilities Fund as continuing, nonlapsing funds; specifying the contents of the funds and providing for the uses of the funds; exempting the funds from a certain provision of law requiring interest on State money in special funds to accrue to the General Fund of the State; expanding the authority of the Authority to include acquiring property necessary to make improvements to certain facilities; requiring the Authority to perform certain actions related to Baltimore City public school facilities; limiting the amount of debt that may be issued by the Authority to finance certain public school construction projects in Baltimore City; including nontax supported debt in a certain debt limit; providing that money deposited in a certain fund may be used as security for a bond issue; altering certain provisions of law relating to closing on certain bond sales; authorizing the Baltimore City Board of School Commissioners to acquire, construct, reconstruct, equip, maintain, repair, or renovate facilities at any location in Baltimore City through the Authority acting as its agent and enter into certain related contracts; increasing the amount of bonds that the Baltimore City Board of School Commissioners may have outstanding; specifying that the amount of outstanding debt of the Baltimore City Board of School Commissioners does not include bonds issued by the Authority; specifying that a transfer of a certain interest in a public school building in connection with financing the cost of improvements to that building is not a sale, lease, or disposal of that building; altering the distribution of certain State lottery revenues and requiring the State Comptroller to distribute certain State lottery revenues into a certain fund; repealing the requirement for certain lotteries to be conducted for the benefit of the Authority; repealing certain advertising and ticket requirements related to certain lotteries conducted for the benefit of the Authority; altering the calculation of a certain highest local appropriation for education under certain circumstances; requiring certain reports and notifications; declaring the intent of the General Assembly; defining certain terms; providing for the effective dates of this Act; and generally relating to public school construction and renovation projects in Baltimore City.

BY repealing and reenacting, with amendments,

Article – Economic Development

Section ~~10-301~~ 10-601, 10-620, 10-628, 10-634, and 10-639

Annotated Code of Maryland

(2008 Volume and 2012 Supplement)

BY repealing and reenacting, without amendments,

Article – Economic Development

Section 10–629 through 10–633, 10–635, and 10–636

Annotated Code of Maryland

(2008 Volume and 2012 Supplement)

BY adding to

Article – Economic Development

Section 10–645, 10–646, 10–656, and 10–657

Annotated Code of Maryland

(2008 Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – Education

Section ~~4–114~~, 4–115, ~~4–119~~, ~~4–126~~, 4–306.1, 4–306.2(a) and (b), and 5–301(i)

Annotated Code of Maryland

(2008 Replacement Volume and 2012 Supplement)

~~BY adding to~~

~~Article – Education~~

~~Section 4–401 through 4–424 to be under the new subtitle “Subtitle 4. Baltimore City Public Schools Construction Authority”; and 5–301(e–1)~~

~~Annotated Code of Maryland~~

~~(2008 Replacement Volume and 2012 Supplement)~~

BY repealing and reenacting, without amendments,

Article – Education

Section 4–306.2(a)

Annotated Code of Maryland

(2008 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(i)

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)69. and 70.

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY adding to

Article – State Finance and Procurement

Section 6–226(a)(2)(ii)71. and 72.

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government

Section 9–120

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – Education

Section 5–202(d)(1) through (5)

Annotated Code of Maryland

(2008 Replacement Volume and 2012 Supplement)

(As enacted by Chapter 6 of the Acts of the General Assembly of 2012)

BY repealing and reenacting, without amendments,

Article – Education

Section 5–202(d)(6)

Annotated Code of Maryland

(2008 Replacement Volume and 2012 Supplement)

(As enacted by Chapter 6 of the Acts of the General Assembly of 2012)

BY repealing

Article – State Government

Section 9–120.1

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

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

Article – Economic Development

~~10–301.~~

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

~~(b) “Authority” means the Maryland Health and Higher Educational Facilities Authority.~~

~~(c) (1) “Bond” means a bond issued by the Authority under this subtitle.~~

~~(2) “Bond” includes a revenue bond, a revenue refunding bond, a note, and any other obligations.~~

~~(d) “Cost”, with respect to a project financed under this subtitle, includes:~~

- ~~(1) the purchase price of a project;~~
 - ~~(2) the cost to acquire any right, title, or interest in a project;~~
 - ~~(3) the cost of any improvement;~~
 - ~~(4) the cost of any property, right, easement, and franchise;~~
 - ~~(5) the cost of demolition, removal, or relocation of structures;~~
 - ~~(6) the cost of acquiring land to which the structures may be moved;~~
 - ~~(7) the cost of equipment;~~
 - ~~(8) financing charges;~~
 - ~~(9) interest before and during construction and, if the Authority determines, for a limited period after the completion of construction;~~
 - ~~(10) reserves for principal and interest and for improvements;~~
 - ~~(11) the cost of revenue and cost estimates, architectural, engineering, financial, and legal services, plans, specifications, studies, surveys, and other expenses necessary or incident to determining the feasibility of improving a project; and~~
 - ~~(12) other expenses as necessary or incident to:~~
 - ~~(i) financing a project;~~
 - ~~(ii) acquiring and improving a project; and~~
 - ~~(iii) placing a project in operation.~~
- ~~(e) “Educational institution” means an institution of higher education or a noncollegiate educational institution.~~
- ~~(f) “Finance” includes refinance.~~
- ~~(g) (1) “Health care institution” means an institution in the State that is operated by a person, a local government, or, subject to paragraph (3) of this subsection, the State, is available to the public, and is:~~
- ~~(i) a not for profit hospital as defined under § 19-301 of the Health General Article that:~~
 - ~~1. is licensed as a hospital by the Secretary of Health and Mental Hygiene under § 19-318 of the Health General Article; or~~

~~2. has obtained a certificate of need issued by the Maryland Health Care Commission under § 19-120 of the Health General Article, but is not licensed as a hospital by the Secretary of Health and Mental Hygiene under § 19-318 of the Health General Article;~~

~~(ii) a not for profit related institution as defined under § 19-301 of the Health General Article that is licensed as a related institution by the Secretary of Health and Mental Hygiene under § 19-318 of the Health General Article;~~

~~(iii) a combination of institutions listed in items (i) and (ii) of this paragraph;~~

~~(iv) except as provided in paragraph (3) of this subsection:~~

~~1. a not for profit comprehensive health center that provides outpatient primary health services available to the general public; or~~

~~2. a not for profit life care or continuing care community that provides self-contained residence facilities for the retired or elderly;~~

~~(v) any combination of health care entities listed in item (iv) of this paragraph;~~

~~(vi) an entity affiliated or associated with an institution listed in items (i) through (v) of this paragraph, if the Authority determines by resolution that the financing of a project for the entity serves the public purpose of that institution; or~~

~~(vii) a not for profit health service plan that holds a certificate of authority and provides health insurance policies or contracts in the State in accordance with the Insurance Article.~~

~~(2) "Health care institution" includes a not for profit corporation organized to construct or acquire an institution under paragraph (1) of this subsection.~~

~~(3) "Health care institution" does not include a facility described in paragraph (1)(iv) of this subsection that is owned and operated by the State, except for the following facilities if approved by the Board of Public Works and the Joint Audit Committee:~~

~~(i) a not for profit comprehensive health center that is a medical or health care facility of the University System of Maryland; or~~

~~(ii) a not for profit life care or continuing care community that provides self-contained residence facilities for the retired or elderly.~~

~~(4) For purposes of this subsection the facilities of the University of Maryland Medical System Corporation are not considered to be owned and operated by the State.~~

~~(h) “Improve” means to add, alter, construct, equip, expand, extend, improve, install, reconstruct, rehabilitate, remodel, or repair.~~

~~(i) “Improvement” means addition, alteration, construction, equipping, expansion, extension, improvement, installation, reconstruction, rehabilitation, remodeling, or repair.~~

~~(j) (1) “Institution of higher education” means an educational institution in the State that:~~

~~(i) by law or charter:~~

~~1. is a public or not for profit educational institution;~~
~~and~~

~~2. is authorized to provide:~~

~~A. a program of education beyond the high school level and award a bachelor’s or advanced degree; or~~

~~B. a program of 2 or more years’ duration that is accepted for full credit toward a bachelor’s degree; and~~

~~(ii) meets the standards and regulations that the Maryland Higher Education Commission prescribes, and is authorized to issue a certificate, diploma, or degree under Title 12 of the Education Article.~~

~~(2) “Institution of higher education” includes:~~

~~(i) a community college for which a board of community college trustees is established under § 16-101 of the Education Article;~~

~~(ii) a regional community college established under § 16-202 of the Education Article;~~

~~(iii) the Baltimore City Community College established under § 16-501 of the Education Article; and~~

~~(iv) the College of Southern Maryland established under § 16-603 of the Education Article.~~

~~(3) "Institution of higher education" does not include an institution owned and operated by the State other than an institution listed in paragraph (2) of this subsection.~~

~~(k) (1) "Nonecollegiate educational institution" means a nonecollegiate educational institution as defined in § 2-206 of the Education Article that:~~

~~[(1)] (I) has received a certificate of approval from the State Board of Education; or~~

~~[(2)] (II) is an institution operated by a bona fide church organization.~~

~~(2) "NONCOLLEGIATE EDUCATIONAL INSTITUTION" INCLUDES THE BALTIMORE CITY PUBLIC SCHOOLS CONSTRUCTION AUTHORITY, ESTABLISHED UNDER TITLE 4, SUBTITLE 4 OF THE EDUCATION ARTICLE AND BY THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS.~~

~~(l) "Participating institution" means a participating educational institution or a participating health care institution that receives assistance under this subtitle.~~

~~(m) (1) With respect to an educational institution:~~

~~(i) "project" means a structure or facility that is required or useful for an educational institution;~~

~~(ii) "project" includes:~~

~~1. a structure suitable for use as a dormitory or other housing facility, dining hall, student union, administration building, academic building, library, laboratory, research facility, classroom, athletic facility, health care facility, maintenance facility, storage facility, utility facility, or parking facility; and~~

~~2. equipment and other similar items; and~~

~~(iii) "project" does not include books, fuel, supplies, or other items that customarily result in a current operating charge.~~

~~(2) With respect to a health care institution:~~

~~(i) "project" means a structure or facility that is required or useful for the effective operation of a health care institution;~~

~~(ii) "project" includes:~~

~~1. a structure suitable for use as a hospital, clinic, or other health care facility, laboratory, training facility for nursing or another health program, laundry, a residence for nurses or interns, or a parking facility; and~~

~~2. equipment and other similar items; and~~

~~(iii) “project” does not include fuel, supplies, or other items that customarily result in a current operating charge.~~

~~(n) “Sinking fund” means a fund established under § 10-328 of this subtitle.~~

~~(e) (1) “Trust agreement” means an agreement entered into by the Authority to secure a bond.~~

~~(2) “Trust agreement” may include a bond contract, bond resolution, or other contract with or for the benefit of a bondholder.~~

~~Article – Education~~

~~4-114.~~

~~(a) All property granted, conveyed, devised, or bequeathed for the use of a particular public school or school system:~~

~~(1) Except as provided in subsection (e) of this section, shall be held in trust for the benefit of the school or school system by the appropriate county board or, for real property in Baltimore City, by the Mayor and City Council of Baltimore, OR THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS; and~~

~~(2) Is exempt from all State and local taxes.~~

~~(b) Money invested in trust for the benefit of the public schools for any county or city is exempt from all State and local taxes.~~

~~(e) (1) A private entity may hold title to property used for a particular public school or local school system if the private entity is contractually obligated to transfer title to the appropriate county board on a specified date.~~

~~(2) The conveyance of title of school property to a private entity for a specified term under this subsection may not be construed to prohibit the allocation of construction funds to an approved school construction project under the Public School Construction Program.~~

~~(3) A county or county board may convey or dispose of surplus land under the jurisdiction of the county or county board in exchange for public school construction or development services.~~

~~(4) FOR REAL PROPERTY IN BALTIMORE CITY, THE BALTIMORE CITY PUBLIC SCHOOLS CONSTRUCTION AUTHORITY OR ANY OTHER ISSUER OF REVENUE BONDS TO FINANCE PUBLIC SCHOOL FACILITIES IN BALTIMORE CITY MAY HOLD TITLE TO OR A LEASEHOLD INTEREST IN PROPERTY OR IMPROVEMENTS TO PROPERTY USED FOR PUBLIC SCHOOL PURPOSES PROVIDED THAT SUCH ENTITY IS CONTRACTUALLY OBLIGATED TO TRANSFER TITLE TO THE MAYOR AND CITY COUNCIL OF BALTIMORE OR FOR NEWLY CONSTRUCTED SCHOOL BUILDINGS, TO THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS.~~

10-601.

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

(b) “Authority” means the Maryland Stadium Authority.

(c) “Authority affiliate” means a for-profit or not-for-profit entity in which the Authority directly or indirectly owns any membership interest or equity interest.

(D) “BALTIMORE CITY” MEANS, AS THE CONTEXT REQUIRES:

(1) THE GEOGRAPHIC AREA OF THE CITY OF BALTIMORE; OR

(2) THE MAYOR AND CITY COUNCIL OF BALTIMORE.

(E) “BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS” MEANS THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS OF THE BALTIMORE CITY PUBLIC SCHOOL SYSTEM ESTABLISHED UNDER § 3-108.1 OF THE EDUCATION ARTICLE.

(F) “BALTIMORE CITY PUBLIC SCHOOL FACILITY” MEANS A PROPERTY PRIMARILY USED FOR EDUCATIONAL INSTRUCTION THAT:

(1) IS HELD IN TRUST BY BALTIMORE CITY OR THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS FOR THE BENEFIT OF THE BALTIMORE CITY PUBLIC SCHOOL SYSTEM; AND

(2) IS DESIGNATED FOR IMPROVEMENT UNDER THE MEMORANDUM OF UNDERSTANDING BETWEEN THE AUTHORITY, BALTIMORE CITY, THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS, AND THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION ENTERED INTO IN ACCORDANCE WITH § 10-646 OF THIS SUBTITLE.

(G) “BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND” MEANS THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND ESTABLISHED UNDER § 10-657 OF THIS SUBTITLE.

(H) “BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND” MEANS THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND ESTABLISHED UNDER § 10-656 OF THIS SUBTITLE.

(I) “BALTIMORE CITY PUBLIC SCHOOL SITE” MEANS THE SITE OF ANY BALTIMORE CITY PUBLIC SCHOOL FACILITY.

[(d)] (J) (1) “Baltimore Convention facility” means:

(i) a convention center, trade show facility, meeting hall, or other structure in Baltimore City used to hold conventions, trade shows, meetings, displays, or similar events; and

(ii) offices, parking lots or garages, access roads, hotels, restaurants, railroad sidings, and any other structures, improvements, equipment, furnishings, or other property functionally related to the facilities described in item (i) of this paragraph.

(2) “Baltimore Convention facility” includes the following, if used, useful, or usable in the future as, or in connection with, a Baltimore Convention facility:

(i) land, structures, equipment, property, property rights, property appurtenances, rights-of-way, franchises, easements, and other interests in land;

(ii) land and facilities that are functionally related to a Baltimore Convention facility; and

(iii) patents, licenses, and other rights necessary or useful to construct or operate a Baltimore Convention facility.

[(e)] (K) “Baltimore Convention Fund” means the Baltimore Convention Financing Fund established under § 10-651 of this subtitle.

[(f)] (L) “Baltimore Convention site” means the site of the Baltimore Convention Center located in Baltimore City at the address generally known as 1 West Pratt Street, identified in the State Department of Assessments and Taxation Real Property database as tax identification number Ward 22, Section 01, Block 0682, Lots 001 and 001A.

[(g)] (M) “Bond” includes a note, an interim certificate, refunding bond, and any other evidence of obligation issued under this subtitle.

[(h)] (N) “Camden Yards” means the area comprising approximately 85 acres in Baltimore City bounded by Camden Street on the north, Russell Street on the west, Ostend Street on the south, and Howard Street and Interstate 395 on the east.

[(i)] (O) “Camden Yards Fund” means the Camden Yards Financing Fund established under § 10–652 of this subtitle.

[(j)] (P) “Convention facility” means the Baltimore Convention facility, the Montgomery County Conference facility, and the Ocean City Convention facility.

[(k)] (Q) “Facility” means:

- (1) a structure or other improvement developed at Camden Yards;
- (2) a convention facility;
- (3) the Hippodrome Performing Arts facility; [or]
- (4) a sports facility; OR
- (5) A BALTIMORE CITY PUBLIC SCHOOL FACILITY.**

(R) “GOVERNMENTAL UNIT” MEANS A COUNTY, A MUNICIPAL CORPORATION, A UNIT OF STATE OR LOCAL GOVERNMENT, OR ANY OTHER PUBLIC BODY CREATED UNDER STATE OR LOCAL LAW.

[(l)] (S) (1) “Hippodrome Performing Arts facility” means the performing arts center facility located at the Hippodrome Performing Arts site.

(2) “Hippodrome Performing Arts facility” includes, at the Hippodrome Performing Arts site:

- (i) the Hippodrome theater and offices;
- (ii) food service facilities; and
- (iii) any other functionally related property, structures, improvements, furnishings, or equipment.

[(m)] (T) “Hippodrome Performing Arts Fund” means the Hippodrome Performing Arts Financing Fund established under § 10–653 of this subtitle.

[(n)] (U) “Hippodrome Performing Arts site” means the site of the France–Merrick Performing Arts Center located in Baltimore City at the address generally known as:

(1) 12 North Eutaw Street Building, identified in the State Department of Assessments and Taxation Real Property database as tax identification number Ward 04, Section 08, Block 0631, Lot 001; and

(2) 401 West Fayette Street, identified in the State Department of Assessments and Taxation Real Property database as tax identification number Ward 04, Section 08, Block 0631, Lot 013.

[(o)] (V) “Improve” means to add, alter, construct, equip, expand, extend, improve, install, reconstruct, rehabilitate, remodel, or repair.

[(p)] (W) “Improvement” means addition, alteration, construction, equipping, expansion, extension, improvement, installation, reconstruction, rehabilitation, remodeling, or repair.

[(q)] (X) “Montgomery County” includes the Montgomery County Revenue Authority.

[(r)] (Y) (1) “Montgomery County Conference facility” means the Conference Center facility located at the Montgomery County Conference site used for conferences, trade shows, meetings, displays, or similar events.

(2) “Montgomery County Conference facility” includes, at the Montgomery County Conference site, offices, parking lots and garages, access roads, food service facilities, and other functionally related property, structures, improvements, furnishings, or equipment.

(3) “Montgomery County Conference facility” does not include the privately owned hotel adjacent to the Montgomery County Conference Center.

[(s)] (Z) “Montgomery County Conference Fund” means the Montgomery County Conference Financing Fund established under § 10–654 of this subtitle.

[(t)] (AA) “Montgomery County Conference site” means the site of the Montgomery County Conference Center located in Rockville at the address generally known as 5701 Marinelli Road, identified in the State Department of Assessments and Taxation Real Property database as tax identification number District 04, Account Number 03392987.

[(u)] (BB) (1) “Ocean City Convention facility” means:

(i) a convention center, trade show facility, meeting hall, or other structure in Ocean City used to hold conventions, trade shows, meetings, displays, or similar events; and

(ii) offices, parking lots or garages, access roads, food service facilities, and any other structures, improvements, equipment, furnishings, or other property functionally related to the facilities described in item (i) of this paragraph.

(2) “Ocean City Convention facility” includes the following, if used, useful, or usable in the future as, or in connection with, an Ocean City Convention facility:

(i) land, structures, equipment, property, property rights, property appurtenances, rights-of-way, franchises, easements, and other interests in land;

(ii) land and facilities that are functionally related to an Ocean City Convention facility; and

(iii) patents, licenses, and other rights necessary or useful to construct or operate an Ocean City Convention facility.

[(v)] (CC) “Ocean City Convention Fund” means the Ocean City Convention Financing Fund established under § 10–655 of this subtitle.

[(w)] (DD) “Ocean City Convention site” means the site of the Ocean City Convention Center located in Ocean City at the address generally known as 4001 Coastal Highway, identified in the State Department of Assessments and Taxation Real Property database as tax identification numbers District 10, Account Number 055237; District 10, Account Number 066301; District 10, Account Number 247942; and District 10, Account Number 280346.

[(x)] (EE) (1) “Sports facility” means:

(i) a stadium primarily for professional football, major league professional baseball, or both, in the Baltimore metropolitan region, as defined in § 13–301 of this article;

(ii) practice fields or other areas where professional football or major league professional baseball teams practice or perform; and

(iii) offices for professional football and major league professional baseball teams or franchises.

(2) “Sports facility” includes parking lots, garages, and any other property adjacent and directly related to an item listed in paragraph (1) of this subsection.

[(y)] (FF) “Tax supported debt” has the meaning stated in § 8–104 of the State Finance and Procurement Article.

10–620.

(a) (1) Subject to annual appropriations and this subtitle, the Authority may acquire in its own name, by gift, purchase, or condemnation, any property or interest in property necessary or convenient to construct, **IMPROVE**, or operate a facility.

(2) When acquiring in its own name any property under paragraph (1) of this subsection, the Authority shall first attempt to acquire the property by negotiation and purchase.

(3) If the Authority is not able to acquire property by negotiation, the Authority may condemn private property under subsection (b) of this section.

(4) If the Authority determines that acting under paragraphs (2) and (3) of this subsection would be inappropriate, the Authority may condemn private property under subsection (c) of this section.

(b) (1) The exercise of authority under this subsection is subject to subsection (a) of this section, the prior approval of the Board of Public Works, and review by the Legislative Policy Committee.

(2) The Authority may condemn any private property for any purpose of the Authority:

(i) in accordance with Title 12 of the Real Property Article; and

(ii) only in Camden Yards and at the Hippodrome Performing Arts site.

(c) (1) The exercise of authority under this subsection is subject to subsection (a) of this section, the prior approval of the Board of Public Works, and review by the Legislative Policy Committee.

(2) The Authority may exercise quick take condemnation under Article III, § 40A of the State Constitution to acquire in Baltimore City for the State private property for any purpose of the Authority:

(i) in accordance with §§ 8–334 through 8–339 of the Transportation Article and Title 12 of the Real Property Article; and

(ii) only in Camden Yards and at the Hippodrome Performing Arts site.

(d) (1) The exercise of authority under this subsection is subject to the prior approval of the Board of Public Works.

(2) On request of the Authority, the State, a unit of the State, or a political subdivision may lease, lend, grant, or otherwise convey to the Authority, property, including property devoted to public use, as necessary or convenient for the purposes of this subtitle.

(3) The State may lease or sublease a facility, or an interest in a facility, from or to the Authority, whether or not constructed or usable.

(4) Lease payments to the Authority appropriated by the State shall be transferred to:

(i) the Baltimore Convention Fund if appropriated for a Baltimore Convention facility;

(ii) the Camden Yards Fund if appropriated for a sports facility or other facility at Camden Yards;

(iii) the Hippodrome Performing Arts Fund if appropriated for a Hippodrome Performing Arts facility;

(iv) the Montgomery County Conference Fund if appropriated for a Montgomery County Conference facility; or

(v) the Ocean City Convention Fund if appropriated for an Ocean City Convention facility.

(e) (1) This subsection does not apply to the Camden Yards site, Baltimore Convention site, Ocean City Convention site, [or] Hippodrome Performing Arts site, OR ANY BALTIMORE CITY PUBLIC SCHOOL SITE.

(2) The Authority and any [authority] AUTHORITY affiliate is subject to applicable planning, zoning, and development regulations to the same extent as a private commercial or industrial enterprise.

(f) The Authority shall:

(1) in cooperation with Baltimore City, appoint a task force that includes residents and business and institutional representatives from the area adjacent to Camden Yards to review the schematic, preliminary, and final plans for facilities at Camden Yards;

(2) submit schematic plans for development of Camden Yards and the Baltimore Convention site to Baltimore City for review and comment before acquiring any property;

(3) WITH RESPECT TO CAMDEN YARDS, THE BALTIMORE CONVENTION FACILITY, AND THE HIPPODROME PERFORMING ARTS FACILITY, submit preliminary and final plans [for Baltimore facilities] to Baltimore City for review and comment; [and]

(4) WITH RESPECT TO CAMDEN YARDS, THE BALTIMORE CONVENTION FACILITY, AND THE HIPPODROME PERFORMING ARTS FACILITY, participate in the design review processes of Baltimore City; AND

(5) WITH RESPECT TO A BALTIMORE CITY PUBLIC SCHOOL FACILITY, PERFORM THE ACTIONS REQUIRED UNDER §§ 10-645, 10-646, 10-656, AND 10-657 OF THIS SUBTITLE.

(g) This section does not affect the right of the Authority to acquire an option or institute a condemnation proceeding for later acquisition of the property once the approval required by this section is obtained.

10-628.

(a) Except as provided in subsections (b) and (c) of this section and subject to the prior approval of the Board of Public Works, the Authority may issue bonds at any time for any corporate purpose of the Authority, including the establishment of reserves and the payment of interest.

(b) (1) Unless authorized by the General Assembly, the Board of Public Works may not approve an issuance by the Authority of bonds for sports facilities at Camden Yards, whether taxable or tax exempt, that constitute tax supported debt if, after the issuance, there would be outstanding and unpaid \$235,000,000 face amount of bonds for the purpose of financing the site acquisition and preparation, relocation, demolition and removal, construction and related expenses for construction management, professional fees, and contingencies of baseball and football stadiums or a multiuse stadium.

(2) (i) Subject to subparagraph (ii) of this paragraph, the limits on the issuance of bonds of the Authority, whether taxable or tax exempt, that constitute tax supported debt for the following purposes with respect to sports facilities at Camden Yards are:

1. \$85,000,000 for site acquisition and preparation, relocation, demolition and removal, and construction and related expenses for construction management, professional fees, and contingencies for Camden Yards;

2. \$70,000,000 for site work, construction and related expenses for construction management, professional fees, and contingencies of a baseball stadium;

3. \$80,000,000 for site work, construction and related expenses for construction management, professional fees, and contingencies of a football stadium; and

4. \$195,000,000 for site acquisition and preparation, relocation, demolition and removal, and construction and related expenses for construction management, professional fees, and contingencies of a multiuse stadium.

(ii) The Authority may exceed the monetary limits on bond issuances provided for in subparagraph (i) of this paragraph if the Authority:

1. obtains the authorization of the Board of Public Works; and

2. notifies the Legislative Policy Committee with accompanying justification.

(c) (1) Unless authorized by the General Assembly, the Board of Public Works may not approve an issuance by the Authority of bonds, whether taxable or tax exempt, that constitute tax supported debt OR NONTAX SUPPORTED DEBT if, after issuance, there would be outstanding and unpaid more than the following face amounts of the bonds for the purpose of financing acquisition, construction, renovation, and related expenses for construction management, professional fees, and contingencies in connection with:

(i) the Baltimore Convention facility – \$55,000,000;

(ii) the Hippodrome Performing Arts facility – \$20,250,000;

(iii) the Montgomery County Conference facility – \$23,185,000;

[and]

(iv) the Ocean City Convention facility – \$17,340,000; AND

(V) BALTIMORE CITY PUBLIC SCHOOL FACILITIES – \$1,100,000,000.

(2) (i) The limitation under paragraph (1)(i) of this subsection applies to the aggregate principal amount of bonds outstanding as of June 30 of any year.

(ii) Refunded bonds may not be included in the determination of an outstanding aggregate amount under this paragraph.

10-629.

(a) The Authority shall pay the bonds issued in accordance with this part only from the property or receipts of the Authority.

(b) Property and receipts of the Authority include:

(1) taxes, fees, charges, or other revenues payable to the Authority;

(2) payments in accordance with letters of credit, lines of credit, insurance policies, or purchase agreements;

(3) investment earnings from funds or accounts maintained in accordance with a bond resolution or trust agreement;

(4) the proceeds of refunding bonds; and

(5) any other source authorized by law.

10-630.

(a) The Authority shall authorize the issuance of bonds by resolution.

(b) (1) The bonds may be secured by a trust agreement by and between the Authority and a corporate trustee.

(2) A corporate trustee may be any trust company or bank that has the powers of a trust company in or outside the State.

(c) The bonds shall:

(1) be issued at, above, or below par value, and for cash or other valuable consideration;

(2) mature on a date or dates not exceeding 40 years from their respective dates of issue, whether or not the bonds are serial or term bonds;

(3) bear interest at the fixed rate or the variable rate provided in the resolution or trust agreement;

(4) be payable at a time or times and be in the denominations and form, either coupon or registered, as provided in the resolution or trust agreement;

(5) be subject to the registration provisions, have the privileges as to conversion, and be subject to the provisions for the replacement of mutilated, lost, or destroyed bonds as provided in the resolution or trust agreement;

(6) be a "security" within the meaning of § 8-102 of the Commercial Law Article, whether or not each bond is one of a class or series or is divisible by its terms into a class or series of instruments;

(7) be negotiable for all purposes although payable from a limited source, notwithstanding any other law;

(8) be payable in lawful money of the United States at a designated place;

(9) be subject to the terms of purchase, payment, redemption, refunding, or refinancing as provided in the resolution or trust agreement;

(10) subject to subsection (d) of this section, be executed by the manual or facsimile signatures of the officers of the Authority designated by the Authority;

(11) be sold in the manner and on the terms determined by the Authority, including competitive or negotiated sale; and

(12) are exempt from §§ 8-206 and 8-208 of the State Finance and Procurement Article.

(d) An officer's signature or facsimile signature on a bond of the Authority remains valid at delivery even if the officer leaves office before the bond is delivered.

10-631.

A resolution of the Authority or a trust agreement between the Authority and a corporate trustee may contain provisions that shall be part of the contract between the Authority and the holders of the bonds as to:

(1) (i) the pledging, assigning, or directing the use, investment, or disposition of receipts of the Authority or proceeds or benefits of any contract; and

(ii) the conveying or otherwise securing of any property or property rights;

(2) debt service reserves, capitalized interest accounts, cost of issuance accounts, sinking funds, and the setting aside of deposits, and the regulation, investment, and disposition of the funds specified in this item;

(3) limitations on the use and investment of bond proceeds;

(4) restrictions on the investment of revenues or bond proceeds to government obligations the principal and interest of which are unconditionally guaranteed by the United States of America;

(5) limitations and conditions relating to the issuance of additional bonds, which may rank on a parity with, or be subordinate or superior to, other bonds;

(6) the refunding or refinancing of outstanding bonds;

(7) (i) the procedures by which the terms of a contract with bondholders may be amended; and

(ii) the amount of bonds the holders of which are needed to consent to an amendment under item (i) of this item and the manner of that consent;

(8) describing Authority defaults and the rights and remedies of bondholders;

(9) providing for guarantees, pledges of property, letters of credit, or other security, or insurance for the benefit of bondholders; and

(10) any other matter relating to the bonds that the Authority determines appropriate.

10-632.

Neither a member of the Authority nor any other person executing the bonds is subject to any personal liability because of the issuance of the bonds.

10-633.

The Authority may enter into agreements for the purpose of enhancing the marketability of, or to provide security for, its bonds.

10-634.

(a) A pledge by the Authority of revenues OR MONEY DEPOSITED IN THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND as security for an issue of bonds is valid and binding from when the pledge is made.

(b) (1) The revenues OR MONEY DEPOSITED IN THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND THAT ARE pledged are immediately subject to the lien of the pledge without any physical delivery or further act.

(2) The lien of any pledge is valid and binding against any person having a claim against the Authority in tort, contract, or otherwise, regardless of whether the person has notice of the lien.

(c) Notwithstanding any other provision of law, in order to perfect a lien on pledged revenues **OR MONEY DEPOSITED IN THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND** against a third person, it is not necessary to file or record any document adopted or entered into by the Authority in any public record other than in the records of the Authority.

10-635.

Except to the extent restricted by an applicable resolution or trust agreement, a bondholder or a trustee acting under a trust agreement entered into under this subtitle, may, by any suitable form of legal proceedings, protect and enforce any rights granted under the laws of the State or by any applicable resolution or trust agreement.

10-636.

(a) Subject to the prior approval of the Board of Public Works, the Authority may issue bonds to refund any of its outstanding bonds, including the payment of:

(1) any redemption premium; and

(2) any interest accrued or that will accrue to the earliest or any subsequent date of redemption, purchase, or maturity of the bonds.

(b) (1) For the public purpose of achieving a savings in the effective costs of debt service or alleviating impending or actual default, the Authority may issue refunding bonds directly or through a debt restructuring.

(2) The bonds authorized by this subsection may be issued in one or more series and in an amount in excess of that of the bonds to be refunded.

10-639.

[The] **THIS PART GOVERNS THE** closing on the sale of bonds [that constitute tax supported debt.] and other borrowing of money **BY THE AUTHORITY** in amounts exceeding \$35,000 a year[.] to finance any segment of a facility [by the Authority is governed by this part].

10-645.

(A) (1) **EXCEPT AS AGREED TO IN THE MEMORANDUM OF UNDERSTANDING UNDER § 10-646 OF THIS SUBTITLE, THE AUTHORITY SHALL**

COMPLY WITH THIS SECTION AND § 5-301 OF THE EDUCATION ARTICLE TO FINANCE IMPROVEMENTS TO A BALTIMORE CITY PUBLIC SCHOOL FACILITY.

(2) THE AUTHORITY AND THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS, AS AGREED TO IN THE MEMORANDUM OF UNDERSTANDING UNDER § 10-646 OF THIS SUBTITLE AND SUBJECT TO PARAGRAPH (1) OF THIS SUBSECTION, SHALL BE RESPONSIBLE FOR SCHOOL FACILITIES CONSTRUCTION AND IMPROVEMENTS FINANCED WITH THE PROCEEDS OF BONDS ISSUED UNDER THIS SUBTITLE IN ACCORDANCE WITH THE BALTIMORE CITY PUBLIC SCHOOLS' 10-YEAR PLAN APPROVED BY THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS ON JANUARY 8, 2013, WHICH MAY BE AMENDED FROM TIME TO TIME IN ACCORDANCE WITH PARAMETERS ESTABLISHED FOR REVIEW AND COMMENT IN THE MEMORANDUM OF UNDERSTANDING ESTABLISHED UNDER § 10-646 OF THIS SUBTITLE.

(3) (I) EXCEPT AS AGREED TO IN THE MEMORANDUM OF UNDERSTANDING UNDER § 10-646 OF THIS SUBTITLE AND SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, A POWER GRANTED TO THE AUTHORITY UNDER THIS SUBTITLE MAY NOT IN ANY WAY INTERFERE WITH THE ENUMERATED POWERS OF THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS UNDER TITLE 4, SUBTITLE 3 OF THE EDUCATION ARTICLE.

(II) THE POWERS OF THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS MAY NOT LIMIT THE ABILITY OF THE AUTHORITY TO CARRY OUT ITS OBLIGATIONS UNDER THIS SUBTITLE WITH RESPECT TO THE IMPROVEMENT OF BALTIMORE CITY PUBLIC SCHOOL FACILITIES AND THE FINANCING RELATED TO THE IMPROVEMENTS.

(B) (1) THE AUTHORITY MAY NOT USE ANY OF ITS OWN MONEY, WHETHER APPROPRIATED OR NONBUDGETED, TO PAY FOR ANY COSTS OR EXPENSES RELATED TO FINANCING IMPROVEMENTS TO BALTIMORE CITY PUBLIC SCHOOL FACILITIES.

(2) THE SOLE SOURCE OF PAYMENT FOR ANY COSTS OR EXPENSES RELATED TO FINANCING IMPROVEMENTS TO BALTIMORE CITY PUBLIC SCHOOL FACILITIES SHALL BE THE MONEY ON DEPOSIT IN THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND AND THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND BOND PROCEEDS HELD UNDER A TRUST AGREEMENT.

(C) AT LEAST 45 DAYS BEFORE SEEKING APPROVAL OF THE BOARD OF PUBLIC WORKS FOR EACH BALTIMORE CITY PUBLIC SCHOOL FACILITIES BOND ISSUE, THE AUTHORITY SHALL PROVIDE TO THE FISCAL COMMITTEES OF THE GENERAL ASSEMBLY WRITTEN NOTICE OF:

(1) THE AGGREGATE AMOUNT OF FUNDS NEEDED FOR THE RELEVANT BALTIMORE CITY PUBLIC SCHOOL FACILITIES, INCLUDING A LIST OF THE FACILITIES TO BE IMPROVED;

(2) THE ANTICIPATED TOTAL DEBT SERVICE FOR THE PROPOSED BOND ISSUE; AND

(3) THE ANTICIPATED TOTAL DEBT SERVICE WHEN COMBINED WITH THE DEBT SERVICE FOR ALL PRIOR OUTSTANDING BOND ISSUES FOR BALTIMORE CITY PUBLIC SCHOOL FACILITIES.

(D) (1) A BOND ISSUED TO FINANCE IMPROVEMENTS TO A BALTIMORE CITY PUBLIC SCHOOL FACILITY:

(I) IS A LIMITED OBLIGATION OF THE AUTHORITY PAYABLE SOLELY FROM MONEY PLEDGED BY THE AUTHORITY TO THE PAYMENT OF THE PRINCIPAL OF AND THE PREMIUM AND INTEREST ON THE BOND OR MONEY MADE AVAILABLE TO THE AUTHORITY FOR THAT PURPOSE;

(II) IS NOT A DEBT, LIABILITY, OR A PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE STATE, THE AUTHORITY, OR OTHER GOVERNMENTAL UNIT; AND

(III) MAY NOT GIVE RISE TO ANY PECUNIARY LIABILITY OF THE STATE, THE AUTHORITY, OR OTHER GOVERNMENTAL UNIT.

(2) THE ISSUANCE OF A BOND TO FINANCE IMPROVEMENTS TO A BALTIMORE CITY PUBLIC SCHOOL FACILITY IS NOT DIRECTLY, INDIRECTLY, OR CONTINGENTLY A MORAL OR OTHER OBLIGATION OF THE STATE, THE AUTHORITY, OR OTHER GOVERNMENTAL UNIT TO LEVY OR PLEDGE ANY TAX OR TO MAKE AN APPROPRIATION TO PAY THE BOND.

(3) EACH BOND SHALL STATE ON ITS FACE THE PROVISIONS OF PARAGRAPHS (1) AND (2) OF THIS SUBSECTION.

(E) BEFORE EACH ISSUANCE OF BONDS TO FINANCE IMPROVEMENTS TO A BALTIMORE CITY PUBLIC SCHOOL FACILITY, THE AUTHORITY SHALL OBTAIN THE APPROVAL OF THE BOARD OF PUBLIC WORKS OF THE PROPOSED BOND ISSUE.

(F) THE TOTAL DEBT SERVICE FOR ANY BOND ISSUE, WHEN ADDED TO ALL PRIOR OUTSTANDING BOND ISSUES RELATED TO IMPROVEMENTS TO BALTIMORE CITY PUBLIC SCHOOL FACILITIES, MAY NOT EXCEED THE TOTAL

AMOUNT OF THE FUNDS PROVIDED UNDER § 9-120(B)(1)(III) OF THE STATE GOVERNMENT ARTICLE AND THE FUNDS PROVIDED UNDER SUBSECTIONS (G) AND (H) OF THIS SECTION.

(G) (1) BEGINNING ON JULY 1, 2013 AND CONTINUING UNTIL THE BONDS THAT HAVE BEEN ISSUED TO FINANCE IMPROVEMENTS TO BALTIMORE CITY PUBLIC SCHOOL FACILITIES ARE NO LONGER OUTSTANDING AND UNPAID, BALTIMORE CITY SHALL DEPOSIT INTO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND:

(I) SUBJECT TO ANNUAL APPROPRIATION, ALL REVENUES AND RECEIPTS FROM THE BEVERAGE CONTAINER TAX IMPOSED BY BALTIMORE CITY ORDINANCE NO. 12-45, ENACTED JUNE 26, 2012;

(II) THE AMOUNTS PAID BY THE STATE COMPTROLLER TO BALTIMORE CITY FROM THE PROCEEDS OF TABLE GAMES AT THE VIDEO LOTTERY FACILITY LOCATED IN BALTIMORE CITY THAT ARE DEDICATED TO SCHOOL CONSTRUCTION IN ACCORDANCE WITH § 9-1A-27(D)(2)(I)1 OF THE STATE GOVERNMENT ARTICLE;

(III) SUBJECT TO ANNUAL APPROPRIATION, 10% OF THE PARTICIPATION RENT PAID TO BALTIMORE CITY BY THE OPERATOR OF THE VIDEO LOTTERY FACILITY LOCATED IN BALTIMORE CITY; AND

(IV) ANY OTHER REVENUES DEDICATED TO OR APPROPRIATED TO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND BY BALTIMORE CITY.

(2) THE MONEY DEPOSITED INTO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IN ACCORDANCE WITH THIS SUBSECTION SHALL BE AT LEAST:

(I) \$4,000,000 BY NOVEMBER 1, 2014;

(II) AN ADDITIONAL \$4,000,000 BY MAY 1, 2015;

(III) AN ADDITIONAL \$4,000,000 BY NOVEMBER 1, 2015;

(IV) AN ADDITIONAL \$4,000,000 BY MAY 1, 2016; AND

(V) UNTIL THE BONDS ARE NO LONGER OUTSTANDING AND UNPAID:

1. AN ADDITIONAL \$5,000,000 BY EACH NOVEMBER 1; AND

2. AN ADDITIONAL \$5,000,000 BY EACH MAY 1.

(3) IF THE FUNDS DEPOSITED INTO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND ARE LESS THAN THE AMOUNTS REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION:

(I) THE AUTHORITY SHALL TRANSFER MONEY HELD IN RESERVE FOR BALTIMORE CITY IN THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND TO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IN AN AMOUNT EQUAL TO THE LESSER OF:

1. THE DIFFERENCE BETWEEN THE AMOUNT REQUIRED TO BE PAID UNDER PARAGRAPH (2) OF THIS SUBSECTION AND THE ACTUAL AMOUNT PAID BY BALTIMORE CITY; OR

2. THE AMOUNT HELD IN RESERVE FOR BALTIMORE CITY IN THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND; AND

(II) IF THE AMOUNT TRANSFERRED TO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH IS LESS THAN THE DIFFERENCE BETWEEN THE AMOUNT REQUIRED TO BE PAID UNDER PARAGRAPH (2) OF THIS SUBSECTION AND THE ACTUAL AMOUNT PAID BY BALTIMORE CITY:

1. THE AUTHORITY SHALL DIRECT THE STATE COMPTROLLER TO WITHHOLD, UNDER § 2-608 OF THE TAX – GENERAL ARTICLE, INCOME TAX REVENUE FROM BALTIMORE CITY IN AN AMOUNT EQUAL TO THE DIFFERENCE BETWEEN THE AMOUNT TRANSFERRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH AND THE AMOUNT REQUIRED TO BE PAID UNDER PARAGRAPH (2) OF THIS SUBSECTION; AND

2. THE STATE COMPTROLLER SHALL CREDIT THE WITHHELD AMOUNT TO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND ON BEHALF OF BALTIMORE CITY ON OR BEFORE THE 15TH DAY OF THE FOLLOWING DECEMBER OR JUNE, AS APPLICABLE.

(4) ANY MONEY DEPOSITED BY BALTIMORE CITY OR ON BEHALF OF BALTIMORE CITY IN ACCORDANCE WITH THIS SECTION IN EXCESS OF THE AMOUNT REQUIRED IN ANY SEMIANNUAL PERIOD SHALL BE TRANSFERRED BY THE AUTHORITY TO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION

FACILITIES FUND AND HELD IN RESERVE IN ACCORDANCE WITH PARAGRAPH (3) OF THIS SUBSECTION AND § 10-657 OF THIS SUBTITLE.

(H) (1) BEGINNING ON JULY 1, 2013, AND CONTINUING UNTIL THE BONDS THAT HAVE BEEN ISSUED TO FINANCE IMPROVEMENTS TO BALTIMORE CITY PUBLIC SCHOOL FACILITIES ARE NO LONGER OUTSTANDING AND UNPAID, THE STATE COMPTROLLER SHALL WITHHOLD FROM ANY INSTALLMENT DUE THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS FROM THE GENERAL STATE SCHOOL FUND MONEY REPRESENTING ADDITIONAL STATE FUNDS RECEIVED FROM RECURRING RETIREE HEALTH COSTS SHIFTED FROM BALTIMORE CITY TO THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS AND DEPOSIT INTO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND \$10,000,000 FOR FISCAL YEAR 2014 AND EACH FISCAL YEAR THEREAFTER, TO BE PAID IN EQUAL BI-MONTHLY PAYMENTS.

(2) BEGINNING ON JULY 1, 2015, AND CONTINUING UNTIL THE BONDS THAT HAVE BEEN ISSUED TO FINANCE IMPROVEMENTS TO BALTIMORE CITY PUBLIC SCHOOL FACILITIES ARE NO LONGER OUTSTANDING AND UNPAID, IN ADDITION TO THE AMOUNT WITHHELD UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE STATE COMPTROLLER SHALL WITHHOLD FROM ANY INSTALLMENT DUE THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS FROM THE GENERAL STATE SCHOOL FUND AND DEPOSIT INTO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND THE FOLLOWING AMOUNTS, TO BE PAID IN EQUAL BI-MONTHLY PAYMENTS:

(I) \$10,000,000 FOR FISCAL YEAR 2016; AND

(II) \$20,000,000 FOR FISCAL YEAR 2017 AND EACH FISCAL YEAR THEREAFTER.

(I) (1) IF THE MONEY DEPOSITED IN THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IN ACCORDANCE WITH SUBSECTIONS (G) AND (H) OF THIS SECTION IS NOT NEEDED FOR DEBT SERVICE OR DEBT SERVICE RESERVES, THE AUTHORITY MAY TRANSFER THOSE FUNDS TO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

(2) IF FUNDS ARE NEEDED FOR DEBT SERVICE OR DEBT SERVICE RESERVES, THE AUTHORITY MAY TRANSFER MONEY IN THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND TO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.

(J) IN CONNECTION WITH IMPROVEMENTS TO BALTIMORE CITY PUBLIC SCHOOL FACILITIES, THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS SHALL:

(1) DELIVER TO THE AUTHORITY BUILDABLE SITES, READY FOR IMPROVEMENT AND FREE FROM ANY RESTRICTIONS, EASEMENTS, IMPEDIMENTS, HAZARDS OR CONDITIONS THAT WOULD AFFECT THE AUTHORITY'S SCHEDULE OR BUDGET FOR THE IMPROVEMENT TO A BALTIMORE CITY PUBLIC SCHOOL FACILITY;

(2) ASSUME RESPONSIBILITY FOR THE OPERATION, MAINTENANCE, AND REPAIRS OF EACH BALTIMORE CITY PUBLIC SCHOOL FACILITY IMMEDIATELY BEFORE THE OCCUPANCY OF THE BALTIMORE CITY PUBLIC SCHOOL FACILITY OR AS AGREED TO IN THE MEMORANDUM OF UNDERSTANDING UNDER § 10-646 OF THIS SUBTITLE; AND

(3) EXCEPT FOR A TRANSFER OR ASSIGNMENT TO THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS, OBTAIN THE APPROVAL OF THE STATE SUPERINTENDENT OF SCHOOLS AND THE BOARD OF PUBLIC WORKS BEFORE THE SALE, ASSIGNMENT, MORTGAGE, PLEDGE, OR ENCUMBRANCE OF ANY BALTIMORE CITY PUBLIC SCHOOL FACILITY, OR ANY INTEREST IN THE FACILITY.

(K) (1) SUBJECT TO SUBSECTION (B) OF THIS SECTION, BEFORE ANY BONDS ARE ISSUED TO FINANCE IMPROVEMENTS TO A BALTIMORE CITY PUBLIC SCHOOL FACILITY, THE AUTHORITY MAY PAY FOR ANY COSTS OF START-UP, ADMINISTRATION, OVERHEAD, AND OPERATIONS OF THE AUTHORITY OR COSTS OF ENGINEERING, ARCHITECTURAL, AND OTHER DESIGN PROFESSIONALS.

(2) (I) ANY COST OVERRUNS, UNBUDGETED EXPENSES, OR UNFORESEEN COSTS INCURRED IN CONNECTION WITH AN IMPROVEMENT TO A BALTIMORE CITY PUBLIC SCHOOL FACILITY SHALL BE PAYABLE SOLELY FROM THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

(II) IF ANY COST OVERRUNS, UNBUDGETED EXPENSES, OR UNFORESEEN COSTS OCCUR AS DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE AUTHORITY SHALL PROVIDE A DETAILED REPORT EXPLAINING THE REASONS FOR THE COST OVERRUNS, UNBUDGETED EXPENSES, OR UNFORESEEN COSTS AND A DESCRIPTION OF THE ACTIONS TAKEN BY THE AUTHORITY TO CONTROL COSTS WITHIN THE BUDGET ESTABLISHED FOR EACH IMPROVEMENT TO A BALTIMORE CITY PUBLIC SCHOOL FACILITY.

(L) ON OCTOBER 1, 2013, AND EACH OCTOBER 1 THEREAFTER, THE AUTHORITY, BALTIMORE CITY, THE BALTIMORE CITY BOARD OF SCHOOL

COMMISSIONERS, AND THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION JOINTLY SHALL REPORT TO THE GOVERNOR, THE BOARD OF PUBLIC WORKS AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE FISCAL COMMITTEES OF THE GENERAL ASSEMBLY, ON THE PROGRESS OF REPLACEMENTS, RENOVATIONS, AND MAINTENANCE OF BALTIMORE CITY PUBLIC SCHOOL FACILITIES, INCLUDING ACTIONS:

(1) TAKEN DURING THE PREVIOUS FISCAL YEAR; AND

(2) PLANNED FOR THE CURRENT FISCAL YEAR.

10-646.

(A) BEFORE ANY BONDS ARE ISSUED TO FINANCE IMPROVEMENTS TO A BALTIMORE CITY PUBLIC SCHOOL FACILITY:

(1) A FOUR-PARTY MEMORANDUM OF UNDERSTANDING THAT MEETS THE REQUIREMENTS OF THIS SECTION SHALL BE ENTERED INTO AND SIGNED BY THE AUTHORITY, BALTIMORE CITY, THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS, AND THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION; AND

(2) THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS SHALL SUBMIT A LONG-TERM EDUCATIONAL FACILITIES MASTER PLAN TO THE JOINT AUDIT COMMITTEE AND THE BUDGET COMMITTEES, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE.

(B) IN THE CASE OF A DISPUTE BETWEEN THE PARTIES RELATING TO THE PROVISIONS TO BE INCLUDED IN THE MEMORANDUM OF UNDERSTANDING, THE STATE SUPERINTENDENT OF SCHOOLS SHALL FACILITATE RESOLUTION OF THE ITEMS IN DISPUTE.

(C) THE MEMORANDUM OF UNDERSTANDING SHALL BE AGREED TO BY THE PARTIES ON OR BEFORE OCTOBER 1, 2013, AND MAY NOT GO INTO EFFECT UNTIL IT IS APPROVED BY THE BOARD OF PUBLIC WORKS.

(D) (1) THE MEMORANDUM OF UNDERSTANDING SHALL AUTHORIZE THE AUTHORITY TO DESIGN AND IMPROVE, OR CONTRACT FOR THE DESIGN AND IMPROVEMENT OF, A BALTIMORE CITY PUBLIC SCHOOL FACILITY.

(2) THE AUTHORITY GRANTED TO THE AUTHORITY UNDER PARAGRAPH (1) OF THIS SUBSECTION IS SUBJECT TO THE RIGHTS AND RESPONSIBILITIES OF THE INTERAGENCY COMMITTEE ON SCHOOL

CONSTRUCTION FOR THE DESIGN AND CONSTRUCTION OF A BALTIMORE CITY PUBLIC SCHOOL FACILITY.

(E) THE MEMORANDUM OF UNDERSTANDING SHALL REQUIRE:

(1) SPECIFIC PARAMETERS REGARDING THE ROLES, RIGHTS, AND RESPONSIBILITIES OF EACH PARTY WITH RESPECT TO THE PROCESS FOR AND MANAGEMENT OF PROGRAM DEVELOPMENT, SCHEDULING, BUDGETING, PROCUREMENT, DESIGN, CONSTRUCTION ADMINISTRATION, CAPITAL EQUIPPING, AND MAINTENANCE OF IMPROVEMENTS TO A BALTIMORE CITY PUBLIC SCHOOL FACILITY;

(2) SPECIFIC PARAMETERS REGARDING THE AUTHORITY OF THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS OVER EDUCATIONAL PROGRAMS AND ISSUES RELATING TO BALTIMORE CITY PUBLIC SCHOOLS' 10-YEAR PLAN, INCLUDING EDUCATIONAL SPECIFICATIONS, FEASIBILITY STUDIES, AND DESIGN ELEMENTS OF EDUCATIONAL BUILDINGS, WHICH SHALL PROVIDE THAT AT THE COMPLETION OF SCHEMATIC DESIGN, ALL PARTIES SHALL AGREE TO PROJECT SCOPE, SCHEDULE, AND BUDGET;

(3) SPECIFIC PARAMETERS FOR A REVIEW AND COMMENT PERIOD FOR ANY PROPOSED AMENDMENTS TO BALTIMORE CITY PUBLIC SCHOOLS' 10-YEAR PLAN, AS REFERENCED IN § 10-645(A) OF THIS SUBTITLE;

(4) SPECIFIC PROCEDURES RELATED TO THE ROLE OF THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION RELATED TO IMPROVEMENTS TO A BALTIMORE CITY PUBLIC SCHOOL FACILITY FINANCED UNDER THIS SUBTITLE, WHICH SHALL PROVIDE FOR EFFICIENCIES IN COST, SCHEDULES, AND PROCESSES;

(5) A PROCESS FOR DETERMINING WHICH PLANNED PROJECTS FOR IMPROVEMENTS TO BALTIMORE CITY PUBLIC SCHOOL FACILITIES WILL PROCEED AS PLANNED OR WILL BE POSTPONED OR CANCELED;

(6) A PLEDGE BY BALTIMORE CITY, SUBJECT TO ANNUAL APPROPRIATION, TO DEPOSIT THE FOLLOWING INTO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND:

(I) ALL REVENUES AND RECEIPTS FROM THE BEVERAGE CONTAINER TAX IMPOSED BY BALTIMORE CITY ORDINANCE NO. 12-45, ENACTED JUNE 26, 2012; AND

(II) 10% OF THE PARTICIPATION RENT PAID TO BALTIMORE CITY BY THE OPERATOR OF THE VIDEO LOTTERY FACILITY LOCATED IN BALTIMORE CITY;

(7) A PARTNERSHIP BETWEEN THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS, THE BALTIMORE CITY DEPARTMENT OF PLANNING, HOUSING, RECREATION, AND PARKS, AND THE MAYOR OF BALTIMORE CITY TO COORDINATE NEW INVESTMENT IN BALTIMORE CITY PUBLIC SCHOOL FACILITIES WITH THE COMMUNITY DEVELOPMENT GOALS OF BALTIMORE CITY;

(8) A PLAN FOR ANY NEW OR SUBSTANTIALLY RENOVATED BALTIMORE CITY PUBLIC SCHOOL FACILITIES TO BE AVAILABLE FOR RECREATIONAL OPPORTUNITIES FOR THE COMMUNITY;

(9) A PLAN TO PRESENT ALL ARCHITECTURAL PLANS FOR ALL MAJOR RENOVATION AND NEW PUBLIC SCHOOL CONSTRUCTION BUILDINGS AND SITES TO THE BALTIMORE CITY PLANNING DEPARTMENT'S URBAN DESIGN AND ARCHITECTURAL REVIEW PANEL FOR SCHEMATIC AND FINAL DESIGN REVIEW;

(10) A PROCESS DEVELOPED AND AGREED TO BY BALTIMORE CITY AND THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS TO EXPEDITE THE CLOSURE OF PUBLIC SCHOOL BUILDINGS AS PROVIDED IN THE BALTIMORE CITY PUBLIC SCHOOL'S 10-YEAR PLAN APPROVED ON JANUARY 8, 2013, AND TO ARRANGE FOR THE PRODUCTIVE USE OF THE CLOSED BUILDINGS THROUGH THE SURPLUS PROCESS;

(11) A PLAN DEVELOPED BY THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS AND APPROVED BY THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION FOR PREVENTATIVE AND ONGOING MAINTENANCE FOR EXISTING, NEW, AND RENOVATED BALTIMORE CITY PUBLIC SCHOOL FACILITIES, INCLUDING FUNDING SUFFICIENT TO IMPLEMENT THE PLAN;

(12) A PLAN DEVELOPED BY THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS AND APPROVED BY THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION PROVIDING FOR MINIMUM SCHOOL UTILIZATION STANDARDS;

(13) THE CREATION OF A "STAT" PROGRAM FOR THE BALTIMORE CITY PUBLIC SCHOOLS' 10-YEAR PLAN;

(14) SPECIFIC PARAMETERS FOR BALTIMORE CITY PUBLIC SCHOOL FACILITIES FINANCED UNDER THIS SUBTITLE REGARDING:

(I) PROPERTY MANAGEMENT, MAINTENANCE PLANS AND STANDARDS, ANNUAL INSPECTIONS, AND PROPERTY INSURANCE; AND

(II) ANY CLAIMS, LOSSES, OR DAMAGES ARISING FROM THE AUTHORITY'S IMPROVEMENT OF ANY BALTIMORE CITY PUBLIC SCHOOL FACILITY;

(15) A PROCESS TO RESOLVE DISPUTES AND REVISE THE MEMORANDUM OF UNDERSTANDING, IF NECESSARY; AND

(16) AN ALLOCATION OF THE PUBLIC SCHOOL IMPROVEMENTS TO BE UNDERTAKEN BY THE AUTHORITY AND THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS, RESPECTIVELY.

10-656.

(A) THERE IS A BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.

(B) (1) THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IS A CONTINUING, NONLAPSING FUND THAT SHALL BE AVAILABLE IN PERPETUITY TO IMPLEMENT THIS SUBTITLE CONCERNING BALTIMORE CITY PUBLIC SCHOOL FACILITIES.

(2) THE AUTHORITY SHALL:

(I) USE THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AS A REVOLVING FUND FOR CARRYING OUT THIS SUBTITLE CONCERNING BALTIMORE CITY PUBLIC SCHOOL FACILITIES; AND

(II) PAY ANY AND ALL EXPENSES FROM THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND THAT ARE INCURRED BY THE AUTHORITY RELATED TO ANY BALTIMORE CITY PUBLIC SCHOOL FACILITIES.

(C) (1) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY, THE MONEY ON DEPOSIT IN THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND SHALL BE PLEDGED TO AND USED TO PAY THE FOLLOWING RELATING TO BALTIMORE CITY PUBLIC SCHOOL FACILITIES:

(I) DEBT SERVICE ON AUTHORITY BONDS;

(II) DEBT SERVICE RESERVES UNDER A TRUST AGREEMENT;

(III) ALL REASONABLE CHARGES AND EXPENSES RELATED TO AUTHORITY BORROWING; AND

(IV) ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE AUTHORITY'S ADMINISTRATION OF THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND MANAGEMENT OF THE AUTHORITY'S OBLIGATIONS.

(2) THE PLEDGE SHALL BE EFFECTIVE AS PROVIDED IN § 10-634 OF THIS SUBTITLE AND ANY APPLICABLE AUTHORITY RESOLUTION.

(D) THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND CONSISTS OF:

(1) MONEY DEPOSITED IN THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND;

(2) TO THE EXTENT THAT THE PROCEEDS ARE NOT UNDER A TRUST AGREEMENT, PROCEEDS FROM THE SALE OF BONDS CONCERNING BALTIMORE CITY PUBLIC SCHOOL FACILITIES;

(3) REVENUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER THIS SUBTITLE RELATED TO BALTIMORE CITY PUBLIC SCHOOL FACILITIES, INCLUDING REVENUES COLLECTED OR RECEIVED IN ACCORDANCE WITH § 9-120 OF THE STATE GOVERNMENT ARTICLE;

(4) FUNDS TO BE DEPOSITED IN ACCORDANCE WITH § 10-645 OF THIS SUBTITLE; AND

(5) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC SOURCE FOR THE PURPOSES ESTABLISHED FOR THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.

(E) (1) THE TREASURER SHALL INVEST THE MONEY OF THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND IN THE SAME MANNER AS OTHER STATE FUNDS.

(2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND.

(3) NO PART OF THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND MAY REVERT OR BE CREDITED TO THE GENERAL FUND OR ANY SPECIAL FUND OF THE STATE.

10-657.

(A) THERE IS A BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

(B) (1) THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IS A CONTINUING, NONLAPSING FUND THAT SHALL BE AVAILABLE IN PERPETUITY TO IMPLEMENT THIS SUBTITLE CONCERNING BALTIMORE CITY PUBLIC SCHOOL FACILITIES.

(2) THE AUTHORITY SHALL:

(I) USE THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND AS A REVOLVING FUND FOR CARRYING OUT THIS SUBTITLE CONCERNING BALTIMORE CITY PUBLIC SCHOOL FACILITIES; AND

(II) TO THE EXTENT AUTHORIZED BY FEDERAL TAX LAW, PAY ANY AND ALL EXPENSES FROM THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND THAT ARE INCURRED BY THE AUTHORITY RELATED TO ANY BALTIMORE CITY PUBLIC SCHOOL FACILITIES.

(C) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY OR AS AGREED TO IN THE MEMORANDUM OF UNDERSTANDING UNDER § 10-646 OF THIS SUBTITLE, THE MONEY ON DEPOSIT IN THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND SHALL BE USED TO PAY THE FOLLOWING RELATING TO BALTIMORE CITY PUBLIC SCHOOL FACILITIES:

(1) DEBT SERVICE ON AUTHORITY BONDS;

(2) DESIGN AND CONSTRUCTION COSTS RELATING TO BALTIMORE CITY PUBLIC SCHOOL FACILITIES;

(3) TO THE EXTENT AUTHORIZED BY FEDERAL TAX LAW, COSTS OF START-UP, ADMINISTRATION, OVERHEAD, AND OPERATIONS RELATED TO THE MANAGEMENT OF IMPROVEMENTS TO BALTIMORE CITY PUBLIC SCHOOL FACILITIES AUTHORIZED UNDER THIS SUBTITLE AND UNDERTAKEN BY THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS; AND

(4) ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE AUTHORITY'S ADMINISTRATION OF THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND AND THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND AND MANAGEMENT OF THE AUTHORITY'S OBLIGATIONS.

(D) THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND CONSISTS OF:

(1) FUNDS TRANSFERRED FROM THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND TO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IN ACCORDANCE WITH § 10-645(I) OF THIS SUBTITLE; AND

(2) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC SOURCE FOR THE PURPOSES ESTABLISHED FOR THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

(E) (1) THE TREASURER SHALL INVEST THE MONEY OF THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND IN THE SAME MANNER AS OTHER STATE FUNDS.

(2) ANY INVESTMENT EARNINGS SHALL BE CREDITED TO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND.

(3) NO PART OF THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND MAY REVERT OR BE CREDITED TO THE GENERAL FUND OR ANY SPECIAL FUND OF THE STATE.

Article – Education

4–115.

(a) In this subtitle, “county council” means, in Baltimore City, the Mayor and City Council of Baltimore.

(b) With the approval of the State Superintendent, each county board may:

(1) Buy or otherwise acquire land, school sites, or buildings; and

(2) Rent, repair, improve, and build school buildings or approve contracts for doing so, if the plans conform to the bylaws, rules, and regulations of the State Board.

(c) (1) (i) Except as provided in this subsection, if, with the approval of the State Superintendent, a county board finds that any land, school site, or building no longer is needed for school purposes, it shall inform the county commissioners or county council of the county board's determination under this subparagraph.

(ii) When the county commissioners or county council receive notice under subparagraph (i) of this paragraph, the county commissioners or county council shall notify the county board within 30 days after receiving the notice from the county board:

1. Of the need to transfer the land, school site, or building to the county commissioners or county council if the land, school site, or building is an integral component of an existing economic development plan that will, in the judgment of the county commissioners or county council, significantly benefit the county; or

2. That the county commissioners or county council have no existing plans for the use of the land, school site, or building.

(iii) 1. If the county commissioners or county council provide the required notice to the county board under subparagraph (ii)1 of this paragraph or a public charter school does not need the school site or building under § 9–111 of this article, the land, school site, or building shall be transferred by the county board to the county commissioners or county council and may be used, sold, leased, or otherwise disposed of, except by gift, by the county commissioners or county council; or

2. If the county commissioners or county council provide the required notice to the county board under subparagraph (ii)2 of this paragraph, the county board shall comply with the provisions of § 9–111 of this article.

(2) In Harford County, if, with the approval of the State Superintendent, the county board finds that any land, school site, or building is no longer needed for school purposes, it shall be transferred by the county board to Harford County, Maryland, and disposed of in accordance with this section.

(3) With the approval of the State Superintendent, the Cecil County Board may transfer, with or without charge, any of its property to the board of trustees of a public community college.

(d) In Baltimore County, the Baltimore County Board of Education must notify the Baltimore County Office of Planning and Zoning of any schools it is considering for closure and request from that Office a written recommendation on the proposed action. If the Office of Planning and Zoning wishes to make a recommendation, it must be submitted to the board no later than November 1 of the calendar year preceding the proposed closure. The board of education shall consider

these recommendations at least 3 months before taking final action. These provisions may be waived by mutual agreement.

(E) (1) IN BALTIMORE CITY, THE BOARD OF SCHOOL COMMISSIONERS SHALL NOTIFY THE BALTIMORE CITY DEPARTMENT OF PLANNING OF ANY SCHOOL BUILDINGS THE BOARD IS CONSIDERING FOR CLOSURE SIMULTANEOUSLY AS THE BOARD RELEASES ITS SCHOOL BUILDING CLOSURE LIST IN ACCORDANCE WITH COMAR 13A.02.09, AND REQUEST FROM THAT DEPARTMENT A WRITTEN RECOMMENDATION ON THE PROPOSED ACTION AND THE RELATIVE MERIT FOR BALTIMORE CITY.

(2) A RECOMMENDATION BY THE BALTIMORE CITY DEPARTMENT OF PLANNING SHALL BE SUBMITTED TO THE BOARD NO LATER THAN 30 DAYS AFTER NOTIFICATION BY THE BOARD.

(3) THE BOARD SHALL CONSIDER THESE RECOMMENDATIONS BEFORE TAKING FINAL ACTION.

(4) THE REQUIREMENTS OF THIS SUBSECTION MAY BE WAIVED BY MUTUAL AGREEMENT BETWEEN THE BOARD AND THE BALTIMORE CITY DEPARTMENT OF PLANNING.

~~4-119.~~

~~(a) A county board may bring condemnation proceedings to acquire land under Title 12 of the Real Property Article if:~~

~~(1) Land is required for any school purpose; and~~

~~(2) The county board is unable to contract with the owner of the land for what the board considers to be a fair valuation.~~

~~(b) The county board may ask the county commissioners or county council to assist it in bringing condemnation proceedings.~~

~~(c) FOR PURPOSES OF THIS SECTION, A COUNTY BOARD SHALL INCLUDE, IN THE CASE OF LAND LOCATED WITHIN BALTIMORE CITY, THE BALTIMORE CITY PUBLIC SCHOOLS CONSTRUCTION AUTHORITY.~~

~~4-126.~~

~~(a) In this section, "alternative financing methods" includes:~~

~~(1) Sale-leaseback arrangements, in which a county board agrees to transfer title to a property, including improvements, to a private entity that~~

~~simultaneously agrees to lease the property back to the county board and, on a specified date, transfer title back to the county board;~~

~~(2) Lease-leaseback arrangements, in which a county board leases a property to a private entity that improves the property and leases the property, with the improvements, back to the county board;~~

~~(3) Public-private partnership agreements, in which a county board contracts with a private entity for the acquisition, design, construction, improvement, renovation, expansion, equipping, or financing of a public school, and may include provisions for cooperative use of the school or an adjacent property and generation of revenue to offset the cost of construction or use of the school;~~

~~(4) Performance-based contracting, in which a county board enters into an energy performance contract to obtain funding for a project with guaranteed energy savings over a specified time period;~~

~~(5) Preference-based arrangements, by which a local governing body gives preference first to business entities located in the county and then to business entities located in other counties in the State for any construction that is not subject to prevailing wage rates under Title 17, Subtitle 2 of the State Finance and Procurement Article; and~~

~~(6) Design-build arrangements, that permit a county board to contract with a design-build business entity for the combined design and construction of qualified education facilities, including financing mechanisms where the business entity assists the local governing body in obtaining project financing.~~

~~(b) Except when prohibited by local law, in order to finance or to speed delivery of, transfer risks of, or otherwise enhance the delivery of public school construction, a county may:~~

~~(1) Use alternative financing methods;~~

~~(2) Engage in competitive negotiation, rather than competitive bidding, in limited circumstances, including construction management at risk arrangements and other alternative project delivery arrangements, as provided in regulations adopted by the Board of Public Works;~~

~~(3) Accept unsolicited proposals for the development of public schools in limited circumstances, as provided in regulations adopted by the Board of Public Works; and~~

~~(4) Use quality-based selection, in which selection is based on a combination of qualifications and cost factors, to select developers and builders, as provided in regulations adopted by the Board of Public Works.~~

~~(e) The Board of Public Works shall adopt regulations requiring a project that qualifies for alternative financing methods under this section to meet requirements regarding the advantages of the project to the public that include provisions addressing:~~

~~(1) The probable scope, complexity, or urgency of the project;~~

~~(2) Any risk sharing, added value, education enhancements, increase in funding, or economic benefit from the project that would not otherwise be available;~~

~~(3) The public need for the project; and~~

~~(4) The estimated cost or timeliness of executing the project.~~

~~(d) Projects that qualify for alternative financing methods under this subsection:~~

~~(1) Shall meet the educational standards, design standards, and procedural requirements under this article and under regulations adopted by the Board of Public Works; and~~

~~(2) Consistent with the requirements of this article, shall be approved by:~~

~~(i) The county governing body;~~

~~(ii) The State Superintendent of Schools; or~~

~~(iii) The Interagency Committee on School Construction and the Board of Public Works.~~

~~(e) Use of alternative financing methods under this section may not be construed to prohibit the allocation of State funds for public school construction to a project under the Public School Construction Program.~~

~~(f) A county board, **OTHER THAN THE BALTIMORE CITY PUBLIC SCHOOLS CONSTRUCTION AUTHORITY**, may not use alternative financing methods under this section without the approval of the county governing body.~~

~~(g) The Board of Public Works shall adopt regulations recommended by the Interagency Committee on School Construction to implement the provisions of this section, including:~~

~~(1) Guidelines for the content of proposals, for the acceptance and evaluation of unsolicited proposals, and for accepting competing unsolicited proposals;~~

~~(2) Requirements for the content and execution of a comprehensive agreement governing an arrangement authorized under this section;~~

~~(3) Guidelines for content and issuance of solicitations;~~

~~(4) Requirements for the prequalification of bidders or offerors;~~

~~(5) Requirements for public notice of solicited and unsolicited proposals and proposed execution of a comprehensive agreement;~~

~~(6) Regulations that require compliance with requirements applicable to qualified projects that would otherwise be in effect under the State procurement law if the procurement were competitively bid; and~~

~~(7) (i) Regulations that require that contracts and subcontracts adhere to the requirements of Title 17, Subtitle 2 and Title 14 of the State Finance and Procurement Article if the requirements would otherwise be applicable; and~~

~~(ii) Regulations that specify elements to be included in any preference based arrangement adopted by a local governing body that gives preference first to business entities located in the county and then to business entities located in other counties in the State for any construction that is not subject to prevailing wage rates under Title 17, Subtitle 2 of the State Finance and Procurement Article.~~

~~(H) EXCEPT AS OTHERWISE SPECIFIED, FOR PURPOSES OF THIS SECTION A COUNTY BOARD SHALL INCLUDE THE BALTIMORE CITY PUBLIC SCHOOLS CONSTRUCTION AUTHORITY.~~

4-306.1.

(a) In order to provide public school facilities, the board may:

(1) [Acquire] **DIRECTLY OR THROUGH ~~ANOTHER ENTITY~~ THE MARYLAND STADIUM AUTHORITY** ACTING AS ITS DESIGNATED AGENT, **ACQUIRE**, construct, reconstruct, equip, maintain, repair, or renovate facilities at any location in the City of Baltimore, now existing or hereafter acquired **AND ENTER INTO CONTRACTS WITH PUBLIC OR PRIVATE ENTITIES IN ORDER TO ACCOMPLISH THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, EQUIPPING, MAINTENANCE, REPAIR, OR RENOVATION;**

(2) Issue bonds in accordance with § 4-306.2 of this subtitle;

(3) In accordance with State law and the June 24, 1998, memorandum of understanding between the board and the Mayor and City Council of Baltimore,

acquire, hold, and dispose of real and personal property in the exercise of its powers and the performance of its duties under this subtitle;

(4) Enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this subtitle, employ consulting engineers, architects, attorneys, construction and financial experts, and other employees and agents, and determine their compensation;

(5) Receive and accept from the United States of America or any agency of the federal government grants and loans for the purpose of financing or refinancing all or any part of the costs of any project;

(6) Receive and accept aid or contributions from any sources of money, property, labor, or other things of value, to be held, used, and applied for the purposes for which the grants and contributions were made; and

(7) Perform all acts and things necessary to carry out the powers expressly granted by the provisions of this subtitle.

(b) The board shall maintain records identifying the sources and amounts of payments used to support the costs of any project authorized under the provisions of this subtitle.

4–306.2.

(a) The board may issue bonds for the purpose of financing or refinancing all or any part of the costs of any project.

(b) (1) Except as provided in paragraph (2) of this subsection, the aggregate principal amount of bonds outstanding, including the amount of any reserve fund requirement established for the bonds, may not exceed, as of the date that the bonds are issued, [~~\$100,000,000~~] **\$200,000,000**.

(2) The aggregate principal amount of bonds outstanding does not include:

(I) Qualified School Construction Bonds as defined in § 54F of the Internal Revenue Code; **OR**

(II) **ANY BONDS ISSUED BY OR CONTRACTS ENTERED INTO IN CONNECTION WITH BONDS ISSUED BY ANY OTHER PERSON OR ENTITY, INCLUDING THE ~~BALTIMORE CITY PUBLIC SCHOOLS CONSTRUCTION AUTHORITY OR ANY ISSUER OF REVENUE BONDS~~ MARYLAND STADIUM AUTHORITY TO FINANCE CONSTRUCTION OR ~~ACQUISITION~~ RENOVATION OF PUBLIC SCHOOLS.**

~~SUBTITLE 4. BALTIMORE CITY PUBLIC SCHOOLS CONSTRUCTION AUTHORITY.~~~~4-401.~~

~~(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED:~~

~~(B) "AUTHORITY" MEANS THE BALTIMORE CITY PUBLIC SCHOOLS CONSTRUCTION AUTHORITY.~~

~~(C) (1) "BOND" MEANS A BOND ISSUED BY THE AUTHORITY OF A CONDUIT ISSUER ON BEHALF OF THE AUTHORITY IN ACCORDANCE WITH THIS SUBTITLE.~~

~~(2) "BOND" INCLUDES A REVENUE BOND, A REFUNDING BOND, A NOTE, AN INTERIM CERTIFICATE, AND ANY OTHER EVIDENCE OF OBLIGATION ISSUED IN ACCORDANCE WITH THIS SUBTITLE.~~

~~(D) "COST" INCLUDES, WITH RESPECT TO A PROJECT FINANCED UNDER THIS SUBTITLE:~~

- ~~(1) THE PURCHASE PRICE OF A PROJECT;~~
- ~~(2) THE COST TO ACQUIRE ANY RIGHT, TITLE, OR INTEREST IN A PROJECT;~~
- ~~(3) THE COST OF ANY IMPROVEMENT;~~
- ~~(4) THE COST OF ANY PROPERTY, RIGHT, EASEMENT, OR FRANCHISE;~~
- ~~(5) THE COST OF DEMOLITION, REMOVAL, OR RELOCATION OF STRUCTURES;~~
- ~~(6) THE COST OF ACQUIRING LAND TO WHICH THE STRUCTURES MAY BE MOVED;~~
- ~~(7) THE COST OF EQUIPMENT;~~
- ~~(8) FINANCING CHARGES;~~
- ~~(9) INTEREST BEFORE AND DURING CONSTRUCTION AND, IF THE AUTHORITY DETERMINES, FOR A LIMITED PERIOD AFTER THE COMPLETION OF CONSTRUCTION;~~

~~(10) RESERVES FOR PRINCIPAL, INTEREST, AND IMPROVEMENTS;~~

~~(11) THE COST OF REVENUE AND COST ESTIMATES, ARCHITECTURAL, ENGINEERING, FINANCIAL, AND LEGAL SERVICES, PLANS, SPECIFICATIONS, STUDIES, SURVEYS, AND OTHER EXPENSES NECESSARY OR INCIDENTAL TO DETERMINING THE FEASIBILITY OF IMPROVING A PROJECT; AND~~

~~(12) OTHER EXPENSES NECESSARY OR INCIDENTAL TO:~~

~~(I) FINANCING A PROJECT;~~

~~(II) ACQUIRING AND IMPROVING A PROJECT; AND~~

~~(III) PLACING A PROJECT IN OPERATION.~~

~~(E) "FINANCE" INCLUDES REFINANCE.~~

~~(F) "IMPROVE" MEANS TO ADD, ALTER, CONSTRUCT, EQUIP, EXPAND, EXTEND, INSTALL, RECONSTRUCT, REHABILITATE, REMODEL, OR REPAIR.~~

~~(G) "PROJECT" MEANS A STRUCTURE OR FACILITY THAT IS REQUIRED OR USEFUL FOR THE EDUCATION OF STUDENTS IN THE BALTIMORE CITY PUBLIC SCHOOL SYSTEM AND INCLUDES:~~

~~(1) A STRUCTURE SUITABLE FOR USE AS A CLASSROOM, AN ACADEMIC BUILDING, A CAFETERIA, A STUDENT CENTER, AN ADMINISTRATION BUILDING, A TESTING FACILITY, A LIBRARY, A LABORATORY, A RESEARCH FACILITY, AN ATHLETIC FACILITY, A RECREATION FACILITY, A PLAYGROUND, A MULTIPURPOSE SPACE, A HEALTH CARE FACILITY, A MAINTENANCE FACILITY, A STORAGE FACILITY, A UTILITY FACILITY, ANY OTHER SCHOOL SUPPORT FACILITY, OR A PARKING FACILITY; AND~~

~~(2) EQUIPMENT AND ANY OTHER SIMILAR ITEMS.~~

~~(H) (1) "TRUST AGREEMENT" MEANS AN AGREEMENT ENTERED INTO BY THE AUTHORITY TO SECURE A BOND.~~

~~(2) "TRUST AGREEMENT" MAY INCLUDE A BOND CONTRACT, A BOND RESOLUTION, AN INDENTURE OF TRUST, OR ANY OTHER CONTRACT WITH OR FOR THE BENEFIT OF A BONDHOLDER.~~

~~(A) THIS SUBTITLE IS NECESSARY FOR THE WELFARE OF THE STATE AND ITS RESIDENTS AND SHALL BE CONSTRUED LIBERALLY TO ACCOMPLISH ITS PURPOSES.~~

~~(B) THIS SUBTITLE:~~

~~(1) ONLY APPLIES TO BALTIMORE CITY;~~

~~(2) IS SUPPLEMENTAL AUTHORIZATION AND IS IN ADDITION TO THE POWERS CONFERRED BY OTHER LAWS; AND~~

~~(3) DOES NOT DEROGATE ANY POWERS.~~

~~4-403.~~

~~THE PURPOSE OF THE AUTHORITY IS TO IMPROVE THE CONDITION OF THE PUBLIC SCHOOL FACILITIES WITHIN THE BALTIMORE CITY PUBLIC SCHOOL SYSTEM IN ACCORDANCE WITH PLANS DEVELOPED AND APPROVED BY THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS THROUGH THE EFFICIENT USE OF FINANCING AND CONSTRUCTION ALTERNATIVES OR OTHER CONSTRUCTION RELATED ACTIVITIES.~~

~~4-404.~~

~~(A) THERE IS A BALTIMORE CITY PUBLIC SCHOOLS CONSTRUCTION AUTHORITY.~~

~~(B) THE AUTHORITY IS A PUBLIC CORPORATION.~~

~~(C) THE EXERCISE OF A POWER UNDER THIS SUBTITLE IS THE PERFORMANCE OF AN ESSENTIAL GOVERNMENTAL FUNCTION.~~

~~(D) THE EXERCISE OF A POWER UNDER THIS SUBTITLE IS:~~

~~(1) FOR THE BENEFIT OF THE PEOPLE OF BALTIMORE CITY;~~

~~(2) TO INCREASE COMMERCE, WELFARE, AND PROSPERITY FOR THE PEOPLE OF BALTIMORE CITY; AND~~

~~(3) TO IMPROVE THE HEALTH, EDUCATION, AND LIVING CONDITIONS OF THE PEOPLE OF BALTIMORE CITY.~~

~~(E) THE AUTHORITY MAY NOT BE DEEMED AN AGENCY OF THE STATE OR BALTIMORE CITY.~~

~~4-405.~~

~~(A) THE AUTHORITY CONSISTS OF THE FOLLOWING NINE MEMBERS:~~

~~(1) THREE MEMBERS APPOINTED BY THE GOVERNOR, ONE OF WHOM SHALL BE A MEMBER OF THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION;~~

~~(2) THREE MEMBERS APPOINTED BY THE MAYOR OF BALTIMORE CITY, ONE OF WHOM SHALL HAVE EXPERIENCE IN ARCHITECTURE, ENGINEERING, CONSTRUCTION, TECHNOLOGY, OR FINANCE; AND~~

~~(3) THREE MEMBERS APPOINTED BY THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS, TWO OF WHOM SHALL HAVE EXPERIENCE IN ARCHITECTURE, ENGINEERING, CONSTRUCTION, TECHNOLOGY, OR FINANCE.~~

~~(B) EACH YEAR THE AUTHORITY SHALL ELECT A CHAIR AND A VICE CHAIR FROM AMONG THE MEMBERS.~~

~~(C) BEFORE TAKING OFFICE, EACH MEMBER SHALL TAKE AN OATH TO ADMINISTER THE DUTIES OF THE OFFICE FAITHFULLY AND IMPARTIALLY.~~

~~(D) (1) THE TERM OF AN APPOINTED MEMBER IS 5 YEARS AND BEGINS ON JULY 1.~~

~~(2) AN APPOINTED MEMBER MAY NOT SERVE FOR MORE THAN TWO CONSECUTIVE FULL TERMS.~~

~~(3) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES ONLY FOR THE REMAINDER OF THAT TERM.~~

~~(4) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.~~

~~(E) A MEMBER MAY BE REMOVED ONLY FOR INCOMPETENCE, MISCONDUCT, OR FAILURE TO PERFORM THE DUTIES OF THE POSITION BY A MAJORITY VOTE OF THE MEMBERS OF THE AUTHORITY.~~

~~4-406.~~

~~(A) THE AUTHORITY SHALL DETERMINE THE TIMES AND PLACES OF MEETINGS.~~

~~(B) (1) FIVE MEMBERS OF THE AUTHORITY SHALL CONSTITUTE A QUORUM.~~

~~(2) ACTION BY THE AUTHORITY REQUIRES THE AFFIRMATIVE VOTE OF AT LEAST FIVE MEMBERS.~~

~~(C) A MEMBER OF THE AUTHORITY:~~

~~(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE AUTHORITY; BUT~~

~~(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS.~~

~~4-407.~~

~~(A) THE AUTHORITY SHALL APPOINT AN EXECUTIVE DIRECTOR.~~

~~(B) THE EXECUTIVE DIRECTOR SERVES AT THE PLEASURE OF THE AUTHORITY.~~

~~(C) THE EXECUTIVE DIRECTOR IS THE CHIEF ADMINISTRATIVE OFFICER OF THE AUTHORITY AND SHALL:~~

~~(1) DIRECT AND SUPERVISE THE ADMINISTRATIVE AFFAIRS AND ACTIVITIES OF THE AUTHORITY, IN ACCORDANCE WITH THE REGULATIONS AND POLICIES OF THE AUTHORITY;~~

~~(2) ATTEND THE MEETINGS OF THE AUTHORITY;~~

~~(3) KEEP A RECORD OF ALL PROCEEDINGS OF THE AUTHORITY;~~
~~AND~~

~~(4) PERFORM OTHER DUTIES THAT THE AUTHORITY REQUIRES IN ORDER TO CARRY OUT THIS SUBTITLE.~~

~~4-408.~~

~~THE AUTHORITY MAY EMPLOY OR RETAIN, EITHER AS EMPLOYEES OR INDEPENDENT CONTRACTORS, AND SET THE COMPENSATION OF CONSULTANTS, ENGINEERS, ARCHITECTS, ACCOUNTANTS, ATTORNEYS, FINANCIAL EXPERTS,~~

~~CONSTRUCTION EXPERTS AND PERSONNEL, SUPERINTENDENTS AND MANAGERS, OTHER PROFESSIONAL AND NONPROFESSIONAL PERSONNEL, AND AGENTS AS THE AUTHORITY CONSIDERS NECESSARY.~~

~~4-409.~~

~~(A) THE AUTHORITY MAY:~~

~~(1) ADOPT BYLAWS AND POLICIES FOR THE CONDUCT OF ITS BUSINESS;~~

~~(2) SUE AND BE SUED;~~

~~(3) ADOPT A SEAL;~~

~~(4) MAINTAIN AN OFFICE IN BALTIMORE CITY AT A PLACE IT DESIGNATES;~~

~~(5) ISSUE BONDS ITSELF OR THROUGH A CONDUIT ISSUER IN ACCORDANCE WITH THIS SUBTITLE;~~

~~(6) ACCEPT A GRANT, LOAN, GIFT, OR ANY OTHER ASSISTANCE IN ANY FORM FROM ANY PUBLIC OR PRIVATE SOURCE, SUBJECT TO THE PROVISIONS OF THIS SUBTITLE;~~

~~(7) CHARGE FOR THE ADMINISTRATIVE COSTS AND EXPENSES OF CARRYING OUT THIS SUBTITLE;~~

~~(8) EXERCISE THE CORPORATE POWERS OF MARYLAND CORPORATIONS UNDER THE MARYLAND GENERAL CORPORATION LAW; AND~~

~~(9) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE POWERS EXPRESSLY GRANTED BY THIS SUBTITLE.~~

~~(B) THE AUTHORITY MAY DELEGATE TO A MEMBER OR AN OFFICER A POWER GRANTED TO THE AUTHORITY BY THIS SUBTITLE, INCLUDING THE POWER TO EXECUTE A BOND, A CERTIFICATE, A DEED, A LEASE, A MORTGAGE, AN AGREEMENT, OR ANY OTHER DOCUMENT OR INSTRUMENT.~~

~~4-410.~~

~~(A) THE AUTHORITY MAY:~~

~~(1) (I) ACQUIRE, DIRECTLY OR THROUGH AN AGENT, BY PURCHASE, GIFT, OR DEED, ANY PROPERTY, FRANCHISES, AND OTHER INTERESTS IN LAND, INCLUDING SUBMERGED LAND AND RIPARIAN RIGHTS, LOCATED IN THE STATE, AS NECESSARY OR CONVENIENT TO IMPROVE, ACQUIRE, OR OPERATE A PROJECT, ON TERMS AND AT PRICES THE AUTHORITY CONSIDERS REASONABLE; AND~~

~~(II) TAKE TITLE TO PROPERTY IN THE NAME OF THE AUTHORITY OR A DESIGNATED AGENT OF THE AUTHORITY;~~

~~(2) DETERMINE THE LOCATION AND CHARACTER OF A PROJECT TO BE FINANCED UNDER THIS SUBTITLE, OR DESIGNATE AN AGENT TO DO SO, PROVIDED THAT ANY PROJECT FINANCED UNDER THIS SUBTITLE SHALL HAVE PREVIOUSLY BEEN APPROVED FOR FINANCING BY THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS;~~

~~(3) DIRECTLY, OR THROUGH A DESIGNATED AGENT, ACQUIRE, IMPROVE, MAINTAIN, OPERATE, LEASE AS LESSEE OR LESSOR, AND ENTER INTO CONTRACTS TO CARRY OUT THE DUTIES OF THE AUTHORITY UNDER THIS SUBTITLE;~~

~~(4) FIX AND COLLECT RENTS, FEES, AND OTHER CHARGES FOR THE USE OF FACILITIES THAT A PROJECT PROVIDES OR MAKES AVAILABLE, AND RATES, RENTS, FEES, AND CHARGES MAY BE ESTABLISHED SOLELY BY THE AUTHORITY UNDER THIS SUBTITLE;~~

~~(5) MORTGAGE, PLEDGE, OR OTHERWISE ENCUMBER A PROJECT AND ITS SITE, OR HOLD A MORTGAGE OR OTHER ENCUMBRANCE ON A PROJECT AND ITS SITE FOR THE BENEFIT OF THE HOLDERS OF BONDS ISSUED TO FINANCE THE PROJECT;~~

~~(6) MAKE A LOAN TO:~~

~~(I) IMPROVE OR ACQUIRE A PROJECT IN ACCORDANCE WITH AN AGREEMENT BETWEEN THE AUTHORITY AND THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS;~~

~~(II) REFINANCE ANY PART OF THE COST OF A PROJECT; AND~~

~~(III) REFUND OR REPAY BONDS, MORTGAGES, ADVANCES, LOANS, OR OTHER OBLIGATIONS OF THE AUTHORITY, ANY PERSON, OR ANY UNIT OF FEDERAL, STATE, OR LOCAL GOVERNMENT INCURRED TO FINANCE ANY PART OF A PROJECT;~~

~~(7) CONTRACT FOR THE SERVICES OF ANY PERSON IN CONNECTION WITH ANY FINANCING, INCLUDING CONDUIT ISSUERS, FINANCIAL INSTITUTIONS, ISSUERS OF LETTERS OF CREDIT, AND INSURERS; AND~~

~~(8) RECEIVE AND ACCEPT FROM ANY PUBLIC OR PRIVATE SOURCE CONTRIBUTIONS, GIFTS, OR GRANTS OF MONEY OR PROPERTY AND INVEST THE MONEY OR PROPERTY AS A WHOLE OR IN PART.~~

~~(B) THE AUTHORITY SHALL BE RESPONSIBLE FOR SCHOOL FACILITIES CONSTRUCTION AND IMPROVEMENT PROJECTS FINANCED WITH THE PROCEEDS OF BONDS ISSUED UNDER THIS SUBTITLE IN ACCORDANCE WITH THE SCHOOL FACILITIES CONSTRUCTION PLAN APPROVED BY THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS.~~

~~(C) NOTWITHSTANDING THE PROVISIONS OF § 4-114 OF THIS TITLE, PROPERTY USED FOR PUBLIC SCHOOL PURPOSES MAY BE MORTGAGED TO THE AUTHORITY.~~

~~(D) NO POWER GRANTED UNDER THIS SUBTITLE SHALL IN ANY WAY INTERFERE WITH THE ENUMERATED POWERS OF THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS UNDER SUBTITLE 3 OF THIS TITLE.~~

~~4-411.~~

~~EXPENSES INCURRED UNDER THIS SUBTITLE ARE PAYABLE ONLY FROM MONEY OBTAINED UNDER THIS SUBTITLE.~~

~~4-412.~~

~~(A) (1) THE AUTHORITY SHALL HAVE AN ANNUAL AUDIT OF FINANCIAL TRANSACTIONS AND ACCOUNTS CONDUCTED BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT THAT MEETS THE REQUIREMENTS OF § 5-109(B) OF THIS ARTICLE.~~

~~(2) THE RESULTS OF THE AUDIT CONDUCTED UNDER PARAGRAPH (1) OF THIS SUBSECTION, INCLUDING THE LETTER OF RECOMMENDATION SUBMITTED BY THE AUDITOR, ARE A MATTER OF PUBLIC RECORD AND SHALL BE SUBMITTED WITHIN 3 MONTHS AFTER THE CLOSE OF EACH FISCAL YEAR TO:~~

~~(I) THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS;~~

~~(II) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY;~~

~~(III) THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION;~~

~~(IV) THE JOINT AUDIT COMMITTEE OF THE GENERAL ASSEMBLY;~~

~~(V) THE SENATE BUDGET AND TAXATION COMMITTEE;~~

~~(VI) THE HOUSE APPROPRIATIONS COMMITTEE; AND~~

~~(VII) THE DEPARTMENT OF LEGISLATIVE SERVICES.~~

~~(B) EVERY 6 YEARS, THE AUTHORITY MAY BE AUDITED BY THE OFFICE OF LEGISLATIVE AUDITS AT THE EXPENSE OF THE AUTHORITY, AND THIS AUDIT WILL CONSTITUTE THE AUDIT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION IN THOSE YEARS.~~

~~(C) AT LEAST QUARTERLY, THE AUTHORITY SHALL PROVIDE A WRITTEN DESCRIPTION OF ITS OPERATIONS DURING THE PRECEDING QUARTER TO THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION, THE MAYOR OF BALTIMORE CITY, AND THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS.~~

~~(D) AT LEAST ONCE EACH FISCAL YEAR, THE AUTHORITY SHALL MEET WITH THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS AND THE MAYOR OF BALTIMORE CITY TO DISCUSS THE CONSTRUCTION AND CAPITAL IMPROVEMENT PROJECTS FINANCED WITH THE PROCEEDS OF BONDS ISSUED IN ACCORDANCE WITH THIS SUBTITLE DURING THE PRECEDING FISCAL YEAR AND THE CONSTRUCTION AND CAPITAL IMPROVEMENT PRIORITIES OF THE AUTHORITY FOR THE FOLLOWING FISCAL YEAR.~~

~~4-413.~~

~~IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE AUTHORITY SHALL REMAIN IN EXISTENCE AS LONG AS DEBT ISSUED IN ACCORDANCE WITH THIS SUBTITLE IS OUTSTANDING.~~

~~4-414.~~

~~(A) (1) THE AUTHORITY MAY PERIODICALLY:~~

~~(I) ISSUE BONDS FOR ANY CORPORATE PURPOSE, INCLUDING THE ESTABLISHMENT OF RESERVES, THE PAYMENT OF INTEREST, AND THE PAYMENT OF OPERATING EXPENSES;~~

~~(H) REFUND BONDS;~~

~~(HH) PURCHASE BONDS WITH ANY FUNDS AVAILABLE; AND~~

~~(IV) HOLD, PLEDGE, CANCEL, OR RESELL BONDS.~~

~~(2) FOR EACH ISSUANCE OF ITS BONDS, THE AUTHORITY SHALL PASS A RESOLUTION THAT:~~

~~(I) GENERALLY DESCRIBES THE PROJECT OR PROJECTS FOR WHICH THE PROCEEDS OF THE BOND ISSUANCE ARE INTENDED;~~

~~(II) SPECIFIES THE MAXIMUM PRINCIPAL AMOUNT OF THE BONDS THAT MAY BE ISSUED UNDER THIS SUBTITLE; AND~~

~~(III) IMPOSES ANY TERMS OR CONDITIONS ON THE ISSUANCE AND SALE OF THE BONDS THAT THE AUTHORITY CONSIDERS APPROPRIATE.~~

~~(3) BY RESOLUTION, THE AUTHORITY MAY AUTHORIZE THE CHAIR, VICE CHAIR, ONE OF ITS MEMBERS, A COMMITTEE OF ITS MEMBERS, OR THE EXECUTIVE DIRECTOR TO DETERMINE, PROVIDE FOR, OR APPROVE ANY MATTER RELATING TO BONDS THAT THE AUTHORITY CONSIDERS APPROPRIATE, INCLUDING:~~

~~(I) SPECIFYING, DETERMINING, PRESCRIBING, AND APPROVING MATTERS, DOCUMENTS, AND PROCEDURES THAT RELATE TO THE AUTHORIZATION, SALE, SECURITY, ISSUANCE, DELIVERY, AND PAYMENT OF AND FOR THE BONDS;~~

~~(II) CREATING SECURITY FOR THE BONDS;~~

~~(III) PROVIDING FOR THE ADMINISTRATION OF BOND ISSUANCES; AND~~

~~(IV) TAKING OTHER ACTIONS THE AUTHORITY CONSIDERS APPROPRIATE CONCERNING THE BONDS.~~

~~(4) THE POWER GRANTED UNDER PARAGRAPH (2) OF THIS SUBSECTION IS IN ADDITION TO POWERS CONFERRED ON THE AUTHORITY BY THIS SUBTITLE AND DOES NOT LIMIT ANY POWER OF THE AUTHORITY UNDER THIS SUBTITLE.~~

~~(5) THE AUTHORITY MAY NOT ISSUE ANY BONDS BY ITSELF OR THROUGH A CONDUIT ISSUER TO FINANCE A PROJECT WITHOUT FIRST ENTERING INTO AN AGREEMENT WITH THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS REGARDING THE PROJECT TO BE FINANCED, THE USE OF SUCH PROJECT AS A PUBLIC SCHOOL FACILITY, AND THE SECURITY AND SOURCES OF PAYMENTS FOR THE BONDS.~~

~~(B) BONDS MAY BE GENERAL OBLIGATIONS OF THE AUTHORITY OR MAY BE PAYABLE SOLELY FROM ANY REVENUE OR MONEY PLEDGE OF THE AUTHORITY THAT ARE AVAILABLE AND NOT OTHERWISE PLEDGED, AS DETERMINED BY THE AUTHORITY.~~

~~(C) (1) PROJECTS FINANCED UNDER THIS SUBTITLE SHALL BE APPROVED BY THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION.~~

~~(2) THE AUTHORITY, THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS, AND THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION SHALL ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH RESPECT TO PROCEDURES REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION BEFORE ANY ISSUANCE OF BONDS UNDER THIS SUBTITLE AND IN ACCORDANCE WITH WHICH THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS SHALL ACT AS THE AUTHORITY'S AGENT FOR PURPOSES OF ASSURANCE COMPLIANCE WITH THE PROCEDURES.~~

~~(D) SUBJECT TO ANY PROVISION FOR THEIR REGISTRATION, BONDS ARE NEGOTIABLE INSTRUMENTS FOR ALL PURPOSES REGARDLESS OF WHETHER THEY ARE PAYABLE FROM A SPECIAL FUND.~~

~~(E) (1) THE AUTHORITY MAY NOT DIRECTLY OR INDIRECTLY HAVE OUTSTANDING DEBT OF MORE THAN \$1,200,000,000 AS OF JUNE 30 OF EACH YEAR.~~

~~(2) THE BONDS SHALL MATURE WITHIN A PERIOD NOT TO EXCEED 30 YEARS AFTER THEIR DATE.~~

~~(3) THE BONDS SHALL BE PAYABLE IN UNITED STATES CURRENCY.~~

~~(4) THE BONDS SHALL BE A "SECURITY" WITHIN THE MEANING OF § 8-102 OF THE COMMERCIAL LAW ARTICLE, WHETHER OR NOT EACH BOND IS ONE OF A CLASS OR SERIES OR IS DIVISIBLE BY ITS TERMS INTO A CLASS OR SERIES OF INSTRUMENTS.~~

~~(5) THE BONDS ARE EXEMPT FROM §§ 8-206 AND 8-208 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.~~

~~(F) THE BONDS MAY BE SOLD BY COMPETITIVE OR NEGOTIATED SALE AT A PRICE DETERMINED BY THE AUTHORITY.~~

~~(G) (1) A TRUST AGREEMENT AUTHORIZING BONDS MAY CONTAIN PROVISIONS THAT ARE PART OF THE CONTRACT WITH BONDHOLDERS.~~

~~(2) THE PROVISIONS MAY INCLUDE:~~

~~(H) PLEDGING THE FOLLOWING TO SECURE PAYMENT OF BONDS, SUBJECT TO ANY EXISTING AGREEMENTS WITH BONDHOLDERS:~~

~~1. THE FULL FAITH AND CREDIT OF THE AUTHORITY;~~

~~2. REVENUES OF A PROJECT;~~

~~3. A REVENUE PRODUCING CONTRACT THE AUTHORITY HAS MADE WITH A PERSON OR PUBLIC ENTITY;~~

~~4. THE PROCEEDS OF THE SALE OF BONDS; OR~~

~~5. ANY MONEY THAT LAWFULLY MAY BE APPLIED TO THE PAYMENT OF THE BONDS, INCLUDING ANY APPROPRIATION BY THE STATE OR BALTIMORE CITY MADE AVAILABLE FOR SUCH PURPOSE;~~

~~(I) THE RENTALS, FEES, AND OTHER CHARGES, THE AMOUNTS TO BE RAISED IN EACH YEAR, AND THE USE AND DISPOSITION OF THE REVENUES;~~

~~(II) SETTING ASIDE OF RESERVES AND SINKING FUNDS AND THE DISPOSITION OF SUCH FUNDS;~~

~~(III) LIMITS ON THE RIGHT OF THE AUTHORITY OR ITS AGENTS TO RESTRICT AND REGULATE THE USE OF A PROJECT;~~

~~(IV) LIMITS ON THE PURPOSE TO WHICH THE PROCEEDS OF SALE OF BONDS MAY BE APPLIED;~~

~~(V) LIMITS ON ISSUING ADDITIONAL BONDS, THE TERMS UNDER WHICH ADDITIONAL BONDS MAY BE ISSUED AND SECURED, AND REFUNDING OUTSTANDING BONDS;~~

~~(VII) THE PROCEDURE TO AMEND OR ABROGATE THE TERMS OF A CONTRACT WITH BONDHOLDERS AND THE REQUIREMENTS FOR CONSENT;~~

~~(VIII) LIMITS ON THE AMOUNT OF REVENUES TO BE EXPENDED FOR OPERATING, ADMINISTRATIVE, OR OTHER EXPENSES OF THE AUTHORITY;~~

~~(IX) THE ACTS OR OMISSIONS THAT CONSTITUTE DEFAULT BY THE AUTHORITY AND THE RIGHTS AND REMEDIES OF THE BONDHOLDERS IN THE EVENT OF DEFAULT;~~

~~(X) THE CONVEYANCE OR MORTGAGING OF A PROJECT AND ITS SITE TO SECURE THE BONDHOLDERS; AND~~

~~(XI) THE CREATION AND MECHANICS FOR DISPOSITION OF A COLLATERAL FUND FOR THE PURPOSE OF SECURING THE BONDHOLDERS.~~

~~(H) THE MEMBERS AND OFFICERS OF THE AUTHORITY AND PERSON EXECUTING THE BONDS MAY NOT BE HELD LIABLE PERSONALLY ON THE BONDS.~~

~~(I) A MEMBER'S OR AN OFFICER'S SIGNATURE OR FACSIMILE SIGNATURE ON A BOND OF THE AUTHORITY REMAINS VALID AT DELIVERY EVEN IF THE MEMBER OR OFFICER LEAVES THE AUTHORITY BEFORE THE BOND IS DELIVERED.~~

~~4-415.~~

~~(A) THE AUTHORITY MAY SECURE BONDS BY A TRUST AGREEMENT.~~

~~(B) THE CORPORATE TRUSTEE UNDER A TRUST AGREEMENT MAY BE A TRUST COMPANY OR A BANK THAT HAS THE POWERS OF A TRUST COMPANY IN OR OUTSIDE THE STATE.~~

~~(C) IN ADDITION TO THE PROVISIONS DESCRIBED IN § 4-414(G) OF THIS SUBTITLE, THE TRUST AGREEMENT MAY CONTAIN:~~

~~(1) EITHER:~~

~~(I) A PROVISION CONVEYING OR MORTGAGING ALL OR A PORTION OF A PROJECT; OR~~

~~(II) A PROVISION CREATING A COLLATERAL ACCOUNT;~~

~~(2) OTHER PROVISIONS THAT THE AUTHORITY CONSIDERS REASONABLE AND PROPER FOR THE SECURITY OF BONDHOLDERS; AND~~

~~(3) A PROVISION THAT RESTRICTS THE INDIVIDUAL RIGHT OF ACTION BY BONDHOLDERS.~~

~~(D) AN EXPENSE INCURRED IN CARRYING OUT THE TRUST AGREEMENT OR A RESOLUTION MAY BE TREATED AS PART OF THE COST OF THE OPERATION OF A PROJECT.~~

~~(E) THE TRUST AGREEMENT AND ANY OTHER AGREEMENT OR LEASE CREATING A PLEDGE WITH RESPECT TO THE REPAYMENT OF BONDS ISSUED UNDER THIS SUBTITLE NEED NOT BE FILED OR RECORDED, EXCEPT IN THE RECORDS OF THE AUTHORITY.~~

~~4-416.~~

~~(A) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY, THE RECEIPTS OF THE AUTHORITY SHALL BE PLEDGED TO AND CHARGED WITH THE FOLLOWING, RELATING TO THE FINANCING OF IMPROVEMENTS TO THE BALTIMORE CITY PUBLIC SCHOOL FACILITIES:~~

~~(1) THE PAYMENT OF DEBT SERVICE ON BONDS ISSUED IN ACCORDANCE WITH THIS SUBTITLE;~~

~~(2) ALL REASONABLE CHARGES AND EXPENSES RELATED TO PUBLIC SCHOOL FACILITIES AND BORROWING BY THE AUTHORITY; AND~~

~~(3) THE MANAGEMENT OF OBLIGATIONS OF THE AUTHORITY ASSOCIATED WITH SUCH FINANCING.~~

~~(B) ANY SUCH PLEDGE SHALL BE EFFECTIVE AS PROVIDED IN THIS SUBTITLE AND ANY OTHER APPLICABLE AUTHORITY PROVISION.~~

~~(C) FUNDS RECEIVED BY THE AUTHORITY IN EXCESS OF THE AMOUNT REQUIRED OR PROJECTED TO BE REQUIRED TO PAY ANNUAL DEBT SERVICE PAYMENTS UNDER § 5-301(C 1) OF THIS ARTICLE SHALL REVERT TO THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS AND MAY BE USED ONLY TO PAY FOR SCHOOL CONSTRUCTION AND IMPROVEMENT PROJECTS IN BALTIMORE CITY.~~

~~4-417.~~

~~A FINANCIAL INSTITUTION, INVESTMENT COMPANY, INSURANCE COMPANY OR ASSOCIATION, OR A PERSONAL REPRESENTATIVE, GUARDIAN, TRUSTEE, OR OTHER FIDUCIARY, MAY LEGALLY INVEST ANY MONEY BELONGING TO IT OR WITHIN ITS CONTROL IN ANY BONDS ISSUED IN ACCORDANCE WITH THIS SUBTITLE.~~

~~4-418.~~

~~(A) DEBT OF THE AUTHORITY INCLUDING A BOND:~~

~~(1) IS NOT A DEBT, LIABILITY, MORAL OBLIGATION, OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE, INCLUDING BALTIMORE CITY; AND~~

~~(2) IS PAYABLE SOLELY FROM MONEY AVAILABLE IN ACCORDANCE WITH THIS SUBTITLE.~~

~~(B) EACH BOND SHALL STATE ON ITS FACE THAT:~~

~~(1) NEITHER THE STATE NOR ANY POLITICAL SUBDIVISION OF THE STATE NOR THE AUTHORITY SHALL BE OBLIGATED TO PAY THE BOND OR THE INTEREST THEREON EXCEPT FROM THE AMOUNTS PLEDGED THEREFOR; AND~~

~~(2) NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE NOR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE BOND.~~

~~(C) THE ISSUANCE OF BONDS OR INCURRENCE OF DEBT BY THE AUTHORITY DOES NOT DIRECTLY, INDIRECTLY, CONTINGENTLY, OR MORALLY OBLIGATE THE STATE OR ITS POLITICAL SUBDIVISIONS TO:~~

~~(1) LEVY OR PLEDGE A TAX TO PAY THE BONDS; OR~~

~~(2) MAKE AN APPROPRIATION TO PAY THE BONDS.~~

~~(D) THE BONDS ISSUED OR DEBT INCURRED IN ACCORDANCE WITH THIS SUBTITLE DO NOT CONSTITUTE A DEBT OR OBLIGATION CONTRACTED BY THE GENERAL ASSEMBLY OR PLEDGE THE FAITH AND CREDIT OF THE STATE WITHIN THE MEANING OF ARTICLE III, § 34 OF THE MARYLAND CONSTITUTION.~~

~~(E) THIS SECTION DOES NOT PREVENT THE AUTHORITY FROM PLEDGING ITS FULL FAITH AND CREDIT TO PAY BONDS ISSUED IN ACCORDANCE WITH THIS SUBTITLE.~~

~~4-419.~~

~~(A) PROCEEDS FROM THE SALE OF BONDS AND OTHER REVENUES RECEIVED UNDER THIS SUBTITLE ARE TRUST FUNDS TO BE HELD AND APPLIED SOLELY AS PROVIDED IN THIS SUBTITLE.~~

~~(B) (1) EACH OFFICER, BANK, OR TRUST COMPANY THAT RECEIVES MONEY FROM THE AUTHORITY UNDER THIS SUBTITLE SHALL ACT AS TRUSTEE OF THE MONEY AND SHALL HOLD AND APPLY THE MONEY FOR THE PURPOSES SPECIFIED UNDER THIS SUBTITLE.~~

~~(2) THE OFFICER, BANK, OR TRUST COMPANY HOLDING MONEY IS SUBJECT TO:~~

~~(I) ANY REGULATION ADOPTED UNDER THIS SUBTITLE;~~
~~AND~~

~~(II) THE TRUST AGREEMENT SECURING THE BONDS.~~

~~4-420.~~

~~(A) (1) THE AUTHORITY MAY ISSUE BONDS TO REFUND OUTSTANDING BONDS ISSUED TO FINANCE A PROJECT, INCLUDING PAYING:~~

~~(I) ANY REDEMPTION PREMIUM;~~

~~(II) INTEREST ACCRUED OR TO ACCRUE TO THE DATE OF REDEMPTION, PURCHASE, OR MATURITY OF THE BONDS; AND~~

~~(III) IF CONSIDERED ADVISABLE BY THE AUTHORITY, ANY PART OF THE COST OF ACQUIRING OR IMPROVING A PROJECT.~~

~~(2) REFUNDING BONDS MAY BE ISSUED FOR ANY CORPORATE PURPOSE, INCLUDING:~~

~~(I) REALIZING SAVINGS IN THE EFFECTIVE COSTS OF DEBT SERVICE, DIRECTLY OR THROUGH A DEBT RESTRUCTURING; OR~~

~~(II) ALLEVIATING A POTENTIAL OR ACTUAL DEFAULT.~~

~~(B) A REFUNDING BOND THAT THE AUTHORITY ISSUES UNDER THIS SECTION SHALL BE ISSUED IN THE SAME MANNER AND IS SUBJECT TO THIS SUBTITLE TO THE SAME EXTENT AS ANY OTHER BOND.~~

~~(C) (1) THE AUTHORITY MAY ISSUE REFUNDING BONDS IN ONE OR MORE SERIES IN AN AMOUNT GREATER THAN THE AMOUNT OF THE BONDS TO BE REFUNDED.~~

~~(2) (I) IN ADDITION TO OTHER SOURCES OF PAYMENT THAT THE AUTHORITY DETERMINES, REFUNDING BONDS MAY BE PAYABLE FROM ESCROWED BOND PROCEEDS AND EARNINGS AND PROFITS ON INVESTMENTS.~~

~~(II) ESCROWED BOND PROCEEDS AND EARNINGS AND PROFITS ON INVESTMENTS USED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH CONSTITUTE REVENUES OF A PROJECT UNDER THIS SUBTITLE.~~

~~4-421.~~

~~(A) THE AUTHORITY MAY ISSUE NEGOTIABLE BOND ANTICIPATION NOTES IN ANTICIPATION OF THE SALE OF BONDS FOR ANY CORPORATE PURPOSE.~~

~~(B) BOND ANTICIPATION NOTES ISSUED UNDER THIS SECTION SHALL BE ISSUED IN THE SAME MANNER AS BONDS.~~

~~(C) BOND ANTICIPATION NOTES ISSUED UNDER THIS SECTION AND THE RESOLUTION AUTHORIZING THEM MAY CONTAIN ANY PROVISIONS, CONDITIONS, OR LIMITATIONS THAT MAY BE INCLUDED IN A TRUST AGREEMENT.~~

~~(D) THE AUTHORITY MAY ISSUE BOND ANTICIPATION NOTES TO PAY ANY OTHER BOND ANTICIPATION NOTES.~~

~~(E) BOND ANTICIPATION NOTES SHALL BE PAID FROM:~~

~~(1) REVENUES OF THE AUTHORITY;~~

~~(2) MONEY AVAILABLE AND NOT OTHERWISE PLEDGED; AND~~

~~(3) THE PROCEEDS OF THE SALE OF THE BONDS IN ANTICIPATION OF WHICH THE NOTES WERE ISSUED.~~

~~4-422.~~

~~EXCEPT TO THE EXTENT RESTRICTED BY AN APPLICABLE RESOLUTION OR TRUST AGREEMENT, A BONDHOLDER OR TRUSTEE ACTING UNDER A TRUST AGREEMENT ENTERED INTO UNDER THIS SUBTITLE MAY, BY ANY SUITABLE FORM OF LEGAL PROCEEDINGS, PROTECT AND ENFORCE ANY RIGHTS GRANTED~~

~~UNDER THE LAWS OF THE STATE OR BY ANY APPLICABLE RESOLUTION OR TRUST AGREEMENT.~~

~~4-423.~~

~~(A) THE AUTHORITY IS EXEMPT FROM TAXATION BY THE STATE AND LOCAL GOVERNMENT.~~

~~(B) THE AUTHORITY, ITS AGENT, OR ITS LESSEE IS NOT REQUIRED TO PAY A TAX OR AN ASSESSMENT ON:~~

~~(1) A PROJECT OR PROPERTY THAT IT ACQUIRES OR USES UNDER THIS SUBTITLE; OR~~

~~(2) THE INCOME FROM THAT PROJECT OR PROPERTY.~~

~~(C) THE PRINCIPAL OF AND INTEREST ON BONDS, THE TRANSFER OF BONDS, AND ANY INCOME DERIVED FROM THE BONDS, INCLUDING PROFITS MADE IN THEIR SALE OR TRANSFER, ARE FOREVER EXEMPT FROM ALL STATE AND LOCAL TAXES.~~

~~4-424.~~

~~THIS SUBTITLE MAY BE CITED AS THE BALTIMORE CITY PUBLIC SCHOOLS CONSTRUCTION AUTHORITY ACT.~~

~~5-301.~~

~~(C-1) (1) THIS SUBSECTION APPLIES ONLY TO BALTIMORE CITY.~~

~~(2) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED:~~

~~(II) "AUTHORITY" MEANS THE BALTIMORE CITY PUBLIC SCHOOLS CONSTRUCTION AUTHORITY ESTABLISHED UNDER TITLE 4, SUBTITLE 4 OF THIS ARTICLE.~~

~~(III) "BLOCK GRANT" MEANS A LUMP SUM PAYMENT OF FUNDS.~~

~~(3) BEGINNING IN FISCAL YEAR 2015, THE STATE SHALL PROVIDE A BLOCK GRANT OF \$32,000,000 TO THE AUTHORITY EACH YEAR TO PAY THE COST OF PUBLIC SCHOOL CONSTRUCTION PROJECTS AND PUBLIC SCHOOL CAPITAL IMPROVEMENTS IN BALTIMORE CITY, IN ACCORDANCE WITH~~

~~THE SCHOOL FACILITIES CONSTRUCTION PLAN APPROVED BY THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS.~~

~~(4) THE BLOCK GRANT:~~

~~(i) SHALL BE PROVIDED FOR EACH YEAR IN WHICH BONDS ISSUED BY THE BALTIMORE CITY PUBLIC SCHOOLS CONSTRUCTION AUTHORITY OR OTHER ISSUER OF REVENUE BONDS FOR THE PURPOSE OF FINANCING PUBLIC SCHOOL CONSTRUCTION PROJECTS AND PUBLIC SCHOOL CAPITAL IMPROVEMENTS IN BALTIMORE CITY ARE OUTSTANDING;~~

~~(ii) MAY BE PLEDGED TO THE PAYMENT OF DEBT SERVICE ON THE BONDS DESCRIBED IN ITEM (i) OF THIS PARAGRAPH; AND~~

~~(iii) MAY BE USED TO MAKE PAYMENTS UNDER LEASES, INSTALLMENT PURCHASE AGREEMENTS, OR OTHER SIMILAR AGREEMENTS FOR THE FINANCING OF PUBLIC SCHOOL FACILITIES.~~

~~(5) (i) THE TOTAL AMOUNT OF SCHOOL CONSTRUCTION FUNDING AVAILABLE TO BALTIMORE CITY EACH FISCAL YEAR SHALL BE IN THE AMOUNT OF THE GREATER OF:~~

~~1. 12% OF THE ENTIRE STATE CAPITAL SCHOOL CONSTRUCTION PROGRAM; OR~~

~~2. \$32,000,000, ADJUSTED ANNUALLY BY THE GREATER OF:~~

~~A. THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE BALTIMORE METROPOLITAN AREA AS PUBLISHED BY THE U.S. DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS;~~

~~B. THE IMPLICIT PRICE DEFLATOR FOR STATE AND LOCAL GOVERNMENT EXPENDITURES; OR~~

~~C. 5%.~~

~~(ii) TO THE EXTENT THAT THE TOTAL AMOUNT OF SCHOOL CONSTRUCTION FUNDING AVAILABLE TO BALTIMORE CITY EXCEEDS \$32,000,000, THE AMOUNT EXCEEDING \$32,000,000 SHALL BE PROVIDED TO THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS FOR ELIGIBLE PUBLIC SCHOOL CONSTRUCTION PROJECTS AS APPROVED BY THE BOARD OF PUBLIC WORKS.~~

5-301.

(i) (1) This subsection does not apply to the proceeds from the sale, lease, or disposition of public school buildings constructed under contracts executed before February 1, 1971.

(2) Consistent with § 4-115 of this article and regulations adopted by the Board of Public Works to implement § 4-126 of this article, the Board of Public Works may require by regulation that the portion of the proceeds received by a county from the sale, lease, or disposal of any public school building that represent State funds provided within 15 years prior to the date of the transaction shall be used solely as part of the State funding of the construction of future public school buildings in the county in which the sale, lease, or disposal occurred, if the public school building was constructed under a contract executed on or after February 1, 1971.

(3) The part of the proceeds from the sale, lease, or disposal of a public school building that fairly represents the appraised value of land and that part of the cost of the public school building that was funded by the county shall remain as the funds of the county.

(4) A TRANSFER OF INTEREST IN A PUBLIC SCHOOL BUILDING IN CONNECTION WITH A FINANCING OF THE COST OF CONSTRUCTION AND IMPROVEMENTS TO SUCH BUILDINGS IS NOT A SALE, LEASE, OR DISPOSAL OF THE PUBLIC SCHOOL FACILITY.

Article – State Finance and Procurement

6-226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

69. the Maryland Legal Services Corporation Fund; [and]

70. Mortgage Loan Servicing Practices Settlement Fund;

71. THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FACILITIES FUND; AND

**72. THE BALTIMORE CITY PUBLIC SCHOOL
CONSTRUCTION FINANCING FUND.**

Article – State Government

9–120.

(a) The Comptroller shall distribute, **OR CAUSE TO BE DISTRIBUTED**, the State Lottery Fund to pay:

(1) on a pro rata basis for the daily and nondaily State lottery games, the expenses of administering and operating the State lottery, as authorized under this subtitle and the State budget; and

(2) then, except as provided in § 10–113.1 of the Family Law Article and § 11–618 of the Criminal Procedure Article, the holder of each winning ticket or share.

(b) (1) [Promptly after the 1st day of each month] **BY THE END OF THE MONTH FOLLOWING COLLECTION**, the Comptroller shall [pay] **DEPOSIT OR CAUSE TO BE DEPOSITED:**

(i) into the Maryland Stadium Facilities Fund **ESTABLISHED UNDER § 7–312 OF THE STATE FINANCE AND PROCUREMENT ARTICLE** FROM the money that remains in the State Lottery Fund [from the proceeds of the lotteries conducted for the benefit of the Maryland Stadium Authority], after the distribution under subsection (a) of this section, **AN AMOUNT NOT TO EXCEED \$20,000,000 IN ANY FISCAL YEAR;**

(ii) after June 30, 2014, into the Maryland Veterans Trust Fund 10% of the money that remains in the State Lottery Fund from the proceeds of sales of tickets from instant ticket lottery machines by veterans' organizations under § 9–112(d) of this subtitle, after the distribution under subsection (a) of this section; [and]

(iii) **AFTER JUNE 30, 2014, INTO THE BALTIMORE CITY PUBLIC SCHOOL CONSTRUCTION FINANCING FUND ESTABLISHED UNDER § 10–656 OF THE ECONOMIC DEVELOPMENT ARTICLE** THE MONEY THAT REMAINS IN THE STATE LOTTERY FUND FROM THE PROCEEDS OF ALL LOTTERIES AFTER THE DISTRIBUTIONS UNDER SUBSECTION (A) OF THIS SECTION AND SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH, AN AMOUNT EQUAL TO \$20,000,000 IN EACH FISCAL YEAR THAT BONDS ARE OUTSTANDING AND UNPAID, TO BE PAID IN TWO INSTALLMENTS WITH AT LEAST \$10,000,000 PAID NO LATER THAN DECEMBER 1 OF EACH FISCAL YEAR; AND

[(iii)] (IV) into the General Fund of the State the money that remains in the State Lottery Fund from the proceeds of all [other] lotteries after the [distribution] DISTRIBUTIONS under subsection (a) of this section AND SUBPARAGRAPHS (I), (II), AND (III) OF THIS PARAGRAPH.

(2) The money paid into the General Fund under this subsection is available in the fiscal year in which the money accumulates in the State Lottery Fund.

(c) The regulations of the Agency shall apportion the money in the State Lottery Fund IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION.

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

Article – Education

5–202.

(d) (1) (i) Subject to § 5–213.1 of this subtitle, the county governing body shall levy and appropriate an annual tax sufficient to provide an amount of revenue for elementary and secondary public education purposes equal to the local share of the foundation program.

(ii) 1. Except as provided in subsubparagraph 2 of this subparagraph and subject to § 5–213 of this subtitle, the county governing body shall appropriate local funds to the school operating budget in an amount no less than the product of the county’s full–time equivalent enrollment for the current fiscal year and the local appropriation on a per pupil basis for the prior fiscal year.

2. [In] EXCEPT AS PROVIDED IN PARAGRAPH (3)(II) OF THIS SUBSECTION, IN each fiscal year if a county’s education effort, as defined in paragraph (10) of this subsection, is below 100% of the statewide 5–year moving average of education effort, the required maintenance of effort amount for the county shall be adjusted by increasing the per pupil amount by the lesser of:

- A. A county’s increase in the local wealth per pupil;
- B. The statewide average increase in local wealth per pupil; or
- C. 2.5%.

(2) Except as provided in paragraph [(3)] (3)(I) of this subsection, for purposes of this subsection, the local appropriation on a per pupil basis for the prior fiscal year for a county is derived by dividing the county’s highest local appropriation to its school operating budget for the prior fiscal year by the county’s full–time

equivalent enrollment for the prior fiscal year. For example, the calculation of the foundation aid for fiscal year 2003 shall be based on the highest local appropriation for the school operating budget for a county for fiscal year 2002. Program shifts between a county operating budget and a county school operating budget may not be used to artificially satisfy the requirements of this paragraph.

(3) (I) For purposes of this subsection, for fiscal year 1997 and each subsequent fiscal year, the calculation of the county's highest local appropriation to its school operating budget for the prior fiscal year shall exclude:

[(i)] 1. A nonrecurring cost that is supplemental to the regular school operating budget, if the exclusion qualifies under regulations adopted by the State Board;

[(ii)] 2. A cost of a program that has been shifted from the county school operating budget to the county operating budget; [and]

[(iii)] 3. The cost of debt service incurred for school construction projects; AND

4. FOR A COUNTY THAT SHIFTS THE RECURRING COSTS ASSOCIATED WITH PROVIDING RETIREE HEALTH BENEFITS FOR CURRENT RETIREES TO THE COUNTY BOARD, ANY REDUCTION IN THOSE RETIREE HEALTH COSTS FROM THE AMOUNT THE COUNTY WAS REQUIRED TO APPROPRIATE IN THE PREVIOUS YEAR.

(II) FOR PURPOSES OF THE ADJUSTMENT REQUIRED UNDER PARAGRAPH (1)(II)2 OF THIS SUBSECTION, A COUNTY THAT DEDICATES TO PUBLIC SCHOOL CONSTRUCTION ANY ADDITIONAL STATE FUNDS RECEIVED FROM RECURRING RETIREE HEALTH COSTS SHIFTED TO THE COUNTY BOARD MAY EXCLUDE THOSE RETIREE HEALTH COSTS FROM THE HIGHEST LOCAL APPROPRIATION ON A PER PUPIL BASIS.

(4) The county board must present satisfactory evidence to the county government that any appropriation under paragraph [(3)(i)] (3)(I)1 of this subsection is used only for the purpose designated by the county government in its request for approval.

(5) Any appropriation that is not excluded under paragraph [(3)(i)] (3)(I)1 of this subsection as a qualifying nonrecurring cost shall be included in calculating the county's highest local appropriation to its school operating budget.

(6) Qualifying nonrecurring costs, as defined in regulations adopted by the State Board, shall include but are not limited to:

- (i) Computer laboratories;
- (ii) Technology enhancement;
- (iii) New instructional program start-up costs; and
- (iv) Books other than classroom textbooks.

SECTION 3. AND BE IT FURTHER ENACTED, That Section(s) 9–120.1 of Article – State Government of the Annotated Code of Maryland be repealed.

SECTION 4. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that, as a part of the normal Public School Construction Program (PSCP) allocation, the Interagency Committee on School Construction consider the projects funded under this Act along with the ongoing capital needs in making annual PSCP allocations for the Baltimore City Public School System.

SECTION 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, 2014, the effective date of Chapter 6, § 3 of the Acts of the General Assembly of 2012. If the effective date of Chapter 6, § 3 is amended, Section 2 of this Act shall take effect on the taking effect of Chapter 6, § 3.

SECTION ~~5~~ 6. AND BE IT FURTHER ENACTED, That, except as provided in Section ~~2~~ 5 of this Act, this Act shall take effect July 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 648

(House Bill 895)

AN ACT concerning

Education – Howard County Library System – Collective Bargaining

Ho. Co. 3–13

FOR the purpose of authorizing employees of the Howard County Library System to form, join, and participate in an employee organization and engage in certain other activities related to collective bargaining; authorizing an employee to refrain from certain activities; specifying the responsibilities of the library system and the certified exclusive representative; specifying the collective bargaining units and the composition of the units; requiring that a certain employee organization submit a certain petition to the Director of the Howard County Library System; prohibiting a certain employee organization from

discriminating with regard to terms or conditions of membership because of certain characteristics; requiring that a certain petition be submitted to the State Mediation and Conciliation Service for certain purposes; authorizing the library system or a certain employee organization to submit a certain request to the State Mediation and Conciliation Service for certain purposes; requiring that the library system and the employee organization or certified exclusive representative share equally certain costs; requiring the library system to recognize certain rights of the certified exclusive representative; requiring the certified exclusive representative to represent employees in a certain manner; requiring the library system and the certified exclusive representative to enter into a collective bargaining agreement that contains provisions regarding certain matters; requiring the library system to make certain payroll deductions under certain circumstances; requiring that certain dues be remitted to the certified exclusive representative; prohibiting certain grievance procedures from allowing an arbitrator to alter the terms of the collective bargaining agreement; specifying when a collective bargaining agreement is effective and when it expires; requiring the library system and the certified representative to reach an agreement by a certain date except under certain circumstances; specifying the procedures to be followed if an impasse is reached in the collective bargaining negotiations; requiring the library system to submit certain terms of the collective bargaining agreement to the Board of Library Trustees for Howard County for its acceptance or rejection; requiring the Board to take certain action regarding the terms submitted to it for review; requiring the library system and the certified exclusive representative to take certain action if the Board rejects a term; requiring the Board to take certain action if it accepts a term; authorizing the Howard County Executive and Howard County Council to take certain action regarding certain requests submitted to them for approval; requiring the Howard County Executive to take certain action if the Howard County Executive accepts a certain request; requiring the library system and the certified exclusive representative to take certain action if the County Executive or County Council reject a certain request; providing that the library system retains certain rights and responsibilities under certain circumstances; providing for the decertification of the certified exclusive representative under certain circumstances; prohibiting the library system and an employee organization from taking certain actions regarding collective bargaining; prohibiting an employee or an employee organization from engaging in, inducing, initiating, or ratifying a strike; authorizing a court of competent jurisdiction to enjoin a strike under certain circumstances; prohibiting an employee from receiving compensation from the library system under certain circumstances; authorizing the library system to take certain action against an employee or an employee organization for violating a certain provision of this Act; providing that this Act and a collective bargaining agreement entered into under this Act supersede certain provisions of law under certain circumstances; providing for the construction of a certain provision of this Act; defining certain terms; and generally relating to collective bargaining for employees of the Howard County Library System.

BY adding to

Article – Education

Section 23–601 through 23–614 to be under the new subtitle “Subtitle 6.

Howard County Library System – Collective Bargaining”

Annotated Code of Maryland

(2008 Replacement Volume and 2012 Supplement)

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

Article – Education

SUBTITLE 6. HOWARD COUNTY LIBRARY SYSTEM – COLLECTIVE BARGAINING.

23–601.

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

(B) “BOARD” MEANS THE BOARD OF LIBRARY TRUSTEES FOR HOWARD COUNTY.

(C) “CERTIFIED EXCLUSIVE REPRESENTATIVE” MEANS THE EMPLOYEE ORGANIZATION THAT HAS BEEN CERTIFIED AS THE COLLECTIVE BARGAINING AGENT FOR A BARGAINING UNIT.

(D) “COUNTY COUNCIL” MEANS THE HOWARD COUNTY COUNCIL.

(E) “COUNTY EXECUTIVE” MEANS THE HOWARD COUNTY EXECUTIVE.

(F) “DIRECTOR” MEANS THE PRESIDENT AND CHIEF EXECUTIVE OFFICER OF THE HOWARD COUNTY LIBRARY SYSTEM, OR THE PRESIDENT AND CHIEF EXECUTIVE OFFICER’S DESIGNEE.

(G) “EMPLOYEE” MEANS A FULL–TIME LIBRARY STAFF MEMBER WHO RECEIVES EMPLOYMENT BENEFITS.

(H) “EMPLOYEE ORGANIZATION” MEANS AN ORGANIZATION THAT INCLUDES EMPLOYEES OF THE EMPLOYER AND HAS AS A PRIMARY PURPOSE THE REPRESENTATION OF THE EMPLOYEES IN THEIR RELATIONS WITH THE EMPLOYER.

(I) “EMPLOYER” MEANS THE HOWARD COUNTY LIBRARY SYSTEM.

23-602.**EMPLOYEES OF THE EMPLOYER MAY:**

- (1) FORM, JOIN, AND PARTICIPATE IN AN EMPLOYEE ORGANIZATION;**
- (2) BARGAIN COLLECTIVELY THROUGH A CERTIFIED EXCLUSIVE REPRESENTATIVE OF THEIR CHOICE;**
- (3) ENGAGE IN LAWFUL CONCERTED ACTIVITIES FOR THEIR MUTUAL AID AND PROTECTION; AND**
- (4) REFRAIN FROM ANY ACTIVITY COVERED UNDER ITEMS (1) THROUGH (3) OF THIS SECTION.**

23-603.

- (A) THE EMPLOYER AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE HAVE A RESPONSIBILITY TO ENGAGE IN GOOD FAITH BARGAINING OVER MATTERS REQUIRED BY LAW.**
- (B) THE EMPLOYER AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE JOINTLY SHALL BE RESPONSIBLE FOR FOSTERING A POSITIVE LABOR RELATIONS ENVIRONMENT BASED ON MUTUAL TRUST, RESPECT, COMMUNICATION, AND COOPERATION.**
- (C) THE GOAL OF COLLECTIVE BARGAINING IS THE DELIVERY OF QUALITY PUBLIC SERVICES TO THE RESIDENTS OF THE STATE IN A MANNER THAT IS CONSISTENT AND COMPLIANT WITH LAW.**

23-604.

- (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**
- (2) "CONFIDENTIAL EMPLOYEE" MEANS AN EMPLOYEE WHO, AS A FUNCTIONAL RESPONSIBILITY, ACTS IN A CONFIDENTIAL CAPACITY TO ASSIST HOWARD COUNTY LIBRARY SYSTEM OFFICIALS WHO FORMULATE, DETERMINE, AND EFFECTUATE POLICIES IN THE FIELD OF EMPLOYEE RELATIONS.**
- (3) "MANAGEMENT EMPLOYEE" MEANS AN EMPLOYEE WHO, IN THE INTEREST OF THE EMPLOYER, HAS:**

(I) THE AUTHORITY TO HIRE, TRANSFER, SUSPEND, LAY OFF, RECALL, PROMOTE, DISCHARGE, ASSIGN, REWARD, OR DISCIPLINE OTHER EMPLOYEES;

(II) THE RESPONSIBILITY TO DIRECT OTHER EMPLOYEES;

(III) THE AUTHORITY TO ADDRESS THE EMPLOYEE GRIEVANCES; OR

(IV) THE AUTHORITY TO RECOMMEND AN ACTION REGARDING AN EMPLOYEE IN CONNECTION WITH THE EXERCISE OF THE AUTHORITY LISTED IN ITEMS (I) THROUGH (III) OF THIS PARAGRAPH IF THE EXERCISE OF THE AUTHORITY IS NOT MERELY ROUTINE OR CLERICAL IN NATURE, BUT REQUIRES THE USE OF INDEPENDENT JUDGMENT.

(B) THERE ARE A PROFESSIONAL AND TECHNICAL UNIT AND A SERVICE AND LABOR UNIT FOR COLLECTIVE BARGAINING PURPOSES.

(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE PROFESSIONAL AND TECHNICAL UNIT INCLUDES:

(I) PROFESSIONAL CLASSIFICATION TITLES UNDER WHICH EMPLOYEES HAVE SPECIAL OR THEORETICAL KNOWLEDGE THAT USUALLY IS ACQUIRED THROUGH COLLEGE TRAINING, OTHER TRAINING THAT PROVIDES COMPARABLE KNOWLEDGE, OR WORK EXPERIENCE;

(II) PARAPROFESSIONAL CLASSIFICATION TITLES UNDER WHICH EMPLOYEES PERFORM, IN A SUPPORTIVE ROLE, SOME OF THE DUTIES OF A PROFESSIONAL OR TECHNICIAN BUT THAT USUALLY REQUIRE LESS FORMAL TRAINING OR EXPERIENCE THAN THOSE DUTIES PERFORMED BY THOSE WITH PROFESSIONAL OR TECHNICAL CLASSIFICATION TITLES; AND

(III) TECHNICAL CLASSIFICATION TITLES UNDER WHICH EMPLOYEES HAVE BASIC TECHNICAL KNOWLEDGE AND MANUAL SKILLS THAT ARE USUALLY ACQUIRED THROUGH SPECIALIZED POSTSECONDARY SCHOOL EDUCATION OR THROUGH EQUIVALENT ON-THE-JOB TRAINING.

(2) THE PROFESSIONAL AND TECHNICAL UNIT DOES NOT INCLUDE MANAGEMENT EMPLOYEES OR CONFIDENTIAL EMPLOYEES.

(D) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE SERVICE AND LABOR UNIT INCLUDES CLASSIFICATION TITLES

UNDER WHICH EMPLOYEES PERFORM SERVICE AND MAINTENANCE, MAY OPERATE SPECIALIZED MACHINERY OR HEAVY EQUIPMENT, AND CONTRIBUTE TO THE COMFORT AND CONVENIENCE OF THE PUBLIC OR TO THE UPKEEP AND CARE OF THE EMPLOYER'S BUILDINGS, FACILITIES, AND GROUNDS.

(2) THE SERVICE AND LABOR UNIT DOES NOT INCLUDE MANAGEMENT EMPLOYEES OR CONFIDENTIAL EMPLOYEES.

(E) WHEN DETERMINING WHETHER AN EMPLOYEE IS A MANAGEMENT EMPLOYEE FOR THE PURPOSES OF EXCLUDING THE EMPLOYEE FROM A BARGAINING UNIT UNDER SUBSECTION (C)(2) OR SUBSECTION (D)(2) OF THIS SECTION:

(1) THE EXERCISE OF ANY SINGLE FUNCTION LISTED IN SUBSECTION (A)(3) OF THIS SECTION DOES NOT NECESSARILY REQUIRE THE CONCLUSION THAT THE EMPLOYEE IS A MANAGEMENT EMPLOYEE;

(2) JOB TITLES MAY NOT BE THE EXCLUSIVE BASIS FOR CONCLUDING THAT THE EMPLOYEE IS A MANAGEMENT EMPLOYEE; AND

(3) THE NATURE OF THE EMPLOYEE'S WORK, INCLUDING WHETHER OR NOT A MAJOR PORTION OF THE WORKING TIME OF THE EMPLOYEE IS SPENT AS PART OF A TEAM WITH NONMANAGEMENT EMPLOYEES, MUST BE CONSIDERED.

23-605.

(A) (1) AN EMPLOYEE ORGANIZATION THAT IS SEEKING CERTIFICATION AS THE EXCLUSIVE REPRESENTATIVE OF A BARGAINING UNIT SHALL SUBMIT A PETITION TO THE DIRECTOR THAT INCLUDES THE SIGNATURES OF AT LEAST 30% OF THE ELIGIBLE EMPLOYEES IN THE BARGAINING UNIT INDICATING THE WISH TO BE REPRESENTED EXCLUSIVELY BY THE EMPLOYEE ORGANIZATION SPECIFIED IN THE PETITION FOR THE PURPOSE OF COLLECTIVE BARGAINING.

(2) AN EMPLOYEE ORGANIZATION THAT SUBMITS A PETITION TO THE DIRECTOR UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY NOT DISCRIMINATE WITH REGARD TO TERMS OR CONDITIONS OF MEMBERSHIP BECAUSE OF GENDER, COLOR, CREED, RACE, NATIONAL ORIGIN, RELIGION, SEXUAL PREFERENCE, GENDER IDENTITY, OR POLITICAL AFFILIATION.

(B) IF THE DIRECTOR DOES NOT CHALLENGE THE VALIDITY OF THE PETITION WITHIN 30 DAYS AFTER THE DIRECTOR RECEIVES THE PETITION, THE

PETITION SHALL BE SUBMITTED TO THE STATE MEDIATION AND CONCILIATION SERVICE FOR THE PURPOSE OF HOLDING A CONSENT ELECTION AND CERTIFICATION OF THE EMPLOYEE ORGANIZATION IN ACCORDANCE WITH TITLE 4, SUBTITLE 2, PART II OF THE LABOR AND EMPLOYMENT ARTICLE.

(C) IF THE DIRECTOR CHALLENGES THE VALIDITY OF THE PETITION, EITHER THE EMPLOYER OR THE EMPLOYEE ORGANIZATION MAY SUBMIT A REQUEST TO THE STATE MEDIATION AND CONCILIATION SERVICE TO DETERMINE THE VALIDITY OF THE PETITION AND WHETHER TO CONDUCT A CONSENT ELECTION AND CERTIFY THE EMPLOYEE ORGANIZATION IN ACCORDANCE WITH TITLE 4, SUBTITLE 2, PART II OF THE LABOR AND EMPLOYMENT ARTICLE.

(D) ANY COSTS ASSOCIATED WITH THIS SECTION SHALL BE SHARED EQUALLY BY THE EMPLOYER AND THE EMPLOYEE ORGANIZATION SPECIFIED IN THE PETITION.

23-606.

(A) THE EMPLOYER SHALL RECOGNIZE THE RIGHT OF THE CERTIFIED EXCLUSIVE REPRESENTATIVE TO REPRESENT THE EMPLOYEES IN THE UNIT IN COLLECTIVE BARGAINING AND IN THE SETTLEMENT OF GRIEVANCES.

(B) THE CERTIFIED EXCLUSIVE REPRESENTATIVE OF A UNIT SHALL:

(1) SERVE AS THE SOLE AGENT FOR THE UNIT IN COLLECTIVE BARGAINING; AND

(2) REPRESENT ALL EMPLOYEES IN THE UNIT FAIRLY, WITHOUT DISCRIMINATION, AND WITHOUT REGARD TO WHETHER THE EMPLOYEE IS A MEMBER OF THE EMPLOYEE ORGANIZATION.

(C) THE CERTIFIED EXCLUSIVE REPRESENTATIVE MEETS THE REQUIREMENT OF SUBSECTION (B)(2) OF THIS SECTION IF ITS ACTIONS WITH RESPECT TO EMPLOYEES IN THE UNIT ARE NOT ARBITRARY, DISCRIMINATORY, OR IN BAD FAITH.

23-607.

(A) IF AN EXCLUSIVE REPRESENTATIVE IS CERTIFIED UNDER § 23-605 OF THIS SUBTITLE, THE EMPLOYER AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE SHALL ENTER INTO A COLLECTIVE BARGAINING AGREEMENT THAT CONTAINS PROVISIONS REGARDING:

(1) WAGE, HOURS, AND TERMS AND CONDITIONS OF EMPLOYMENT;

(2) THE ORDERLY PROCESSING AND SETTLEMENT OF GRIEVANCES REGARDING THE INTERPRETATION AND IMPLEMENTATION OF THE COLLECTIVE BARGAINING AGREEMENT, WHICH MAY INCLUDE:

(I) BINDING ARBITRATION; AND

(II) PROVISIONS FOR THE EXCLUSIVITY OF FORUM; AND

(3) THE TIME FOR SUBMISSION OF ITEMS TO THE COUNTY EXECUTIVE UNDER § 23-609(E)(1) OF THIS SUBTITLE.

(B) (1) THE EMPLOYER AUTOMATICALLY SHALL DEDUCT FROM THE PAYCHECK OF AN EMPLOYEE WHO IS A MEMBER OF THE CERTIFIED EXCLUSIVE REPRESENTATIVE DUES AUTHORIZED AND OWED BY THE EMPLOYEE TO THE CERTIFIED EXCLUSIVE REPRESENTATIVE IF THE EMPLOYEE SUBMITS TO THE EMPLOYER A DUES DEDUCTION AUTHORIZATION CARD THAT HAS BEEN DULY EXECUTED BY THE EMPLOYEE.

(2) ANY DUES DEDUCTED FROM PAYCHECKS UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE REMITTED TO THE CERTIFIED EXCLUSIVE REPRESENTATIVE.

(3) THE EMPLOYER AUTOMATICALLY SHALL STOP MAKING PAYROLL DEDUCTIONS UNDER PARAGRAPH (1) OF THIS SUBSECTION ON BEHALF OF A CERTIFIED EXCLUSIVE REPRESENTATIVE IF:

(I) THE CERTIFIED EXCLUSIVE REPRESENTATIVE IS DECERTIFIED UNDER § 23-611 OR § 23-613 OF THIS SUBTITLE;

(II) THE CERTIFIED EXCLUSIVE REPRESENTATIVE'S RIGHT TO DUES IS REVOKED UNDER § 23-613 OF THIS SUBTITLE; OR

(III) THE EMPLOYEE CEASES TO BE A MEMBER OF THE BARGAINING UNIT REPRESENTED BY THE CERTIFIED EXCLUSIVE REPRESENTATIVE.

(C) THE GRIEVANCE PROCEDURES INCLUDED IN THE COLLECTIVE BARGAINING AGREEMENT UNDER SUBSECTION (A)(2) OF THIS SECTION MAY

NOT ALLOW AN ARBITRATOR TO ALTER THE TERMS OF THE COLLECTIVE BARGAINING AGREEMENT.

(D) NOTHING IN THIS SECTION MAY BE CONSTRUED TO:

(1) AUTHORIZE OR OTHERWISE ALLOW AN EMPLOYEE TO ENGAGE IN A STRIKE AS DEFINED IN § 3-303 OF THE STATE PERSONNEL AND PENSIONS ARTICLE; OR

(2) RESTRICT THE AUTHORITY OF THE COUNTY EXECUTIVE OR THE COUNTY COUNCIL TO DETERMINE THE BUDGET OF THE EMPLOYER.

(E) (1) A COLLECTIVE BARGAINING AGREEMENT ENTERED INTO UNDER SUBSECTION (A) OF THIS SECTION SHALL BE EFFECTIVE ON RATIFICATION BY THE MAJORITY OF VOTES CAST BY THE EMPLOYEES IN THE BARGAINING UNIT AND APPROVAL BY THE DIRECTOR.

(2) A SINGLE YEAR OR MULTIYEAR COLLECTIVE BARGAINING AGREEMENT SHALL EXPIRE AT THE CLOSE OF HOWARD COUNTY'S FISCAL YEAR.

23-608.

(A) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE EMPLOYER AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE SHALL REACH AN AGREEMENT BY MARCH 1 OF THE YEAR A COLLECTIVE BARGAINING AGREEMENT WILL EXPIRE.

(2) THE EMPLOYER AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE MUTUALLY MAY AGREE TO EXTEND NEGOTIATIONS FOR A PERIOD NOT TO EXTEND PAST JUNE 30 OF THE YEAR A COLLECTIVE BARGAINING AGREEMENT WILL EXPIRE.

(B) AN IMPASSE IS REACHED DURING THE NEGOTIATIONS BETWEEN THE EMPLOYER AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE IF THE EMPLOYER AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE DO NOT REACH AN AGREEMENT BY:

(1) MARCH 1 OF THE YEAR A COLLECTIVE BARGAINING AGREEMENT WILL EXPIRE; OR

(2) THE DATE TO WHICH NEGOTIATIONS WERE EXTENDED UNDER SUBSECTION (A)(2) OF THIS SECTION.

(C) (1) IF AN IMPASSE IS REACHED UNDER SUBSECTION (B) OF THIS SECTION, THE EMPLOYER AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE SHALL SUBMIT A FINAL OFFER TO THE OTHER PARTY WITHIN 24 HOURS OF THE IMPASSE BEING REACHED.

(2) UNLESS THE IMPASSE REACHED UNDER SUBSECTION (B) OF THIS SECTION HAS BEEN RESOLVED, THE DISPUTE AND THE FINAL OFFERS SHALL BE SUBMITTED TO THE FEDERAL MEDIATION AND CONCILIATION SERVICE WITHIN 5 DAYS AFTER THE IMPASSE IS REACHED.

(D) (1) WITHIN 30 DAYS AFTER THE DISPUTE IS SUBMITTED TO THE FEDERAL MEDIATION AND CONCILIATION SERVICE UNDER SUBSECTION (C)(2) OF THIS SECTION, A MEDIATOR APPOINTED BY THE FEDERAL MEDIATION AND CONCILIATION SERVICE SHALL:

(I) MEET WITH THE DIRECTOR AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE; AND

(II) MAKE WRITTEN FINDINGS OF FACT AND RECOMMENDATIONS FOR THE RESOLUTION OF THE DISPUTE.

(2) COPIES OF THE MEDIATOR'S WRITTEN FINDINGS AND RECOMMENDATIONS SHALL BE SUBMITTED TO THE DIRECTOR AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE.

(3) ANY COSTS ASSOCIATED WITH THIS SUBSECTION SHALL BE SHARED EQUALLY BY THE EMPLOYER AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE.

(E) (1) THE DIRECTOR AND CERTIFIED EXCLUSIVE REPRESENTATIVE SHALL MEET WITHIN 5 DAYS AFTER THE CONCLUSION OF MEDIATION HELD UNDER SUBSECTION (D) OF THIS SECTION TO REACH A VOLUNTARY RESOLUTION OF THE DISPUTE.

(2) IF THE DIRECTOR AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE DO NOT REACH A VOLUNTARY RESOLUTION OF THE DISPUTE UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE DIRECTOR SHALL SUBMIT TO THE BOARD:

(I) THE FINAL OFFER OF THE DIRECTOR;

(II) THE FINAL OFFER OF THE CERTIFIED EXCLUSIVE REPRESENTATIVE; AND

(III) THE WRITTEN FINDINGS AND RECOMMENDATIONS OF THE MEDIATOR.

(3) THE BOARD MAY:

(I) SELECT ONE OF THE PROPOSALS SUBMITTED UNDER PARAGRAPH (2) OF THIS SUBSECTION; OR

(II) REJECT ALL PROPOSALS SUBMITTED UNDER PARAGRAPH (2) OF THIS SUBSECTION AND REQUIRE THE DISPUTE TO BE SUBMITTED FOR MEDIATION IN ACCORDANCE WITH THIS SECTION.

23-609.

(A) THE EMPLOYER SHALL SUBMIT TO THE BOARD A TERM OF A COLLECTIVE BARGAINING AGREEMENT ENTERED INTO UNDER § 23-607 OF THIS SUBTITLE IF THE TERM:

(1) REQUIRES AN APPROPRIATION OF FUNDS; OR

(2) HAS OR MAY HAVE A FISCAL IMPACT ON THE EMPLOYER.

(B) THE EMPLOYER SHALL MAKE A GOOD FAITH EFFORT TO HAVE THE BOARD APPROVE ALL TERMS OF A COLLECTIVE BARGAINING AGREEMENT THAT THE EMPLOYER IS REQUIRED TO SUBMIT TO THE BOARD FOR REVIEW.

(C) (1) THE BOARD SHALL STATE IN WRITING WHETHER IT WILL REQUEST THAT THE COUNTY EXECUTIVE APPROPRIATE FUNDS FOR OR OTHERWISE IMPLEMENT THE ITEMS THAT REQUIRE BOARD REVIEW:

(I) ON OR BEFORE MAY 1 OF THE YEAR IN WHICH A COLLECTIVE BARGAINING AGREEMENT WILL EXPIRE; OR

(II) WITHIN 30 DAYS OF RECEIVING THE TERMS SUBMITTED FOR REVIEW UNDER SUBSECTION (A) OF THIS SECTION IF NEGOTIATIONS ARE EXTENDED BEYOND MAY 1 UNDER § 23-608(A)(2) OF THIS SUBTITLE.

(2) IF THE BOARD INTENDS NOT TO REQUEST AN APPROPRIATION OF FUNDS FOR OR OTHERWISE IMPLEMENT A TERM, OR PART OF A TERM, THE BOARD SHALL INCLUDE THE REASON FOR THE REJECTION IN THE WRITTEN STATEMENT REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(D) (1) IF THE BOARD REJECTS A TERM SUBMITTED FOR BOARD REVIEW, THE EMPLOYER AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE SHALL:

(I) MEET AS SOON AS POSSIBLE TO NEGOTIATE AN AGREEMENT ACCEPTABLE TO THE BOARD; AND

(II) SUBMIT TO THE BOARD THE RESULTS OF THE NEGOTIATION ON OR BEFORE MAY 15 OF THE YEAR IN WHICH A COLLECTIVE BARGAINING AGREEMENT WILL EXPIRE.

(2) THE BOARD SHALL CONSIDER THE AGREEMENT SUBMITTED UNDER PARAGRAPH (1) OF THIS SUBSECTION AND ISSUE A STATEMENT AS REQUIRED UNDER SUBSECTION (C) OF THIS SECTION REGARDING THE NEW TERM.

(3) IF THE EMPLOYER OR THE CERTIFIED EXCLUSIVE REPRESENTATIVE DECLARE THAT AN IMPASSE EXISTS, THE DISPUTE SHALL BE SUBMITTED FOR MEDIATION IN ACCORDANCE WITH § 23-608 OF THIS SUBTITLE.

(E) (1) (I) IF THE BOARD ACCEPTS A TERM SUBMITTED FOR BOARD REVIEW THAT REQUIRES ADDITIONAL FUNDING, THE BOARD SHALL SUBMIT A REQUEST TO THE COUNTY EXECUTIVE WITHIN THE TIME PERIOD PROVIDED IN THE COLLECTIVE BARGAINING AGREEMENT.

(II) THE COUNTY EXECUTIVE MAY APPROVE OR REJECT A REQUEST FOR ADDITIONAL FUNDING, IN WHOLE OR IN PART.

(III) IF THE COUNTY EXECUTIVE APPROVES A REQUEST UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE COUNTY EXECUTIVE SHALL SUBMIT THE REQUEST TO THE COUNTY COUNCIL.

(2) THE COUNTY COUNCIL MAY APPROVE OR REJECT A REQUEST FOR ADDITIONAL FUNDING, IN WHOLE OR IN PART.

(3) (I) IF ANY PART OF A REQUEST FOR ADDITIONAL FUNDING SUBMITTED TO THE COUNTY EXECUTIVE OR COUNTY COUNCIL UNDER THIS SUBSECTION IS REJECTED, THE ENTIRE COLLECTIVE BARGAINING AGREEMENT SHALL BE RETURNED TO THE EMPLOYER AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE FOR RENEGOTIATION WITHIN THE LIMITS OF THE FUNDING ALLOCATED BY THE COUNTY EXECUTIVE AND COUNTY COUNCIL.

(II) THE RENEGOTIATION SHALL BE COMPLETED WITHIN A TIMETABLE ESTABLISHED BY THE COUNTY EXECUTIVE.

(III) 1. IF AN IMPASSE IS REACHED, THE EMPLOYER AND THE CERTIFIED EXCLUSIVE REPRESENTATIVE SHALL SUBMIT A FINAL OFFER, WITHIN THE LIMITS OF THE FUNDING ALLOCATED BY THE COUNTY EXECUTIVE AND COUNTY COUNCIL, FOR THE REVIEW OF THE COUNTY EXECUTIVE.

2. THE COUNTY EXECUTIVE SHALL SELECT ONE OF THE OFFERS SUBMITTED UNDER SUBPARAGRAPH 1 OF THIS PARAGRAPH.

3. THE SELECTION OF THE COUNTY EXECUTIVE IS BINDING.

23-610.

(A) (1) EXCEPT WHERE ABRIDGED BY AN EXPRESS PROVISION OF A COLLECTIVE BARGAINING AGREEMENT, THE EMPLOYER SHALL RETAIN THE EXCLUSIVE RIGHT AND AUTHORITY, AT ITS DISCRETION, TO MAINTAIN THE ORDER AND EFFICIENCY OF THE PUBLIC SERVICE ENTRUSTED TO IT AND TO OPERATE AND MANAGE THE AFFAIRS OF THE EMPLOYER IN ALL ASPECTS, INCLUDING ALL RIGHTS AND AUTHORITY HELD BY THE EMPLOYER BEFORE ENTERING INTO A COLLECTIVE BARGAINING AGREEMENT UNDER § 23-607 OF THIS SUBTITLE.

(2) THE RIGHTS AND AUTHORITY RETAINED BY THE EMPLOYER UNDER PARAGRAPH (1) OF THIS SUBSECTION INCLUDE THOSE PROVIDED BY STATE OR LOCAL LAW.

(B) SPECIFIC RIGHTS AND RESPONSIBILITIES RETAINED BY THE EMPLOYER UNDER SUBSECTION (A) OF THIS SECTION INCLUDE THE RIGHT AND RESPONSIBILITY TO:

(1) DETERMINE THE PURPOSES AND OBJECTIVES OF EACH OF THE EMPLOYER'S OFFICES AND DEPARTMENTS;

(2) SET STANDARDS OF SERVICES TO BE OFFERED TO THE PUBLIC;

(3) DETERMINE THE METHODS, MEANS, PERSONNEL, BUDGET, AND OTHER RESOURCES BY WHICH THE EMPLOYER'S OPERATIONS ARE TO BE CONDUCTED;

(4) EXERCISE CONTROL AND DISCRETION OVER THE EMPLOYER'S ORGANIZATION AND OPERATIONS;

(5) DIRECT ITS EMPLOYEES;

(6) HIRE, PROMOTE, TRANSFER, ASSIGN, OR RETAIN EMPLOYEES;

(7) ESTABLISH WORK RULES;

(8) DEMOTE, SUSPEND, DISCHARGE, OR TAKE ANY OTHER APPROPRIATE DISCIPLINARY ACTION AGAINST ITS EMPLOYEES FOR JUST CAUSE IN ACCORDANCE WITH APPLICABLE LAWS;

(9) RELIEVE EMPLOYEES FROM DUTY BECAUSE OF LACK OF WORK OR OTHER LEGITIMATE REASONS;

(10) DETERMINE:

(I) THE MISSION, BUDGET, ORGANIZATION, AND NUMBER OF EMPLOYEES OF THE EMPLOYER;

(II) THE NUMBER, TYPE, AND GRADE OF EMPLOYEES ASSIGNED;

(III) THE WORK PROJECT, TOUR OF DUTY, AND METHODS AND PROCESSES BY WHICH THE WORK HAS TO BE PERFORMED;

(IV) THE TECHNOLOGY NEEDED BY THE EMPLOYER;

(V) THE INTERNAL SECURITY PRACTICES OF THE EMPLOYER; AND

(VI) THE RELOCATION OF FACILITIES NEEDED BY THE EMPLOYER;

(11) DETERMINE THE QUALIFICATIONS OF EMPLOYEES FOR APPOINTMENT, PROMOTION, AND STEP INCREASES AND TO SET STANDARDS OF PERFORMANCE, APPEARANCE, AND CONDUCT OF EMPLOYEES;

(12) JUDGE SKILL, ABILITY, AND PHYSICAL FITNESS OF EMPLOYEES AND TO CREATE, ELIMINATE, OR CONSOLIDATE JOB CLASSIFICATIONS, DEPARTMENTS, OR OPERATIONS OF THE EMPLOYEE;

(13) CONTROL AND REGULATE THE USE OF ALL EQUIPMENT AND OTHER PROPERTY OF THE EMPLOYER;

(14) SET AND CHANGE WORK HOURS;

(15) CREATE, ALTER, COMBINE, CONTRACT OUT, OR ABOLISH ANY JOB CLASSIFICATION, DEPARTMENT, OPERATION, UNIT, OR OTHER DIVISION OR SERVICE OF THE EMPLOYER;

(16) SUSPEND, DISCHARGE, OR OTHERWISE DISCIPLINE EMPLOYEES FOR CAUSE, EXCEPT THAT ANY ACTION MAY BE SUBJECT TO THE GRIEVANCE PROCEDURE AGREED TO IN THE COLLECTIVE BARGAINING AGREEMENT;

(17) ISSUE AND ENFORCE RULES, POLICIES, AND REGULATIONS NECESSARY TO CARRY OUT THE PROVISIONS OF THIS SECTION AND OTHER MANAGERIAL FUNCTIONS; AND

(18) RECRUIT, RETAIN, ASSIGN, MANAGE, OR LIMIT THE ROLES OR RESPONSIBILITIES OF VOLUNTEERS AND DEVELOP GUIDELINES FOR VOLUNTEERS UNDER § 23-407 OF THE EDUCATION ARTICLE.

23-611.

AN EMPLOYEE ORGANIZATION SHALL BE DEEMED DECERTIFIED IF A PETITION IS SUBMITTED TO THE DIRECTOR THAT INCLUDES THE SIGNATURES OF MORE THAN 50% OF THE EMPLOYEES IN THE BARGAINING UNIT INDICATING THE WISH TO DECERTIFY THE EMPLOYEE ORGANIZATION AS THE EXCLUSIVE REPRESENTATIVE FOR COLLECTIVE BARGAINING PURPOSES.

23-612.

(A) THE EMPLOYER MAY NOT:

(1) INTERFERE WITH, COERCE, OR RESTRAIN AN EMPLOYEE IN THE EXERCISE OF ANY RIGHT GIVEN TO THE EMPLOYEE UNDER THIS SUBTITLE;

(2) INTERFERE WITH OR ASSIST IN THE FORMATION, ADMINISTRATION, OR EXISTENCE OF AN EMPLOYEE ORGANIZATION;

(3) PROVIDE FINANCIAL ASSISTANCE OR OTHER SUPPORT TO AN EMPLOYEE ORGANIZATION;

(4) ENCOURAGE OR DISCOURAGE MEMBERSHIP IN AN EMPLOYEE ORGANIZATION BY DISCRIMINATING AGAINST AN EMPLOYEE THROUGH HIRING, TENURE, PROMOTION, OR OTHER CONDITIONS OF EMPLOYMENT;

(5) DISCHARGE OR DISCRIMINATE AGAINST AN EMPLOYEE BECAUSE THE EMPLOYEE HAS SIGNED OR FILED AN AFFIDAVIT, A PETITION, OR A COMPLAINT OR HAS GIVEN ANY INFORMATION OR TESTIMONY IN A PROCEEDING HELD UNDER THIS SUBTITLE;

(6) REFUSE TO BARGAIN IN GOOD FAITH WITH AN EMPLOYEE ORGANIZATION THAT IS CERTIFIED AS THE EXCLUSIVE REPRESENTATIVE OF A BARGAINING UNIT OVER A SUBJECT OF BARGAINING; OR

(7) REFUSE TO PARTICIPATE IN GOOD FAITH IN THE MEDIATION, FACT-FINDING, OR GRIEVANCE PROCEDURE UNDER THIS SUBTITLE.

(B) AN EMPLOYEE ORGANIZATION OR ITS AGENT MAY NOT:

(1) INTERFERE WITH, RESTRAIN, OR COERCE AN EMPLOYEE IN THE EXERCISE BY THE EMPLOYEE OF ANY RIGHT GIVEN TO THE EMPLOYEE UNDER THIS SUBTITLE;

(2) CAUSE OR ATTEMPT TO CAUSE THE EMPLOYER TO DISCRIMINATE AGAINST AN EMPLOYEE IN THE EXERCISE BY THE EMPLOYEE OF ANY RIGHT GIVEN UNDER THIS SUBTITLE;

(3) COERCE, DISCIPLINE, FINE, OR ATTEMPT TO COERCE A MEMBER OF THE EMPLOYEE ORGANIZATION AS PUNISHMENT OR REPRISAL;

(4) COERCE, DISCIPLINE, FINE, OR ATTEMPT TO COERCE A MEMBER OF THE EMPLOYEE ORGANIZATION FOR THE PURPOSE OF IMPEDING THE MEMBER'S WORK PERFORMANCE;

(5) REFUSE TO NEGOTIATE IN GOOD FAITH WITH THE EMPLOYER AS REQUIRED BY THIS SUBTITLE; OR

(6) FAIL OR REFUSE TO COOPERATE IN IMPASSE PROCEDURES UNDER § 23-608 OF THIS SUBTITLE OR DECISIONS THAT RESULT FROM THOSE PROCEDURES.

23-613.

(A) IN THIS SECTION, “STRIKE” HAS THE MEANING STATED IN § 3-303 OF THE STATE PERSONNEL AND PENSIONS ARTICLE.

(B) AN EMPLOYEE OR AN EMPLOYEE ORGANIZATION MAY NOT ENGAGE IN, INDUCE, INITIATE, DIRECT, SUPPORT, OR RATIFY A STRIKE.

(C) IF A STRIKE OCCURS, ON REQUEST OF THE EMPLOYER, A COURT OF COMPETENT JURISDICTION MAY ENJOIN THE STRIKE.

(D) AN EMPLOYEE MAY NOT RECEIVE COMPENSATION FROM THE EMPLOYER WHILE THE EMPLOYEE IS ENGAGED IN A STRIKE.

(E) IF AN EMPLOYEE ORGANIZATION VIOLATES THIS SECTION, THE EMPLOYER MAY:

(1) IMPOSE DISCIPLINARY ACTION, INCLUDING DISMISSAL, ON EMPLOYEES ENGAGED IN THE PROHIBITED CONDUCT;

(2) REVOKE THE CERTIFICATION OF AND DISQUALIFY THE EMPLOYEE ORGANIZATION FROM REPRESENTING EMPLOYEES FOR A PERIOD NOT TO EXCEED 2 YEARS; OR

(3) REVOKE THE EMPLOYEE ORGANIZATION’S RIGHT TO DUES AND SERVICE FEES.

(F) THE EMPLOYER MAY NOT ENGAGE IN, INITIATE, OR DIRECT A LOCKOUT OF EMPLOYEES.

23-614.

EXCEPT AS OTHERWISE PROVIDED BY LAW, IF EMPLOYEES HAVE ENTERED INTO A COLLECTIVE BARGAINING AGREEMENT WITH THE EMPLOYER UNDER THIS SUBTITLE, THE COLLECTIVE BARGAINING AGREEMENT ENTERED INTO UNDER § 23-607 OF THIS SUBTITLE SUPERSEDES ANY CONFLICTING REGULATION OR ADMINISTRATIVE POLICY OF THE EMPLOYER.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 649**(House Bill 902)**

AN ACT concerning

State Police Retirement System – Reemployment of Retirees

FOR the purpose of clarifying the applicability of certain requirements for an offset from certain retirement allowances from the State Police Retirement System for certain individuals who accept employment with certain participating employers; extending a certain termination provision that applies to certain provisions that relate to the reemployment of retirees of the State Police Retirement System; ~~providing that a retiree of the State Police Retirement System who is reemployed by a participating governmental unit may receive certain service credit during the period of reemployment;~~ providing for the termination of certain provisions of this Act; and generally relating to the reemployment of retirees of the State Police Retirement System.

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section 24–405

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Chapter 644 of the Acts of the General Assembly of 2009

Section 3

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

Article – State Personnel and Pensions

24–405.

(a) Except as provided in § 24–405.1 of this subtitle and subject to subsections (b), (c), and (d) of this section, an individual who is receiving a service retirement allowance or vested allowance may accept employment with a participating employer **ON A CONTRACTUAL BASIS AS A POLICE EMPLOYEE, AS DEFINED IN § 2–101 OF THE PUBLIC SAFETY ARTICLE, AT A RANK OF TROOPER FIRST CLASS OR** on a temporary [or contractual] basis, if:

- (1) the employment is not in a regularly allocated position; and
- (2) the individual immediately notifies the Board of Trustees:

- (i) of the individual's intention to accept the employment; and
- (ii) of the compensation that the individual will receive.

(b) (1) **[The] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, THE** Board of Trustees shall reduce the allowance of an individual who accepts employment as provided under subsection (a) of this section if:

(i) the individual's current employer is any unit of State government; and

(ii) 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.

(2) (i) Subject to subparagraph (ii) of this paragraph, the reduction under paragraph (1) of this subsection shall equal 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.

(ii) 1. Any reduction taken to a retiree's allowance under this subsection may not exceed an amount that would reduce the retiree's allowance to less than what is required to be deducted for the retiree's monthly State-approved medical insurance premiums.

2. If a reduction for a calendar year taken under subparagraph 1 of this subparagraph is less than the reduction required under subparagraph (i) of this paragraph, the Board of Trustees shall recover from the retiree an amount equal to the reduction required under subparagraph (i) of this paragraph less the reduction taken under subparagraph 1 of this subparagraph.

(3) The reduction under paragraph (1) of this subsection does not apply to:

(i) an individual who has been retired for 5 years, beginning on January 1, after the date the individual retires;

(ii) an individual who participates in the Deferred Retirement Option Program established under § 24-401.1 of this subtitle; or

(iii) a retiree of the State Police Retirement System who is reemployed by the Department of State Police on a contractual basis as a police employee, as defined in § 2-101 of the Public Safety Article, at a rank of trooper first class.

(c) For purposes of this section, employment is not on a temporary basis if, in any 12-month period, an individual works:

- (1) full time for more than 6 months; or
- (2) part time for the equivalent of more than 6 months of full-time work.

(d) Prior to commencing reemployment under subsection (b)(3)(iii) of this section, a retiree shall terminate participation in the Deferred Retirement Option Program and receive any lump sum payment associated with the retiree's participation in the Deferred Retirement Option Program as provided under § 24-401.1(i) of this subtitle.

(e) (1) Subject to paragraph (2) of this subsection, a retiree reemployed under subsection (b)(3)(iii) of this section may not be reemployed for more than 4 years.

(2) A retiree reemployed under subsection (b)(3)(iii) of this section may not be reemployed after becoming 60 years old.

(f) ~~(1) THIS SUBSECTION DOES NOT APPLY TO AN INDIVIDUAL WHO:~~
~~(I) IS RECEIVING A SERVICE RETIREMENT ALLOWANCE OR A VESTED ALLOWANCE; AND~~
~~(II) IS REEMPLOYED BY A PARTICIPATING GOVERNMENTAL UNIT.~~

~~(2)~~ 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.

(g) 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.

(h) The State Retirement Agency shall institute appropriate reporting procedures with the affected payroll systems to ensure compliance with this section.

(i) (1) Immediately on the employment of a retiree who is rehired under subsection (b)(3)(iii) of this section, the Department of State Police 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, the Department of State Police 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.

(j) On or before September 1 of each year, the Secretary of State Police 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 (b)(3)(iii) 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 police employees hired who are not retirees; and

(4) the annual salary of each police employee who is hired.

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

Chapter 644 of the Acts of 2009

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2009. It shall remain effective for a period of [5] 9 years and, at the end of June 30, [2014] 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013. Section 1 of this Act shall remain effective until the taking effect of the termination provision specified in Section 3 of Chapter 644 of the Acts of the General Assembly of 2009. If that termination provision takes effect, Section 1 of this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 16, 2013.

Chapter 650

(House Bill 909)

AN ACT concerning

Criminal Procedure – Venue for Prosecution of Murder and Manslaughter

FOR the purpose of authorizing a prosecution of a person for a violation of certain provisions of law prohibiting murder and manslaughter to be brought in a certain county in which the body or parts of the body were found under certain circumstances; and generally relating to the venue for prosecution of murder and manslaughter.

BY repealing and reenacting, with amendments,
Article – Criminal Procedure
Section 4–201
Annotated Code of Maryland
(2008 Replacement Volume and 2012 Supplement)

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

Article – Criminal Procedure

4–201.

(a) In the District Court, a prosecution for a crime shall be brought in the district that includes the county where the crime was committed, and the trial shall be held in that county unless the case is lawfully removed.

(b) If a person is feloniously stricken or poisoned in a county and dies in another county of the same stroke or poison, a prosecution for the felony shall be brought in the county where the stroke or poison was given.

(c) A prosecution may be brought in the county in which the defendant is arrested or first brought if the prosecution is for:

- (1) a crime committed on the waters of the Chesapeake Bay and not in a county;
- (2) aiding, abetting, or comforting the perpetrator of such a crime; or
- (3) being an accessory to such a crime.

(d) If a person is feloniously stricken or poisoned on the waters of the Chesapeake Bay and not in a county, and dies of the same stroke or poison in a county, a prosecution for the felony, or for being an accessory to the felony, shall be brought in the county where the person died.

(e) If a person is feloniously stricken or poisoned in a county, and dies of the same stroke or poison on the waters of the Chesapeake Bay and not in a county, a prosecution for the felony, or for being an accessory to the felony, shall be brought in the county where the stroke or poison was given.

(f) (1) In this subsection, “common carrier” means a steamboat, railroad train, motor bus, airplane, or other means of intercity or interstate public transportation.

(2) Subject to paragraph (3) of this subsection, a prosecution for an indictable crime committed on a common carrier may be brought, and a District Court commissioner may hold the defendant to bail if the crime is bailable, in any county from, to, or through which the common carrier runs.

(3) If the accused is held to bail under this subsection by a District Court commissioner, prosecution for the crime shall be in the county where the defendant is held.

(g) (1) A prosecution for a crime may be brought in the county in which process for the arrest and prosecution of the defendant is first issued if:

(i) the crime was committed at the boundary between counties;
or

(ii) the boundary is so uncertain or the site of the crime is so near to the boundary that it is doubtful in which county the crime was committed.

(2) To establish the venue alleged in the charging document, the State need only prove that a set of facts in paragraph (1)(i) or (ii) of this subsection is true.

(h) Except as otherwise provided by law, a prosecution of a person for being an accessory after the fact to murder or other felony shall be brought in the county in which the person became an accessory.

(I) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, A PROSECUTION OF A PERSON FOR A VIOLATION OF ~~§ 2-103~~, § 2-201, § 2-204, OR § 2-207 OF THE CRIMINAL LAW ARTICLE MAY BE BROUGHT IN THE COUNTY IN WHICH THE CRIME OCCURRED OR, IF THE LOCATION OF THE CRIME CANNOT BE DETERMINED, IN THE COUNTY IN WHICH THE BODY OR PARTS OF THE BODY WERE FOUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

AN ACT concerning

Juvenile Law – Dispositions – Placement Guidance

FOR the purpose of prohibiting the juvenile court, except under certain circumstances, from committing a child who has committed a certain offense to the Department of Juvenile Services for out-of-home placement; providing for the construction of this Act; and generally relating to juvenile law.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 3–8A–19(d)
Annotated Code of Maryland
(2006 Replacement Volume and 2012 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

3–8A–19.

(d) (1) In making a disposition on a petition under this subtitle, the court may:

(i) Place the child on probation or under supervision in his own home or in the custody or under the guardianship of a relative or other fit person, upon terms the court deems appropriate, including community detention;

(ii) Subject to the provisions of [paragraph (2)] **PARAGRAPHS (2) AND (3)** of this subsection, commit the child to the custody or under the guardianship of the Department of Juvenile Services, the Department of Health and Mental Hygiene, or a public or licensed private agency on terms that the court considers appropriate to meet the priorities set forth in § 3–8A–02 of this subtitle, including designation of the type of facility where the child is to be accommodated, until custody or guardianship is terminated with approval of the court or as required under § 3–8A–24 of this subtitle; or

(iii) Order the child, parents, guardian, or custodian of the child to participate in rehabilitative services that are in the best interest of the child and the family.

(2) In addition to the provisions of paragraph (1) of this subsection, in making a disposition on a petition, the court may adopt a treatment service plan, as defined in § 3–8A–20.1 of this subtitle.

(3) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OR (III) OF THIS PARAGRAPH, A CHILD MAY NOT BE COMMITTED TO THE DEPARTMENT OF JUVENILE SERVICES FOR OUT-OF-HOME PLACEMENT IF THE MOST SERIOUS OFFENSE IS:

1. POSSESSION OF MARIJUANA UNDER § 5-601(C)(2)(II) OF THE CRIMINAL LAW ARTICLE;

2. POSSESSION OR PURCHASE OF A NONCONTROLLED SUBSTANCE UNDER § 5-618 OF THE CRIMINAL LAW ARTICLE;

3. DISTURBING THE PEACE OR DISORDERLY CONDUCT UNDER § 10-201 OF THE CRIMINAL LAW ARTICLE;

4. MALICIOUS DESTRUCTION OF PROPERTY UNDER § 6-301 OF THE CRIMINAL LAW ARTICLE;

5. AN OFFENSE INVOLVING INHALANTS UNDER § 5-708 OF THE CRIMINAL LAW ARTICLE;

6. AN OFFENSE INVOLVING PROSTITUTION UNDER § 11-306 OF THE CRIMINAL LAW ARTICLE;

7. THEFT UNDER § 7-104(G)(2) OR (3) OF THE CRIMINAL LAW ARTICLE; OR

8. TRESPASS UNDER § 6-402(B)(1) OR § 6-403(C)(1) OF THE CRIMINAL LAW ARTICLE.

(II) A CHILD WHOSE MOST SERIOUS OFFENSE IS AN OFFENSE LISTED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BE COMMITTED TO THE DEPARTMENT OF JUVENILE SERVICES FOR OUT-OF-HOME PLACEMENT IF:

1. THE CHILD PREVIOUSLY HAS BEEN ADJUDICATED DELINQUENT FOR THREE OR MORE OFFENSES ARISING FROM SEPARATE AND INDEPENDENT CIRCUMSTANCES;

2. THE CHILD WAIVES THE PROHIBITION DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH AND THE COURT ACCEPTS THE WAIVER AS KNOWING, INTELLIGENT, AND VOLUNTARY; OR

3. THE COURT MAKES A WRITTEN FINDING, ~~INCLUDING THE SPECIFIC FACTS SUPPORTING THE FINDING, THAT SUCH~~

~~PLACEMENT IS NECESSARY FOR THE SAFETY OF THE CHILD OR THE PROTECTION OF THE PUBLIC IN ACCORDANCE WITH SUBPARAGRAPH (III) OF THIS PARAGRAPH.~~

(III) A CHILD WHOSE MOST SERIOUS OFFENSE IS AN OFFENSE LISTED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BE COMMITTED TO THE DEPARTMENT OF JUVENILE SERVICES FOR OUT-OF-HOME PLACEMENT IF THE COURT MAKES A WRITTEN FINDING, INCLUDING THE SPECIFIC FACTS SUPPORTING THE FINDING, THAT:

~~1. A. THE PLACEMENT IS REQUIRED TO PROTECT THE CHILD OR PERSON AND PROPERTY OF OTHERS;~~

~~B. THE CHILD IS LIKELY TO LEAVE THE JURISDICTION OF THE COURT; OR~~

~~C. THERE IS NO PARENT, GUARDIAN, OR CUSTODIAN OR OTHER PERSON ABLE TO PROVIDE SUPERVISION AND CARE FOR THE CHILD AND RETURN THE CHILD TO THE COURT WHEN REQUIRED; AND~~

~~2. THE PLACEMENT IS REASONABLE UNDER THE CIRCUMSTANCES DUE TO AN ALLEGED EMERGENCY SITUATION AND IN ORDER TO PROVIDE FOR THE SAFETY OF THE CHILD THAT AN OUT-OF-HOME PLACEMENT IS NECESSARY FOR THE WELFARE OF THE CHILD OR IN THE INTEREST OF PUBLIC SAFETY.~~

~~(HH)~~ (IV) THIS PARAGRAPH MAY NOT BE CONSTRUED TO PROHIBIT THE COURT FROM COMMITTING THE CHILD TO ANOTHER APPROPRIATE AGENCY.

[(3)] (4) A child committed under paragraph (1)(ii) of this subsection may not be accommodated in a facility that has reached budgeted capacity if a bed is available in another comparable facility in the State, unless the placement to the facility that has reached budgeted capacity has been recommended by the Department of Juvenile Services.

[(4)] (5) The court shall consider any oral address made in accordance with § 11-403 of the Criminal Procedure Article or any victim impact statement, as described in § 11-402 of the Criminal Procedure Article, in determining an appropriate disposition on a petition.

[(5)] (6) (i) If the court finds that a child enrolled in a public elementary or secondary school is delinquent or in need of supervision and commits the child to the custody or under the guardianship of the Department of Juvenile Services, the court may notify the county superintendent, the supervisor of pupil

personnel, or any other official designated by the county superintendent of the fact that the child has been found to be delinquent or in need of supervision and has been committed to the custody or under the guardianship of the Department of Juvenile Services.

(ii) If the court rescinds the commitment order for a child enrolled in a public elementary or secondary school, the court may notify the county superintendent, the supervisor of pupil personnel, or any other official designated by the county superintendent of the fact that the child is no longer committed to the custody of the Department of Juvenile Services.

(iii) The notice authorized under subparagraphs (i) and (ii) of this paragraph may not include any order or pleading related to the delinquency or child in need of supervision case.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 652

(House Bill 921)

AN ACT concerning

Correctional Services – Inmate Earnings – Compensation for Victims of Crime

FOR the purpose of adding a requirement that the Department of Public Safety and Correctional Services pay compensation for victims of crime in accordance with certain provisions to a list of deductions that the Department is required to withhold from an inmate's earnings; requiring the Department to withhold a certain amount of the earnings of an inmate in a certain program for compensation for victims of crime; requiring the Department to allocate earnings that are withheld in a certain manner; requiring the Criminal Injuries Compensation Board to distribute certain amounts to a certain person or governmental unit; establishing that compliance with a judgment of restitution is a required condition of work release if work release is allowed; applying certain provisions relating to responsibility for the administration of payments of restitution to the Department instead of to the Division of Parole and Probation; requiring the Department to submit a certain report by a certain date; altering the purpose of the Criminal Injuries Compensation Fund to include distribution of certain restitution payments; and generally relating to compensation for victims of crime.

BY repealing and reenacting, with amendments,
Article – Correctional Services
Section 11–604
Annotated Code of Maryland
(2008 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article – Criminal Procedure
Section 11–607 and 11–819(b)
Annotated Code of Maryland
(2008 Replacement Volume and 2012 Supplement)

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

Article – Correctional Services

11–604.

- (a) The Department shall collect an inmate's earnings.
- (b) From an inmate's earnings, the Department shall:
 - (1) reimburse the county or State for the cost of providing food, lodging, and clothing to the inmate in a local correctional facility;
 - (2) pay court ordered payments for support of dependents; [and]
 - (3) pay court ordered payments for restitution; AND
 - (4) PAY COMPENSATION FOR VICTIMS OF CRIME IN ACCORDANCE WITH SUBSECTION (C) OF THIS SECTION.

(C) (1) OF THE EARNINGS OF AN INMATE IN THE PRIVATE SECTOR/PRISON INDUSTRY ENHANCEMENT CERTIFICATION PROGRAM OF THE UNITED STATES DEPARTMENT OF JUSTICE, BUREAU OF JUSTICE ASSISTANCE, THE DEPARTMENT SHALL WITHHOLD 20% FOR COMPENSATION FOR VICTIMS OF CRIME, IN ACCORDANCE WITH THE REQUIREMENTS OF THE PROGRAM.

(2) (I) IF A COURT IN A CRIMINAL OR JUVENILE DELINQUENCY PROCEEDING HAS ORDERED THE INMATE TO PAY RESTITUTION, THE DEPARTMENT SHALL FORWARD THE 20% WITHHELD UNDER PARAGRAPH (1) OF THIS SUBSECTION TO THE CRIMINAL INJURIES COMPENSATION FUND ESTABLISHED UNDER § 11–819 OF THE CRIMINAL PROCEDURE ARTICLE.

(II) THE CRIMINAL INJURIES COMPENSATION BOARD SHALL DISTRIBUTE FROM THE CRIMINAL INJURIES COMPENSATION FUND ANY AMOUNT RECEIVED UNDER THIS PARAGRAPH TO THE PERSON OR GOVERNMENTAL UNIT SPECIFIED IN THE JUDGMENT OF RESTITUTION TO PAY THE RESTITUTION AS REQUIRED UNDER § 11-607(B)(2) OF THE CRIMINAL PROCEDURE ARTICLE.

(3) IF THE INMATE IS NOT SUBJECT TO A JUDGMENT OF RESTITUTION OR THE JUDGMENT OF RESTITUTION IS SATISFIED, OF THE MONEY WITHHELD UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE DEPARTMENT SHALL PAY:

(I) 50% INTO THE CRIMINAL INJURIES COMPENSATION FUND ESTABLISHED UNDER § 11-819 OF THE CRIMINAL PROCEDURE ARTICLE; AND

(II) 50% INTO THE STATE VICTIMS OF CRIME FUND ESTABLISHED UNDER § 11-916 OF THE CRIMINAL PROCEDURE ARTICLE.

[(c)] (D) The Department shall:

(1) credit to the inmate's account any balance that remains after paying the items in subsection (b)(1) through (3) of this section; and

(2) pay the balance in the inmate's account to the inmate within 15 days after the inmate is released.

Article – Criminal Procedure

11-607.

(a) (1) When a judgment of restitution has been entered under § 11-603 of this subtitle, compliance with the judgment of restitution:

(i) may be a requirement in the judgment of conviction or disposition in a juvenile delinquency proceeding;

(ii) if work release is ordered **OR ALLOWED**, shall be a condition of work release;

(iii) if probation is ordered, shall be a condition of probation:

1. in addition to a sentence or disposition; or

2. instead of a sentence if the probation is ordered before judgment under § 6–220 of this article.

(2) Subject to federal law, the Department or the Department of Juvenile Services shall obtain the Social Security number of the restitution obligor to facilitate the collection of restitution.

(b) (1) The restitution obligor shall make restitution to the [Division] **DEPARTMENT** or the Department of Juvenile Services under the terms and conditions of the judgment of restitution.

(2) The [Division] **DEPARTMENT** or the Department of Juvenile Services:

(i) shall keep records of payments or return of property in satisfaction of the judgment of restitution;

(ii) shall forward property or payments in accordance with the judgment of restitution and Part I of this subtitle to the person or governmental unit specified in the judgment of restitution; and

(iii) may require the restitution obligor to pay additional fees not exceeding 2% of the amount of the judgment of restitution to pay for the administrative costs of collecting payments or property.

(c) (1) Whenever an obligor's restitution payment, as ordered by the court or established by the [Division] **DEPARTMENT**, is overdue, the [Division] **DEPARTMENT** or the Department of Juvenile Services shall:

(i) notify the court; and

(ii) if an earnings withholding order is not in effect and the restitution obligor is employed, request an earnings withholding order.

(2) The court may hold a hearing to determine whether the restitution obligor is in contempt of court or has violated the terms of the probation.

(3) If the court finds that the restitution obligor intentionally became impoverished to avoid payment of the restitution, the court may find the restitution obligor in contempt of court or in violation of probation.

11–819.

(b) The Criminal Injuries Compensation Fund:

(1) shall be used to:

(I) carry out the provisions of this subtitle; and

(II) **DISTRIBUTE RESTITUTION PAYMENTS FORWARDED TO THE FUND UNDER § 11–604 OF THE CORRECTIONAL SERVICES ARTICLE; AND**

(2) may be used for:

(i) any award given under this subtitle; and

(ii) the costs of carrying out this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That the Department of Public Safety and Correctional Services, in accordance with § 2–1246 of the State Government Article, shall report to the Senate Judicial Proceedings Committee and the House Judiciary Committee on or before December 1, 2013, on the payment of restitution by inmates under its jurisdiction, addressing how the Department could increase the collection of restitution, including by having additional inmates pay toward restitution obligations through an annual transfer or other periodic transfer of earnings.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 653

(House Bill 933)

AN ACT concerning

Crimes – Human Trafficking of Minor – Defense of Ignorance of Victim’s Age

FOR the purpose of providing that a person charged with a certain human trafficking offense involving a minor may not assert as a defense that the person did not know the age of the victim; and generally relating to human trafficking of minors.

BY repealing and reenacting, with amendments,

Article – Criminal Law

Section 11–303

Annotated Code of Maryland

(2012 Replacement Volume and 2012 Supplement)

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

Article – Criminal Law

11-303.

- (a) (1) A person may not knowingly:
- (i) take or cause another to be taken to any place for prostitution;
 - (ii) place, cause to be placed, or harbor another in any place for prostitution;
 - (iii) persuade, induce, entice, or encourage another to be taken to or placed in any place for prostitution;
 - (iv) receive consideration to procure for or place in a house of prostitution or elsewhere another with the intent of causing the other to engage in prostitution or assignation;
 - (v) engage in a device, scheme, or continuing course of conduct intended to cause another to believe that if the other did not take part in a sexually explicit performance, the other or a third person would suffer physical restraint or serious physical harm; or
 - (vi) destroy, conceal, remove, confiscate, or possess an actual or purported passport, immigration document, or government identification document of another while otherwise violating or attempting to violate this subsection.
- (2) A parent, guardian, or person who has permanent or temporary care or custody or responsibility for supervision of another may not consent to the taking or detention of the other for prostitution.
- (b) (1) A person may not violate subsection (a) of this section involving a victim who is a minor.
- (2) A person may not knowingly take or detain another with the intent to use force, threat, coercion, or fraud to compel the other to marry the person or a third person or perform a sexual act, sexual contact, or vaginal intercourse.
- (c) (1) (i) Except as provided in paragraph (2) of this subsection, a person who violates subsection (a) of this section is guilty of the misdemeanor of human trafficking and on conviction is subject to imprisonment not exceeding 10 years or a fine not exceeding \$5,000 or both.

(ii) A person who violates subsection (a) of this section is subject to § 5–106(b) of the Courts Article.

(2) A person who violates subsection (b) of this section is guilty of the felony of human trafficking and on conviction is subject to imprisonment not exceeding 25 years or a fine not exceeding \$15,000 or both.

(d) A person who violates this section may be charged, tried, and sentenced in any county in or through which the person transported or attempted to transport the other.

(e) (1) A person who knowingly benefits financially or by receiving anything of value from participation in a venture that includes an act described in subsection (a) or (b) of this section is subject to the same penalties that would apply if the person had violated that subsection.

(2) A person who knowingly aids, abets, or conspires with one or more other persons to violate any subsection of this section is subject to the same penalties that apply for a violation of that subsection.

(F) IT IS NOT A DEFENSE TO A PROSECUTION UNDER SUBSECTION (B)(1) OF THIS SECTION THAT THE PERSON DID NOT KNOW THE AGE OF THE VICTIM.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 654

(House Bill 935)

AN ACT concerning

Public Institutions of Higher Education – In-State Tuition for Military Veterans

FOR the purpose of altering provisions of law concerning in-State tuition for certain veterans of the United States armed forces; providing that an honorably discharged veteran of the United States armed forces is eligible for in-State tuition at public institutions of higher education in the State on presentation of certain documentation; and generally relating to in-State tuition charges for military veterans at public institutions of higher education in the State.

BY repealing and reenacting, with amendments,
Article – Education
Section 15–106.4
Annotated Code of Maryland
(2008 Replacement Volume and 2012 Supplement)

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

Article – Education

15–106.4.

(a) This section applies to the following individuals:

- (1) An active duty member of the United States armed forces;
- (2) The spouse of an active duty member of the United States armed forces;
- (3) A financially dependent child of an active duty member of the United States armed forces;
- (4) An honorably discharged veteran of the United States armed forces; or
- (5) A member of the National Guard as defined in § 13–405(a)(3) of the Public Safety Article.

(b) Notwithstanding any other provision of this article, an individual described in subsection (a) of this section who attends a public institution of higher education in the State is exempt from paying nonresident tuition at a public institution of higher education in this State if:

- (1) The active duty member referred to in subsection (a) of this section:
 - (i) Is stationed in this State;
 - (ii) Resides in this State; or
 - (iii) Is domiciled in this State;
- (2) The honorably discharged veteran presents [the following] documentation [within 4 years after the veteran's discharge:

(i) Evidence that the veteran attended a public or private secondary school in this State for at least 3 years; and

(ii) Documentation that the veteran graduated from a public or private secondary school in this State or received the equivalent of a high school diploma in this State] **THAT THE INDIVIDUAL:**

(I) WAS HONORABLY DISCHARGED FROM THE UNITED STATES ARMED FORCES; AND

(II) 1. RESIDES IN THIS STATE; OR

2. IS DOMICILED IN THIS STATE; or

(3) The National Guard member described in subsection (a)(5) of this section is a member of the Maryland National Guard and joined or subsequently serves in the Maryland National Guard to:

(i) Provide a Critical Military Occupational Skill; or

(ii) Be a member of the Air Force Critical Specialty Code as determined by the National Guard.

(c) Notwithstanding any other provision of this article, a spouse or financially dependent child of an active duty member who enrolls as an entering student in a public institution of higher education and is exempt from paying nonresident tuition under subsection (b) of this section shall continue to be exempt from paying nonresident tuition if:

(1) The active duty member no longer meets the requirements of subsection (b)(1) of this section; and

(2) The spouse or financially dependent child remains continuously enrolled at the public institution of higher education.

(d) The Commission shall adopt regulations in accordance with Title 10, Subtitle 1 of the State Government Article to implement the provisions of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 655**(House Bill 936)**

AN ACT concerning

Natural Resources – Maryland Botanical Heritage Workgroup

FOR the purpose of establishing the Maryland Botanical Heritage Workgroup; providing for the composition, chair, and staffing of the Workgroup; prohibiting a member of the Workgroup from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Workgroup to define challenges to, explore opportunities for improving, and make recommendations regarding the preservation of plant species native to the State and region; requiring the Workgroup to report its findings and recommendations to the Governor and the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to the Maryland Botanical Heritage Workgroup.

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

- (a) There is a Maryland Botanical Heritage Workgroup.
- (b) The Workgroup 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 Agriculture, or the Secretary's designee;
 - (4) the Secretary of the Environment, or the Secretary's designee;
 - (5) the Secretary of Natural Resources, or the Secretary's designee;
 - (6) the Secretary of Transportation, or the Secretary's designee;
 - (7) the State Botanist;
 - (8) the State Soil Scientist; and
 - (9) one representative of the Maryland Invasive Species Council, appointed by the Governor.

(c) The Governor may appoint any other individual to the Workgroup at the Governor's discretion.

(d) The Governor shall designate the chair of the Workgroup.

(e) The Department of Natural Resources shall provide staff for the Workgroup.

(f) A member of the Workgroup:

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

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

(g) The Workgroup shall:

(1) define challenges to the preservation of plant species native to the State and region, including:

(i) insufficient prevention or control of biological invasions;

(ii) habitat fragmentation; and

(iii) the lack of data on species loss;

(2) explore opportunities for improving the preservation of native plant species, including:

(i) the incorporation of advances in biology, information systems, social networks, resilient systems theory, marketing, education, and technological innovation;

(ii) the expansion of efforts to provide extension-style support for citizens seeking to be good stewards of botanical heritage; and

(iii) the best examples of botanical conservation programs in other jurisdictions; and

(3) make recommendations regarding the preservation of native plant species, including:

(i) the establishment of botanical conservation goals;

(ii) the collection of conservation data;

(iii) how to address regulatory opportunities and obstacles; ~~and~~

(iv) how to promote a profitable native plant and seed trade in the State; and

(v) possible sources of revenue to pay for the Workgroup's recommendations.

(h) On or before December 31, 2013, the Workgroup shall report its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013. It shall remain effective for a period of 1 year and, at the end of May 31, 2014, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 16, 2013.

Chapter 656

(House Bill 941)

AN ACT concerning

Criminal Law – Fraudulent Liens – Prohibition

FOR the purpose of prohibiting a person from filing certain liens or encumbrances against ~~certain individuals~~ another under certain circumstances; providing for penalties for a violation of this Act; ~~defining certain terms; making this Act an emergency measure;~~ and generally relating to fraudulent liens.

BY adding to

Article – Criminal Law

Section 3-807

Annotated Code of Maryland

(2012 Replacement Volume and 2012 Supplement)

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

Article – Criminal Law

3-807.

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

~~(2) “PUBLIC EMPLOYEE” MEANS A PERSON EMPLOYED BY:~~

~~(I) THE EXECUTIVE, LEGISLATIVE, OR JUDICIAL BRANCH OF STATE GOVERNMENT;~~

~~(II) A DEPARTMENT, A BOARD, A BUREAU, AN AGENCY, OR A COMMISSION OF THE STATE; OR~~

~~(III) A COUNTY, MUNICIPALITY, OR LOCAL BOARD OF EDUCATION IN THE STATE;~~

~~(IV) A BI-COUNTY AGENCY; OR~~

~~(V) A STATE LAW ENFORCEMENT AGENCY.~~

~~(3) “PUBLIC OFFICER” INCLUDES:~~

~~(I) A CONSTITUTIONAL OFFICER;~~

~~(II) AN ELECTED STATE OFFICIAL;~~

~~(III) AN EXECUTIVE HEAD OF A STATE DEPARTMENT OR AGENCY;~~

~~(IV) AN ELECTED MEMBER OF THE GENERAL ASSEMBLY;~~

~~(V) THE EXECUTIVE DIRECTOR OF A STATE BOARD, COMMISSION, OR AUTHORITY;~~

~~(VI) A MEMBER OF A STATE BOARD, COMMISSION, OR AUTHORITY;~~

~~(VII) AN ELECTED COUNTY OFFICIAL;~~

~~(VIII) AN ELECTED MEMBER OF A LOCAL BOARD OF EDUCATION; AND~~

~~(IX) AN ELECTED MUNICIPAL OFFICIAL.~~

~~(B) A PERSON MAY NOT FILE A LIEN OR ENCUMBRANCE IN A PUBLIC OR PRIVATE RECORD AGAINST THE REAL OR PERSONAL PROPERTY OF A PUBLIC OFFICER, PUBLIC EMPLOYEE, OR OTHER INDIVIDUAL IF:~~

~~(1) (I) THE LIEN WAS FILED IN RESPONSE TO THE PERFORMANCE OF THE PUBLIC OFFICER'S OR PUBLIC EMPLOYEE'S OFFICIAL DUTIES; OR~~

~~(II) THE LIEN WAS FILED IN RESPONSE TO AN INDIVIDUAL FILING A COMPLAINT WITH OR REQUESTING OFFICIAL ACTION BY A PUBLIC OFFICER OR A PUBLIC EMPLOYEE; AND~~

~~(2) THE PERSON KNOWS OR HAS REASON TO KNOW THAT THE LIEN OR ENCUMBRANCE IS:~~

~~(I) FALSE; OR~~

~~(II) CONTAINS OR IS BASED ON A MATERIALLY FALSE, FICTITIOUS, OR FRAUDULENT STATEMENT OR REPRESENTATION.~~

(A) A PERSON MAY NOT FILE A LIEN OR AN ENCUMBRANCE IN A PUBLIC OR PRIVATE RECORD AGAINST THE REAL OR PERSONAL PROPERTY OF ANOTHER IF THE PERSON KNOWS THAT THE LIEN OR ENCUMBRANCE IS:

(1) FALSE; OR

(2) CONTAINS OR IS BASED ON A MATERIALLY FALSE, FICTITIOUS, OR FRAUDULENT STATEMENT OR REPRESENTATION.

~~(C)~~ (B) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A FELONY MISDEMEANOR AND ON CONVICTION IS SUBJECT TO:

(1) FOR A FIRST VIOLATION, IMPRISONMENT ~~NOT LESS THAN 1 YEAR BUT~~ NOT EXCEEDING ~~10 YEARS~~ 1 YEAR OR A FINE NOT EXCEEDING \$10,000 OR BOTH; AND

(2) FOR EACH SUBSEQUENT VIOLATION, IMPRISONMENT NOT EXCEEDING 5 YEARS OR A FINE NOT EXCEEDING \$10,000 OR BOTH.

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 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~~ shall take effect June 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 657**(House Bill 957)**

AN ACT concerning

**Housing – Elderly – Accessible Housing for Senior Homeowners Programs,
Older Adults, and Individuals with Disabilities**

FOR the purpose of establishing the Accessible Homes for Senior Homeowners Grant Program; adding a certain grant program to the Maryland Housing Rehabilitation Program; adding a certain grant program to a certain list of special loan programs under the Maryland Housing Rehabilitation Program; authorizing the Department of Housing and Community Development to make certain grants to families of limited income under the Maryland Housing Rehabilitation Program under certain circumstances; providing an exception to the requirement that certain loans comply with certain conditions; authorizing the Department of Housing and Community Development to make grants up to a certain amount to finance certain activities for certain elderly homeowners; authorizing the Department of Housing and Community Development to establish standards to determine eligibility for a certain grant program; providing for the application of a certain grant program; clarifying that rehabilitation projects of an elderly homeowner's home may be financed by a certain grant program; requiring certain persons to comply with a certain checklist when engaging in certain rehabilitation projects; providing categories that a certain checklist must include; requiring the Department of Housing and Community Development to provide a sample of a certain checklist on the Department's Web site; establishing the Option Counselors for Senior Homeowners Pilot Program; providing for the funding for a certain pilot program; providing for a certain application of a certain pilot program; requiring the Department of Aging to make a certain report about a certain pilot program on or before a certain date; authorizing the Department of Aging to establish an advisory committee to oversee the community education and outreach efforts of a certain pilot program requiring the Secretary of Aging to report annually on the operation and performance of certain accessible housing services counseling; requiring certain State agencies to develop certain materials on accessible housing programs and services for older adults and individuals with disabilities; providing for the termination of certain provisions of this Act; altering and defining certain terms; making stylistic changes; and generally relating to accessible housing for senior homeowners ~~programs, older adults, and individuals with disabilities.~~

BY repealing and reenacting, with amendments,

Article – Housing and Community Development

Section 4–505, 4–901(j) and (l), 4–905, 4–916(a), 4–917(b), and 4–923

Annotated Code of Maryland

(2006 Volume and 2012 Supplement)

BY repealing and reenacting, without amendments,
Article – Housing and Community Development
Section 4–901(a) and (d)
Annotated Code of Maryland
(2006 Volume and 2012 Supplement)

BY adding to
Article – Housing and Community Development
Section 4–931 ~~and 4–932~~
Annotated Code of Maryland
(2006 Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article – Human Services
Section 10–206
Annotated Code of Maryland
(2007 Volume and 2012 Supplement)

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

Article – Housing and Community Development

4–505.

- (a) In this section, “Fund” means the Special Loan Programs Fund.
- (b) There is a Special Loan Programs Fund.
- (c) As provided in the State budget and subject to subsection (d) of this section, the Department shall use the Fund to:
 - (1) operate, pay expenses of, and make loans under the Group Home Financing Program;
 - (2) operate, pay expenses of, and make grants and loans under the Lead Hazard Reduction Grant Program and the Lead Hazard Reduction Loan Program;
 - (3) operate, pay expenses of, and make ~~GRANTS AND~~ loans AND GRANTS under the Maryland Housing Rehabilitation Program, including reserves for anticipated future losses directly related to the Maryland Housing Rehabilitation Program;

(4) make loans AND GRANTS under the Regular Rehabilitation Program; and

(5) make loans **AND GRANTS** under the special loan programs.

(d) During the first 6 months of each fiscal year the Department shall reserve at least 25% of the appropriation for the Fund to make loans to rehabilitate buildings with four or fewer dwelling units.

(e) (1) The Department annually shall allocate money in the Fund to the Lead Hazard Reduction Grant Program and the Lead Hazard Reduction Loan Program.

(2) If the number of eligible applications under the Lead Hazard Reduction Grant Program, or the Lead Hazard Reduction Loan Program is insufficient to commit all money allocated to that Program within 6 months after the allocation, the Department may reallocate the uncommitted money to other programs of the Fund.

(f) The Fund shall be administered in accordance with this section.

(g) (1) The Fund consists of:

(i) money appropriated by the State for special loan programs, including:

1. the Special Rehabilitation Program under § 4–906(b) of this title;

2. the Regular Rehabilitation Program under § 4–906(b) of this title;

3. the Group Home Financing Program under § 4–602 of this title; [and]

4. the Lead Hazard Reduction Grant Program under § 4–708 of this title and the Lead Hazard Reduction Loan Program under § 4–709 of this title; **AND**

5. THE ACCESSIBLE HOMES FOR SENIOR HOMEOWNERS GRANT PROGRAM UNDER § 4–931 OF THIS TITLE;

(ii) repayments of principal and payments of interest on loans made under these programs;

(iii) repayments of grants from the Fund;

(iv) repayments of principal and payments of interest on loans from the Fund;

(v) money transferred to the Fund in accordance with §§ 4–502(e), 4–503(d), and 4–504(f) of this subtitle and §§ 3–203(i) and 6–310(g) of this article; and

(vi) investment earnings of the Fund.

(2) The State, under § 4–501(c) of this subtitle, may appropriate to the Fund money received as repayment of principal or payment of interest on a loan made by the Maryland Housing Rehabilitation Program.

(h) Subject to § 7–209 of the State Finance and Procurement Article and except as otherwise provided in the State budget, after the first 8 months of a fiscal year, the Department may transfer unencumbered money in the Fund to any other fund established under this title.

4–901.

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

(d) (1) “Family of limited income” means a family or individual whose income does not exceed the limits that the Secretary establishes under § 4–915 of this subtitle.

(2) “Family of limited income” includes a trust described in 42 U.S.C. § 1396p(d)(4), or a trust established for the benefit of an individual with a disability by an individual other than the beneficiary and that is funded with assets that were never owned or controlled by the beneficiary, if:

(i) the income of the trust does not exceed the upper income limits established by the Secretary under § 4–915 of this subtitle; and

(ii) the beneficiary of the trust is an individual who resides in the residential building owned by the trust.

(j) “Program loan” means a loan **OR GRANT** under the Maryland Housing Rehabilitation Program or a special loan program.

(l) “Special loan program” means:

(1) the Accessory, Shared, and Sheltered Housing Program;

(2) the Indoor Plumbing Program;

- (3) the Lead Paint Abatement Program;
- (4) the Migratory Worker Housing Program; [or]
- (5) the Radon and Asbestos Abatement Pilot Program; AND
- (6) THE ACCESSIBLE HOMES FOR SENIOR HOMEOWNERS GRANT PROGRAM.**

4–905.

The Maryland Housing Rehabilitation Program includes:

- (1) the Accessory, Shared, and Sheltered Housing Program;
- (2) the Indoor Plumbing Program;
- (3) the Migratory Worker Housing Program;
- (4) the Nonprofit Rehabilitation Program; ~~and~~
- (5) the Radon and Asbestos Abatement Pilot Program; AND
- (6) THE ACCESSIBLE HOMES FOR SENIOR HOMEOWNERS GRANT PROGRAM; ~~AND~~**
- ~~**(7) THE OPTION COUNSELORS FOR SENIOR HOMEOWNERS PILOT PROGRAM.**~~

4–916.

(a) (1) The Department may make Program loans for housing on terms that the Department considers necessary to make the housing affordable to families of limited income.

(2) THE DEPARTMENT MAY MAKE PROGRAM LOANS IN THE FORM OF A GRANT TO A FAMILY OF LIMITED INCOME IF:

(I) THE FAMILY OF LIMITED INCOME OWNS AND OCCUPIES THE DWELLING; AND

(II) THE DEPARTMENT DETERMINES THE FAMILY OF LIMITED INCOME CANNOT UNDERTAKE THE REHABILITATION PROJECT WITHOUT A GRANT.

[(2)] (3) The terms may include:

(i) deferred payment of principal and interest until the maturity date or the date of any sale or other transfer of the building or an interest in the building;

(ii) an interest rate as low as 0% or as high as is reasonable, given the incomes of the proposed occupants, if the interest rate does not violate any federal regulation governing the borrowing of money by the State;

(iii) increased interest rates or accelerated payments of principal and interest, if the borrower no longer qualifies for the Program loan; and

(iv) advance payments to a nonprofit sponsor for certain development costs, including architectural, engineering, and attorneys' fees.

4-917.

(b) (1) Except as provided under paragraphs (2), (3), [and] (4), AND (5) of this subsection, a Program loan of more than \$5,000 shall be secured wholly or partly by a recorded mortgage or deed of trust on real property.

(2) A Program loan to a political subdivision may be secured by a recorded mortgage, deed of trust on real property, or other security device acceptable to the Department.

(3) A Program loan to a trust described in 42 U.S.C. § 1396p(d)(4) may be secured by a recorded mortgage, deed of trust on real property, or other security device acceptable to the Department.

(4) (i) Subject to subparagraph (ii) of this paragraph, a Program loan to a member of a cooperative housing corporation may be secured by a perfected security interest in the member's cooperative interest.

(ii) Before a Program loan is secured by a perfected security interest in the member's cooperative interest, the Department shall enter into an agreement with the cooperative housing corporation that establishes the rights and obligations of the Department and the cooperative housing corporation with respect to the secured cooperative interest.

(5) A PROGRAM LOAN IN THE FORM OF A GRANT MAY BE UNSECURED OR SECURED BY A MORTGAGE, DEED OF TRUST, OR OTHER SECURITY DEVICE ACCEPTABLE TO THE DEPARTMENT.

4-923.

(a) The purpose of a rehabilitation project is:

(1) to bring a building to a decent, safe, and sanitary condition in accordance with applicable codes and standards, including those for construction, health, safety, fire, and occupancy;

(2) to maintain the building in that condition;

(3) to make the building more useful and attractive;

(4) to conform the building to the appropriate minimum livability code;

(5) to acquire a building containing more than four dwelling units for the purposes set forth in items (1) through (4) of this subsection;

(6) to provide, under applicable special loan programs:

(i) lead paint abatement;

(ii) indoor plumbing; or

(iii) shared, accessory, or sheltered housing;

(7) in the case of a loan **OR GRANT** to an elderly household or a disabled homeowner, to modify or improve a dwelling to make it more accessible or functional for the occupants, if the building is, or after improvements will be, structurally sound and free of health and safety hazards; or

(8) to provide, under applicable special loan pilot programs, radon abatement or asbestos abatement.

(b) (1) The applicable codes and standards under subsection (a)(1) of this section are:

(i) those in force in the political subdivision where the building is located; or

(ii) those that the Department sets by regulation for that political subdivision solely for purposes of this subtitle, if the political subdivision lacks codes and standards that the Secretary considers sufficient to promote the objectives of this subtitle.

(2) With the approval of the local enforcement authority, the Secretary may allow exceptions to a code or standard to preserve the historic or architectural value of a building undergoing rehabilitation under this subtitle.

~~(C) (1) IN ADDITION TO ANY APPLICABLE CODES AND STANDARDS, A GOVERNMENT UNIT, NONPROFIT AGENCY, OR PRIVATE COMPANY ENGAGING IN A REHABILITATION PROJECT INVOLVING AN ELDERLY HOUSEHOLD SHALL COMPLY WITH A CHECKLIST THAT ADDRESSES THE SPECIFIC SAFETY NEEDS OF ELDERLY HOMEOWNERS.~~

~~(2) THE UNIFORM HOME SAFETY CHECKLIST SHALL INCLUDE THE FOLLOWING CATEGORIES:~~

~~(I) LIGHTING;~~

~~(II) FLOORING; AND~~

~~(III) RAILS AND SUPPORT.~~

~~(3) THE DEPARTMENT SHALL PROVIDE A SAMPLE UNIFORM HOME SAFETY CHECKLIST ON THE DEPARTMENT'S WEB SITE.~~

4-931.

(A) IN THIS SECTION, "GRANT PROGRAM" MEANS THE ACCESSIBLE HOMES FOR SENIOR HOMEOWNERS GRANT PROGRAM.

(B) THERE IS AN ACCESSIBLE HOMES FOR SENIOR HOMEOWNERS GRANT PROGRAM.

(C) THE DEPARTMENT MAY MAKE A GRANT ~~OF UP TO \$25,000 PER HOUSEHOLD~~ TO FINANCE AN ACCESSIBILITY-RELATED RENOVATION OR REPAIR ACTIVITY FOR AN ELDERLY HOMEOWNER.

(D) THE DEPARTMENT MAY ESTABLISH STANDARDS TO DETERMINE THE ELIGIBILITY OF AN APPLICANT UNDER THE GRANT PROGRAM.

(E) IN DETERMINING WHETHER TO MAKE A GRANT UNDER THE GRANT PROGRAM, THE DEPARTMENT SHALL REQUIRE THAT AN APPLICANT SUBMIT EVIDENCE THAT THE APPLICANT CANNOT UNDERTAKE THE RENOVATION AND REPAIRS WITHOUT A GRANT.

(F) GRANTS UNDER THE GRANT PROGRAM MAY BE USED IN CONJUNCTION WITH OTHER:

(1) ACCESSIBLE HOUSING FOR SENIORS LOANS; AND

(2) SPECIAL LOAN PROGRAMS UNDER THIS SUBTITLE.

(G) THE DEPARTMENT MAY REQUIRE THAT ALL OR PART OF THE GRANT UNDER THE GRANT PROGRAM BE REPAID IF CONDITIONS SPECIFIED BY THE DEPARTMENT OCCUR.

Article – Human Services

10–206.

(a) (1) With the advice and recommendation of the Commission on Aging, the Secretary shall report to the Governor and, subject to § 2–1246 of the State Government Article, to the General Assembly on or before January 1 of each year.

[(b)] (2) The report shall include:

[(1)] (I) a description of the senior citizen activities centers in each county;

[(2)] (II) the allocation and use of funds made available for senior citizen activities centers;

[(3)] (III) the results of any studies; and

[(4)] (IV) any recommendations for legislation.

(B) ON OR BEFORE JANUARY 1 OF EACH YEAR, THE SECRETARY SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE OPERATION AND PERFORMANCE OF ACCESSIBLE HOUSING SERVICES COUNSELING PROVIDED BY THE AGING AND DISABILITY RESOURCE CENTER PROGRAM.

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

~~Article – Housing and Community Development~~

~~4–932.~~

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

~~(2) “DEPARTMENT” MEANS THE DEPARTMENT OF AGING.~~

~~(3) “LOW-INCOME ELDERLY HOMEOWNER” MEANS A HOMEOWNER WHO:~~

~~(I) IS AT LEAST 55 YEARS OF AGE; AND~~

~~(H) HAS AN INCOME OF 80% OF THE AREA MEDIAN INCOME OR LESS PER YEAR.~~

~~(4) "OPTION COUNSELORS PROGRAM" MEANS THE OPTION COUNSELORS FOR SENIOR HOMEOWNERS PILOT PROGRAM.~~

~~(B) THERE IS AN OPTION COUNSELORS FOR SENIOR HOMEOWNERS PILOT PROGRAM.~~

~~(C) THE PURPOSE OF THE OPTION COUNSELORS PROGRAM IS TO ASSIST LOW INCOME ELDERLY HOMEOWNERS WITH ACCESSIBILITY RELATED REPAIR AND RENOVATION NEEDS.~~

~~(D) THE OPTION COUNSELORS PROGRAM SHALL BE OPEN TO COMMUNITIES WITH HIGH CONCENTRATIONS OF LOW INCOME ELDERLY HOMEOWNERS, INCLUDING PORTIONS OF:~~

~~(1) ANNE ARUNDEL COUNTY;~~

~~(2) BALTIMORE CITY;~~

~~(3) BALTIMORE COUNTY;~~

~~(4) GARRETT COUNTY; AND~~

~~(5) WICOMICO COUNTY.~~

~~(E) (1) THE OPTION COUNSELORS PROGRAM SHALL PROVIDE LOCAL NONPROFIT AGENCIES AND GOVERNMENT UNITS LOCATED IN THE COUNTIES LISTED IN SUBSECTION (D) OF THIS SECTION WITH OPTION COUNSELORS TRAINED TO ASSIST ELDERLY HOMEOWNERS THROUGH THE PROCESS OF REPAIRING AND RENOVATING THE ELDERLY HOMEOWNERS' HOMES.~~

~~(2) AN OPTION COUNSELOR SHALL:~~

~~(I) HAVE A WELL DEVELOPED KNOWLEDGE OF THE LOCAL, STATE, AND FEDERAL RESOURCES AVAILABLE TO HELP ELDERLY HOMEOWNERS WITH HOME REPAIR AND RENOVATION NEEDS;~~

~~(H) LISTEN TO ISSUES OF CONCERN AND COUNSEL ELDERLY HOMEOWNERS ON HOW TO ADDRESS THE ISSUES OF CONCERN; AND~~

~~(HH) HELP ELDERLY HOMEOWNERS APPLY TO SPECIFIC HOUSING, LOAN, OR GRANT PROGRAMS.~~

~~(F) THE OPTION COUNSELORS PROGRAM SHALL BE FUNDED AS PROVIDED IN THE STATE BUDGET.~~

~~(G) THE DEPARTMENT SHALL DISTRIBUTE GRANTS TO ADMINISTER THE OPTION COUNSELORS PROGRAM TO EACH LOCAL AREA AGENCY ON AGING LOCATED IN THE COUNTIES LISTED IN SUBSECTION (D) OF THIS SECTION.~~

~~(H) ON OR BEFORE DECEMBER 31, 2013, AND EACH YEAR THEREAFTER, THE DEPARTMENT SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE OPERATION AND PERFORMANCE OF THE OPTION COUNSELORS FOR SENIOR HOMEOWNERS PILOT PROGRAM.~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That the Secretary of Aging may establish an advisory committee to oversee the community education and outreach efforts under the Option Counselors for Senior Homeowners Pilot Program established under Section 2 of this Act.~~

~~SECTION 4. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take effect October 1, 2013.~~

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The Department of Aging, the Department of Housing and Community Development, the Maryland Department of Disabilities, and the Department of Health and Mental Hygiene shall work collaboratively so as to provide a coordinated system of information and access for older adults and individuals with disabilities by:

(1) developing information;

(2) expanding on the Uniform Home Safety Checklist;

(3) studying the feasibility of instituting an option counselors program administered by the Aging and Disability Resource Center in the Department of Aging; and

(4) providing training materials on accessible housing programs and services that will be used by the option counselors in the Aging and Disability Resource Center Program.

(b) The training materials developed shall be designed to ensure that an option counselor will have a well-developed knowledge of:

(1) the local, State, and federal resources available to help homeowners who are older adults and individuals with disabilities with home repair and renovation needs;

(2) how to listen to issues of concern and counsel homeowners who are older adults and individuals with disabilities on how to address issues of concern; and

(3) how to assist homeowners who are older adults and individuals with disabilities apply to specific housing, loan, or grant programs.

(c) The counseling provided by the Aging and Disability Resource Center Program on accessible housing programs and services shall be statewide, with particular attention given to communities with high concentrations of low-income elderly homeowners, including portions of:

(1) Anne Arundel County;

(2) Baltimore City;

(3) Baltimore County;

(4) Garrett County;

(5) Wicomico County; and

(6) Prince George's County.

SECTION ~~5~~ 3. AND BE IT FURTHER ENACTED, That ~~Section 2 of~~ this Act shall take effect October 1, 2013. ~~It~~ Section 2 of this Act shall remain effective for a period of 3 years and, at the end of September 30, 2016, with no further action required by the General Assembly, Section 2 of this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 16, 2013.

Chapter 658

(House Bill 964)

AN ACT concerning

Community Colleges – ~~Cade Funding Formula~~ Grants for English for Speakers of Other Languages Programs ~~– Repeal of Total Amount Limitation~~

FOR the purpose of ~~removing~~ *increasing* the limit on the total amount of grants that may be distributed to certain community colleges to provide instruction and services to certain students enrolled in English for Speakers of Other Languages programs; and generally relating to grants for community colleges for English for Speakers of Other Languages programs.

BY repealing and reenacting, with amendments,
Article – Education
Section 16–305(e) and 16–508
Annotated Code of Maryland
(2008 Replacement Volume and 2012 Supplement)

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

Article – Education

16–305.

(e) (1) (i) Beginning in fiscal year 1996, a grant in the amount provided in paragraph (2) of this subsection shall be distributed to each board in order to provide instruction and services to students enrolled in an English for Speakers of Other Languages (“ESOL”) program.

(ii) To qualify for a grant under this subsection, each participant in the program shall be a student:

1. Born outside of the United States or whose native language is not English;
2. Who comes from an environment where a language other than English is dominant; or
3. Who is an American Indian or Alaskan native and comes from an environment where a language other than English has had a significant impact on the student’s level of English language proficiency.

(2) ~~¶~~(i) Subject to the provisions of subparagraph (ii) of this paragraph, ~~the~~ ~~THE~~ amount of the grant shall be \$800 times the number of qualified full-time equivalent students who are enrolled in a county ESOL program and at the community college.

~~¶~~(ii) 1. The total amount of the grants under this paragraph may not exceed ~~\$6,000,000~~ \$8,000,000 for any fiscal year.

2. If, for any fiscal year, the total amount of the grants calculated under subparagraph (i) of this paragraph would exceed ~~\$6,000,000~~

\$8,000,000, then each grant shall be prorated by the amount necessary to reduce the total amount of the grants to ~~\$6,000,000~~ \$8,000,000.~~‡~~

(3) (i) If the amount that is appropriated to a board under this subsection for any fiscal year is more than the actual cost of providing ESOL programs to students enrolled at the community college in that county or region, the excess funds shall be paid back to the State and credited to the General Fund of the State.

(ii) A board may not transfer State funds received under this subsection to any other program or category.

(4) ~~‡~~Subject to the provisions of paragraph (2) of this subsection, ~~for~~
~~For~~ any fiscal year in which the State appropriation is insufficient to fully fund all grants eligible under this section, the Governor shall include in the budget bill for the following fiscal year a deficiency appropriation to fund all unfunded grants.

16-508.

(a) (1) Beginning with fiscal year 1996, the Governor shall include in the annual budget submission a General Fund appropriation for Baltimore City Community College in the amount provided in subsection (b) of this section to provide instruction and services to students enrolled in an English for Speakers of Other Languages ("ESOL") program.

(2) To qualify for a grant under this section, each participant in the program shall be a student:

(i) Born outside of the United States or whose native language is not English;

(ii) Who comes from an environment where a language other than English is dominant; or

(iii) Who is an American Indian or Alaskan native and comes from an environment where a language other than English has had a significant impact on the student's level of English language proficiency.

(b) ~~‡~~(1) Subject to the provisions of paragraph (2) of this subsection, the
~~The~~ amount of the grant shall be \$800 times the number of qualified full-time equivalent students who are enrolled in a Baltimore City Community College ESOL program, as certified by the Maryland Higher Education Commission.

~~‡~~(2) The total amount of the grant under this subsection may not exceed ~~\$1,000,000~~ \$1,333,000 for any fiscal year.~~‡~~

(c) Baltimore City Community College may not transfer State funds received under this subsection to any other program or category.

(d) ~~Subject to the provisions of subsection (b) of this section, for~~ ~~FOR~~ any fiscal year in which the State appropriation is insufficient to fully fund all grants eligible under this section, the Governor shall include in the budget bill for the following fiscal year a deficiency appropriation to fund all unfunded grants.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 659

(House Bill 1017)

AN ACT concerning

Income Tax Credit – Wineries and Vineyards

FOR the purpose of allowing a credit against the State income tax for certain qualified expenditures at certain wineries and certain vineyards; requiring the ~~Maryland~~ Department of ~~Agriculture~~ Business and Economic Development to administer a certain tax credit; providing for the maximum amount of tax credits that may be issued by the Department each year; requiring the Department of ~~Agriculture~~ Business and Economic Development and the Comptroller jointly to adopt certain regulations; requiring the Comptroller to adopt certain regulations; providing that the credit allowed under this Act is subject to the Tax Credit Evaluation Act; defining certain terms; providing for the application of this Act; providing for the termination of this Act; and generally relating to an income tax credit for certain expenditures at certain wineries and certain vineyards.

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 1–303(e)

Annotated Code of Maryland

(2010 Replacement Volume and 2012 Supplement)

BY adding to

Article – Tax – General

Section 10–733

Annotated Code of Maryland

(2010 Replacement Volume and 2012 Supplement)

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

Article – Tax – General

1–303.

(e) On or before July 1, 2017, an evaluation shall be made of the tax credits under:

(1) § 9–230 of the Tax – Property Article, § 6–116 of the Insurance Article, and § 10–704.8 of this article (new job creating businesses); [and]

(2) § 10–726 of this article (biotechnology investment incentive); AND

(3) § 10–733 OF THIS ARTICLE (WINERIES AND VINEYARDS).

10–733.

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

(2) “DEPARTMENT” MEANS THE ~~STATE~~ DEPARTMENT OF ~~AGRICULTURE~~ BUSINESS AND ECONOMIC DEVELOPMENT.

~~(3) “MARYLAND VINEYARD” MEANS AGRICULTURAL LANDS LOCATED IN THE STATE CONSISTING OF AT LEAST 1 CONTIGUOUS ACRE DEDICATED TO THE GROWING OF GRAPES THAT ARE USED OR ARE INTENDED TO BE USED IN THE PRODUCTION OF WINE BY A MARYLAND CLASS 3 OR CLASS 4 WINERY AS WELL AS ANY PLANTS OR OTHER IMPROVEMENTS LOCATED THEREON.~~

~~(4) “MARYLAND WINERY” MEANS AN ESTABLISHMENT LICENSED BY THE COMPTROLLER AS EITHER A CLASS 3 OR CLASS 4 WINERY UNDER ARTICLE 2B, §§ 2–204 AND 2–205 OF THE CODE.~~

~~(5)~~ (3) “QUALIFIED CAPITAL EXPENSES” MEANS ALL EXPENDITURES MADE BY THE TAXPAYER FOR THE PURCHASE AND INSTALLATION OF EQUIPMENT OR AGRICULTURAL MATERIALS FOR USE IN THE PRODUCTION OF AGRICULTURAL PRODUCTS ~~FOR WINEMAKING~~ AT A VINEYARD, OR IN A WINERY, INCLUDING ~~BUT NOT LIMITED TO:~~

(I) BARRELS;

- (II) BINS;
- (III) BOTTLING EQUIPMENT;
- (IV) CANOPY MANAGEMENT MACHINES;
- (V) CAPSULING EQUIPMENT;
- (VI) CHEMICALS;
- (VII) CORKERS;
- (VIII) CRUSHERS;
- (IX) DESTEMMERS;
- (X) FERMENTERS OR OTHER RECOGNIZED FERMENTATION
DEVICES;
- (XI) FERTILIZER AND SOIL AMENDMENTS;
- (XII) FILTERS;
- (XIII) FRUIT HARVESTERS;
- (XIV) FRUIT PLANTS;
- (XV) HOSES;
- (XVI) IRRIGATION EQUIPMENT;
- (XVII) LABELING EQUIPMENT;
- (XVIII) LUGS;
- (XIX) MOWERS;
- (XX) POLES;
- (XXI) POSTS;
- (XXII) PRESSES;
- (XXIII) PRUNING EQUIPMENT;

- (XXIV) PUMPS;
- (XXV) REFRACTOMETERS;
- (XXVI) REFRIGERATION EQUIPMENT;
- (XXVII) SEEDERS;
- (XXVIII) SOIL;
- (XXIX) SMALL TOOLS;
- (XXX) TANKS;
- (XXXI) TRACTORS;
- (XXXII) VATS;
- (XXXIII) WEEDING AND SPRAYING EQUIPMENT;
- (XXXIV) WINE TANKS;
- (XXXV) WIRE; AND
- (XXXVI) ANY OTHER ITEMS AS APPROVED BY THE
DEPARTMENT.

(4) “VINEYARD” MEANS AGRICULTURAL LANDS LOCATED IN THE STATE CONSISTING OF AT LEAST 1 CONTIGUOUS ACRE DEDICATED TO THE GROWING OF GRAPES THAT ARE USED OR ARE INTENDED TO BE USED IN THE PRODUCTION OF WINE BY A WINERY AS WELL AS ANY PLANTS OR OTHER IMPROVEMENTS LOCATED THEREON.

(5) “WINERY” MEANS AN ESTABLISHMENT LICENSED BY THE COMPTROLLER AS EITHER A CLASS 3 OR CLASS 4 WINERY UNDER ARTICLE 2B, §§ 2-204 AND 2-205 OF THE CODE.

(B) SUBJECT TO THE LIMITATIONS OF THIS SECTION, AN INDIVIDUAL OR A CORPORATION MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN AN AMOUNT EQUAL TO 25% OF THE QUALIFIED CAPITAL EXPENSES MADE IN CONNECTION WITH:

(1) THE ESTABLISHMENT OF NEW ~~MARYLAND~~ WINERIES OR ~~MARYLAND~~ VINEYARDS; OR

(2) THE CAPITAL IMPROVEMENTS MADE TO EXISTING ~~MARYLAND~~ WINERIES OR ~~MARYLAND~~ VINEYARDS.

(C) (1) BY SEPTEMBER 15 OF THE CALENDAR YEAR FOLLOWING THE END OF THE TAXABLE YEAR IN WHICH THE QUALIFIED CAPITAL EXPENSES WERE PAID OR INCURRED, AN INDIVIDUAL OR A CORPORATION SHALL SUBMIT AN APPLICATION TO THE DEPARTMENT FOR THE CREDIT ALLOWED UNDER THIS SECTION.

(2) (I) THE TOTAL AMOUNT OF CREDITS APPROVED BY THE DEPARTMENT UNDER THIS SECTION FOR A TAXABLE YEAR MAY NOT EXCEED ~~\$2,000,000~~ \$500,000.

(II) IF THE TOTAL AMOUNT OF CREDITS APPLIED FOR BY ALL INDIVIDUALS AND CORPORATIONS UNDER THIS SECTION EXCEEDS THE MAXIMUM SPECIFIED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE DEPARTMENT SHALL APPROVE A CREDIT UNDER THIS SECTION FOR EACH APPLICANT IN AN AMOUNT EQUAL TO THE PRODUCT OF MULTIPLYING THE CREDIT APPLIED FOR BY THE APPLICANT TIMES A FRACTION:

1. THE NUMERATOR OF WHICH IS THE MAXIMUM SPECIFIED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH; AND

2. THE DENOMINATOR OF WHICH IS THE TOTAL OF ALL CREDITS APPLIED FOR BY ALL APPLICANTS IN THE CALENDAR YEAR.

(III) BY DECEMBER 15 OF THE CALENDAR YEAR FOLLOWING THE END OF THE TAXABLE YEAR IN WHICH THE QUALIFIED CAPITAL EXPENSES WERE PAID OR INCURRED, THE DEPARTMENT SHALL CERTIFY TO THE INDIVIDUAL OR CORPORATION THE AMOUNT OF THE TAX CREDIT APPROVED BY THE DEPARTMENT FOR THE INDIVIDUAL OR CORPORATION UNDER THIS SECTION.

(3) TO CLAIM THE APPROVED CREDIT ALLOWED UNDER THIS SECTION, AN INDIVIDUAL OR A CORPORATION SHALL:

(I) FILE AN AMENDED INCOME TAX RETURN FOR THE TAXABLE YEAR IN WHICH THE QUALIFIED CAPITAL EXPENSES WERE PAID OR INCURRED; AND

(II) ATTACH A COPY OF THE DEPARTMENT'S CERTIFICATION OF THE APPROVED CREDIT AMOUNT TO THE AMENDED INCOME TAX RETURN.

(D) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR EXCEEDS THE TOTAL TAX OTHERWISE PAYABLE BY THE INDIVIDUAL OR CORPORATION FOR THAT TAXABLE YEAR, THE INDIVIDUAL OR CORPORATION MAY APPLY THE EXCESS AS A CREDIT FOR SUCCEEDING TAXABLE YEARS UNTIL:

(1) THE FULL AMOUNT OF THE EXCESS IS USED; OR

(2) THE EXPIRATION OF THE 15TH TAXABLE YEAR AFTER THE TAXABLE YEAR IN WHICH THE QUALIFIED CAPITAL EXPENSES WERE PAID OR INCURRED.

(E) THE DEPARTMENT AND THE COMPTROLLER JOINTLY SHALL ADOPT REGULATIONS TO:

(1) IMPLEMENT THE PROVISIONS OF THIS SECTION; AND

(2) SPECIFY CRITERIA AND PROCEDURES FOR APPLICATION FOR, APPROVAL OF, AND MONITORING CONTINUING ELIGIBILITY FOR THE TAX CREDIT UNDER THIS SECTION.

(F) THE COMPTROLLER SHALL ADOPT REGULATIONS PROVIDING FOR:

(1) DETERMINATION OF THE AMOUNT OF THE CREDIT UNDER THIS SECTION IN THE CASE OF TRADES OR BUSINESSES, WHETHER OR NOT INCORPORATED, THAT ARE UNDER COMMON CONTROL;

(2) PASS-THROUGH AND ALLOCATION OF THE CREDIT IN THE CASE OF ESTATES AND TRUSTS, PARTNERSHIPS, UNINCORPORATED TRADES OR BUSINESSES, AND S CORPORATIONS;

(3) ADJUSTMENTS IN THE CASE OF ACQUISITIONS AND DISPOSITIONS DESCRIBED IN § 41(F)(3) OF THE INTERNAL REVENUE CODE; AND

(4) DETERMINATION OF THE CREDIT IN THE CASE OF SHORT TAXABLE YEARS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013, and shall be applicable to all taxable years beginning after December 31, 2012. It shall remain effective for a period of 5 years and, at the end of June 30, 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 16, 2013.

Chapter 660**(House Bill 1030)**

AN ACT concerning

**Baltimore City – Property Tax – Assessment of Land for Agricultural Use
Property Tax Credit – Urban Agricultural Property – Definition**

FOR the purpose of ~~providing exemptions from certain prohibitions on qualifying for an agricultural use property assessment for certain parcels of land in Baltimore City that are of a certain size and under certain ownership~~ altering the definition of “urban agricultural property”, for purposes of a certain county or municipal corporation property tax credit, to include certain real property of not more than 5 acres; providing for the application of this Act; and generally relating to the circumstances under which land may qualify for an agricultural use property assessment in Baltimore City a local property tax credit for urban agricultural property.

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section ~~8-209~~ 9-253

Annotated Code of Maryland

(2012 Replacement Volume)

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

Article – Tax – Property~~§ 209.~~

~~(a) The General Assembly declares that it is in the general public interest of the State to foster and encourage farming activities to:~~

~~(1) maintain a readily available source of food and dairy products close to the metropolitan areas of the State;~~

~~(2) encourage the preservation of open space as an amenity necessary for human welfare and happiness; and~~

~~(3) prevent the forced conversion of open space land to more intensive uses because of the economic pressures caused by the assessment of the land at rates or levels incompatible with its practical use for farming.~~

~~(b) It is the intention of the General Assembly that the assessment of farmland:~~

~~(1) be maintained at levels compatible with the continued use of the land for farming; and~~

~~(2) not be affected adversely by neighboring land uses of a more intensive nature.~~

~~(c) Land that is actively used for farm or agricultural use shall be valued on the basis of that use and may not be valued as if subdivided.~~

~~(d) Land that is valued under subsection (c) of this section shall be assessed on the basis of its use value.~~

~~(e) (1) The Department shall establish in regulations criteria to determine if land that appears to be actively used for farm or agricultural purposes:~~

~~(i) is actually used for farm or agricultural purposes; and~~

~~(ii) qualifies for assessment under this section.~~

~~(2) The criteria shall include:~~

~~(i) the zoning of the land;~~

~~(ii) the present and past use of the land including land under the Soil Bank Program of the United States;~~

~~(iii) the productivity of the land, including timberlands and reforested lands; and~~

~~(iv) the gross income that is derived from the agricultural activity.~~

~~(f) In administering this section, periodically, the Director shall consult with:~~

~~(1) the Secretary of Agriculture;~~

~~(2) officials of the State who are knowledgeable in agriculture;~~

~~(3) representatives of the agricultural community;~~

~~(4) officials of counties and municipal corporations; and~~

~~(5) other persons as determined by the Director.~~

~~(g) (1) In this subsection the following words have the meanings indicated:~~

~~(i) “actively used” means land that is actually and primarily used for a continuing farm or agricultural use;~~

~~(ii) “agricultural land unit” means the combination of not more than 3 parcels of land when the parcels are:~~

~~1. located in the same county; and~~

~~2. under the same ownership;~~

~~(iii) “average gross income” means the average of the 2 highest years of gross income during a 3 year period;~~

~~(iv) “family farm unit” means not more than 1 parcel of land of less than 20 acres for each immediate family member for land that is:~~

~~1. contiguous to land receiving the farm or agricultural use assessment; and~~

~~2. owned by a member or members of the immediate family of the owner of the farm or agricultural use land; and~~

~~(v) “gross income” means the actual income that is received in a calendar year that results directly from the farm or agricultural use of the land.~~

~~(2) In determining if a parcel of land of less than 20 acres, or not zoned for agricultural use, is actively used, the Department may require the owner of the land to affirm, under oath, on a standard form provided by the Department that the farm or agricultural use of the land results in an average gross income of at least \$2,500 from the parcel or the agricultural land unit.~~

~~(3) The Department may require an owner who submits an affirmation under paragraph (2) of this subsection to verify the gross income from the land by providing:~~

~~(i) copies of sales receipts or invoices;~~

~~(ii) lease agreements; or~~

~~(iii) other documents required by the Department.~~

~~(4) An affirmation under paragraph (2) of this subsection shall be filed before July 1 of the taxable year.~~

~~(5) If land that appears to be actively used does not yield an average gross income of \$2,500, the Director shall waive the gross income requirement on finding that:~~

~~(i) the land is leased and the nature of the farm or agricultural use of the land when related to the amount of the land in farm or agricultural use reasonably would be expected to yield an average gross income of at least \$2,500;~~

~~(ii) the nature of the farm or agricultural use of the land and the amount of the land in farm or agricultural use reasonably would be expected to yield an average gross income of at least \$2,500 from the agricultural products, if sold, that are derived from the use of the land;~~

~~(iii) a drought or other natural cause has adversely affected the income producing capability of the land during a 3 year period; or~~

~~(iv) for a newly established farm or agricultural use, the nature of the use and the amount of the land in farm or agricultural use reasonably would be expected to yield an average gross income of at least \$2,500 if the use had existed for a 3 year period.~~

~~(6) The Director may grant only the following additional waivers:~~

~~(i) under paragraph (5)(iii) of this subsection, for 1 additional consecutive 3 year period; and~~

~~(ii) under paragraph (5)(iv) of this subsection, for 1 additional consecutive 3 year period.~~

~~(7) The gross income requirement of paragraph (2) of this subsection does not apply if the land is actively used as a family farm unit.~~

~~(8) For purposes of qualifying for the agricultural use assessment under this section, the following real property is deemed to be a single contiguous parcel:~~

~~(i) parcels that are created or separated by roads, easements, or other rights of way; and~~

~~(ii) land relating to a right of way that reverts back to its owner's use for purposes of farming.~~

~~(h) (1) Subject to paragraph (2) of this subsection AND EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, the following land does not qualify to be assessed under this section:~~

~~(i) land rezoned to a more intensive use than the use that immediately preceded the rezoning, if a person with an ownership interest in the land has applied for or requested the rezoning;~~

~~(ii) land used as a homesite, which means the area of land that is reasonably related to a dwelling;~~

~~(iii) parcels of land of less than 3 acres that are under the same ownership excluding the homesite unless:~~

~~1. THE LAND IS LOCATED IN BALTIMORE CITY AND WOULD HAVE AN ASSESSED VALUE OF LESS THAN \$90,000 PER ACRE IF THE LAND WAS NOT ASSESSED UNDER THIS SECTION;~~

~~2. the land is owned by an owner of adjoining land that is receiving the farm or agricultural use assessment and is actively used;~~

~~[2.]3. the owner receives at least 51% of the owner's gross income from the active use; or~~

~~[3.]4. the parcels are part of a family farm unit;~~

~~(iv) if part of a subdivision plat, parcels of land of less than 10 acres that are owned by an owner of 5 other parcels of land of less than 10 acres each that are located in the same county and that are receiving the farm or agricultural use assessment;~~

~~(v) parcels of woodland of less than 5 acres excluding the homesite; or~~

~~(vi) land that fails to meet the gross income requirement of subsection (g) of this section.~~

~~(2) No more than 2 parcels of less than 3 acres under the same ownership may qualify for the agricultural use assessment.~~

~~(3) PARAGRAPH (1)(IV) OF THIS SUBSECTION DOES NOT APPLY IN BALTIMORE CITY.~~

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

~~(ii) "Surviving spouse" means the surviving spouse of the property owner who applied for the waiver under this subsection if the surviving spouse has not remarried and had a legal interest in the property at the time of the application for the waiver.~~

~~(iii) "3-year cycle" has the meaning stated in § 8-103 of this title.~~

~~(2) The Director may grant a waiver from the requirements of subsection (c) or (g) of this section if:~~

~~(i) the property owner is at least 70 years of age;~~

~~(ii) the property owner applies to the Department for a waiver of the requirements of either subsection (c) or (g) of this section;~~

~~(iii) the land has not changed ownership during the two previous 3-year cycles; and~~

~~(iv) the land has been assessed for at least the two previous 3-year cycles on the basis of farm or agricultural use under the law or regulations of the Department that were in effect as of the date of the application.~~

~~(3) The Director may grant a waiver from the requirements of subsection (c) or (g) of this section if:~~

~~(i) the property owner becomes disabled and is unable to continue the farm or agricultural use of the land;~~

~~(ii) the property owner applies to the Department for a waiver of the requirements of either subsection (c) or (g) of this section;~~

~~(iii) the property owner engaged in farm or agricultural use activities on the land prior to the disability; and~~

~~(iv) the land has been assessed for at least the two previous 3-year cycles on the basis of farm or agricultural use under the law or regulations of the Department that were in effect as of the date of the application.~~

~~(4) Any waiver granted under this subsection shall be in effect until:~~

~~(i) the transfer of the property; or~~

~~(ii) the later of the death of the property owner who received the waiver or the death of the surviving spouse.~~

~~(5) The Department may adopt regulations to carry out the provisions of this subsection.~~

- (a) (1) In this section the following words have the meanings indicated.
- (2) “Urban agricultural property” means real property that is:
- (i) at least one–eighth of an acre and not more than ~~[2]~~ 5 acres;
 - (ii) located in a priority funding area, as defined in § 5–7B–02 of the State Finance and Procurement Article; and
 - (iii) used exclusively for urban agricultural purposes.
- (3) “Urban agricultural purposes” means:
- (i) crop production activities, including the use of mulch or cover crops to ensure maximum productivity and minimize runoff and weed production;
 - (ii) environmental mitigation activities, including stormwater abatement and groundwater protection;
 - (iii) community development activities, including recreational activities, food donations, and food preparation and canning classes;
 - (iv) economic development activities, including employment and training opportunities, and direct sales to restaurants and institutions; and
 - (v) temporary produce stands used for the sale of produce raised on the premises.
- (b) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may grant, by law, a tax credit against the county or municipal corporation property tax imposed on urban agricultural property.
- (c) (1) Except as provided in paragraph (2) of this subsection, a tax credit under this section shall be granted for 5 years.
- (2) (i) If the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation grants a tax credit under this section, the jurisdiction granting a tax credit shall evaluate the effectiveness of the credit after 3 years.
- (ii) If the jurisdiction granting the tax credit determines that the tax credit is ineffective in promoting urban agricultural purposes, the jurisdiction granting a tax credit may terminate the tax credit.
- (iii) The jurisdiction granting a tax credit under this section may extend the tax credit for an additional 5 years.

(d) The Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation may provide, by law, for:

- (1) the amount of the tax credit under this section;
- (2) additional eligibility criteria for the tax credit under this section;
- (3) regulations and procedures for the application and uniform processing of requests for the tax credit; and
- (4) any other provision necessary to carry out the credit under this section.

(e) At any time during the period for which a property tax credit under this section is granted for urban agricultural property, if the property ceases to be used for urban agricultural purposes, the owner of the property shall be liable for all property taxes that would have been imposed if a property tax credit for urban agricultural property had not been granted.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013, and shall be applicable to all taxable years beginning after June 30, 2013.

Approved by the Governor, May 16, 2013.

Chapter 661

(House Bill 1055)

AN ACT concerning

~~Public Service Commission—Contracts for Electricity Supply—Applicability of Minority Business Enterprise Participation Goals~~

Evaluation of the Application of Minority Business Enterprise Program by the Public Service Commission

FOR the purpose of requiring the ~~Public Service Commission to require that certain contracts for electricity supply include a provision that requires the electricity supplier to comply with certain minority business enterprise participation goals and subgoals established by the Special Secretary of Minority Affairs; providing that existing obligations or contract rights may not be impaired by this Act; and generally relating to the applicability of minority business enterprise participation goals to contracts for electricity supply~~ Department of

Transportation, the Governor's Office of Minority Affairs, and the Public Service Commission, in consultation with the Office of the Attorney General, to evaluate the feasibility and constitutionality of requiring the Public Service Commission to apply the provisions of a certain minority business enterprise program when exercising certain authority; providing for the termination of this Act; and generally relating to an evaluation of the application of the State minority business enterprise program by the Public Service Commission in exercising certain authority.

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

~~Article – Public Utilities~~

~~Section 7-510(e)~~

~~Annotated Code of Maryland~~

~~(2010 Replacement Volume and 2012 Supplement)~~

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

~~**Article – Public Utilities**~~

~~7-510.~~

~~(e) (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 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.~~

~~(HH) THE COMMISSION SHALL REQUIRE THAT EACH CONTRACT FOR SUPPLY ENTERED INTO UNDER THIS PARAGRAPH INCLUDE A PROVISION THAT REQUIRES THE ELECTRICITY SUPPLIER TO COMPLY WITH THE MINORITY BUSINESS ENTERPRISE PARTICIPATION GOALS AND SUBGOALS ESTABLISHED BY THE SPECIAL SECRETARY OF MINORITY AFFAIRS UNDER § 14-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.~~

~~(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) (i) 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. as approved and modified by the electric cooperative's board of directors; and~~

~~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.~~

~~(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 a presently existing obligation or contract right may not be impaired in any way by this Act.~~

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

(a) The Department of Transportation, the Governor's Office of Minority Affairs, and the Public Service Commission, in consultation with the Office of the Attorney General, shall evaluate whether requiring the Public Service Commission to apply the provisions of the minority business enterprise program under Title 14, Subtitle 3 of the State Finance and Procurement Article when exercising its authority under § 7-510(c)(6) of the Public Utilities Article would be feasible and in compliance with the requirements of the Croson decision and any subsequent federal or constitutional requirements.

(b) On or before December 1, 2013, the Department of Transportation, the Governor's Office of Minority Affairs, and the Public Service Commission shall report their findings and recommendations to the General Assembly in accordance with § 2-1246 of the State Government Article.

SECTION ~~2~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October 1, 2013~~ July 1, 2013. It shall remain effective for a period of 1 year and, at the end of June 30, 2014, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 16, 2013.

Chapter 662

(House Bill 1059)

AN ACT concerning

**Baltimore City – Video Lottery Operation ~~Licensees~~ Licensee – Employee
Data Collection**

FOR the purpose of requiring a certain video lottery operation licensee to compile certain data concerning ~~its~~ certain employees and submit the data to the State Lottery and Gaming Control Commission on or before a certain date; requiring the Commission to submit a certain report to the General Assembly and certain other persons within a certain time; and generally relating to a certain video lottery operation ~~licensees~~ licensee and the State Lottery and Gaming Control Commission.

BY repealing and reenacting, without amendments,
Article – State Government
Section 9–1A–01(a) and (k)
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

BY adding to
Article – State Government
Section 9–1A–23(d)
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

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

Article – State Government

9–1A–01.

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

(k) “Commission” means the State Lottery and Gaming Control Commission.

9–1A–23.

(D) (1) ~~ON OR BEFORE MARCH 31 OF EACH YEAR~~ WITHIN 30 DAYS AFTER THE COMPLETION OF ITS FIRST YEAR OF OPERATIONS, A VIDEO LOTTERY OPERATION LICENSEE IN BALTIMORE CITY SHALL:

(I) COMPILE DATA ON THE AGE, SEX, RACE, AND COUNTY OF RESIDENCE OF ITS STATE VIDEO LOTTERY EMPLOYEES ~~OF~~ WHO WORKED IN THE STATE DURING THE PREVIOUS YEAR; AND

(II) SUBMIT THE DATA TO THE COMMISSION.

(2) WITHIN 3 MONTHS AFTER RECEIVING THE DATA REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE COMMISSION SHALL SUBMIT A REPORT CONTAINING THE DATA TO THE GOVERNOR, THE GOVERNOR'S OFFICE OF MINORITY AFFAIRS, AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF DELEGATES.

(3) THE COMMISSION SHALL ADOPT REGULATIONS TO CARRY OUT THIS SUBSECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 663

(House Bill 1072)

AN ACT concerning

Alcoholic Beverages – City of Laurel – Sales by License Holders

PG 308-13

FOR the purpose of ~~requiring the City Council of the City of Laurel to make a certain determination regarding the granting of a license to sell alcoholic beverages in a certain building located within a certain distance of~~ providing that, in the City of Laurel, a license may be granted to sell alcoholic beverages in any building regardless of its distance from a place of worship; making certain stylistic changes; and generally relating to the sale of alcoholic beverages in the City of Laurel.

BY repealing and reenacting, without amendments,

Article 2B – Alcoholic Beverages
Section 9–217(a)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 9–217(e)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

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

Article 2B – Alcoholic Beverages

9–217.

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

(e) (1) (i) Except as provided in ~~item~~ **ITEMS SUBPARAGRAPHS** (ii) **AND (III)** of this paragraph ~~AND PARAGRAPH (7) OF THIS SUBSECTION~~, a license may not be granted to sell alcoholic beverages in any building located within 1,000 feet of a school building, or within 500 feet of a place of worship. The 1,000 feet, or the 500 feet, as the case may be, is to be measured from the front door or main entrance, whichever is nearest the street abutting the premises, of the proposed licensed establishment along the nearest usual pedestrian route to the door closest to the licensed premises which is used as an entrance or exit to any school, or to the main entrance of the place of worship.

(ii) In the part of the Gateway Arts and Entertainment District located in the City of Hyattsville, as designated by the Secretary of Business and Economic Development, the front door or main entrance of an establishment for which a Class D beer and wine license is issued may be used if the door or entrance is at least 350 feet from a place of worship.

(III) IN THE CITY OF LAUREL, A LICENSE MAY BE GRANTED TO SELL ALCOHOLIC BEVERAGES IN ANY BUILDING REGARDLESS OF ITS DISTANCE FROM A PLACE OF WORSHIP.

(2) This restriction does not apply in the case of a [church] **PLACE OF WORSHIP** if the governing body of the [church] **PLACE OF WORSHIP** concerned consents in writing to the granting of the license. The consent shall be filed with the application. The license of any person or persons or for the use of a corporation or unincorporated association issued for any building located within the requisite

distance from a [church] **PLACE OF WORSHIP** or school building may be renewed or extended for the same building.

(3) This restriction does not apply to any transfer or assignment of a license located within the distance of 1,000 feet to another place of business within the specified distance [and/or] **OR** to an assignee of the license within the distance of the same [church] **PLACE OF WORSHIP** or school building.

(4) This does not apply to the issuance of a license for a place of business, not having an alcoholic beverage license, to which an alcoholic beverage license had been issued and was in force and effect on June 1, 1965, as to a license of the same class which was in force and effect as of that date, applied for in the place of business nor to a renewal of a license of any establishment where, subsequent to the original granting of the license a school or church building was erected within 1,000 feet.

(5) This subsection does not apply to any license issued under § 6–201(r)(2), (4), (5), (15), (16), or (18) or § 7–101 of this article.

(6) This restriction does not apply in the case of a private kindergarten or nursery school.

~~(7) (i) THIS PARAGRAPH APPLIES ONLY IN THE CITY OF LAUREL.~~

~~(ii) THE CITY COUNCIL OF THE CITY OF LAUREL SHALL DETERMINE IF A LICENSE MAY BE ISSUED TO SELL ALCOHOLIC BEVERAGES IN A BUILDING LOCATED WITHIN 500 FEET OF A PLACE OF WORSHIP.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 664

(House Bill 1073)

AN ACT concerning

Prince George's County Board of Education – Financial Literacy Curriculum
~~– Graduation Requirement~~

FOR the purpose of ~~requiring~~ authorizing the Prince George's County Board of Education to develop curriculum content for a certain course in financial literacy ~~as a part of the county board's high school curriculum to be offered to all students in a certain grade~~; requiring certain curriculum content to include certain instruction; ~~requiring~~ authorizing the county board to implement certain curriculum content in ~~high~~ middle schools in Prince George's County beginning in a certain school year; ~~requiring certain students to complete a certain course in order to graduate from high school in Prince George's County~~; and generally relating to the implementation of a course in financial literacy ~~that is required for graduation from a public high school in Prince George's County~~.

BY adding to

Article – Education

Section 3–1008

Annotated Code of Maryland

(2008 Replacement Volume and 2012 Supplement)

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

Article – Education

3–1008.

(A) THE COUNTY BOARD ~~SHALL~~ MAY DEVELOP CURRICULUM CONTENT FOR A ~~SEMESTER-LONG HANDS-ON~~ COURSE IN FINANCIAL LITERACY AS A PART OF THE COUNTY BOARD'S HIGH SCHOOL CURRICULUM TO BE OFFERED TO ALL STUDENTS IN THE EIGHTH GRADE.

(B) THE CURRICULUM CONTENT SHALL INCLUDE INSTRUCTION REGARDING:

- ~~(1) CHOOSING A CAREER AND EARNING AN INCOME;~~
- ~~(2) ECONOMIC AND FINANCIAL DECISION MAKING;~~
- ~~(3) BASIC ECONOMIC CONCEPTS, INCLUDING OPPORTUNITY COST, COST/BENEFIT ANALYSIS, AND SUPPLY AND DEMAND;~~
- ~~(4) SAVING AND INVESTING MONEY;~~
- ~~(5) CREDIT;~~
- ~~(6) CHARITABLE GIVING;~~

~~(7) HOUSEHOLD BUDGETING;~~

~~(8) INSURANCE;~~

~~(9) CONSUMER AWARENESS;~~

~~(10) UNDERSTANDING CONTRACTUAL AGREEMENTS; AND~~

~~(11) FRAUD AND IDENTIFY THEFT.~~

(1) IDENTIFICATION OF SERVICES PROVIDED BY FINANCIAL INSTITUTIONS;

(2) DEBIT CARDS AND THEIR USES;

(3) INTEREST AND CREDIT;

(4) SAVINGS AND INVESTING;

(5) THE DIFFERENCES AMONG SALES, INCOME, AND PROPERTY TAXES, AND THE PURPOSE OF EACH TYPE OF TAX;

(6) THE BASIC PRINCIPLES OF SOCIAL SECURITY;

(7) NET MONTHLY INCOME; AND

(8) HOUSEHOLD BUDGETING.

(C) ~~THE~~ BEGINNING IN THE 2013-2014 SCHOOL YEAR, THE COUNTY BOARD SHALL MAY IMPLEMENT THE FINANCIAL LITERACY CURRICULUM CONTENT DEVELOPED UNDER SUBSECTION (A) OF THIS SECTION IN EVERY ~~HIGH~~ MIDDLE SCHOOL IN THE COUNTY.

~~(D) IN ORDER TO GRADUATE FROM HIGH SCHOOL IN PRINCE GEORGE'S COUNTY, A STUDENT SHALL COMPLETE A COURSE IN FINANCIAL LITERACY.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 665**(House Bill 1074)**

AN ACT concerning

**Prince George's County – Alcoholic Beverages – Hours of Sale and Fee for
Golf Course Licenses**

PG 318–13

FOR the purpose of altering the hours of sale for beer ~~and wine~~, wine, and liquor under a special 7–day Class B–GC (golf course) on–sale beer ~~and wine~~, wine, and liquor license in Prince George's County; increasing the fee for a special 7–day Class B–GC on–sale beer, wine, and liquor license; and generally relating to the sale of alcoholic beverages on golf courses in Prince George's County.

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages

Section 8–505

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

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

Article 2B – Alcoholic Beverages

8–505.

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

(2) “Board” means the Prince George's County Board of License Commissioners.

(3) “Commission” means the Maryland–National Capital Park and Planning Commission.

(b) (1) The Board may issue special 7–day Class B–GC (golf course) on–sale beer ~~and wine~~, **WINE, AND LIQUOR** licenses for the exclusive use on the premises of the Commission's golf courses located within Prince George's County.

(2) The special 7–day Class B–GC on–sale beer ~~and wine~~, **WINE, AND LIQUOR** license authorizes the holder to sell beer ~~and wine~~, **WINE, AND LIQUOR** from 1 or more outlets for consumption on the premises of the golf course.

(3) (i) A separate license is required for each applicable golf course.

(ii) A special 7-day Class B–GC on-sale beer ~~and wine, WINE, AND LIQUOR~~ license shall be issued to each of the managers of the Commission's golf courses upon making application and qualifying as a license holder under this article.

(4) (i) Except as provided in this subsection, the hours of sale for beer ~~and wine, WINE, AND LIQUOR~~ under this license are from [11 a.m.] **9 A.M.** to 10 p.m. daily, Monday through Sunday.

(ii) The Commission may:

1. Reduce the hours of sale of beer ~~and wine, WINE, AND LIQUOR~~ under this license; and

2. Discontinue the sale of beer ~~and wine, WINE, AND LIQUOR~~ under this license from Labor Day through Memorial Day.

(5) The annual fee for a special 7-day Class B–GC on-sale beer ~~and wine, WINE, AND LIQUOR~~ license is ~~\$365~~ **\$500**.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 666

(House Bill 1081)

AN ACT concerning

Prince George's County – Alcoholic Beverages – Entertainment Permit – ~~Exemption for~~ Class BH Licensees

PG 301–13

FOR the purpose of ~~specifying that a holder of a Class BH alcoholic beverages license in Prince George's County need not obtain an entertainment permit before providing entertainment~~ authorizing a holder of a Class BH license in Prince George's County that obtains a special entertainment permit to allow an individual under a certain age to be present on the licensed premises while alcoholic beverages are being served during certain events; altering a certain definition; making technical corrections; and generally relating to the issuance of entertainment permits in Prince George's County.

BY repealing and reenacting, without amendments,
Article 2B – Alcoholic Beverages
Section 6–201(r)(1)(i) and (19)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 6–201(r)(4) ~~and (19)(i)~~
Annotated Code of Maryland
(2011 Replacement Volume and 2012 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.

(4) (i) There is a special Class B license known as Class BH, which may be issued only to hotels.

(ii) The annual license fee is \$5,000.

(iii) In this paragraph, “hotel” means an establishment:

1. [Which] **THAT** is recognized as a hotel for the accommodation of the public providing services ordinarily found in hotels;

2. [Which] **THAT** is equipped with:

A. Not less than 45 bedrooms;

B. A lobby with registration and mail desk and seating facilities; and

C. A dining room with facilities for preparing and serving regular meals;

3. Where the average daily receipts from the hire of rooms and the sale of food exceeds the average daily receipts from the sale of alcoholic beverages; [and]

4. Where the capital investment in the facility, including the building or buildings and all fixtures and systems contained therein and components thereof, parking compound, swimming pool and other recreational areas, landscaping, site preparation and improvements and infrastructure, engineering, architectural and other similar costs but excluding the cost of land furnishings and removable equipment and personal property, is not less than \$30,000 per bedroom; AND

5. THAT COLLECTS THE COUNTY HOTEL OCCUPANCY TAX FROM GUESTS USING THE ESTABLISHMENT.

(iv) Class BH licenses are subject to all other provisions pertaining to Class B beer, wine and liquor licenses, except that any restrictions against the sale of alcoholic beverages on Sunday appearing in § 11–517 of this article and elsewhere in this article do not apply; and any alcoholic beverages may not be sold, served or consumed on the licensed premises on Sunday after 2 a.m. and before 10 a.m.

(v) 1. In addition to the other privileges granted under this paragraph, a holder of a Class BH beer, wine and liquor (on-sale) license for hotel use may sell alcoholic beverages in sealed containers to hotel guests who are 21 years of age or older if:

A. The alcoholic beverages, other than beer and wine, are sold in sealed containers of under 200 milliliters;

B. The alcoholic beverages are sold from locked prestocked private bars located within individual guest rooms; and

C. The charges for the alcoholic beverages sold are indicated on the respective guest room bill.

2. If a room is rented to a guest under 21 years of age, the hotel management is responsible for removing the bar key from the room.

(VI) A CLASS BH LICENSE HOLDER THAT OBTAINS A SPECIAL ENTERTAINMENT PERMIT UNDER PARAGRAPH (19)(II) OF THIS SUBSECTION MAY ALLOW AN INDIVIDUAL UNDER THE AGE OF 21 YEARS TO BE PRESENT ON THE LICENSED PREMISES WHILE ALCOHOLIC BEVERAGES ARE BEING SERVED DURING ANY OF THE FOLLOWING EVENTS:

1. ANNIVERSARY PARTY;

2. BABY SHOWER;

3. BAPTISM RECEPTION;

4. BAR MITZVAH;
5. BAT MITZVAH;
6. BEAUTILLION;
7. BIRTHDAY PARTY;
8. BOOK SIGNING;
9. CHURCH EVENT;
10. CONFIRMATION RECEPTION;
11. CORPORATE RECEPTION;
12. COTILLION;
13. ENGAGEMENT PARTY;
14. FAITH BASED EVENT;
15. FAMILY REUNION;
16. FAMILY THEMED THEATRICAL;
17. GRADUATION PARTY;
18. PERFORMANCE;
19. POLITICAL EVENT;
20. RETIREMENT PARTY;
21. RIGHTS OF PASSAGE EVENT;
22. SCHOLARSHIP AWARD CEREMONY;
23. SCHOOL EVENT;
24. TEA PARTY;
25. WEDDING;

26. WEDDING RECEPTION;**27. WEDDING SHOWER; AND****28. A FAMILY-ORIENTED EVENT, AS DEFINED IN REGULATIONS ADOPTED BY THE BOARD UNDER SUBPARAGRAPH (VII) OF THIS PARAGRAPH.**

~~(vi)~~ **(VII)** The Board shall adopt regulations to establish compliance with the provisions of this paragraph.

(19) (i) A license holder that seeks to provide entertainment is not required to obtain a permit under this paragraph if:

1. The license is issued under paragraph (3), ~~(4)~~, (9), (10), (11), (12), (13), (16), or (17) of this subsection or § 5-201(r)(4) of this article;

2. The Board of License Commissioners determines that the holder's principal business is to provide family entertainment;

3. The license is a Class B (on-sale) license issued for a restaurant, and the license holder provides entertainment for adults and children that:

A. Is ancillary to the operation of the business; and

B. Is not the primary focus of marketing or promotion for the business; or

4. The license is a veterans or fraternal Class C license, and the license holder provides entertainment that:

A. Is under the direct supervision of the license holder;

B. Is for adults, children, and families of the organization or the public; and

C. When offered, ends not later than midnight.

(ii) There is a special entertainment permit that the Board may issue to a holder of any Class B (on-sale) license in accordance with this paragraph.

(iii) The Board shall determine the number of days in a week that a permit holder may exercise the privileges of the permit.

(iv) 1. Before approving an application for and issuing a permit under this paragraph, the Board shall hold a public hearing in accordance with the requirements for a public hearing on an application for a license under § 10-202(i) of this article.

2. At the public hearing, the Board shall give the applicant, supporters of the applicant, and opponents of the applicant an opportunity to be heard.

3. In making its determination whether to approve the application and issue the permit, the Board shall consider whether:

A. Approval and issuance of the permit is necessary for the accommodation of the public;

B. The applicant is a fit person to receive the permit;

C. The applicant has made any material false statement in the application;

D. The applicant has committed any fraudulent act in connection with the application;

E. The operation of the business, if the permit is issued, will unduly disturb the peace of the residents of the neighborhood where the place of business is located or to be located; and

F. There are any other reasons that justify the disapproval of the application or the refusal to issue the permit.

4. The Board shall hold a similar public hearing on receipt of a petition to:

A. Revoke an entertainment permit; or

B. Protest the renewal of an entertainment permit.

(v) 1. The permit authorizes the holder that complies with all requirements under county law, including zoning and use and occupancy laws and regulations, to impose a cover charge, offer facilities for patron dancing, and provide entertainment.

2. The permit is valid after 9 p.m. until 2 a.m. the following day.

(vi) Before being issued a permit, an applicant shall:

1. Submit evidence to the satisfaction of the Board that:
 - A. The applicant holds a Class B (on-sale) license;
 - B. There are no unpaid taxes due from the applicant to the State, the County, or a municipal corporation; and
 - C. The applicant meets all other entertainment permit requirements; and
 2.
 - A. Develop a security plan to prevent the premises for which the permit is sought from posing a threat to the peace and safety of the surrounding area; and
 - B. Submit the plan for review to the Board and the Chief of the Prince George's County Police Department.
- (vii) 1. The Chief of the Prince George's County Police Department may submit comments to the Board on the adequacy of the security plan within 30 days after receipt of the plan.
2. The Board shall consider the comments, if any, of the Chief of Police and subsequently issue the permit, refuse to issue the permit, or condition the issuance of the permit on changes to the security plan.
3. If the Board issues the permit with a security plan that the Chief of the Prince George's County Police Department does not support, the Board shall specify in writing to the Chief the reasons why the Board has determined that the security plan is adequate.
4. Each permit holder shall follow the approved security plan at all times when the permit holder exercises the privileges of the permit.
- (viii) A holder of the permit:
1. Shall implement the security plan; and
 2. When the privileges authorized by the permit are being exercised, may not allow an individual who is under the age of 21 years on the premises for which the permit is issued, unless the individual is employed by or is an immediate family member of the holder.
- (ix) The Board at any time may prohibit, condition, or restrict the type of entertainment offered by a holder of the permit, including lewd, exotic, loud, or raucous entertainment, if after a hearing the Board determines that the entertainment adversely impacts or unduly disturbs the community and is not conducive to the peace, health, welfare, or safety of the residents of the County.

(x) The annual fee for the permit is \$1,500, which is in addition to the annual fee for the Class B license.

(xi) A permit holder may employ sworn security personnel as part of the security plan if the sworn security personnel have full police powers in the jurisdiction where the premises of the permit holder is located.

(xii) 1. The circuit court may issue a temporary restraining order to immediately close to the public the entire operation of the premises if the County establishes that the security plan has not been implemented and that the public health, safety, or welfare requires emergency action.

2. On issuance of a temporary restraining order under subsubparagraph 1 of this subparagraph, the County shall give the permit holder written notice of and reasons for the closure.

3. The permit holder promptly shall be given an opportunity for a hearing in circuit court on the granting of the temporary restraining order in accordance with Title 15, Chapter 500 of the Maryland Rules.

(xiii) Subject to subparagraph (xiv) of this paragraph, the Board may immediately suspend a permit if the Board reasonably believes that the permit holder:

1. Violated this paragraph; or

2. Is not in compliance with a county zoning property standard or use and occupancy requirement.

(xiv) If the Board immediately suspends a permit, the Board shall:

1. Give the permit holder notice of the suspension and a hearing on the suspension at which the permit holder may be heard and present evidence; and

2. Hold the hearing within 30 days after the suspension is imposed.

(xv) At the hearing, the Board shall determine:

1. Whether the permit holder violated this paragraph or other law; and

2. If a violation occurred, what penalty to impose among those listed in subparagraphs (xvi) and (xvii) of this paragraph.

(xvi) Subject to subparagraph (xvii) of this paragraph, if the Board finds that a person has violated this paragraph, the Board:

1. May revoke or continue the suspension of the permit;
and

2. Shall impose on the person a penalty of:

A. For a first offense, at least \$1,000 but not more than \$12,500; and

B. For each subsequent offense, at least \$5,000.

(xvii) The Board:

1. Shall revoke the permit of a person who the Board determines violated this paragraph twice within a 24-month period; and

2. Until at least 12 months after the order of revocation was issued, may not consider an application from the person for a new permit or an application for a new permit for the premises that was the subject of the revocation.

(xviii) If the Board determines that the permit holder did not violate this paragraph, the Board shall immediately reinstate the permit.

(xix) The Board of License Commissioners shall adopt regulations to carry out this paragraph.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 667

(House Bill 1105)

AN ACT concerning

**Prince George's County – Alcoholic Beverages Sales – Prohibition on Use of
Self-Scanning Cash Registers**

FOR the purpose of prohibiting a retail alcoholic beverages licensee in Prince George's County from selling alcoholic beverages by means of a self-scanning cash register or a certain other automated system that may be operated on a self-service basis by a customer; providing a certain penalty; providing for the application of this Act; and generally relating to the retail sale of alcoholic beverages in Prince George's County.

BY adding to

Article 2B – Alcoholic Beverages

Section 12-217.1

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

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

Article 2B – Alcoholic Beverages

12-217.1.

(A) THIS SECTION APPLIES ONLY IN PRINCE GEORGE'S COUNTY.

(B) A RETAIL LICENSEE LICENSED UNDER THIS ARTICLE MAY NOT SELL ALCOHOLIC BEVERAGES BY MEANS OF A SELF-SCANNING CASH REGISTER OR OTHER AUTOMATED SYSTEM THAT IS:

(1) CAPABLE OF RECOVERING STORED INFORMATION RELATED TO THE SALE PRICE OF INDIVIDUAL RETAIL ITEMS; AND

(2) OPERATED ON A SELF-SERVICE BASIS BY A CUSTOMER.

(C) IF A RETAIL LICENSEE LICENSED UNDER THIS ARTICLE VIOLATES THIS SECTION, THE LOCAL LICENSING BOARD MAY:

(1) FOR A FIRST OFFENSE, IMPOSE A FINE NOT EXCEEDING \$1,000 ON THE LICENSEE;

(2) FOR A SECOND OFFENSE, IMPOSE A FINE NOT EXCEEDING \$2,500 ON THE LICENSEE; AND

(3) FOR A THIRD OR SUBSEQUENT OFFENSE:

(I) IMPOSE A FINE NOT EXCEEDING \$2,500 ON THE LICENSEE; OR

(II) SUSPEND OR REVOKE THE LICENSE OF THE LICENSEE.

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 retail licensee who sold alcoholic beverages by means of a self-scanning cash register or other automated system before the effective date of this Act.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 668

(House Bill 1145)

AN ACT concerning

Task Force to Study Energy Generation in Prince George's County

PG 416–13

FOR the purpose of establishing the Task Force to Study Energy Generation in Prince George's County; providing for the composition, chair, and staffing of the Task Force; prohibiting a member of the Task Force from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Task Force to study and make recommendations regarding certain matters; requiring the Task Force to report its findings and recommendations to the Prince George's County Senators, the Prince George's County Delegation, the Prince George's County Council, the Prince George's County Executive, and the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to the Task Force to Study Energy Generation in Prince George's County.

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

(a) There is a Task Force to Study Energy Generation in Prince George's County.

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

(1) one member of the Senate of Maryland who represents Prince George's County, appointed by the President of the Senate;

(2) one member of the House of Delegates who represents Prince George's County, appointed by the Speaker of the House;

(3) the ~~Chairman~~ Executive Director of the Technical Staff of the Public Service Commission, or the ~~Chairman's~~ Executive Director's designee;

(4) the Director of the Maryland Energy Administration, or the Director's designee;

(5) one member of the Prince George's County Council, appointed by the chair of the Council;

(6) the County Executive of Prince George's County, or the County Executive's designee; ~~and~~

(7) the business manager of the International Brotherhood of Electrical Workers, Local Union 26, or the business manager's designee; and

(8) the following members appointed by the Governor:

(i) one representative of an electric company that provides service in Prince George's County;

(ii) one representative of the Prince George's County business community with an interest in energy generation;

(iii) one representative of the environmental community with an interest in clean energy; and

(iv) one faculty member from the University System of Maryland with expertise in energy generation.

(c) The Task Force members shall select the chair of the Task Force.

(d) The Prince George's County government shall provide staff for the Task Force.

(e) A member of the Task Force:

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

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

(f) The Task Force shall:

(1) study energy generation in Prince George's County, including the extent to which energy generation within the county is able to meet the county's current and projected energy needs; and

(2) make recommendations regarding:

(i) whether energy generation in Prince George's County should be increased;

(ii) appropriate forms of energy generation for Prince George's County; and

(iii) appropriate locations for energy generation in Prince George's County.

(g) On or before December 31, 2013, the Task Force shall report its findings and recommendations to the Prince George's County Senators, the Prince George's County Delegation, the Prince George's County Council, the Prince George's County Executive, and, in accordance with § 2-1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013. It shall remain effective for a period of 1 year and, at the end of May 31, 2014, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 16, 2013.

Chapter 669

(House Bill 1146)

AN ACT concerning

Task Force to Study Locating Businesses in Libraries in Prince George's County

PG 415-13

FOR the purpose of establishing the Task Force to Study Locating Businesses in Libraries in Prince George's County; providing for the composition, chair, and staffing of the Task Force; establishing the duties of the Task Force; prohibiting a member of the Task Force from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Task Force to report its findings and recommendations on or before a certain date; providing

for the termination of this Act; and generally relating to the Task Force to Study Locating Businesses in Libraries in Prince George's County.

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

(a) There is a Task Force to Study Locating Businesses in Libraries in Prince George's County.

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

(1) one member of the Senate of Maryland who represents Prince George's County, appointed by the President of the Senate;

(2) one member of the House of Delegates who represents Prince George's County, appointed by the Speaker of the House;

(3) one member of the Prince George's County Council, appointed by the chair of the Council;

(4) the Prince George's County Executive, or the County Executive's designee; ~~and~~

(5) ~~the following members, appointed by the Governor:~~

~~(i)~~ one representative of the Board of Trustees of the Prince George's County Memorial Library System, appointed by the Board of Trustees;

~~(ii)~~ (6) one representative of the Literacy Council of Prince George's County, County, appointed by the Literacy Council; and

(7) the following members appointed by the Governor:

~~(iii)~~ (i) one representative of the Division of Library Development and Services in the State Department of Education;

~~(iv)~~ (ii) one member of the business community; and

~~(v)~~ (iii) one member of the public.

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

(d) The Prince George's County Memorial Library System shall provide staff for the Task Force.

(e) A member of the Task Force:

- (1) may not receive compensation as a member of the Task Force; but
- (2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.
- (f) The Task Force shall:
- (1) study business models for cafes, coffeehouses, and other similar businesses located in libraries or bookstores in Maryland and other states and countries;
- (2) determine whether locating businesses in some libraries in Prince George's County would fill a void in the community, modernize the libraries, provide revenue for the libraries, or otherwise be appropriate and feasible; and
- (3) if determined to be appropriate and feasible, develop and recommend a plan for locating businesses in some libraries in Prince George's County.
- (g) On or before December 1, 2014, the Task Force shall report its findings and recommendations to the Prince George's County Council, the Prince George's County Executive, and, in accordance with § 2-1246 of the State Government Article, the Prince George's County Delegation of the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013. It shall remain effective for a period of 1 year and 3 months and, at the end of December 31, 2014, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 16, 2013.

Chapter 670

(House Bill 1159)

AN ACT concerning

Electric Companies – Service Restoration – ~~Prioritized~~ Special Medical Needs Facilities

FOR the purpose of altering a requirement that the Public Service Commission, on or before a certain date, and each year thereafter, determine whether certain electric companies have met certain service quality and reliability standards; making stylistic changes; requiring the Secretary of Health and Mental Hygiene to establish and distribute to ~~an~~ each electric company a list of certain special

medical needs facilities by a certain date each year and to post the list on the Department's Web site; requiring the Secretary to establish a procedure for a certain facility to remove its information from the list; declaring the intent of the General Assembly; requiring an electric company to post certain information on its Web site by a certain date; requiring an electric company to submit a report containing certain information as part of a certain report to the Commission by a certain date; requiring the Commission to adopt regulations relating to the quality and reliability of electrical service to certain facilities by a certain date; requiring certain regulations to include certain service quality and reliability standards, account for certain major outages, and require an electric company to evaluate ways to simplify the delivery of service to certain facilities if it fails to meet certain service quality and reliability standards; authorizing the Commission to include in certain regulations a separate reliability standard for each electric company; specifying that the adoption of certain standards does not prohibit the Commission from taking *certain* corrective action against ~~an~~ a certain electric company under certain circumstances; defining a certain term; requiring the Commission to submit a certain report to the General Assembly on or before a certain date; and generally relating to the restoration of electrical service and special medical needs facilities.

BY repealing and reenacting, without amendments,

Article – Public Utilities

Section 5–302

Annotated Code of Maryland

(2010 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – Public Utilities

Section 7–213

Annotated Code of Maryland

(2010 Replacement Volume and 2012 Supplement)

BY adding to

Article – Public Utilities

Section 7–213.1

Annotated Code of Maryland

(2010 Replacement Volume and 2012 Supplement)

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

Article – Public Utilities

5–302.

(a) Except as provided in subsection (b) of this section, a public service company shall file with the Commission:

- (1) an annual report for the preceding calendar year; and
- (2) special reports, information, contracts, records, and copies as required by the Commission.

(b) Unless otherwise directed by the Commission, a public service company is not required to comply with subsection (a) of this section if the public service company is:

- (1) a common carrier; or
- (2) a telephone company whose rates are not regulated by the Commission under Title 4 of this article.

(c) The Commission may require a public service company that files documents under subsection (a) of this section to file the documents under oath.

7-213.

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

(2) “System–average interruption duration index” or “SAIDI” means the sum of the customer interruption hours divided by the total number of customers served.

(3) “System–average interruption frequency index” or “SAIFI” means the sum of the number of customer interruptions divided by the total number of customers served.

(b) It is the goal of the State that each electric company provide its customers with high levels of service quality and reliability in a cost–effective manner, as measured by objective and verifiable standards, and that each electric company be held accountable if it fails to deliver reliable service according to those standards.

(c) This section does not apply to small rural electric cooperatives or municipal electric companies.

(d) On or before July 1, 2012, the Commission shall adopt regulations that implement service quality and reliability standards relating to the delivery of electricity to retail customers by electric companies through their distribution systems, using:

- (1) SAIFI;

(2) SAIDI; and

(3) any other performance measurement that the Commission determines to be reasonable.

(e) (1) The regulations adopted under subsection (d) of this section shall:

(i) include service quality and reliability standards, including standards relating to:

1. service interruption;
2. downed wire response;
3. customer communications;
4. vegetation management;
5. periodic equipment inspections;
6. annual reliability reporting; and
7. any other standards established by the Commission;

(ii) account for major outages caused by events outside the control of an electric company; and

(iii) for an electric company that fails to meet the applicable service quality and reliability standards, require the **ELECTRIC** company to file a corrective action plan that details specific actions the company will take to meet the standards.

(2) The regulations adopted under subsection (d) of this section may include a separate reliability standard for each electric company in order to account for system reliability differentiating factors, including:

- (i) system design;
- (ii) existing infrastructure;
- (iii) customer density; and
- (iv) geography.

(3) In adopting the regulations required under subsection (d) of this section, the Commission shall:

(i) consider applicable standards of the Institute of Electrical and Electronics Engineers;

(ii) ensure that the service quality and reliability standards are cost-effective; and

(iii) with respect to standards relating to vegetation management, consider:

1. limitations on an electric company's right to access private property; and

2. customer acceptance of vegetation management initiatives.

(f) (1) On or before [September 1, 2013, and] September 1 of each year [thereafter], the Commission shall determine whether each electric company has met the service quality and reliability standards adopted by the Commission for that electric company under subsection (d) of this section **AND UNDER § 7-213.1(E) OF THIS SUBTITLE**.

(2) (i) This paragraph does not apply to electric cooperatives.

(ii) The Commission shall take appropriate corrective action against an electric company that fails to meet any or all of the applicable service quality and reliability standards, including the imposition of appropriate civil penalties for noncompliance as provided in § 13-201 of this article.

(iii) An electric company may not recover the cost of any civil penalty paid under this section from ratepayers.

(g) (1) On or before April 1 of each year, each electric company shall submit to the Commission an annual performance report that summarizes the actual electric service reliability results for the preceding year.

(2) The annual performance report shall include:

(i) the electric company's average 3-year performance results;

(ii) actual year-end performance measure results;

(iii) an assessment of the results and effectiveness of the reliability objectives, planned actions and projects, programs, and load studies in achieving an acceptable reliability level; and

(iv) annual information that the Commission determines necessary to assess the electric company's efforts to maintain reliable electric service to all customers in the electric company's service territory, including:

1. current year expenditures, labor resource hours, and progress measures for each capital and maintenance program designed to support the maintenance of reliable electric service;
2. the number of outages by outage type;
3. the number of outages by outage cause;
4. the total number of customers that experienced an outage;
5. the total customer minutes of outage time; and
6. to the extent practicable, a breakdown, by the number of days each customer was without electric service, of the number of customers that experienced an outage.

(3) At the request of an electric company, the Commission shall hold a hearing to discuss the annual performance report of the electric company.

(h) This section may not be construed to limit the Commission's authority to adopt and enforce engineering and safety standards for electric companies.

7-213.1.

(A) IN THIS SECTION, "~~PRIORITIZED~~ SPECIAL MEDICAL NEEDS FACILITY" INCLUDES:

(1) AN ASSISTED LIVING FACILITY AS DEFINED IN § 19-1801 OF THE HEALTH – GENERAL ARTICLE;

(2) A CONGREGATE HOUSING SERVICES PROGRAM UNDER TITLE 10, SUBTITLE 2 OF THE HUMAN SERVICES ARTICLE;

(3) A HOSPICE FACILITY AS DEFINED IN § 19-901 OF THE HEALTH – GENERAL ARTICLE;

(4) A HOSPITAL AS DEFINED IN § 19-301 OF THE HEALTH – GENERAL ARTICLE OR A SIMILAR INSTITUTION;

(5) A NURSING HOME AS DEFINED IN § 19-1401 OF THE HEALTH – GENERAL ARTICLE; OR

~~(6) ANY OTHER TYPE OF FACILITY THAT THE SECRETARY OF HEALTH AND MENTAL HYGIENE DESIGNATES AS HOUSING VULNERABLE RESIDENTS~~ COMMISSION DESIGNATES IN REGULATION AS A SPECIAL MEDICAL NEEDS FACILITY.

(B) THE PURPOSE OF THIS SECTION IS TO:

(1) FURTHER THE SERVICE QUALITY AND RELIABILITY GOALS UNDER § 7-213 OF THIS SUBTITLE AS THEY RELATE TO ~~A PRIORITIZED FACILITY~~ SPECIAL MEDICAL NEEDS FACILITIES; AND

(2) ENCOURAGE THE ~~SIMPLIFIED~~ RELIABLE DELIVERY OF SERVICE TO ~~A PRIORITIZED FACILITY~~ SPECIAL MEDICAL NEEDS FACILITIES.

(C) ~~ON OR BEFORE JANUARY 1 OF EACH YEAR, THE~~ THE SECRETARY OF HEALTH AND MENTAL HYGIENE SHALL:

(1) ON OR BEFORE JANUARY 1 OF EACH YEAR, ESTABLISH AND PROVIDE A LIST OF ~~PRIORITIZED~~ SPECIAL MEDICAL NEEDS FACILITIES, INCLUDING THE LICENSED CAPACITY OF EACH FACILITY, TO EACH ELECTRIC COMPANY FOR ITS SERVICE TERRITORY;

(2) POST THE LIST REQUIRED UNDER ITEM (1) OF THIS SUBSECTION ON THE WEB SITE OF THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE; AND

(3) ESTABLISH A PROCEDURE TO ALLOW A SPECIAL MEDICAL NEEDS FACILITY TO REMOVE ITS INFORMATION FROM THE LIST ESTABLISHED UNDER ITEM (1) OF THIS SUBSECTION.

(D) ON OR BEFORE APRIL 1 OF EACH YEAR, AN ELECTRIC COMPANY SHALL:

(1) ~~POST ON THE ELECTRIC COMPANY'S WEB SITE THE NAME AND ADDRESS OF EACH PRIORITIZED SPECIAL MEDICAL NEEDS FACILITY THAT OPERATES IN ITS SERVICE TERRITORY; AND~~

(2) ~~SUBMIT TO THE COMMISSION AN ANNUAL PERFORMANCE REPORT FOR EACH SERVICE INTERRUPTION TO A PRIORITIZED FACILITY IN THE SERVICE TERRITORY OF THE ELECTRIC COMPANY THAT INCLUDES:~~

(1) ~~THE DATE, DURATION, AND KNOWN CAUSE OF EACH SERVICE INTERRUPTION DURING THE PRECEDING CALENDAR YEAR; AND~~

~~(H) THE ACTIONS TAKEN TO PREVENT FUTURE SERVICE INTERRUPTIONS AS PART OF THE ELECTRIC COMPANY'S ANNUAL PERFORMANCE REPORT UNDER § 7-213(G) OF THIS SUBTITLE:~~

(I) A LIST OF SPECIAL MEDICAL NEEDS FACILITIES THAT ARE SERVED BY PROTECTIVE DEVICES THAT ACTIVATED FIVE OR MORE TIMES DURING THE REPORTING PERIOD, RESULTING IN A POWER OUTAGE;

(II) A LIST OF SPECIAL MEDICAL NEEDS FACILITIES THAT EXPERIENCED A SERVICE INTERRUPTION THAT:

1. EXCEEDED 4 CONSECUTIVE HOURS DURING THE REPORTING PERIOD; AND

2. WAS REPORTED TO OR WAS OTHERWISE KNOWN TO THE ELECTRIC COMPANY;

(III) A LIST OF SPECIAL MEDICAL NEEDS FACILITIES THAT ARE SERVED BY THE 3% OF FEEDERS ASSIGNED TO AN ELECTRIC COMPANY'S SERVICE TERRITORY IN THE STATE THAT ARE IDENTIFIED BY THE ELECTRIC COMPANY AS HAVING THE POOREST RELIABILITY DURING THE REPORTING PERIOD; AND

(IV) A DESCRIPTION OF THE ELECTRIC COMPANY'S PERFORMANCE IN ASSESSING AND ACTING TO REMEDIATE, AND FUTURE PLANS AND PROPOSALS TO IMPROVE, THE RELIABILITY OF FEEDERS AND PROTECTIVE DEVICES IDENTIFIED UNDER THIS SUBSECTION.

~~(E) ON OR BEFORE OCTOBER 1, 2013, THE COMMISSION SHALL ADOPT REGULATIONS THAT IMPLEMENT SERVICE QUALITY AND RELIABILITY STANDARDS RELATING TO THE DELIVERY OF ELECTRICITY TO A PRIORITIZED FACILITY.~~

~~(F) (1) THE REGULATIONS ADOPTED UNDER SUBSECTION (E) OF THIS SECTION SHALL:~~

~~(i) INCLUDE STANDARDS FOR SERVICE TO A PRIORITIZED FACILITY RELATING TO:~~

~~1. SERVICE INTERRUPTION;~~

~~2. DOWNED WIRE RESPONSE;~~

~~3. CUSTOMER COMMUNICATIONS;~~
~~4. VEGETATION MANAGEMENT;~~
~~5. PERIODIC EQUIPMENT INSPECTIONS;~~
~~6. ANNUAL RELIABILITY REPORTING; AND~~
~~7. ANY OTHER STANDARDS ESTABLISHED BY THE~~
~~COMMISSION;~~

~~(H) ACCOUNT FOR MAJOR OUTAGES CAUSED BY EVENTS OUTSIDE THE CONTROL OF AN ELECTRIC COMPANY; AND~~

~~(I) REQUIRE AN ELECTRIC COMPANY, WHENEVER THE ELECTRIC COMPANY FAILS TO MEET THE APPLICABLE SERVICE QUALITY AND RELIABILITY STANDARDS UNDER THIS SECTION, TO IMMEDIATELY EVALUATE WAYS TO MINIMIZE THE FREQUENCY AND DURATION OF FUTURE SERVICE DISRUPTIONS BY SIMPLIFYING THE DELIVERY OF SERVICE TO AFFECTED PRIORITIZED FACILITIES.~~

~~(2) THE REGULATIONS ADOPTED UNDER SUBSECTION (E) OF THIS SECTION MAY INCLUDE A SEPARATE RELIABILITY STANDARD FOR EACH ELECTRIC COMPANY IN ORDER TO ACCOUNT FOR SYSTEM RELIABILITY DIFFERENTIATING FACTORS, INCLUDING:~~

- ~~(I) SYSTEM DESIGN;~~
- ~~(II) EXISTING INFRASTRUCTURE;~~
- ~~(III) CUSTOMER DENSITY; AND~~
- ~~(IV) GEOGRAPHY.~~

~~(G) (E)~~ THIS SECTION DOES NOT PROHIBIT THE COMMISSION FROM TAKING ~~CORRECTIVE ACTION~~ THE CORRECTIVE ACTION AUTHORIZED IN § 7-213(F)(2) OF THIS SUBTITLE AGAINST AN ELECTRIC COMPANY THAT FAILS TO MEET ANY OR ALL OF THE APPLICABLE STANDARDS.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1, 2013, the Public Service Commission shall submit a report to the General Assembly, in accordance with § 2-1246 of the State Government Article, on the findings and recommendations of the workgroup the Commission ordered under Order No. 85385 in Case No. 9298 to investigate ways to improve communications associated with special medical needs customers. The charge of the workgroup shall be broadened to include:

(1) recommendations on how to more effectively respond to electricity outages that affect special medical needs facilities and individuals with special medical needs;

(2) recommendations on requiring annual performance reports under § 7-213(g) of the Public Utilities Article to include data concerning specific service interruptions and actions to prevent future service interruptions related to special medical needs facilities;

(3) recommendations on how the Department of Health and Mental Hygiene could address problems caused by outages at its regulated facilities that are not addressed through the use of backup generators; and

(4) identification of other types of facilities, if any, that should be included as special medical needs facilities.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 671

(House Bill 1161)

AN ACT concerning

Commission on Special Education Access and Equity

FOR the purpose of establishing the Commission on Special Education Access and Equity; providing for the composition, chair, and staffing of the Commission; prohibiting a member of the Commission from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Commission to study and make recommendations regarding certain matters; requiring the Commission to report its findings and recommendations to the Governor and certain committees of the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to the Commission on Special Education Access and Equity.

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

(a) There is a Commission on Special Education Access and Equity.

(b) The Commission consists of the following ~~15~~ members:

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

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

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

(4) one school psychologist, appointed by the Maryland School Psychologists' Association;

(5) one special education teacher, appointed by the Maryland State Educators' Association; and

(6) the following ~~8~~ members, appointed by the Governor:

(i) one general educator who teaches inclusion classes;

(ii) one representative of the Maryland Association of Boards of Education;

(iii) one administrative law judge with experience in special education appeals;

(iv) one representative of the Maryland Disabilities Law Center;

(v) one parent of a student with severe and profound disabilities who has an Individualized Education ~~Plan~~ Program;

(vi) one parent of a student with a mild to moderate learning disability who has an Individualized Education ~~Plan~~ Program;

~~(vii) one parent of a student with an Individualized Education Plan under Section 504 of the Rehabilitation Act of 1973; and~~

~~(viii)~~ (vii) one representative of the Maryland Parent Teacher Association;

(viii) one representative of the Maryland Department of Disabilities;

(ix) one representative of the Public School Superintendents' Association of Maryland;

(x) one parent of a student with an emotional disability who has an Individualized Education Program;

(xi) one parent of a student with autism spectrum disorder who has an Individualized Education Program;

(xii) one representative of a nonpublic special education school;

(xiii) one representative from the Maryland Speech–Language Hearing Association; ~~and~~

(xiv) two representatives from the Education Advocacy ~~Council~~ Coalition; and

(xv) two representatives who are public school employees who work with and are familiar with the Individualized Education Plan process.

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

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

(e) A member of the Commission:

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

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

(f) The Commission shall study:

(1) the extent to which parents and guardians of students with disabilities are made aware of their rights under the Individuals with Disabilities Education Act (20 U.S.C. § 1400 et seq.), ~~Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 701)~~, and State law and regulations relating to children with disabilities and potential ways to improve the awareness of these rights;

(2) disparities and potential methods for eliminating any disparities based on race, national origin, and limited English proficiency in the following areas:

(i) knowledge of and access to special education services;

(ii) rights under the Individuals with Disabilities Education Act ~~and Section 504 of the Rehabilitation Act of 1973;~~

(iii) access to and participation in Individualized Education ~~Plan~~ Program mediation and appeals; and

- (iv) access to and participation in free and reduced price meals;
- (3) effects of workload, caseload, and paperwork requirements related to the special education process on the ability of educators to provide a free and appropriate public education as guaranteed under federal law, and potential methods for mitigating these factors;
- (4) concerns about equity between the parties in special education due process hearings, and potential methods for improving the process, ~~including the viability of establishing a system of voluntary binding arbitration in these cases as an alternative method of resolving disputes; and;~~
- (5) the State and local costs of all proposals considered or recommended by the Commission; and
- ~~(5)~~ (6) any other issues related to access and equity in the provision of special education services under federal and State law identified by the Commission.

(g) On or before ~~December 15, 2013~~ June 30, 2014, the Commission shall report its findings and recommendations on these issues relating to access and equity in the provision of special education services under federal and State law to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Education, Health, and Environmental Affairs Committee and the House Ways and Means Committee.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013. It shall remain effective for a period of 1 year and 1 month and, at the end of ~~May 31~~ June 30, 2014, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 16, 2013.

Chapter 672

(House Bill 1171)

AN ACT concerning

Cecil County – School Buses – Length of Operation

FOR the purpose of altering the length of time a school bus may be operated in Cecil County; and generally relating to school bus operation in Cecil County.

BY repealing and reenacting, with amendments,

Article – Education

Section 7–804

Annotated Code of Maryland

(2008 Replacement Volume and 2012 Supplement)

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

Article – Education

7–804.

(a) In this section, “school vehicle” has the meaning stated in § 11–154 of the Transportation Article.

(b) (1) Except as provided in paragraphs (2) and (3) of this subsection, unless it fails to meet the applicable school bus and motor vehicle safety standards, a school vehicle may be operated for 12 years.

(2) (i) In Calvert, Caroline, **CECIL**, Charles, Dorchester, St. Mary’s, Somerset, Talbot, Wicomico, and Worcester counties, unless it fails to meet the applicable school bus and motor vehicle safety standards, a school vehicle may be operated for 15 years.

(ii) A school vehicle operating under subparagraph (i) of this paragraph shall be maintained as provided in subsection (c) of this section.

(3) Any school vehicle in operation or accepted before July 1, 2004, or under contract to be purchased before July 1, 2004, that meets the specifications of the Department and of the Motor Vehicle Administration for transit style school vehicles may be operated for 15 years.

(c) Notwithstanding the 12–year limitation in subsection (b)(1) of this section, a school vehicle may be operated for additional years if:

(1) The school vehicle is maintained under a preventive maintenance plan approved by the Motor Vehicle Administration and the Automotive Safety Enforcement Division of the Department of State Police that includes an inspection at the end of the 12th year and a minimum of 2 inspections by the Motor Vehicle Administration each year thereafter;

(2) Any structural repairs to the school vehicle necessitated by accident, metal fatigue, or any other cause are certified by an independent expert approved by the Motor Vehicle Administration to meet or exceed the manufacturer’s original manufacturing standards;

(3) The school vehicle is equipped with:

- manufacturer;
- (i) The body originally placed on the chassis by the manufacturer;
 - (ii) An 8 light warning system;
 - (iii) A left side stop arm;
 - (iv) A fire–retardant driver’s seat;
 - (v) Fire–retardant barriers in the case of a school vehicle with a front engine; and
 - (vi) A fire–retardant rear seating area in the case of a school vehicle with a rear engine; and

(4) The State Superintendent grants approval.

(d) If a school vehicle passes an inspection that is required under subsection (c)(1) of this section:

(1) The inspection shall be valid in the county in which the inspection was completed; and

(2) If ownership of the school vehicle is transferred to a person who operates the school vehicle in a county in which school vehicles are authorized under subsection (b)(2) of this section to be operated for 15 years, the inspection shall be valid in that county for the length of time that the inspection would have been valid in the county where the inspection was completed.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 673

(House Bill 1175)

AN ACT concerning

**Police Training Commission – Membership – Police Chiefs’ Association of
Prince George’s County**

FOR the purpose of altering the membership of the Police Training Commission to include the President of the Police Chiefs' Association of Prince George's County; and generally relating to the Police Training Commission.

BY repealing and reenacting, with amendments,

Article – Public Safety

Section 3–203

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

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

Article – Public Safety

3–203.

- (a) (1) The Commission consists of **[15] 16** members.
- (2) Of the **[15] 16** members of the Commission:
- (i) one shall be the President of the Maryland Chiefs of Police Association;
- (ii) one shall be the President of the Maryland Sheriffs Association;
- (iii) one shall be the President of the Maryland Law Enforcement Officers, Inc.;
- (iv) one shall be the Attorney General of the State;
- (v) one shall be the Secretary of State Police;
- (vi) one shall be the Police Commissioner of Baltimore City;
- (vii) one shall be the Chancellor of the University System of Maryland;
- (viii) one shall be the agent in charge of the Baltimore office of the FBI;
- (ix) one shall be the President of the Eastern Shore Police Association;
- (x) one shall represent the Maryland State Lodge of Fraternal Order of Police;

(xi) one shall be the Secretary of Public Safety and Correctional Services;

(xii) one shall be the Chairman of the Maryland Municipal League Police Executive Association; [and]

(xiii) three shall be police officials of the State appointed under subsection (b) of this section; **AND**

(XIV) ONE SHALL BE THE PRESIDENT OF THE POLICE CHIEFS' ASSOCIATION OF PRINCE GEORGE'S COUNTY.

(b) (1) The Secretary shall appoint the three police officials to be members of the Commission with the approval of the Governor and the advice and consent of the Senate.

(2) The three members appointed under paragraph (1) of this subsection shall represent different geographic areas of the State.

(c) (1) The term of a member who is appointed under subsection (b) of this section is 3 years.

(2) The terms of the members who are appointed under subsection (b) of this section are staggered as required by the terms provided for members of the Commission on October 1, 2003.

(3) At the end of a term, a member who is appointed under subsection (b) of this section 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 remainder of the term and until a successor is appointed and qualifies.

(d) Except for the three members appointed by the Secretary under subsection (b) of this section, a member of the Commission may serve personally at a Commission meeting or may designate a representative from the member's unit, agency, or association who may act at any meeting to the same effect as if the member were personally present.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 674

(House Bill 1257)

AN ACT concerning

Land Use – Clarifications and Corrections

FOR the purpose of clarifying certain provisions of law relating to zoning, planning, subdivision, and other land use laws of the State; altering the contents of a certain annual report to refer to approved rather than adopted plans; requiring certain counties on the tidal waters of the State to designate certain areas for certain purposes; clarifying that code counties as well as charter counties shall adopt certain visions and may adopt certain regulations; clarifying a certain requirement of consistency with the plan for certain zoning laws and other local laws; altering a certain deadline concerning inclusion of certain plan elements and the consequences of failing to include them in the plan; prohibiting ~~a member of a legislative body from serving as a member of a certain planning commission~~ an ex officio member of a planning commission from voting on certain questions; clarifying the method of appointment process for a vacancy on a planning commission; requiring certain local jurisdictions to appoint one or more alternate members of a planning commission or a board of appeals; altering the grounds and procedures for removing a member of a planning commission or certain boards of appeals; requiring a planning commission to provide a copy of certain documents to certain regional units; authorizing a county and a municipal corporation to employ an appropriate mediation and conflict resolution service for certain purposes; authorizing the inclusion of and notice for certain conditions and limitations in a certain annexation agreement; altering certain purposes for certain zoning regulations and subdivision regulations; altering a certain prohibition on the negotiation for sale of certain lots in certain unapproved subdivisions; requiring a certain report on certain restrictions to include certain information concerning certain waivers; clarifying the relationship between the purposes of a program for the transfer of development rights with certain other development management programs and techniques; clarifying the authority of a public principal in negotiating certain agreements in connection with a development rights and responsibilities agreement; providing for the removal of a member of a historic district commission or historic preservation commission in a certain manner; requiring a certain annual financial report of the Maryland–National Capital Park and Planning Commission to be audited rather than certified in a certain manner; altering the scope of a certain exemption concerning certain property owned for certain purposes by a member of the Commission; altering the standard for issuance of a certain subpoena by the Commission's merit system board; authorizing the Commission to name, rename, number, and renumber certain roads and properties in the Maryland–Washington Regional District; authorizing the Commission to issue or renew certain tax anticipation notes at a certain interest rate; specifying that certain procedures concerning certain

amendments are applicable to both individual map amendments and sectional map amendments in the regional district; clarifying the start of a certain review period for a preliminary subdivision plan in Prince George's County; clarifying the procedure to be followed in connection with a petition for judicial review of an action of a county planning board in the regional district; correcting obsolete nomenclature; making conforming changes; altering a certain definition; and generally relating to land use.

BY repealing and reenacting, with amendments,

Article – Land Use

Section 1–207(c)(2), 1–415, 1–417, 1–418, 2–102, 3–203(c), 3–206(b)(3), 3–303, 3–304, 4–103, 4–202, 4–302, 5–102(c)(5), 5–301(a), 7–104(b), 7–201, 7–302, 8–202(d), 10–302(2)(vi), 10–403, 14–101(m), 15–115, 15–120(b)(2), 16–108(a), 17–212(a), 18–112, 18–208(b), 22–402(a)(1), 22–407(a)(1), 23–104(c)(1)(vii), 23–205(b)(1), and 23–401

Annotated Code of Maryland

(2012 Volume)

BY adding to

Article – Land Use

Section 1–412 and 8–202(d)

Annotated Code of Maryland

(2012 Volume)

BY repealing and reenacting, without amendments,

Article – Land Use

Section 23–205(a)

Annotated Code of Maryland

(2012 Volume)

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

Article – Land Use

1–207.

(c) The annual report shall:

(2) state whether the changes under item (1) of this subsection are consistent with:

(i) each other;

(ii) the recommendations of the last annual report;

(iii) the [adopted] **APPROVED** plans of the local jurisdiction;

(iv) the [adopted] **APPROVED** plans of all adjoining local jurisdictions; and

(v) the [adopted] **APPROVED** plans of State and local jurisdictions that have responsibility for financing or constructing public improvements necessary to implement the local jurisdiction's plan;

1-412.

(A) THIS SECTION APPLIES ONLY TO A CHARTER COUNTY OR A CODE COUNTY THAT WAS REQUIRED BEFORE ADOPTING HOME RULE TO DESIGNATE IN THE COMPREHENSIVE PLAN AREAS ON OR NEAR THE TIDAL WATERS OF THE STATE UNDER § 3-113 OF THIS ARTICLE.

~~(A)~~ (B) THE PLANNING COMMISSION OF A CHARTER COUNTY THAT IS LOCATED ON THE TIDAL WATERS OF THE STATE SHALL DESIGNATE IN THE COMPREHENSIVE PLAN AREAS ON OR NEAR THE TIDAL WATERS FOR:

(1) LOADING, UNLOADING, AND PROCESSING FINFISH AND SHELLFISH; AND

(2) DOCKING AND MOORING COMMERCIAL FISHING BOATS AND VESSELS.

~~(B)~~ (C) THE AREAS DESIGNATED UNDER SUBSECTION ~~(A)~~ (B) OF THIS SECTION SHALL BE GEOGRAPHICALLY LOCATED TO:

(1) FACILITATE THE COMMERCIAL HARVESTING OF FINFISH AND SHELLFISH; AND

(2) ENSURE REASONABLE ACCESS TO THE WATERWAYS OF THE STATE BY COMMERCIAL WATERMEN.

1-415.

(a) The planning commission of a charter county **OR CODE COUNTY** shall implement the visions set forth in § 1-201 of this title through the comprehensive plan elements required under Part II of this subtitle.

(b) The legislative body of a charter county **OR CODE COUNTY** that has adopted a comprehensive plan under Part II of this subtitle may adopt regulations implementing the visions set forth in § 1-201 of this title in the plan.

1-417.

(a) At least once every 6 years, which corresponds to the comprehensive plan revision process under § 1–416 of this subtitle, a charter county shall ensure the implementation of the visions, the development regulations element, and the sensitive areas element of the plan.

(b) A charter county shall ensure that the implementation of the requirements of subsection (a) of this section are achieved through the adoption of **THE FOLLOWING** applicable **IMPLEMENTATION MECHANISMS THAT ARE CONSISTENT WITH THE COMPREHENSIVE PLAN:**

- (1) zoning laws; and
- (2) local laws governing:
 - (i) planned development;
 - (ii) subdivision; and
 - (iii) other land use provisions [that are consistent with the comprehensive plan].

1–418.

(a) Subject to subsection (b) of this section, [on or before October 1, 2009,] a charter county shall include in its comprehensive plan any plan element that is required under Part II of this subtitle **IN ACCORDANCE WITH THE REVIEW SCHEDULE FOR THE LOCAL JURISDICTION UNDER § 1–417 OF THIS SUBTITLE.**

(b) On request of a charter county and for good cause, the Department of Planning may extend the deadline under subsection (a) of this section for that charter county by no more than two 6-month extensions.

(c) A charter county that is not in compliance with this section after [October 1, 2009,] **THE DEADLINE UNDER SUBSECTION (A) OF THIS SECTION** or after the expiration of any extension granted under subsection (b) of this section, may not change the zoning classification of a property until that charter county has complied with this section.

2–102.

(a) (1) Except as otherwise provided in this division, a planning commission established under this subtitle shall consist of three, five, or seven members.

(2) ~~One member of the planning commission may be a~~ **A** member of the legislative body~~, who serves as an ex officio member concurrent with the member's legislative term~~ **MAY NOT BE A MEMBER OF THE PLANNING COMMISSION.**

(3) (I) AN EX OFFICIO MEMBER OF A PLANNING COMMISSION MAY NOT VOTE ON ANY QUESTION IN THE RESULT OF WHICH THE EX OFFICIO MEMBER HAS AN IMMEDIATE PERSONAL OR FINANCIAL INTEREST.

(II) WHEN AN EX OFFICIO MEMBER ABSTAINS FROM VOTING ON A QUESTION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE EX OFFICIO MEMBER SHALL DISCLOSE THE RECUSAL.

(b) (1) Except as otherwise provided in paragraph (2) of this subsection, the members of a planning commission shall be appointed by:

(i) the legislative body; or

(ii) the person designated as the appointing authority in the local law establishing the planning commission.

(2) If there is a single elected local executive, the members of a planning commission shall be appointed by the local executive and confirmed by the legislative body.

(c) (1) The term of a member of a planning commission ~~other than an ex officio member~~ **is:**

(i) 5 years; or

(ii) until the member's successor takes office.

(2) The terms of the members of a planning commission shall be staggered.

(d) (1) **[After a public hearing, a] A** legislative body may remove a member of a planning commission for:

(i) **[inefficiency] INCOMPETENCE;**

(ii) **[neglect of duty] MISCONDUCT;** or

(iii) **[malfeasance in office] IN THE SAME MANNER AS FOR A MEMBER OF A STATE BOARD OR COMMISSION;**

1. FAILURE TO ATTEND MEETINGS UNDER § 8-501 OF THE STATE GOVERNMENT ARTICLE; OR

2. CONVICTION OF A CRIME IN ACCORDANCE WITH § 8-502 OF THE STATE GOVERNMENT ARTICLE.

(2) [A] **THE** legislative body [that removes a member of a planning commission shall file a written statement of the reasons for the removal] **SHALL PROVIDE TO THE MEMBER:**

(I) A WRITTEN STATEMENT OF CHARGES STATING THE GROUNDS FOR REMOVAL; AND

(II) AN OPPORTUNITY FOR A PUBLIC HEARING TO CONTEST THE CHARGES.

(e) If a vacancy occurs during the term of an appointed member, the vacancy shall be filled for the unexpired term [by the:

(1) legislative body; or

(2) person designated as the appointing authority in the ordinance establishing the commission] **IN THE SAME MANNER AS IS REQUIRED FOR APPOINTMENT UNDER SUBSECTION (B) OF THIS SECTION.**

(f) (1) [In a municipal corporation, the] **THE** legislative body may designate one **OR MORE** alternate [member] **MEMBERS** to sit on the planning commission in the absence of any member of the commission.

(2) If an alternate member is absent, the legislative body may designate a temporary alternate member to sit on the planning commission.

3-203.

(c) At least 60 days before the public hearing, the planning commission shall provide copies of the recommended plan and amendments to the plan to:

(1) adjoining jurisdictions; and

(2) State [units] **UNITS, REGIONAL UNITS,** and local jurisdictions responsible for financing or constructing public improvements necessary to implement the plan.

3-206.

(b) (3) On request of either party, the county and the municipal corporation shall employ [the Mediation and Conflict Resolution Office of the Maryland court system] **AN APPROPRIATE MEDIATION AND CONFLICT RESOLUTION SERVICE** to facilitate the meeting and conferral under this subsection.

3–303.

(a) At least once every 6 years, which corresponds to the comprehensive plan revision process under § 3–301 of this subtitle, a local jurisdiction shall ensure the implementation of the visions, the development regulations element, and the sensitive areas element of the plan.

(b) A local jurisdiction shall ensure that the implementation of the requirements of subsection (a) of this section are achieved through the adoption of **THE FOLLOWING** applicable **IMPLEMENTATION MECHANISMS THAT ARE CONSISTENT WITH THE COMPREHENSIVE PLAN**:

- (1) zoning laws;
- (2) planned development ordinances and regulations;
- (3) subdivision ordinances and regulations; and

(4) other land use ordinances and regulations [that are consistent with the comprehensive plan].

3–304.

(a) Subject to subsection (b) of this section, [on or before October 1, 2009,] a local jurisdiction shall include in its comprehensive plan any plan element required under Subtitle 1 of this title **IN ACCORDANCE WITH THE REVIEW SCHEDULE FOR THE LOCAL JURISDICTION UNDER § 3–303 OF THIS SUBTITLE**.

(b) On request of a local jurisdiction and for good cause, the Department of Planning may extend the deadline under subsection (a) of this section for that local jurisdiction by no more than two 6–month extensions.

(c) A local jurisdiction that is not in compliance with this section after [October 1, 2009,] **THE DEADLINE UNDER SUBSECTION (A) OF THIS SECTION** or after the expiration of any extension granted under subsection (b) of this section, may not change the zoning classification of a property until that local jurisdiction has complied with this section.

4–103.

(a) When zoning or rezoning land under this division, a legislative body may impose any additional conditions or limitations that the legislative body considers appropriate to improve or protect the general character and design of:

- (1) the land and improvements being zoned or rezoned; or
- (2) the surrounding or adjacent land and improvements.

(b) A municipal corporation may include in an annexation agreement **CONDITIONS AND** limitations on the use of land and density of development otherwise allowed in the zoning district where the land is located.

(c) When zoning or rezoning land under this division, to ensure conformity with the intent and purpose of this division and of the local jurisdiction's zoning law, a legislative body may retain the power to approve or disapprove:

- (1) the design of buildings, construction, landscaping, or other improvements; and
- (2) changes made or to be made on the land being zoned or rezoned.

(d) The powers provided in this section shall apply only if the legislative body adopts a local law that includes:

- (1) enforcement procedures; and
- (2) requirements for adequate notice of:
 - (i) public hearings; and
 - (ii) conditions **AND LIMITATIONS** sought to be imposed.

4–202.

(a) The legislative body shall adopt zoning regulations:

- (1) in accordance with the plan;
- (2) with reasonable consideration for, among other things, the character of the district or zone and its suitability for particular uses; and
- (3) with a view to conserving the value of [buildings and other structures] **PROPERTY** and encouraging orderly development and the most appropriate use of land.

(b) The zoning regulations shall be designed to:

- (1) control street congestion;
- (2) promote health, public safety, and general welfare;
- (3) provide adequate light and air;
- (4) promote the conservation of natural resources;
- (5) prevent environmental pollution;

(6) **[avoid an undue concentration of population] PROPERLY MANAGE GROWTH AND DEVELOPMENT;** and

(7) promote or facilitate adequate transportation, water, sewerage, schools, recreation, parks, and other public facilities.

4-302.

(a) A board of appeals consists of at least three members.

(b) A member of a board of appeals shall be appointed by the local executive and confirmed by the legislative body.

(c) The term of office of a member of a board of appeals is 3 years.

(d) **(1)** A member of a board of appeals may be removed[:

(1) for cause;

(2) on written charges; and

(3) after a public hearing] **BY THE LOCAL EXECUTIVE FOR:**

(I) INCOMPETENCE;

(II) MISCONDUCT; OR

(III) IN THE SAME MANNER AS FOR A MEMBER OF A STATE BOARD OR COMMISSION:

1. FAILURE TO ATTEND MEETINGS UNDER § 8-501 OF THE STATE GOVERNMENT ARTICLE; OR

2. CONVICTION OF A CRIME IN ACCORDANCE WITH § 8-502 OF THE STATE GOVERNMENT ARTICLE.

(2) THE LOCAL EXECUTIVE SHALL PROVIDE TO THE MEMBER:

(I) A WRITTEN STATEMENT OF CHARGES STATING THE GROUNDS FOR REMOVAL; AND

(II) AN OPPORTUNITY FOR A PUBLIC HEARING TO CONTEST THE CHARGES.

(e) The appointing authority shall appoint a new member to fill the unexpired term of any member who leaves a board of appeals.

(f) (1) A legislative body shall designate one **OR MORE** alternate [member] **MEMBERS** for the board of appeals who may sit on the board when another member of the board is absent or recused.

(2) When [the] **AN** alternate member is absent or recused, the legislative body may designate a temporary alternate.

5–102.

(c) The subdivision regulations may include provisions for the purposes of:

(5) [avoiding inappropriate population congestion] **PROPERLY MANAGING GROWTH AND DEVELOPMENT;**

5–301.

(a) (1) Except as otherwise provided in §§ 9–603, 9–806, 9–1004, 9–1605, 9–1606, and 9–1607 of this article, an owner or agent of an owner of land located within a subdivision may not transfer, sell, **OR** agree to [sell, or negotiate to] sell land by reference to, exhibition of, or other use of a plat of a subdivision before the plat has been:

(i) approved by the planning commission; and

(ii) recorded or filed in the office of the appropriate county clerk.

(2) A person who violates this subsection is subject to a civil penalty of not less than \$200 and not exceeding \$1,000 for each violation.

(3) Each lot or parcel transferred or sold or agreed [or negotiated] to be sold in violation of this subsection is a separate violation.

7–104.

(b) (1) If an adequate public facility law has resulted in a restriction within a priority funding area, on or before July 1 every 2 years, a local jurisdiction shall report on the restriction to the Department of Planning.

(2) The report shall include:

- (i) the location of the restriction;
 - (ii) the type of infrastructure affected by the restriction;
 - (iii) the proposed resolution of the restriction, if available;
 - (iv) the estimated date for the resolution of the restriction, if available;
 - (v) if a restriction was lifted, the date the restriction was lifted;
- [and]
- (vi) the local law or resolution that lifted the restriction;

(VII) ANY WAIVER OF THE RESTRICTION THAT WAS PROPOSED; AND

(VIII) ANY WAIVER OF THE RESTRICTION THAT WAS IMPLEMENTED.

7-201.

A legislative body that exercises authority granted by this division may establish a program for the transfer of development rights to:

(1) encourage the preservation of natural resources; and

(2) facilitate orderly growth and development in the State **IN CONJUNCTION WITH PROGRAMS FOR PRESERVATION OF OPEN SPACE AND AGRICULTURAL LAND AND OTHER DEVELOPMENT MANAGEMENT PROGRAMS AND TECHNIQUES.**

7-302.

(a) Subject to §§ 7-303 through 7-305 of this subtitle, the local governing body of a local jurisdiction may:

(1) by local law, establish procedures and requirements for the consideration and execution of agreements; and

(2) delegate all or part of the authority established under the local law to a public principal within the jurisdiction of the local governing body.

(b) The public principal may:

(1) execute agreements for real property located within the jurisdiction of the local governing body with a person having a legal or equitable interest in the real property, **INCLUDING PROPERTY THAT IS THE SUBJECT OF ANNEXATION OF LAND TO A MUNICIPAL CORPORATION**; and

(2) include a federal, State, or local government or unit as an additional party to the agreement.

8–202.

(D) (1) A MEMBER OF A COMMISSION MAY BE REMOVED BY THE APPOINTING AUTHORITY FOR:

(I) INCOMPETENCE;

(II) MISCONDUCT; OR

(III) IN THE SAME MANNER AS FOR A MEMBER OF A STATE BOARD OR COMMISSION:

1. FAILURE TO ATTEND MEETINGS UNDER § 8–501 OF THE STATE GOVERNMENT ARTICLE; OR

2. CONVICTION OF A CRIME IN ACCORDANCE WITH § 8–502 OF THE STATE GOVERNMENT ARTICLE.

(2) THE APPOINTING AUTHORITY SHALL PROVIDE TO THE MEMBER:

(I) A WRITTEN STATEMENT OF CHARGES STATING THE GROUNDS FOR REMOVAL; AND

(II) AN OPPORTUNITY FOR A PUBLIC HEARING TO CONTEST THE CHARGES.

[(d)] (E) (1) Each local jurisdiction may designate one alternate member for the commission who may sit on the commission when any other member of the commission is absent.

(2) When the alternate member is absent, the local jurisdiction may designate a temporary alternate.

10-302.

Zoning regulations adopted by the Mayor and City Council of Baltimore City under this subtitle shall:

(2) be designed to:

(vi) [avoid an undue concentration of population] **PROPERLY MANAGE GROWTH AND DEVELOPMENT**; and

10-403.

(a) With the advice and consent of the City Council, the Mayor may provide for the appointment of a Board of Municipal and Zoning Appeals.

(b) (1) The Board shall consist of five members.

(2) (i) The term of a member of the Board is 4 years.

(ii) The terms of the members of the Board shall be staggered as provided on October 1, 2012.

(3) With the advice and consent of the City Council, the Mayor shall appoint an individual to fill the unexpired term of any member.

(4) **(I)** [On written charges and after a public hearing, the] **THE** Mayor may remove any member of the Board [for cause] **FOR:**

1. **INCOMPETENCE;**

2. **MISCONDUCT; OR**

3. **IN THE SAME MANNER AS FOR A MEMBER OF A STATE BOARD OR COMMISSION:**

A. FAILURE TO ATTEND MEETINGS UNDER § 8-501 OF THE STATE GOVERNMENT ARTICLE; OR

B. CONVICTION OF A CRIME IN ACCORDANCE WITH § 8-502 OF THE STATE GOVERNMENT ARTICLE.

(II) THE MAYOR SHALL PROVIDE TO THE MEMBER:

1. A WRITTEN STATEMENT OF CHARGES STATING THE GROUNDS FOR REMOVAL; AND

2. AN OPPORTUNITY FOR A PUBLIC HEARING TO CONTEST THE CHARGES.

(5) (I) THE MAYOR SHALL DESIGNATE ONE OR MORE ALTERNATE MEMBERS FOR THE BOARD WHO MAY SIT ON THE BOARD WHEN ANOTHER MEMBER OF THE BOARD IS ABSENT OR RECUSED.

(II) WHEN AN ALTERNATE MEMBER IS ABSENT OR RECUSED, THE MAYOR MAY DESIGNATE A TEMPORARY ALTERNATE.

(c) (1) The Board shall adopt rules in accordance with any local law adopted under this title.

(2) Meetings of the Board shall be:

(i) held at the call of the chair and at other times determined by the Board; and

(ii) open to the public.

(3) The chair of the Board or, in the chair's absence, the acting chair may administer oaths and compel the attendance of witnesses.

(4) The Board shall keep minutes of its proceedings, including the vote of each member on each question, or the member's absence or failure to vote.

(5) (i) The Board shall keep records of the examinations and other official actions of the Board.

(ii) The records of the Board shall be:

1. filed promptly in the office of the Board; and

2. open to the public.

14–101.

(m) “Road” includes a highway, freeway, boulevard, parkway, street, avenue, lane, alley, viaduct, bridge, **TRAIL, BICYCLE PATH**, and any other way or part of a way.

15–115.

- (a) (1) The Commission shall prepare an annual financial report.
- (2) The annual financial report shall:
 - (i) include the financial statements of the Commission; and
 - (ii) be **[certified] AUDITED** by an independent certified public accountant.
- (3) The Commission shall make the **[certified] AUDITED** annual financial report available for distribution to the public.
- (b) (1) After the audit is completed, the Commission shall publish a summary financial report consisting of a combined statement of revenues and expenditures for all funds:
 - (i) in at least one newspaper of general circulation published in Montgomery County; and
 - (ii)
 - 1. in the newspapers officially designated by the Prince George's County government as newspapers of record; or
 - 2. in the absence of a designation of a newspaper of record, in at least one newspaper of general circulation published in Prince George's County.
- (2) The publication of the summary financial report shall carry appropriate references to the Commission's **[certified] AUDITED** annual financial report.

15–120.

- (b) (2) This subsection does not apply to or include:
 - (i) an interest or investment in land geographically remote from the land involved in the decision;
 - (ii) the ownership of **[a recorded single-family lot on which the commissioner actually resides] REAL PROPERTY ON WHICH THE COMMISSIONER MAINTAINS A PRIMARY RESIDENCE**; or
 - (iii) a possibility of reverter, a mortgage, or other security interest in real property not otherwise described in this subsection.

16–108.

(a) If the board determines that the testimony of a witness is [essential] **APPROPRIATE** for the proper consideration of a case before the board, the board may issue a subpoena to the witness to appear at a proceeding the board conducts in accordance with this subtitle.

17–212.

(a) The Commission may:

(1) except as provided in subsection (c) of this section, name and rename any street or highway and number and renumber the houses in the [metropolitan] **REGIONAL** district if each new number or change of number is reported to the owner or occupant of the building for the purpose of:

(i) correcting mistakes;

(ii) removing confusion because of a duplication of street names;
and

(iii) securing a uniformity of street names and numbering of houses;

(2) place or have placed new numbers on the buildings or premises and proper signs indicating the names of streets and highways; and

(3) appropriate and expend as much of any surplus from fees for building permits issued in each county as is necessary to pay for the expenses in carrying out this section.

18–112.

The Commission shall prepare and submit a 6–year capital improvements program:

(1) before November 1 of each odd–numbered calendar year to the County Executive and County Council of Montgomery County; and

(2) before January 15 of each calendar year to the [county governing body] **COUNTY EXECUTIVE AND COUNTY COUNCIL** of Prince George’s County.

18–208.

(b) The Commission may reissue or renew its tax anticipation notes at [the same or a greater] **AN** interest rate **THAT THE COMMISSION DETERMINES TO BE ADVANTAGEOUS**.

22-402.

(a) (1) Judicial review of a final action of the district council on an application for **[a] AN INDIVIDUAL MAP AMENDMENT OR A SECTIONAL** map amendment may be requested by:

(i) a person aggrieved by the action; or

(ii) a person or municipal corporation that appeared at the hearing in person, by attorney, or in writing.

22-407.

(a) (1) Judicial review of a final decision of the district council amendment, **INCLUDING AN INDIVIDUAL MAP AMENDMENT OR A SECTIONAL MAP AMENDMENT**, may be requested by:

(i) any municipal corporation, governed special taxing district, or person in the county;

(ii) any civic or homeowners association representing property owners affected by the final decision; or

(iii) if aggrieved, the applicant for the zoning map amendment.

23-104.

(c) (1) Subject to paragraph (2) of this subsection and subsection (d) of this section, the subdivision regulations may include provisions for:

(vii) the **[avoidance of undue population congestion] PROPER MANAGEMENT OF GROWTH AND DEVELOPMENT**;

23-205.

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

(b) (1) The county planning board shall approve or disapprove a preliminary subdivision plan within 70 days after the **COMPLETE** plan **APPLICATION** is submitted to the county planning board.

23-401.

(a) (1) Within 30 days after the county planning board takes final action on an application for subdivision approval, judicial review may be requested by:

(i) a person aggrieved by the action; or

(ii) a person or municipal corporation that appeared at the hearing in person, by attorney, or in writing.

(2) A petition for judicial review filed under this section may be made to the circuit court for the appropriate county.

(3) The court may:

(i) affirm or reverse the action; or

(ii) remand the action to the county planning board for further consideration.

(b) **(1)** If a petition for judicial review is filed under this section, [the procedures under § 22–402(b) of this article apply to the county planning board and other parties as appropriate] **A COPY OF THE PETITION SHALL BE SERVED ON THE COUNTY PLANNING BOARD IN ACCORDANCE WITH MARYLAND RULE 7–202(D).**

(2) ON RECEIVING A COPY OF THE PETITION, THE COUNTY PLANNING BOARD SHALL:

(I) PROMPTLY GIVE NOTICE OF THE PETITION TO ALL PARTIES TO THE PROCEEDING BEFORE IT; AND

(II) WITHIN 30 DAYS AFTER THE FILING OF THE PETITION, FILE WITH THE CIRCUIT COURT:

1. THE ORIGINALS OR CERTIFIED COPIES OF ALL PAPERS AND EVIDENCE PRESENTED TO THE COUNTY PLANNING BOARD IN THE PROCEEDING BEFORE IT; AND

2. A COPY OF ITS OPINION AND RESOLUTION DECIDING THE APPLICATION.

(3) ANY PARTY TO THE PROCEEDING IN THE CIRCUIT COURT AGGRIEVED BY THE JUDGMENT OF THE COURT MAY APPEAL FROM THE JUDGMENT TO THE COURT OF SPECIAL APPEALS.

(4) THE REVIEW PROCEEDINGS PROVIDED BY THIS SECTION ARE EXCLUSIVE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 675

(House Bill 1305)

AN ACT concerning

City of Annapolis – Alcoholic Beverages – Residency Requirement

FOR the purpose of specifying that an applicant for an alcoholic beverages license in the City of Annapolis may meet the residency requirement by residing anywhere in Anne Arundel County for a certain number of years before filing an application for the license; making stylistic changes; and generally relating to alcoholic beverages licenses in the City of Annapolis.

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 10–103(b)(4)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

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

Article 2B – Alcoholic Beverages

10–103.

(b) Except as otherwise provided in this subtitle, every new application for a license shall be made to the Board of License Commissioners on forms prescribed by the Comptroller and sworn to by the applicant. Every application for a license shall contain the following:

(4) (i) Except as provided in subparagraphs [(ii) and (iv)] **(III) AND (V)** of this paragraph, a statement that the applicant has been for two years next preceding the filing of the application a resident of the county or of the City of Baltimore in which the applicant proposes to operate under the license applied for.

(II) The Board of License Commissioners of Prince George's County shall apply the residency requirements as specified in § 9–101 of this article[;].

~~[(ii)] (III)~~ In Dorchester County the residency requirement is 1 year~~[:]~~.

~~[(iii)] (IV)~~ In Carroll County, in addition to the applicant's residential statement required under this section, the license shall remain valid only for as long as the resident applicant remains a resident of the county~~[:]~~.

~~[(iv)] (V)~~ In Baltimore County, a statement that the applicant has been for 2 years next preceding the filing of the application a resident of the State **IS REQUIRED**.

(VI) AN APPLICANT FOR A LICENSE ISSUED IN THE CITY OF ANNAPOLIS MAY MEET THE RESIDENCY REQUIREMENT BY RESIDING ANYWHERE IN ANNE ARUNDEL COUNTY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 676

(House Bill 1330)

AN ACT concerning

Workers' Compensation – Insurance Coverage – Employer Compliance

FOR the purpose of altering the procedures for the Workers' Compensation Commission to enforce compliance with certain workers' compensation insurance coverage requirements; altering the requirement for how certain employers secure compensation for certain covered employees; clarifying the Commission's authority to order employers to secure compensation for certain covered employees; requiring the Commission to issue certain orders directing certain employers to attend certain hearings under certain circumstances; requiring the Commission to issue orders and penalties under certain circumstances; requiring the Commission to set a certain hearing under certain circumstances; establishing certain penalties for employers that fail to secure compensation for their covered employees; providing that a failure to pay a penalty constitutes a default in payment of compensation and requiring that a judgment be entered in a certain manner; providing that a certain penalty is a lien under certain circumstances; authorizing the Uninsured Employers' Fund to bring civil actions to collect certain penalties or assessments under certain circumstances; requiring the Fund to provide certain notices to certain persons

for failure to pay certain penalties; imposing joint and several liability on certain officers and members for certain violations under certain circumstances; requiring certain licensing units to suspend certain licenses or permits under certain circumstances; making certain provisions of this Act severable; making stylistic changes; making clarifying changes; and generally relating to the enforcement of compliance with workers' compensation coverage requirements.

BY repealing and reenacting, with amendments,

Article – Labor and Employment

Section 9–402(a), 9–404(e) and (j), 9–405(b) and (f), 9–407, and 9–1012(a) and (c)

Annotated Code of Maryland

(2008 Replacement Volume and 2012 Supplement)

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

Article – Labor and Employment

9–402.

(a) Subject to subsections (b) through (f) of this section, each employer shall secure compensation for **ALL** covered employees of the employer by:

[(1) maintaining insurance with the Chesapeake Employers' Insurance Company;]

[(2)] **(1)** maintaining insurance with an authorized insurer;

[(3)] **(2)** participating in a governmental self-insurance group that meets the requirements of § 9–404 of this subtitle;

[(4)] **(3)** participating in a self-insurance group of private employers that meets the requirements of Title 25, Subtitle 3 of the Insurance Article;

[(5)] **(4)** maintaining self-insurance for an individual employer in accordance with § 9–405 of this subtitle; or

[(6)] **(5)** having a county board of education or private noncollegiate institution secure compensation under § 8–402(c) or § 7–114(d) of the Education Article.

9–404.

(e) (1) At any time, the Commission may require a governmental self-insurance group to secure payment of compensation by depositing with the Commission security:

(i) in a form accepted by a circuit court for investment of trust money; and

(ii) in the amount set by the Commission.

(2) On application and subject to paragraph (3) of this subsection, the Commission shall return security that a governmental self-insurance group has deposited under this subsection if:

(i) the members of the governmental self-insurance group cease to be subject to this title or secure compensation through an authorized insurer [or the Chesapeake Employers' Insurance Company]; and

(ii) the governmental self-insurance group has not been liable on a claim for compensation during the 5 years immediately after the day on which the event described in item (i) of this paragraph occurred.

(3) After reviewing the application and before returning security to a governmental self-insurance group, the Commission may require the governmental self-insurance group to submit to the Commission an indemnity bond in an amount equal to the value of the security.

(j) (1) The Commission shall revoke the approval of a governmental self-insurance group to self-insure under this section if the governmental self-insurance group:

(i) fails to deposit securities with or submit a bond to the Commission in accordance with subsection (e) of this section;

(ii) fails to submit satisfactory reports to the Commission in accordance with subsection (i)(1)(i) of this section; or

(iii) otherwise fails to satisfy the Commission that it is financially able to self-insure.

(2) Whenever the Commission revokes approval for a governmental self-insurance group to self-insure under this section, the members of the governmental self-insurance group immediately shall secure compensation through an authorized insurer [or the Chesapeake Employers' Insurance Company].

(3) If a member of a governmental self-insurance group fails to secure compensation as required by paragraph (2) of this subsection, the Commission shall order the member of the governmental self-insurance group to secure compensation through [the Chesapeake Employers' Insurance Company] **AN AUTHORIZED INSURER.**

9-405.

(b) (1) At any time, the Commission may require an employer who self-insures under this section to secure payment of compensation by depositing with the Commission:

(i) security:

1. in a form accepted by a circuit court for investment of trust money; and

2. in the amount set by the Commission; or

(ii) letters of credit:

1. issued by a financial institution acceptable to the Commission;

2. in a form acceptable to and in the amount set by the Commission; and

3. that meet the requirements of § 9-408(c) of this subtitle.

(2) On application and subject to paragraph (3) of this subsection, the Commission shall return security that an employer has deposited under this subsection if the employer:

(i) ceases to be subject to this title or secures compensation through an authorized insurer [or the Chesapeake Employers' Insurance Company]; and

(ii) has not been liable on a claim for compensation during the 5 years immediately after the day on which the event described in item (i) of this paragraph occurred.

(3) After reviewing the application and before returning security to an employer the Commission may require the employer to submit to the Commission an indemnity bond in an amount equal to the value of the security.

(f) (1) The Commission shall revoke the approval of an employer to self-insure under this section if the employer:

(i) fails to deposit securities or letters of credit with or submit a bond to the Commission in accordance with subsection (b) of this section;

(ii) fails to submit satisfactory reports to the Commission in accordance with subsection (e)(1)(i) of this section; or

(iii) otherwise fails to satisfy the Commission that it is financially able to secure compensation.

(2) (i) On notice to the Commission pursuant to § 9–408(c)(2) of this subtitle that a letter of credit will not be renewed, the Commission shall demand that, within 30 days, the employer provide:

1. other satisfactory proof of the employer's financial ability to pay; or

2. another letter of credit in the same amount from another qualifying financial institution.

(ii) If the employer fails to furnish other satisfactory proof of the financial ability to pay or another acceptable letter of credit within 30 days after receipt of a demand under subparagraph (i) of this paragraph, the Commission shall demand payment from the financial institution of, and the financial institution shall pay, the amount represented by the letter of credit.

(iii) The Commission shall hold as security under this section the amount demanded and received under subparagraph (ii) of this paragraph until the employer can provide:

1. satisfactory proof of the employer's financial ability to pay; or

2. another acceptable letter of credit.

(iv) On provision of satisfactory proof of financial ability to pay or an acceptable letter of credit, the Commission shall return the amount of the letter of credit to the employer or the financial institution, whichever has the equitable right to that amount at the time that the proof or letter of credit is provided.

(3) Whenever the Commission revokes approval for an employer to self-insure under this section, the employer immediately shall secure compensation through an authorized insurer [or the Chesapeake Employers' Insurance Company].

(4) If an employer fails to secure compensation as required by paragraph (3) of this subsection, the Commission shall order the employer to secure compensation through [the Chesapeake Employers' Insurance Company] **AN AUTHORIZED INSURER.**

(a) If an employer fails to secure compensation for [the] ALL covered employees of the employer as required by § 9-402 of this subtitle, the Commission shall:

(1) ISSUE AN ORDER DIRECTING THE EMPLOYER TO ATTEND A HEARING TO SHOW CAUSE AS TO WHY THE EMPLOYER SHOULD NOT BE:

(I) REQUIRED TO SECURE COMPENSATION FOR ALL COVERED EMPLOYEES OF THE EMPLOYER;

(II) FOUND IN VIOLATION OF § 9-402 OF THIS SUBTITLE;
AND

(III) ASSESSED A PENALTY FOR NONCOMPLIANCE WITH § 9-402 OF THIS SUBTITLE; AND

(2) SET THE HEARING AS SOON AS PRACTICABLE.

(B) IF, FOLLOWING THE HEARING, THE COMMISSION FINDS THAT THE EMPLOYER FAILED TO SECURE COMPENSATION FOR ALL COVERED EMPLOYEES OF THE EMPLOYER AS REQUIRED BY WITH § 9-402 OF THIS SUBTITLE, THE COMMISSION SHALL:

(1) order the employer to:

(I) SECURE AND maintain insurance [with the Chesapeake Employers' Insurance Company by paying to the State Treasurer, for the benefit and use of the Chesapeake Employers' Insurance Company, the premiums required for the employer to become insured with the Chesapeake Employers' Insurance Company] FOR ALL COVERED EMPLOYEES OF THE EMPLOYER THROUGH AN AUTHORIZED INSURER; AND

(II) SUBMIT PROOF OF INSURANCE COVERAGE TO THE COMMISSION; AND

(2) ORDER THE EMPLOYER TO PAY A PENALTY NOT TO EXCEED \$10,000 TO THE UNINSURED EMPLOYERS' FUND.

[(b)] (C) (1) If an employer fails to comply with an order to insure with [the Chesapeake Employers' Insurance Company passed] **AN AUTHORIZED INSURER ISSUED** under subsection **[(a)] (B)** of this section or under § 9-404(j) or § 9-405(f) of this subtitle, within **[10] 30** days after the Commission [passes] **ISSUES** the order, [the employer is liable to the State for a penalty equal to the premiums for 6 months of

insurance with the Chesapeake Employers' Insurance Company] THE COMMISSION SHALL SET A HEARING AS SOON AS PRACTICABLE.

(2) IF, FOLLOWING THE HEARING, THE COMMISSION FINDS THAT THE EMPLOYER FAILED TO COMPLY WITH AN ORDER ISSUED UNDER SUBSECTION (B)(1) OF THIS SECTION, THE COMMISSION MAY ORDER THE EMPLOYER TO PAY A PENALTY NOT TO EXCEED \$10,000 TO THE UNINSURED EMPLOYERS' FUND.

[(c) The Commission may collect any unpaid amount under subsections (a) and (b) of this section in the same manner and with the same effect as provided for collections by the Chesapeake Employers' Insurance Company under § 10-133(c) of this article.]

(D) (1) AN EMPLOYER'S FAILURE TO PAY A PENALTY UNDER THIS SECTION CONSTITUTES A DEFAULT IN PAYMENT OF COMPENSATION AND JUDGMENT SHALL BE ENTERED AS IN A CASE OF DEFAULT IN PAYMENT OF COMPENSATION.

(2) (I) A PENALTY THAT IS PAYABLE UNDER THIS SECTION IS A LIEN AGAINST THE ASSETS OF THE EMPLOYER THAT IS LIABLE FOR THE PENALTY.

(II) A LIEN UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH IS SUBORDINATE TO CLAIMS FOR UNPAID WAGES AND PRIOR RECORDED LIENS.

(3) THE UNINSURED EMPLOYERS' FUND MAY BRING A CIVIL ACTION TO COLLECT ANY PENALTY ORDERED UNDER § 9-407 OF THIS SUBTITLE OR ANY ASSESSMENT ORDERED UNDER SUBTITLE 10 OF THIS ARTICLE.

(4) (I) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IF THE UNINSURED EMPLOYER IS A CORPORATION THE ASSETS OF WHICH ARE NOT SUFFICIENT TO SATISFY ANY PENALTY ORDERED UNDER THIS SECTION, ANY OFFICER OF THE CORPORATION WHO HAS RESPONSIBILITY FOR THE GENERAL MANAGEMENT OF THE CORPORATION IN THE STATE IS JOINTLY AND SEVERALLY LIABLE FOR THE PENALTY IF THE CORPORATE OFFICER KNOWINGLY FAILED TO SECURE COMPENSATION FOR THE COVERED EMPLOYEES OF THE EMPLOYER.

(II) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IF THE UNINSURED EMPLOYER IS A LIMITED LIABILITY COMPANY THE ASSETS OF WHICH ARE NOT SUFFICIENT TO SATISFY ANY PENALTY ORDERED UNDER THIS SECTION, ANY MEMBER OF THE LIMITED LIABILITY COMPANY WHO HAS

RESPONSIBILITY FOR THE GENERAL MANAGEMENT OF THE LIMITED LIABILITY COMPANY IN THE STATE IS JOINTLY AND SEVERALLY LIABLE FOR THE PENALTY IF A MEMBER OF THE LIMITED LIABILITY COMPANY WHO HAS GENERAL MANAGEMENT RESPONSIBILITY KNOWINGLY FAILED TO SECURE COMPENSATION FOR THE COVERED EMPLOYEES OF THE EMPLOYER.

9-1012.

(a) (1) Notwithstanding any other provision of this subtitle, the Director shall notify an employer by certified mail, return receipt requested, that the license or permit of the employer to do business in the State may be suspended if the employer fails to:

(i) reimburse the Fund for payment of an award under § 9-1002 of this subtitle; [or]

(ii) pay an assessment under this subtitle; **OR**

(III) PAY A PENALTY ORDERED UNDER § 9-407 OF THIS ARTICLE.

(2) The Director shall send a copy of the notice to each State, county, or municipal unit that has issued a license or permit to the employer for an activity for which workers' compensation coverage is required by law.

(c) (1) The licensing unit shall suspend the license or permit of the employer if the licensing unit finds that the employer has failed to:

(i) reimburse the Fund for payment of an award under § 9-1002 of this subtitle; [or]

(ii) pay an assessment under this subtitle; **OR**

(III) PAY A PENALTY ORDERED UNDER § 9-407 OF THIS ARTICLE.

(2) A suspension of a license or permit under paragraph (1) of this subsection shall continue until the employer:

(i) reimburses the Fund for payment of an award under § 9-1002 of this subtitle;

(ii) pays the assessment due to the Fund; [or]

(iii) PAYS A PENALTY DUE TO THE FUND; OR

(IV) agrees to reimburse the Fund for payment of an award or to pay the assessment **AND THE PENALTY** due to the Fund in a manner approved by the Board.

SECTION 2. AND BE IT FURTHER ENACTED, That if any provision of this Act or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Act which can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 677

(House Bill 1338)

AN ACT concerning

Prince George's County Juvenile Court and School Safety Workgroup

PG 306-13

FOR the purpose of establishing the Prince George's County Juvenile Court and School Safety Workgroup; providing for the composition, ~~chair~~ co-chairs, and staffing of the Workgroup; prohibiting a member of the Workgroup from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Workgroup to develop certain policies and protocols, create a certain process, develop criteria for certain programs, and hold certain meetings, ~~and convene certain groups annually~~; requiring the Workgroup to report its findings and recommendations to the Prince George's County Delegation on or before a certain date; ~~requiring the Workgroup to report annually under certain circumstances~~; providing for the termination of this Act; and generally relating to the Prince George's County Juvenile Court and School Safety Workgroup.

~~BY adding to~~

~~Article — Education~~

~~Section 22-401 to be under the new subtitle "Subtitle 4. Prince George's County Juvenile Court and School Safety Workgroup"~~

~~Annotated Code of Maryland~~

~~(2008 Replacement Volume and 2012 Supplement)~~

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

(a) There is a Prince George's County Juvenile Court and School Safety Workgroup.

(b) The Workgroup consists of the following members:

(1) the Chair of the Prince George's County Delegation to the House of Delegates, or the Chair's designee;

(2) the Chair of the Prince George's County Delegation to the Senate, or the Chair's designee;

(3) the Chair of the Prince George's County Council, or the Chair's designee;

(4) a representative from the Prince George's County Police Department, appointed by the Prince George's County Chief of Police;

(5) a representative from Prince George's County Public Schools, appointed by the Superintendent of Prince George's County Public Schools;

(6) a representative from the Prince George's County Office of the Sheriff, appointed by the Sheriff of Prince George's County;

(7) a representative from the Department of Juvenile Services appointed to the Prince George's County region, appointed by the Secretary of Juvenile Services;

(8) a representative from the Office of the Public Defender serving District 5 who works in the Juvenile Protection Division, appointed by the District Public Defender;

(9) a representative from the Office of the State's Attorney for Prince George's County who works in the Juvenile Division, appointed by the Prince George's County State's Attorney;

(10) a member of the Prince George's County School Board, appointed by the chair of the School Board;

(11) a school psychologist working in Prince George's County, appointed by the President of the Maryland School Psychologists' Association;

(12) the Director of Security Services for Prince George’s County Public Schools; and

(13) the following members appointed by the Prince George’s County Executive:

(i) a representative from the Commission for Children, Youth and Families (Local Management Board); and

(ii) a representative of the Prince George’s County Department of Family Services.

(c) The Prince George’s County Executive shall designate two co-chairs of the Workgroup.

(d) The Department of Juvenile Services shall provide staff for the Workgroup.

(e) A member of the Workgroup:

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

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

(f) The Workgroup shall:

(1) review and analyze school arrest and referral data collected by the Department of Juvenile Services and the Prince George’s County school system and based on that data, identify the most common offenses for which students are arrested and referred to juvenile court;

(2) recommend interagency policies to reduce the number of school-based arrests and referrals for certain misdemeanor offenses to the Department of Juvenile Services and the juvenile court by diverting more youth to school- and community-based programs, with the goal to decrease the overrepresentation of African American youth in the juvenile justice system;

(3) recommend strategies to utilize more fully current resources and expand school- and community-based support services for youth who exhibit behavior problems in school;

(4) recommend a criteria-based, decision making process for referring students to school- or community-based programs and services instead of to the juvenile justice system for misdemeanor-type delinquent acts involving offenses identified by the Workgroup;

(5) recommend criteria for diversion programs developed for juveniles who have been charged with less serious delinquent acts and who the juvenile court believe would benefit from community alternatives in lieu of probation or commitment to the Department of Juvenile Services;

(6) hold at least two public meetings before October 1, 2013, during which the Workgroup seeks testimony from the public and juvenile advocacy groups; and

(7) develop a Collaborative Action Plan to reduce the number of school-based arrests and referrals to the juvenile court.

(g) On or before December 15, 2013, the Workgroup shall report its findings, action plan, and recommendations to the Prince George's County Delegation.

~~Article — Education~~

~~SUBTITLE 4. PRINCE GEORGE'S COUNTY JUVENILE COURT AND SCHOOL SAFETY WORKGROUP.~~

~~22-401.~~

~~(A) THERE IS A PRINCE GEORGE'S COUNTY JUVENILE COURT AND SCHOOL SAFETY WORKGROUP.~~

~~(B) THE WORKGROUP CONSISTS OF THE FOLLOWING MEMBERS:~~

~~(1) THE CHAIR OF THE PRINCE GEORGE'S COUNTY DELEGATION TO THE HOUSE OF DELEGATES, OR THE CHAIR'S DESIGNEE;~~

~~(2) THE CHAIR OF THE PRINCE GEORGE'S COUNTY DELEGATION TO THE SENATE, OR THE CHAIR'S DESIGNEE;~~

~~(3) THE JUVENILE COURT JUDGE OF THE PRINCE GEORGE'S COUNTY CIRCUIT COURT, JUVENILE DIVISION, APPOINTED BY THE CIRCUIT ADMINISTRATIVE JUDGE OF THE SEVENTH CIRCUIT;~~

~~(4) THE CHAIR OF THE PRINCE GEORGE'S COUNTY COUNCIL, OR THE CHAIR'S DESIGNEE;~~

~~(5) A REPRESENTATIVE FROM THE PRINCE GEORGE'S COUNTY POLICE DEPARTMENT, APPOINTED BY THE PRINCE GEORGE'S COUNTY CHIEF OF POLICE;~~

~~(6) A REPRESENTATIVE FROM PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS, APPOINTED BY THE SUPERINTENDENT OF PRINCE GEORGE'S COUNTY PUBLIC SCHOOLS;~~

~~(7) A REPRESENTATIVE FROM THE PRINCE GEORGE'S COUNTY OFFICE OF THE SHERIFF, APPOINTED BY THE SHERIFF OF PRINCE GEORGE'S COUNTY;~~

~~(8) A REPRESENTATIVE FROM THE DEPARTMENT OF JUVENILE SERVICES APPOINTED TO THE PRINCE GEORGE'S COUNTY REGION, APPOINTED BY THE SECRETARY OF JUVENILE SERVICES;~~

~~(9) A REPRESENTATIVE FROM THE OFFICE OF THE PUBLIC DEFENDER SERVING DISTRICT 5 WHO WORKS IN THE JUVENILE PROTECTION DIVISION, APPOINTED BY THE DISTRICT PUBLIC DEFENDER;~~

~~(10) A REPRESENTATIVE FROM THE OFFICE OF THE STATE'S ATTORNEY FOR PRINCE GEORGE'S COUNTY WHO WORKS IN THE JUVENILE DIVISION, APPOINTED BY THE PRINCE GEORGE'S COUNTY STATE'S ATTORNEY; AND~~

~~(11) THE FOLLOWING MEMBERS APPOINTED BY THE CHAIR OF THE PRINCE GEORGE'S COUNTY DELEGATION TO THE HOUSE OF DELEGATES:~~

~~(I) A REPRESENTATIVE FROM THE COMMISSION FOR CHILDREN, YOUTH AND FAMILIES (LOCAL MANAGEMENT BOARD); AND~~

~~(II) A MEMBER OF THE PRINCE GEORGE'S COUNTY SCHOOL BOARD.~~

~~(C) THE PRINCE GEORGE'S COUNTY EXECUTIVE SHALL DESIGNATE THE CHAIR OF THE WORKGROUP.~~

~~(D) THE PRINCE GEORGE'S COUNTY EXECUTIVE SHALL PROVIDE STAFF FOR THE WORKGROUP.~~

~~(E) A MEMBER OF THE WORKGROUP:~~

~~(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE WORKGROUP; BUT~~

~~(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.~~

~~(F) THE WORKGROUP SHALL:~~

~~(1) DEVELOP INTERAGENCY POLICIES TO REDUCE THE NUMBER OF SCHOOL-BASED ARRESTS AND REFERRALS FOR CERTAIN MISDEMEANOR OFFENSES TO THE DEPARTMENT OF JUVENILE SERVICES AND THE JUVENILE COURT BY DIVERTING MORE YOUTH TO SCHOOL AND COMMUNITY-BASED PROGRAMS, WITH THE GOAL TO DECREASE THE OVERREPRESENTATION OF AFRICAN-AMERICAN YOUTH IN THE JUVENILE JUSTICE SYSTEM;~~

~~(2) DEVELOP PROTOCOL TO UTILIZE MORE FULLY CURRENT RESOURCES AND EXPAND SCHOOL AND COMMUNITY-BASED SUPPORT SERVICES FOR YOUTH WHO EXHIBIT BEHAVIOR PROBLEMS IN SCHOOL;~~

~~(3) CREATE A CRITERIA-BASED, DECISION-MAKING PROCESS FOR REFERRING STUDENTS TO SCHOOL OR COMMUNITY-BASED PROGRAMS AND SERVICES INSTEAD OF TO THE JUVENILE JUSTICE SYSTEM FOR MISDEMEANOR-TYPE DELINQUENT ACTS INVOLVING OFFENSES AGAINST PUBLIC ORDER, INCLUDING FIGHTING, DISRUPTING PUBLIC SCHOOL, DISORDERLY CONDUCT, TRUANCY IN WHICH A STUDENT FAILS TO OBEY AN OFFICER'S COMMAND TO STOP OR NOT LEAVE CAMPUS, AND CRIMINAL TRESPASS NOT INVOLVING DAMAGE TO PROPERTY;~~

~~(4) DEVELOP CRITERIA FOR DIVERSION PROGRAMS, INCLUDING EDUCATIONAL PROGRAMS DEVELOPED FOR JUVENILES WHO HAVE BEEN CHARGED WITH LESS-SERIOUS DELINQUENT ACTS AND WHO THE JUVENILE COURT BELIEVES ARE NOT DELINQUENT JUVENILES AND LIKELY DO NOT REQUIRE PROBATION OR COMMITMENT TO THE DEPARTMENT OF JUVENILE SERVICES;~~

~~(5) HOLD AT LEAST THREE PUBLIC MEETINGS BEFORE OCTOBER 1, 2013, DURING WHICH THE WORKGROUP ACCEPTS PUBLIC TESTIMONY; AND~~

~~(6) CONVENE STAKEHOLDERS ANNUALLY TO ASSESS AND REVISE, IF NECESSARY, THE DECISION-MAKING PROCESS AND PROCEDURES.~~

~~(G) (1) ON OR BEFORE OCTOBER 1, 2013, THE WORKGROUP SHALL REPORT ITS FINDINGS AND RECOMMENDATIONS TO THE PRINCE GEORGE'S COUNTY DELEGATION.~~

~~(2) ON OR BEFORE OCTOBER 1 OF EACH YEAR, THE WORKGROUP SHALL REPORT TO THE PRINCE GEORGE'S COUNTY DELEGATION ANY REVISIONS TO THE WORKGROUP'S RECOMMENDATIONS MADE AFTER ITS ANNUAL STAKEHOLDER MEETING.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013. It shall remain effective for a period of 1 year and 7 months and, at the end of December 31, 2014, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 16, 2013.

Chapter 678

(House Bill 1342)

AN ACT concerning

Maryland Longitudinal Data System – Governing Board and Data Transfers

FOR the purpose of adding the President of the Maryland Independent College and University Association, or the President's designee, to the governing board of the Maryland Longitudinal Data System Center; requiring private nonprofit institutions of higher education that receive State funds to transfer certain student data to the Maryland Longitudinal Data System in accordance with a certain plan; establishing that a certain institution of higher education or postsecondary education that transfers or discloses student-level data to the Maryland Longitudinal Data System in accordance with a certain plan is not liable for a breach of confidentiality or a disclosure, use, retention, or destruction of the data that results from an act or omission by the Maryland Longitudinal Data System Center, a State agency, or a certain person; establishing that if the Maryland Independent College and University Association transfers or discloses student-level data to the Maryland Longitudinal Data System or a State agency on behalf of a private nonprofit institution of higher education in accordance with a certain plan, the association is not liable for a breach of confidentiality or a disclosure, use, retention, or destruction of the data that results from an act or omission by the Maryland Longitudinal Data System Center, a State agency, or a certain person; and generally relating to the Maryland Longitudinal Data System.

BY repealing and reenacting, without amendments,

Article – Education

Section 24–701(a), (b), and (d) and 24–704(a) and (g)(6)

Annotated Code of Maryland

(2008 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – Education

Section 24–704(b) and 24–707

Annotated Code of Maryland
(2008 Replacement Volume and 2012 Supplement)

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

Article – Education

24–701.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Center” means the Maryland Longitudinal Data System Center.

(d) “Governing Board” means the Governing Board of the Maryland Longitudinal Data System Center.

24–704.

- (a) There is a Governing Board of the Center.
- (b) The Governing Board shall include the following members:
 - (1) The Secretary of Higher Education, or the Secretary’s designee;
 - (2) The Chancellor of the University System of Maryland, or the Chancellor’s designee;
 - (3) The President of Morgan State University, or the President’s designee;
 - (4) The State Superintendent of Schools, or the Superintendent’s designee;
 - (5) The Secretary of Labor, Licensing, and Regulation, or the Secretary’s designee;
 - (6) A representative of local superintendents of schools, appointed by the Governor with the advice and consent of the Senate;
 - (7) The Executive Director of the Maryland Association of Community Colleges, or the Executive Director’s designee; [and]
 - (8) **THE PRESIDENT OF THE MARYLAND INDEPENDENT COLLEGE AND UNIVERSITY ASSOCIATION, OR THE PRESIDENT’S DESIGNEE; AND**

[(8)] (9) Four members of the public, appointed by the Governor with the advice and consent of the Senate.

(g) The Governing Board shall:

(6) Before the incorporation of any individual data in the Maryland Longitudinal Data System:

(i) Create an inventory of the individual student data:

1. Proposed to be maintained in the system; and
2. Required to be reported by State and federal education mandates;

(ii) Develop and implement policies to comply with the federal Family Educational Rights and Privacy Act and any other privacy measures, as required by law or the Governing Board; and

(iii) Develop a detailed data security and safeguarding plan that includes:

1. Authorized access and authentication for authorized access;
2. Privacy compliance standards;
3. Privacy and security audits;
4. Breach notification and procedures; and
5. Data retention and disposition policies;

24–707.

(a) Local education agencies, community colleges, public senior higher education institutions, and State agencies shall:

(1) Make every effort to comply with the data requirements and implementation schedule for the Maryland Longitudinal Data System as set forth by the Governing Board; and

(2) Transfer student–level and transcript–level data and workforce data to the Maryland Longitudinal Data System in accordance with the data security and safeguarding plan developed under § 24–704(g)(6) of this subtitle.

(b) Private secondary schools may transfer student data and workforce data to the Maryland Longitudinal Data System in accordance with the data security and safeguarding plan developed under § 24-704(g)(6) of this subtitle.

(c) (1) For-profit ~~and~~ **INSTITUTIONS OF HIGHER EDUCATION**, private nonprofit institutions of higher education **THAT DO NOT RECEIVE STATE FUNDS**, and institutions of postsecondary education that are required to register under § 11-202.2 of this article shall transfer student-level enrollment data, degree data, and financial aid data for all Maryland residents to the Maryland Longitudinal Data System in accordance with the data security and safeguarding plan developed under § 24-704(g)(6) of this subtitle.

(2) PRIVATE NONPROFIT INSTITUTIONS OF HIGHER EDUCATION THAT RECEIVE STATE FUNDS SHALL TRANSFER STUDENT-LEVEL ENROLLMENT DATA, DEGREE DATA, FINANCIAL AID DATA, AND CREDIT DATA FOR ALL STUDENTS TO THE MARYLAND LONGITUDINAL DATA SYSTEM IN ACCORDANCE WITH THE DATA SECURITY AND SAFEGUARDING PLAN DEVELOPED UNDER § 24-704(G)(6) OF THIS SUBTITLE.

~~(2)~~ (3) AN INSTITUTION THAT TRANSFERS OR DISCLOSES STUDENT-LEVEL DATA UNDER PARAGRAPH (1) OR (2) OF THIS SUBSECTION IS NOT LIABLE FOR A BREACH OF CONFIDENTIALITY OR FOR A DISCLOSURE, USE, RETENTION, OR DESTRUCTION OF THE DATA THAT RESULTS FROM AN ACT OR OMISSION BY:

(I) THE MARYLAND LONGITUDINAL DATA SYSTEM CENTER;

(II) A STATE AGENCY; OR

(III) A PERSON PROVIDED ACCESS TO THE DATA BY THE MARYLAND LONGITUDINAL DATA SYSTEM CENTER OR A STATE AGENCY.

~~(3)~~ (4) IF THE MARYLAND INDEPENDENT COLLEGE AND UNIVERSITY ASSOCIATION TRANSFERS OR DISCLOSES STUDENT-LEVEL DATA TO THE MARYLAND LONGITUDINAL DATA SYSTEM OR A STATE AGENCY ON BEHALF OF A PRIVATE NONPROFIT INSTITUTION OF HIGHER EDUCATION UNDER PARAGRAPH (1) OR (2) OF THIS SUBSECTION, THE ASSOCIATION IS NOT LIABLE FOR A BREACH OF CONFIDENTIALITY OR FOR A DISCLOSURE, USE, RETENTION, OR DESTRUCTION OF THE DATA THAT RESULTS FROM AN ACT OR OMISSION BY:

(I) THE MARYLAND LONGITUDINAL DATA SYSTEM CENTER;

(II) A STATE AGENCY; OR

(III) A PERSON PROVIDED ACCESS TO THE DATA BY THE MARYLAND LONGITUDINAL DATA SYSTEM CENTER OR A STATE AGENCY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 679

(Senate Bill 945)

AN ACT concerning

Higher Education – Maryland Longitudinal Data System – Governing Board and Data Transfers

FOR the purpose of adding the President of the Maryland Independent College and University Association, or the President's designee, to the Governing Board of the Maryland Longitudinal Data System Center; requiring private nonprofit institutions of higher education that receive State funds to transfer certain student data to the Maryland Longitudinal Data System in accordance with a certain plan; establishing that a certain institution of higher education or postsecondary education that transfers or discloses student-level data to the Maryland Longitudinal Data System in accordance with a certain plan is not liable for a breach of confidentiality or a disclosure, use, retention, or destruction of the data that results from an act or omission by the Maryland Longitudinal Data System Center, a State agency, or a certain person; establishing that if the Maryland Independent College and University Association transfers or discloses student-level data to the Maryland Longitudinal Data System or a State agency on behalf of a private nonprofit institution of higher education in accordance with a certain plan, the association is not liable for a breach of confidentiality or a disclosure, use, retention, or destruction of the data that results from an act or omission by the Maryland Longitudinal Data System Center, a State agency, or a certain person; and generally relating to the Maryland Longitudinal Data System.

BY repealing and reenacting, without amendments,

Article – Education

Section 24-701(a), (b), and (d) and 24-704(a) and (g)(6)

Annotated Code of Maryland

(2008 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – Education

Section 24–704(b) and 24–707

Annotated Code of Maryland

(2008 Replacement Volume and 2012 Supplement)

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

Article – Education

24–701.

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

(b) “Center” means the Maryland Longitudinal Data System Center.

(d) “Governing Board” means the Governing Board of the Maryland Longitudinal Data System Center.

24–704.

(a) There is a Governing Board of the Center.

(b) The Governing Board shall include the following members:

(1) The Secretary of Higher Education, or the Secretary’s designee;

(2) The Chancellor of the University System of Maryland, or the Chancellor’s designee;

(3) The President of Morgan State University, or the President’s designee;

(4) The State Superintendent of Schools, or the Superintendent’s designee;

(5) The Secretary of Labor, Licensing, and Regulation, or the Secretary’s designee;

(6) A representative of local superintendents of schools, appointed by the Governor with the advice and consent of the Senate;

(7) The Executive Director of the Maryland Association of Community Colleges, or the Executive Director’s designee; [and]

(8) THE PRESIDENT OF THE MARYLAND INDEPENDENT COLLEGE AND UNIVERSITY ASSOCIATION, OR THE PRESIDENT’S DESIGNEE; AND

[(8)] (9) Four members of the public, appointed by the Governor with the advice and consent of the Senate.

(g) The Governing Board shall:

(6) Before the incorporation of any individual data in the Maryland Longitudinal Data System:

(i) Create an inventory of the individual student data:

1. Proposed to be maintained in the system; and
2. Required to be reported by State and federal education mandates;

(ii) Develop and implement policies to comply with the federal Family Educational Rights and Privacy Act and any other privacy measures, as required by law or the Governing Board; and

(iii) Develop a detailed data security and safeguarding plan that includes:

1. Authorized access and authentication for authorized access;
2. Privacy compliance standards;
3. Privacy and security audits;
4. Breach notification and procedures; and
5. Data retention and disposition policies;

24–707.

(a) Local education agencies, community colleges, public senior higher education institutions, and State agencies shall:

(1) Make every effort to comply with the data requirements and implementation schedule for the Maryland Longitudinal Data System as set forth by the Governing Board; and

(2) Transfer student–level and transcript–level data and workforce data to the Maryland Longitudinal Data System in accordance with the data security and safeguarding plan developed under § 24–704(g)(6) of this subtitle.

(b) Private secondary schools may transfer student data and workforce data to the Maryland Longitudinal Data System in accordance with the data security and safeguarding plan developed under § 24–704(g)(6) of this subtitle.

(c) **(1) For-profit [and] INSTITUTIONS OF HIGHER EDUCATION**, private nonprofit institutions of higher education **THAT DO NOT RECEIVE STATE FUNDS**, and institutions of postsecondary education that are required to register under § 11–202.2 of this article shall transfer student-level enrollment data, degree data, and financial aid data for all Maryland residents to the Maryland Longitudinal Data System in accordance with the data security and safeguarding plan developed under § 24–704(g)(6) of this subtitle.

(2) PRIVATE NONPROFIT INSTITUTIONS OF HIGHER EDUCATION THAT RECEIVE STATE FUNDS SHALL TRANSFER STUDENT-LEVEL ENROLLMENT DATA, DEGREE DATA, FINANCIAL AID DATA, AND CREDIT DATA FOR ALL STUDENTS TO THE MARYLAND LONGITUDINAL DATA SYSTEM IN ACCORDANCE WITH THE DATA SECURITY AND SAFEGUARDING PLAN DEVELOPED UNDER § 24–704(G)(6) OF THIS SUBTITLE.

(3) AN INSTITUTION THAT TRANSFERS OR DISCLOSES STUDENT-LEVEL DATA UNDER PARAGRAPH (1) OR (2) OF THIS SUBSECTION IS NOT LIABLE FOR A BREACH OF CONFIDENTIALITY OR FOR A DISCLOSURE, USE, RETENTION, OR DESTRUCTION OF THE DATA THAT RESULTS FROM AN ACT OR OMISSION BY:

(I) THE MARYLAND LONGITUDINAL DATA SYSTEM CENTER;

(II) A STATE AGENCY; OR

(III) A PERSON PROVIDED ACCESS TO THE DATA BY THE MARYLAND LONGITUDINAL DATA SYSTEM CENTER OR A STATE AGENCY.

(4) IF THE MARYLAND INDEPENDENT COLLEGE AND UNIVERSITY ASSOCIATION TRANSFERS OR DISCLOSES STUDENT-LEVEL DATA TO THE MARYLAND LONGITUDINAL DATA SYSTEM OR A STATE AGENCY ON BEHALF OF A PRIVATE NONPROFIT INSTITUTION OF HIGHER EDUCATION UNDER PARAGRAPH (1) OR (2) OF THIS SUBSECTION, THE ASSOCIATION IS NOT LIABLE FOR A BREACH OF CONFIDENTIALITY OR FOR A DISCLOSURE, USE, RETENTION, OR DESTRUCTION OF THE DATA THAT RESULTS FROM AN ACT OR OMISSION BY:

(I) THE MARYLAND LONGITUDINAL DATA SYSTEM CENTER;

(II) A STATE AGENCY; OR

**(III) A PERSON PROVIDED ACCESS TO THE DATA BY THE
MARYLAND LONGITUDINAL DATA SYSTEM CENTER OR A STATE AGENCY.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 680

(House Bill 1348)

AN ACT concerning

Maryland Program Evaluation Act – Revisions and Clarifications

FOR the purpose of altering the date by which the Department of Legislative Services must conduct a preliminary evaluation of certain governmental activities or units and prepare certain reports; specifying the entities subject to a preliminary evaluation; specifying the year in which a preliminary evaluation must be conducted; altering certain elements required in a report on a preliminary evaluation; requiring the Department to consider making a certain recommendation if certain problems are identified; requiring the Department to submit certain reports to the Legislative Policy Committee; altering the date by which the Legislative Policy Committee must make a certain determination; requiring the Department to conduct a full evaluation of a governmental activity or unit under certain circumstances; requiring the Department to prepare a certain report on each full evaluation conducted; specifying the entities subject to a full evaluation without the need for a preliminary evaluation; specifying the year in which a full evaluation must be conducted; altering the date by which the Department must complete certain full evaluation reports; specifying the focus of a full evaluation report; requiring the Department to submit certain reports to certain committees of the General Assembly; altering the date by which certain committees of the General Assembly must hold certain public hearings; requiring certain committees of the General Assembly rather than certain evaluation committees to submit a certain report to the General Assembly; altering the recommendations that must be included in certain reports; repealing the requirement that an evaluation be completed by an evaluation committee; repealing the requirement that an evaluation plan be completed; requiring certain entities to provide certain information and cooperate with the Department to carry out certain requirements; authorizing certain information to be provided to the Department in a certain format; requiring the Department to follow certain

confidentiality procedures; defining certain terms; and generally relating to the Maryland Program Evaluation Act.

BY repealing and reenacting, with amendments,

Article – State Government

Section 8–401, 8–403, and 8–409 through 8–413

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, without amendments,

Article – State Government

Section 8–402

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY repealing

Article – State Government

Section 8–404 through 8–408

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY adding to

Article – State Government

Section 8–404, 8–405, and 8–408

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

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

Article — State Government

8–401.

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

(B) “COMMITTEES OF JURISDICTION” MEANS THE COMMITTEES OF THE GENERAL ASSEMBLY THAT ROUTINELY HANDLE THE POLICY ISSUES AND LEGISLATION RELATED TO A SPECIFIC GOVERNMENTAL ACTIVITY OR UNIT SUBJECT TO REVIEW UNDER THIS SUBTITLE.

(C) “DEPARTMENT” MEANS THE DEPARTMENT OF LEGISLATIVE SERVICES.

[(b)] (D) “Evaluation” means the **TWO–TIERED** process of legislative review of a governmental activity or unit **[for which this subtitle provides] USED TO DETERMINE:**

(1) WHETHER THE GOVERNMENTAL ACTIVITY OR UNIT SHOULD BE REESTABLISHED OR TERMINATED; AND

(2) WHAT, IF ANY, STATUTORY OR NONSTATUTORY CHANGES SHOULD BE RECOMMENDED TO THE GENERAL ASSEMBLY TO IMPROVE THE OPERATIONS OF THE GOVERNMENTAL ACTIVITY OR UNIT.

[(c)] “Evaluation committee” means a committee that is appointed to carry out an evaluation.]

[(d)] (E) “Evaluation [date] YEAR” means the [date on] YEAR IN which [an] **EITHER A PRELIMINARY OR FULL EVALUATION** of a governmental activity or unit is to be completed.

(F) “FULL EVALUATION” MEANS:

(1) AN EXAMINATION OF ISSUES IDENTIFIED IN A PRELIMINARY EVALUATION AS REQUIRING FURTHER STUDY; OR

(2) A FOLLOW–UP REVIEW OF HOW ISSUES IDENTIFIED IN A PREVIOUS EVALUATION HAVE BEEN IMPLEMENTED BY A GOVERNMENTAL ACTIVITY OR UNIT.

[(e)] (G) “Governmental activity” means a program, service, or other function of government.

(H) “OFFICE” MEANS THE OFFICE OF POLICY ANALYSIS IN THE DEPARTMENT OF LEGISLATIVE SERVICES.

[(f)] (I) “Preliminary evaluation” means [the process by which the Legislative Policy Committee determines whether a governmental activity should undergo an evaluation] **A REVIEW OF A GOVERNMENTAL ACTIVITY OR UNIT LIMITED TO THE ITEMS SPECIFIED UNDER § 8–403(B) OF THIS SUBTITLE THAT IS UNDERTAKEN TO PROVIDE A RECOMMENDATION TO THE LEGISLATIVE POLICY COMMITTEE ON WHETHER A GOVERNMENTAL ACTIVITY OR UNIT SHOULD UNDERGO A FULL EVALUATION.**

8–402.

(a) The General Assembly finds that:

(1) a system for periodic, legislative review of the regulatory, licensing, and other governmental activities of the Executive Branch of the State government is essential for the maintenance of a government in which the citizens have confidence and of a healthy State economy; and

(2) this legislative review is consistent with other activities and goals of the General Assembly.

(b) The purposes of this subtitle are to:

(1) establish a system of legislative review that will:

(i) determine whether a governmental activity is necessary for the public interest; and

(ii) make units that are responsible for necessary governmental activities accountable and responsive to the public interest; and

(2) ensure that the legislative review takes place by establishing, by statute, dates for the review and other legislative action.

8–403.

(a) On or before December 15 of the [2nd year before the evaluation date of a governmental activity or unit, the Legislative Policy Committee, based on a preliminary evaluation, may waive as unnecessary the evaluation required under this section] **EVALUATION YEAR SPECIFIED, THE DEPARTMENT SHALL:**

(1) CONDUCT A PRELIMINARY EVALUATION OF EACH GOVERNMENTAL ACTIVITY OR UNIT TO BE EVALUATED UNDER THIS SECTION; AND

(2) PREPARE A REPORT ON EACH PRELIMINARY EVALUATION CONDUCTED.

(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] **EACH** of the following governmental activities or units and the statutes and regulations that relate to the governmental activities or units **ARE SUBJECT TO PRELIMINARY EVALUATION IN THE EVALUATION YEAR SPECIFIED:**

(1) Acupuncture Board, State (§ 1A–201 of the Health Occupations Article: [July 1, 2014] **2012**);

(2) Amusement Ride Safety, State Advisory Board (§ 3–303 of the Business Regulation Article: [July 1, 2013] **2011**);

(3) Apprenticeship and Training Council (§ 11–403 of the Labor and Employment Article: [July 1, 2013] **2011**);

(4) Architects, State Board of (§ 3–201 of the Business Occupations and Professions Article: [July 1, 2022] **2020**);

(5) Athletic Commission, State (§ 4–201 of the Business Regulation Article: [July 1, 2020] **2018**);

[(6) Athletic Training Advisory Committee (§ 14–5D–04 of the Health Occupations Article: July 1, 2012);]

[(7)] **(6)** Audiologists, Hearing Aid Dispensers, and Speech–Language Pathologists, State Board of Examiners for (§ 2–201 of the Health Occupations Article: [July 1, 2015] **2013**);

[(8)] **(7)** Barbers, State Board of (§ 4–201 of the Business Occupations and Professions Article: [July 1, 2020] **2018**);

[(9)] **(8)** Boiler Rules, Board of (§ 12–904 of the Public Safety Article: [July 1, 2013] **2011**);

[(10)] **(9)** Cemetery Oversight, Office of (§ 5–201 of the Business Regulation Article: [July 1, 2022] **2020**);

[(11)] **(10)** Chiropractic and Massage Therapy Examiners, State Board of (§ 3–201 of the Health Occupations Article: [July 1, 2021] **2019**);

[(12)] **(11)** Collection Agency Licensing Board, State (§ 7–201 of the Business Regulation Article: [July 1, 2021] **2019**);

[(13)] **(12)** Cosmetologists, State Board of (§ 5–201 of the Business Occupations and Professions Article: [July 1, 2020] **2018**);

[(14)] **(13)** Counselors and Therapists, State Board of Professional (§ 17–201 of the Health Occupations Article: [July 1, 2018] **2016**);

[(15)] Dental Examiners, State Board of (§ 4–201 of the Health Occupations Article: July 1, 2020);]

[(16)] **(14)** Dietetic Practice, State Board of (§ 5–201 of the Health Occupations Article: [July 1, 2014] **2012**);

[(17)] **(15)** Electricians, State Board of Master (§ 6–201 of the Business Occupations and Professions Article: [July 1, 2022] **2020**);

[(18)] Electrology Practice Committee (§ 8–6B–05 of the Health Occupations Article: July 1, 2022);]

[(19)] **(16)** Elevator Safety Review Board (§§ 12–819 through 12–841 of the Public Safety Article: [July 1, 2013] **2011**);

[(20)] **(17)** Engineers, State Board for Professional (§ 14–201 of the Business Occupations and Professions Article: [July 1, 2022] **2020**);

[(21)] **(18)** Engineers, State Board of Stationary (§ 6.5–201 of the Business Occupations and Professions Article: [July 1, 2013] **2011**);

[(22)] **(19)** Environmental Health Specialists, State Board of (§ 21–201 of the Health Occupations Article: [July 1, 2016] **2014**);

[(23)] **(20)** Financial Regulation, Office of the Commissioner of (§ 2–101 of the Financial Institutions Article: [July 1, 2021] **2019**);

[(24)] **(21)** Foresters, State Board of (§ 7–201 of the Business Occupations and Professions Article: [July 1, 2014] **2012**);

[(25)] **(22)** Health Care Commission, Maryland (§ 19–103 of the Health – General Article: [July 1, 2017] **2015**);

[(26)] **(23)** Health Services Cost Review Commission, State (§ 19–202 of the Health – General Article: [July 1, 2017] **2015**);

[(27)] **(24)** Heating, Ventilation, Air–Conditioning, and Refrigeration Contractors, State Board of (§ 9A–201 of the Business Regulation Article: [July 1, 2022] **2020**);

[(28)] **(25)** Home Improvement Commission, Maryland (§ 8–201 of the Business Regulation Article: [July 1, 2021] **2019**);

[(29)] **(26)** Horse Industry Board, Maryland (§ 2–701 of the Agriculture Article: [July 1, 2015] **2013**);

[(30)] **(27)** Individual Tax Preparers, State Board of (§ 21–201 of the Business Occupations and Professions Article: [July 1, 2015] **2013**);

[(31)] **(28)** Insurance Administration (§§ 2–101 and 2–103 of the Insurance Article: [July 1, 2018] **2016**);

[(32)] **(29)** Interior Designers, State Board of Certified (§ 8–201 of the Business Occupations and Professions Article: [July 1, 2023] **2021**);

[(33)] **(30)** Labor and Industry, Division of (Title 2 of the Labor and Employment Article: [July 1, 2013] **2011**);

[(34)] **(31)** Land Surveyors, State Board for Professional (§ 15–201 of the Business Occupations and Professions Article: [July 1, 2023] **2021**);

[(35)] **(32)** Landscape Architects, State Board of Examiners of (§ 9–201 of the Business Occupations and Professions Article: [July 1, 2023] **2021**);

[(36)] **(33)** Law Examiners, State Board of (§ 10–201 of the Business Occupations and Professions Article: [July 1, 2019] **2017**);

[(37)] **(34)** Maryland–Bred Race Fund Advisory Committee (§ 11–531 of the Business Regulation Article: [July 1, 2013] **2011**);

[(38)] **(35)** mold remediation services, licensing and regulation of (§ 8–701 of the Business Regulation Article: [July 1, 2018] **2016**);

[(39)] Morticians and Funeral Directors, State Board of (§ 7–201 of the Health Occupations Article: July 1, 2017);

(40) Nursing, State Board of (§ 8–201 of the Health Occupations Article: July 1, 2022);]

[(41)] **(36)** Nursing Home Administrators, State Board of Examiners of (§ 9–201 of the Health Occupations Article: [July 1, 2016] **2014**);

[(42)] **(37)** Occupational Safety and Health Advisory Board (§ 5–302 of the Labor and Employment Article: [July 1, 2013] **2011**);

[(43)] **(38)** Occupational Therapy Practice, State Board of (§ 10–201 of the Health Occupations Article: [July 1, 2014] **2012**);

[(44)] **(39)** Optometry, State Board of Examiners in (§ 11–201 of the Health Occupations Article: [July 1, 2022] **2020**);

[(45)] Perfusion Advisory Committee (§ 14–5E–05 of the Health Occupations Article: July 1, 2021);

(46) Pharmacy, State Board of (§ 12–201 of the Health Occupations Article: July 1, 2022);]

[(47)] **(40)** Physical Therapy Examiners, State Board of (§ 13–201 of the Health Occupations Article: [July 1, 2021] **2019**);

[(48)] Physician Assistant Advisory Committee (§ 15–201 of the Health Occupations Article: July 1, 2012);

(49) Physicians, State Board of (§ 14–201 of the Health Occupations Article: July 1, 2012);]

[(50)] **(41)** Pilots, State Board of (§ 11–201 of the Business Occupations and Professions Article: [July 1, 2021] **2019**);

[(51)] **(42)** Plumbing, State Board of (§ 12–201 of the Business Occupations and Professions Article: [July 1, 2022] **2020**);

[(52)] **(43)** Podiatric Medical Examiners, State Board of (§ 16–201 of the Health Occupations Article: [July 1, 2021] **2019**);

[(53)] Polysomnography Professional Standards Committee (§ 14–5C–05 of the Health Occupations Article: July 1, 2012);]

[(54)] **(44)** Prescription Drug Monitoring Program in the Department of Health and Mental Hygiene (§ 21–2A–02 of the Health – General Article: [July 1, 2015] **2013**);

[(55)] **(45)** Prevailing Wage Rates, Advisory Council on (§ 17–203 of the State Finance and Procurement Article: [July 1, 2013] **2011**);

[(56)] **(46)** Psychologists, State Board of Examiners of (§ 18–201 of the Health Occupations Article: [July 1, 2022] **2020**);

[(57)] **(47)** Public Accountancy, State Board of (§ 2–201 of the Business Occupations and Professions Article: [July 1, 2014] **2012**);

[(58)] **(48)** Racing Commission, State (§ 11–201 of the Business Regulation Article: [July 1, 2013] **2011**);

[(59)] Radiation Oncology/Therapy Technologists, Medical Radiation Technologists, and Nuclear Medicine Technologists Advisory Committee (§ 14–5B–05 of the Health Occupations Article: July 1, 2012);]

[(60)] **(49)** Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors, State Commission of (§ 16–201 of the Business Occupations and Professions Article: [July 1, 2022] **2020**);

[(61)] **(50)** Real Estate Commission, State (§ 17–201 of the Business Occupations and Professions Article: [July 1, 2021] **2019**);

[(62)] **(51)** Residential Child Care Program Professionals, State Board for Certification of (§ 20–202 of the Health Occupations Article: [July 1, 2023] **2021**);

[(63)] Respiratory Care Professional Standards Committee, State (§ 14–5A–05 of the Health Occupations Article: July 1, 2012);]

[(64)] **(52)** security systems technicians, licensing and regulation of (§ 18–201 of the Business Occupations and Professions Article: [July 1, 2015] **2013**);

[(65)] **(53)** Social Work Examiners, State Board of (§ 19–201 of the Health Occupations Article: [July 1, 2023] **2021**);

[(66)] **(54)** Standardbred Race Fund Advisory Committee, Maryland (§ 11–625 of the Business Regulation Article: [July 1, 2013] **2011**);

[(67)] **(55)** Veterinary Medical Examiners, State Board of (§ 2–302 of the Agriculture Article: [July 1, 2020] **2018**);

[(68)] **(56)** Waterworks and Waste Systems Operators, State Board of (§ 12–201 of the Environment Article: [July 1, 2020] **2018**); and

[(69)] **(57)** Well Drillers, State Board of (§ 13–201 of the Environment Article: [July 1, 2020] **2018**).

(C) A REPORT ON A PRELIMINARY EVALUATION SHALL:

(1) INCLUDE A SUMMARY OF:

(I) SIGNIFICANT LEGISLATIVE AND REGULATORY CHANGES SINCE THE LAST EVALUATION;

(II) LICENSING AND ENFORCEMENT ACTIVITIES SINCE THE LAST EVALUATION;

(III) REGISTERED COMPLAINTS, COMPLAINT OUTCOMES, AND DISCIPLINARY ACTIVITIES SINCE THE LAST EVALUATION; AND

(IV) REVENUES AND EXPENDITURES FOR THE MOST RECENT 6-YEAR PERIOD, INCLUDING INDIRECT COSTS; AND

(2) RECOMMEND WHETHER A FULL EVALUATION SHOULD BE UNDERTAKEN BY THE DEPARTMENT.

(D) THE DEPARTMENT SHALL CONSIDER RECOMMENDING A FULL EVALUATION OF A GOVERNMENTAL ACTIVITY OR UNIT IF PROBLEMS ARE IDENTIFIED REGARDING:

(1) IMPLEMENTATION OF THE GOVERNMENTAL ACTIVITY OR UNIT'S MANDATE OR STATUTORY REQUIREMENTS;

(2) MANAGEMENT OR DISPOSITION OF LICENSING, ENFORCEMENT, COMPLAINT, OR DISCIPLINARY ACTIVITIES;

(3) FINANCES OR RESOURCES; OR

(4) OTHER ISSUES AS IDENTIFIED BY THE GENERAL ASSEMBLY OR THE DEPARTMENT.

(E) ON COMPLETION, THE DEPARTMENT SHALL SUBMIT EACH REPORT ON A PRELIMINARY EVALUATION TO THE LEGISLATIVE POLICY COMMITTEE.

[8-404.

(a) (1) On or before December 15 of the second year before the evaluation date, the Department of Legislative Services shall prepare a preliminary evaluation report on each governmental activity or unit to be evaluated.

(2) The preliminary evaluation report shall include:

(i) significant legislative changes that affect the governmental activity or unit after the last evaluation;

(ii) changes in technology that impact the conduct of the profession or occupation regulated by the governmental activity or unit;

(iii) changes in the regulatory environment;

(iv) registered complaints and complaint outcomes in the time period after the last evaluation;

(v) a 5-year revenue and expenditure comparison, including indirect costs as part of the expenditures of the activity or unit; and

(vi) a recommendation whether a full evaluation should be undertaken.

(b) On request of the Department of Legislative Services, the governmental activity or unit shall provide the Department with the information required to undertake the preliminary evaluation.]

8-404.

(A) ON OR BEFORE THE 10TH DAY OF THE REGULAR SESSION OF THE GENERAL ASSEMBLY IMMEDIATELY FOLLOWING THE EVALUATION YEAR FOR A GOVERNMENTAL ACTIVITY OR UNIT SPECIFIED UNDER § 8-403(B) OF THIS SUBTITLE, THE LEGISLATIVE POLICY COMMITTEE SHALL APPROVE OR DISAPPROVE THE RECOMMENDATIONS CONTAINED IN EACH REPORT ON A PRELIMINARY EVALUATION SUBMITTED BY THE DEPARTMENT.

(B) IF THE LEGISLATIVE POLICY COMMITTEE APPROVES THE DEPARTMENT'S RECOMMENDATION TO WAIVE A GOVERNMENTAL ACTIVITY OR UNIT FROM FULL EVALUATION, THE DEPARTMENT SHALL PREPARE LEGISLATION TO EXTEND THE TERMINATION DATE AND EVALUATION YEAR OF THE GOVERNMENTAL ACTIVITY OR UNIT.

(C) THE DEPARTMENT SHALL CONDUCT A FULL EVALUATION OF A GOVERNMENTAL ACTIVITY OR UNIT AS SPECIFIED UNDER § 8-405 OF THIS SUBTITLE IF THE LEGISLATIVE POLICY COMMITTEE:

(1) APPROVES THE DEPARTMENT'S RECOMMENDATION THAT A GOVERNMENTAL ACTIVITY OR UNIT UNDERGO FULL EVALUATION; OR

(2) REQUESTS THAT A GOVERNMENTAL ACTIVITY OR UNIT THAT THE DEPARTMENT HAS RECOMMENDED BE WAIVED FROM FULL EVALUATION INSTEAD UNDERGO FULL EVALUATION.

[8-405.

(a) Evaluation of a governmental activity or unit shall be completed:

(1) by an evaluation committee for the Senate, appointed by the President of the Senate, and an evaluation committee for the House of Delegates, appointed by the Speaker of the House; or

(2) by an evaluation committee appointed jointly by the President and Speaker.

(b) Each evaluation committee for a governmental activity or unit shall be appointed on or before May 31 of the year before the evaluation date of that governmental activity or unit.]

8-405.

(A) THE DEPARTMENT SHALL:

(1) CONDUCT A FULL EVALUATION OF EACH GOVERNMENTAL ACTIVITY OR UNIT TO BE EVALUATED UNDER THIS SECTION; AND

(2) PREPARE A REPORT ON EACH FULL EVALUATION CONDUCTED.

(B) EACH OF THE FOLLOWING GOVERNMENTAL ACTIVITIES OR UNITS AND THE STATUTES AND REGULATIONS THAT RELATE TO THE GOVERNMENTAL ACTIVITIES OR UNITS ARE SUBJECT TO FULL EVALUATION, IN THE EVALUATION YEAR SPECIFIED, WITHOUT THE NEED FOR A PRELIMINARY EVALUATION:

(1) DENTAL EXAMINERS, STATE BOARD OF (§ 4-201 OF THE HEALTH OCCUPATIONS ARTICLE: 2019);

(2) MORTICIANS AND FUNERAL DIRECTORS, STATE BOARD OF (§ 7-201 OF THE HEALTH OCCUPATIONS ARTICLE: 2016);

(3) (I) NURSING, STATE BOARD OF (§ 8-201 OF THE HEALTH OCCUPATIONS ARTICLE: 2021); AND

(II) ELECTROLOGY PRACTICE COMMITTEE (§ 8-6B-05 OF THE HEALTH OCCUPATIONS ARTICLE: 2021);

(4) PHARMACY, STATE BOARD OF (§ 12-201 OF THE HEALTH OCCUPATIONS ARTICLE: 2021); AND

(5) PHYSICIANS, STATE BOARD OF (§ 14-201 OF THE HEALTH OCCUPATIONS ARTICLE: 2011), INCLUDING:

(I) ATHLETIC TRAINING ADVISORY COMMITTEE (§ 14-5D-04 OF THE HEALTH OCCUPATIONS ARTICLE: 2011);

(II) PERFUSION ADVISORY COMMITTEE (§ 14-5E-05 OF THE HEALTH OCCUPATIONS ARTICLE: 2011);

(III) PHYSICIAN ASSISTANT ADVISORY COMMITTEE (§ 15-201 OF THE HEALTH OCCUPATIONS ARTICLE: 2011);

(IV) POLYSOMNOGRAPHY PROFESSIONAL STANDARDS COMMITTEE (§ 14-5C-05 OF THE HEALTH OCCUPATIONS ARTICLE: 2011);

(V) RADIATION THERAPY, RADIOGRAPHY, NUCLEAR MEDICINE TECHNOLOGY ADVISORY, AND RADIOLOGY ASSISTANCE COMMITTEE (§ 14-5B-05 OF THE HEALTH OCCUPATIONS ARTICLE: 2011); AND

(VI) RESPIRATORY CARE PROFESSIONAL STANDARDS COMMITTEE (§ 14-5A-05 OF THE HEALTH OCCUPATIONS ARTICLE: 2011).

(C) IN ADDITION TO THE ENTITIES SPECIFIED UNDER SUBSECTION (B) OF THIS SECTION, THE DEPARTMENT SHALL CONDUCT A FULL EVALUATION OF EACH ENTITY THAT HAS UNDERGONE A PRELIMINARY EVALUATION FOR WHICH THE LEGISLATIVE POLICY COMMITTEE DETERMINES A FULL EVALUATION IS NECESSARY.

(D) EACH FULL EVALUATION SHALL BE COMPLETED ON OR BEFORE:

(1) DECEMBER 1 OF THE EVALUATION YEAR SPECIFIED FOR ENTITIES SUBJECT TO A FULL EVALUATION WITHOUT A PRELIMINARY EVALUATION UNDER SUBSECTION (B) OF THIS SECTION; OR

(2) UNLESS OTHERWISE SPECIFIED BY THE LEGISLATIVE POLICY COMMITTEE, DECEMBER 1 OF THE YEAR FOLLOWING THE COMPLETION OF A PRELIMINARY EVALUATION REPORT.

(E) (1) IF A PRELIMINARY EVALUATION HAS NOT BEEN CONDUCTED, A FULL EVALUATION REPORT SHALL ADDRESS ANY ISSUES RAISED IN THE PREVIOUS SUNSET EVALUATION CONDUCTED BY THE DEPARTMENT AND THE GOVERNMENTAL ACTIVITY'S OR UNIT'S:

(I) EFFICIENCY;

(II) EFFECTIVENESS;

(III) ROLE IN PROTECTING CONSUMERS;

(IV) SUFFICIENCY OF RESOURCES; AND

(V) ACCOMPLISHMENT OF LEGISLATIVE OBJECTIVES.

(2) IF A PRELIMINARY EVALUATION HAS BEEN CONDUCTED, A FULL EVALUATION REPORT SHALL FOCUS ON THE ISSUES IDENTIFIED IN THE PRELIMINARY EVALUATION OF THE GOVERNMENTAL ACTIVITY OR UNIT.

(F) ON COMPLETION, THE DEPARTMENT SHALL SUBMIT EACH FULL EVALUATION REPORT, INCLUDING DRAFT LEGISLATION TO IMPLEMENT ANY RECOMMENDED STATUTORY CHANGES, TO THE COMMITTEES OF JURISDICTION.

[8-406.

(a) On or before June 30 of the year before the evaluation date of a governmental activity or unit, each evaluation committee for that governmental activity or unit shall:

(1) consult with:

(i) the Department of Legislative Services; and

(ii) the unit under evaluation or responsible for the governmental activity under evaluation; and

(2) then prepare a plan for the evaluation.

(b) Each evaluation committee shall provide, in the plan, for periodic consultation with the Department of Legislative Services.]

[8-407.

During an evaluation, the unit under evaluation or responsible for the governmental activity under evaluation shall:

(1) provide promptly any information that the Department of Legislative Services or an evaluation committee requests; and

(2) otherwise cooperate with the Department and the evaluation committee.]

[8-408.

(a) (1) Subject to § 2-1246 of this article, on or before October 31 of the year before the evaluation date of a governmental activity or unit, the Department of Legislative Services shall submit to the General Assembly an evaluation report on the governmental activity or unit.

(2) The Department of Legislative Services shall make copies of the report available.

(b) The report on a governmental activity or unit designated for evaluation under § 8–403 of this subtitle, to the extent appropriate to the evaluation of that governmental activity or unit and consistent with the plan for evaluation, shall:

(1) discuss the purpose for which the governmental activity or unit was established;

(2) discuss the manner in which the unit under evaluation or responsible for the governmental activity under evaluation operates to carry out this purpose;

(3) discuss changes in conditions that have occurred since the governmental activity or unit was established and that suggest a need for change in the governmental activity or unit;

(4) discuss whether the public health, safety, or welfare would be affected significantly if the governmental activity or unit did not exist;

(5) discuss whether the costs of any goods or services have changed because the governmental activity or unit was established;

(6) discuss whether the statute provides a clear regulatory mandate;

(7) discuss whether the unit under evaluation or responsible for the governmental activity under evaluation complies with this mandate;

(8) discuss whether that unit has clear objectives;

(9) discuss the extent to which that unit accomplishes these objectives;

(10) discuss whether other governmental activities of the State have similar objectives and, if so, compare the cost and effectiveness and identify duplication in these governmental activities;

(11) discuss whether federal or local governmental activities or programs or services in the private sector have similar objectives;

(12) state the source of funds of the governmental activity or unit;

(13) discuss whether the budget and staff resources and the enforcement authority of the unit under evaluation or responsible for the governmental activity under evaluation meet or exceed the resources and authority that are needed to carry out the statutory mandate of the unit;

(14) discuss, as to a governmental activity for licensing of a profession or occupation, whether the unit responsible for the governmental activity has:

- (i) restricted access to the profession or occupation unduly;
- (ii) processed applications for licenses efficiently and fairly; and
- (iii) licensed only qualified applicants;

(15) discuss whether the unit under evaluation or responsible for a governmental activity under evaluation operates in an open and accountable manner, with:

- (i) public access to its records and meetings; and
- (ii) safeguards against conflicts of interest;

(16) discuss the extent to which that unit encourages participation of the public, as opposed to participation only of persons whom the unit regulates, and include a discussion of the role of the consumer representatives on the unit;

(17) discuss whether that unit processes efficiently and fairly formal public complaints that are submitted to it;

(18) discuss whether that unit gathers and keeps sufficient information about its activities and regulated persons and interests:

- (i) to carry out the duties of the unit;
- (ii) to inform the public; and
- (iii) to enable evaluation of the success of the governmental activity or unit;

(19) discuss whether that unit gathers or keeps superfluous information;

(20) discuss alternative methods to carry out the governmental activity, including methods used successfully in other states;

(21) discuss suggestions for statutory changes; and

(22) include any other information that the plan for evaluation requires or the Department of Legislative Services considers appropriate.

(c) A report on a governmental activity or unit designated for evaluation under § 8–404 of this subtitle, to the extent appropriate to the evaluation of that governmental activity or unit and consistent with the plan for evaluation, shall:

(1) discuss the public purpose for which the governmental activity or unit was established and whether that purpose is still a public need;

(2) discuss whether the purpose of the governmental activity or unit has changed and, if so, the consistency of changes with legislative intent and public need;

(3) discuss whether the governmental activity or unit substantially duplicates other State, federal, or local governmental activities or programs or services in the private sector;

(4) discuss whether laws or policies, including budgetary or personnel policies, impede the effectiveness of the governmental activity or unit;

(5) discuss whether the unit under evaluation or responsible for the governmental activity under evaluation operates:

(i) efficiently and effectively;

(ii) in an open and accountable manner, with public access to records and meetings, safeguards against conflicts of interest, and opportunity for public participation;

(iii) in a fair and nondiscriminatory manner that complies fully with law and State policy; and

(iv) in a manner that imposes on the citizens and economy of the State the least burden necessary to carry out the purpose for which the governmental activity or unit was established;

(6) discuss whether changes in operation or law are desirable to improve efficiency and effectiveness; and

(7) include any other information that the plan for evaluation requires or the Department of Legislative Services considers appropriate.]

[8–409.] 8–406.

On or before [December 14 of] **THE 10TH DAY OF THE REGULAR SESSION OF THE GENERAL ASSEMBLY** IN the year [before] **AFTER** the **FULL** evaluation [date] of a governmental activity or unit **HAS BEEN COMPLETED**, the [evaluation committee] **COMMITTEES OF JURISDICTION FOR THE GOVERNMENTAL ACTIVITY OR UNIT**

shall hold a public hearing to receive[,] **TESTIMONY ON THE EVALUATION REPORT** from **THE DEPARTMENT**, the unit under evaluation or responsible for the governmental activity under evaluation, and the public[, testimony as to the evaluation report].

[8-410.] 8-407.

(a) Subject to § 2-1246 of this article, on or before the 20th day of the regular session of the General Assembly in the year [of the] **AFTER A FULL** evaluation [date] of a governmental activity or unit **HAS BEEN COMPLETED**, the [evaluation committee] **COMMITTEES OF JURISDICTION** for the governmental activity or unit shall submit a report to the General Assembly.

(b) (1) The report shall recommend[:

(i) as to a governmental activity or unit designated for evaluation under § 8-403 of this subtitle,] whether [the] A governmental activity or unit **THAT HAS UNDERGONE A FULL EVALUATION** should be reestablished, with or without changes, or allowed to terminate[; or

(ii) as to a governmental activity or unit designated for evaluation under § 8-404 of this subtitle, whether the statute for the governmental activity or unit should be repealed or changed].

(2) The report shall be accompanied by each bill that is needed to accomplish the recommendations in the report.

8-408.

(A) DURING AN EVALUATION REQUIRED UNDER THIS SUBTITLE, THE UNIT UNDER EVALUATION OR RESPONSIBLE FOR THE GOVERNMENTAL ACTIVITY UNDER EVALUATION SHALL:

(1) PROMPTLY PROVIDE ANY INFORMATION THAT THE DEPARTMENT OR A COMMITTEE OF THE GENERAL ASSEMBLY REQUESTS; AND

(2) OTHERWISE COOPERATE WITH THE DEPARTMENT TO CARRY OUT THE REQUIREMENTS OF THIS SUBTITLE.

(B) INFORMATION REQUESTED UNDER SUBSECTION (A)(1) OF THIS SECTION MAY BE PROVIDED IN A FORMAT THAT PROTECTS THE CONFIDENTIALITY OF INDIVIDUALS AS NECESSARY.

(C) THE DEPARTMENT SHALL FOLLOW PROCEDURES TO MAINTAIN THE CONFIDENTIALITY OF ANY INFORMATION, DOCUMENTS, OR PROCEEDINGS OBTAINED OR OBSERVED IN THE COURSE OF CARRYING OUT THE REQUIREMENTS OF THIS SUBTITLE.

[8–411.] 8–409.

(a) (1) The reestablishment of a governmental activity or unit designated for evaluation under § 8–403 of this subtitle is for a 10–year period unless the law that provides for reestablishment sets another period.

(2) After the period of reestablishment expires, the governmental activity or unit terminates as provided by law unless the governmental activity or unit is reestablished again.

(b) The term of office of a member of a unit under evaluation or responsible for a governmental activity under evaluation is not affected by reason of reestablishment of the governmental activity or unit unless the law that reestablishes the governmental activity or unit provides otherwise.

[8–412.] 8–410.

(a) The termination of a governmental activity or unit or repeal of its statute in accordance with this subtitle is not a reason for dismissal of any claim or right of:

(1) the unit that is terminated or is responsible for the governmental activity that is terminated; or

(2) any person against that unit.

(b) The State shall assume these claims and rights.

[8–413.] 8–411.

This subtitle may be cited as the “Maryland Program Evaluation Act”.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

Approved by the Governor, May 16, 2013.

AN ACT concerning

Maryland Veterans Trust and Fund – Establishment

FOR the purpose of establishing the Maryland Veterans Trust as a corporate entity; providing for the membership, terms, staffing, and reimbursement of certain expenses of the Board of Trustees of the Trust; establishing the Maryland Veterans Trust Fund and authorizing the Trust to maintain the Fund and expend money from the Fund to provide grants and loans to veterans and their families and to programs that support veterans and their families; repealing requirements for the State Treasurer to invest the money in the Fund and for any investment earnings of the Fund to be credited to the Fund; granting certain powers and duties to the Board of Trustees and the Trust, including accepting certain gifts and grants, entering into certain contracts, adopting certain bylaws, and submitting certain annual reports; authorizing the Fund to consist of certain income tax contributions; requiring money received by the Trust to be deposited in a certain manner; authorizing the Trust to establish a certain bank account and make certain investments; exempting the Trust from certain provisions of law relating to procurement; making certain provisions of this Act subject to a certain contingency; requiring a certain balance in a certain fund to transfer to a certain fund on a certain date; defining certain terms; and generally relating to the establishment of the Maryland Veterans Trust and Fund.

BY repealing and reenacting, with amendments,
Article – State Government
Section 9–912 and 9–913
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

BY adding to
Article – State Government
Section 9–914 through 9–914.3
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

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

Article – State Government

9–912.

(a) To carry out the responsibilities and goals of the Department, the Department may acquire, hold, use, improve, and convey property.

[(b) In addition to any other power under this section and subject to Title 7 of the State Finance and Procurement Article, to carry out the purposes or goals of the Department, the Department may:

- (1) accept a gift or grant; and
- (2) unless the terms of a gift or grant require otherwise, and subject to the approval of the Secretary:
 - (i) spend the principal and income of the gift or grant through grants or loans to:
 1. veterans and their families;
 2. public and private programs that support veterans and their families; or
 3. any other programs that the Secretary considers appropriate; or
 - (ii) invest all or part of the principal and income in:
 1. general obligations of the State; or
 2. any other security.

(c) (1) Gifts and grants that the Department accepts under subsection (b) of this section shall be deposited in the Maryland Veterans Trust Fund under § 9–913 of this subtitle.

(2) The Secretary shall adopt regulations to implement a program for gifts and grants made under subsection (b)(2) of this section.]

[(d)] (B) (1) In addition to any other power under this section, the Department may lease any part of the home property for use as a concession or other commercial purpose that is consistent with the purposes of the Department. However, the Department may not lease its property merely for investment purposes.

(2) Notwithstanding any other law, unless the lease expressly provides for redemption by the tenant, the lease is not subject to redemption.

9–913.

[(a) In this section, “Fund” means the Maryland Veterans Trust Fund.

(b) There is a Maryland Veterans Trust Fund in the Department.

(c) (1) The Fund is a special, nonlapsing fund that is not subject to reversion under § 7–302 of the State Finance and Procurement Article.

(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(d) (1) The Secretary shall administer the Fund.

(2) The Maryland Veterans Commission, the Maryland Veterans' Home Commission, and program directors shall advise the Secretary on the administration of the Fund.]

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

(B) “BOARD” MEANS THE BOARD OF TRUSTEES OF THE MARYLAND VETERANS TRUST.

(C) “FUND” MEANS THE MARYLAND VETERANS TRUST FUND.

(D) “TRUST” MEANS THE MARYLAND VETERANS TRUST.

(E) (1) THERE IS A MARYLAND VETERANS TRUST ESTABLISHED FOR THE PURPOSE OF PROVIDING MONETARY AND OTHER ASSISTANCE TO:

(I) VETERANS AND THEIR FAMILIES; AND

(II) PUBLIC AND PRIVATE PROGRAMS THAT SUPPORT VETERANS AND THEIR FAMILIES.

(2) THERE IS A MARYLAND VETERANS TRUST FUND.

(F) THE TRUST SHALL BE A BODY CORPORATE AND SHALL HAVE PERPETUAL EXISTENCE, SUBJECT TO MODIFICATION OR TERMINATION BY THE GENERAL ASSEMBLY IF NECESSARY TO EFFECTUATE ITS PURPOSE OR IF ITS SUBSTANTIAL PURPOSE CEASES TO EXIST.

[(e)] (G) The Fund consists of:

(1) gifts and grants that the [Department] TRUST receives under [§ 9–912(b)] § 9–914.2(A)(1) of this subtitle; [and]

(2) contributions to the Fund from the sale of tickets from instant ticket lottery machines under § 9–112(d) of this title; ~~AND~~

~~(3) CONTRIBUTIONS TO THE FUND FROM THE INCOME TAX
CHECKOFF SYSTEM ESTABLISHED UNDER § 2-114 OF THE TAX GENERAL
ARTICLE.~~

[(f)] (H) Money in the Fund may only be used to:

(1) make grants and loans under ~~[§ 9-912(b)(2)(i)] § 9-914.2(A)(3)~~ of this subtitle;

(2) be invested under ~~[§ 9-912(b)(2)(ii)] § 9-914.3(B)~~ of this subtitle;
and

(3) pay the costs of administering the Fund through distribution to an administrative cost account in the Department.

~~[(g)] (I) (1) The State Treasurer shall invest the money in the Fund in the same manner as other State money may be invested.~~

~~(2) Any investment earnings of the Fund shall be credited to the Fund.~~

~~[(h)] (I)~~ Money expended from the Fund ~~is supplemental to and~~ is not intended to take the place of funding that would otherwise be appropriated to the Department.

[(i)] (1) On or before August 31 of each year, the Secretary shall submit a report to the General Assembly, in accordance with § 2-1246 of this article, on the status of the Fund.

(2) The report shall include:

- (i) the gross amount of gifts and grants credited to the Fund;
- (ii) the costs of administration of the Fund; and
- (iii) a detailed accounting of the use of the Fund.]

9-914.

(A) THE POWERS AND DUTIES OF THE TRUST SHALL REST IN AND BE EXERCISED BY A BOARD OF TRUSTEES.

(B) THE BOARD OF TRUSTEES SHALL CONSIST OF THE FOLLOWING 11 MEMBERS:

(1) THE SECRETARY OF VETERANS AFFAIRS, EX OFFICIO, OR THE SECRETARY'S DESIGNEE, WHO SHALL SERVE AS THE CHAIR;

(2) THE SECRETARY OF AGING, EX OFFICIO, OR THE SECRETARY'S DESIGNEE;

(3) THE SECRETARY OF LABOR, LICENSING, AND REGULATION, EX OFFICIO, OR THE SECRETARY'S DESIGNEE;

(4) THE SECRETARY OF HEALTH AND MENTAL HYGIENE, EX OFFICIO, OR THE SECRETARY'S DESIGNEE;

(5) THE SECRETARY OF HUMAN RESOURCES, EX OFFICIO, OR THE SECRETARY'S DESIGNEE;

(6) THE ADJUTANT GENERAL OF THE MILITARY DEPARTMENT, EX OFFICIO, OR THE ADJUTANT GENERAL'S DESIGNEE;

(7) ONE REPRESENTATIVE OF EACH OF THE FOLLOWING ORGANIZATIONS, APPOINTED BY THE GOVERNOR:

(I) A VETERANS SERVICE ORGANIZATION;

(II) A NONPROFIT ORGANIZATION THAT SERVES VETERANS;

AND

(III) THE BUSINESS COMMUNITY;

(8) A MEMBER OF THE HOUSE OF DELEGATES APPOINTED BY THE SPEAKER OF THE HOUSE; AND

(9) A MEMBER OF THE SENATE APPOINTED BY THE PRESIDENT OF THE SENATE.

(C) THE GOVERNOR SHALL CONSIDER GEOGRAPHICAL BALANCE IN MAKING APPOINTMENTS TO THE BOARD OF TRUSTEES.

(D) EXCEPT FOR THE EX OFFICIO MEMBERS OR THEIR DESIGNEES:

(1) THE TERM OF A MEMBER IS 4 YEARS;

(2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE TERMS PROVIDED FOR MEMBERS OF THE BOARD ON JULY 1, 2013;

(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 FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES; AND

(5) A MEMBER MAY SERVE NO MORE THAN 2 TERMS.

9-914.1.

(A) THE BOARD SHALL MEET AT PLACES AND DATES TO BE DETERMINED BY THE BOARD, BUT NOT LESS THAN 2 TIMES A YEAR.

(B) A MAJORITY OF THE TRUSTEES IS A QUORUM.

(C) A TRUSTEE:

(1) MAY NOT RECEIVE COMPENSATION AS A TRUSTEE; BUT

(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

(D) THE DEPARTMENT SHALL PROVIDE STAFF, SUPPLIES, AND OFFICE SPACE FOR THE BOARD.

9-914.2.

(A) THE TRUST SHALL HAVE THE POWERS AND DUTIES TO:

(1) SOLICIT AND ACCEPT ANY GIFT, GRANT, LEGACY, OR ENDOWMENT OF MONEY FROM THE FEDERAL GOVERNMENT, STATE GOVERNMENT, LOCAL GOVERNMENT, OR ANY PRIVATE SOURCE IN FURTHERANCE OF THE TRUST;

(2) MAINTAIN THE FUND, WHICH SHALL CONSIST OF ANY GIFT, GRANT, LEGACY, OR ENDOWMENT PROVIDED TO THE TRUST UNDER (A)(1) OF THIS SECTION;

(3) EXPEND MONEY FROM THE FUND TO PROVIDE GRANTS OR LOANS TO:

(I) VETERANS AND THEIR FAMILIES;

(II) PUBLIC AND PRIVATE PROGRAMS THAT SUPPORT VETERANS AND THEIR FAMILIES; OR

(III) ANY OTHER PROGRAMS THAT THE TRUST CONSIDERS TO BE WITHIN THE PURPOSE FOR WHICH THE TRUST IS ESTABLISHED;

(4) DEVELOP PROJECTS FOR SPONSORSHIP BY CORPORATE AND BUSINESS ORGANIZATIONS OR PRIVATE INDIVIDUALS;

(5) MAKE, EXECUTE, AND ENTER INTO ANY CONTRACT OR OTHER LEGAL INSTRUMENT;

(6) RECEIVE APPROPRIATIONS AS PROVIDED IN THE STATE BUDGET;

(7) ACQUIRE, HOLD, USE, IMPROVE, AND CONVEY PROPERTY;

(8) LEASE AND MAINTAIN AN OFFICE AT A PLACE WITHIN THE STATE THAT THE TRUST DESIGNATES;

(9) ADOPT BYLAWS FOR THE REGULATION OF ITS AFFAIRS AND THE CONDUCT OF ITS BUSINESS;

(10) TAKE ANY OTHER ACTION NECESSARY TO CARRY OUT THE PURPOSES OF THE TRUST;

(11) SUE AND BE SUED, BUT ONLY TO ENFORCE CONTRACTUAL OR SIMILAR AGREEMENTS WITH THE TRUST; AND

(12) SUBMIT A REPORT ON OR BEFORE ~~AUGUST~~ AUGUST 31 OF EACH YEAR TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THIS ARTICLE, TO THE GENERAL ASSEMBLY, WITH RECOMMENDATIONS OR REQUESTS DEEMED APPROPRIATE TO FURTHER THE PURPOSES OF THE TRUST, AND A DESCRIPTION OF THE ACTIVITIES OF THE TRUST DURING THE PRECEDING YEAR, INCLUDING:

(I) THE GROSS AMOUNT OF GIFTS AND GRANTS CREDITED TO THE TRUST;

(II) THE COSTS OF ADMINISTRATION OF THE TRUST; AND

(III) A DETAILED ACCOUNTING OF THE USE OF THE TRUST.

~~(B) MONEY EXPENDED FROM THE FUND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT WOULD OTHERWISE BE APPROPRIATED TO THE DEPARTMENT.~~

~~(C)~~ (B) THE TRUST MAY CARRY OUT ITS CORPORATE PURPOSES WITHOUT OBTAINING THE CONSENT OF ANY DEPARTMENT, BOARD, OR AGENCY OF THE STATE.

(C) IN EXERCISING ITS POWERS, THE TRUST IS EXEMPT FROM THE PROVISIONS OF DIVISION II OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

9-914.3.

(A) ALL MONEY RECEIVED BY THE TRUST SHALL BE DEPOSITED, AS DIRECTED BY THE TRUST, IN ANY STATE OR NATIONAL BANK, OR FEDERALLY OR STATE INSURED SAVINGS AND LOAN ASSOCIATIONS LOCATED IN THE STATE HAVING A TOTAL PAID-IN CAPITAL OF AT LEAST \$1,000,000. THE TRUST DEPARTMENT OF ANY STATE OR NATIONAL BANK OR SAVINGS AND LOAN ASSOCIATION MAY BE DESIGNATED AS A DEPOSITORY TO RECEIVE ANY SECURITIES ACQUIRED OR OWNED BY THE TRUST. THE RESTRICTION WITH RESPECT TO PAID-IN CAPITAL MAY BE WAIVED FOR ANY QUALIFYING BANK OR SAVINGS AND LOAN ASSOCIATION THAT AGREES TO PLEDGE SECURITIES OF THE STATE OR OF THE UNITED STATES TO PROTECT THE FUNDS AND SECURITIES OF THE TRUST IN AMOUNTS AND UNDER ARRANGEMENTS ACCEPTABLE TO THE TRUST.

(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, ANY MONEY OF THE TRUST, IN ITS DISCRETION AND UNLESS OTHERWISE PROVIDED IN ANY AGREEMENT OR COVENANT BETWEEN THE TRUST AND THE HOLDERS OF ANY OF ITS OBLIGATIONS LIMITING OR RESTRICTING CLASSES OF INVESTMENTS, MAY BE INVESTED IN BONDS OR OTHER OBLIGATIONS OF THE UNITED STATES, THE STATE, THE POLITICAL SUBDIVISIONS OR UNITS OF THE STATE, DIRECT OR INDIRECT FEDERAL AGENCIES, CORPORATE BONDS WITH A RATING OF BAA3/BBB, OR MORTGAGE BACKED AND ASSET BACKED SECURITIES WITH A RATING OF AAA.

(2) THE OVERALL INVESTMENT PORTFOLIO OF THE TRUST MUST HAVE A RATING OF AT LEAST AA.

(C) THE TRUST SHALL MAKE PROVISION FOR A SYSTEM OF FINANCIAL ACCOUNTING, CONTROLS, AUDITS, AND REPORTS.

(D) THE BOOKS, RECORDS, AND ACCOUNTS OF THE TRUST ARE SUBJECT TO AUDIT BY THE STATE.

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

Article – State Government

9–913.

(g) The Fund consists of:

(1) gifts and grants that the Trust receives under § 9–914.2(a)(1) of this subtitle; [and]

(2) contributions to the Fund from the sale of tickets from instant ticket lottery machines under § 9–112(d) of this title; AND

(3) CONTRIBUTIONS TO THE FUND FROM THE INCOME TAX CHECKOFF SYSTEM ESTABLISHED UNDER § 2–114 OF THE TAX – GENERAL ARTICLE.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act is contingent on the taking effect of Chapter ____ (H.B. 750) of the Acts of the General Assembly of 2013, and if Chapter ____ (H.B. 750) does not become effective, Section 2 of this Act shall be null and void without the necessity of further action by the General Assembly.

SECTION ~~2~~ 4. AND BE IT FURTHER ENACTED, That: (1) of the members initially appointed by the Governor to the Board of Trustees, 1 member shall have a term of 2 years, 1 member shall have a term of 3 years, and 1 member shall have a term of 4 years; and (2) of the members initially appointed by the Speaker of the House and the President of the Senate, the member of the House of Delegates shall have a term of 2 years and the member of the Senate shall have a term of 4 years.

SECTION 5. AND BE IT FURTHER ENACTED, That any balance remaining in the Maryland Veterans Trust Fund in the Department of Veterans Affairs at the end of June 30, 2013, shall transfer on July 1, 2013, to the Maryland Veterans Trust Fund established by Section 1 of this Act.

SECTION ~~2~~ ~~5~~ 6. AND BE IT FURTHER ENACTED, That, except as provided in Section 3 of this Act, this Act shall take effect July 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 682**(House Bill 1393)**

AN ACT concerning

Public Schools – Student Work Product – Claim of Copyright Prohibited

FOR the purpose of prohibiting a county board of education from claiming ownership rights, property rights, or the copyright to the student work product of certain students in certain public schools; defining a certain term; and generally relating to the prohibition on claiming copyright of student work product in public schools.

BY adding to

Article – Education

Section 4–128

Annotated Code of Maryland

(2008 Replacement Volume and 2012 Supplement)

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

Article – Education**4–128.**

(A) (1) IN THIS SECTION, “STUDENT WORK PRODUCT” MEANS THE WORK CREATED BY AN INDIVIDUAL WHILE ENROLLED AS A STUDENT AT A PUBLIC SCHOOL IN THE STATE.

(2) “STUDENT WORK PRODUCT” INCLUDES:

(I) WRITTEN REPORTS, ESSAYS, TESTS, AND HOMEWORK;

(II) PERSONAL CLASS NOTES;

(III) ART PROJECTS; AND

(IV) COMPUTER SOFTWARE.

(B) A COUNTY BOARD MAY NOT CLAIM OWNERSHIP RIGHTS, PROPERTY RIGHTS, OR THE COPYRIGHT TO THE STUDENT WORK PRODUCT OF A STUDENT ENROLLED IN A PUBLIC SCHOOL UNDER THE JURISDICTION OF THE COUNTY BOARD.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 683

(House Bill 1431)

AN ACT concerning

Prince George's County – Alcoholic Beverages Licenses – Towne Centre at Laurel

PG 320–13

FOR the purpose of removing a certain location from a certain list of areas in Prince George's County that are underserved by restaurants; authorizing the Prince George's County Board of License Commissioners to issue a certain number of Class B–DD (Development District) licenses to restaurants located within a certain location; and generally relating to the issuance of Class B–DD (Development District) licenses to restaurants in Prince George's County.

BY repealing and reenacting, without amendments,
Article 2B – Alcoholic Beverages
Section 9–217(a)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 9–217(f)(5) and (7)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

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

Article 2B – Alcoholic Beverages

9–217.

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

(f) (5) (i) This paragraph does not apply to a restaurant located within a chain store, supermarket, discount house, drug store, or convenience store.

(ii) Notwithstanding any other provision of this article, 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 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; **OR**

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. Laurel Commons, consisting of the properties within the area bounded on the south by Cherry Lane, on the east by Baltimore Avenue (U.S. Route 1), on the west by 4th Street, and on the north by a line approximately 1,450 feet north of Cherry Hill Road between Baltimore Avenue (U.S. Route 1) and 4th Street;] 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.

(iii) 1. Except as provided in sub-subparagraph 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. This sub-subparagraph does not apply in Laurel Commons.

B.] 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. This sub-subparagraph does not apply in Laurel Commons.

B.] 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:

(i) 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;

(ii) Up to four Class B–DD (Development District) licenses for restaurants located within the area of Greenbelt Station, located inside the Capital Beltway and adjacent to the Greenbelt Metro Station; [and]

(iii) Up to six Class B–DD (Development District) licenses may be issued to restaurants located within the area of Ritchie Station Marketplace; AND

(IV) UP TO SIX CLASS B–DD (DEVELOPMENT DISTRICT) LICENSES MAY BE ISSUED TO RESTAURANTS LOCATED WITHIN THE TOWNE CENTRE AT LAUREL.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 684

(House Bill 1432)

AN ACT concerning

Prince George’s County – Public Safety Surcharge

PG 421–13

FOR the purpose of altering the amount of the public safety surcharge that the Prince George’s County Council may impose on certain construction in an area included in a basic plan or conceptual site plan that abuts an existing or planned mass transit rail station site operated by the Washington Metropolitan Area Transit Authority and complies with the requirements of any sector plan, master plan, or overlay zone approved by the Prince George’s County District Council; updating a reference to a certain Prince George’s County Approved General Plan; and generally relating to the amount of the public safety surcharge in Prince George’s County.

BY repealing and reenacting, with amendments,
The Public Local Laws of Prince George’s County
Section 10–192.11
Article 17 – Public Local Laws of Maryland
(2007 Edition and 2010 Supplement, as amended)

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

10–192.11.

(a) The County Council, by ordinance, may impose a public safety surcharge on new residential construction for which a Preliminary Plan has been approved on or after July 1, 2005.

(b) (1) Except as provided in paragraph (3) of this Subsection, a public safety surcharge imposed on a single-family detached dwelling, town house, or dwelling unit for any other building containing more than a single dwelling unit shall be in the amount of:

(A) Six Thousand Dollars (\$6,000); or

(B) [For construction in the Developed Tier, as defined by the Maryland – National Capital Park and Planning Commission in the 2002 Prince George’s County Approved General Plan,] Two Thousand Dollars (\$2,000) **FOR CONSTRUCTION IN:**

(I) THE DEVELOPED TIER, AS DEFINED BY THE MARYLAND – NATIONAL CAPITAL PARK AND PLANNING COMMISSION IN THE PRINCE GEORGE’S COUNTY APPROVED GENERAL PLAN; AND

(II) AN AREA INCLUDED IN A BASIC PLAN OR CONCEPTUAL SITE PLAN THAT ABUTS AN EXISTING OR PLANNED MASS TRANSIT RAIL STATION SITE OPERATED BY THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY AND COMPLIES WITH THE REQUIREMENTS OF ANY SECTOR PLAN, MASTER PLAN, OR OVERLAY ZONE APPROVED BY THE PRINCE GEORGE’S COUNTY DISTRICT COUNCIL.

(2) The public safety surcharge does not apply to a single-family detached dwelling that is to be built or subcontracted by an individual owner in a minor subdivision and that is intended to be used as the owner’s personal residence.

(3) The governing body of Prince George’s County may waive any surcharge imposed under subsection (b)(1)(B) of this Section.

(c) The public safety surcharge shall be paid by the seller at the time a building permit is issued for the dwelling unit. The public safety surcharge may not be construed to be a settlement cost.

(d) (1) (A) Subject to subparagraph (B) of this paragraph, payment of the public safety surcharge requires that any test concerning the adequacy of the

County's police facilities under the County's adequate public facility ordinance shall be based on the County police response time applied:

(i) In the vicinity of the property that is the subject of a Preliminary Subdivision Plan application; and

(ii) In areas that are within reasonable proximity of the property.

(B) If the property that is the subject of a Preliminary Subdivision Plan application is located in the Rural Tier, payment of the public safety surcharge requires that any test concerning the adequacy of the County's police facilities be based on response times from within the Rural Tier.

(2) Payment of the public facilities surcharge requires that any test concerning the adequacy of the County's fire and emergency medical services:

(A) Be based solely on a response time for the first due station in the vicinity of the property that is the subject of a Preliminary Subdivision Plan; and

(B) May not require less than seven (7) minutes travel time as determined by the County Fire Chief.

(e) (1) Subject to paragraphs (2) and (3) of this Subsection, revenue collected under the public safety surcharge shall be distributed by the governing body of Prince George's County to police, fire, and emergency medical services in the County.

(2) (A) At least twenty-five percent (25%) of the revenue collected from a surcharge imposed on construction that is located in a municipal corporation that maintains a police department shall be distributed to that municipal corporation's police department.

(B) The revenue collected from a surcharge imposed on construction that is located in the City of Laurel shall be distributed as follows:

(i) Fifty percent (50%) to Prince George's County fire and rescue services; and

(ii) Fifty percent (50%) to the Laurel police department for the construction or rehabilitation of public safety facilities or the purchase of equipment or communications devices used in connection with law enforcement.

(3) Revenue collected under this Section may be used only for:

(A) The construction or rehabilitation of public safety facilities;
or

(B) The purchase of equipment or communications devices used in connection with law enforcement, fire fighting, or emergency services activities, including protective body armor, surveillance devices, weapons, ladder trucks, ambulances, police cruisers, and rescue vehicles.

(f) Revenue collected under the public safety surcharge is intended to supplement funding for public safety facilities and equipment and may not supplant other County or State funding for public safety facilities and equipment.

(g) The County Executive of Prince George's County shall prepare an annual report on the public safety surcharge on or before March 1 of each year for the County Council of Prince George's County, the Prince George's County Senate Delegation, and the Prince George's County House Delegation, to include:

- (1) A detailed description of how the fees were expended; and
- (2) The amount of fees collected.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~July~~ October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 685

(House Bill 1433)

AN ACT concerning

Prince George's County – School Facilities Surcharge

PG 420–13

FOR the purpose of establishing a reduction of the Prince George's County school facilities surcharge for multifamily housing constructed within an approved transit district overlay zone ~~or~~, within a certain distance of a Metro station under certain circumstances, or within the Bowie State MARC Station Community Center Designation Area; establishing an exemption of the school facilities surcharge for certain dwelling units that are studio or efficiency apartments that are located within the county urban centers and corridors, within an approved transit district overlay zone, or within a certain distance of a Metro station under certain circumstances; providing for the termination of

this Act; and generally relating to the applicability of the school facilities surcharge in Prince George's County.

BY adding to

The Public Local Laws of Prince George's County

Section 10–192.01(b–1)

Article 17 – Public Local Laws of Maryland

(2007 Edition and 2010 Supplement, as amended)

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.

(B–1) (1) THE SCHOOL FACILITIES SURCHARGE UNDER THIS SECTION SHALL BE REDUCED BY 50% FOR MULTIFAMILY HOUSING CONSTRUCTED:

(A) WITHIN AN APPROVED TRANSIT DISTRICT OVERLAY ZONE; ~~OR~~

(B) WHERE THERE IS NO APPROVED TRANSIT DISTRICT OVERLAY ZONE, WITHIN ONE–QUARTER MILE OF A METRO STATION; OR

(C) WITHIN THE BOWIE STATE MARC STATION COMMUNITY CENTER DESIGNATION AREA, AS DEFINED IN THE APPROVED BOWIE STATE MARC STATION SECTOR PLAN AND SECTIONAL MAP AMENDMENT.

(2) THE SCHOOL FACILITIES SURCHARGE UNDER THIS SECTION DOES NOT APPLY TO A DWELLING UNIT THAT IS A STUDIO APARTMENT OR EFFICIENCY APARTMENT IF THE DWELLING UNIT IS LOCATED:

(A) WITHIN THE COUNTY URBAN CENTERS AND CORRIDORS, AS DEFINED IN § 27A–106 OF THE COUNTY CODE;

(B) WITHIN AN APPROVED TRANSIT DISTRICT OVERLAY ZONE; OR

(C) WHERE THERE IS NO APPROVED TRANSIT DISTRICT OVERLAY ZONE, WITHIN ONE–QUARTER MILE OF A METRO STATION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013. It shall remain effective for a period of 5 years and, at the end of

September 30, 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 16, 2013.

Chapter 686

(House Bill 1440)

AN ACT concerning

Recycling – Composting Facilities

FOR the purpose of providing that a person may operate a composting facility only in accordance with certain requirements, regulations, orders, and permits; requiring the Department of the Environment to adopt regulations to implement certain provisions, including establishing certain conditions on the operation and construction of composting facilities; establishing a permit system for composting facilities; excluding certain materials from the definition of solid waste; exempting certain facilities from permitting requirements; providing that certain penalty provisions apply to violations of certain provisions, regulations, orders, or permits; clarifying the intent of certain provisions; altering certain definitions; defining certain terms; and generally relating to composting and solid waste.

BY repealing and reenacting, with amendments,

Article – Environment

Section 9–101(j), 9–1701, 9–1705, and 9–1721

Annotated Code of Maryland

(2007 Replacement Volume and 2012 Supplement)

BY adding to

Article – Environment

Section 9–1725 and 9–1726

Annotated Code of Maryland

(2007 Replacement Volume and 2012 Supplement)

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

Article – Environment

9–101.

(j) (1) “Solid waste” means any garbage, refuse, sludge, or liquid from industrial, commercial, mining, or agricultural operations or from community activities.

(2) “Solid waste” includes:

(i) Scrap tires as defined in § 9–201 of this title; and

(ii) Organic material capable of being composted [in accordance with Subtitle 17, Part III of this title] **THAT IS NOT COMPOSTED IN ACCORDANCE WITH REGULATIONS ADOPTED UNDER § 9–1725(B) OF THIS TITLE.**

(3) “Solid waste” does not include:

(i) Solid or dissolved material in domestic sewage or in irrigation return flows; [or]

(ii) Compost as defined in § 9–1701 of this title; **OR**

(III) ORGANIC MATERIAL CAPABLE OF BEING COMPOSTED THAT IS COMPOSTED IN ACCORDANCE WITH REGULATIONS ADOPTED UNDER § 9–1725(B) OF THIS TITLE.

9–1701.

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

(b) “Compost” means the product of composting in accordance with the standards established by the Secretary of Agriculture under § 6–221 of the Agriculture Article.

(c) “Composting” means the controlled **AEROBIC** biological decomposition of organic waste material in accordance with the standards established by the Secretary under this title.

(D) (1) “COMPOSTING FACILITY” MEANS A FACILITY WHERE COMPOSTING TAKES PLACE.

(2) “COMPOSTING FACILITY” DOES NOT INCLUDE A FACILITY THAT IS REQUIRED TO OBTAIN:

(I) A NATURAL WOOD WASTE RECYCLING FACILITY PERMIT IN ACCORDANCE WITH THIS TITLE;

(II) A SEWAGE SLUDGE UTILIZATION PERMIT IN ACCORDANCE WITH THIS TITLE; OR

(III) A REFUSE DISPOSAL PERMIT IN ACCORDANCE WITH THIS TITLE.

[(d)] (E) (1) “Computer” means a desktop personal computer or laptop computer, including the computer monitor.

(2) “Computer” does not include:

- (i) A personal digital assistant device;
- (ii) A computer peripheral device, including:
 - 1. A mouse or other similar pointing device;
 - 2. A printer; or
 - 3. A detachable keyboard.

[(e)] (F) (1) “Covered electronic device” means a computer or video display device with a screen that is greater than 4 inches measured diagonally.

(2) “Covered electronic device” does not include a video display device that is part of a motor vehicle or that is contained within a household appliance or commercial, industrial, or medical equipment.

[(f)] (G) “Covered electronic device takeback program” means a program, established by a covered electronic device manufacturer or a group of covered electronic device manufacturers, for the collection and recycling, refurbishing, or reuse of a covered electronic device labeled with the name of the manufacturer or the manufacturer’s brand label, including:

(1) Providing, at no cost to the returner, a method of returning a covered electronic device to the manufacturer, including postage paid mailing packages or designated collection points throughout the State;

(2) Contracting with a recycler, local government, other manufacturer, or any other person; or

(3) Any other program approved by the Department.

[(g)] (H) “Director” means the Director of the Office of Recycling.

[(h)] (I) “Manufacturer” means a person that is the brand owner of a covered electronic device sold or offered for sale in the State, by any means, including transactions conducted through sales outlets, catalogs, or the Internet.

[(i)] (J) (1) “Natural wood waste” means tree and other natural vegetative refuse.

(2) “Natural wood waste” includes tree stumps, brush and limbs, root mats, logs, and other natural vegetative material.

[(j)] (K) (1) “Natural wood waste recycling facility” means a facility where recycling services for natural wood waste are provided.

(2) “Natural wood waste recycling facility” does not include a collection or processing facility operated by:

(i) A nonprofit or governmental organization located in the State; or

(ii) A single individual or business that provides recycling services for its own employees or for its own recyclable materials generated on its own premises.

[(k)] (L) “Office” means the Office of Recycling within the Department.

[(l)] (M) “Recyclable materials” means those materials that:

(1) Would otherwise become solid waste for disposal in a refuse disposal system; and

(2) May be collected, separated, **COMPOSTED**, or processed and returned to the marketplace in the form of raw materials or products.

[(m)] (N) (1) “Recycling” means any process in which **RECYCLABLE** materials [that would otherwise become solid waste] are collected, separated, or processed and returned to the marketplace in the form of raw materials or products.

(2) “Recycling” includes composting.

[(n)] (O) “Recycling services” means the services provided by persons engaged in the business of recycling, including the collection, processing, storage, purchase, sale, or disposition of recyclable materials.

[(o)] (P) “Resource recovery facility” means a facility in existence as of January 1, 1988 that:

(1) Processes solid waste to produce valuable resources, including steam, electricity, metals, or refuse-derived fuel; and

(2) Achieves a volume reduction of at least 50 percent of its solid waste stream.

[(p)] (Q) (1) “Solid waste stream” means garbage or refuse that would, unless recycled, be disposed of in a refuse disposal system [located in this State].

(2) “SOLID WASTE STREAM” INCLUDES ORGANIC MATERIAL CAPABLE OF BEING COMPOSTED THAT IS NOT COMPOSTED IN ACCORDANCE WITH REGULATIONS ADOPTED UNDER § 9-1725(B) OF THIS SUBTITLE.

[(2)] (3) “Solid waste stream” does not include:

(i) Hospital waste;

(ii) Rubble;

(iii) Scrap material;

(iv) Land clearing debris;

(v) Sewage sludge; or

(vi) Waste generated by a single individual or business and disposed of in a facility dedicated solely for that entity’s waste.

[(q)] (R) (1) “Video display device” means an electronic device with an output surface that displays or is capable of displaying moving graphical images or visual representations of image sequences or pictures that show a number of quickly changing images on a screen to create the illusion of motion.

(2) “Video display device” includes a device that is an integral part of the display and cannot easily be removed from the display by the consumer and that produces the moving image on the screen.

(3) A video display device may use a cathode-ray tube (CRT), liquid crystal display (LCD), gas plasma, digital light processing, or other image-projection technology.

[(r)] (S) “White goods” includes:

(1) Refrigerators;

(2) Stoves;

- (3) Washing machines;
- (4) Dryers;
- (5) Water heaters; and
- (6) Air conditioners.

[(s)] (T) (1) “Yard waste” means organic plant waste derived from gardening, landscaping, and tree trimming activities.

(2) “Yard waste” includes leaves, garden waste, lawn cuttings, weeds, and prunings.

9–1705.

(a) Beginning on July 1, 1990, and biannually thereafter, each county which has not achieved the percentage of [solid waste] reduction **IN ITS SOLID WASTE STREAM** required by this article shall, as a part of its solid waste plan update, provide a report to the Department which shall include:

- (1) The total amount, by weight, of solid waste collected;
 - (2) The total amount, by weight, of solid waste disposed of at solid waste acceptance facilities;
 - (3) The amount and types of materials recycled;
 - (4) The methods of disposal of solid waste used, other than recycling;
- and
- (5) The percentage reduction in the [amount of solid waste needing disposal] **SOLID WASTE STREAM** that has been achieved.

(b) A county that has achieved the percentage of solid waste **STREAM** reduction required by this article shall provide the report described in subsection (a) of this section to the Department annually, on a calendar year basis.

(c) All reports shall be provided within 90 days after the close of the annual or biannual reporting period.

9–1721.

Nothing in this part is intended to regulate or otherwise to interfere with the conduct of [composting by] a consumer or farmer **WHO COMPOSTS ORGANIC**

MATERIALS GENERATED ON A FARM OR RESIDENTIAL SITE CONTROLLED BY THAT CONSUMER OR FARMER for the production of safe compost to be used by the consumer or farmer for personal, household, family, or agricultural purposes.

9-1725.

(A) A PERSON MAY OPERATE A COMPOSTING FACILITY IN THE STATE ONLY IN ACCORDANCE WITH THIS PART AND ANY REGULATION, ORDER, OR PERMIT ADOPTED OR ISSUED UNDER THIS PART.

(B) (1) THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT THE PROVISIONS OF THIS PART.

(2) REGULATIONS ADOPTED UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY:

(I) ESTABLISH CONDITIONS UNDER WHICH A PERSON MAY CONSTRUCT AND OPERATE A COMPOSTING FACILITY IN THE STATE;

(II) ESTABLISH A TIERED SYSTEM OF PERMITS OR APPROVALS FOR COMPOSTING FACILITIES BASED ON THE TYPE OF FEEDSTOCK, SIZE OF THE FACILITY, AND OTHER FACTORS DETERMINED BY THE DEPARTMENT TO BE APPROPRIATE;

(III) ESTABLISH DESIGN AND OPERATIONAL CONDITIONS FOR COMPOSTING FACILITIES TO PROTECT PUBLIC HEALTH AND THE ENVIRONMENT AND TO MINIMIZE NUISANCES;

(IV) ESTABLISH EXCEPTIONS TO ANY REQUIREMENT TO OBTAIN A COMPOSTING FACILITY PERMIT OR APPROVAL;

(V) EXEMPT CERTAIN ORGANIC MATERIALS THAT ARE COMPOSTED FROM BEING DESIGNATED AS SOLID WASTES; AND

(VI) ESTABLISH ANY OTHER PROVISIONS THE DEPARTMENT DEEMS NECESSARY TO IMPLEMENT THE PROVISIONS OF THIS SUBTITLE RELATED TO COMPOSTING.

9-1726.

THE PROVISIONS OF §§ 9-334 THROUGH 9-342 OF THIS TITLE SHALL BE USED AND SHALL APPLY TO ENFORCE VIOLATIONS OF:

- (1) THIS PART;
- (2) ANY REGULATION ADOPTED UNDER THIS PART; OR
- (3) ANY ORDER OR PERMIT ISSUED UNDER THIS PART.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 687

(House Bill 1455)

AN ACT concerning

Maryland–National Capital Park and Planning Commission – Property Tax – Payment in Lieu of Taxes Agreement

MC/PG 118–13

FOR the purpose of authorizing the Maryland–National Capital Park and Planning Commission to enter into an agreement for payment in lieu of certain taxes with the owner of a facility for the generation of electricity that locates in Prince George’s County; requiring that a payment in lieu of taxes agreement include certain provisions; requiring the Commission to obtain certifications of certain facts from certain officials and approvals from certain officials of Prince George’s County before entering into or amending a payment in lieu of taxes agreement; requiring a payment in lieu of taxes to be distributed to funds of the Commission in a certain manner; exempting real or personal property of a facility for the generation of electricity that locates in Prince George’s County from certain taxes as specified in a payment in lieu of taxes agreement; ~~providing for a delayed effective date;~~ providing for the application of this Act; and generally relating to authorizing the Maryland–National Capital Park and Planning Commission to enter into a payment in lieu of taxes agreement with a facility for the generation of electricity that locates in Prince George’s County.

BY adding to

Article – Land Use

Section 18–309

Annotated Code of Maryland

(2012 Volume)

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

Article – Land Use

18-309.

(A) (1) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE COMMISSION MAY ENTER INTO AN AGREEMENT WITH THE OWNER OF A FACILITY FOR THE GENERATION OF ELECTRICITY THAT LOCATES IN PRINCE GEORGE'S COUNTY FOR A NEGOTIATED PAYMENT BY THE OWNER IN LIEU OF TAXES IMPOSED ON REAL OR PERSONAL PROPERTY OF THE FACILITY UNDER THIS SUBTITLE.

(2) AN AGREEMENT FOR A NEGOTIATED PAYMENT IN LIEU OF TAXES UNDER THIS SECTION SHALL PROVIDE THAT, FOR THE TERM SPECIFIED IN THE AGREEMENT:

(I) THE OWNER SHALL PAY A SPECIFIED AMOUNT EACH YEAR IN LIEU OF THE PAYMENT OF TAXES IMPOSED ON REAL OR PERSONAL PROPERTY UNDER THIS SUBTITLE; AND

(II) ALL OR A SPECIFIED PART OF THE REAL OR PERSONAL PROPERTY AT THE FACILITY SHALL BE EXEMPT FROM TAXES IMPOSED ON REAL OR PERSONAL PROPERTY UNDER THIS SUBTITLE FOR THE TERM OF THE AGREEMENT.

(3) AN AGREEMENT FOR A NEGOTIATED PAYMENT IN LIEU OF TAXES UNDER THIS SECTION SHALL:

(I) BE RECORDED IN THE LAND RECORDS OF PRINCE GEORGE'S COUNTY; AND

(II) REQUIRE THAT THE OBLIGATION OF THE OWNER OF A FACILITY FOR THE GENERATION OF ELECTRICITY TO MAKE, IN A TIMELY MANNER, A PAYMENT IN LIEU OF TAXES:

1. BE GUARANTEED BY APPROPRIATE ENTITIES AFFILIATED WITH THE OWNER OF THE FACILITY;

2. BE A COVENANT RUNNING WITH THE LAND;

3. CREATE A LIEN ATTACHED TO THE PROPERTY AND FIXTURES OF THE FACILITY THAT IS ENFORCEABLE IN ACCORDANCE WITH THE MARYLAND CONTRACT LIEN ACT; AND

4. BE SECURED BY A SECURITY INTEREST IN ALL OR A SPECIFIED PART OF THE PERSONAL PROPERTY OF THE OWNER OF THE FACILITY THAT IS PERFECTED AND ENFORCEABLE IN ACCORDANCE WITH TITLE 9 OF THE MARYLAND UNIFORM COMMERCIAL CODE.

(B) BEFORE ENTERING INTO OR AMENDING AN AGREEMENT FOR A NEGOTIATED PAYMENT IN LIEU OF TAXES UNDER THIS SECTION, THE COMMISSION SHALL OBTAIN:

(1) CERTIFICATES ENDORSED BY THE SECRETARY–TREASURER OF THE COMMISSION AND THE DIRECTOR OF FINANCE OF PRINCE GEORGE’S COUNTY AFFIRMING THAT THE TERMS OF THE AGREEMENT ARE REASONABLY EXPECTED TO GENERATE MORE REVENUE FOR THE COMMISSION THAN WOULD BE GENERATED IF THE FACILITY FOR THE GENERATION OF ELECTRICITY DID NOT LOCATE IN PRINCE GEORGE’S COUNTY; AND

(2) THE AFFIRMATIVE APPROVAL OF THE TERMS OF THE AGREEMENT BY THE COUNTY EXECUTIVE, COUNTY COUNCIL, AND PLANNING BOARD OF PRINCE GEORGE’S COUNTY, AS EVIDENCED BY:

(I) AN EXECUTIVE ORDER OF THE COUNTY EXECUTIVE;

(II) A RESOLUTION OF THE COUNTY COUNCIL; AND

(III) A RESOLUTION OF THE PLANNING BOARD.

(C) EXCEPT AS OTHERWISE PROVIDED IN AN AGREEMENT UNDER THIS SECTION, A PAYMENT IN LIEU OF TAXES THAT THE COMMISSION RECEIVES SHALL BE DISTRIBUTED TO THE FUNDS OF THE COMMISSION IN THE SAME PROPORTION THAT THE TAXES IMPOSED ON REAL OR PERSONAL PROPERTY UNDER THIS SUBTITLE ARE DISTRIBUTED DURING THE FISCAL YEAR WHEN THE PAYMENT IS RECEIVED.

(D) AS SPECIFIED IN AN AGREEMENT FOR A NEGOTIATED PAYMENT IN LIEU OF TAXES UNDER THIS SECTION, FOR THE TERM SPECIFIED IN THE AGREEMENT, THE REAL OR PERSONAL PROPERTY AT A FACILITY FOR THE GENERATION OF ELECTRICITY THAT LOCATES IN PRINCE GEORGE’S COUNTY IS EXEMPT FROM THE TAXES IMPOSED ON REAL OR PERSONAL PROPERTY UNDER THIS SUBTITLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, ~~2013~~ ~~2014~~ 2013, and shall be applicable to all taxable years beginning after June 30, ~~2013~~ 2014.

Approved by the Governor, May 16, 2013.

Chapter 688

(House Bill 1494)

AN ACT concerning

Correctional Services – Standards for Correctional Facilities – Funding

FOR the purpose of repealing a prohibition on the use of State funds to implement certain standards for State correctional facilities; and generally relating to standards for correctional facilities.

BY repealing

Article – Correctional Services

Section 8–104

Annotated Code of Maryland

(2008 Replacement Volume and 2012 Supplement)

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

Article – Correctional Services

[8–104.

Except as provided in the State budget, State funds may not be used to implement standards for State correctional facilities that are adopted or proposed by the American Correctional Association.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 689

(House Bill 1505)

AN ACT concerning

Oysters – Power Dredging – Time Period

FOR the purpose of increasing to a certain number the maximum number of days per week that the Department of Natural Resources may authorize a certain dredge boat to operate under the power of an auxiliary yawl boat while dredging for oysters in the Chesapeake Bay; and generally relating to oyster dredging.

BY repealing and reenacting, with amendments,
Article – Natural Resources
Section 4–1013(c)
Annotated Code of Maryland
(2012 Replacement Volume)

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

Article – Natural Resources

4–1013.

(c) The owner, captain, master, or any crew member of any boat capable of self-propulsion by any motor, turbine, or other engine attached to the boat, may not have on board the boat, or in tow, or permit on board or in tow, any scoop, handscape, dredge, or similar instrument used in dredging, or any winch, spool, winder, or other tackle used in dredging, unless the boat is permitted by the Department to dredge on leased land, or is engaged in taking seed oysters under the surveillance and with the permission of the Department. Notwithstanding any other provisions of this subtitle, the Department may designate by rule or regulation a period of time not to exceed [two] **3** days in any one week during which dredge boats licensed under the provisions of this subtitle may be propelled by means of the auxiliary yawl boat carried on the dredge boat in the waters of the Chesapeake Bay. The Department may prescribe the maximum daily limit on any day.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 690

(House Bill 1507)

AN ACT concerning

St. Mary's County – Property Maintenance

FOR the purpose of authorizing the County Commissioners of St. Mary's County to enact an ordinance prohibiting an owner of real property from allowing or causing the existence, creation or maintenance of a nuisance under certain circumstances; requiring an ordinance enacted under this Act to establish standards for a certain determination; authorizing an ordinance enacted under this Act to provide for the determination of the existence of a nuisance by a certain officer of the St. Mary's County government; providing that a certain determination under this Act shall be deemed a determination under a certain provision of law; authorizing an ordinance enacted under this Act to declare the failure to abate a nuisance to be a municipal infraction under certain circumstances; requiring a court to take certain action on finding a municipal infraction under certain circumstances; and generally relating to property maintenance in St. Mary's County.

BY adding to

The Public Local Laws of St. Mary's County

Section 93–1 through 93–4 to be under the new chapter “Chapter 93. Property Maintenance”

Article 19 – Public Local Laws of Maryland

(2007 Edition and January 2011 Supplement, as amended)

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

Article 19 – St. Mary's County

CHAPTER 93. PROPERTY MAINTENANCE

93–1.

THE COUNTY COMMISSIONERS OF ST. MARY'S COUNTY MAY ENACT AN ORDINANCE PROHIBITING AN OWNER OF REAL PROPERTY FROM ALLOWING OR CAUSING THE EXISTENCE, CREATION, OR MAINTENANCE OF A NUISANCE CONSISTING OF STRUCTURES, PREMISES, OR APPURTENANCES WITH OBJECTIVELY DETERMINABLE EXTERIOR SIGNS OF SUBSTANTIAL PHYSICAL DETERIORATION, DILAPIDATION, OR LACK OF MAINTENANCE THAT:

(1) MAY BE REASONABLY CONCLUDED TO SIGNIFICANTLY DEPRECIATE THE ECONOMIC VALUE OF PROPERTIES IN THE NEIGHBORHOOD; OR

(2) ARE REASONABLY DETERMINED TO BE DETRIMENTAL TO THE HEALTH, SAFETY, OR WELFARE OF NEIGHBORING PROPERTIES OR THEIR OCCUPANTS.

93-2.

AN ORDINANCE ENACTED UNDER THIS CHAPTER SHALL ESTABLISH STANDARDS FOR A DETERMINATION OF SUBSTANTIAL PHYSICAL DETERIORATION, DILAPIDATION, OR LACK OF MAINTENANCE.

93-3.

A. AN ORDINANCE ENACTED UNDER THIS CHAPTER MAY PROVIDE FOR THE DETERMINATION OF THE EXISTENCE OF A NUISANCE BY AN ADMINISTRATIVE OFFICER OF THE ST. MARY'S COUNTY GOVERNMENT.

B. A DETERMINATION OF THE EXISTENCE OF A NUISANCE BY AN ADMINISTRATIVE OFFICER SHALL BE DEEMED TO BE A DETERMINATION UNDER § 4-305 OF THE LAND USE ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

93-4.

A. AN ORDINANCE ENACTED UNDER THIS CHAPTER MAY DECLARE THE FAILURE TO ABATE A NUISANCE TO BE A MUNICIPAL INFRACTION IF THE ORDINANCE INCLUDES PROVISIONS FOR:

(1) PRIOR NOTICE TO A PROPERTY OWNER OF THE EXISTENCE OF THE NUISANCE;

(2) A REASONABLE OPPORTUNITY TO ABATE THE NUISANCE; AND

(3) A RIGHT TO APPEAL THE DETERMINATION OF THE EXISTENCE OF THE NUISANCE TO THE ST. MARY'S COUNTY BOARD OF APPEALS BEFORE THE ISSUANCE OF A CITATION.

B. IF A COURT ENTERS A FINDING OF A MUNICIPAL INFRACTION, THE COURT SHALL, ON MOTION BY ST. MARY'S COUNTY, ENTER AN ORDER AUTHORIZING ST. MARY'S COUNTY TO ABATE THE NUISANCE AND SHALL THEREAFTER, ON PROOF OF THE EXPENSE INCURRED IN ABATING THE NUISANCE, ORDER A LIEN FOR THE COSTS OF ABATEMENT TO BE IMPOSED ON THE PROPERTY THAT WAS SUBJECT TO THE ABATEMENT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 691

(House Bill 1524)

AN ACT concerning

Election Law – Baltimore County Democratic Party Central Committee – Membership

FOR the purpose of altering the composition of the Baltimore County Democratic Party Central Committee; and generally relating to the Baltimore County Democratic Party Central Committee.

BY repealing and reenacting, with amendments,
Article – Election Law
Section 4–203(c)
Annotated Code of Maryland
(2010 Replacement Volume and 2012 Supplement)

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

Article – Election Law

4–203.

(c) (1) In Baltimore County, the Republican Party Central Committee shall consist of four members elected from each councilmanic district in the county.

(2) For the Baltimore County Democratic Party Central Committee:

(i) [twenty–five] **TWENTY** members, five from each district, shall be elected from legislative districts 6, 8, 10, **AND** 11, [and 42,] each district being located wholly within Baltimore County;

(ii) [two] **FOUR** members shall be elected from [that part of] legislative district [5] **44B** that is located **WHOLLY** in Baltimore County;

(iii) four members shall be elected from that part of legislative district 7 that is located in Baltimore County; [and]

(iv) four members shall be elected from that part of legislative district 12 that is located in Baltimore County; AND

(V) FIVE MEMBERS, OF WHICH TWO MEMBERS SHALL BE FROM DELEGATE DISTRICT 42A AND THREE MEMBERS SHALL BE FROM DELEGATE DISTRICT 42B, SHALL BE ELECTED FROM LEGISLATIVE DISTRICT 42 THAT IS LOCATED WHOLLY IN BALTIMORE COUNTY.

(3) Only individuals affiliated with the Democratic Party and who are registered to vote in Baltimore County may vote for the election of members to the Baltimore County Democratic Party Central Committee under this section.

(4) The number of Democratic Party Central Committee members to be elected from each legislative district, or portion of legislative district, in Baltimore County shall be determined upon completion of each legislative districting.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Chapter 692

(House Bill 1531)

AN ACT concerning

Election Law – Prince George’s County Republican Party Central Committee – Membership

FOR the purpose of authorizing a member of the Prince George’s County Republican Party Central Committee to run at large to fill certain seats; altering the composition of the committee; making a conforming change; and generally relating to the Prince George’s County Republican Party Central Committee.

BY repealing and reenacting, with amendments,

Article – Election Law

Section 4–203(g)(1)

Annotated Code of Maryland

(2010 Replacement Volume and 2012 Supplement)

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

Article – Election Law

4–203.

(g) (1) (i) In Prince George's County, members of the Republican Party Central Committee:

1. may [not] run at large **TO FILL HISTORICALLY VACANT SEATS**; and

2. **UNLESS A MEMBER RUNS AT LARGE UNDER ITEM 1 OF THIS SUBPARAGRAPH**, shall be elected from within legislative districts of Prince George's County or within that portion of any legislative district lying within Prince George's County.

(ii) The number of members of the Republican Party Central Committee shall, **TO THE EXTENT PRACTICABLE**, consist of two members from each of the eight legislative districts lying within Prince George's County.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.

Joint Resolutions

Signed by the President of the Senate
and the Speaker of the House of Delegates
or Enacted by Operation of the Maryland Constitution

No Joint Resolutions were enacted by either House of the General Assembly in 2013.

Simple Resolution

HOUSE SIMPLE RESOLUTION

A House Simple Resolution concerning

In Re: Delegate William “Tony” McConkey Resolution of Reprimand

FOR the purpose of adopting the findings and conclusions contained in the Report by the Joint Committee on Legislative Ethics issued on February 4, 2013; and ordering the reprimand of Delegate William “Tony” McConkey by the House of Delegates of Maryland pursuant to Article III, Section 19 of the Maryland Constitution.

WHEREAS, The Joint Committee on Legislative Ethics, pursuant to a complaint filed with the Joint Committee on April 10, 2012, conducted a thorough review of the allegations of violations of the Maryland Public Ethics Law by Delegate William “Tony” McConkey relating to legislative actions that would provide Delegate McConkey with a direct and personal financial benefit; and

WHEREAS, The Joint Committee on Legislative Ethics submitted detailed findings, adopted by unanimous vote of its members, in a Report dated February 4, 2013; and

WHEREAS, The Joint Committee on Legislative Ethics recommended in its Report, with a majority of members concurring, that “[t]he Speaker of the House of Delegates submit to the House of Delegates, and the full House of Delegates adopt, a resolution of reprimand expressing the House of Delegates’ disapproval of Delegate McConkey’s actions, based on his activities as set forth in this Report of the Joint Committee on Legislative Ethics”; now, therefore, be it

RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That the House of Delegates of Maryland adopt the findings and conclusions contained in the Report issued on February 4, 2013, by the Joint Committee on Legislative Ethics; and be it further

RESOLVED, That Delegate William “Tony” McConkey be reprimanded by the House of Delegates of Maryland, pursuant to Article III, Section 19 of the Maryland Constitution.

Adopted by the House of Delegates, February 5, 2013.

Vetoed Bills and Messages from the Governor of Maryland

A total of 74 bills were vetoed by the Governor following the 2013 Regular Session of the General Assembly. Of these vetoed bills, 15 originated in the Senate and 59 of them originated in the House of Delegates. Pursuant to the provisions of Article II, Section 17 of the Maryland Constitution, these bills will be returned to the General Assembly immediately after the Legislature has organized at the next Regular or Special Session to be reconsidered in order to determine whether the veto is sustained or overridden.

2013 Session

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(Bill numbers in **bold** indicate policy vetoes. Bill numbers in *italics* indicate technical vetoes. All other vetoes are duplicative.)

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List of House Bills Vetoed

(Bill numbers in **bold** indicate policy vetoes. Bill numbers in *italics* indicate technical vetoes. All other vetoes are duplicative.)

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Vetoed Senate Bills and Messages

May 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 16 – *Anne Arundel County – Alcoholic Beverages – Refillable Container License*.

This bill creates a refillable container license in Anne Arundel County and authorizes the Board of License Commissioners to issue the license to a holder of a Class A license, a Class B license, or a Class D license and specifies that a holder of the license may sell draft beer for consumption off the licensed premises in a specified refillable container. The bill requires a refillable container to meet specified requirements and an applicant for the license to complete a form and pay a fee.

House Bill 18, 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 16.

Sincerely,

Governor Martin O'Malley

Senate Bill 16

AN ACT concerning

Anne Arundel County – Alcoholic Beverages – Refillable Container License

FOR the purpose of creating in Anne Arundel County a refillable container license; authorizing the Board of License Commissioners to issue the license to a holder of certain classes of alcoholic beverages license issued by the Board; specifying that a holder of the license may sell draft beer for consumption off the licensed premises in a certain refillable container; requiring a refillable container to meet certain requirements; requiring an applicant for the license to complete a certain form and pay a certain fee; requiring that certain applicants meet certain advertising, posting of notice, and public hearing requirements; specifying the term of the license; specifying the hours of sale for the license; allowing a holder of the license to refill only a refillable container that was branded by ~~the~~ a license holder; requiring the Board to adopt certain

regulations; and generally relating to alcoholic beverages in Anne Arundel County.

BY repealing and reenacting, without amendments,
Article 2B – Alcoholic Beverages
Section 8–202(a) and (b)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

BY adding to
Article 2B – Alcoholic Beverages
Section 8–202(l)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

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

Article 2B – Alcoholic Beverages

8–202.

- (a) This section applies only in Anne Arundel County.
- (b)
 - (1) In this section the following words have the meanings indicated.
 - (2) “Board” means the Board of License Commissioners.
 - (3) “License” means a license for the sale of alcoholic beverages that is issued by the Board.

- (L)
 - (1) **THERE IS A REFILLABLE CONTAINER LICENSE.**
 - (2) **THE BOARD MAY ISSUE A REFILLABLE CONTAINER LICENSE TO A HOLDER OF A CLASS A LICENSE, A CLASS B LICENSE, OR A CLASS D LICENSE.**
 - (3) **SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, A REFILLABLE CONTAINER LICENSE ENTITLES THE LICENSE HOLDER TO SELL DRAFT BEER FOR CONSUMPTION OFF THE LICENSED PREMISES IN A REFILLABLE CONTAINER WITH A CAPACITY OF NOT LESS THAN 32 OUNCES AND NOT MORE THAN ~~182~~ 128 OUNCES.**
 - (4) **TO BE USED AS A REFILLABLE CONTAINER UNDER PARAGRAPH (3) OF THIS SUBSECTION, A CONTAINER SHALL:**

- (I) BE SEALABLE;
- (II) BE BRANDED WITH AN IDENTIFYING MARK OF ~~THE~~ A LICENSE HOLDER;
- (III) BEAR THE FEDERAL HEALTH WARNING STATEMENT REQUIRED FOR CONTAINERS OF ALCOHOLIC BEVERAGES UNDER 27 C.F.R. 16.21;
- (IV) DISPLAY INSTRUCTIONS FOR CLEANING THE CONTAINER; AND
- (V) BEAR A LABEL STATING THAT:
 - 1. CLEANING THE CONTAINER IS THE RESPONSIBILITY OF THE CONSUMER; AND
 - 2. THE CONTENTS OF THE CONTAINER ARE PERISHABLE AND SHOULD BE REFRIGERATED IMMEDIATELY AND CONSUMED WITHIN 48 HOURS AFTER PURCHASE.
- (5) BEFORE THE BOARD ISSUES A REFILLABLE CONTAINER LICENSE:
 - (I) THE APPLICANT SHALL:
 - 1. COMPLETE THE FORM THAT THE BOARD PROVIDES; AND
 - 2. PAY AN ANNUAL LICENSE FEE OF:
 - A. \$500 FOR AN APPLICANT WHOSE ALCOHOLIC BEVERAGES LICENSE DOES NOT HAVE AN OFF-SALE PRIVILEGE; OR
 - B. \$50 FOR AN APPLICANT WHOSE ALCOHOLIC BEVERAGES LICENSE HAS AN OFF-SALE PRIVILEGE; AND
 - (II) AN APPLICANT WHO HOLDS A LICENSE WITHOUT AN OFF-SALE PRIVILEGE SHALL MEET THE SAME ADVERTISING, POSTING OF NOTICE, AND PUBLIC HEARING REQUIREMENTS AS THOSE FOR THE LICENSE THAT THE APPLICANT HOLDS.

(6) THE TERM OF A REFILLABLE CONTAINER LICENSE ISSUED TO A SUCCESSFUL APPLICANT IS THE SAME AS THAT OF THE LICENSE THAT THE APPLICANT HOLDS.

(7) THE HOURS OF SALE FOR A REFILLABLE CONTAINER LICENSE:

(I) BEGIN AT THE SAME TIME AS THOSE FOR THE LICENSE ALREADY HELD BY THE PERSON TO WHOM THE REFILLABLE CONTAINER LICENSE IS ISSUED; AND

(II) END AT MIDNIGHT.

(8) A LICENSE HOLDER MAY REFILL ONLY A REFILLABLE CONTAINER THAT WAS BRANDED BY ~~THE~~ A LICENSE HOLDER.

(9) THE BOARD SHALL ADOPT REGULATIONS TO CARRY OUT THIS SUBSECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 24 – *Queen Anne's County – Deer Hunting on Private Property – Sundays*.

This bill authorizes a person to hunt deer on private property in Queen Anne's County using specified hunting equipment on specified Sundays during specified hunting seasons.

House Bill 214, 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 24.

Sincerely,

Governor Martin O'Malley

Senate Bill 24

AN ACT concerning

Queen Anne's County – Deer Hunting on Private Property – Sundays

FOR the purpose of authorizing a person to hunt deer on private property in Queen Anne's County using certain hunting equipment on certain Sundays during certain hunting seasons; and generally relating to deer hunting on private property on Sundays.

BY repealing and reenacting, with amendments,
Article – Natural Resources
Section 10–410(a)
Annotated Code of Maryland
(2012 Replacement Volume)

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

Article – Natural Resources

10–410.

(a) (1) Except as provided in paragraphs (2), (3), (4), and (6) of this subsection, a person may not hunt any game bird or mammal on Sundays.

(2) The following persons may hunt the specified game birds and mammals on Sundays:

(i) A person using State certified raptors to hunt game birds or mammals during open season;

(ii) An unarmed person participating in an organized fox chase to chase foxes;

(iii) Provided that the provisions of § 10–906(b)(3) of this title are met, a person:

1. Using a regulated shooting ground under § 10–906 of this title to hunt the following pen-reared game birds:

- A. Pheasants;
- B. Bobwhite quail;
- C. Chukar partridge;
- D. Hungarian partridge;
- E. Tower released flighted mallard ducks; and
- F. Turkey on a regulated shooting ground that was permitted to release turkey before September 1, 1992; and

2. Having the written permission of the owner of the land or other person designated by the owner of the land, if the land is owned or leased by a person other than the person hunting on Sundays;

(iv) Subject to the provisions of § 10–411 of this subtitle, in Allegany, Calvert, Caroline, Carroll, Charles, Dorchester, Frederick, Garrett, Harford, **QUEEN ANNE’S**, St. Mary’s, Somerset, Talbot, Washington, Wicomico, and Worcester counties, a person hunting deer on private property with a bow and arrow or crossbow during open season on the last three Sundays in October and the second Sunday in November;

(v) Except on Easter Sunday, in Allegany County and Garrett County, a person hunting turkey on the last Sunday in April and the first Sunday in May; and

(vi) In Calvert County, Caroline County, Charles County, Dorchester County, and St. Mary’s County, a person hunting turkey on private property on any Sunday during the spring turkey hunting season.

(3) Subject to the provisions of § 10–415 of this subtitle, in Calvert County, Caroline County, Charles County, Harford County, **QUEEN ANNE’S COUNTY**, St. Mary’s County, Somerset County, and Worcester County, a person may hunt deer on private property on:

(i) The first Sunday of the bow hunting season in November; and

(ii) Each Sunday in the deer firearms season.

(4) Provided that the provisions of § 10–415 of this subtitle are met and subject to paragraph (5) of this subsection, the Department may allow a person to hunt deer on private property on the first Sunday of:

(i) The bow hunting season in November; and

(ii) The deer firearms season.

(5) The Sunday deer hunting provisions under paragraph (4) of this subsection do not apply:

(i) In Baltimore, Howard, and Prince George's counties; and

(ii) In Baltimore City.

(6) A person who is 16 years of age or younger may hunt deer with a firearm on a Sunday through participation in the junior deer hunt established under § 10-405(a) of this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 98 – *Business Regulation – Other Tobacco Products – Wholesalers – License Fee Exception for Cigarette Subwholesalers*.

This bill exempts a person who is licensed under a specified provision of law to act as a cigarette subwholesaler from the requirement that an applicant for a license to act as an other tobacco products wholesaler pay a specified license fee.

House Bill 182, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 98.

Sincerely,

Governor Martin O'Malley

Senate Bill 98

AN ACT concerning

**Business Regulation – Other Tobacco Products – Wholesalers – License Fee
Exception for Cigarette Subwholesalers**

FOR the purpose of exempting a person who is licensed under a certain provision of law to act as a cigarette subwholesaler from the requirement that an applicant for a license to act as an other tobacco products wholesaler pay a certain license fee; and generally relating to license fee requirements for other tobacco products wholesalers.

BY repealing and reenacting, with amendments,
Article – Business Regulation
Section 16.5–203(d)
Annotated Code of Maryland
(2010 Replacement Volume and 2012 Supplement)

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

Article – Business Regulation

16.5–203.

(d) (1) An applicant for a license to act as an other tobacco products wholesaler shall:

(i) submit an application to the Comptroller on the form and containing the information that the Comptroller requires; and

(ii) except as provided in paragraph (2) of this subsection, pay to the Comptroller a fee of \$250.

(2) A person who has a license issued under Title 16 of this article to act as a cigarette wholesaler **OR TO ACT AS A CIGARETTE SUBWHOLESALE**R is not required to pay the license fee.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 164 – *Queen Anne's County – Property Tax Credit – Commercial Investment and Economic Development*.

This bill decreases from 25 to 12 the number of new employees that a business must employ in order to qualify for a property tax credit against the Queen Anne's County property tax imposed on businesses that make specified real property improvements.

House Bill 201, 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 164.

Sincerely,

Governor Martin O'Malley

Senate Bill 164

AN ACT concerning

Queen Anne's County – Property Tax Credit – Commercial Investment and Economic Development

FOR the purpose of altering the minimum number of new employees that a certain business must employ in order to qualify for a certain property tax credit against the Queen Anne's County property tax imposed on certain property; and generally relating to county property tax credits for certain businesses in Queen Anne's County.

BY repealing and reenacting, with amendments,

Article – Tax – Property
Section 9-319(d)(1)
Annotated Code of Maryland
(2012 Replacement Volume)

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

Article – Tax – Property

9–319.

(d) (1) The governing body of Queen Anne’s County may grant, by law, a property tax credit under this section against the county property tax imposed on real property owned by a business that:

(i) makes significant real property improvements in the county, including construction, reconstruction, rehabilitation, or expansion of a nonresidential structure; and

(ii) employs at least [25] 12 new additional full-time employees.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013, and shall be applicable to all taxable years beginning after June 30, 2013.

May 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 258 – *Correctional Services – Inmate Earnings – Compensation for Victims of Crime*.

This bill requires the Department of Public Safety and Correctional Services to withhold 20% of the earnings of an inmate in the Private Sector/Prison Industry Enhancement Certification Program of the U.S. Department of Justice, Bureau of Justice Assistance for compensation for victims of crime and requires the Department to allocate earnings that are withheld in a specified manner.

House Bill 921, 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 258.

Sincerely,

Governor Martin O'Malley

Senate Bill 258

AN ACT concerning

Correctional Services – Inmate Earnings – Compensation for Victims of Crime

FOR the purpose of adding a requirement that the Department of Public Safety and Correctional Services pay compensation for victims of crime in accordance with certain provisions to a list of deductions that the Department is required to withhold from an inmate's earnings; requiring the Department to withhold a certain amount of the earnings of an inmate in a certain program for compensation for victims of crime; requiring the Department to allocate earnings that are withheld in a certain manner; requiring the ~~State Board of Victim Services~~ Criminal Injuries Compensation Board to distribute certain amounts to a certain person or governmental unit; establishing that compliance with a judgment of restitution is a required condition of work release if work release is allowed; applying certain provisions relating to responsibility for the administration of payments of restitution to the Department instead of to the Division of Parole and Probation; requiring the Department to submit a certain report by a certain date; altering the purpose of the ~~State Victims of Crime~~ Criminal Injuries Compensation Fund to include distribution of certain restitution payments; and generally relating to compensation for victims of crime.

BY repealing and reenacting, with amendments,
Article – Correctional Services
Section 11–604
Annotated Code of Maryland
(2008 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article – Criminal Procedure
Section 11–607 and ~~11–916~~ 11–819(b)
Annotated Code of Maryland
(2008 Replacement Volume and 2012 Supplement)

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

Article – Correctional Services

11–604.

- (a) The Department shall collect an inmate's earnings.

(b) From an inmate's earnings, the Department shall:

(1) reimburse the county or State for the cost of providing food, lodging, and clothing to the inmate in a local correctional facility;

(2) pay court ordered payments for support of dependents; [and]

(3) pay court ordered payments for restitution; AND

(4) PAY COMPENSATION FOR VICTIMS OF CRIME IN ACCORDANCE WITH SUBSECTION (C) OF THIS SECTION.

(c) (1) OF THE EARNINGS OF AN INMATE IN THE PRIVATE SECTOR/PRISON INDUSTRY ENHANCEMENT CERTIFICATION PROGRAM OF THE UNITED STATES DEPARTMENT OF JUSTICE, BUREAU OF JUSTICE ASSISTANCE, THE DEPARTMENT SHALL WITHHOLD 20% FOR COMPENSATION FOR VICTIMS OF CRIME, IN ACCORDANCE WITH THE REQUIREMENTS OF THE PROGRAM.

(2) (i) IF A COURT IN A CRIMINAL OR JUVENILE DELINQUENCY PROCEEDING HAS ORDERED THE INMATE TO PAY RESTITUTION, THE DEPARTMENT SHALL FORWARD THE 20% WITHHELD UNDER PARAGRAPH (1) OF THIS SUBSECTION TO THE ~~STATE VICTIMS OF CRIME~~ CRIMINAL INJURIES COMPENSATION FUND ESTABLISHED UNDER ~~§ 11-916~~ § 11-819 OF THE CRIMINAL PROCEDURE ARTICLE.

(ii) THE ~~STATE BOARD OF VICTIM SERVICES~~ CRIMINAL INJURIES COMPENSATION BOARD SHALL DISTRIBUTE FROM THE ~~STATE VICTIMS OF CRIME~~ CRIMINAL INJURIES COMPENSATION FUND ANY AMOUNT RECEIVED UNDER THIS PARAGRAPH TO THE PERSON OR GOVERNMENTAL UNIT SPECIFIED IN THE JUDGMENT OF RESTITUTION TO PAY THE RESTITUTION AS REQUIRED UNDER § 11-607(B)(2) OF THE CRIMINAL PROCEDURE ARTICLE.

(3) IF THE INMATE IS NOT SUBJECT TO A JUDGMENT OF RESTITUTION OR THE JUDGMENT OF RESTITUTION IS SATISFIED, OF THE MONEY WITHHELD UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE DEPARTMENT SHALL PAY:

(i) 50% INTO THE CRIMINAL INJURIES COMPENSATION FUND ESTABLISHED UNDER § 11-819 OF THE CRIMINAL PROCEDURE ARTICLE; AND

(ii) 50% INTO THE STATE VICTIMS OF CRIME FUND ESTABLISHED UNDER § 11-916 OF THE CRIMINAL PROCEDURE ARTICLE.

[(c)] (D) The Department shall:

(1) credit to the inmate's account any balance that remains after paying the items in subsection (b)(1) through (3) of this section; and

(2) pay the balance in the inmate's account to the inmate within 15 days after the inmate is released.

Article – Criminal Procedure

11–607.

(a) (1) When a judgment of restitution has been entered under § 11–603 of this subtitle, compliance with the judgment of restitution:

(i) may be a requirement in the judgment of conviction or disposition in a juvenile delinquency proceeding;

(ii) if work release is ordered **OR ALLOWED**, shall be a condition of work release;

(iii) if probation is ordered, shall be a condition of probation:

1. in addition to a sentence or disposition; or

2. instead of a sentence if the probation is ordered before judgment under § 6–220 of this article.

(2) Subject to federal law, the Department or the Department of Juvenile Services shall obtain the Social Security number of the restitution obligor to facilitate the collection of restitution.

(b) (1) The restitution obligor shall make restitution to the **[Division] DEPARTMENT** or the Department of Juvenile Services under the terms and conditions of the judgment of restitution.

(2) The **[Division] DEPARTMENT** or the Department of Juvenile Services:

(i) shall keep records of payments or return of property in satisfaction of the judgment of restitution;

(ii) shall forward property or payments in accordance with the judgment of restitution and Part I of this subtitle to the person or governmental unit specified in the judgment of restitution; and

(iii) may require the restitution obligor to pay additional fees not exceeding 2% of the amount of the judgment of restitution to pay for the administrative costs of collecting payments or property.

(c) (1) Whenever an obligor's restitution payment, as ordered by the court or established by the [Division] **DEPARTMENT**, is overdue, the [Division] **DEPARTMENT** or the Department of Juvenile Services shall:

(i) notify the court; and

(ii) if an earnings withholding order is not in effect and the restitution obligor is employed, request an earnings withholding order.

(2) The court may hold a hearing to determine whether the restitution obligor is in contempt of court or has violated the terms of the probation.

(3) If the court finds that the restitution obligor intentionally became impoverished to avoid payment of the restitution, the court may find the restitution obligor in contempt of court or in violation of probation.

~~11-916.~~

~~(a) There is a State Victims of Crime Fund.~~

~~(b) (1) The Fund shall be used to pay for:~~

~~(i) carrying out Article 47 of the Maryland Declaration of Rights;~~

~~(ii) carrying out the guidelines for the treatment and assistance for victims and witnesses of crimes and delinquent acts provided in §§ 11-1002 and 11-1003 of this title;~~

~~(iii) carrying out any laws enacted to benefit victims and witnesses of crimes and delinquent acts; [and]~~

~~(iv) supporting child advocacy centers established under § 11-923(h) of this subtitle; AND~~

~~(v) DISTRIBUTING RESTITUTION PAYMENTS FORWARDED TO THE FUND UNDER § 11-604 OF THE CORRECTIONAL SERVICES ARTICLE.~~

~~(2) The Fund may pay for the administrative costs of the Fund.~~

~~(e) The Board shall administer the Fund.~~

~~(d) Grants awarded by the Board shall be equitably distributed among all purposes of the Fund described in subsection (b) of this section.~~

11-819.

(b) The Criminal Injuries Compensation Fund:

(1) shall be used to:

(I) carry out the provisions of this subtitle; and

(II) DISTRIBUTE RESTITUTION PAYMENTS FORWARDED TO THE FUND UNDER § 11-604 OF THE CORRECTIONAL SERVICES ARTICLE; AND

(2) may be used for:

(i) any award given under this subtitle; and

(ii) the costs of carrying out this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That the Department of Public Safety and Correctional Services, in accordance with § 2-1246 of the State Government Article, shall report to the Senate Judicial Proceedings Committee and the House Judiciary Committee on or before December 1, 2013, on the payment of restitution by inmates under its jurisdiction, addressing how the Department could increase the collection of restitution, including by having additional inmates pay toward restitution obligations through an annual transfer or other periodic transfer of earnings.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 463 – *State Board of Morticians and Funeral Directors – Apprentice Sponsors, Funeral Establishment Licenses, and Supervising Morticians*.

This bill clarifies the requirements for specified apprentice sponsors and a specified process for seeking approval by the State Board of Morticians and Funeral Directors for an apprentice license and requires specified evidence and death certificates to be submitted to the Board as proof of the completion of specified apprentice requirements.

House Bill 529, 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,

Governor Martin O'Malley

Senate Bill 463

AN ACT concerning

State Board of Morticians and Funeral Directors – Apprentice Sponsors, Funeral Establishment Licenses, and Supervising Morticians

FOR the purpose of ~~requiring that a licensed mortician or licensed funeral director have certain approval by the State Board of Morticians and Funeral Directors before an apprenticeship begins;~~ clarifying the requirements for certain apprentice sponsors and a certain process for seeking approval by the State Board of Morticians and Funeral Directors for an apprentice license; requiring certain evidence and death certificates to be submitted to the Board as proof of the completion of certain apprentice requirements; altering certain practical experience requirements for an apprentice; altering the qualifications that must be met for issuance of a funeral establishment license; requiring certain licensed funeral establishments to have a supervising mortician; providing for the qualifications, ~~approval process~~ registration, responsibilities, and scope of supervising authority for certain supervising morticians; altering a certain definition; and generally relating to the State Board of Morticians and Funeral Directors, apprentice sponsors, funeral establishments, and supervising morticians.

BY repealing and reenacting, without amendments,
Article – Health Occupations
Section 7–101(a), (b), (d), (j), (k), and (m) through (u)
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 7–101(c), 7–306, and 7–310
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

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

Article – Health Occupations

7–101.

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

(b) “Apprentice” means an individual licensed by the Board who assists a licensed mortician or funeral director in the practice of mortuary science or funeral direction, under direct supervision of a licensed mortician or funeral director.

(c) “Apprentice sponsor” means [a person] **AN INDIVIDUAL** who:

(1) Is a licensed mortician or funeral director [practicing] **WHOSE LICENSE IS IN GOOD STANDING WITH THE BOARD;**

(2) HAS PRACTICED mortuary science as a licensed mortician or funeral director in Maryland at least 1 year immediately prior to accepting the applicant as an apprentice; ~~and~~

~~**(3) THE BOARD HAS APPROVED IN ACCORDANCE WITH § 7-306 OF THIS SUBTITLE; AND**~~

[(2)] ~~(4)~~ (3) Provides direct supervision to an apprentice.

(d) “Board” means the Maryland State Board of Morticians and Funeral Directors.

(j) “Funeral director” means an individual who is licensed by the Board to practice all aspects of mortuary science except for embalming.

(k) “Funeral establishment” means any building, structure, or premises from which the business of practicing mortuary science is conducted.

(m) (1) “License” means, unless the context requires otherwise, a license issued by the Board.

(2) “License” includes, unless otherwise indicated:

- (i) A mortician license;
- (ii) An apprentice license;
- (iii) A funeral director license;
- (iv) A surviving spouse license;
- (v) A corporation license;
- (vi) A funeral establishment license; and
- (vii) A courtesy card.

(n) “Licensed apprentice” means, unless the context requires otherwise, an apprentice who is licensed by the Board to assist a licensed mortician or funeral director in the practice of mortuary science or funeral direction.

(o) “Licensed funeral director” means, unless the context requires otherwise, a funeral director who is licensed by the Board to practice funeral direction.

(p) “Licensed funeral establishment” means, unless the context requires otherwise, a funeral establishment that is licensed by the Board.

(q) “Licensed mortician” means, unless the context requires otherwise, a mortician who is licensed by the Board under this title to practice mortuary science.

(r) “Licensee” means an individual or entity licensed by the Board to practice mortuary science to the extent determined by the Board.

(s) “Mortician” means an individual who practices mortuary science.

(t) (1) “Practice funeral direction” means:

- (i) To operate a funeral establishment;
- (ii) For compensation, to prepare a dead human body for disposition; or
- (iii) For compensation, to arrange for or make final disposition of a dead human body.

(2) “Practice funeral direction” does not include:

(i) For compensation, disinfecting or preserving a dead human body or any of its parts by arterial or cavity injection or any other type of preservation; or

(ii) The business of operating a crematory.

(u) (1) "Practice mortuary science" means:

(i) To operate a funeral establishment;

(ii) For compensation, to prepare a dead human body for disposition; or

(iii) For compensation, to arrange for or make final disposition of a dead human body.

(2) "Practice mortuary science" includes:

(i) The practice of funeral direction; and

(ii) Disinfecting or preserving a dead human body or any of its parts by arterial or cavity injection.

(3) "Practice mortuary science" does not include:

(i) The pickup, removal, or transportation of a dead human body, if the unlicensed individual is acting under the direction of a licensed mortician or funeral director; or

(ii) The business of operating a crematory.

7-306.

(a) An individual shall obtain an apprentice license from the Board ~~AND A LICENSED MORTICIAN OR LICENSED FUNERAL DIRECTOR SHALL BE APPROVED BY THE BOARD AS AN APPRENTICE SPONSOR FOR THE INDIVIDUAL~~ before ~~beginning~~ an apprenticeship ~~BEGINS~~ in this State.

(b) (1) [An applicant for a] **A** mortician apprentice [license] shall have [a] **AN APPRENTICE** sponsor [with] WHO:

(I) ~~WITH a current mortician license THAT IS A LICENSED MORTICIAN WHOSE LICENSE IS IN GOOD STANDING WITH THE BOARD; AND~~

(II) ~~WHO HAS BEEN APPROVED BY THE BOARD~~ IS EMPLOYED BY THE SAME FUNERAL ESTABLISHMENT THAT EMPLOYS THE APPRENTICE.

(2) [An applicant for a] A funeral director [license] APPRENTICE shall have [a] AN APPRENTICE sponsor [with a] ~~WHO HAS:~~

(I) ~~A current mortician or funeral director license~~ THAT IS A LICENSED MORTICIAN OR FUNERAL DIRECTOR WHOSE LICENSE IS IN GOOD STANDING WITH THE BOARD; AND

(II) ~~BEEN APPROVED BY THE BOARD~~ IS EMPLOYED BY THE SAME FUNERAL ESTABLISHMENT THAT EMPLOYS THE APPRENTICE.

(3) AN APPRENTICE MAY HAVE MORE THAN ONE APPRENTICE SPONSOR.

(c) An applicant for an apprentice license shall pay to the Board a fee set by the Board.

(d) (1) Prior to an individual appearing before the Board for approval of an apprentice license, the individual must complete two-thirds of the academic credits for a mortuary science program at a school accredited by the American Board of Funeral Service or approved by the Board, with a 2.0 grade point average or higher that is verified with a certified copy of the college transcript.

(2) The applicant ~~AND A LICENSED MORTICIAN OR LICENSED FUNERAL DIRECTOR~~ shall appear before the Board [with the applicant's sponsor] ~~TO SEEK THE BOARD'S APPROVAL FOR:~~

~~(I) AN AN APPRENTICE LICENSE FOR THE APPLICANT; AND~~

~~(II) THE LICENSED MORTICIAN OR LICENSED FUNERAL DIRECTOR TO BECOME THE APPRENTICE SPONSOR FOR THE APPLICANT.~~

~~(3) [The] TO BE APPROVED AS AN APPRENTICE sponsor, A LICENSED MORTICIAN OR LICENSED FUNERAL DIRECTOR shall [hold];~~

~~(I) HOLD a current valid mortician OR FUNERAL DIRECTOR license in Maryland THAT IS IN GOOD STANDING WITH THE BOARD; and~~

~~(II) [shall be] BE employed by the same funeral [home] ESTABLISHMENT that employs the apprentice.~~

~~(4)~~ **(3)** ON TERMINATION OF THE SPONSOR-APPRENTICE RELATIONSHIP, BOTH THE SPONSOR AND THE APPRENTICE SHALL INDEPENDENTLY NOTIFY THE BOARD IN WRITING OF:

(I) THE DATE OF TERMINATION;

(II) THE NAME, DATE OF DEATH, DATE OF SERVICE, AND EVIDENCE OF THE SERVICE FOR EACH DECEDENT FOR WHOM A FUNERAL SERVICE WAS CONDUCTED UNDER SUBSECTION (E)(1)(I) OF THIS SECTION IN WHICH THE APPRENTICE PARTICIPATED; AND

(III) THE NAME, DATE OF DEATH, DATE OF THE PREPARATION FOR DISPOSITION, AND A COPY OF THE DECEDENT'S FILED DEATH CERTIFICATE FOR EACH DECEDENT FOR WHOM THE APPRENTICE ASSISTED IN ACCORDANCE WITH SUBSECTION (E)(1)(II) OF THIS SECTION.

~~(5)~~ **(4)** PRIOR APPROVAL MUST BE GRANTED BY THE BOARD BEFORE A CHANGE OF SPONSORSHIP OCCURS.

[(3)] (E) (1) The practical experience of an apprentice shall include:

(i) Participation in at least 20 funerals;

(ii) Except as provided in paragraph **[(4)] (2)** of this subsection, assistance in the preparation **AND EMBALMING** of at least 20 dead human bodies for final disposition; and

(iii) Completion of 1,000 working hours in a licensed funeral establishment under the direct supervision of [a licensed mortician or funeral director. Supervision may include instruction by other licensed morticians or funeral directors employed or supervised by the sponsor] **THE APPRENTICE SPONSOR.**

[(4)] (2) For an apprentice funeral director, the practical experience under paragraph **[(3)(ii)] (1)(II)** of this subsection may not include embalming.

(3) FOR PURPOSES OF PARAGRAPH (1)(III) OF THIS SUBSECTION, DIRECT SUPERVISION MAY INCLUDE INSTRUCTION BY A LICENSED MORTICIAN OR FUNERAL DIRECTOR EMPLOYED OR SUPERVISED BY THE APPRENTICE SPONSOR THAT IS OBSERVED IN PERSON BY THE APPRENTICE SPONSOR.

[(5)] On termination of the sponsor-apprentice relationship, both the sponsor and the apprentice shall independently notify the Board in writing of:

(i) The date of termination;

(ii) The name, date of death, and date of service for each decedent for whom a funeral service was conducted under paragraph (3)(i) of this subsection in which the apprentice participated; and

(iii) The name, date of death, and date of the preparation for disposition of each decedent for whom the apprentice assisted in accordance with paragraph (3)(ii) of this subsection.

(6) Prior approval must be granted by the Board before a change of sponsorship occurs.]

[(e)] (F) While the license is effective, an apprentice license authorizes the licensee to assist a licensed mortician or funeral director in the practice of mortuary science or funeral direction only as part of a training program to become a licensed mortician or funeral director.

7–310.

(a) (1) A funeral establishment shall be licensed by the Board before the establishment may be used for the preparation of the remains, viewing, **[and] OR** conducting of services.

(2) The licensee may be restricted to operations as determined by the Board.

(b) (1) To apply for a funeral establishment license, an applicant shall:

(i) Submit an application to the Board on the form that the Board requires; and

(ii) Pay to the Board:

1. An application fee set by the Board; and

2. The fee established under § 7–4A–05(a) of this title.

(2) An application for a funeral establishment license shall be signed by a licensed individual who is not an apprentice but is the owner or co-owner of the establishment to be licensed.

(c) The Board shall issue a funeral establishment license to a funeral establishment that:

(1) Has complied with all applicable State and local laws; **AND**

(2) Will be owned and operated in accordance with this title by at least one [licensed]:

- (I) LICENSED mortician [or one licensed];
- (II) LICENSED funeral director[, or a holder];
- (III) HOLDER of a surviving spouse LICENSE; ~~or~~
- (IV) HOLDER OF A corporation license[; and]; OR
- (V) HOLDER OF AN EXECUTOR LICENSE.

[(3) Will be held responsible for any and all activities performed on the premises.]

(d) Signs and advertisements of a funeral establishment shall display the name that appears on the establishment license.

(E) (1) EACH LICENSED FUNERAL ESTABLISHMENT SHALL HAVE A SUPERVISING MORTICIAN.

(2) A LICENSED FUNERAL ESTABLISHMENT SHALL DESIGNATE A LICENSED MORTICIAN WHOSE LICENSE IS IN GOOD STANDING WITH THE BOARD TO BE THE SUPERVISING MORTICIAN FOR THE FUNERAL ESTABLISHMENT.
~~SHALL BE A LICENSED MORTICIAN WHO:~~

~~(I) HAS A LICENSE IN GOOD STANDING WITH THE BOARD;~~
~~AND~~

~~(II) HAS BEEN APPROVED BY THE BOARD TO BE A SUPERVISING MORTICIAN.~~

(3) ~~TO BECOME APPROVED AS A SUPERVISING MORTICIAN, A~~ A
~~LICENSED MORTICIAN;~~

~~(I) SHALL~~ DESIGNATED TO BE THE SUPERVISING MORTICIAN FOR A FUNERAL ESTABLISHMENT SHALL COMPLETE THE APPLICATION REGISTRATION REQUIRED BY THE BOARD;
~~AND~~

~~(II) MAY BE REQUIRED TO APPEAR BEFORE THE BOARD.~~

(4) ~~THE BOARD MAY NOT APPROVE AS A SUPERVISING MORTICIAN A LICENSED~~ A MORTICIAN;

~~(I) WHOSE~~ WHOSE LICENSE IS NOT IN GOOD STANDING IN THE STATE OR ANY OTHER JURISDICTION MAY NOT BE A SUPERVISING MORTICIAN;~~OR~~

~~(II) WHOM THE BOARD HAD PREVIOUSLY DISCIPLINED AND WHO CONTINUES TO POSE A RISK TO PUBLIC WELFARE IN THE STATE.~~

(5) THE SUPERVISING MORTICIAN FOR A FUNERAL ESTABLISHMENT SHALL BE:

(I) HELD RESPONSIBLE FOR ALL ACTIVITIES PERFORMED ON BEHALF OF THE FUNERAL ESTABLISHMENT WITH THE KNOWLEDGE OR AT THE DIRECTION OF THE SUPERVISING MORTICIAN; AND

(II) ~~LIMITED~~ EXCEPT AS PROVIDED IN PARAGRAPH (6) OF THIS SUBSECTION, LIMITED TO SUPERVISING:

1. ONE FUNERAL ESTABLISHMENT WITH AN EMBALMING FACILITY;~~OR~~ AND

2. ~~Two~~ NO MORE THAN THREE FUNERAL ESTABLISHMENTS TOTAL THAT ARE WITHIN CLOSE ENOUGH PROXIMITY TO EACH OTHER TO ALLOW FOR OVERSIGHT OF EACH FUNERAL ESTABLISHMENT.

(6) THE LIMITS ON THE NUMBER OF FUNERAL ESTABLISHMENTS A SUPERVISING MORTICIAN MAY SUPERVISE AS PROVIDED FOR IN PARAGRAPH (5)(II) OF THIS SUBSECTION DO NOT APPLY IF A FUNERAL ESTABLISHMENT PREPARES FOR THE DISPOSITION OF LESS THAN 75 BODIES IN A CALENDAR YEAR.

~~(6)~~ (7) IF A SUPERVISING MORTICIAN FOR A FUNERAL ESTABLISHMENT RELINQUISHES THE SUPERVISING MORTICIAN'S RESPONSIBILITY UNDER PARAGRAPH (5)(I) OF THIS SUBSECTION FOR ANY REASON;

~~(I)~~ THE, THE FUNERAL ESTABLISHMENT SHALL NAME AN INTERIM SUPERVISING MORTICIAN WHO SHALL BE HELD RESPONSIBLE FOR ALL ACTIVITIES PERFORMED ON BEHALF OF THE FUNERAL ESTABLISHMENT, WITH THE KNOWLEDGE OR AT THE DIRECTION OF THE INTERIM SUPERVISING MORTICIAN, UNTIL A NEW SUPERVISING MORTICIAN FOR THE FUNERAL ESTABLISHMENT ~~IS APPROVED BY~~ REGISTERS WITH THE BOARD;~~AND~~

~~(II) THE INTERIM SUPERVISING MORTICIAN OR ANOTHER LICENSED MORTICIAN IMMEDIATELY SHALL APPLY TO THE BOARD TO BECOME THE NEW SUPERVISING MORTICIAN FOR THE FUNERAL ESTABLISHMENT.~~

~~(7) THE BOARD SHALL EXPEDITE THE APPLICATION OF A NEW SUPERVISING MORTICIAN WHO APPLIES IN ACCORDANCE WITH PARAGRAPH (6)(II) OF THIS SUBSECTION.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 573 – *County Property Tax – Personal Property Rate*.

This bill authorizes the Mayor and City Council of Baltimore City or the governing body of each county to set the tax rate applicable to personal property and specified operating real property at no more than 2.5 times the rate for real property and applies the Act to taxable years beginning after June 30, 2013.

House Bill 1190, 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,

Governor Martin O'Malley

Senate Bill 573

AN ACT concerning

County Property Tax – Personal Property Rate

FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the governing body of a county to set a tax rate for personal property and certain operating real property of less than a certain amount; repealing an obsolete provision; providing for the application of this Act; and generally relating to setting the county tax rate for personal property and certain operating real property.

BY repealing and reenacting, with amendments,

Article – Tax – Property
Section 6–302(b)(1)
Annotated Code of Maryland
(2012 Replacement Volume)

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

Article – Tax – Property

6–302.

(b) (1) Except as provided in subsection (c) of this section, §§ 6–305 and 6–306 of this subtitle and § 6–203 of this title:

(i) there shall be a single county property tax rate for all real property subject to county property tax except for operating real property described in § 8–109(c) of this article; and

(ii) the county tax rate applicable to personal property and the operating real property described in § 8–109(c) of this article [for taxable years beginning after June 30, 2001] shall be **NO MORE THAN 2.5** times the rate for real property.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013, and shall be applicable to all taxable years beginning after June 30, 2013.

May 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H–107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 593 – *Health Occupations Boards – License Renewal, Investigation of Alleged Violations, and Immunity from Liability*.

This bill authorizes specified health occupations boards within the Department of Health and Mental Hygiene to establish an electronic system to distribute specified licenses, permits, certifications, or registrations. This bill requires specified boards to discontinue sending by first-class mail specified renewal notices and a renewed license, permit, certificate, or registration. The bill also requires specified boards to continue to send by first-class mail specified renewal notices, licenses, permits, certifications, or registrations.

House Bill 1115, 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 593.

Sincerely,

Governor Martin O'Malley

Senate Bill 593

AN ACT concerning

Health Occupations Boards – License Renewal, Investigation of Alleged Violations, and Immunity from Liability

FOR the purpose of authorizing certain health occupations boards within the Department of Health and Mental Hygiene to establish a certain electronic system for the purpose of distributing certain licenses, permits, certifications, or registrations; requiring the system to meet certain requirements; requiring certain boards to discontinue sending by first-class mail certain renewal notices and a renewed license, permit, certificate, or registration, ~~subject to a certain exception~~; requiring certain boards to send by electronic means certain renewal notices and a renewed license, permit, certification, or registration; requiring certain boards to continue to send by first-class mail ~~an initial license, permit, certification, or registration~~ certain renewal notices, licenses, permits, certifications, or registrations under certain circumstances; requiring certain health occupations boards to investigate certain violations of law; providing immunity from liability for certain persons who provide certain information to certain health occupations boards or participate in certain activities; authorizing certain health occupations boards to send a certain notice by electronic means or first-class mail; providing that certain individuals who act in good faith and within the scope of jurisdiction of certain boards are not civilly liable for providing certain information or for participating in certain activities;

defining certain terms; altering certain definitions; making certain conforming and stylistic changes; and generally relating to the health occupations boards and license renewal, investigation of alleged violations, and immunity from liability.

BY adding to

Article – Health Occupations

Section 1–220, 1A–207, 5–207, 17–207, and 20–208

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – Health Occupations

Section 1A–205, 1A–306(b), 2–308(b), 3–308(b), 3–5A–10(b), 4–309, 4–505, 5–205, 5–308(b), 7–314(b), 9–311(b), 10–205, 10–311(b), 11–205, 11–308(b), 13–206, 16–307(b), 17–504(b), 19–205, and 20–310(b)

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, without amendments,

Article – Health Occupations

Section 1A–306(a), 2–308(a), 3–308(a), 3–5A–10(a), 5–308(a), 7–314(a), 9–311(a), 10–311(a), 11–308(a), 16–307(a), 17–504(a), and 20–310(a)

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – Courts and Judicial Proceedings

Section 5–702, 5–703, 5–706, 5–707, and 5–719

Annotated Code of Maryland

(2006 Replacement Volume and 2012 Supplement)

BY adding to

Article – Courts and Judicial Proceedings

Section 5–722 through 5–724

Annotated Code of Maryland

(2006 Replacement Volume and 2012 Supplement)

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

Article – Health Occupations

1–220.

(A) EACH HEALTH OCCUPATION BOARD MAY DEVELOP A SECURE ELECTRONIC SYSTEM FOR THE DISTRIBUTION OF A RENEWED LICENSE, PERMIT,

CERTIFICATION, OR REGISTRATION REQUIRED TO BE ISSUED UNDER THIS TITLE.

(B) THE SYSTEM SHALL:

(1) BE ACCESSIBLE TO THE PUBLIC FOR THE PURPOSE OF VERIFICATION OF A CURRENT LICENSE, PERMIT, CERTIFICATION, OR REGISTRATION; AND

(2) PROVIDE THE LICENSEE, PERMIT HOLDER, CERTIFICATE HOLDER, OR REGISTRANT THE OPTION OF PRINTING A VERIFICATION OF THE STATUS OF THEIR LICENSE, PERMIT, CERTIFICATION, OR REGISTRATION.

(C) EXCEPT AS OTHERWISE PROVIDED BY LAW, A BOARD THAT DEVELOPS AND IMPLEMENTS A SYSTEM AUTHORIZED UNDER SUBSECTION (A) OF THIS SECTION SHALL:

(1) ~~DISCONTINUE EXCEPT AS PROVIDED IN PARAGRAPH (3)(H) OF THIS SUBSECTION, DISCONTINUE~~ DISCONTINUE TO SEND BY FIRST-CLASS MAIL:

(I) A RENEWAL NOTICE FOR A LICENSE, PERMIT, CERTIFICATION, OR REGISTRATION; AND

(II) A RENEWED LICENSE, PERMIT, CERTIFICATION, OR REGISTRATION;

(2) SEND BY ELECTRONIC MEANS:

(I) A RENEWAL NOTICE FOR A LICENSE, PERMIT, CERTIFICATION, OR REGISTRATION; AND

(II) A RENEWED LICENSE, PERMIT, CERTIFICATION, OR REGISTRATION; AND

(3) CONTINUE TO SEND BY FIRST-CLASS MAIL:

~~(H) AN AN AN~~ AN INITIAL LICENSE, PERMIT, CERTIFICATION, OR REGISTRATION; ~~AND~~

~~(H) A RENEWAL NOTICE FOR A LICENSE, PERMIT, CERTIFICATION, OR REGISTRATION IF THE LICENSEE, PERMIT HOLDER, CERTIFICATED INDIVIDUAL, OR REGISTRANT REQUESTS FIRST-CLASS MAIL.~~

(D) IF A BOARD CHOOSES TO SEND RENEWAL NOTICES OR RENEWED LICENSES, PERMITS, CERTIFICATIONS, OR REGISTRATIONS EXCLUSIVELY BY ELECTRONIC MAIL UNDER SUBSECTION (C) OF THIS SECTION, THE BOARD SHALL, ON REQUEST OF THE LICENSEE, PERMIT HOLDER, CERTIFICATE HOLDER, OR REGISTRANT, SEND BY FIRST-CLASS MAIL:

(1) THE RENEWAL NOTICE; OR

(2) THE RENEWED LICENSE, PERMIT, CERTIFICATION, OR REGISTRATION.

1A-205.

(a) In addition to the powers set forth elsewhere in this title, the Board may adopt:

(1) Regulations to carry out the provisions of this title; and

(2) A code of ethics for licensees.

(b) In addition to the duties set forth elsewhere in this title, the Board shall keep:

(1) Records and minutes necessary for the orderly conduct of business; and

(2) A list of each currently licensed acupuncturist.

(C) IN ADDITION TO THE DUTIES SET FORTH ELSEWHERE IN THIS TITLE, THE BOARD SHALL INVESTIGATE ANY ALLEGED VIOLATION OF THIS TITLE.

1A-207.

A PERSON SHALL HAVE IMMUNITY FROM THE LIABILITY DESCRIBED UNDER § 5-724 OF THE COURTS ARTICLE FOR GIVING INFORMATION TO THE BOARD OR OTHERWISE PARTICIPATING IN ITS ACTIVITIES.

1A-306.

(a) (1) The Board shall provide for the term and renewal of licenses under this section.

(2) The term of a license may not be more than 3 years.

(3) A license expires at the end of its term, unless the license is renewed for a term as provided by the Board.

(b) At least 1 month before the license expires, the Board shall send to the licensee, by **ELECTRONIC MEANS OR** first-class mail to the last known **ELECTRONIC OR PHYSICAL** address of the licensee, a renewal notice that states:

(1) The date on which the current license 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 license expires; and

(3) The amount of the renewal fee.

2-308.

(a) Except as provided for a limited license in §§ 2-310 through 2-310.3 of this subtitle, a license expires on the date set by the Board, unless the license is renewed for an additional term as provided in this section.

(b) At least 2 months before the license expires, the Board shall contact the licensee **BY ELECTRONIC MEANS OR FIRST-CLASS MAIL** at the last known **ELECTRONIC OR PHYSICAL** address provided by the licensee and advise the licensee of:

(1) The date on which the current license 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 license expires; and

(3) The amount of the renewal fee.

3-308.

(a) A license expires on the date set by the Board, unless the license is renewed for an additional term as provided in this section. A license may not be renewed for a term of longer than 2 years.

(b) At least 1 month before a license expires, the Board shall send to each licensee, by **ELECTRONIC MEANS OR** first-class mail to the last known **ELECTRONIC OR PHYSICAL** address of the licensee, a renewal form and a renewal notice that states:

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

(2) That the renewal application and fee must be received by the Board on or before the license expiration date; and

- (3) The amount of the renewal fee.

3–5A–10.

(a) (1) A license or registration expires on the date set by the Board, unless the license or registration is renewed for a 1–year term as provided in this section.

(2) A license or registration may not be renewed for a term of longer than 2 years.

(b) At least 1 month before the license or registration expires, the Board shall send to the licensee or registration holder, by **ELECTRONIC MEANS OR** first–class mail to the last known **ELECTRONIC OR PHYSICAL** address of the licensee or registration holder, a renewal notice that states:

- (1) The date on which the current license or registration 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 license or registration expires; and

- (3) The amount of the renewal fee.

4–309.

(a) (1) Except as otherwise provided in this subsection, a license expires on the date set by the Board, unless the license is renewed for an additional term as provided in this section. A license may not be renewed for a term longer than 2 years.

(2) Except as provided in § 4–303.1 of this subtitle, a limited license to practice dentistry expires on the first anniversary of its effective date.

(3) A teacher’s license to practice dentistry or a teacher’s license to practice dental hygiene expires on the earlier of:

(i) The date set by the Board, unless the license is renewed for an additional term as provided in this section; or

(ii) The date when the licensee ceases to be a full–time or part–time faculty member at the institution named on the license.

(b) If a teacher’s license to practice dentistry expires because the licensee no longer is a full–time or part–time faculty member at the institution named on the license, the licensee shall surrender the license to the Board secretary within 30 days.

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

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

(3) THE AMOUNT OF THE RENEWAL FEE.

4-505.

(a) The Board of Dental Examiners shall:

(1) Define, for the purpose of this section, the terms “dental radiation technologist” and “practice dental radiation technology”;

(2) Adopt rules and regulations concerning qualifications, training, certification, monitoring of, and enforcement requirements for a dental radiation technologist; and

(3) Provide for a requirement to ensure competency in new safety and technological advances.

(b) The qualifications required of applicants for Board certification as a dental radiation technologist shall include requirements established by:

(1) The American Dental Association; or

(2) Any applicable federal standards for training and certification.

(c) After July 1, 1988, an individual must be certified by the Board as a dental radiation technologist before a licensed dentist may employ the individual to practice dental radiation technology.

(d) After July 1, 1988, an individual may not practice dental radiation technology unless certified by the Board.

(E) AT LEAST 1 MONTH BEFORE A CERTIFICATE EXPIRES, THE BOARD SHALL SEND TO EACH CERTIFICATE HOLDER, BY ELECTRONIC MEANS OR FIRST-CLASS MAIL TO THE LAST KNOWN ELECTRONIC OR PHYSICAL ADDRESS OF THE CERTIFICATE HOLDER, 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.

5–205.

(a) In addition to the powers set forth elsewhere in this subtitle, the Board may:

(1) Adopt regulations to carry out the provisions of this subtitle;

(2) Sue to enforce any provision of this subtitle by injunction; and

(3) Issue subpoenas, summon witnesses, administer oaths, take affidavits, and take testimony about matters that relate to the jurisdiction of the Board.

(b) In addition to the duties set forth elsewhere in this subtitle, the Board shall:

(1) Keep a list of all dietitian–nutritionists who are currently licensed;

(2) Keep a record of its proceedings; [and]

(3) Submit an annual report of its transactions for the previous fiscal year to the Governor by September 30 of each year; AND

(4) INVESTIGATE AN ALLEGED VIOLATION OF THIS TITLE.

5–207.

A PERSON SHALL HAVE IMMUNITY FROM THE LIABILITY DESCRIBED UNDER § 5–719 OF THE COURTS ARTICLE FOR GIVING INFORMATION TO THE BOARD OR OTHERWISE PARTICIPATING IN ITS ACTIVITIES.

5–308.

(a) (1) Unless the license is renewed for an additional term as provided in this section, a license expires on the date set by the Board.

(2) A license may not be renewed for a term longer than 2 years.

(b) At least 1 month before the license expires, the Board shall send to the licensee, by **ELECTRONIC MEANS OR** first-class mail to the last known **ELECTRONIC OR PHYSICAL** address of the licensee, a renewal notice that states:

- (1) The date on which the current license expires;
- (2) The date by which the Board must receive the renewal application for the renewal to be issued and mailed before the license expires; and
- (3) The amount of the renewal fee.

7-314.

(a) A license issued under this title expires on the date set by the Board, unless the license is renewed for an additional term as provided in this section. A license may not be renewed for a term longer than 2 years.

(b) At least 1 month before a license expires, the Board shall send to the licensee, by **ELECTRONIC MEANS OR** first-class mail to the last known **ELECTRONIC OR PHYSICAL** address of the licensee, a renewal notice that states:

- (1) The date on which the current license 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 license expires; and
- (3) The amount of the renewal fee.

9-311.

(a) A license expires on the second anniversary of its effective date, unless the license is renewed for a 2-year term as provided in this section.

(b) At least 1 month before the license expires, the Board shall send to the licensee, by **ELECTRONIC MEANS OR** first-class mail to the last known **ELECTRONIC OR PHYSICAL** address of the licensee, a renewal notice that states:

- (1) The date on which the current license 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 license expires; and
- (3) The amount of the renewal fee.

10-205.

(a) In addition to the powers set forth elsewhere in this title, the Board may adopt:

(1) Rules and regulations to carry out the provisions of this title;

(2) A code of ethics for licensees; and

(3) In consultation with the State Board of Physical Therapy Examiners and the Board of Chiropractic Examiners, regulations that recognize occupational therapists and occupational therapy assistants who have acquired advanced practice skills.

(b) In addition to the duties set forth elsewhere in this title, the Board shall [keep]:

(1) [Records] **KEEP RECORDS** and minutes necessary for the orderly conduct of business; [and]

(2) **[A] KEEP A** list of each currently licensed occupational therapist and occupational therapy assistant; **AND**

(3) INVESTIGATE AN ALLEGED VIOLATION OF THIS TITLE.

10–311.

(a) A license expires on a date set by the Board, unless the license is renewed for an additional term as provided in this section.

(b) At least 1 month before the license expires, the Board shall send to the licensee, by **ELECTRONIC MEANS OR** first-class mail to the last known **ELECTRONIC OR PHYSICAL** address of the licensee, a renewal notice that states:

(1) The date on which the current license 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 license expires; and

(3) The amount of the renewal fee.

11–205.

(a) In addition to the powers set forth elsewhere in this title, the Board has the following powers:

(1) Each member of the Board may administer oaths and take affidavits for any matter under the jurisdiction of the Board; and

(2) The Board may adopt rules and regulations to carry out the provisions of this title.

(b) In addition to the duties set forth elsewhere in this title, the Board shall:

(1) Keep a current list showing all:

(i) Licensed optometrists;

(ii) Optometrists who are on inactive status;

(iii) Diagnostically certified optometrists;

(iv) Therapeutically certified optometrists; and

(v) Optometrists against whom action has been taken under § 11-313 of this title;

(2) Keep a full record of its proceedings; [and]

(3) Adopt an official seal; **AND**

(4) **INVESTIGATE AN ALLEGED VIOLATION OF THIS TITLE.**

11-308.

(a) A license expires on the date set by the Board, unless the license is renewed for an additional term as provided in this section. A license may not be renewed for a term longer than 2 years.

(b) At least 1 month before a license expires, the Board shall send to the licensee, by **ELECTRONIC MEANS OR** first-class mail to the last known **ELECTRONIC OR PHYSICAL** address of the licensee, a renewal notice that states:

(1) The date on which the current license 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 license expires; and

(3) The amount of the renewal fee.

13-206.

(a) In addition to the powers set forth elsewhere in this title, the Board may:

- (1) Adopt rules and regulations to carry out the provisions of this title;
 - (2) Adopt standards of practice and a code of ethics for the practice of physical therapy and limited physical therapy; and
 - (3) Pay, in accordance with the State budget, any necessary expense that relates to the referral of an alleged violation of the criminal provisions of this title.
- (b) In addition to the duties set forth elsewhere in this title, the Board shall:
- (1) Keep a list of the name and address of each licensed physical therapist and licensed physical therapist assistant;
 - (2) Present evidence of any alleged violation of this title to the State's Attorney of the county where the alleged violation occurred; [and]
 - (3) Adopt rules and regulations that govern the use of a physical therapy aide by a licensed physical therapist; **AND**
 - (4) **INVESTIGATE AN ALLEGED VIOLATION OF THIS TITLE.**

16–307.

(a) Except as provided for a limited license in § 16–317 of this subtitle, a license expires on the date set by the Board, unless the license is renewed for an additional term as provided in this section. A license may not be renewed for a term longer than 2 years.

(b) At least 1 month before a license expires, the Board shall send to the licensee, by **ELECTRONIC MEANS OR** first-class mail to the last known **ELECTRONIC OR PHYSICAL** address of the licensee, a renewal notice that states:

- (1) The date on which the current license 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 license expires; and
- (3) The amount of the renewal fee.

17–207.

A PERSON SHALL HAVE IMMUNITY FROM THE LIABILITY DESCRIBED UNDER § 5–722 OF THE COURTS ARTICLE FOR GIVING INFORMATION TO THE BOARD OR OTHERWISE PARTICIPATING IN ITS ACTIVITIES.

17-504.

(a) (1) A license or certificate expires on the date set by the Board, unless the license or certificate is renewed for an additional term as provided in this section.

(2) A license or certificate may not be renewed for a term longer than 2 years.

(b) At least 1 month before the license or certificate expires, the Board shall send to the licensee or certificate holder, by **ELECTRONIC MEANS OR** first-class mail to the last known **ELECTRONIC OR PHYSICAL** address of the licensee or certificate holder, a renewal notice that states:

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

(3) The amount of the renewal fee.

19-205.

In addition to the powers and duties set forth elsewhere in this title, the Board has the following powers and duties:

(1) To adopt rules and regulations to carry out the provisions of this title;

(2) To adopt a code of ethics;

(3) To adopt an official seal;

(4) To hold hearings and keep records and minutes necessary for the orderly conduct of business; [and]

(5) To issue a list annually of all currently licensed social workers and all social workers disciplined by the Board in the past year in accordance with § 10-617(h) of the State Government Article; **AND**

(6) **TO INVESTIGATE AN ALLEGED VIOLATION OF THIS TITLE.**

20-208.

A PERSON SHALL HAVE IMMUNITY FROM THE LIABILITY DESCRIBED UNDER ~~§ 5-722~~ 5-723 OF THE COURTS ARTICLE FOR GIVING INFORMATION TO THE BOARD OR OTHERWISE PARTICIPATING IN ITS ACTIVITIES.

20–310.

(a) (1) A certificate expires on a date set by the Board, unless the certificate is renewed for an additional term as provided in this section.

(2) A certificate may not be renewed for a term longer than 2 years.

(b) At least 1 month before the certificate expires, the Board shall send to the certified program administrator or certified residential child and youth care practitioner, by **ELECTRONIC MEANS OR** first-class mail to the last known **ELECTRONIC OR PHYSICAL** address of the certified program administrator or certified residential child and youth care practitioner, 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.

Article – Courts and Judicial Proceedings

5–702.

(a) In this section, “Board” means the State Board of Environmental [Sanitarian Registration] **HEALTH SPECIALISTS**.

(b) A person who acts in good faith and within the scope of the jurisdiction of the Board is not civilly liable for giving information to the Board or otherwise participating in its activities.

5–703.

(a) In this section, “Board” means the State Board of Examiners for Audiologists, **HEARING AID DISPENSERS, AND SPEECH–LANGUAGE PATHOLOGISTS** in the Department of Health and Mental Hygiene.

(b) A person who acts in good faith and within the scope of the jurisdiction of the Board is not civilly liable for giving information to the Board or otherwise participating in its activities.

5–706.

(a) In this section, ["Board"] **"COMMITTEE"** means the [State Board of Electrologists] **ELECTROLOGY PRACTICE COMMITTEE**.

(b) A person who acts in good faith and within the scope of the jurisdiction of the [Board] **COMMITTEE** is not civilly liable for giving information to the [Board] **COMMITTEE** or otherwise participating in its activities.

5-707.

(a) In this section, "Board" means the Maryland State Board of Morticians **AND FUNERAL DIRECTORS**.

(b) A person who acts in good faith and within the scope of the jurisdiction of the Board is not civilly liable for giving information to the Board or otherwise participating in its activities.

5-719.

(a) In this section, "Board" means the State Board of [Examiners for Speech-Language Pathologists] **DIETETIC PRACTICE**.

(b) A person who acts in good faith and within the scope of the jurisdiction of the Board is not civilly liable for giving information to the Board or otherwise participating in its activities.

5-722.

(A) IN THIS SECTION, "BOARD" MEANS THE STATE BOARD OF PROFESSIONAL COUNSELORS AND THERAPISTS.

(B) A PERSON WHO ACTS IN GOOD FAITH AND WITHIN THE SCOPE OF THE JURISDICTION OF THE BOARD IS NOT CIVILLY LIABLE FOR GIVING INFORMATION TO THE BOARD OR OTHERWISE PARTICIPATING IN ITS ACTIVITIES.

5-723.

(A) IN THIS SECTION, "BOARD" MEANS THE STATE BOARD FOR CERTIFICATION OF RESIDENTIAL CHILD CARE PROGRAM PROFESSIONALS.

(B) A PERSON WHO ACTS IN GOOD FAITH AND WITHIN THE SCOPE OF THE JURISDICTION OF THE BOARD IS NOT CIVILLY LIABLE FOR GIVING INFORMATION TO THE BOARD OR OTHERWISE PARTICIPATING IN ITS ACTIVITIES.

5-724.

(A) IN THIS SECTION, “BOARD” MEANS THE STATE BOARD OF ACUPUNCTURE.

(B) A PERSON WHO ACTS IN GOOD FAITH AND WITHIN THE SCOPE OF THE JURISDICTION OF THE BOARD IS NOT CIVILLY LIABLE FOR GIVING INFORMATION TO THE BOARD OR OTHERWISE PARTICIPATING IN ACTIVITIES.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013.

May 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 672 – *State Board of Physicians and Allied Health Advisory Committees – Sunset Extension and Program Evaluation*.

This bill continues the State Board of Physicians and allied health advisory committees in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to July 1, 2018, the termination provisions relating to the statutory and regulatory authority of the Board and committees. The bill requires the Board to adopt regulations to allow a licensee to receive up to a specified number of credit hours for providing specified services and establishes disciplinary panels through which allegations are to be resolved.

House Bill 1096, 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 672.

Sincerely,

Governor Martin O'Malley

Senate Bill 672

AN ACT concerning

**State Board of Physicians and Allied Health Advisory Committees – Sunset
Extension and Program Evaluation**

FOR the purpose of continuing the State Board of Physicians and certain allied health advisory committees 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 and the committees; requiring that an evaluation of the Board and the related allied health advisory committees and the statutes and regulations of the Board and the related allied health advisory committees be performed on or before a certain date; altering to a certain date the termination provision related to the Perfusion Advisory Committee; stating the policy of the State regarding the regulation and control of health occupations in the State; stating that the health occupation boards are created to function in a certain way with a certain intent; altering the membership of the Board; altering the powers and duties of the Board; repealing a certain provision of law regarding entry onto private premises for a certain purpose; authorizing the Board's executive director to apply for a certain search warrant under certain circumstances; requiring the application for the warrant to meet certain requirements; authorizing a judge who receives a certain search warrant application to issue a warrant under certain circumstances; requiring a certain search warrant to include certain information and be executed and returned to a certain individual within a certain period of time; clarifying that certain fees charged by the Board, which must be set so as to approximate the cost of maintaining the Board, include the cost of providing a certain rehabilitation program; requiring the Board to adopt certain regulations to allow a certain licensee to receive up to a certain number of credit hours for providing certain services; establishing certain disciplinary panels through which certain allegations must be resolved; requiring the chair of the Board to assign each member of the Board to one of the disciplinary panels; providing for the composition and chairs of the disciplinary panels; authorizing the chair of the Board to serve as an ex-officio member of a certain disciplinary panel; specifying the quorum of a disciplinary panel; authorizing a disciplinary panel to conduct a certain investigation; requiring a disciplinary panel to determine the final disposition of a complaint against a physician or an allied health professional, except under certain circumstances; providing that each disciplinary panel has the independent authority to make a final determination regarding a certain matter; prohibiting the Board from voting to approve or disapprove an action of a disciplinary panel; requiring a disciplinary panel to consult with the chair of a certain allied health advisory committee, or the chair's designee, under certain circumstances; requiring a complaint to be assigned to a disciplinary panel after the completion of a certain investigation by the Board; authorizing a disciplinary panel to enter into a consent order with a physician or an allied

health professional after conducting a certain meeting; requiring the chair of a certain disciplinary panel to refer a complaint to the other disciplinary panel under certain circumstances; prohibiting a certain disciplinary panel, or its members, from continuing to handle or participating in disciplinary proceedings regarding a complaint under certain circumstances; authorizing a disciplinary panel, instead of the Board, to take certain action regarding a complaint or come to a certain agreement with a licensee; requiring a disciplinary panel, instead of the Board, to refer certain allegations to a certain entity for peer review; requiring a disciplinary panel, instead of the Board, to obtain a certain number of peer review reports for certain allegations; repealing certain obsolete language regarding a certain request for proposals; repealing the requirement that the Board, under certain circumstances, provide direct rehabilitation services for physicians; requiring a disciplinary panel, instead of the Board, to offer certain complainants and licensees an opportunity to mediate certain disputes; authorizing a disciplinary panel, instead of the Board, to determine, for certain allegations, that an agreement for corrective action is warranted; requiring a disciplinary panel, instead of the Board, to notify certain licensees of identified deficiencies and enter into a certain corrective action; prohibiting a disciplinary panel, instead of the Board, from entering into an agreement for corrective action under certain circumstances; requiring a disciplinary panel, instead of the Board, to evaluate licensees with whom the disciplinary panel has entered into an agreement for corrective action and to take certain action under certain circumstances; requiring a disciplinary panel to provide certain individuals an opportunity to appear before the disciplinary panel under certain circumstances; authorizing a disciplinary panel, instead of the Board, to take certain disciplinary action against a physician or allied health professional under certain circumstances; clarifying that an affirmative vote of the majority of the quorum of the Board or of the quorum of a disciplinary panel is required before the Board or the disciplinary panel takes certain action; requiring a disciplinary panel, instead of the Board, to take certain disciplinary action against a certain physician or allied health professional under certain circumstances; prohibiting a disciplinary panel, instead of the Board, from taking disciplinary action against a certain physician under certain circumstances; requiring a disciplinary panel, instead of the Board, to give a certain individual an opportunity for a certain hearing; requiring a disciplinary panel, instead of the Board, to pass an order under certain circumstances; authorizing a disciplinary panel, instead of the Board, to reinstate certain licenses under certain circumstances; requiring a disciplinary panel to notify the Board of certain license reinstatements; providing that proceedings, records, and files of a disciplinary panel are not discoverable or admissible in certain actions except under certain circumstances; prohibiting a disciplinary panel from disclosing information in a record except under certain circumstances; requiring the Board to disclose the filing of charges and initial denials of licensure on the Board's Web site; requiring a disciplinary panel to disclose certain information in a record under certain circumstances; requiring certain licensee profiles to include a summary of charges filed against the licensee, including a copy of the charging document, under certain circumstances;

requiring that licensee profiles include a certain disclaimer; requiring the Board to include certain information on a licensee's profile within a certain time period; ~~requiring that a certain report that certain entities are required to file with the Board include a certain statement under certain circumstances;~~ requiring the Board, in consultation with certain interested parties, to adopt regulations to define certain circumstances under which certain reporting is required by hospitals, related institutions, and alternative health systems; authorizing the Board to impose a certain civil penalty on an alternative health system that fails to file a certain report; requiring the Board to remit a certain penalty to the General Fund of the State; repealing the requirement that a circuit court of the State impose a civil penalty on an alternative health system that fails to file a certain report; ~~requiring a certain court reporting requirement to be enforced by the imposition of a certain civil penalty;~~ authorizing a disciplinary panel, instead of the Board, to take certain action against a physician who performs acupuncture under certain circumstances; requiring the chairs of certain committees, or the chairs' designees, to serve in an advisory capacity to the Board; requiring certain committees to submit an annual report to the Board; requiring the Board to consider all recommendations of certain committees and annually provide a certain report to the committees; requiring the Board to create and maintain a certain profile on certain licensees; requiring the profiles to contain certain information; requiring the Board to forward a written copy of certain profiles to a person under certain circumstances; requiring the Board to maintain certain profiles on the Board's Web site; requiring the Board to provide a mechanism for correcting factual inaccuracies in certain profiles; requiring the Polysomnography Professional Standards Committee to elect a chair every certain number of years; repealing the requirement that the Board provide a certain explanation to the Physician Assistant Advisory Committee; repealing the requirement that the Board assess a certain fee under certain circumstances; requiring the Board to submit a certain report to certain committees of the General Assembly and the Department of Legislative Services on or before a certain date and annually thereafter for a certain period of time; exempting the Board and the related allied health advisory committees from certain provisions of law requiring a certain preliminary evaluation; making this Act an emergency measure; defining certain terms; making certain conforming, stylistic, and technical changes; and generally relating to the State Board of Physicians and the related allied health advisory committees.

BY adding to

Article – Health Occupations

Section 1–102, 14–101(a–1) and (c–1), 14–206.1, 14–401, 14–416, 14–5A–18.1, 14–5B–15.1, 14–5C–06(d), 14–5C–18.1, 14–5D–16.1, 14–5E–18.1, 15–101(i–1), and 15–316.1

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, without amendments,

Article – Health Occupations
Section 14–101(a) and 15–101(a)
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – Health Occupations
Section 14–101(m), 14–202(a), 14–205, 14–206(d)(1), 14–207(b), 14–316, 14–401, 14–403 through 14–405.1, 14–406, 14–407(a), 14–408, 14–409(a), 14–410, 14–411(a), (b), (d)(1)(ii), (i), (j)(2)(i), (l)(2), (m), (r), and (s), 14–411.1(b), (c)(2), and (f), 14–413, 14–414, 14–504(g), 14–506(b)(2), 14–5A–04(a), 14–5A–06(d), 14–5A–07, 14–5A–16, 14–5A–17, 14–5A–17.1, 14–5A–18(f), 14–5A–19, 14–5A–25, 14–5B–04(a), 14–5B–05(c), 14–5B–06, 14–5B–13, 14–5B–14, 14–5B–14.1, 14–5B–15(f), 14–5B–16, 14–5B–21, 14–5C–04(a), 14–5C–07, 14–5C–16, 14–5C–17, 14–5C–18(f), 14–5C–19, 14–5C–25, 14–5D–03(a), 14–5D–05(e), 14–5D–06, 14–5D–14, 14–5D–15, 14–5D–16, 14–5D–20, 14–5E–04(a), 14–5E–06(d), 14–5E–07, 14–5E–15, 14–5E–16, 14–5E–18(f), 14–5E–19, 14–5E–25, 14–603, 14–702, 15–103(h), 15–202(d) and (e), 15–205, 15–206(a), 15–302(g), 15–312, 15–314 through 15–316, and 15–502

Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

BY repealing

Article – Health Occupations
Section 15–310(e)
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government
Section 8–403(b)(6), (45), (48), (49), (53), (59), and (63)
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

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

Article – Health Occupations

1–102.

(A) IT IS THE POLICY OF THE STATE THAT HEALTH OCCUPATIONS SHOULD BE REGULATED AND CONTROLLED AS PROVIDED IN THIS ARTICLE TO PROTECT THE HEALTH, SAFETY, AND WELFARE OF THE PUBLIC.

(B) THE HEALTH OCCUPATIONS BOARDS ESTABLISHED BY THIS ARTICLE, THE MAJORITY OF WHOSE MEMBERS ARE LICENSED OR CERTIFIED UNDER THIS ARTICLE, ARE CREATED TO FUNCTION AS INDEPENDENT BOARDS, WITH THE INTENT THAT A PEER GROUP IS BEST QUALIFIED TO REGULATE, CONTROL, AND OTHERWISE DISCIPLINE IN A FAIR AND UNBIASED MANNER THE LICENSEES OR CERTIFICATE HOLDERS WHO PRACTICE IN THE STATE.

14-101.

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

(A-1) “ALLIED HEALTH PROFESSIONAL” MEANS AN INDIVIDUAL LICENSED BY THE BOARD UNDER SUBTITLE 5A, 5B, 5C, 5D, OR 5E OF THIS TITLE OR TITLE 15 OF THIS ARTICLE.

(C-1) “DISCIPLINARY PANEL” MEANS A DISCIPLINARY PANEL OF THE BOARD ESTABLISHED UNDER § 14-401 OF THIS TITLE.

(m) “Physician Rehabilitation Program” means the program of the Board or the nonprofit entity with which the Board contracts under [§ 14-401(g)] **§ 14-401.1(G)** of this title that evaluates and provides assistance to impaired physicians and other health professionals regulated by the Board who are directed by the Board to receive treatment and rehabilitation for alcoholism, chemical dependency, or other physical, emotional, or mental conditions.

14-202.

(a) (1) The Board shall consist of [21] **22** members appointed by the Governor with the advice of the Secretary and the advice and consent of the Senate.

(2) Of the [21] **22** members:

(i) 11 shall be practicing licensed physicians, at least one of whom shall be a doctor of osteopathy, appointed as provided in subsections (d) and (e) of this section;

(ii) 1 shall be a practicing licensed physician appointed at the Governor’s discretion;

(iii) 1 shall be a representative of the Department nominated by the Secretary;

(iv) 1 shall be a [certified] **LICENSED** physician assistant appointed at the Governor’s discretion as provided in subsections (f) and (g) of this section;

(v) [1] 2 shall be [a] practicing licensed [physician] PHYSICIANS with [a] full-time faculty [appointment] APPOINTMENTS appointed to serve as [a representative] REPRESENTATIVES of [an] academic medical [institution] INSTITUTIONS in [this] THE State [appointed from a list containing] AND OF WHOM:

1. 1 SHALL BE APPOINTED FROM A LIST CONTAINING 3 names submitted by the Johns Hopkins University School of Medicine; and

2. 1 SHALL BE APPOINTED FROM A LIST CONTAINING 3 names submitted by the University of Maryland School of Medicine;

(vi) 5 shall be consumer members; and

(vii) 1 shall be a public member knowledgeable in risk management or quality assurance matters appointed from a list submitted by the Maryland Hospital Association.

14–205.

(a) IN ADDITION TO THE POWERS AND DUTIES SET FORTH IN THIS TITLE AND IN TITLE 15 OF THIS ARTICLE, THE BOARD SHALL:

(1) ENFORCE THIS TITLE AND TITLE 15 OF THIS ARTICLE;

(2) ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS TITLE AND TITLE 15 OF THIS ARTICLE;

(3) ESTABLISH POLICIES FOR BOARD OPERATIONS;

(4) MAINTAIN THE RULES, REGULATIONS, AND POLICIES OF THE BOARD SO THAT THE RULES, REGULATIONS, AND POLICIES REFLECT THE CURRENT PRACTICES OF THE BOARD;

(5) OVERSEE:

(I) THE LICENSING REQUIREMENTS FOR PHYSICIANS AND THE ALLIED HEALTH PROFESSIONALS; AND

(II) THE ISSUANCE AND RENEWAL OF LICENSES;

(6) MAINTAIN SECURE AND COMPLETE RECORDS;

(7) REVIEW AND PRELIMINARILY INVESTIGATE COMPLAINTS, INCLUDING ACKNOWLEDGING RECEIPT OF COMPLAINTS AND INFORMING COMPLAINANTS OF THE FINAL DISPOSITION OF COMPLAINTS;

~~(8) ESTABLISH MECHANISMS FOR IDENTIFYING AND MONITORING THE TREATMENT OF LICENSEES WHO ARE DEPENDENT ON ALCOHOL OR OTHER ADDICTIVE SUBSTANCES AND FOR THE VOLUNTARY SELF-REPORTING OF SUBSTANCE ABUSE ISSUES BY LICENSEES;~~

~~(9)~~ (8) DEVELOP AND IMPLEMENT METHODS TO:

~~(i) IDENTIFY INCOMPETENT LICENSEES WHO FAIL TO MEET ACCEPTABLE STANDARDS OF CARE;~~

~~(ii)~~ (i) ASSESS AND IMPROVE LICENSEE PRACTICES; AND

~~(iii)~~ (ii) ENSURE THE ONGOING COMPETENCE OF LICENSEES;

~~(10)~~ (9) ENSURE THAT AN OPPORTUNITY FOR A HEARING IS PROVIDED TO AN INDIVIDUAL, IN ACCORDANCE WITH LAW, BEFORE ANY ACTION IS TAKEN AGAINST THE INDIVIDUAL;

~~(11)~~ (10) ADJUDICATE NONDISCIPLINARY MATTERS WITHIN THE BOARD'S JURISDICTION;

~~(12)~~ (11) REPORT ON ALL DISCIPLINARY ACTIONS, LICENSE DENIALS, AND LICENSE SURRENDERS;

~~(13)~~ (12) ESTABLISH APPROPRIATE FEES THAT ARE ADEQUATE TO FUND THE EFFECTIVE REGULATION OF PHYSICIANS AND ALLIED HEALTH PROFESSIONALS;

~~(14)~~ (13) MAKE RECOMMENDATIONS THAT BENEFIT THE HEALTH, SAFETY, AND WELFARE OF THE PUBLIC;

~~(15)~~ (14) PROVIDE ONGOING EDUCATION AND TRAINING FOR BOARD MEMBERS TO ENSURE THAT THE BOARD MEMBERS CAN COMPETENTLY DISCHARGE THEIR DUTIES;

~~(16)~~ (15) DIRECT EDUCATIONAL OUTREACH TO AND COMMUNICATE WITH LICENSEES AND THE PUBLIC;

~~(17)~~ (16) DEVELOP AND ADOPT A BUDGET THAT REFLECTS REVENUES AND SUPPORTS THE COSTS ASSOCIATED WITH EACH ALLIED HEALTH PROFESSION REGULATED BY THE BOARD;

~~(18)~~ **(17)** DEVELOP AND APPROVE AN ANNUAL REPORT AND OTHER REQUIRED REPORTS FOR SUBMISSION TO THE SECRETARY, THE GOVERNOR, THE GENERAL ASSEMBLY, AND THE PUBLIC;

~~(19)~~ **(18)** APPROVE CONTRACTS AS NEEDED AND WITHIN BUDGETARY LIMITS;

~~(20)~~ **(19)** APPOINT STANDING AND AD HOC COMMITTEES FROM AMONG BOARD MEMBERS AS NECESSARY;

~~(21)~~ **(20)** DELEGATE TO THE EXECUTIVE DIRECTOR OF THE BOARD THE AUTHORITY TO DISCHARGE BOARD DUTIES, AS DEEMED APPROPRIATE AND NECESSARY BY THE BOARD, AND HOLD THE EXECUTIVE DIRECTOR ACCOUNTABLE TO THE BOARD; AND

~~(22)~~ **(21)** APPOINT MEMBERS OF THE DISCIPLINARY PANELS.

(B) (1) In addition to the powers set forth elsewhere in this title, the Board may:

(i) Adopt [rules and] regulations to[:

1. Carry out the provisions of this title; or

2. Regulate] **REGULATE** the performance of acupuncture, but only to the extent authorized by § 14–504 of this title;

(ii) After consulting with the State Board of Pharmacy, adopt rules and regulations regarding the dispensing of prescription drugs by a licensed physician;

(iii) Subject to the Administrative Procedure Act, deny a license to an applicant or, **IF AN APPLICANT HAS FAILED TO RENEW THE APPLICANT'S LICENSE**, refuse to renew or reinstate an applicant's license for any of the reasons that are grounds for action under § 14–404 of this title;

(iv) On receipt of a written and signed complaint, including a referral from the Commissioner of Labor and Industry, conduct an unannounced inspection of the office of a physician or acupuncturist, other than an office of a physician or acupuncturist in a hospital, related institution, freestanding medical facility, or a freestanding birthing center, to determine compliance at that office with the Centers for Disease Control and Prevention's guidelines on universal precautions; and

(v) Contract with others for the purchase of administrative and examination services to carry out the provisions of this title.

(2) The Board **OR A DISCIPLINARY PANEL** may investigate an alleged violation of this title.

[(b)] (C) (1) In addition to the duties set forth elsewhere in this title, the Board shall:

(i) Submit an annual report to the Faculty and to the Secretary;

(ii) Issue, for use in other jurisdictions, a certificate of professional standing to any licensed physician; and

(iii) Keep a list of all license applicants.

(2) (i) The Board shall keep a list of all physicians who are currently licensed.

(ii) The list shall include each physician's designated public address.

(iii) A physician's designated public address may be a post office box only if the physician provides to the Board a nonpublic address, under paragraph (3) of this subsection, that is not a post office box.

(iv) Each list prepared under this paragraph shall be kept as a permanent record of the Board.

(v) The list of currently licensed physicians is a public record.

(3) (i) The Board shall maintain on file a physician's designated nonpublic address, if provided by the physician, to facilitate communication between the physician and the Board.

(ii) The Board shall offer a physician the opportunity to designate a nonpublic address, in addition to the physician's public address, at the time of initial licensure and license renewal.

(iii) A physician shall designate an address where the Board may send the physician mail.

(iv) A physician's designated nonpublic address is not a public record and may not be released by the Board.

(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 place of business of a licensed physician; OR

(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 premises.

14-206.1.

(A) BASED ON A COMPLAINT RECEIVED BY THE BOARD, THE EXECUTIVE DIRECTOR OF THE BOARD MAY APPLY TO A JUDGE OF THE DISTRICT COURT OR A CIRCUIT COURT FOR A SEARCH WARRANT TO ENTER PRIVATE PREMISES WHERE THE BOARD OR A DISCIPLINARY PANEL SUSPECTS THAT A PERSON WHO IS NOT LICENSED BY THE BOARD IS PRACTICING, ATTEMPTING TO PRACTICE, OR OFFERING TO PRACTICE MEDICINE.

(B) AN APPLICATION FOR A SEARCH WARRANT SHALL:

(1) BE IN WRITING;

(2) BE VERIFIED BY THE APPLICANT; AND

(3) DESCRIBE THE PREMISES TO BE SEARCHED AND THE NATURE, SCOPE, AND PURPOSE OF THE SEARCH.

(C) A JUDGE WHO RECEIVES AN APPLICATION FOR A SEARCH WARRANT MAY ISSUE A WARRANT ON A FINDING THAT:

(1) THE SCOPE OF THE PROPOSED SEARCH IS REASONABLE;

(2) THE REQUEST FOR A SEARCH WARRANT IS BASED ON A COMPLAINT RECEIVED BY THE BOARD; AND

(3) OBTAINING CONSENT TO ENTER THE PREMISES MAY JEOPARDIZE THE ATTEMPT TO DETERMINE WHETHER A PERSON WHO IS NOT LICENSED BY THE BOARD IS PRACTICING, ATTEMPTING TO PRACTICE, OR OFFERING TO PRACTICE MEDICINE.

(D) (1) A SEARCH WARRANT ISSUED UNDER THIS SECTION SHALL SPECIFY THE LOCATION OF THE PREMISES TO BE SEARCHED.

(2) A SEARCH CONDUCTED IN ACCORDANCE WITH A SEARCH WARRANT ISSUED UNDER THIS SECTION MAY NOT EXCEED THE LIMITS SPECIFIED IN THE WARRANT.

(E) A SEARCH WARRANT ISSUED UNDER THIS SECTION SHALL BE EXECUTED AND RETURNED TO THE ISSUING JUDGE:

(1) WITHIN THE PERIOD SPECIFIED IN THE WARRANT, WHICH MAY NOT EXCEED 30 DAYS AFTER THE DATE OF ISSUANCE; OR

(2) WITHIN 15 DAYS AFTER THE DATE OF ISSUANCE, IF NO PERIOD IS SPECIFIED IN THE WARRANT.

14-207.

(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, INCLUDING THE COST OF PROVIDING A REHABILITATION PROGRAM FOR PHYSICIANS UNDER § 14-401.1(G) OF THIS TITLE.

(3) Funds to cover the compensation and expenses of the Board members shall be generated by fees set under this section.

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 SHALL ADOPT REGULATIONS THAT ALLOW A LICENSEE SEEKING RENEWAL TO RECEIVE UP TO 5 CONTINUING EDUCATION CREDITS PER RENEWAL PERIOD FOR PROVIDING UNCOMPENSATED, VOLUNTARY MEDICAL SERVICES DURING EACH RENEWAL PERIOD.

~~[(3)] (4)~~ 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)] (5)~~ 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.

14–401.

(A) THERE ARE TWO DISCIPLINARY PANELS THROUGH WHICH ALLEGATIONS OF GROUNDS FOR DISCIPLINARY ACTION AGAINST A LICENSED PHYSICIAN OR AN ALLIED HEALTH PROFESSIONAL SHALL BE RESOLVED.

(B) (1) THE CHAIR OF THE BOARD SHALL ASSIGN EACH MEMBER OF THE BOARD TO ONE OF THE DISCIPLINARY PANELS ESTABLISHED UNDER SUBSECTION (A) OF THIS SECTION.

(2) EACH DISCIPLINARY PANEL SHALL CONSIST OF 11 BOARD MEMBERS.

(3) OF THE 11 MEMBERS ON A DISCIPLINARY PANEL:

(I) 6 SHALL BE PRACTICING LICENSED PHYSICIANS;

(II) 1 SHALL BE A PRACTICING LICENSED PHYSICIAN WITH A FULL–TIME FACULTY APPOINTMENT;

(III) 1 SHALL BE A REPRESENTATIVE OF THE DEPARTMENT OR A LICENSED PHYSICIAN ASSISTANT; AND

(IV) 3 SHALL BE MEMBERS OF THE PUBLIC.

(4) THE CHAIR OF THE BOARD MAY SERVE AS AN EX–OFFICIO MEMBER OF THE DISCIPLINARY PANEL TO WHICH THE CHAIR WAS NOT ASSIGNED AS A MEMBER UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(5) THE CHAIR OF THE BOARD SHALL SELECT A MEMBER OF EACH DISCIPLINARY PANEL TO BE THE CHAIR OF THE DISCIPLINARY PANEL.

(6) A QUORUM OF A DISCIPLINARY PANEL CONSISTS OF ~~6~~ 7 MEMBERS.

[14–401.] 14–401.1.

(a) (1) The Board shall perform any necessary preliminary investigation REGARDING AN ALLEGATION OF GROUNDS FOR DISCIPLINARY OR OTHER ACTION BROUGHT TO THE BOARD'S ATTENTION before [the Board refers] THE ALLEGATION IS ASSIGNED to [an investigatory body an allegation of grounds for disciplinary or other action brought to its attention] A DISCIPLINARY PANEL.

(2) (I) AFTER THE COMPLETION OF ANY NECESSARY PRELIMINARY INVESTIGATION UNDER PARAGRAPH (1) OF THIS SUBSECTION, A COMPLAINT SHALL BE ASSIGNED TO A DISCIPLINARY PANEL.

(II) SUBJECT TO THE PROVISIONS OF THIS SECTION, A DISCIPLINARY PANEL:

1. SHALL DETERMINE THE FINAL DISPOSITION OF A COMPLAINT AGAINST A PHYSICIAN OR AN ALLIED HEALTH PROFESSIONAL; AND

2. HAS THE INDEPENDENT AUTHORITY TO MAKE A DETERMINATION REGARDING THE FINAL DISPOSITION OF A COMPLAINT.

(III) THE BOARD MAY NOT VOTE TO APPROVE OR DISAPPROVE ANY ACTION TAKEN BY A DISCIPLINARY PANEL, INCLUDING THE FINAL DISPOSITION OF A COMPLAINT.

(3) A DISCIPLINARY PANEL THAT IS ASSIGNED A COMPLAINT UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION MAY:

(I) CONDUCT ANY ADDITIONAL INVESTIGATION INTO A COMPLAINT THAT IS DEEMED NECESSARY TO DETERMINE WHETHER A VIOLATION OF THIS TITLE OR TITLE 15 OF THIS ARTICLE HAS OCCURRED; AND

(II) ENTER INTO A CONSENT ORDER WITH A PHYSICIAN OR AN ALLIED HEALTH PROFESSIONAL AFTER CONDUCTING A MEETING BETWEEN THE DISCIPLINARY PANEL AND THE PHYSICIAN OR ALLIED HEALTH PROFESSIONAL TO DISCUSS ANY PROPOSED DISPOSITION OF THE COMPLAINT.

(4) A DISCIPLINARY PANEL THAT IS ASSIGNED A COMPLAINT AGAINST AN ALLIED HEALTH PROFESSIONAL UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION SHALL CONSULT WITH THE CHAIR OF THE APPROPRIATE ALLIED HEALTH ADVISORY COMMITTEE, OR THE CHAIR'S DESIGNEE, BEFORE TAKING DISCIPLINARY ACTION AGAINST THE ALLIED HEALTH PROFESSIONAL.

(5) (I) IF A COMPLAINT PROCEEDS TO A HEARING UNDER § 14-405, § 14-5A-17, § 14-5B-14, § 14-5C-17, § 14-5D-15, OR § 14-5E-16 OF

THIS TITLE OR § 15–315 OF THIS ARTICLE, THE CHAIR OF THE DISCIPLINARY PANEL THAT WAS ASSIGNED THE COMPLAINT UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION SHALL REFER THE COMPLAINT TO THE OTHER DISCIPLINARY PANEL.

(II) IF THE COMPLAINT PROCEEDS TO A HEARING AND IS REFERRED TO THE OTHER DISCIPLINARY PANEL UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE DISCIPLINARY PANEL THAT WAS ASSIGNED THE COMPLAINT UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION, OR ANY OF ITS MEMBERS, MAY NOT:

- 1. CONTINUE TO HANDLE THE COMPLAINT;**
- 2. PARTICIPATE IN ANY DISCIPLINARY PROCEEDINGS REGARDING THE COMPLAINT; OR**
- 3. DETERMINE THE FINAL DISPOSITION OF THE COMPLAINT.**

(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] **BEING ASSIGNED A COMPLAINT UNDER SUBSECTION (A) OF THIS SECTION**, the [Board] **DISCIPLINARY PANEL** may:

- (i) Refer [the] **AN** 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) **(I)** After [performing any necessary preliminary investigation of an allegation of grounds for disciplinary or other action] **BEING ASSIGNED A COMPLAINT**, the [Board] **DISCIPLINARY PANEL** shall refer any allegation **IN THE COMPLAINT** 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.

(II) A DISCIPLINARY PANEL SHALL OBTAIN TWO PEER REVIEW REPORTS FROM THE ENTITY OR INDIVIDUAL WITH WHOM THE BOARD CONTRACTED UNDER SUBSECTION (E) OF THIS SECTION FOR EACH ALLEGATION THE DISCIPLINARY PANEL REFERS FOR PEER REVIEW.

(3) If, after [performing any necessary preliminary investigation] **BEING ASSIGNED A COMPLAINT**, the [Board] **DISCIPLINARY PANEL** determines that an allegation involving fees for professional or ancillary services does not constitute grounds for disciplinary or other action, the [Board] **DISCIPLINARY PANEL** 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] **A DISCIPLINARY PANEL**:

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] **A DISCIPLINARY PANEL** may not enter into an agreement for corrective action with a licensee if patient safety is an issue.

(iii) The [Board] **DISCIPLINARY PANEL** shall subsequently evaluate the licensee and shall:

1. Terminate the corrective action if the [Board] **DISCIPLINARY PANEL** 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] **EACH DISCIPLINARY PANEL’S** corrective action agreements in the executive director’s report of Board activities.

(d) 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)] In accordance with subsection (f) of this section, the Board shall enter into a written contract with an entity or individual for 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) A peer reviewer shall:

- (i) 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 the peer reviewer's own license;
- (v) Receive training in peer review;
- (vi) Have a standard format for peer review reports; and
- (vii) To the extent practicable, be licensed and engaged in the practice of medicine in the State.

(3) 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) The entity or individual peer reviewer with which the Board contracts under subsection (e) of this section shall have 90 days for completion of peer review.

(2) The entity or individual peer reviewer may apply to the Board for an extension of up to 30 days to the time limit imposed under paragraph (1) of this subsection.

(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.

(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.

(g) ~~(1) Except as provided in paragraph (2) of this subsection, on or before January 1, 2008, the~~ **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.~~

(h) (1) To facilitate the investigation and prosecution of disciplinary matters and the mediation of fee disputes coming before it, the Board may contract with an entity or entities for the purchase of investigatory, mediation, and related services.

(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.

(i) The Board **OR A DISCIPLINARY PANEL** may issue subpoenas and administer oaths in connection with any investigation under this section and any hearing or proceeding before it.

(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.

(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] **A DISCIPLINARY PANEL** 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.

(L) A DISCIPLINARY PANEL, IN CONDUCTING A MEETING WITH A PHYSICIAN OR ALLIED HEALTH PROFESSIONAL TO DISCUSS THE PROPOSED DISPOSITION OF A COMPLAINT, SHALL PROVIDE AN OPPORTUNITY TO APPEAR BEFORE THE DISCIPLINARY PANEL TO BOTH THE LICENSEE WHO HAS BEEN CHARGED AND THE INDIVIDUAL WHO HAS FILED THE COMPLAINT AGAINST THE LICENSEE GIVING RISE TO THE CHARGE.

14–403.

(a) Unless [the Board] **A DISCIPLINARY PANEL** agrees to accept the surrender of a license, certification, or registration of an individual the Board regulates, the individual may not surrender the license, certification, or registration nor may the license, certification, or registration lapse by operation of law while the individual is under investigation or while charges are pending.

(b) [The Board] **A DISCIPLINARY PANEL** may set conditions on its agreement to accept surrender of a license, certification, or registration.

14–404.

(a) Subject to the hearing provisions of § 14–405 of this subtitle, [the Board] **A DISCIPLINARY PANEL**, on the affirmative vote of a majority of the quorum **OF THE DISCIPLINARY PANEL**, may reprimand any licensee, place any licensee on probation, or suspend or revoke a license if the licensee:

(1) Fraudulently or deceptively obtains or attempts to obtain a license for the applicant or licensee or for another;

(2) Fraudulently or deceptively uses a license;

(3) Is guilty of:

(i) Immoral conduct in the practice of medicine; or

(ii) Unprofessional conduct in the practice of medicine;

(4) Is professionally, physically, or mentally incompetent;

- (5) Solicits or advertises in violation of § 14–503 of this title;
 - (6) Abandons a patient;
 - (7) Habitually is intoxicated;
 - (8) Is addicted to, or habitually abuses, any narcotic or controlled dangerous substance as defined in § 5–101 of the Criminal Law Article;
 - (9) Provides professional services:
 - (i) While under the influence of alcohol; or
 - (ii) While using any narcotic or controlled dangerous substance, as defined in § 5–101 of the Criminal Law Article, or other drug that is in excess of therapeutic amounts or without valid medical indication;
 - (10) Promotes the sale of drugs, devices, appliances, or goods to a patient so as to exploit the patient for financial gain;
 - (11) Willfully makes or files a false report or record in the practice of medicine;
 - (12) Willfully fails to file or record any medical report as required under law, willfully impedes or obstructs the filing or recording of the report, or induces another to fail to file or record the report;
 - (13) On proper request, and in accordance with the provisions of Title 4, Subtitle 3 of the Health – General Article, fails to provide details of a patient's medical record to the patient, another physician, or hospital;
 - (14) Solicits professional patronage through an agent or other person or profits from the acts of a person who is represented as an agent of the physician;
 - (15) Pays or agrees to pay any sum to any person for bringing or referring a patient or accepts or agrees to accept any sum from any person for bringing or referring a patient;
 - (16) Agrees with a clinical or bioanalytical laboratory to make payments to the laboratory for a test or test series for a patient, unless the licensed physician discloses on the bill to the patient or third-party payor:
 - (i) The name of the laboratory;
 - (ii) The amount paid to the laboratory for the test or test series;
- and

(iii) The amount of procurement or processing charge of the licensed physician, if any, for each specimen taken;

(17) Makes a willful misrepresentation in treatment;

(18) Practices medicine with an unauthorized person or aids an unauthorized person in the practice of medicine;

(19) Grossly overutilizes health care services;

(20) Offers, undertakes, or agrees to cure or treat disease by a secret method, treatment, or medicine;

(21) Is disciplined by a licensing or disciplinary authority or convicted or disciplined by a court of any state or country or disciplined by any branch of the United States uniformed services or the Veterans' Administration for an act that would be grounds for disciplinary action under this section;

(22) Fails to meet appropriate standards as determined by appropriate peer review for the delivery of quality medical and surgical care performed in an outpatient surgical facility, office, hospital, or any other location in this State;

(23) Willfully submits false statements to collect fees for which services are not provided;

(24) Was subject to investigation or disciplinary action by a licensing or disciplinary authority or by a court of any state or country for an act that would be grounds for disciplinary action under this section and the licensee:

(i) Surrendered the license issued by the state or country to the state or country; or

(ii) Allowed the license issued by the state or country to expire or lapse;

(25) Knowingly fails to report suspected child abuse in violation of § 5–704 of the Family Law Article;

(26) Fails to educate a patient being treated for breast cancer of alternative methods of treatment as required by § 20–113 of the Health – General Article;

(27) Sells, prescribes, gives away, or administers drugs for illegal or illegitimate medical purposes;

(28) Fails to comply with the provisions of § 12–102 of this article;

(29) Refuses, withholds from, denies, or discriminates against an individual with regard to the provision of professional services for which the licensee is licensed and qualified to render because the individual is HIV positive;

(30) Except as to an association that has remained in continuous existence since July 1, 1963:

(i) Associates with a pharmacist as a partner or co-owner of a pharmacy for the purpose of operating a pharmacy;

(ii) Employs a pharmacist for the purpose of operating a pharmacy; or

(iii) Contracts with a pharmacist for the purpose of operating a pharmacy;

(31) Except in an emergency life-threatening situation where it is not feasible or practicable, fails to comply with the Centers for Disease Control and Prevention's guidelines on universal precautions;

(32) Fails to display the notice required under § 14-415 of this subtitle;

(33) Fails to cooperate with a lawful investigation conducted by the Board **OR A DISCIPLINARY PANEL**;

(34) Is convicted of insurance fraud as defined in § 27-801 of the Insurance Article;

(35) Is in breach of a service obligation resulting from the applicant's or licensee's receipt of State or federal funding for the licensee's medical education;

(36) Willfully makes a false representation when seeking or making application for licensure or any other application related to the practice of medicine;

(37) By corrupt means, threats, or force, intimidates or influences, or attempts to intimidate or influence, for the purpose of causing any person to withhold or change testimony in hearings or proceedings before the Board **OR A DISCIPLINARY PANEL** or those otherwise delegated to the Office of Administrative Hearings;

(38) By corrupt means, threats, or force, hinders, prevents, or otherwise delays any person from making information available to the Board **OR A DISCIPLINARY PANEL** in furtherance of any investigation of the Board **OR A DISCIPLINARY PANEL**;

(39) Intentionally misrepresents credentials for the purpose of testifying or rendering an expert opinion in hearings or proceedings before the Board **OR A DISCIPLINARY PANEL** or those otherwise delegated to the Office of Administrative Hearings;

(40) Fails to keep adequate medical records as determined by appropriate peer review; or

(41) Performs a cosmetic surgical procedure in an office or a facility that is not:

(i) Accredited by:

1. The American Association for Accreditation of Ambulatory Surgical Facilities;

2. The Accreditation Association for Ambulatory Health Care; or

3. The Joint Commission on the Accreditation of Health Care Organizations; or

(ii) Certified to participate in the Medicare program, as enacted by Title XVIII of the Social Security Act.

(b) (1) On the filing of certified docket entries with the Board by the Office of the Attorney General, [the Board] **A DISCIPLINARY PANEL** shall order the suspension of a license if the licensee is convicted of or pleads guilty or nolo contendere with respect to a crime involving moral turpitude, whether or not any appeal or other proceeding is pending to have the conviction or plea set aside.

(2) After completion of the appellate process if the conviction has not been reversed or the plea has not been set aside with respect to a crime involving moral turpitude, [the Board] **A DISCIPLINARY PANEL** shall order the revocation of a license on the certification by the Office of the Attorney General.

(c) (1) Except as provided in paragraph (2) of this subsection, [the Board] **A DISCIPLINARY PANEL** may not reprimand, place on probation, or suspend or revoke a license of a licensee for providing a patient with a written statement, medical records, or testimony that, in the licensee's professional opinion, the patient is likely to receive therapeutic or palliative relief from marijuana.

(2) Nothing in this subsection shall be deemed to release a licensee from the duty to exercise a professional standard of care when evaluating a patient's medical condition.

14-405.

(a) Except as otherwise provided in the Administrative Procedure Act, before the Board **OR A DISCIPLINARY PANEL** takes any action under § 14-404(a) of this subtitle or § 14-5A-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 **OR A DISCIPLINARY PANEL** for disposition.

(e) After performing any necessary hearing under this section, the hearing officer shall refer proposed factual findings to the Board **OR A DISCIPLINARY PANEL** for the Board's **OR DISCIPLINARY PANEL'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.

14-405.1.

(a) If after a hearing under § 14-405 of this subtitle [the Board] **A DISCIPLINARY PANEL** finds that there are grounds under § 14-404 of this subtitle to suspend or revoke a license to practice medicine or osteopathy, or to reprimand a licensed physician or osteopath, the [Board] **DISCIPLINARY PANEL** may impose a fine subject to the Board's regulations:

(1) Instead of suspending the license; or

(2) In addition to suspending or revoking the license or reprimanding the licensee.

(b) The Board shall pay any fines collected under this section into the General Fund.

14-406.

(a) Following the filing of charges, if a majority of the quorum of [the Board] **A DISCIPLINARY PANEL** finds that there are grounds for action under § 14–404 of this subtitle, the [Board] **DISCIPLINARY PANEL** shall pass an order in accordance with the Administrative Procedure Act.

(b) After the charges are filed, if [the Board] **A DISCIPLINARY PANEL** finds, on an affirmative vote of a majority of its quorum, that there are no grounds for action under § 14–404 of this subtitle, the [Board] **DISCIPLINARY PANEL**:

(1) Immediately shall dismiss the charges and exonerate the licensee;

(2) (i) Except as provided in item (ii) of this [paragraph] **ITEM**, shall expunge all records of the charges 3 years after the charges are dismissed; or

(ii) If the physician executes a document releasing the Board from any liability related to the charges, shall immediately expunge all records of the charges; and

(3) May not take any further action on the charges.

14–407.

(a) An order of suspension or revocation is effective, in accordance with its terms and conditions, as soon as [the Board] **A DISCIPLINARY PANEL** files it under this title.

14–408.

(a) Except as provided in this section for an action under § 14–404 of this subtitle or § 14–5A–17 of this title, any person aggrieved by a final decision of the Board **OR A DISCIPLINARY PANEL** in a contested case, as defined in the Administrative Procedure Act, may:

(1) Appeal that decision to the Board of Review; and

(2) Then take any further appeal allowed by the Administrative Procedure Act.

(b) (1) Any person aggrieved by a final decision of the Board **OR A DISCIPLINARY PANEL** under § 14–404 of this subtitle or § 14–5A–17 of this title may not appeal to the Secretary or Board of Review but may take a direct judicial appeal.

(2) The appeal shall be made as provided for judicial review of final decisions in the Administrative Procedure Act.

(c) An order of the Board **OR A DISCIPLINARY PANEL** may not be stayed pending review.

(d) The Board may appeal from any decision that reverses or modifies [its] **AN order OF THE BOARD OR A DISCIPLINARY PANEL**.

14-409.

(a) **(1)** Except as provided in subsection (b) of this section, [the Board] **A DISCIPLINARY PANEL** may reinstate the license of an individual whose license has been suspended or revoked under this title only in accordance with:

[(1)] (I) The terms and conditions of the order of suspension or revocation;

[(2)] (II) An order of reinstatement issued by the [Board] **DISCIPLINARY PANEL**; or

[(3)] (III) A final judgment in any proceeding for review.

(2) IF A DISCIPLINARY PANEL REINSTATES A LICENSE UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE DISCIPLINARY PANEL SHALL NOTIFY THE BOARD OF THE REINSTATEMENT.

14-410.

(a) Except by the express stipulation and consent of all parties to a proceeding before the Board, **A DISCIPLINARY PANEL**, or any of its **OTHER** investigatory bodies, in a civil or criminal action:

(1) The proceedings, records, or files of the Board, **A DISCIPLINARY PANEL**, or any of its **OTHER** investigatory bodies are not discoverable and are not admissible in evidence; and

(2) Any order passed by the Board **OR DISCIPLINARY PANEL** is not admissible in evidence.

(b) This section does not apply to a civil action brought by a party to a proceeding before the Board **OR A DISCIPLINARY PANEL** who claims to be aggrieved by the decision of the Board **OR THE DISCIPLINARY PANEL**.

(c) If any medical or hospital record or any other exhibit is subpoenaed and otherwise is admissible in evidence, the use of that record or exhibit in a proceeding before the Board, **A DISCIPLINARY PANEL**, or any of its **OTHER** investigatory bodies does not prevent its production in any other proceeding.

14–411.

(a) In this section, “record” means the proceedings, records, or files of the Board **OR A DISCIPLINARY PANEL**.

(b) Except as otherwise expressly provided in this section and § 14–411.1 of this subtitle, the Board, **A DISCIPLINARY PANEL**, or any of its **OTHER** investigatory bodies may not disclose any information contained in a record.

(d) The Board shall disclose any information contained in a record to:

(1) A committee of a hospital, health maintenance organization, or related institution if:

(ii) **[The Board] A DISCIPLINARY PANEL** has issued an order as to a licensed physician on whom the information is requested; and

(i) Following the filing of charges or notice of initial denial of license application, the Board shall disclose the filing to the public **ON THE BOARD’S WEB SITE**.

(j) The Board may disclose any information contained in a record to a licensing or disciplinary authority of another state if:

(2) The disclosure of any information is limited to the pendency of an allegation of a ground for disciplinary or other action by **[the Board] A DISCIPLINARY PANEL** until:

(i) The **[Board] DISCIPLINARY PANEL** has passed an order under § 14–406 of this subtitle; or

(l) The Board may disclose any information contained in a record to the State Medical Assistance Compliance Administration, the Secretary of the U.S. Department of Health and Human Services or the Secretary’s designee, or any health occupational regulatory board if:

(2) (i) **[The Board] A DISCIPLINARY PANEL** has issued an order under § 14–406 of this subtitle; or

(ii) An allegation is pending before the Board **OR A DISCIPLINARY PANEL**; and

(m) If the Board **OR A DISCIPLINARY PANEL** determines that the information contained in a record concerns possible criminal activity, the Board **OR**

THE DISCIPLINARY PANEL shall disclose the information to a law enforcement or prosecutorial official.

(r) This section does not apply to:

(1) Any disclosure of a record by the Board to **A DISCIPLINARY PANEL OR** any of its **OTHER** investigatory bodies; or

(2) A licensee, certificate holder, or registration holder who has been charged under this title or a party to a proceeding before the Board **OR A DISCIPLINARY PANEL** who claims to be aggrieved by the decision of the Board **OR THE DISCIPLINARY PANEL**.

(s) If any information contained in any medical or hospital document or any other exhibit is otherwise open for disclosure under law, the use of that document or exhibit in any record of the Board, **A DISCIPLINARY PANEL**, or any of its **OTHER** investigatory bodies does not prevent its disclosure in any other proceeding.

14-411.1.

(b) The Board shall create and maintain a public individual profile on each licensee that includes the following information:

(1) **A SUMMARY OF CHARGES FILED AGAINST THE LICENSEE, INCLUDING A COPY OF THE CHARGING DOCUMENT, UNTIL A DISCIPLINARY PANEL HAS TAKEN ACTION UNDER § 14-404 OF THIS SUBTITLE BASED ON THE CHARGES OR HAS RESCINDED THE CHARGES.**

(2) A description of any disciplinary action taken by the Board **OR A DISCIPLINARY PANEL** against the licensee within the most recent 10-year period that includes a copy of the public order;

[(2)] (3) 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)] (4) 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)] (5) 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)] **§ 14-416** of this subtitle; and

[(5)] (6) 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:

(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 A DISCLAIMER STATING THAT A CHARGING DOCUMENT DOES NOT INDICATE A FINAL FINDING OF GUILT BY A DISCIPLINARY PANEL**; and

(f) The Board shall include information relating to **[a] CHARGES FILED AGAINST A LICENSEE BY A DISCIPLINARY PANEL AND ANY** final disciplinary action taken by **[the Board] A DISCIPLINARY PANEL** against a licensee in the licensee’s profile within 10 days after **THE CHARGES ARE FILED OR** the action becomes final.

14–413.

(a) (1) Every 6 months, each hospital and related institution shall file with the Board a report that:

(i) Contains the name of each licensed physician who, during the 6 months preceding the report:

1. Is employed by the hospital or related institution;

2. Has privileges with the hospital or related institution;

and

3. Has applied for privileges with the hospital or related institution; ~~and~~

(ii) States whether, as to each licensed physician, during the 6 months preceding the report:

1. The hospital or related institution denied the application of a physician for staff privileges or limited, reduced, otherwise changed, or terminated the staff privileges of a physician, or the physician resigned whether or not under formal accusation, if the denial, limitation, reduction, change, termination, or resignation is for reasons that might be grounds for disciplinary action under § 14-404 of this subtitle;

2. The hospital or related institution took any disciplinary action against a salaried, licensed physician without staff privileges, including termination of employment, suspension, or probation, for reasons that might be grounds for disciplinary action under § 14-404 of this subtitle;

3. The hospital or related institution took any disciplinary action against an individual in a postgraduate medical training program, including removal from the training program, suspension, or probation for reasons that might be grounds for disciplinary action under § 14-404 of this subtitle;

4. A licensed physician or an individual in a postgraduate training program voluntarily resigned from the staff, employ, or training program of the hospital or related institution for reasons that might be grounds for disciplinary action under § 14-404 of this subtitle; or

5. The hospital or related institution placed any other restrictions or conditions on any of the licensed physicians as listed in items 1 through 4 of this subparagraph for any reasons that might be grounds for disciplinary action under § 14-404 of this subtitle; ~~AND~~

~~(III) STATES THAT NO ACTION WAS TAKEN AGAINST THE LICENSED PHYSICIAN IF THE HOSPITAL OR RELATED INSTITUTION DID NOT TAKE ACTION AGAINST THE LICENSED PHYSICIAN DURING THE PERIOD COVERED BY THE REPORT.~~

(2) The hospital or related institution shall:

(i) Submit the report within 10 days of any action described in paragraph (1)(ii) of this subsection; and

(ii) State in the report the reasons for its action or the nature of the formal accusation pending when the physician resigned.

(3) The Board may extend the reporting time under this subsection for good cause shown.

(4) The minutes or notes taken in the course of determining the denial, limitation, reduction, or termination of the staff privileges of any physician in a hospital or related institution are not subject to review or discovery by any person.

(5) THE BOARD, IN CONSULTATION WITH ALL INTERESTED PARTIES, MAY ADOPT REGULATIONS TO DEFINE:

(I) CHANGES IN EMPLOYMENT OR PRIVILEGES THAT REQUIRE REPORTING UNDER THIS SECTION; AND

(II) ACTIONS BY LICENSEES THAT ARE GROUNDS FOR DISCIPLINE AND THAT REQUIRE REPORTING UNDER THIS SECTION.

[(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.]

[(c) (B) The Board may enforce this section by subpoena.

[(d) (C) Any person shall have the immunity from liability described under § 5–715(d) of the Courts and Judicial Proceedings Article for giving any of the information required by this section.

[(e) (D) A report made under this section is not subject to subpoena or discovery in any civil action other than a proceeding arising out of a hearing and decision of the Board **OR A DISCIPLINARY PANEL** under this title.

[(f) (E) (1) The Board may impose a civil penalty of up to \$5,000 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.

14–414.

(a) (1) Every 6 months, each alternative health system as defined in § 1–401 of this article shall file with the Board a report that:

(i) Contains the name of each licensed physician who, during the 6 months preceding the report:

1. Is employed by the alternative health system;
 2. Is under contract with the alternative health system;
- and
3. Has completed a formal application process to become under contract with the alternative health system; ~~and~~

(ii) States whether, as to each licensed physician, during the 6 months preceding the report:

1. The alternative health system denied the formal application of a physician to contract with the alternative health system or limited, reduced, otherwise changed, or terminated the contract of a physician, or the physician resigned whether or not under formal accusation, if the denial, limitation, reduction, change, termination, or resignation is for reasons that might be grounds for disciplinary action under § 14-404 of this subtitle; or

2. The alternative health system placed any other restrictions or conditions on any licensed physician for any reasons that might be grounds for disciplinary action under § 14-404 of this subtitle; ~~AND~~

~~(iii) STATES THAT NO ACTION WAS TAKEN AGAINST THE LICENSED PHYSICIAN IF THE ALTERNATIVE HEALTH SYSTEM DID NOT TAKE ACTION AGAINST THE LICENSED PHYSICIAN DURING THE PERIOD COVERED BY THE REPORT.~~

(2) The alternative health system shall:

(i) Submit the report within 10 days of any action described in paragraph (1)(ii) of this subsection; and

(ii) State in the report the reasons for its action or the nature of the formal accusation pending when the physician resigned.

(3) The Board may extend the reporting time under this subsection for good cause shown.

(4) The minutes or notes taken in the course of determining the denial, limitation, reduction, or termination of the employment contract of any physician in an alternative health system are not subject to review or discovery by any person.

(5) THE BOARD, IN CONSULTATION WITH ALL INTERESTED PARTIES, MAY ADOPT REGULATIONS TO DEFINE:

(I) CHANGES IN EMPLOYMENT OR PRIVILEGES THAT REQUIRE REPORTING UNDER THIS SECTION; AND

(II) ACTIONS BY LICENSEES THAT ARE GROUNDS FOR DISCIPLINE AND REQUIRE REPORTING UNDER THIS SECTION.

[(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.]

[(c)] (B) The Board may enforce this section by subpoena.

[(d)] (C) Any person shall have the immunity from liability described under § 5–715(d) of the Courts and Judicial Proceedings Article for giving any of the information required by this section.

[(e)] (D) A report made under this section is not subject to subpoena or discovery in any civil action other than a proceeding arising out of a hearing and decision of the Board **OR A DISCIPLINARY PANEL** under this title.

[(f)] (E) (1) [Failure to report pursuant to the requirements of this section shall result in imposition of a civil penalty of up to \$5,000 by a circuit court of this State] **THE BOARD MAY IMPOSE A CIVIL PENALTY OF UP TO \$5,000 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.

14–416.

(A) ~~(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)~~ (B) THE COURT SHALL SUBMIT THE REPORT WITHIN 10 DAYS AFTER THE CONVICTION OR ENTRY OF THE PLEA.

~~(B) FAILURE TO REPORT UNDER THIS SECTION SHALL RESULT IN IMPOSITION OF A CIVIL PENALTY OF UP TO \$5,000 BY A CIRCUIT COURT OF THE STATE.~~

14-504.

(g) Subject to the hearing provisions of § 14-405 of this title, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of its quorum, may reprimand or place a physician who performs acupuncture on probation or suspend or revoke the registration of a physician for:

(1) Any conduct prohibited under the provisions of this section or prohibited under any regulation adopted pursuant to the provisions of this section;

(2) Except in an emergency life-threatening situation where it is not feasible or practicable, failing to comply with the Centers for Disease Control and Prevention's guidelines on universal precautions; or

(3) Failing to display the notice required under subsection (h) of this section.

14-506.

(b) The following records and other information are confidential records:

(2) Any record of a proceeding or transaction before the entity or individual that contracts with the Board or one of its committees that relates to any investigation or report under [§ 14-401] § 14-401.1 of this title as to an allegation of grounds for disciplinary or other action.

14-5A-04.

(a) (1) The Board shall set reasonable fees for the issuance of and renewal of licenses and the other services it provides to respiratory care practitioners.

(2) The fees charged shall be set so as to produce funds to approximate the cost of maintaining the licensure program and the other services provided to respiratory care practitioners, INCLUDING THE COST OF PROVIDING A REHABILITATION PROGRAM FOR RESPIRATORY CARE PRACTITIONERS UNDER § 14-401.1(G) OF THIS TITLE.

14-5A-06.

(d) (1) From among its members, the Committee shall elect a chair once every 2 years.

(2) THE CHAIR, OR THE CHAIR'S DESIGNEE, SHALL SERVE IN AN ADVISORY CAPACITY TO THE BOARD AS A REPRESENTATIVE OF THE COMMITTEE.

14-5A-07.

(A) In addition to the powers set forth elsewhere in this subtitle, the Committee shall:

(1) Develop and recommend to the Board regulations to carry out the provisions of this subtitle;

(2) Develop and recommend to the Board a code of ethics for the practice of respiratory care for adoption by the Board;

(3) If requested, develop and recommend to the Board standards of care for the practice of respiratory care;

(4) Develop and recommend to the Board the requirements for licensure as a respiratory care practitioner;

(5) Evaluate the credentials of applicants as necessary and recommend licensure of applicants who fulfill the requirements for a license to practice respiratory care;

(6) Develop and recommend to the Board continuing education requirements for license renewal;

(7) Provide the Board with recommendations concerning the practice of respiratory care;

(8) Develop and recommend to the Board criteria related to the practice of respiratory care in the home setting; [and]

(9) Keep a record of its proceedings; **AND**

(10) SUBMIT AN ANNUAL REPORT TO THE BOARD.

(B) THE BOARD SHALL:

(1) **CONSIDER ALL RECOMMENDATIONS OF THE COMMITTEE;**
AND

(2) **PROVIDE TO THE COMMITTEE AN ANNUAL REPORT ON THE DISCIPLINARY MATTERS INVOLVING LICENSEES.**

14-5A-16.

Unless [the Board] **A DISCIPLINARY PANEL** agrees to accept the surrender of a license, a licensed respiratory care practitioner may not surrender the license nor may the license lapse by operation of law while the licensee is under investigation or while charges are pending against the licensee.

14-5A-17.

(a) Subject to the hearing provisions of § 14-405 of this title, the Board, on the affirmative vote of a majority of a quorum **OF THE BOARD**, may deny a license to any applicant, **OR A DISCIPLINARY PANEL, ON THE AFFIRMATIVE VOTE OF A MAJORITY OF A QUORUM OF THE DISCIPLINARY PANEL, MAY** reprimand any licensee, place any licensee on probation, or suspend or revoke a license, if the applicant or licensee:

(1) Fraudulently or deceptively obtains or attempts to obtain a license for the applicant, licensee, or for another;

(2) Fraudulently or deceptively uses a license;

(3) Is guilty of unprofessional or immoral conduct in the practice of respiratory care;

(4) Is professionally, physically, or mentally incompetent;

(5) Abandons a patient;

(6) Is habitually intoxicated;

(7) Is addicted to or habitually abuses any narcotic or controlled dangerous substance as defined in § 5-101 of the Criminal Law Article;

(8) Provides professional services while:

(i) Under the influence of alcohol; or

(ii) Using any narcotic or controlled dangerous substance as defined in § 5-101 of the Criminal Law Article or any other drug that is in excess of therapeutic amounts or without valid medical indication;

(9) Promotes the sale of services, drugs, devices, appliances, or goods to a patient so as to exploit the patient for financial gain;

(10) Willfully makes or files a false report or record in the practice of respiratory care;

(11) Willfully fails to file or record any report as required under law, willfully impedes or obstructs the filing or recording of a report, or induces another to fail to file or record a report;

(12) Breaches patient confidentiality;

(13) Pays or agrees to pay any sum or provide any form of remuneration or material benefit to any person for bringing or referring a patient or accepts or agrees to accept any sum or any form of remuneration or material benefit from an individual for bringing or referring a patient;

(14) Knowingly makes a misrepresentation while practicing respiratory care;

(15) Knowingly practices respiratory care with an unauthorized individual or aids an unauthorized individual in the practice of respiratory care;

(16) Offers, undertakes, or agrees to cure or treat disease by a secret method, treatment, or medicine;

(17) Is disciplined by a licensing or disciplinary authority or is convicted or disciplined by a court of any state or country or is disciplined by any branch of the United States uniformed services or the Veterans' Administration for an act that would be grounds for disciplinary action under the Board's disciplinary statutes;

(18) Fails to meet appropriate standards for the delivery of respiratory care performed in any inpatient or outpatient facility, office, hospital or related institution, domiciliary care facility, patient's home, or any other location in this State;

(19) Knowingly submits false statements to collect fees for which services are not provided;

(20) (i) Has been subject to investigation or disciplinary action by a licensing or disciplinary authority or by a court of any state or country for an act that would be grounds for disciplinary action under the Board's disciplinary statutes; and

(ii) [The licensed individual] **HAS:**

1. Surrendered the license issued by the state or country; or

2. Allowed the license issued by the state or country to expire or lapse;

(21) Knowingly fails to report suspected child abuse in violation of § 5–704 of the Family Law Article;

(22) Sells, prescribes, gives away, or administers drugs for illegal or illegitimate medical purposes;

(23) Practices or attempts to practice beyond the authorized scope of practice;

(24) Refuses, withholds from, denies, or discriminates against an individual with regard to the provision of professional services for which the licensee is licensed and qualified to render because the individual is HIV positive;

(25) Practices or attempts to practice a respiratory care procedure or uses or attempts to use respiratory care equipment if the applicant or licensee has not received education and training in the performance of the procedure or the use of the equipment;

(26) Fails to cooperate with a lawful investigation conducted by the Board **OR A DISCIPLINARY PANEL**; or

(27) Fails to practice under the supervision of a physician or violates a supervisory order of a supervising physician.

(b) Except as otherwise provided in the Administrative Procedure Act, before the Board **OR A DISCIPLINARY PANEL** takes any action under subsection (a) of this section, it shall give the individual against whom the action is contemplated an opportunity for a hearing before the Board **OR THE DISCIPLINARY PANEL** in accordance with the hearing requirements of § 14–405 of this title.

(c) (1) On the filing of certified docket entries with the Board by the Office of the Attorney General, [the Board] **A DISCIPLINARY PANEL** shall order the suspension of a license if the licensee is convicted of or pleads guilty or nolo contendere with respect to a crime involving moral turpitude, whether or not any appeal or other proceeding is pending to have the conviction or plea set aside.

(2) After completion of the appellate process if the conviction has not been reversed or the plea has not been set aside with respect to a crime involving moral turpitude, [the Board] **A DISCIPLINARY PANEL** shall order the revocation of a license on the certification by the Office of the Attorney General.

14–5A–17.1.

(a) (1) Any person aggrieved by a final decision of the Board **OR A DISCIPLINARY PANEL** under this subtitle may not appeal to the Secretary or Board of Review but may take a direct judicial appeal.

(2) The appeal shall be made as provided for judicial review of final decisions in the Administrative Procedure Act.

(b) An order of the Board **OR A DISCIPLINARY PANEL** may not be stayed pending review.

(c) The Board may appeal from any decision that reverses or modifies [its] **AN order OF THE BOARD OR A DISCIPLINARY PANEL.**

14-5A-18.

(f) A report made under this section is not subject to subpoena or discovery in any civil action other than a proceeding arising out of a hearing and decision of the Board **OR A DISCIPLINARY PANEL** under this title.

14-5A-18.1.

(A) FOLLOWING THE FILING OF CHARGES OR NOTICE OF INITIAL DENIAL OF A LICENSE APPLICATION, THE BOARD SHALL DISCLOSE THE FILING TO THE PUBLIC ON THE BOARD'S WEB SITE.

(B) THE BOARD SHALL CREATE AND MAINTAIN A PUBLIC INDIVIDUAL PROFILE ON EACH LICENSEE THAT INCLUDES THE FOLLOWING INFORMATION:

(1) A SUMMARY OF CHARGES FILED AGAINST THE LICENSEE, INCLUDING A COPY OF THE CHARGING DOCUMENT, UNTIL A DISCIPLINARY PANEL HAS TAKEN ACTION UNDER § 14-5A-17 OF THIS SUBTITLE BASED ON THE CHARGES OR HAS RESCINDED THE CHARGES;

(2) A DESCRIPTION OF ANY DISCIPLINARY ACTION TAKEN BY THE BOARD OR A DISCIPLINARY PANEL AGAINST THE LICENSEE WITHIN THE MOST RECENT 10-YEAR PERIOD THAT INCLUDES A COPY OF THE PUBLIC ORDER;

(3) 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 IF THE BOARD KNOWS ABOUT THE DISCIPLINARY ACTION;

(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 THAT IS THE BASIS FOR DISCIPLINARY ACTION TAKEN UNDER § 14-5A-17(C) OF THIS SUBTITLE; AND

(5) THE PUBLIC ADDRESS OF THE LICENSEE.

(C) IN ADDITION TO THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION, THE BOARD SHALL INCLUDE ON EACH LICENSEE'S PROFILE A STATEMENT OF INFORMATION TO BE TAKEN INTO CONSIDERATION BY A CONSUMER WHEN VIEWING A LICENSEE'S PROFILE, INCLUDING A DISCLAIMER STATING THAT A CHARGING DOCUMENT DOES NOT INDICATE A FINAL FINDING OF GUILT BY A DISCIPLINARY PANEL.

(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 WEB SITE THAT SERVES AS A SINGLE POINT OF ENTRY WHERE ALL LICENSEE PROFILE INFORMATION IS AVAILABLE TO THE PUBLIC ON THE INTERNET.

(E) THE BOARD SHALL PROVIDE A MECHANISM FOR THE NOTIFICATION AND PROMPT CORRECTION OF ANY FACTUAL INACCURACIES IN A LICENSEE'S PROFILE.

(F) THE BOARD SHALL INCLUDE INFORMATION RELATING TO CHARGES FILED AGAINST A LICENSEE BY A DISCIPLINARY PANEL AND ANY FINAL DISCIPLINARY ACTION TAKEN BY A DISCIPLINARY PANEL AGAINST A LICENSEE IN THE LICENSEE'S PROFILE WITHIN 10 DAYS AFTER THE CHARGES ARE FILED OR THE ACTION BECOMES FINAL.

14-5A-19.

(A) On the application of an individual whose license has been revoked, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of the quorum OF THE DISCIPLINARY PANEL, may reinstate a revoked license.

(B) IF A DISCIPLINARY PANEL REINSTATES A LICENSE UNDER SUBSECTION (A) OF THIS SECTION, THE DISCIPLINARY PANEL SHALL NOTIFY THE BOARD OF THE REINSTATEMENT.

14-5A-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 rules and regulations adopted under this subtitle shall terminate and be of no effect after July 1, [2013] 2018.

14-5B-04.

(a) (1) The Board shall set reasonable fees for the issuance of and renewal of licenses and other services it provides to licensees and holders of temporary licenses.

(2) The fees charged shall be set so as to produce funds to approximate the cost of maintaining the licensure program and the other services provided to licensees and holders of temporary licenses, **INCLUDING THE COST OF PROVIDING A REHABILITATION PROGRAM FOR LICENSEES AND HOLDERS OF TEMPORARY LICENSES UNDER § 14-401.1(G) OF THIS TITLE.**

14-5B-05.

(c) (1) From among its members, the Committee shall elect a chair once every 2 years.

(2) **THE CHAIR, OR THE CHAIR'S DESIGNEE, SHALL SERVE IN AN ADVISORY CAPACITY TO THE BOARD AS A REPRESENTATIVE OF THE COMMITTEE.**

14-5B-06.

(A) In addition to the powers set forth elsewhere in this subtitle, the Committee shall:

(1) Make recommendations to the Board on regulations necessary to carry out the provisions of this subtitle;

(2) Make recommendations to the Board on a code of ethics for the practice of radiation therapy, the practice of radiography, the practice of nuclear medicine technology, and the practice of radiology assistance for adoption by the Board;

(3) On request, make recommendations to the Board on standards of care for the practice of radiation therapy, the practice of radiography, the practice of nuclear medicine technology, and the practice of radiology assistance;

(4) Make recommendations to the Board on the requirements for licensure as a radiation therapist, radiographer, nuclear medicine technologist, or radiologist assistant;

(5) On request, review applications for licensure as a radiation therapist, radiographer, nuclear medicine technologist, or radiologist assistant and make recommendations to the Board;

(6) Develop and recommend to the Board continuing education requirements for license renewal;

(7) Advise the Board on matters related to the practice of radiation therapy, the practice of radiography, the practice of nuclear medicine technology, and the practice of radiology assistance; [and]

(8) Keep a record of its proceedings; AND

(9) **SUBMIT AN ANNUAL REPORT TO THE BOARD.**

(B) THE BOARD SHALL:

(1) **CONSIDER ALL RECOMMENDATIONS OF THE COMMITTEE;**
AND

(2) **PROVIDE TO THE COMMITTEE AN ANNUAL REPORT ON THE DISCIPLINARY MATTERS INVOLVING LICENSEES.**

14-5B-13.

Unless [the Board] **A DISCIPLINARY PANEL** agrees to accept the surrender of a license or temporary license, a licensee or holder of a temporary license may not surrender the license or temporary license and the license or temporary license may not lapse by operation of law while the licensee or holder of a temporary license is under investigation or while charges are pending against the licensee or holder of a temporary license.

14-5B-14.

(a) Subject to the hearing provisions of § 14-405 of this title, the Board, on the affirmative vote of a majority of the quorum **OF THE BOARD**, may deny a license or temporary license to any applicant, **OR A DISCIPLINARY PANEL, ON THE AFFIRMATIVE VOTE OF A MAJORITY OF THE QUORUM OF THE DISCIPLINARY PANEL, MAY** reprimand any licensee or holder of a temporary license, place any licensee or holder of a temporary license on probation, or suspend or revoke a license, if the applicant licensee or holder of a temporary license:

(1) Fraudulently or deceptively obtains or attempts to obtain a license or temporary license for the applicant, licensed individual, holder of a temporary license, or for another;

(2) Fraudulently or deceptively uses a license or temporary license;

(3) Is guilty of unprofessional or immoral conduct in the practice of radiation therapy, radiography, nuclear medicine technology, or radiology assistance;

- (4) Is professionally, physically, or mentally incompetent;
- (5) Abandons a patient;
- (6) Is habitually intoxicated;
- (7) Is addicted to or habitually abuses any narcotic or controlled dangerous substance as defined in § 5–101 of the Criminal Law Article;
- (8) Provides professional services while:
 - (i) Under the influence of alcohol; or
 - (ii) Using any narcotic or controlled dangerous substance as defined in § 5–101 of the Criminal Law Article or any other drug that is in excess of therapeutic amounts or without valid medical indication;
- (9) Promotes the sale of services, drugs, devices, appliances, or goods to a patient so as to exploit the patient for financial gain;
- (10) Willfully makes or files a false report or record in the practice of radiation therapy, radiography, nuclear medicine technology, or radiology assistance;
- (11) Willfully fails to file or record any report as required under law, willfully impedes or obstructs the filing or recording of a report, or induces another to fail to file or record a report;
- (12) Breaches patient confidentiality;
- (13) Pays or agrees to pay any sum or provide any form of remuneration or material benefit to any person for bringing or referring a patient or accepts or agrees to accept any sum or any form of remuneration or material benefit from an individual for bringing or referring a patient;
- (14) Knowingly makes a misrepresentation while practicing radiation therapy, radiography, nuclear medicine technology, or radiology assistance;
- (15) Knowingly practices radiation therapy, radiography, nuclear medicine technology, or radiology assistance with an unauthorized individual or aids an unauthorized individual in the practice of radiation therapy, radiography, nuclear medicine technology, or radiology assistance;
- (16) Offers, undertakes, or agrees to cure or treat disease by a secret method, treatment, or medicine;

(17) Is disciplined by a licensing or disciplinary authority or is convicted or disciplined by a court of any state or country or is disciplined by any branch of the United States uniformed services or the Veterans' Administration for an act that would be grounds for disciplinary action under the Board's disciplinary statutes;

(18) Fails to meet appropriate standards for the delivery of quality radiation therapy, radiography, nuclear medicine technology, or radiology assistance care performed in any outpatient surgical facility, office, hospital or related institution, or any other location in this State;

(19) Knowingly submits false statements to collect fees for which services are not provided;

(20) (i) Has been subject to investigation or disciplinary action by a licensing or disciplinary authority or by a court of any state or country for an act that would be grounds for disciplinary action under the Board's disciplinary statutes; and

(ii) [The licensed individual] **HAS:**

1. Surrendered the license issued by the state or country; or

2. Allowed the license issued by the state or country to expire or lapse;

(21) Knowingly fails to report suspected child abuse in violation of § 5–704 of the Family Law Article;

(22) Sells, prescribes, gives away, or administers drugs for illegal or illegitimate medical purposes;

(23) Practices or attempts to practice beyond the authorized scope of practice;

(24) Refuses, withholds from, denies, or discriminates against an individual with regard to the provision of professional services for which the licensee or holder of a temporary license is licensed and qualified to render because the individual is HIV positive;

(25) Practices or attempts to practice a radiation therapy, radiography, nuclear medicine technology, or radiology assistance procedure or uses radiation therapy, radiography, nuclear medicine technology, or radiology assistance equipment if the applicant or licensee or holder of a temporary license has not received education, internship, training, or experience in the performance of the procedure or the use of the equipment;

(26) Fails to cooperate with a lawful investigation conducted by the Board **OR A DISCIPLINARY PANEL**; or

(27) Fails to practice under the supervision of a physician or violates a supervisory order of a supervising physician.

(b) Except as otherwise provided in the Administrative Procedure Act, before the Board **OR A DISCIPLINARY PANEL** takes any action under subsection (a) of this section, it shall give the individual against whom the action is contemplated an opportunity for a hearing before the Board **OR THE DISCIPLINARY PANEL** in accordance with the hearing requirements of § 14–405 of this title.

(c) (1) On the filing of certified docket entries with the Board by the Office of the Attorney General, [the Board] **A DISCIPLINARY PANEL** shall order the suspension of a licensee or holder of a temporary license if the licensee or holder of a temporary license is convicted of or pleads guilty or nolo contendere with respect to a crime involving moral turpitude, whether or not any appeal or other proceeding is pending to have the conviction or plea set aside.

(2) After completion of the appellate process if the conviction has not been reversed or the plea has not been set aside with respect to a crime involving moral turpitude, [the Board] **A DISCIPLINARY PANEL** shall order the revocation of a license or temporary license on the certification by the Office of the Attorney General.

14–5B–14.1.

(a) (1) Any person aggrieved by a final decision of the Board **OR A DISCIPLINARY PANEL** under this subtitle may not appeal to the Secretary or Board of Review but may take a direct judicial appeal.

(2) The appeal shall be made as provided for judicial review of final decisions in the Administrative Procedure Act.

(b) An order of the Board **OR A DISCIPLINARY PANEL** may not be stayed pending review.

(c) The Board may appeal from any decision that reverses or modifies [its] **THE order OF THE BOARD OR A DISCIPLINARY PANEL**.

14–5B–15.

(f) A report made under this section is not subject to subpoena or discovery in any civil action other than a proceeding arising out of a hearing and decision of the Board **OR A DISCIPLINARY PANEL** under this title.

14–5B–15.1.

(A) FOLLOWING THE FILING OF CHARGES OR NOTICE OF INITIAL DENIAL OF LICENSE APPLICATION, THE BOARD SHALL DISCLOSE THE FILING TO THE PUBLIC ON THE BOARD'S WEB SITE.

(B) THE BOARD SHALL CREATE AND MAINTAIN A PUBLIC INDIVIDUAL PROFILE ON EACH LICENSEE THAT INCLUDES THE FOLLOWING INFORMATION:

(1) A SUMMARY OF CHARGES FILED AGAINST THE LICENSEE, INCLUDING A COPY OF THE CHARGING DOCUMENT, UNTIL A DISCIPLINARY PANEL HAS TAKEN ACTION UNDER § 14-5B-14 OF THIS SUBTITLE BASED ON THE CHARGES OR HAS RESCINDED THE CHARGES;

(2) A DESCRIPTION OF ANY DISCIPLINARY ACTION TAKEN BY THE BOARD OR A DISCIPLINARY PANEL AGAINST THE LICENSEE WITHIN THE MOST RECENT 10-YEAR PERIOD THAT INCLUDES A COPY OF THE PUBLIC ORDER;

(3) 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 IF THE BOARD KNOWS OF THE DISCIPLINARY ACTION;

(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 THAT IS THE BASIS FOR DISCIPLINARY ACTION TAKEN UNDER § 14-5B-14(C) OF THIS SUBTITLE; AND

(5) THE PUBLIC ADDRESS OF THE LICENSEE.

(C) IN ADDITION TO THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION, THE BOARD SHALL INCLUDE ON EACH LICENSEE'S PROFILE A STATEMENT OF INFORMATION TO BE TAKEN INTO CONSIDERATION BY A CONSUMER WHEN VIEWING A LICENSEE'S PROFILE, INCLUDING A DISCLAIMER STATING THAT A CHARGING DOCUMENT DOES NOT INDICATE A FINAL FINDING OF GUILT BY A DISCIPLINARY PANEL.

(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 WEB SITE THAT SERVES AS A SINGLE POINT OF ENTRY WHERE ALL LICENSEE PROFILE INFORMATION IS AVAILABLE TO THE PUBLIC ON THE INTERNET.

(E) THE BOARD SHALL PROVIDE A MECHANISM FOR THE NOTIFICATION AND PROMPT CORRECTION OF ANY FACTUAL INACCURACIES IN A LICENSEE'S PROFILE.

(F) THE BOARD SHALL INCLUDE INFORMATION RELATING TO CHARGES FILED AGAINST A LICENSEE BY A DISCIPLINARY PANEL AND ANY FINAL DISCIPLINARY ACTION TAKEN BY A DISCIPLINARY PANEL AGAINST A LICENSEE IN THE LICENSEE'S PROFILE WITHIN 10 DAYS AFTER THE CHARGES ARE FILED OR THE ACTION BECOMES FINAL.

14-5B-16.

(A) On the application of an individual whose license has been revoked, [the Board] A DISCIPLINARY PANEL may reinstate a revoked license.

(B) IF A DISCIPLINARY PANEL REINSTATES A LICENSE UNDER SUBSECTION (A) OF THIS SECTION, THE DISCIPLINARY PANEL SHALL NOTIFY THE BOARD OF THE REINSTATEMENT.

14-5B-21.

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 rules and regulations adopted under this subtitle shall terminate and be of no effect after July 1, [2013] **2018**.

14-5C-04.

(a) (1) The Board shall set reasonable fees for the issuance of and renewal of licenses and other services it provides to polysomnographic technologists.

(2) The fees charged shall be set so as to produce funds to approximate the cost of maintaining the licensure program and the other services provided to polysomnographic technologists, INCLUDING THE COST OF PROVIDING A REHABILITATION PROGRAM FOR POLYSOMNOGRAPHIC TECHNOLOGISTS UNDER § 14-401.1(G) OF THIS TITLE.

14-5C-06.

(D) (1) FROM AMONG ITS MEMBERS, THE COMMITTEE SHALL ELECT A CHAIR ONCE EVERY 2 YEARS.

(2) THE CHAIR, OR THE CHAIR'S DESIGNEE, SHALL SERVE IN AN ADVISORY CAPACITY TO THE BOARD AS A REPRESENTATIVE OF THE COMMITTEE.

14-5C-07.

(A) In addition to the powers set forth elsewhere in this subtitle, the Committee shall:

(1) Develop and recommend to the Board regulations to carry out the provisions of this subtitle;

(2) Develop and recommend to the Board a code of ethics for the practice of polysomnography for adoption by the Board;

(3) Develop and recommend to the Board standards of care for the practice of polysomnography;

(4) Develop and recommend to the Board the requirements for licensure as a polysomnographic technologist, including:

(i) Criteria for the educational and clinical training of licensed polysomnographic technologists; and

(ii) Criteria for a professional competency examination and testing of applicants for a license to practice polysomnography;

(5) Develop and recommend to the Board criteria for licensed polysomnographic technologists who are licensed in other states to practice in this State;

(6) Evaluate the accreditation status of education programs in polysomnography for approval by the Board;

(7) Evaluate the credentials of applicants and recommend licensure of applicants who fulfill the requirements for a license to practice polysomnography;

(8) Develop and recommend to the Board continuing education requirements for license renewal;

(9) Provide the Board with recommendations concerning the practice of polysomnography;

(10) Develop and recommend to the Board criteria for the direction of students in clinical education programs by licensed polysomnographic technologists and licensed physicians;

- (11) Keep a record of its proceedings; and
- (12) Submit an annual report to the Board.

(B) THE BOARD SHALL:

(1) CONSIDER ALL RECOMMENDATIONS OF THE COMMITTEE;
AND

(2) PROVIDE TO THE COMMITTEE AN ANNUAL REPORT ON THE DISCIPLINARY MATTERS INVOLVING LICENSEES.

14-5C-16.

Unless [the Board] **A DISCIPLINARY PANEL** agrees to accept the surrender of a license, a licensed polysomnographic technologist may not surrender the license nor may the license lapse by operation of law while the licensee is under investigation or while charges are pending against the licensee.

14-5C-17.

(a) Subject to the hearing provisions of § 14-405 of this title, the Board, **ON THE AFFIRMATIVE VOTE OF A MAJORITY OF A QUORUM OF THE BOARD**, may deny a license to any applicant, **OR A DISCIPLINARY PANEL, ON THE AFFIRMATIVE VOTE OF A MAJORITY OF A QUORUM OF THE DISCIPLINARY PANEL**, MAY reprimand any licensee, place any licensee on probation, or suspend or revoke a license, if the applicant or licensee:

(1) Fraudulently or deceptively obtains or attempts to obtain a license for the applicant, licensee, or for another;

(2) Fraudulently or deceptively uses a license;

(3) Is guilty of unprofessional or immoral conduct in the practice of polysomnography;

(4) Is professionally, physically, or mentally incompetent;

(5) Abandons a patient;

(6) Is habitually intoxicated;

(7) Is addicted to or habitually abuses any narcotic or controlled dangerous substance as defined in § 5-101 of the Criminal Law Article;

- (8) Provides professional services while:
 - (i) Under the influence of alcohol; or
 - (ii) Using any narcotic or controlled dangerous substance as defined in § 5–101 of the Criminal Law Article or any other drug that is in excess of therapeutic amounts or without valid medical indication;
- (9) Promotes the sale of services, drugs, devices, appliances, or goods to a patient so as to exploit the patient for financial gain;
- (10) Willfully makes or files a false report or record in the practice of polysomnography;
- (11) Willfully fails to file or record any report as required under law, willfully impedes or obstructs the filing or recording of a report, or induces another to fail to file or record a report;
- (12) Breaches patient confidentiality;
- (13) Pays or agrees to pay any sum or provide any form of remuneration or material benefit to any person for bringing or referring a patient or accepts or agrees to accept any sum or any form of remuneration or material benefit from an individual for bringing or referring a patient;
- (14) Knowingly makes a misrepresentation while practicing polysomnography;
- (15) Knowingly practices polysomnography with an unauthorized individual or aids an unauthorized individual in the practice of polysomnography;
- (16) Knowingly delegates a polysomnographic duty to an unlicensed individual;
- (17) Offers, undertakes, or agrees to cure or treat disease by a secret method, treatment, or medicine;
- (18) Is disciplined by a licensing or disciplinary authority or is convicted or disciplined by a court of any state or country or is disciplined by any branch of the United States uniformed services or the U.S. Department of Veterans Affairs for an act that would be grounds for disciplinary action under the Board's disciplinary statutes;
- (19) Fails to meet appropriate standards for the delivery of polysomnographic services performed in a hospital sleep laboratory or a stand-alone sleep center;

(20) Knowingly submits false statements to collect fees for which services are not provided;

(21) (i) Has been subject to investigation or disciplinary action by a licensing or disciplinary authority or by a court of any state or country for an act that would be grounds for disciplinary action under the Board's disciplinary statutes; and

(ii) Has:

1. Surrendered the license, if any, issued by the state or country; or

2. Allowed the license, if any, issued by the state or country to expire or lapse;

(22) Knowingly fails to report suspected child abuse in violation of § 5–704 of the Family Law Article;

(23) Sells, prescribes, gives away, or administers drugs for illegal or illegitimate medical purposes;

(24) Practices or attempts to practice beyond the authorized scope of practice;

(25) Is convicted of or pleads guilty or nolo contendere to 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;

(26) Refuses, withholds from, denies, or discriminates against an individual with regard to the provision of professional services for which the licensee is licensed and qualified to render because the individual is HIV positive; or

(27) Practices or attempts to practice a polysomnography procedure or uses or attempts to use polysomnography equipment if the applicant or licensee has not received education and training in the performance of the procedure or the use of the equipment.

(b) Except as otherwise provided in Title 10, Subtitle 2 of the State Government Article, before the Board **OR A DISCIPLINARY PANEL** takes any action under subsection (a) of this section, it shall give the individual against whom the action is contemplated an opportunity for a hearing before the Board **OR THE DISCIPLINARY PANEL** in accordance with the hearing requirements of § 14–405 of this title.

(c) (1) On the filing of certified docket entries with the Board by the Office of the Attorney General, [the Board] **A DISCIPLINARY PANEL** shall order the suspension of a license if the licensee is convicted of or pleads guilty or nolo contendere

with respect to a crime involving moral turpitude, whether or not any appeal or other proceeding is pending to have the conviction or plea set aside.

(2) After completion of the appellate process if the conviction has not been reversed or the plea has not been set aside with respect to a crime involving moral turpitude, [the Board] **A DISCIPLINARY PANEL** shall order the revocation of a license on the certification by the Office of the Attorney General.

14-5C-18.

(f) A report made under this section is not subject to subpoena or discovery in any civil action other than a proceeding arising out of a hearing and decision of the Board **OR A DISCIPLINARY PANEL** under this title.

14-5C-18.1.

(A) FOLLOWING THE FILING OF CHARGES OR NOTICE OF INITIAL DENIAL OF LICENSE APPLICATION, THE BOARD SHALL DISCLOSE THE FILING TO THE PUBLIC ON THE BOARD'S WEB SITE.

(B) THE BOARD SHALL CREATE AND MAINTAIN A PUBLIC INDIVIDUAL PROFILE ON EACH LICENSEE THAT INCLUDES THE FOLLOWING INFORMATION:

(1) A SUMMARY OF CHARGES FILED AGAINST THE LICENSEE, INCLUDING A COPY OF THE CHARGING DOCUMENT, UNTIL A DISCIPLINARY PANEL HAS TAKEN ACTION UNDER § 14-5C-17 OF THIS SUBTITLE BASED ON THE CHARGES OR HAS RESCINDED THE CHARGES;

(2) A DESCRIPTION OF ANY DISCIPLINARY ACTION TAKEN BY THE BOARD OR A DISCIPLINARY PANEL AGAINST THE LICENSEE WITHIN THE MOST RECENT 10-YEAR PERIOD THAT INCLUDES A COPY OF THE PUBLIC ORDER;

(3) 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 IF THE BOARD KNOWS OF THE DISCIPLINARY ACTION;

(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 THAT IS THE BASIS FOR DISCIPLINARY ACTION TAKEN UNDER § 14-5C-17(c) OF THIS SUBTITLE; AND

(5) THE PUBLIC ADDRESS OF THE LICENSEE.

(C) IN ADDITION TO THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION, THE BOARD SHALL INCLUDE ON EACH LICENSEE'S PROFILE A STATEMENT OF INFORMATION TO BE TAKEN INTO CONSIDERATION BY A CONSUMER WHEN VIEWING A LICENSEE'S PROFILE, INCLUDING A DISCLAIMER STATING THAT A CHARGING DOCUMENT DOES NOT INDICATE A FINAL FINDING OF GUILT BY A DISCIPLINARY PANEL.

(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 WEB SITE THAT SERVES AS A SINGLE POINT OF ENTRY WHERE ALL LICENSEE PROFILE INFORMATION IS AVAILABLE TO THE PUBLIC ON THE INTERNET.

(E) THE BOARD SHALL PROVIDE A MECHANISM FOR THE NOTIFICATION AND PROMPT CORRECTION OF ANY FACTUAL INACCURACIES IN A LICENSEE'S PROFILE.

(F) THE BOARD SHALL INCLUDE INFORMATION RELATING TO CHARGES FILED AGAINST A LICENSEE BY A DISCIPLINARY PANEL AND ANY FINAL DISCIPLINARY ACTION TAKEN BY A DISCIPLINARY PANEL AGAINST A LICENSEE IN THE LICENSEE'S PROFILE WITHIN 10 DAYS AFTER THE CHARGES ARE FILED OR THE ACTION BECOMES FINAL.

14-5C-19.

(A) On the application of an individual whose license has been revoked, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of its full authorized membership, may reinstate a revoked license.

(B) IF A DISCIPLINARY PANEL REINSTATES A LICENSE UNDER SUBSECTION (A) OF THIS SECTION, THE DISCIPLINARY PANEL SHALL NOTIFY THE BOARD OF THE REINSTATEMENT.

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, [2013] 2018.

14-5D-03.

(a) (1) The Board shall set reasonable fees for the issuance and renewal of licenses and the other services it provides to athletic trainers.

(2) The fees charged shall be set so as to produce funds to approximate the cost of maintaining the licensure program and the other services provided to athletic trainers, **INCLUDING THE COST OF PROVIDING A REHABILITATION PROGRAM FOR ATHLETIC TRAINERS UNDER § 14-401.1(G) OF THIS TITLE.**

14-5D-05.

(e) (1) From among its members, the Committee shall elect a chair every 2 years.

(2) **THE CHAIR SHALL SERVE IN AN ADVISORY CAPACITY TO THE BOARD AS A REPRESENTATIVE OF THE COMMITTEE.**

14-5D-06.

(A) In addition to the powers set forth elsewhere in this subtitle, the Committee shall:

(1) Develop and recommend to the Board regulations to carry out this subtitle;

(2) Develop and recommend to the Board continuing education requirements for license renewal;

(3) Provide the Board with recommendations concerning the practice of athletic training;

(4) Develop and recommend to the Board an evaluation and treatment protocol for use by an athletic trainer and the physician with whom the athletic trainer practices;

(5) Provide advice and recommendations to the Board on individual evaluation and treatment protocols when requested; [and]

(6) Keep a record of its proceedings; **AND**

(7) **SUBMIT AN ANNUAL REPORT TO THE BOARD.**

(B) **THE BOARD SHALL:**

(1) **CONSIDER ALL RECOMMENDATIONS OF THE COMMITTEE;**
AND

(2) PROVIDE TO THE COMMITTEE AN ANNUAL REPORT ON THE DISCIPLINARY MATTERS INVOLVING LICENSEES.

14–5D–14.

(a) Subject to the hearing provisions of § 14–405 of this title, the Board, **ON THE AFFIRMATIVE VOTE OF A MAJORITY OF A QUORUM OF THE BOARD**, may deny a license to any applicant, **OR A DISCIPLINARY PANEL, ON THE AFFIRMATIVE VOTE OF A MAJORITY OF A QUORUM OF THE DISCIPLINARY PANEL**, MAY reprimand any licensee, place any licensee on probation, or suspend or revoke a license, if the applicant or licensee:

- (1) Fraudulently or deceptively obtains or attempts to obtain a license for the applicant, licensee, or for another;
- (2) Fraudulently or deceptively uses a license;
- (3) Is guilty of unprofessional or immoral conduct in the practice of athletic training;
- (4) Is professionally, physically, or mentally incompetent;
- (5) Abandons a patient;
- (6) Habitually is intoxicated;
- (7) Is addicted to, or habitually abuses, any narcotic or controlled dangerous substance as defined in § 5–101 of the Criminal Law Article;
- (8) Provides professional services while:
 - (i) Under the influence of alcohol; or
 - (ii) Using any narcotic or controlled dangerous substance as defined in § 5–101 of the Criminal Law Article, or any other drug that is in excess of therapeutic amounts or without valid medical indication;
- (9) Promotes the sale of services, drugs, devices, appliances, or goods to a patient so as to exploit the patient for financial gain;
- (10) Willfully makes or files a false report or record in the practice of athletic training;

(11) Willfully fails to file or record any report as required under law, willfully impedes or obstructs the filing or recording of the report, or induces another to fail to file or record the report;

(12) Breaches patient confidentiality;

(13) Pays or agrees to pay any sum or provide any form of remuneration or material benefit to any individual for bringing or referring a patient or accepts or agrees to accept any sum or any form of remuneration or material benefit from an individual for bringing or referring a patient;

(14) Knowingly makes a misrepresentation while practicing athletic training;

(15) Knowingly practices athletic training with an unauthorized individual or aids an unauthorized individual in the practice of athletic trainer services;

(16) Offers, undertakes, or agrees to cure or treat disease by a secret method, treatment, or medicine;

(17) Is disciplined by a licensing, certifying, or disciplinary authority or is convicted or disciplined by a court of any state or country or is disciplined by any branch of the United States uniformed services or the Veterans Administration for an act that would be grounds for disciplinary action under this section;

(18) Fails to meet appropriate standards for the delivery of athletic training services;

(19) Knowingly submits false statements to collect fees for which services have not been provided;

(20) (i) Has been subject to investigation or disciplinary action by a licensing or disciplinary authority or by a court of any state or country for an act that would be grounds for disciplinary action under the Board's disciplinary statutes; and

(ii) [The licensed individual] **HAS:**

1. Surrendered the license issued by the state or country; or

2. Allowed the license issued by the state or country to expire or lapse;

(21) Knowingly fails to report suspected child abuse in violation of § 5-704 of the Family Law Article;

(22) Sells, prescribes, gives away, or administers drugs for illegal or illegitimate medical purposes;

(23) Practices or attempts to practice beyond the authorized scope of practice;

(24) Refuses, withholds from, denies, or discriminates against an individual with regard to the provision of professional services for which the licensee is licensed and qualified to render because the individual is HIV positive;

(25) Practices or attempts to practice an athletic training procedure or uses or attempts to use athletic training equipment if the applicant or licensee has not received education and training in the performance of the procedure or the use of the equipment;

(26) Fails to cooperate with a lawful investigation conducted by the Board **OR A DISCIPLINARY PANEL**;

(27) Fails to practice under the supervision of a physician or violates the approved evaluation and treatment protocol; or

(28) Violates an order of the Board **OR A DISCIPLINARY PANEL**, including any condition of probation.

(b) (1) On the filing of certified docket entries with the Board by the Office of the Attorney General, [the Board] **A DISCIPLINARY PANEL** shall order the suspension of a license if the licensee is convicted of or pleads guilty or nolo contendere with respect to a crime involving moral turpitude, whether or not any appeal or other proceeding is pending to have the conviction or plea set aside.

(2) After completion of the appellate process, if the conviction has not been reversed or the plea has not been set aside with respect to a crime involving moral turpitude, [the Board] **A DISCIPLINARY PANEL** shall order the revocation of a license on the certification by the Office of the Attorney General.

14–5D–15.

(a) (1) Except as otherwise provided in § 10–226 of the State Government Article, before the Board **OR A DISCIPLINARY PANEL** takes any action under § 14–5D–14 of this subtitle, [it] **THE BOARD OR THE DISCIPLINARY PANEL** shall give the individual against whom the action is contemplated an opportunity for a hearing before a hearing officer.

(2) The hearing officer shall give notice and hold the hearing in accordance with Title 10, Subtitle 2[,] of the State Government Article.

(3) The Board **OR A DISCIPLINARY PANEL** may administer oaths in connection with any proceedings under this section.

(4) At least 14 days before the hearing, a hearing notice shall be sent by certified mail to the last known address of the individual.

(b) (1) Any person aggrieved by a final decision of the Board **OR A DISCIPLINARY PANEL** under this subtitle may not appeal to the Secretary or Board of Review but may take a direct judicial appeal.

(2) The appeal shall be made as provided for judicial review of final decisions in the Administrative Procedure Act.

(c) An order of the Board **OR A DISCIPLINARY PANEL** may not be stayed pending review.

(d) The Board may appeal from any decision that reverses or modifies [its] **AN order OF THE BOARD OR A DISCIPLINARY PANEL.**

14-5D-16.

(A) On the application of an individual whose license has been revoked, [the Board] **A DISCIPLINARY PANEL** may reinstate a revoked license.

(B) **IF A DISCIPLINARY PANEL REINSTATES A LICENSE UNDER SUBSECTION (A) OF THIS SECTION, THE DISCIPLINARY PANEL SHALL NOTIFY THE BOARD OF THE REINSTATEMENT.**

14-5D-16.1.

(A) **FOLLOWING THE FILING OF CHARGES OR NOTICE OF INITIAL DENIAL OF LICENSE APPLICATION, THE BOARD SHALL DISCLOSE THE FILING TO THE PUBLIC ON THE BOARD'S WEB SITE.**

(B) **THE BOARD SHALL CREATE AND MAINTAIN A PUBLIC INDIVIDUAL PROFILE ON EACH LICENSEE THAT INCLUDES THE FOLLOWING INFORMATION:**

(1) **A SUMMARY OF CHARGES FILED AGAINST THE LICENSEE, INCLUDING A COPY OF THE CHARGING DOCUMENT, UNTIL A DISCIPLINARY PANEL HAS TAKEN ACTION UNDER § 14-5D-14 OF THIS SUBTITLE BASED ON THE CHARGES OR HAS RESCINDED THE CHARGES;**

(2) **A DESCRIPTION OF ANY DISCIPLINARY ACTION TAKEN BY THE BOARD OR A DISCIPLINARY PANEL AGAINST THE LICENSEE WITHIN THE MOST RECENT 10-YEAR PERIOD THAT INCLUDES A COPY OF THE PUBLIC ORDER;**

(3) 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 IF THE BOARD KNOWS OF THE DISCIPLINARY ACTION;

(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 THAT IS THE BASIS FOR DISCIPLINARY ACTION TAKEN UNDER § 14-5D-14(B) OF THIS SUBTITLE; AND

(5) THE PUBLIC ADDRESS OF THE LICENSEE.

(C) IN ADDITION TO THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION, THE BOARD SHALL INCLUDE ON EACH LICENSEE'S PROFILE A STATEMENT OF INFORMATION TO BE TAKEN INTO CONSIDERATION BY A CONSUMER WHEN VIEWING A LICENSEE'S PROFILE, INCLUDING A DISCLAIMER STATING THAT A CHARGING DOCUMENT DOES NOT INDICATE A FINAL FINDING OF GUILT BY A DISCIPLINARY PANEL.

(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 WEB SITE THAT SERVES AS A SINGLE POINT OF ENTRY WHERE ALL LICENSEE PROFILE INFORMATION IS AVAILABLE TO THE PUBLIC ON THE INTERNET.

(E) THE BOARD SHALL PROVIDE A MECHANISM FOR THE NOTIFICATION AND PROMPT CORRECTION OF ANY FACTUAL INACCURACIES IN A LICENSEE'S PROFILE.

(F) THE BOARD SHALL INCLUDE INFORMATION RELATING TO CHARGES FILED AGAINST A LICENSEE BY A DISCIPLINARY PANEL AND ANY FINAL DISCIPLINARY ACTION TAKEN BY A DISCIPLINARY PANEL AGAINST A LICENSEE IN THE LICENSEE'S PROFILE WITHIN 10 DAYS AFTER THE CHARGES ARE FILED OR THE ACTION BECOMES FINAL.

14-5D-20.

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 rules and regulations adopted under this subtitle shall terminate and be of no effect after July 1, [2013] **2018**.

14-5E-04.

(a) (1) The Board shall set reasonable fees for the issuance and renewal of licenses and other services it provides to perfusionists.

(2) The fees charged shall be set so as to produce funds to approximate the cost of maintaining the licensure program and the other services provided to perfusionists, **INCLUDING THE COST OF PROVIDING A REHABILITATION PROGRAM FOR PERFUSIONISTS UNDER § 14-401.1(G) OF THIS TITLE.**

14-5E-06.

(d) (1) From among its members, the Committee shall elect a chair every 2 years.

(2) **THE CHAIR SHALL SERVE IN AN ADVISORY CAPACITY TO THE BOARD AS A REPRESENTATIVE OF THE COMMITTEE.**

14-5E-07.

(A) In addition to the powers set forth elsewhere in this subtitle, the Committee shall:

(1) Develop and recommend to the Board:

(i) Regulations to carry out the provisions of this subtitle;

(ii) A code of ethics for the practice of perfusion for adoption by the Board;

(iii) Recommendations concerning the practice of perfusion, including standards of care for the practice of perfusion; and

(iv) Continuing education requirements for license renewal;
[and]

(2) Keep a record of its proceedings; **AND**

(3) **SUBMIT AN ANNUAL REPORT TO THE BOARD.**

(B) **THE BOARD SHALL:**

(1) **CONSIDER ALL RECOMMENDATIONS OF THE COMMITTEE;**
AND

(2) **PROVIDE TO THE COMMITTEE AN ANNUAL REPORT ON THE DISCIPLINARY MATTERS INVOLVING LICENSEES.**

14–5E–15.

Unless [the Board] **A DISCIPLINARY PANEL** agrees to accept the surrender of a license, a licensed perfusionist may not surrender the license nor may the license lapse by operation of law while the licensee is under investigation or while charges are pending against the licensee.

14–5E–16.

(a) Subject to the hearing provisions of § 14–405 of this title, the Board, **ON THE AFFIRMATIVE VOTE OF A MAJORITY OF THE QUORUM OF THE BOARD**, may deny a license to any applicant, **OR A DISCIPLINARY PANEL, ON THE AFFIRMATIVE VOTE OF A MAJORITY OF THE QUORUM OF THE DISCIPLINARY PANEL, MAY** reprimand any licensee, place any licensee on probation, or suspend or revoke a license, if the applicant or licensee:

(1) Fraudulently or deceptively obtains or attempts to obtain a license for the applicant or licensee or for another;

(2) Fraudulently or deceptively uses a license;

(3) Is guilty of unprofessional or immoral conduct in the practice of perfusion;

(4) Is professionally, physically, or mentally incompetent;

(5) Abandons a patient;

(6) Is habitually intoxicated;

(7) Is addicted to or habitually abuses any narcotic or controlled dangerous substance as defined in § 5–101 of the Criminal Law Article;

(8) Provides professional services while:

(i) Under the influence of alcohol; or

(ii) Using any narcotic or controlled dangerous substance as defined in § 5–101 of the Criminal Law Article or any other drug that is in excess of therapeutic amounts or without valid medical indication;

(9) Promotes the sale of services, drugs, devices, appliances, or goods to a patient so as to exploit the patient for financial gain;

(10) Willfully makes or files a false report or record in the practice of perfusion;

(11) Willfully fails to file or record any report as required under law, willfully impedes or obstructs the filing or recording of a report, or induces another to fail to file or record a report;

(12) Breaches patient confidentiality;

(13) Pays or agrees to pay any sum or provide any form of remuneration or material benefit to any person for bringing or referring a patient or accepts or agrees to accept any sum or any form of remuneration or material benefit from an individual for bringing or referring a patient;

(14) Knowingly makes a misrepresentation while practicing perfusion;

(15) Knowingly practices perfusion with an unauthorized individual or aids an unauthorized individual in the practice of perfusion;

(16) Knowingly delegates a perfusion duty to an unlicensed individual;

(17) Offers, undertakes, or agrees to cure or treat disease by a secret method, treatment, or medicine;

(18) Is disciplined by a licensing or disciplinary authority or is convicted or disciplined by a court of any state or country or is disciplined by any branch of the United States uniformed services or the U.S. Department of Veterans Affairs for an act that would be grounds for disciplinary action under the Board's disciplinary statutes;

(19) Fails to meet appropriate standards for the delivery of perfusion services;

(20) Knowingly submits false statements to collect fees for which services are not provided;

(21) (i) Has been subject to investigation or disciplinary action by a licensing or disciplinary authority or by a court of any state or country for an act that would be grounds for disciplinary action under the Board's disciplinary statutes; and

(ii) Has:

1. Surrendered the license, if any, issued by the state or country; or

2. Allowed the license, if any, issued by the state or country to expire or lapse;

(22) Knowingly fails to report suspected child abuse in violation of § 5–704 of the Family Law Article;

(23) Sells, prescribes, gives away, or administers drugs for illegal or illegitimate medical purposes;

(24) Practices or attempts to practice beyond the authorized scope of practice;

(25) Is convicted of or pleads guilty or nolo contendere to 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;

(26) Refuses, withholds from, denies, or discriminates against an individual with regard to the provision of professional services for which the licensee is licensed and qualified to render because the individual is HIV positive;

(27) Practices or attempts to practice a perfusion procedure or uses or attempts to use perfusion equipment if the applicant or licensee has not received education and training in the performance of the procedure or the use of the equipment; or

(28) Fails to cooperate with a lawful investigation of the Board **OR A DISCIPLINARY PANEL**.

(b) Except as otherwise provided in Title 10, Subtitle 2 of the State Government Article, before the Board **OR A DISCIPLINARY PANEL** takes any action under subsection (a) of this section, it shall give the individual against whom the action is contemplated an opportunity for a hearing before the Board **OR THE DISCIPLINARY PANEL** in accordance with the hearing requirements of § 14–405 of this title.

(c) (1) On the filing of certified docket entries with the Board by the Office of the Attorney General, [the Board] **A DISCIPLINARY PANEL** shall order the suspension of a license if the licensee is convicted of or pleads guilty or nolo contendere with respect to a crime involving moral turpitude, whether or not any appeal or other proceeding is pending to have the conviction or plea set aside.

(2) After completion of the appellate process if the conviction has not been reversed or the plea has not been set aside with respect to a crime involving

moral turpitude, [the Board] **A DISCIPLINARY PANEL** shall order the revocation of a license on the certification by the Office of the Attorney General.

14-5E-18.

(f) A report made under this section is not subject to subpoena or discovery in any civil action other than a proceeding arising out of a hearing and decision of the Board **OR A DISCIPLINARY PANEL** under this title.

14-5E-18.1.

(A) FOLLOWING THE FILING OF CHARGES OR NOTICE OF INITIAL DENIAL OF LICENSE APPLICATION, THE BOARD SHALL DISCLOSE THE FILING TO THE PUBLIC ON THE BOARD'S WEB SITE.

(B) THE BOARD SHALL CREATE AND MAINTAIN A PUBLIC INDIVIDUAL PROFILE ON EACH LICENSEE THAT INCLUDES THE FOLLOWING INFORMATION:

(1) A SUMMARY OF CHARGES FILED AGAINST THE LICENSEE, INCLUDING A COPY OF THE CHARGING DOCUMENT, UNTIL A DISCIPLINARY PANEL HAS TAKEN ACTION UNDER § 14-5E-16 OF THIS SUBTITLE BASED ON THE CHARGES OR HAS RESCINDED THE CHARGES;

(2) A DESCRIPTION OF ANY DISCIPLINARY ACTION TAKEN BY THE BOARD OR A DISCIPLINARY PANEL AGAINST THE LICENSEE WITHIN THE MOST RECENT 10-YEAR PERIOD THAT INCLUDES A COPY OF THE PUBLIC ORDER;

(3) 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;

(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 THAT IS THE BASIS FOR DISCIPLINARY ACTION TAKEN UNDER § 14-5E-16(C) OF THIS SUBTITLE; AND

(5) THE PUBLIC ADDRESS OF THE LICENSEE.

(C) IN ADDITION TO THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION, THE BOARD SHALL INCLUDE ON EACH LICENSEE'S PROFILE A STATEMENT OF INFORMATION TO BE TAKEN INTO CONSIDERATION BY A CONSUMER WHEN VIEWING A LICENSEE'S PROFILE, INCLUDING A DISCLAIMER

STATING THAT A CHARGING DOCUMENT DOES NOT INDICATE A FINAL FINDING OF GUILT BY A DISCIPLINARY PANEL.

(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 WEB SITE THAT SERVES AS A SINGLE POINT OF ENTRY WHERE ALL LICENSEE PROFILE INFORMATION IS AVAILABLE TO THE PUBLIC ON THE INTERNET.

(E) THE BOARD SHALL PROVIDE A MECHANISM FOR THE NOTIFICATION AND PROMPT CORRECTION OF ANY FACTUAL INACCURACIES IN A LICENSEE'S PROFILE.

(F) THE BOARD SHALL INCLUDE INFORMATION RELATING TO CHARGES FILED AGAINST A LICENSEE BY A DISCIPLINARY PANEL AND ANY FINAL DISCIPLINARY ACTION TAKEN BY A DISCIPLINARY PANEL AGAINST A LICENSEE IN THE LICENSEE'S PROFILE WITHIN 10 DAYS AFTER THE CHARGES ARE FILED OR THE ACTION BECOMES FINAL.

14-5E-19.

(A) On the application of an individual whose license has been revoked, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of its full authorized membership, may reinstate a revoked license.

(B) IF A DISCIPLINARY PANEL REINSTATES A LICENSE UNDER SUBSECTION (A) OF THIS SECTION, THE DISCIPLINARY PANEL SHALL NOTIFY THE BOARD OF THE REINSTATEMENT.

14-5E-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, [2022] **2018**.

14-603.

A person may not make any false statement, report, or representation to the Board **OR A DISCIPLINARY PANEL**.

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, [2013] **2018**.

15-101.

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

(I-1) "DISCIPLINARY PANEL" MEANS A DISCIPLINARY PANEL OF THE BOARD ESTABLISHED UNDER § 14-401 OF THIS ARTICLE.

15-103.

(h) A report under this section is not subject to subpoena or discovery in any civil action other than a proceeding arising out of a hearing and decision of the Board **OR A DISCIPLINARY PANEL** under this title.

15-202.

(d) A Committee [chairperson] **CHAIR** and a secretary shall be selected every 2 years by a majority vote of the membership of the Committee.

(e) The [chairperson] **CHAIR, OR THE CHAIR'S DESIGNEE**, shall serve in an advisory capacity to the Board as a representative of the Committee.

15-205.

(a) In addition to the powers set forth elsewhere in this title, the Committee, on its initiative or on the Board's request, may:

(1) Recommend to the Board regulations for carrying out the provisions of this title;

(2) Recommend to the Board approval, modification, or disapproval of an application for licensure or a delegation agreement;

(3) Report to the Board any conduct of a supervising physician or a physician assistant that may be cause for disciplinary action under this title or under § 14-404 of this article; and

(4) Report to the Board any alleged unauthorized practice of a physician assistant.

(B) THE COMMITTEE SHALL SUBMIT AN ANNUAL REPORT TO THE BOARD.

[(b)] (C) (1) In addition to the duties set forth elsewhere in this title, the Board shall adopt regulations to carry out the provisions of this title.

(2) The Board shall:

(i) Consider all recommendations of the Committee; and

(ii) Provide [a written explanation of the Board's reasons for rejecting or modifying the Committee's recommendations] **TO THE COMMITTEE AN ANNUAL REPORT ON THE DISCIPLINARY MATTERS INVOLVING LICENSEES.**

(3) The Board may:

(i) Investigate any alleged unauthorized practice of a physician assistant;

(ii) Investigate any conduct that may be cause for disciplinary action under this title; and

(iii) On receipt of a written and signed complaint, including a referral from the Commissioner of Labor and Industry, conduct an unannounced inspection of the office of a physician assistant, other than an office of a physician assistant in a hospital, related institution, freestanding medical facility, or freestanding birthing center, to determine compliance at that office with the Centers for Disease Control and Prevention's guidelines on universal precautions.

(4) If the entry is necessary to carry out a duty under this subtitle, including an investigation or determination of compliance as provided under paragraph (3) of this subsection and an audit to determine compliance with the Board's requirements with respect to physician assistant practice, the Executive Director of the Board or other duly authorized agent or investigator may enter at any reasonable hour a place of business of a licensed physician or a licensed physician assistant or public premises.

(5) (i) A person may not deny or interfere with an entry under this subsection.

(ii) A person who violates any provision of this subsection is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$100.

15–206.

(a) The Board shall set reasonable fees for:

(1) The issuance and renewal of licenses; and

(2) The other services rendered by the Board in connection with physician assistants, **INCLUDING THE COST OF PROVIDING A REHABILITATION PROGRAM FOR PHYSICIAN ASSISTANTS UNDER § 14-401.1(G) OF THIS ARTICLE.**

15-302.

(g) If the Board determines that a primary or alternate supervising physician or physician assistant is practicing in a manner inconsistent with the requirements of this title or Title 14 of this article, the Board on its own initiative or on the recommendation of the Committee may demand modification of the practice, withdraw the approval of the delegation agreement, or **[take] REFER THE MATTER TO A DISCIPLINARY PANEL FOR THE PURPOSE OF TAKING** other disciplinary action under § 14-404 or § 15-314 of this article.

15-310.

[(e) The Board shall assess each applicant for a license or the renewal of a license to practice as a physician assistant, a fee set by the Board sufficient to fund the activities of the Board's rehabilitation program under § 14-401(g) of this article in conducting a physician assistant rehabilitation program.]

15-312.

(a) Unless **[the Board] A DISCIPLINARY PANEL** agrees to accept the surrender of a license of a physician assistant, the physician assistant may not surrender the license nor may the licensure lapse by operation of law while the physician assistant is under investigation or while charges are pending.

(b) **[The Board] A DISCIPLINARY PANEL** may set conditions on its agreement to accept surrender of a license.

15-314.

(a) Subject to the hearing provisions of § 15-315 of this subtitle, **[the Board] A DISCIPLINARY PANEL**, on the affirmative vote of a majority of the quorum, may reprimand any physician assistant, place any physician assistant on probation, or suspend or revoke a license if the physician assistant:

(1) Fraudulently or deceptively obtains or attempts to obtain a license for the applicant or licensee or for another;

(2) Fraudulently or deceptively uses a license;

- (3) Is guilty of:
 - (i) Immoral conduct in the practice of medicine; or
 - (ii) Unprofessional conduct in the practice of medicine;
- (4) Is professionally, physically, or mentally incompetent;
- (5) Solicits or advertises in violation of § 14–503 of this article;
- (6) Abandons a patient;
- (7) Habitually is intoxicated;
- (8) Is addicted to, or habitually abuses, any narcotic or controlled dangerous substance as defined in § 5–101 of the Criminal Law Article;
- (9) Provides professional services:
 - (i) While under the influence of alcohol; or
 - (ii) While using any narcotic or controlled dangerous substance, as defined in § 5–101 of the Criminal Law Article, or other drug that is in excess of therapeutic amounts or without valid medical indication;
- (10) Promotes the sale of drugs, devices, appliances, or goods to a patient so as to exploit the patient for financial gain;
- (11) Willfully makes or files a false report or record in the practice of medicine;
- (12) Willfully fails to file or record any medical report as required under law, willfully impedes or obstructs the filing or recording of the report, or induces another to fail to file or record the report;
- (13) On proper request, and in accordance with the provisions of Title 4, Subtitle 3 of the Health – General Article, fails to provide details of a patient’s medical record to the patient, another physician, or hospital;
- (14) Solicits professional patronage through an agent or other person or profits from the acts of a person who is represented as an agent of the physician;
- (15) Pays or agrees to pay any sum to any person for bringing or referring a patient or accepts or agrees to accept any sum from any person for bringing or referring a patient;

(16) Agrees with a clinical or bioanalytical laboratory to make payments to the laboratory for a test or test series for a patient, unless the licensed physician assistant discloses on the bill to the patient or third-party payor:

(i) The name of the laboratory;

(ii) The amount paid to the laboratory for the test or test series;
and

(iii) The amount of procurement or processing charge of the licensed physician, if any, for each specimen taken;

(17) Makes a willful misrepresentation in treatment;

(18) Practices medicine with an unauthorized person or aids an unauthorized person in the practice of medicine;

(19) Grossly overutilizes health care services;

(20) Offers, undertakes, or agrees to cure or treat disease by a secret method, treatment, or medicine;

(21) Is disciplined by a licensing or disciplinary authority or convicted or disciplined by a court of any state or country or disciplined by any branch of the United States uniformed services or the Veterans' Administration for an act that would be grounds for disciplinary action under this section;

(22) Fails to meet appropriate standards for the delivery of quality medical and surgical care performed in an outpatient surgical facility, office, hospital, or any other location in this State;

(23) Willfully submits false statements to collect fees for which services are not provided;

(24) Was subject to investigation or disciplinary action by a licensing or disciplinary authority or by a court of any state or country for an act that would be grounds for disciplinary action under this section and the licensee:

(i) Surrendered the license issued by the state or country to the state or country; or

(ii) Allowed the license issued by the state or country to expire or lapse;

(25) Knowingly fails to report suspected child abuse in violation of § 5-704 of the Family Law Article;

(26) Fails to educate a patient being treated for breast cancer of alternative methods of treatment as required by § 20–113 of the Health – General Article;

(27) Sells, prescribes, gives away, or administers drugs for illegal or illegitimate medical purposes;

(28) Fails to comply with the provisions of § 12–102 of this article;

(29) Refuses, withholds from, denies, or discriminates against an individual with regard to the provision of professional services for which the physician assistant is licensed and qualified to render because the individual is HIV positive;

(30) Except as to an association that has remained in continuous existence since July 1, 1963:

(i) Associates with a pharmacist as a partner or co-owner of a pharmacy for the purpose of operating a pharmacy;

(ii) Employs a pharmacist for the purpose of operating a pharmacy; or

(iii) Contracts with a pharmacist for the purpose of operating a pharmacy;

(31) Except in an emergency life-threatening situation where it is not feasible or practicable, fails to comply with the Centers for Disease Control and Prevention's guidelines on universal precautions;

(32) Fails to display the notice required under § 14–415 of this article;

(33) Fails to cooperate with a lawful investigation conducted by the Board **OR A DISCIPLINARY PANEL**;

(34) Is convicted of insurance fraud as defined in § 27–801 of the Insurance Article;

(35) Is in breach of a service obligation resulting from the applicant's or licensee's receipt of State or federal funding for the physician assistant's medical education;

(36) Willfully makes a false representation when seeking or making application for licensure or any other application related to the practice of medicine;

(37) By corrupt means, threats, or force, intimidates or influences, or attempts to intimidate or influence, for the purpose of causing any person to withhold

or change testimony in hearings or proceedings before the Board **OR A DISCIPLINARY PANEL** or those otherwise delegated to the Office of Administrative Hearings;

(38) By corrupt means, threats, or force, hinders, prevents, or otherwise delays any person from making information available to the Board **OR A DISCIPLINARY PANEL** in furtherance of any investigation of the Board **OR A DISCIPLINARY PANEL**;

(39) Intentionally misrepresents credentials for the purpose of testifying or rendering an expert opinion in hearings or proceedings before the Board **OR A DISCIPLINARY PANEL** or those otherwise delegated to the Office of Administrative Hearings;

(40) Fails to keep adequate medical records;

(41) Performs delegated medical acts beyond the scope of the delegation agreement filed with the Board or after notification from the Board that an advanced duty has been disapproved; or

(42) Performs delegated medical acts without the supervision of a physician.

(b) (1) On the filing of certified docket entries with the Board by the Office of the Attorney General, [the Board] **A DISCIPLINARY PANEL** shall order the suspension of a license if the physician assistant is convicted of or pleads guilty or nolo contendere with respect to a crime involving moral turpitude, whether or not any appeal or other proceeding is pending to have the conviction or plea set aside.

(2) After completion of the appellate process if the conviction has not been reversed or the plea has not been set aside with respect to a crime involving moral turpitude, [the Board] **A DISCIPLINARY PANEL** shall order the revocation of a license on the certification by the Office of the Attorney General.

15-315.

(a) (1) Except as otherwise provided under § 10-226 of the State Government Article, before [the Board] **A DISCIPLINARY PANEL** takes any action under § 15-314(a) of this subtitle, the [Board] **DISCIPLINARY PANEL** shall give the individual against whom the action is contemplated an opportunity for a hearing before a hearing officer.

(2) The hearing officer shall give notice and hold the hearing in accordance with Title 10, Subtitle 2 of the State Government Article.

(3) [The Board] **A DISCIPLINARY PANEL** may administer oaths in connection with any proceeding under this section.

(4) At least 14 days before the hearing, the hearing notice required under this subtitle shall be sent by certified mail to the last known address of the individual.

(b) (1) Any licensee who is aggrieved by a final decision of the Board **OR A DISCIPLINARY PANEL** under this subtitle may not appeal to the Board of Review but may take a direct judicial appeal.

(2) The appeal shall be as provided for judicial review of the final decision in Title 10, Subtitle 2 of the State Government Article.

(c) An order of the Board **OR A DISCIPLINARY PANEL** under this subtitle may not be stayed pending review.

(d) All of the findings and orders of the Board **OR A DISCIPLINARY PANEL** that relate to physician assistants are subject to the provisions of Title 14, Subtitle 4 of this article.

15–316.

(a) If, after a hearing under § 15–315 of this subtitle, [the Board] **A DISCIPLINARY PANEL** finds that there are grounds for discipline under § 15–314(a) of this subtitle to suspend or revoke a license of a physician assistant [or to deny a license to an applicant] or to reprimand a licensed physician assistant, the [Board] **DISCIPLINARY PANEL** may impose a fine subject to the Board’s regulations instead of or in addition to suspending or revoking the license or reprimanding the licensee.

(b) The Board shall pay any fines collected under this section into the General Fund of the State.

15–316.1.

(A) FOLLOWING THE FILING OF CHARGES OR NOTICE OF INITIAL DENIAL OF LICENSE APPLICATION, THE BOARD SHALL DISCLOSE THE FILING TO THE PUBLIC ON THE BOARD’S WEB SITE.

(B) THE BOARD SHALL CREATE AND MAINTAIN A PUBLIC INDIVIDUAL PROFILE ON EACH LICENSEE THAT INCLUDES THE FOLLOWING INFORMATION:

(1) A SUMMARY OF CHARGES FILED AGAINST THE LICENSEE, INCLUDING A COPY OF THE CHARGING DOCUMENT, UNTIL A DISCIPLINARY PANEL HAS TAKEN ACTION UNDER § 15–314 OF THIS SUBTITLE BASED ON THE CHARGES OR HAS RESCINDED THE CHARGES;

(2) A DESCRIPTION OF ANY DISCIPLINARY ACTION TAKEN BY THE BOARD OR A DISCIPLINARY PANEL AGAINST THE LICENSEE WITHIN THE MOST RECENT 10-YEAR PERIOD THAT INCLUDES A COPY OF THE PUBLIC ORDER;

(3) 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;

(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 THAT IS THE BASIS FOR DISCIPLINARY ACTION TAKEN UNDER § 15-314(B) OF THIS SUBTITLE; AND

(5) THE PUBLIC ADDRESS OF THE LICENSEE.

(C) IN ADDITION TO THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION, THE BOARD SHALL INCLUDE ON EACH LICENSEE'S PROFILE A STATEMENT OF INFORMATION TO BE TAKEN INTO CONSIDERATION BY A CONSUMER WHEN VIEWING A LICENSEE'S PROFILE, INCLUDING A DISCLAIMER STATING THAT A CHARGING DOCUMENT DOES NOT INDICATE A FINAL FINDING OF GUILT BY A DISCIPLINARY PANEL.

(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 WEB SITE THAT SERVES AS A SINGLE POINT OF ENTRY WHERE ALL LICENSEE PROFILE INFORMATION IS AVAILABLE TO THE PUBLIC ON THE INTERNET.

(E) THE BOARD SHALL PROVIDE A MECHANISM FOR THE NOTIFICATION AND PROMPT CORRECTION OF ANY FACTUAL INACCURACIES IN A LICENSEE'S PROFILE.

(F) THE BOARD SHALL INCLUDE INFORMATION RELATING TO CHARGES FILED AGAINST A LICENSEE BY A DISCIPLINARY PANEL AND ANY FINAL DISCIPLINARY ACTION TAKEN BY A DISCIPLINARY PANEL AGAINST A LICENSEE IN THE LICENSEE'S PROFILE WITHIN 10 DAYS AFTER THE CHARGES ARE FILED OR THE ACTION BECOMES FINAL.

Subject to the evaluation and reestablishment provisions of the Maryland Program Evaluation Act, this title and all regulations adopted under this title shall terminate and be of no effect after July 1, [2013] **2018**.

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:

(6) Athletic Training Advisory Committee (§ 14–5D–04 of the Health Occupations Article: [July 1, 2012] **OCTOBER 30, 2016**);

(45) Perfusion Advisory Committee (§ 14–5E–05 of the Health Occupations Article: [July 1, 2021] **OCTOBER 30, 2016**);

(48) Physician Assistant Advisory Committee (§ 15–201 of the Health Occupations Article: [July 1, 2012] **OCTOBER 30, 2016**);

(49) Physicians, State Board of (§ 14–201 of the Health Occupations Article: [July 1, 2012] **OCTOBER 30, 2016**);

(53) Polysomnography Professional Standards Committee (§ 14–5C–05 of the Health Occupations Article: [July 1, 2012] **OCTOBER 30, 2016**);

(59) Radiation Oncology/Therapy Technologists, Medical Radiation Technologists, and Nuclear Medicine Technologists Advisory Committee (§ 14–5B–05 of the Health Occupations Article: [July 1, 2012] **OCTOBER 30, 2016**);

(63) Respiratory Care Professional Standards Committee, State (§ 14–5A–05 of the Health Occupations Article: [July 1, 2012] **OCTOBER 30, 2016**);

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1, 2013, and annually thereafter for the next 5 years, the State Board of Physicians shall submit a report, 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. The report shall provide an update on:

(1) any changes to the Board's discipline process that have been implemented and the effect of those changes on the complaint backlog and complaint resolution times;

- (2) the progress of the Board in procuring and implementing a new information technology system to improve data management;
- (3) a long-term financial plan;
- (4) financial data for the preceding fiscal year; and
- (5) the progress of the Board in implementing the recommendations made by the Department of Legislative Services in the November 2011 publication "Sunset Review: Evaluation of the State Board of Physicians and the Related Allied Health Advisory Committees" and any statutory changes affecting the Board.

SECTION 3. 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 or the related allied health advisory committees prior to the evaluation required on or before October 30, 2016.

SECTION 4. 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 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 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 696 – *Manufactured Homes – Affixation to Real Property – Liens*.

This bill alters specified lien information that must be included in specified statements that accompany the recordation of an affidavit of affixation for a manufactured home under specified circumstances.

House Bill 794, 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 696.

Sincerely,

Governor Martin O'Malley

Senate Bill 696

AN ACT concerning

Manufactured Homes – Affixation to Real Property – Liens

FOR the purpose of altering certain lien information that must be included in certain statements that accompany the recordation of an affidavit of affixation for a manufactured home under certain circumstances; making stylistic changes; defining a certain term; and generally relating to the affixation to real property of manufactured homes.

BY repealing and reenacting, with amendments,
Article – Real Property
Section 8B–101, 8B–102(a), and 8B–202(b) and (c)
Annotated Code of Maryland
(2010 Replacement Volume and 2012 Supplement)

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

Article – Real Property

8B–101.

- (a) In this title the following words have the meanings indicated.
- (b) “Attached to a permanent foundation” means anchored to real property by attachment to a permanent foundation and connected to utilities, including water, gas, electricity, or sewer or septic service.
- (c) “Certificate of origin” has the meaning stated in § 13–101 of the Transportation Article.
- (d) “Certificate of title” means a title issued by the Motor Vehicle Administration for a manufactured home under Title 13 of the Transportation Article.
- (e) “Convert” means to make a manufactured home that is attached to a permanent foundation considered as permanently affixed to a parcel of real property and treated as an integral part of the parcel.

(f) (1) **“LIEN” MEANS AN INTEREST IN A MANUFACTURED HOME, WHETHER AS PERSONAL PROPERTY OR REAL PROPERTY, OR IN THE PARCEL OF REAL PROPERTY TO WHICH THE MANUFACTURED HOME IS OR WILL BE AFFIXED, THAT SECURES PAYMENT OF A DEBT OR PERFORMANCE OF AN OBLIGATION.**

(2) **“LIEN” INCLUDES:**

(I) **A MORTGAGE, DEED OF TRUST, SECURITY AGREEMENT, OR OTHER INSTRUMENT CREATING AN ENCUMBRANCE ON THE PROPERTY; OR**

(II) **AN ENCUMBRANCE ARISING BY OPERATION OF LAW.**

(G) **“Manufactured home” has the meaning stated in § 9–102(a) of the Commercial Law Article.**

[(g)] (H) **“Owner” means a person that has an ownership interest in a manufactured home.**

[(h)] (I) **“Sever” means to separate a manufactured home that has been converted to real property from the parcel of real property to which it has been affixed.**

8B–102.

(a) Except as provided in subsection (b) of this section, on satisfaction of the requirements of Subtitle 2 of this title:

(1) A manufactured home shall be:

(i) Converted to real property; and

(ii) Governed by the laws applicable to real property and not subject to Title 13 of the Transportation Article;

(2) Any [mortgage, deed of trust, lien, or security interest] **LIEN** that can attach to real property shall attach in the same manner to a manufactured home that is converted to real property as to the parcel of real property to which the manufactured home has been affixed; and

(3) The title and all rights to a manufactured home shall be transferred by deed with the transfer of the parcel of real property to which the manufactured home has been affixed.

8B–202.

(b) (1) Except as provided in paragraph (2) of this subsection, an affidavit of affixation shall be accompanied by:

(i) An original certificate of title issued by the Motor Vehicle Administration for the manufactured home that:

1. Has the word “surrendered” clearly written on its face; and

2. If the certificate of title indicates that there is a [lien, encumbrance, or other security interest for] **LIEN ON** the manufactured home, is accompanied by a release from each party that [has a security interest in] **IS INDICATED TO HAVE A LIEN ON** the manufactured home; or

(ii) A manufacturer’s certificate of origin for the manufactured home that:

1. Has the word “surrendered” clearly written on its face; and

2. If the manufacturer’s certificate of origin indicates that there is a [lien, encumbrance, or other security interest for] **LIEN ON** the manufactured home, is accompanied by a release from each party that [has a security interest in] **IS INDICATED TO HAVE A LIEN ON** the manufactured home.

(2) If the owner is unable to locate an original certificate of title or a manufacturer’s certificate of origin, the affidavit of affixation shall be accompanied by a report prepared and acknowledged by an attorney licensed to practice in the State or a title insurance producer licensed to do business in the State that:

(i) Identifies the party preparing the report;

(ii) States that a search has been conducted of:

1. The land records of the county in which the parcel of real property to which the manufactured home is or will be affixed is located; and

2. The records maintained by the Motor Vehicle Administration; and

(iii) [States that no lien, encumbrance, or other security interest has been found for the manufactured home] **IDENTIFIES ALL LIENS ON THE MANUFACTURED HOME, INCLUDING FOR EACH LIEN:**

1. **THE NAME OF THE LIEN HOLDER;**

2. **THE NATURE OF THE LIEN;**

3. THE DATE THE LIEN WAS CREATED; AND**4. THE AMOUNT OF THE LIEN.**

(c) (1) If an affidavit of affixation is accompanied by an original certificate of title, the affidavit shall be accompanied by:

(i) A statement that it is the intent of the owner to surrender the certificate of title; and

(ii) A statement that:

1. There is no [lien, encumbrance, or other security interest for] **LIEN ON** the manufactured home; or

2. Any [lien, encumbrance, or other security interest for] **LIEN ON** the manufactured home has been satisfied and the appropriate releases are attached and made a part of the affidavit of affixation.

(2) If an affidavit of affixation is accompanied by a manufacturer's certificate of origin, the affidavit shall be accompanied by:

(i) A statement that a certificate of title has not been issued for the manufactured home;

(ii) A statement that it is the intent of the owner to surrender the manufacturer's certificate of origin; and

(iii) A statement that:

1. There is no [lien, encumbrance, or other security interest for] **LIEN ON** the manufactured home; or

2. Any [lien, encumbrance, or other security interest for] **LIEN ON** the manufactured home has been satisfied and the appropriate releases are attached and made a part of the affidavit of affixation.

(3) If an affidavit of affixation is accompanied by a statement from an attorney or title insurance producer, the affidavit also shall be accompanied by:

(i) A statement that the owner is unable to locate a certificate of title or a manufacturer's certificate of origin for the manufactured home; and

(ii) A statement [that:

1. There is no lien, encumbrance, or other security interest for the manufactured home; or

2. Any lien, encumbrance, or other security interest for the manufactured home has been satisfied and the appropriate releases are attached and made a part of the affidavit of affixation] **THAT IDENTIFIES ALL LIENS ON THE MANUFACTURED HOME, INCLUDING FOR EACH LIEN:**

1. **THE NAME OF THE LIEN HOLDER;**
2. **THE NATURE OF THE LIEN;**
3. **THE DATE THE LIEN WAS CREATED; AND**
4. **THE AMOUNT OF THE LIEN.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013.

May 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 751 – *State Police Retirement System – Reemployment of Retirees*.

This bill clarifies the applicability of specified requirements for an offset from specified retirement allowances from the State Police Retirement System for specified individuals who accept employment with specified participating employers. This bill also extends a termination provision that applies to specified provisions that relate to the reemployment of retirees of the State Police Retirement System.

House Bill 902, 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 751.

Sincerely,

Governor Martin O'Malley

Senate Bill 751

AN ACT concerning

State Police Retirement System – Reemployment of Retirees

FOR the purpose of clarifying the applicability of certain requirements for an offset from certain retirement allowances from the State Police Retirement System for certain individuals who accept employment with certain participating employers; extending a certain termination provision that applies to certain provisions that relate to the reemployment of retirees of the State Police Retirement System; providing for the termination of certain provisions of this Act; and generally relating to the reemployment of retirees of the State Police Retirement System.

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 24–405
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Chapter 644 of the Acts of the General Assembly of 2009
Section 3

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

Article – State Personnel and Pensions

24–405.

(a) Except as provided in § 24–405.1 of this subtitle and subject to subsections (b), (c), and (d) of this section, an individual who is receiving a service retirement allowance or vested allowance may accept employment with a participating employer **ON A CONTRACTUAL BASIS AS A POLICE EMPLOYEE, AS DEFINED IN § 2–101 OF THE PUBLIC SAFETY ARTICLE, AT A RANK OF TROOPER FIRST CLASS OR** on a temporary [or contractual] basis, if:

- (1) the employment is not in a regularly allocated position; and
- (2) the individual immediately notifies the Board of Trustees:
 - (i) of the individual's intention to accept the employment; and

(ii) of the compensation that the individual will receive.

(b) (1) [The] **EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, THE** Board of Trustees shall reduce the allowance of an individual who accepts employment as provided under subsection (a) of this section if:

(i) the individual's current employer is any unit of State government; and

(ii) 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.

(2) (i) Subject to subparagraph (ii) of this paragraph, the reduction under paragraph (1) of this subsection shall equal 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.

(ii) 1. Any reduction taken to a retiree's allowance under this subsection may not exceed an amount that would reduce the retiree's allowance to less than what is required to be deducted for the retiree's monthly State-approved medical insurance premiums.

2. If a reduction for a calendar year taken under subparagraph 1 of this subparagraph is less than the reduction required under subparagraph (i) of this paragraph, the Board of Trustees shall recover from the retiree an amount equal to the reduction required under subparagraph (i) of this paragraph less the reduction taken under subparagraph 1 of this subparagraph.

(3) The reduction under paragraph (1) of this subsection does not apply to:

(i) an individual who has been retired for 5 years, beginning on January 1, after the date the individual retires;

(ii) an individual who participates in the Deferred Retirement Option Program established under § 24–401.1 of this subtitle; or

(iii) a retiree of the State Police Retirement System who is reemployed by the Department of State Police on a contractual basis as a police employee, as defined in § 2–101 of the Public Safety Article, at a rank of trooper first class.

(c) For purposes of this section, employment is not on a temporary basis if, in any 12-month period, an individual works:

(1) full time for more than 6 months; or

(2) part time for the equivalent of more than 6 months of full-time work.

(d) Prior to commencing reemployment under subsection (b)(3)(iii) of this section, a retiree shall terminate participation in the Deferred Retirement Option Program and receive any lump sum payment associated with the retiree's participation in the Deferred Retirement Option Program as provided under § 24-401.1(i) of this subtitle.

(e) (1) Subject to paragraph (2) of this subsection, a retiree reemployed under subsection (b)(3)(iii) of this section may not be reemployed for more than 4 years.

(2) A retiree reemployed under subsection (b)(3)(iii) of this section may not be reemployed after becoming 60 years old.

(f) 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.

(g) 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.

(h) The State Retirement Agency shall institute appropriate reporting procedures with the affected payroll systems to ensure compliance with this section.

(i) (1) Immediately on the employment of a retiree who is rehired under subsection (b)(3)(iii) of this section, the Department of State Police 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, the Department of State Police 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.

(j) On or before September 1 of each year, the Secretary of State Police 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 (b)(3)(iii) 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 police employees hired who are not retirees; and

(4) the annual salary of each police employee who is hired.

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

Chapter 644 of the Acts of 2009

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2009. It shall remain effective for a period of [5] 9 years and, at the end of June 30, [2014] 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013. Section 1 of this Act shall remain effective until the taking effect of the termination provision specified in Section 3 of Chapter 644 of the Acts of the General Assembly of 2009. If that termination provision takes effect, Section 1 of this Act shall be abrogated and of no further force and effect.

May 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 761 – *Health Occupations – State Board of Pharmacy – Waivers – Pharmacies That Only Dispense Devices*.

This bill authorizes the State Board of Pharmacy to waive specified requirements for specified pharmacies that only dispense devices in accordance with specified rules and regulations.

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 761.

Sincerely,

Governor Martin O'Malley

Senate Bill 761

AN ACT concerning

Health Occupations – State Board of Pharmacy – Waivers – Pharmacies That Only Dispense Devices

FOR the purpose of authorizing the State Board of Pharmacy to waive certain requirements for certain pharmacies that only dispense devices in accordance with certain rules and regulations; making certain technical changes; making this Act an emergency measure; and generally relating to the State Board of Pharmacy and waivers for pharmacies that only dispense devices.

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 12–403
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

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

Article – Health Occupations

12–403.

(a) This section does not require a nonresident pharmacy to violate the laws or regulations of the state in which it is located.

(b) Except as otherwise provided in this section, a pharmacy for which a pharmacy permit has been issued under this title:

(1) Shall be operated in compliance with the law and with the rules and regulations of the Board;

(2) Shall be located and equipped so that the pharmacy may be operated without endangering the public health or safety;

(3) Shall ensure that a licensed pharmacist be immediately available on the premises to provide pharmacy services at all times the pharmacy is in operation;

(4) Shall be supervised by a licensed pharmacist who is responsible for the operations of the pharmacy at all times the pharmacy is in operation;

(5) Shall provide complete pharmaceutical service by preparing and dispensing all prescriptions that reasonably may be expected of a pharmacist;

(6) Shall provide services to the general public and may not restrict or limit its services to any group of individuals unless granted a waiver from this requirement by the Board;

(7) May not offer pharmaceutical services under any term or condition that tends to interfere with or impair the free and complete exercise of professional pharmaceutical judgment or skill;

(8) May not make any agreement that denies a patient a free choice of pharmacist or pharmacy services;

(9) May not participate in any activity that is a ground for Board action against a licensed pharmacist under § 12–313 or a registered pharmacy technician under § 12–6B–09 of this title;

(10) (i) Shall maintain at all times a current reference library that is appropriate to meet the needs of:

1. The practice specialty of that pharmacy; and
2. The consumers the pharmacy serves; and

(ii) Shall comply with any regulations adopted by the Board establishing the types of texts required to be included in the reference libraries in each of the various practice specialty pharmacies;

(11) (i) Shall maintain at all times the minimum professional and technical equipment and sanitary appliances that are necessary in a pharmacy:

1. To prepare and dispense prescriptions properly; and
2. To otherwise operate a pharmacy; and

(ii) Shall:

1. Be equipped with the minimum equipment and appliances specified by the Board under this section; and
2. Be kept in a clean and orderly manner;

(12) Shall store all prescription or nonprescription drugs or devices properly and safely subject to the rules and regulations adopted by the Board;

(13) Shall:

(i) Make and keep on file for at least 5 years a record of each prescription prepared or dispensed in the pharmacy;

(ii) Disclose the records and files maintained of prescriptions for drugs or devices that identify or may be readily associated with the identity of a patient only in accordance with the provisions of Title 4, Subtitle 3 of the Health – General Article; and

(iii) Keep additional records as required by the rules and regulations adopted by the Board;

(14) Except as otherwise provided under federal law, shall establish and maintain mechanisms to ensure that all prescription drugs or devices used within institutions that provide acute, subacute, or long-term care, or within their related corporate subsidiaries, but stored outside a pharmacy, are stored properly and safely, subject to rules and regulations adopted by the Board and policies established by the institution;

(15) Shall provide such personnel, automation, and technology as are necessary to allow the licensed pharmacist employee sufficient time to utilize the pharmacist's knowledge and training and to perform competently the functions of a licensed pharmacist as required by law;

(16) Shall provide such personnel, automation, and technology as are necessary to [allow the licensed pharmacist employee or registered pharmacy technician to] comply with the labeling requirements specified in § 12-505 of this title;

(17) With regard to a prescription drug that is delivered in this State by the United States mail, a common carrier, or a delivery service and is not personally hand delivered directly to a patient or to the agent of the patient at the residence of the patient or at another location designated by the patient, shall:

(i) Provide a general written notice in each shipment of a prescription drug that alerts a consumer that, under certain circumstances, a medication's effectiveness may be affected by exposure to extremes of heat, cold, or humidity; and

(ii) Provide a specific written notice in each shipment of a prescription drug that provides a consumer with a toll-free or local consumer access telephone number accessible during regular hours of operation, which is designed to respond to consumer questions pertaining to medications;

(18) (i) May maintain a record log of any prescription that is requested to be filled or refilled by a patient in accordance with the provisions of Title 4, Subtitle 3 of the Health – General Article;

(ii) If the prescription record of a patient includes the patient's Social Security number, shall keep the Social Security number confidential;

(iii) May not list in the record log the type of illness, disability, or condition that is the basis of any dispensing or distribution of a drug by a pharmacist; and

(iv) May not list a patient's Social Security number, illness, disability, or condition, or the name and type of drug received in the record log if the log is available to other pharmacy customers;

(19) May not allow an unauthorized individual to represent that the individual is a pharmacist or registered pharmacy technician;

(20) Shall provide information regarding the process for resolving incorrectly filled prescriptions in accordance with existing regulations by:

(i) Posting a sign that is conspicuously positioned and readable by consumers at the point where prescription drugs are dispensed to consumers; or

(ii) Including written information regarding the process with each prescription dispensed; and

(21) Shall dispense or dispose of prescription drugs or medical supplies in accordance with Title 15, Subtitle 6 of the Health – General Article.

(c) (1) The Board may waive any of the requirements of this section for the University of Maryland School of Pharmacy, for nuclear pharmacy and dental pharmacy experimental and teaching programs.

(2) The Board may waive the requirements of subsection (b)(5) and (6) of this section for pharmacies that are engaged in pharmaceutical specialties which are recognized by the Board under rules and regulations adopted by the Board.

(3) THE BOARD MAY WAIVE THE REQUIREMENTS OF SUBSECTION (B)(3) THROUGH (6) AND (15) OF THIS SECTION FOR PHARMACIES THAT ONLY DISPENSE DEVICES IN ACCORDANCE WITH RULES AND REGULATIONS ADOPTED BY THE BOARD.

[(3)](4) The Board shall waive the requirements of subsection (b)(20) of this section for a pharmacy owned and operated by a hospital, nursing facility, or

clinic to which the public does not have access to purchase pharmaceuticals on a retail basis.

(d) A nonresident pharmacy shall:

(1) Hold a pharmacy permit issued by the Board; and

(2) Have a pharmacist on staff who is:

(i) Licensed by the Board; and

(ii) Designated as the pharmacist responsible for providing pharmaceutical services to patients in the State.

(e) (1) In order to obtain a pharmacy permit from the Board, a nonresident pharmacy shall:

(i) Submit an application to the Board on the form that the Board requires;

(ii) Pay to the Board an application fee set by the Board;

(iii) Submit a copy of the most recent inspection report resulting from an inspection conducted by the regulatory or licensing agency of the state in which the nonresident pharmacy is located; and

(iv) On the required permit application, identify the name and current address of an agent located in this State officially designated to accept service of process.

(2) A nonresident pharmacy shall report a change in the name or address of the resident agent in writing to the Board 30 days prior to the change.

(f) Notwithstanding subsection (a) of this section, a nonresident pharmacy shall:

(1) Comply with the requirements of subsection (b)(2), (7) through (12), and (19) **OF THIS SECTION** when:

(i) Dispensing prescription drugs or prescription devices to a patient in this State; or

(ii) Otherwise engaging in the practice of pharmacy in this State;

(2) On an annual basis and within 30 days after a change of office, corporate officer, or pharmacist, disclose to the Board the location, names, and titles of

all principal corporate officers and all pharmacists who are dispensing prescriptions for drugs or devices to persons in this State;

(3) Comply with all lawful directions and requests for information from the regulatory or licensing agency of the state in which it is located and all requests for information made by the Board pursuant to this section;

(4) Maintain at all times a valid, unexpired permit to conduct a pharmacy in compliance with the laws of the state in which it is located;

(5) Maintain its records of prescription drugs or devices dispensed to patients in this State so that the records are readily retrievable;

(6) During its regular hours of operation, but not less than 6 days a week, and for a minimum of 40 hours per week, provide toll-free telephone service to facilitate communication between patients in this State and a pharmacist **OR AN INDIVIDUAL** who:

(i) Has access to the patient's prescription records; and

(ii) Is required to refer patients in the State to the responsible pharmacist licensed in the State, as appropriate;

(7) Disclose its toll-free telephone number on a label affixed to each container of drugs or devices;

(8) Comply with the laws of this State relating to the confidentiality of prescription records if there are no laws relating to the confidentiality of prescription records in the state in which the nonresident pharmacy is located; and

(9) Comply with the requirements of subsection (b)(17) and (20) of this section.

(g) Subject to the hearing provisions of § 12-411 of this subtitle, if a pharmacy or a nonresident pharmacy is operated in violation of this section, the Board may suspend the applicable pharmacy permit until the pharmacy complies with this section.

(H) THE BOARD MAY WAIVE THE FOLLOWING REQUIREMENTS FOR NONRESIDENT PHARMACIES THAT ONLY DISPENSE DEVICES IN ACCORDANCE WITH RULES AND REGULATIONS ADOPTED BY THE BOARD:

(1) SUBSECTIONS (D)(2) AND (F)(6)(II) OF THIS SECTION; AND

(2) IF NOT APPLICABLE, SUBSECTIONS (E)(1)(III) AND (F)(4) OF THIS SECTION.

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 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 766 – *Business Occupations – Oil and Gas Land Professionals – Registration*.

This bill prohibits a person from operating as an oil or gas land professional in the State unless the person registers with and obtains a registration certificate from the Department of Labor, Licensing, and Regulation. The bill requires a person to register as a land professional in a specified manner and the Department to assign a registration number and issue a registration certificate to a specified person. This bill also requires a land professional to provide specified proof to a property owner before obtaining specified mineral rights.

House Bill 828, 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 766.

Sincerely,

Governor Martin O'Malley

Senate Bill 766

AN ACT concerning

Business Occupations – Oil and Gas Land Professionals – Registration

FOR the purpose of prohibiting a person from operating as an oil or gas land professional in the State unless the person registers with and obtains a registration certificate from the Department of Labor, Licensing, and Regulation; requiring a person to register as a land professional by submitting a certain form and a certain fee to the Department; requiring the Department to assign a registration number and issue a registration certificate to a certain person; providing for the expiration and renewal of a certain registration; requiring a land professional to provide certain proof to a property owner before obtaining any mineral rights in oil or gas from the property owner; requiring the Department to adopt certain regulations to implement this Act; requiring the Department to develop a means for providing public access to certain information; establishing certain penalties; defining certain terms; and generally relating to the registration of oil and gas land professionals in the State.

BY adding to

Article – Business Occupations and Professions

Section 10.5–101 through 10.5–107 to be under the new title “Title 10.5. Oil and Gas Land Professionals”

Annotated Code of Maryland

(2010 Replacement Volume and 2012 Supplement)

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

Article – Business Occupations and Professions

TITLE 10.5. OIL AND GAS LAND PROFESSIONALS.

10.5–101.

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

(B) (1) “LAND PROFESSIONAL” MEANS A PERSON THAT, ACTING ON THE PERSON’S OWN BEHALF OR ON BEHALF OF A PROSPECTIVE LESSEE OR BUYER, NEGOTIATES WITH A PROPERTY OWNER FOR THE ACQUISITION OF MINERAL RIGHTS IN OIL OR GAS IN THE STATE.

(2) “LAND PROFESSIONAL” DOES NOT INCLUDE A PERSON THAT NEGOTIATES FOR THE ACQUISITION OR DIVESTITURE OF A LESSEE’S INTEREST IN AN EXISTING LEASE FOR MINERAL RIGHTS IN OIL OR GAS.

(C) (1) “MINERAL RIGHTS IN OIL OR GAS” MEANS PROPERTY RIGHTS THAT ALLOW THE HOLDER OF THE RIGHTS TO ENTER ONTO OR UNDER THE

PROPERTY OF ANOTHER PERSON FOR THE EXTRACTION OF CRUDE OIL, NATURAL GAS, OR THE CONSTITUENTS OF CRUDE OIL OR NATURAL GAS.

(2) "MINERAL RIGHTS IN OIL OR GAS" INCLUDES AN OIL OR GAS LEASE.

10.5-102.

A PERSON MAY NOT OPERATE AS A LAND PROFESSIONAL IN THE STATE UNLESS THE PERSON REGISTERS WITH THE DEPARTMENT AND IS ISSUED A REGISTRATION CERTIFICATE UNDER THIS TITLE.

10.5-103.

(A) A PERSON SHALL REGISTER AS A LAND PROFESSIONAL BY SUBMITTING TO THE DEPARTMENT:

(1) AN INITIAL REGISTRATION APPLICATION ON THE FORM REQUIRED BY THE DEPARTMENT; AND

(2) AN INITIAL REGISTRATION FEE SET BY THE DEPARTMENT.

(B) THE DEPARTMENT SHALL ASSIGN A REGISTRATION NUMBER AND ISSUE A REGISTRATION CERTIFICATE TO EACH PERSON THAT MEETS THE REQUIREMENTS OF SUBSECTION (A) OF THIS SECTION.

(C) A REGISTRATION UNDER THIS TITLE IS VALID FOR 2 YEARS FROM THE EFFECTIVE DATE OF THE REGISTRATION AND MAY BE RENEWED BY SUBMITTING TO THE DEPARTMENT:

(1) A REGISTRATION RENEWAL APPLICATION ON THE FORM REQUIRED BY THE DEPARTMENT; AND

(2) A REGISTRATION RENEWAL FEE SET BY THE DEPARTMENT.

10.5-104.

BEFORE OBTAINING ANY MINERAL RIGHTS IN OIL OR GAS FROM A PROPERTY OWNER, A LAND PROFESSIONAL SHALL PROVIDE TO THE PROPERTY OWNER PROOF THAT THE LAND PROFESSIONAL IS REGISTERED UNDER THIS TITLE.

10.5-105.

THE DEPARTMENT SHALL ADOPT REGULATIONS THAT:

(1) ESTABLISH A REGISTRATION FORM FOR THE INITIAL AND RENEWAL REGISTRATION OF A LAND PROFESSIONAL;

(2) SET FEES FOR THE ISSUANCE OF AN INITIAL REGISTRATION AND FOR A REGISTRATION RENEWAL;

(3) PROVIDE FOR THE ASSIGNMENT OF A REGISTRATION NUMBER AND THE ISSUANCE OF A REGISTRATION CERTIFICATE TO EACH REGISTERED LAND PROFESSIONAL; AND

(4) ESTABLISH ANY OTHER REQUIREMENTS AND PROCEDURES NECESSARY TO IMPLEMENT THIS TITLE.

10.5–106.

THE DEPARTMENT SHALL DEVELOP A MEANS FOR PROVIDING PUBLIC ACCESS TO RELEVANT INFORMATION RELATING TO EACH PERSON REGISTERED UNDER THIS TITLE.

10.5–107.

(A) A PERSON THAT VIOLATES ANY PROVISION OF THIS TITLE OR ANY REGULATION ADOPTED UNDER THIS TITLE IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO:

(1) FOR A FIRST VIOLATION, A FINE OF NOT LESS THAN \$500 BUT NOT EXCEEDING \$1,000; AND

(2) FOR A SECOND OR SUBSEQUENT VIOLATION, A FINE OF NOT LESS THAN \$1,000 BUT NOT EXCEEDING \$2,000.

(B) ANY FINES COLLECTED UNDER THIS SECTION SHALL BE PAID INTO THE GENERAL FUND OF THE STATE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013.

May 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 767 – *Garrett County – Alcoholic Beverages – Licenses, Permits, and Other Authorizations*.

This bill authorizes the Board of License Commissioners in Garrett County to grant specified license holders a privilege at no charge to sell specified alcoholic beverages at catered events in commemorative or special event bottles under specified circumstances. The bill also establishes a Class BDR beer and wine license for a deluxe restaurant, establishes a refillable container permit for specified draft beer license holders, and authorizes the Board to issue annually not more than two beer festival licenses.

House Bill 749, 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 767.

Sincerely,

Governor Martin O'Malley

Senate Bill 767

AN ACT concerning

Garrett County – Alcoholic Beverages – Licenses, Permits, and Other Authorizations

FOR the purpose of authorizing the Board of License Commissioners in Garrett County to grant certain license holders a privilege at no charge to sell certain alcoholic beverages at catered events in commemorative or special event bottles for consumption off the licensed premises under certain circumstances; establishing a Class BDR beer and wine license for a deluxe restaurant that has a certain minimum seating capacity and a certain minimum capital investment; specifying certain privileges, issuing fees, and annual fees for certain licenses with or without a catering option; providing for the days and hours of sale for certain licenses; authorizing the Board to adopt certain regulations; establishing a refillable container permit; authorizing the Board to issue the permit to certain draft beer license holders; requiring a container to meet

certain specifications to be used as a refillable container ~~permit~~; specifying the time when sales may begin on Sunday for a wine festival license issued for use in a certain location; authorizing certain Sunday sales to be made under certain circumstances; establishing beer festival licenses; authorizing the Board to issue annually a certain number of beer festival licenses; requiring that a beer festival license be issued to a holder of a certain license; authorizing a holder of a beer festival license to display and sell beer under certain circumstances; requiring the Board to perform certain activities; requiring a product to be displayed and sold at a beer festival to be invoiced in a certain manner and to be delivered to the beer festival from the licensed premises of the wholesaler; authorizing certain license holders to enter into a certain agreement under certain circumstances; authorizing Sunday sales under certain circumstances; requiring the Board to adopt certain regulations; adding an establishment for which a certain license is issued to the list of establishments in which an individual under certain circumstances may consume wine not purchased from or provided by the license holder; and generally relating to alcoholic beverages in Garrett County.

BY adding to

Article 2B – Alcoholic Beverages

Section 5–201(m–1) and (m–2), 6–201(m)(6), 6–401(m)(4), and 8–807

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages

Section 5–401(m), 6–201(m)(5)(iii), 6–401(m)(2)(ii), 7–101(p), 8–212, 8–308.3(h),
and 12–107(b)(10)

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, without amendments,

Article 2B – Alcoholic Beverages

Section 5–401(a)(1) and 8–308.3(b)

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

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.

(M–1) (1) THIS SUBSECTION APPLIES ONLY IN GARRETT COUNTY.

(2) THERE IS A CLASS BDR (DELUXE RESTAURANT) BEER AND WINE (ON-SALE) LICENSE, WHICH IS A SPECIAL CLASS B LICENSE.

(3) A CLASS BDR LICENSE MAY BE ISSUED FOR A DELUXE RESTAURANT AS DEFINED IN THE REGULATIONS OF THE BOARD OF LICENSE COMMISSIONERS.

(4) NOTWITHSTANDING § 9-102(A) OF THIS ARTICLE, A CLASS BDR LICENSE MAY BE ISSUED TO AN APPLICANT THAT HOLDS A CLASS B BEER AND WINE LICENSE OR A CLASS B BEER, WINE AND LIQUOR LICENSE.

(5) A CLASS BDR LICENSE MAY BE ISSUED FOR THE USE OF A RESTAURANT THAT:

(I) HAS A MINIMUM FACILITY SEATING CAPACITY OF 20 PERSONS; AND

(II) A MINIMUM CAPITAL INVESTMENT OF \$25,000 FOR THE RESTAURANT FACILITIES, NOT INCLUDING THE COST OF LAND OR BUILDINGS.

(6) IF THE APPLICANT PURCHASES OR LEASES AN EXISTING BUILDING, THE CAPITAL INVESTMENT ATTRIBUTABLE TO THE COST OF THE LAND AND IMPROVEMENTS SHALL BE BASED ON THE ASSESSED VALUE OF THE LAND AND IMPROVEMENTS IN ACCORDANCE WITH THE RECORDS OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION AT THE TIME OF PURCHASE.

(7) THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A CLASS BDR LICENSE WITHOUT OR WITH A CATERING OPTION.

(8) A HOLDER OF A CLASS BDR LICENSE WITHOUT A CATERING OPTION MAY SELL:

(I) BEER AND LIGHT WINE FOR CONSUMPTION ON THE LICENSED PREMISES; AND

(II) BREWED BEVERAGES FOR CONSUMPTION OFF THE LICENSED PREMISES.

(9) (I) IN ADDITION TO EXERCISING THE PRIVILEGES STATED IN PARAGRAPH (8) OF THIS SUBSECTION, A HOLDER OF A CLASS BDR LICENSE WITH A CATERING OPTION MAY KEEP FOR SALE AND SELL BEER AND LIGHT WINE FOR CONSUMPTION AT EVENTS THAT THE HOLDER CATERS OFF THE LICENSED PREMISES.

(II) TO EXERCISE THE CATERING OPTION, A HOLDER OF A CLASS BDR LICENSE:

1. SHALL PROVIDE FOOD IF THE HOLDER PROVIDES ALCOHOLIC BEVERAGES AT A CATERED EVENT OFF THE LICENSED PREMISES; AND

2. MAY EXERCISE THE CATERING OPTION ONLY DURING THE HOURS AND DAYS THAT ARE ALLOWED BY THE BOARD OF LICENSE COMMISSIONERS.

(10) FOR A LICENSE WITHOUT A CATERING OPTION:

(I) THE ISSUING FEE FOR A NEW LICENSE IS \$500; AND

(II) THE ANNUAL FEE IS \$500.

(11) FOR A LICENSE WITH A CATERING OPTION:

(I) THE ISSUING FEE FOR A NEW LICENSE IS \$625; AND

(II) THE ISSUING FEE IS \$625.

(12) THE BOARD OF LICENSE COMMISSIONERS MAY ADOPT REGULATIONS TO CARRY OUT THIS SUBSECTION.

(M-2) IN GARRETT COUNTY, THE BOARD MAY GRANT A LICENSE HOLDER A PRIVILEGE AT NO CHARGE TO SELL BEER OR WINE FOR CONSUMPTION OFF THE LICENSED PREMISES AT A CATERED EVENT IF:

(1) THE BEER OR WINE IS BOTTLED IN COMMEMORATIVE OR SPECIAL EVENT BOTTLES AND SOLD AT A SPECIAL EVENT;

(2) THE BOARD APPROVES THE COMMEMORATIVE OR SPECIAL EVENT BOTTLES BEFORE THE EVENT OCCURS; AND

(3) THE BEER OR WINE WILL BE SOLD AT THE EVENT ONLY ON THE DAYS AND HOURS ALLOWED BY THE BOARD.

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.

(m) (1) [In Garrett County the annual license fee is \$350] **THIS SUBSECTION APPLIES ONLY IN GARRETT COUNTY.**

(2) [The issuing fee for a new license, in addition to the annual fee, is \$350] **THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A CLASS D BEER AND LIGHT WINE LICENSE WITHOUT OR WITH A CATERING OPTION.**

(3) **A HOLDER OF A CLASS D BEER AND LIGHT WINE LICENSE WITHOUT A CATERING OPTION MAY SELL:**

~~(I) BEER AND LIGHT WINE FOR CONSUMPTION ON THE LICENSED PREMISES; AND~~

~~(II) BREWED BEVERAGES FOR CONSUMPTION OFF THE LICENSED PREMISES~~ BEER AND LIGHT WINE FOR CONSUMPTION ON THE LICENSED PREMISES OR ELSEWHERE.

(4) (I) IN ADDITION TO EXERCISING THE PRIVILEGES STATED IN PARAGRAPH (3) OF THIS SUBSECTION, A HOLDER OF A CLASS D BEER AND LIGHT WINE LICENSE WITH A CATERING OPTION MAY KEEP FOR SALE AND SELL BEER AND LIGHT WINE FOR CONSUMPTION AT EVENTS THAT THE HOLDER CATERS OFF THE LICENSED PREMISES.

(II) TO EXERCISE THE CATERING OPTION, A HOLDER OF A CLASS D BEER AND LIGHT WINE LICENSE:

1. SHALL PROVIDE FOOD IF THE HOLDER PROVIDES ALCOHOLIC BEVERAGES AT A CATERED EVENT OFF THE LICENSED PREMISES; AND

2. MAY EXERCISE THE CATERING OPTION ONLY DURING THE HOURS AND DAYS THAT ARE ALLOWED BY THE BOARD OF LICENSE COMMISSIONERS.

(5) **FOR A LICENSE WITHOUT A CATERING OPTION:**

(I) **THE ISSUING FEE FOR A NEW LICENSE IS \$350; AND**

(II) **THE ANNUAL FEE IS \$350.**

(6) **FOR A LICENSE WITH A CATERING OPTION:**

(I) THE ISSUING FEE FOR A NEW LICENSE IS \$475; AND

(II) ~~THE ISSUING~~ ANNUAL FEE IS \$475.

(7) THE BOARD MAY GRANT A LICENSE HOLDER A PRIVILEGE AT NO CHARGE TO SELL BEER OR LIGHT WINE FOR CONSUMPTION OFF THE LICENSED PREMISES AT A CATERED EVENT IF:

(I) THE BEER OR LIGHT WINE IS BOTTLED IN COMMEMORATIVE OR SPECIAL EVENT BOTTLES AND SOLD AT A SPECIAL EVENT;

(II) THE BOARD APPROVES THE COMMEMORATIVE OR SPECIAL EVENT BOTTLES BEFORE THE EVENT OCCURS; AND

(III) THE BEER OR WINE WILL BE SOLD AT THE EVENT ONLY ON THE DAYS AND HOURS ALLOWED BY THE BOARD.

6–201.

(m) **(5)** (iii) Notwithstanding § 9–102(a) of this article, a Class BDR license may be issued to an applicant who already holds a Class B (on–sale) beer, wine and liquor license, **A CLASS B (ON–SALE) BEER AND LIGHT WINE LICENSE** or a Class B Resort (on–sale) beer, wine and liquor license.

(6) THE BOARD MAY GRANT A LICENSE HOLDER A PRIVILEGE AT NO CHARGE TO SELL BEER, WINE, OR LIQUOR FOR CONSUMPTION OFF THE LICENSED PREMISES AT A CATERED EVENT IF:

(I) THE BEER, WINE, OR LIQUOR IS BOTTLED IN COMMEMORATIVE OR SPECIAL EVENT BOTTLES AND SOLD AT A SPECIAL EVENT;

(II) THE BOARD APPROVES THE COMMEMORATIVE OR SPECIAL EVENT BOTTLES BEFORE THE EVENT OCCURS; AND

(III) THE BEER, WINE, OR LIQUOR WILL BE SOLD AT THE EVENT ONLY ON THE DAYS AND HOURS ALLOWED BY THE BOARD.

6–401.

(m) **(2)** (ii) 1. A Class D (on–sale) license for beer, wine and liquor sales shall be issued to establishments whose total beer, wine and liquor sales constitute at least 75 percent on–premises consumption and up to 25 percent off–premises consumption.

2. [A. The annual license fee is \$1,500.

B. The issuing fee for a new license is \$1,500, in addition to the annual fee] **THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A CLASS D BEER ~~AND LIGHT WINE~~, WINE AND LIQUOR LICENSE WITHOUT OR WITH A CATERING OPTION.**

3. **A HOLDER OF A CLASS D BEER, WINE AND LIQUOR ~~WINE~~ LICENSE WITHOUT A CATERING OPTION MAY SELL:**

~~**A. BEER AND LIGHT WINE FOR CONSUMPTION ON THE LICENSED PREMISES; AND**~~

~~**B. BREWED BEVERAGES FOR CONSUMPTION OFF THE LICENSED PREMISES**~~ **BEER, WINE AND LIQUOR FOR CONSUMPTION ON THE LICENSED PREMISES OR ELSEWHERE.**

4. **IN ADDITION TO EXERCISING THE PRIVILEGES STATED IN SUBSUBPARAGRAPH 3 OF THIS SUBPARAGRAPH, A HOLDER OF A CLASS D BEER, WINE AND LIQUOR LICENSE WITH A CATERING OPTION MAY KEEP FOR SALE AND SELL BEER, WINE, AND LIQUOR FOR CONSUMPTION AT EVENTS THAT THE HOLDER CATERS OFF THE LICENSED PREMISES.**

5. **TO EXERCISE THE CATERING OPTION, A HOLDER OF A CLASS D BEER, WINE AND LIQUOR LICENSE:**

A. SHALL PROVIDE FOOD IF THE HOLDER PROVIDES ALCOHOLIC BEVERAGES AT A CATERED EVENT OFF THE LICENSED PREMISES; AND

B. MAY EXERCISE THE CATERING OPTION ONLY DURING THE HOURS AND DAYS THAT ARE ALLOWED BY THE BOARD OF LICENSE COMMISSIONERS.

6. **FOR A LICENSE WITHOUT A CATERING OPTION:**

A. THE ISSUING FEE FOR A NEW LICENSE IS \$1,500;
AND

B. THE ANNUAL FEE IS \$1,500.

7. **FOR A LICENSE WITH A CATERING OPTION:**

A. THE ISSUING FEE FOR A NEW LICENSE IS \$2,000;
AND

B. THE ~~ISSUING~~ ANNUAL FEE IS \$2,000.

(4) THE BOARD MAY GRANT A LICENSE HOLDER A PRIVILEGE AT NO CHARGE TO SELL BEER, WINE, OR LIQUOR FOR CONSUMPTION OFF THE LICENSED PREMISES AT A CATERED EVENT IF:

(I) THE BEER, WINE, OR LIQUOR IS BOTTLED IN COMMEMORATIVE OR SPECIAL EVENT BOTTLES AND SOLD AT A SPECIAL EVENT;

(II) THE BOARD APPROVES THE COMMEMORATIVE OR SPECIAL EVENT BOTTLES BEFORE THE EVENT OCCURS; AND

(III) THE BEER, WINE, OR LIQUOR WILL BE SOLD AT THE EVENT ONLY ON THE DAYS AND HOURS ALLOWED BY THE BOARD.

7-101.

(p) (1) In Garrett County, there are 4 types of special Class C beer, beer and wine, or beer, wine and liquor licenses available, as follows:

[(1)] (I) A special 2-day Class C license for a fee of \$50;

[(2)] (II) A special 6-day Class C license for a fee of \$150;

[(3)] (III) A special 12-day Class C license for a fee of \$300; or

[(4)] (IV) A special multiple event Class C license under the following conditions:

[(i)] 1. The Board of License Commissioners may issue a special multiple event license to an organization that otherwise qualifies for a special Class C license;

[(ii)] 2. The annual fee for a special multiple event license is as follows:

[1.] A. \$125 for up to 5 events per year;

[2.] B. \$250 for up to 12 events per year;

[3.] C. \$375 for up to 18 events per year; and

[4.] D. \$500 for up to 24 events per year;

[(iii)] 3. The Board may not issue more than 1 special multiple event license to an organization in a license year;

[(iv)] 4. A special multiple event licensee shall notify the Board in writing at least 7 days before an event; and

[(v)] 5. The Board shall publish a notice for application for a special multiple event license one time at least 7 days before the hearing on the license.

(2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE GARRETT COUNTY BOARD OF LICENSE COMMISSIONERS MAY GRANT A LICENSE HOLDER A PRIVILEGE AT NO CHARGE TO SELL FOR CONSUMPTION OFF THE LICENSED PREMISES AN ALCOHOLIC BEVERAGE AUTHORIZED BY THE LICENSE IF:

1. THE ALCOHOLIC BEVERAGE IS BOTTLED IN COMMEMORATIVE OR SPECIAL EVENT BOTTLES AND SOLD AT A SPECIAL EVENT;

2. THE BOARD APPROVES THE COMMEMORATIVE OR SPECIAL EVENT BOTTLES BEFORE THE EVENT OCCURS; AND

3. THE ALCOHOLIC BEVERAGE WILL BE SOLD AT THE EVENT ONLY ON THE DAYS AND HOURS ALLOWED BY THE BOARD.

(II) A HOLDER OF A LICENSE IS ENTITLED TO BE GRANTED THE PRIVILEGE DESCRIBED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH IF THE LICENSE IS A:

1. SPECIAL 2-DAY CLASS C LICENSE;

2. SPECIAL 6-DAY CLASS C LICENSE;

3. SPECIAL 12-DAY CLASS C LICENSE; OR

4. SPECIAL MULTI-EVENT CLASS C LICENSE.

8-212.

(a) This section applies only in Garrett County.

(b) (1) To sell draft beer, any establishment regularly licensed to sell beer shall obtain a special license from the Board of License Commissioners and the fee for

the license is \$75. The issuing fee for new licenses, in addition to the annual fee, is \$75.

(2) (i) To sell draft beer, a licensee who holds a Class B–resort license shall obtain a special license from the Board of License Commissioners.

(ii) The annual license fees are:

1. Two facilities, \$150; and
2. Each additional facility, \$75.

(iii) The Board of License Commissioners shall charge an issuing fee for new licenses in an amount equal to the annual license fee.

(C) (1) THERE IS A REFILLABLE CONTAINER PERMIT.

(2) THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A REFILLABLE CONTAINER PERMIT TO A DRAFT BEER LICENSE HOLDER WHO ALSO HOLDS ANY ALCOHOLIC BEVERAGES LICENSE ISSUED BY THE BOARD EXCEPT A CLASS C LICENSE OR A CLASS A LICENSE.

(3) SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, A REFILLABLE CONTAINER ~~LICENSE~~ PERMIT ENTITLES THE HOLDER TO SELL DRAFT BEER FOR CONSUMPTION OFF THE LICENSED PREMISES IN A REFILLABLE CONTAINER WITH A CAPACITY OF NOT LESS THAN 32 OUNCES AND NOT MORE THAN 128 OUNCES.

(4) TO BE USED AS A REFILLABLE CONTAINER ~~LICENSE~~, A CONTAINER SHALL:

(I) BE SEALABLE;

(II) BE BRANDED WITH AN IDENTIFYING MARK OF THE LICENSE HOLDER;

(III) BEAR THE FEDERAL HEALTH WARNING STATEMENT REQUIRED FOR CONTAINERS OF ALCOHOLIC BEVERAGES UNDER 21 C.F.R. 16.21;

(IV) DISPLAY INSTRUCTIONS FOR CLEANING THE CONTAINER; AND

(V) BEAR A LABEL STATING THAT:

1. CLEANING THE CONTAINER IS THE RESPONSIBILITY OF THE CONSUMER; AND

2. THE CONTENTS OF THE CONTAINER ARE PERISHABLE AND SHOULD BE REFRIGERATED IMMEDIATELY AND CONSUMED WITHIN 48 HOURS AFTER PURCHASE.

(5) THE BOARD OF LICENSE COMMISSIONERS MAY ADOPT REGULATIONS TO CARRY OUT THIS SUBSECTION.

[(c)] (D) Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction shall be subject to a fine of not more than \$5,000 or to imprisonment for not more than 1 year or both.

8-308.3.

(b) This section applies only in Garrett County.

(h) [Notwithstanding § 11-512(c) of this article, a] **A** wine festival license issued [for use in election district 11 or 15] **FOR USE IN A LOCATION WHERE SUNDAY SALES ARE ALLOWED UNDER § 11-512(C) OF THIS ARTICLE** authorizes Sunday sales:

(1) To begin at 10 a.m.; and

(2) To be made without a consumer placing an order for a meal simultaneously or before placing an order for an alcoholic beverage.

8-807.

(A) IN THIS SECTION, "BOARD" MEANS THE GARRETT COUNTY BOARD OF LICENSE COMMISSIONERS.

(B) THIS SECTION APPLIES ONLY IN GARRETT COUNTY.

(C) THE BOARD MAY ISSUE ANNUALLY NOT MORE THAN TWO BEER FESTIVAL LICENSES.

(D) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, AN APPLICANT FOR A FESTIVAL LICENSE SHALL BE A HOLDER OF A:

(1) RETAIL ALCOHOLIC BEVERAGES LICENSE ISSUED BY THE BOARD;

(2) CLASS 5 BREWERY LICENSE;

(3) CLASS 6 PUB-BREWERY LICENSE; OR

(4) CLASS 7 MICRO-BREWERY LICENSE.

(E) A HOLDER OF A BEER FESTIVAL LICENSE MAY:

(1) ONLY DISPLAY AND SELL BEER THAT IS:

(I) MANUFACTURED AND PROCESSED IN ~~A STATE~~ THE STATE; AND

(II) DISTRIBUTED IN THE STATE WHEN THE APPLICATION IS FILED; AND

(2) DISPLAY AND SELL BEER AT RETAIL FOR CONSUMPTION ON OR OFF THE LICENSED PREMISES ON THE DAYS AND FOR THE HOURS DESIGNATED FOR A BEER FESTIVAL.

(F) FOR A BEER FESTIVAL LICENSE, THE BOARD SHALL:

(1) ESTABLISH A FEE;

(2) APPROVE A FIXED PERIOD OF TIME FOR THE FESTIVAL OF UP TO 2 CONSECUTIVE DAYS, EXCLUDING SUNDAY; AND

(3) APPROVE A FESTIVAL LOCATION IN THE COUNTY FOR WHICH A LICENSE HAS NOT BEEN ISSUED.

(G) (1) A PRODUCT TO BE DISPLAYED AND SOLD AT A BEER FESTIVAL SHALL BE:

(I) INVOICED TO THE HOLDER OF THE BEER FESTIVAL LICENSE BY A LICENSED STATE WHOLESALER OR HOLDER OF A CLASS 5 BREWERY LICENSE, CLASS 6 PUB-BREWERY LICENSE OR CLASS 6 MICRO-BREWERY LICENSE; AND

(II) DELIVERED TO THE BEER FESTIVAL FROM THE LICENSED PREMISES OF THE WHOLESALER.

(2) WHEN A BEER FESTIVAL LICENSE IS ISSUED, A HOLDER OF A WHOLESALER'S LICENSE, A CLASS 5 BREWERY LICENSE, A CLASS 6 PUB-BREWERY LICENSE, OR A CLASS 7 MICRO-BREWERY LICENSE MAY ENTER INTO AN AGREEMENT WITH THE HOLDER OF THE BEER FESTIVAL LICENSE TO

DELIVER BEER 2 DAYS BEFORE THE EFFECTIVE DATE OF THE BEER FESTIVAL LICENSE AND TO ACCEPT RETURNS NOT LATER THAN 2 DAYS AFTER THE EXPIRATION DATE OF THE BEER FESTIVAL LICENSE.

(H) A BEER FESTIVAL LICENSE ISSUED FOR A LOCATION AT WHICH SUNDAY SALES ARE ALLOWED UNDER § 11-512(C) OF THIS ARTICLE AUTHORIZES SUNDAY SALES:

(1) TO BEGIN AT 1 P.M.; AND

(2) TO BE MADE WITHOUT A CONSUMER PLACING AN ORDER FOR A MEAL SIMULTANEOUSLY OR BEFORE PLACING AN ORDER FOR AN ALCOHOLIC BEVERAGE.

(I) THE BOARD SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

12-107.

(b) (10) (i) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL IN:

1. A RESTAURANT, CLUB, OR HOTEL FOR WHICH A CLASS B OR CLASS C LICENSE ALLOWING THE SALE OF WINE IS ISSUED; OR

2. AN ESTABLISHMENT IN GARRETT COUNTY FOR WHICH A CLASS B-B&B (BED AND BREAKFAST) LICENSE IS ISSUED.

(II) An individual [in a restaurant, club, or hotel for which a Class B or Class C license allowing the sale of wine is issued] COVERED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH may consume wine not purchased from or provided by the license holder only if:

1. The wine is consumed with a meal during the hours of sale specified by the license;

2. The individual receives the approval of the license holder;

3. The wine is not available for sale on the license holder's wine list; and

4. The license holder obtains a permit from the local licensing board before allowing an individual the privilege of consuming wine not purchased from or provided by the license holder.

[(ii)] (III) A local licensing board shall issue a permit at no charge to each license holder who seeks to allow an individual to consume wine under the conditions specified in subparagraph ~~(i)~~ (II) of this paragraph.

[(iii)] (IV) A license holder that allows an individual the privilege of consuming wine described under subparagraph ~~(i)~~ (II) of this paragraph may determine and charge the individual a fee for the privilege, on which a sales tax shall be imposed.

[(iv)] (V) Except as provided in subparagraph ~~(i)~~ (VI) of this paragraph, the license holder shall dispose of wine described under subparagraph ~~(i)~~ (II) of this paragraph that remains after the meal is finished.

[(v)] (VI) The individual may remove from the licensed premises a bottle of wine, the contents of which are only partially consumed with the meal, if the license holder or an employee of the license holder inserts a cork in or places a cap on the bottle.

[(vi)] (VII) A bottle of wine that is removed from the licensed premises under subparagraph ~~(i)~~ (VI) of this paragraph is an “open container” for purposes of § 10–125 of the Criminal Law Article.

[(vii)] (VIII) A license holder may not allow an individual who is under 21 years old or who is visibly under the influence of an alcoholic beverage the privilege of consuming wine described under subparagraph ~~(i)~~ (II) of this paragraph.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013.

May 16, 2013

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
H-107 State House
Annapolis, MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 888 – *Task Force to Study Temporary Disability Insurance Programs and the Process for Assisting Individuals with Disabilities at Local Departments of Social Services*.

This bill establishes the Task Force to Study Temporary Disability Insurance Programs and the Process for Assisting Individuals with Disabilities at local Departments of Social Services. The bill requires the Task Force to study and make recommendations regarding specified matters and to report its findings and recommendations to the Governor and the General Assembly on or before December 1, 2013.

House Bill 955, 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 888.

Sincerely,

Governor Martin O'Malley

Senate Bill 888

AN ACT concerning

Task Force to Study Temporary Disability Insurance Programs and the Process for Assisting Individuals with Disabilities at Local Departments of Social Services

FOR the purpose of establishing the Task Force to Study Temporary Disability Insurance Programs and the Process for Assisting Individuals with Disabilities at Local Departments of Social Services; providing for the composition, chair, and staffing of the Task Force; prohibiting a member of the Task Force from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Task Force to study and make recommendations regarding certain matters; requiring the Task Force to report its findings and recommendations to the Governor and the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to the Task Force to Study Temporary Disability Insurance Programs and the Process for Assisting Individuals with Disabilities at Local Departments of Social Services.

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

(a) There is a Task Force to Study Temporary Disability Insurance Programs and the Process for Assisting Individuals with Disabilities at Local Departments of Social Services.

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

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

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

(3) the Commissioner of the Maryland Insurance Administration, or the Commissioner's designee;

(4) the Secretary of Human Resources, or the Secretary's designee;

(5) the Secretary of Labor, Licensing, and Regulation, or the Secretary's designee;

(6) the Secretary of Health and Mental Hygiene, or the Secretary's designee; and

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

(i) one representative of the Workers' Compensation Commission;

(ii) one representative of ~~the American Cancer Society~~ All Shades of Pink;

(iii) one representative of the Cancer Support Foundation;

(iv) two representatives of Maryland labor organizations;

(v) one representative of the Leukemia and Lymphoma Society;

~~(vi)~~ (vi) ~~three~~ two members of the business community;

~~(vii)~~ (vii) two members of the insurance industry, including one member of the temporary disability insurance industry; ~~and~~

~~(viii)~~ (viii) one member of the public;

~~(ix)~~ (ix) one representative of a disability advocacy organization; and

~~(x)~~ (x) two representatives of local departments of social services;
and

(xi) at least two representatives of cancer treatment centers in the State who perform patient navigation services.

- (c) The Governor shall designate the chair of the Task Force.
- (d) The Maryland Insurance Administration and the Department of Human Resources shall provide staff for the Task Force.
- (e) A member of the Task Force:
 - (1) may not receive compensation as a member of the Task Force; but
 - (2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.
- (f) The Task Force shall:
 - (1) study the full complement of benefits available under State and federal law to workers and recently unemployed individuals in Maryland who are disabled;
 - (2) study the wage replacement benefits available to a worker or a recently unemployed individual in Maryland who becomes disabled due to nonwork-related illness or injury;
 - (3) study the availability and sufficiency of wage replacement benefits available to workers and recently unemployed individuals in Maryland who become disabled due to nonwork-related cancer;
 - (4) study the exclusivity and exhaustion of benefit standards that limit the level or extent of benefits that a worker or a recently unemployed individual in Maryland who is disabled may receive;
 - (5) study and compare temporary disability insurance programs in other jurisdictions in terms of:
 - (i) coverage;
 - (ii) eligibility requirements and limitations;
 - (iii) minimum and maximum benefit threshold amounts;
 - (iv) costs to employers, employees, and administrators;
 - (v) funding mechanisms;
 - (vi) administration; and
 - (vii) appeals processes;

(6) study and make recommendations regarding the adequacy of the application processes utilized by local departments of social services to assist individuals who become disabled due to nonwork-related illness or injury, including individuals undergoing treatment for cancer, and who apply for assistance, including food stamps, temporary cash assistance, energy assistance benefits, temporary disability assistance benefits, and medical assistance;

~~(6)~~ (7) make recommendations regarding potential costs and benefits to the State's workforce of establishing a temporary disability insurance program; and

~~(7)~~ (8) make recommendations regarding the potential structure, administration, eligibility standards, and funding mechanisms for a temporary disability insurance program in Maryland.

(g) On or before December 1, 2013, the Task Force shall report its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013. It shall remain effective for a period of 1 year and, at the end of May 31, 2014, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Vetoed House Bills and Messages

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 1 – *Criminal Law – Cannabimimetic Agents – Prohibition*.

This bill lists cannabimimetic agents on Schedule I for purposes of designating controlled dangerous substances that may not be legally used, possessed, or distributed and defines cannabimimetic agents.

Senate Bill 109, 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 1.

Sincerely,

Governor Martin O'Malley

House Bill 1

AN ACT concerning

Criminal Law – Cannabimimetic Agents – Prohibition

FOR the purpose of listing cannabimimetic agents on Schedule I to designate controlled dangerous substances that may not be legally used, possessed, or distributed; defining a certain term; and generally relating to controlled dangerous substances.

BY renumbering

Article – Criminal Law

Section 5-101(e) through (ee), respectively

to be Section 5-101(f) through (ff), respectively

Annotated Code of Maryland

(2012 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, without amendments,

Article – Criminal Law

Section 5-101(a)

Annotated Code of Maryland
(2012 Replacement Volume and 2012 Supplement)

BY adding to
Article – Criminal Law
Section 5–101(e)
Annotated Code of Maryland
(2012 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article – Criminal Law
Section 5–402(d)
Annotated Code of Maryland
(2012 Replacement Volume and 2012 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 5–101(e) through (ee), respectively, of Article – Criminal Law of the Annotated Code of Maryland be renumbered to be Section(s) 5–101(f) through (ff), respectively.

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

Article – Criminal Law

5–101.

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

(E) (1) “CANNABIMIMETIC AGENTS” MEANS SUBSTANCES THAT ARE CANNABINOID RECEPTOR TYPE 1 (CB1 RECEPTOR) AGONISTS AS DEMONSTRATED BY BINDING STUDIES AND FUNCTIONAL ASSAYS WITHIN ONE OF THE FOLLOWING STRUCTURAL CLASSES:

(I) 2–(3–HYDROXYCYCLOHEXYL)PHENOL WITH SUBSTITUTION AT THE 5–POSITION OF THE PHENOLIC RING BY ALKYL OR ALKENYL, WHETHER OR NOT SUBSTITUTED ON THE CYCLOHEXYL RING TO ANY EXTENT;

(II) 3–(1–NAPHTHOYL)INDOLE OR 3–(1–NAPHTHYLMETHANE)INDOLE BY SUBSTITUTION AT THE NITROGEN ATOM OF THE INDOLE RING, WHETHER OR NOT FURTHER SUBSTITUTED ON THE INDOLE RING TO ANY EXTENT AND WHETHER OR NOT SUBSTITUTED ON THE NAPHTHOYL OR NAPHTHYL RING TO ANY EXTENT;

(III) 3-(1-NAPHTHOYL)PYRROLE BY SUBSTITUTION AT THE NITROGEN ATOM OF THE PYRROLE RING, WHETHER OR NOT FURTHER SUBSTITUTED IN THE PYRROLE RING TO ANY EXTENT AND WHETHER OR NOT SUBSTITUTED ON THE NAPHTHOYL RING TO ANY EXTENT;

(IV) 1-(1-NAPHTHYLMETHYLENE)INDENE BY SUBSTITUTION OF THE 3-POSITION OF THE INDENE RING, WHETHER OR NOT FURTHER SUBSTITUTED IN THE INDENE RING TO ANY EXTENT AND WHETHER OR NOT SUBSTITUTED ON THE NAPHTHYL RING TO ANY EXTENT; OR

(V) 3-PHENYLACETYLINDOLE OR 3-BENZOYLINDOLE BY SUBSTITUTION AT THE NITROGEN ATOM OF THE INDOLE RING, WHETHER OR NOT FURTHER SUBSTITUTED IN THE INDOLE RING TO ANY EXTENT AND WHETHER OR NOT SUBSTITUTED ON THE PHENYL RING TO ANY EXTENT.

(2) "CANNABIMIMETIC AGENTS" INCLUDES:

(I) 5-(1,1-DIMETHYLHEPTYL)-2-[(1R,3S)-3-HYDROXYCYCLOHEXYL]-PHENOL (CP-47,497);

(II) 5-(1,1-DIMETHYLOCTYL)-2-[(1R,3S)-3-HYDROXYCYCLOHEXYL]-PHENOL (CANNABICYCLOHEXANOL OR CP-47,497 C8-HOMOLOG);

(III) 1-PENTYL-3-(1-NAPHTHOYL)INDOLE (JWH-018 AND AM678);

(IV) 1-BUTYL-3-(1-NAPHTHOYL)INDOLE (JWH-073);

(V) 1-HEXYL-3-(1-NAPHTHOYL)INDOLE (JWH-019);

(VI) 1-[2-(4-MORPHOLINYL)ETHYL]-3-(1-NAPHTHOYL)INDOLE (JWH-200);

(VII) 1-PENTYL-3-(2-METHOXYPHENYLACETYL)INDOLE (JWH-250);

(VIII) 1-PENTYL-3-[1-(4-METHOXYNAPHTHOYL)]INDOLE (JWH-081);

(IX) 1-PENTYL-3-(4-METHYL-1-NAPHTHOYL)INDOLE (JWH-122);

(X) 1-PENTYL-3-(4-CHLORO-1-NAPHTHOYL)INDOLE
(JWH-398);

(XI) 1-(5-FLUOROPENTYL)-3-(1-NAPHTHOYL)INDOLE
(AM2201);

(XII) 1-(5-FLUOROPENTYL)-3-(2-IODOBENZOYL)INDOLE
(AM694);

(XIII) 1-PENTYL-3-[(4-METHOXY)-BENZOYL]INDOLE
(SR-19 AND RCS-4);

(XIV) 1-CYCLOHEXYLETHYL-3-(2-METHOXYPHENYLACETYL)INDOLE (SR-18 AND RCS-8); AND

(XV) 1-PENTYL-3-(2-CHLOROPHENYLACETYL)INDOLE
(JWH-203).

5-402.

(d) (1) A material, compound, mixture, or preparation that contains any of the following hallucinogenic or hallucinogenic-like substances is a substance listed in Schedule I:

- (i) bufotenine;
- (ii) diethyltryptamine;
- (iii) dimethyltryptamine;
- (iv) 4-methyl-2, 5-dimethoxyamphetamine;
- (v) ibogaine;
- (vi) lysergic acid diethylamide;
- (vii) marijuana;
- (viii) mescaline;
- (ix) peyote;
- (x) psilocybin;

- (xi) psilocyn;
- (xii) tetrahydrocannabinol;
- (xiii) thiophene analog of phencyclidine;
- (xiv) 2, 5-dimethoxyamphetamine;
- (xv) 4-bromo-2, 5-dimethoxyamphetamine;
- (xvi) 4-methoxyamphetamine;
- (xvii) 3, 4-methylenedioxyamphetamine;
- (xviii) 3, 4-methylenedioxymethamphetamine (MDMA);
- (xix) 5-methoxy-3, 4-methylenedioxyamphetamine;
- (xx) 3, 4, 5-trimethoxyamphetamine;
- (xxi) N-methyl-3-piperidyl benzilate;
- (xxii) N-ethyl-3-piperidyl benzilate;
- (xxiii) N-ethyl-1-phenylcyclohexylamine;
- (xxiv) 1-(1-phenylcyclohexyl)-pyrrolidine;
- (xxv) 1-(1-(2-thienyl)-cyclohexyl)-piperidine;
- (xxvi) 1-methyl-4-phenyl-4-propionoxypiperidine (MPPP);
- (xxvii) 1-(2-phenylethyl)-4-phenyl-4-acetyloxypiperidine
(PEPAP);
- (xxviii) 3, 4-methylenedioxymethcathinone (methyldone);
- (xxix) 3, 4-methylenedioxypyrovalerone (MDPV);
- (xxx) 4-methylmethcathinone (mephedrone);
- (xxxi) 4-methoxymethcathinone (methedrone);
- (xxxii) 4-fluoromethcathinone (flephedrone); [and]
- (xxxiii) 3-fluoromethcathinone (3-FMC); AND

(XXXIV) CANNABIMIMETIC AGENTS.

(2) Unless specifically excepted under this subtitle, a salt, isomer, or salt of an isomer of a substance listed in this subsection is a substance listed in Schedule I if the existence of the salt, isomer, or salt of an isomer is possible within the specific chemical designation.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 8 – *Estates and Trusts – Guardianship Accounts – Form and Limits*.

This bill authorizes a guardian of the property of a minor or disabled person to petition the court to deposit cash belonging to the minor or disabled person in an amount not exceeding \$200,000 into a single restricted account. Amounts in excess of \$200,000 must be deposited into separate restricted accounts, each subject to the same \$200,000 limit. The bill also authorizes a deposit under the Act to be made into any type of account, including a certificate of deposit, in a specified financial institution or one that accepts deposits and is federally insured.

Senate Bill 168, 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 8.

Sincerely,

Governor Martin O'Malley

House Bill 8

AN ACT concerning

Estates and Trusts – Guardianship Accounts – Form and Limits

FOR the purpose of authorizing a guardian of the property of a minor ~~in a certain proceeding or disabled person~~ to petition ~~an orphans'~~ the court to deposit certain cash not exceeding a certain amount into a single restricted account; requiring certain excess amounts to be deposited into additional restricted accounts not exceeding a certain amount; prohibiting the aggregate amount deposited in any financial institution from exceeding a certain amount; authorizing a deposit under this Act to be made into ~~a certain type of account~~ certain types of accounts in certain financial institutions; and generally relating to guardianship accounts.

BY adding to

Article – Estates and Trusts

Section 13–209.1

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

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

Article – Estates and Trusts

13–209.1.

(A) ~~(1) IN A PROCEEDING BEFORE AN ORPHANS' COURT~~ SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A GUARDIAN OF THE PROPERTY OF A MINOR OR DISABLED PERSON MAY PETITION THE COURT TO DEPOSIT CASH BELONGING TO THE MINOR OR DISABLED PERSON IN AN AMOUNT NOT EXCEEDING \$200,000 INTO A SINGLE RESTRICTED ACCOUNT.

(2) (I) IF THE AMOUNT OF CASH BELONGING TO A MINOR OR DISABLED PERSON EXCEEDS \$200,000, ANY EXCESS AMOUNT SHALL BE DEPOSITED INTO ADDITIONAL RESTRICTED ACCOUNTS.

(II) THE AMOUNT DEPOSITED IN AN ADDITIONAL RESTRICTED ACCOUNT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY NOT EXCEED \$200,000.

(III) THE AGGREGATE AMOUNT DEPOSITED IN ANY FINANCIAL INSTITUTION MAY NOT EXCEED \$200,000.

(B) A DEPOSIT UNDER SUBSECTION (A) OF THIS SECTION MAY BE MADE INTO ANY TYPE OF ACCOUNT ~~AT A FEDERALLY INSURED FINANCIAL INSTITUTION~~, INCLUDING A CERTIFICATE OF DEPOSIT, IN A FINANCIAL INSTITUTION THAT:

(1) ACCEPTS DEPOSITS; AND

(2) (i) IS FEDERALLY INSURED; OR

(ii) IS REGULATED BY THE COMMISSIONER OF FINANCIAL REGULATION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 43 – *Income Tax Credit for Qualifying Employees – Sunset Repeal*.

This bill repeals termination provisions and alters dates of applicability for specified tax credits for employers that hire qualifying individuals with disabilities. This bill also declares that it is the intent of the General Assembly that the Department of Labor, Licensing, and Regulation, the Department of Disabilities, and the Department of Veterans Affairs make every effort to promote and market the Qualifying Employees with Disabilities Tax Credit to Maryland employers.

Senate Bill 124, 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 43.

Sincerely,

Governor Martin O'Malley

House Bill 43

AN ACT concerning

Income Tax Credit for Qualifying Employees – Sunset Repeal and Expansion

FOR the purpose of repealing certain termination provisions and altering certain dates of applicability for certain tax credits allowed to employers that hire certain qualifying individuals with disabilities; ~~allowing an individual or corporation to claim a credit against the State income tax for certain wages paid to certain qualified veterans; providing for the application of this Act declaring the intent of the General Assembly;~~ and generally relating to a credit against the State income tax for certain qualified individuals with disabilities ~~and certain qualified veterans.~~

BY repealing and reenacting, with amendments,

Chapter 112 of the Acts of the General Assembly of 1997, as amended by Chapter 614 of the Acts of the General Assembly of 1998, Chapter 448 of the Acts of the General Assembly of 2000, Chapter 454 of the Acts of the General Assembly of 2003, Chapter 394 of the Acts of the General Assembly of 2006, Chapter 370 of the Acts of the General Assembly of 2007, Chapter 658 of the Acts of the General Assembly of 2008, Chapter 290 of the Acts of the General Assembly of 2009, Chapter 252 of the Acts of the General Assembly of 2010, Chapter 558 of the Acts of the General Assembly of 2011, and Chapter 467 of the Acts of the General Assembly of 2012

Section 4 and 6

BY repealing and reenacting, with amendments,

Chapter 113 of the Acts of the General Assembly of 1997, as amended by Chapter 614 of the Acts of the General Assembly of 1998, Chapter 448 of the Acts of the General Assembly of 2000, Chapter 454 of the Acts of the General Assembly of 2003, Chapter 394 of the Acts of the General Assembly of 2006, Chapter 370 of the Acts of the General Assembly of 2007, Chapter 658 of the Acts of the General Assembly of 2008, Chapter 290 of the Acts of the General Assembly of 2009, Chapter 252 of the Acts of the General Assembly of 2010, Chapter 558 of the Acts of the General Assembly of 2011, and Chapter 467 of the Acts of the General Assembly of 2012

Section 4 and 6

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

~~Article Tax General~~

~~Section 10-704.7~~

~~Annotated Code of Maryland~~

~~(2010 Replacement Volume and 2012 Supplement)~~

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

Chapter 112 of the Acts of 1997, as amended by Chapter 614 of the Acts of 1998, Chapter 448 of the Acts of 2000, Chapter 454 of the Acts of 2003, Chapter

394 of the Acts of 2006, Chapter 370 of the Acts of 2007, Chapter 658 of the Acts of 2008, Chapter 290 of the Acts of 2009, Chapter 252 of the Acts of 2010, Chapter 558 of the Acts of 2011, and Chapter 467 of the Acts of 2012

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall be applicable to all taxable years beginning after December 31, 1996 [but before January 1, 2016]; provided, however, that the tax credit under § 21–309 of the Education Article, as enacted under Section 1 of this Act, shall be allowed only for employees hired on or after October 1, 1997 [but before July 1, 2013; and provided further that any excess credits under § 21–309 of the Education Article may be carried forward and, subject to the limitations under § 21–309 of the Education Article, may be applied as a credit for taxable years beginning on or after January 1, 2016].

SECTION 6. AND BE IT FURTHER ENACTED, That, subject to the provisions of Section 4 of this Act, this Act shall take effect October 1, 1997. [It shall remain in effect for a period of 15 years and 9 months and at the end of June 30, 2013, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.]

Chapter 113 of the Acts of 1997, as amended by Chapter 614 of the Acts of 1998, Chapter 448 of the Acts of 2000, Chapter 454 of the Acts of 2003, Chapter 394 of the Acts of 2006, Chapter 370 of the Acts of 2007, Chapter 658 of the Acts of 2008, Chapter 290 of the Acts of 2009, Chapter 252 of the Acts of 2010, Chapter 558 of the Acts of 2011, and Chapter 467 of the Acts of 2012

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall be applicable to all taxable years beginning after December 31, 1996 [but before January 1, 2016]; provided, however, that the tax credit under § 21–309 of the Education Article, as enacted under Section 1 of this Act, shall be allowed only for employees hired on or after October 1, 1997 [but before July 1, 2013; and provided further that any excess credits under § 21–309 of the Education Article may be carried forward and, subject to the limitations under § 21–309 of the Education Article, may be applied as a credit for taxable years beginning on or after January 1, 2016].

SECTION 6. AND BE IT FURTHER ENACTED, That, subject to the provisions of Section 4 of this Act, this Act shall take effect October 1, 1997. [It shall remain in effect for a period of 15 years and 9 months and at the end of June 30, 2013, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.]

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

~~Article Tax General~~

~~(A) (1) IN THIS SECTION, "QUALIFIED VETERAN" MEANS AN INDIVIDUAL CERTIFIED BY THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION WHO:~~

~~(i) 1. SERVED ON ACTIVE DUTY IN THE ARMED FORCES OF THE UNITED STATES FOR AT LEAST 180 DAYS; OR~~

~~2. WAS DISCHARGED OR RELEASED FROM ACTIVE DUTY IN THE ARMED FORCES OF THE UNITED STATES FOR A SERVICE-CONNECTED DISABILITY; AND~~

~~(ii) IS A MEMBER OF A FAMILY THAT RECEIVED SUPPLEMENTAL NUTRITION ASSISTANCE UNDER THE FEDERAL FOOD AND NUTRITION ACT OF 2008 FOR AT LEAST 3 MONTHS DURING THE 12-MONTH PERIOD PRIOR TO THE INDIVIDUAL'S HIRING DATE.~~

~~(2) "QUALIFIED VETERAN" INCLUDES A DISABLED VETERAN CERTIFIED BY THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION WHO IS ENTITLED TO COMPENSATION FOR A SERVICE-CONNECTED DISABILITY AND:~~

~~(i) IS HIRED WITHIN 1 YEAR FROM THE DATE THE INDIVIDUAL WAS DISCHARGED OR RELEASED FROM ACTIVE DUTY IN THE ARMED FORCES OF THE UNITED STATES; OR~~

~~(ii) HAS BEEN UNEMPLOYED FOR AT LEAST 6 MONTHS DURING THE 12-MONTH PERIOD PRIOR TO THE INDIVIDUAL'S HIRING DATE.~~

~~[(a)] (B) An individual or a corporation may claim a credit against the income tax for:~~

~~(1) wages paid to a qualified employee with a disability; [and]~~

~~(2) (i) child care provided or paid for by a business entity for the children of a qualified employee with a disability as provided under § 21-309 of the Education Article; or~~

~~(ii) transportation provided or paid for by the business entity for a qualified employee with a disability as provided under § 21-309 of the Education Article; AND~~

~~(3) WAGES PAID TO A QUALIFIED VETERAN.~~

~~[(b)] (c) (1) An organization that is exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code may apply the credit under this section:~~

~~(i) as a credit against income tax due on unrelated business taxable income as provided under §§ 10-304 and 10-812 of this title; or~~

~~(ii) as a credit for the payment to the Comptroller of taxes that the organization:~~

~~1. is required to withhold from the wages of employees under § 10-908 of this title; and~~

~~2. is required to pay to the Comptroller under § 10-906(a) of this title.~~

~~(2) If the credit allowed under this subsection in any taxable year exceeds the sum of the State income tax otherwise payable by the organization for that taxable year and the taxes that the organization has withheld from the wages of employees and is required to pay to the Comptroller under § 10-906(a) of this title for the taxable year, the organization may apply the excess as a credit under paragraph (1)(i) or (ii) of this subsection in succeeding taxable years for the carryforward period provided in § 21-309 of the Education Article.~~

~~(3) The Comptroller shall adopt regulations to provide procedures for claiming and applying credits authorized under paragraph (1)(ii) of this subsection.~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, 2013, and shall be applicable to all taxable years beginning after December 31, 2012.~~

SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Department of Labor, Licensing, and Regulation, the Department of Disabilities, and the Department of Veterans Affairs make every effort to promote and market the Qualifying Employees with Disabilities Tax Credit to Maryland employers.

~~SECTION 4. 3. AND BE IT FURTHER ENACTED, That, except as provided in Section 3 of this Act, this Act shall take effect June 1, 2013.~~

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House

H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 75 – *Utility Service Protection Program – Annual Report – Deadline*.

This bill alters from June 1 to September 1 the date by which the Public Service Commission must report each year to the General Assembly on terminations of gas or electric service occurring during the previous heating season.

Senate Bill 14, 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 75.

Sincerely,

Governor Martin O'Malley

House Bill 75

AN ACT concerning

Utility Service Protection Program – Annual Report – Deadline

FOR the purpose of altering the date by which the Public Service Commission must report each year to the General Assembly on terminations of gas or electric service occurring during the previous heating season; and generally relating to the Utility Service Protection Program.

BY repealing and reenacting, without amendments,
Article – Public Utilities
Section 7-307(a)
Annotated Code of Maryland
(2010 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article – Public Utilities
Section 7-307(c)
Annotated Code of Maryland
(2010 Replacement Volume and 2012 Supplement)

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

Article – Public Utilities

7-307.

(a) In this section, “termination of service” means the termination, reduction, or refusal to reinstate gas or electric service, or any other action that has the effect of reducing or denying gas or electric service because of nonpayment.

(c) (1) In accordance with § 2-1246 of the State Government Article, on or before **[June 1] SEPTEMBER 1** of each year, the Commission shall report to the General Assembly on terminations of service by public service companies during the previous heating season.

(2) The report shall include information in sufficient detail to indicate the effect of the terminations of service on various categories of customers, including:

- (i) income levels;
- (ii) geographic areas;
- (iii) energy assistance recipients; and

(iv) any other category that the Commission determines is relevant to evaluate how the State may best address the problem of assuring adequate gas and electric service for low income residential customers.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 83 – *Judgeships – Court of Special Appeals, Circuit Courts, and District Court*.

This bill increases the number of judges of the Court of Special Appeals from 13 to 15, increases the number of resident judges of the circuit court in Calvert, Carroll, Cecil,

Frederick, and Wicomico counties and increases the number of associate judges of the District Court in Baltimore City, and Charles, Montgomery, and Prince George's counties.

Senate Bill 239, 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 83.

Sincerely,

Governor Martin O'Malley

House Bill 83

AN ACT concerning

Judgeships – Court of Special Appeals, Circuit Courts, and District Court

FOR the purpose of altering the number of judges of the Court of Special Appeals; altering the number of resident judges of the circuit court in certain judicial circuits; altering the number of associate judges of the District Court in certain districts; altering the number of District Court judges to be appointed from a certain county; and generally relating to judgeships in certain courts.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 1–402, 1–503, and 1–603
Annotated Code of Maryland
(2006 Replacement Volume and 2012 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

1–402.

(a) The Court of Special Appeals consists of [13] 15 judges, one of whom shall be designated by the Governor as Chief Judge.

(b) Except as otherwise provided in this section, the judges of the Court of Special Appeals shall be selected, appointed, retained, removed from office, or retired as provided in Article IV of the Maryland Constitution with respect to judges of the Court of Appeals. One judge of the Court of Special Appeals shall be a resident respectively of each of the appellate judicial circuits defined in Article IV, § 14 of the Maryland Constitution. When election to judicial office is required by the Constitution, each of these judges shall be elected by the qualified voters of his circuit of residence.

The remaining judges of the Court of Special Appeals may be residents of any part of the State and, when election to judicial office is required by the Constitution, shall be elected by the qualified voters of the entire State. The term of a judge of the Court of Special Appeals begins on the date of his qualification for office.

1–503.

(a) In each county in the first seven judicial circuits there shall be the number of resident judges of the circuit court set forth below, including the judge or judges provided for by the Constitution:

(1)	Allegany	2
(2)	Anne Arundel.....	12
(3)	Baltimore County	18
(4)	Calvert.....	[2] 3
(5)	Caroline.....	1
(6)	Carroll	[3] 4
(7)	Charles	4
(8)	Cecil.....	[3] 4
(9)	Dorchester.....	1
(10)	Frederick.....	[4] 5
(11)	Garrett	1
(12)	Harford.....	5
(13)	Howard.....	5
(14)	Kent.....	1
(15)	Montgomery	22
(16)	Prince George's	23
(17)	Queen Anne's	1
(18)	St. Mary's	3

(19)	Somerset.....	1
(20)	Talbot	1
(21)	Washington	5
(22)	Wicomico	[3] 4
(23)	Worcester	3

(b) In Baltimore City there shall be 33 resident judges of the Circuit Court for Baltimore City.

1-603.

(a) The court is composed of a Chief Judge and the number of associate judges provided for in subsection (b) of this section. If the Chief Judge is relieved of the Judge's duties as Chief Judge but not removed from office as a judge of the District Court, the Chief Judge shall serve for the remainder of the Judge's term of office as a District Court judge, as a resident judge of the Judge's district and county of residence, without reference to the maximum number of judges for that district prescribed in subsection (b) of this section.

(b) In each of the districts provided for in § 1-602 of this subtitle, there shall be the following number of associate judges of the District Court:

- (1) District 1 — [27] **28**
- (2) District 2 — 6, two to be appointed from Wicomico County and two to be appointed from Worcester County
- (3) District 3 — 6, two to be appointed from Cecil County
- (4) District 4 — [5] **6**, two to be appointed from Calvert County and [two] **THREE** to be appointed from Charles County
- (5) District 5 — [15] **16**
- (6) District 6 — [11] **12**
- (7) District 7 — 9
- (8) District 8 — 13
- (9) District 9 — 4

(10) District 10 — 7, two to be appointed from Carroll County and five to be appointed from Howard County

(11) District 11 — 5, three to be appointed from Frederick County and two to be appointed from Washington County

(12) District 12 — 3, two to be appointed from Allegany County

(c) In each district comprising more than one county, there shall be at least one District Court judge resident and holding court in each county in the district.

(d) To assure that the services of the District Court are readily and practicably available in all areas of District 8 and to assure that these services are provided to all citizens of District 8 with a minimum of inconvenience and a maximum of availability, there shall be a court facility physically located in each of the following areas of that district, and at least one judge shall sit regularly in each location:

- (1) The Towson area;
- (2) The Catonsville area; and
- (3) The Essex area.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 88 – *Real Property – Refinance Mortgage – Priority over Junior Liens*.

This bill authorizes a mortgagor or grantor to refinance the indebtedness secured by a first mortgage or deed of trust without obtaining permission from the holder of a junior lien under specified circumstances. The bill provides that a refinance mortgage meeting the requirements of the Act shall have, on recordation, the same lien priority

as the mortgage or deed of trust it replaces and requires a specified statement to be included on a refinance mortgage.

Senate Bill 199, 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 88.

Sincerely,

Governor Martin O'Malley

House Bill 88

AN ACT concerning

Real Property – Refinance Mortgage – Priority over Junior Liens

FOR the purpose of authorizing a mortgagor or grantor to refinance the indebtedness secured by a first mortgage or deed of trust without obtaining permission from the holder of a certain junior lien under certain circumstances; providing that a certain refinance mortgage shall have, on recordation, the same lien priority as the first mortgage or deed of trust that ~~it~~ the refinance mortgage replaces; requiring a certain statement to be ~~printed~~ included on a refinance mortgage; defining certain terms; providing for the construction and application of this Act; and generally relating to lien priority and refinance mortgages.

BY repealing and reenacting, without amendments,
Article – Real Property
Section 3–203
Annotated Code of Maryland
(2010 Replacement Volume and 2012 Supplement)

BY adding to
Article – Real Property
Section 7–112
Annotated Code of Maryland
(2010 Replacement Volume and 2012 Supplement)

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

Article – Real Property

3–203.

Every recorded deed or other instrument takes effect from its effective date as against the grantee of any deed executed and delivered subsequent to the effective date, unless the grantee of the subsequent deed has:

- (1) Accepted delivery of the deed or other instrument:
 - (i) In good faith;
 - (ii) Without constructive notice under § 3–202; and
 - (iii) For a good and valuable consideration; and
- (2) Recorded the deed first.

7–112.

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

(2) (I) “JUNIOR LIEN” MEANS A MORTGAGE, DEED OF TRUST, OR OTHER SECURITY ~~INTEREST IN REAL PROPERTY~~ INSTRUMENT THAT IS SUBORDINATE IN PRIORITY TO A FIRST MORTGAGE OR DEED OF TRUST UNDER § 3–203 OF THIS ARTICLE.

(II) “JUNIOR LIEN” DOES NOT INCLUDE:

1. A JUDGMENT LIEN; OR
2. A LIEN FILED UNDER THE MARYLAND CONTRACT LIEN ACT.

(3) “REFINANCE MORTGAGE” MEANS A MORTGAGE, DEED OF TRUST, OR OTHER SECURITY ~~INTEREST IN REAL PROPERTY~~ INSTRUMENT GIVEN TO SECURE THE REFINANCING OF INDEBTEDNESS SECURED BY A FIRST MORTGAGE OR DEED OF TRUST.

(4) “RESIDENTIAL PROPERTY” MEANS REAL PROPERTY IMPROVED BY FOUR OR FEWER SINGLE FAMILY DWELLING UNITS THAT ARE DESIGNED PRINCIPALLY AND ARE INTENDED FOR HUMAN HABITATION.

(B) A MORTGAGOR OR GRANTOR WHO REFINANCES IN FULL THE UNPAID INDEBTEDNESS SECURED BY A FIRST MORTGAGE OR DEED OF TRUST ENCUMBERING OR CONVEYING AN INTEREST IN RESIDENTIAL PROPERTY AT A ~~AN~~ INTEREST RATE LOWER THAN PROVIDED FOR IN THE EVIDENCE OF

INDEBTEDNESS SECURED BY THE FIRST MORTGAGE OR DEED OF TRUST IS NOT REQUIRED TO OBTAIN PERMISSION FROM THE HOLDER OF A JUNIOR LIEN IF:

(1) THE PRINCIPAL AMOUNT SECURED BY THE JUNIOR LIEN DOES NOT EXCEED \$150,000; AND

(2) THE PRINCIPAL AMOUNT SECURED BY THE REFINANCE MORTGAGE DOES NOT EXCEED THE UNPAID OUTSTANDING PRINCIPAL BALANCE SECURED BY THE FIRST MORTGAGE OR DEED OF TRUST PLUS AN AMOUNT TO PAY CLOSING COSTS NOT EXCEEDING \$5,000.

(C) A REFINANCE MORTGAGE THAT MEETS THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION SHALL HAVE, ON RECORDATION, THE SAME LIEN PRIORITY AS THE FIRST MORTGAGE OR DEED OF TRUST THAT THE REFINANCE MORTGAGE REPLACES.

(D) A REFINANCE MORTGAGE THAT MEETS THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION SHALL INCLUDE ~~ON THE FIRST PAGE~~ THE FOLLOWING STATEMENT IN BOLD OR CAPITALIZED LETTERS: "THIS IS A REFINANCE OF A DEED OF TRUST/MORTGAGE/OTHER SECURITY ~~INTEREST INSTRUMENT~~ RECORDED AMONG THE LAND RECORDS OFCOUNTY/CITY, MARYLAND IN LIBER NO. FOLIO, IN THE ORIGINAL PRINCIPAL AMOUNT OF....., AND WITH THE UNPAID OUTSTANDING PRINCIPAL BALANCE OF..... . THE INTEREST RATE PROVIDED FOR IN THE EVIDENCE OF INDEBTEDNESS SECURED BY THIS REFINANCE MORTGAGE IS LOWER THAN THE APPLICABLE INTEREST RATE PROVIDED FOR IN THE EVIDENCE OF INDEBTEDNESS SECURED BY THE DEED OF TRUST/MORTGAGE/OTHER SECURITY INSTRUMENT BEING REFINANCED."

(E) THE PRIORITIES AMONG TWO OR MORE JUNIOR LIENS SHALL BE GOVERNED BY § 3-203 OF THIS ARTICLE.

(F) THIS SECTION MAY NOT BE CONSTRUED TO PREEMPT OR ABROGATE THE OPERATION OR EFFECT OF, OR ABILITY OF A COURT TO APPLY THE PRINCIPLES OF, EQUITABLE SUBROGATION OR EQUITABLE SUBORDINATION.

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 a refinance mortgage recorded or having an effective date before the effective date of this Act.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 127 – *Labor and Employment – Payment of Overtime Wages*.

This bill limits the applicability of an overtime wage provision of law to exclude, under specified circumstances, a specified employer that is subject to Title II of the federal Railway Labor Act.

Senate Bill 405, 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 127.

Sincerely,

Governor Martin O'Malley

House Bill 127

AN ACT concerning

Labor and Employment – Payment of Overtime Wages

FOR the purpose of limiting the applicability of an overtime wage provision of law to exclude a certain employer that is subject to Title II of the federal Railway Labor Act, under certain circumstances; and generally relating to the payment of overtime wages.

BY repealing and reenacting, with amendments,
Article – Labor and Employment
Section 3-415
Annotated Code of Maryland
(2008 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, without amendments,
Article – Labor and Employment
Section 3-420

Annotated Code of Maryland
(2008 Replacement Volume and 2012 Supplement)

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

Article – Labor and Employment

3–415.

(a) Except as otherwise provided in this section, each employer shall pay an overtime wage of at least 1.5 times the usual hourly wage, computed in accordance with § 3–420 of this subtitle.

(b) This section does not apply to an employer that is:

- (1) subject to 49 U.S.C. § 10501;
- (2) an establishment that is a hotel or motel;
- (3) an establishment that is a restaurant;
- (4) considered a gasoline service station because the employer is engaged primarily in selling gasoline and lubricating oil, even if the employer sells other merchandise or performs minor repair work;
- (5) a bona fide private country club;
- (6) a not for profit entity and is engaged primarily in providing temporary at-home care services, such as companionship or delivery of prepared meals, to aged or sick individuals, individuals with disabilities, or individuals with a mental disorder;
- (7) a not for profit concert promoter, legitimate theater, music festival, music pavilion, or theatrical show; or
- (8) an amusement or recreational establishment, including a swimming pool, if the establishment:
 - (i) operates for no more than 7 months in a calendar year; or
 - (ii) for any 6 months during the preceding calendar year, has average receipts in excess of one-third of the average receipts for the other 6 months.

(c) This section does not apply to an employer with respect to:

(1) an employee for whom the United States Secretary of Transportation may set qualifications and maximum hours of service under 49 U.S.C. § 31502;

(2) a mechanic, partsperson, or salesperson who primarily sells or services automobiles, farm equipment, trailers, or trucks, if the employer is engaged primarily in selling those vehicles to ultimate buyers and is not a manufacturer; [or]

(3) a driver if the employer is engaged in the business of operating taxicabs; OR

(4) UNLESS A COLLECTIVE BARGAINING AGREEMENT BETWEEN AN EMPLOYER AND A LABOR ORGANIZATION PROVIDES OTHERWISE, AN EMPLOYEE OF THE EMPLOYER IF:

(I) THE EMPLOYER IS SUBJECT TO TITLE II OF THE FEDERAL RAILWAY LABOR ACT;

(II) THE EMPLOYER DOES NOT REQUIRE THE EMPLOYEE TO WORK MORE THAN 40 HOURS DURING 1 WORKWEEK; AND

(III) THE EMPLOYEE VOLUNTARILY ENTERS INTO AN AGREEMENT WITH ANOTHER EMPLOYEE TO TRADE SCHEDULED WORK HOURS AND AS A RESULT THE EMPLOYEE WORKS MORE THAN 40 HOURS DURING A SINGLE WORKWEEK.

3–420.

(a) Except as otherwise provided in this section, an employer shall compute the wage for overtime under § 3–415 of this subtitle on the basis of each hour over 40 hours that an employee works during 1 workweek.

(b) Notwithstanding § 3–415(b)(8) of this subtitle, an employer that is not a not for profit organization and is a concert promoter, legitimate theater, music festival, music pavilion, or theatrical show shall pay overtime for a craft or trade employee as required in subsection (a) of this section.

(c) The wage for overtime may be computed on the basis of each hour over 60 hours that an employee works during 1 workweek for an employee who:

(1) is engaged in agriculture; and

(2) is exempt from the overtime provisions of the federal Act.

(d) The wage for overtime may be computed on the basis of each hour over 48 hours that an employee works during 1 workweek:

- (1) for an employee of a bowling establishment; and
- (2) for an employee of an institution that:
 - (i) is not a hospital; but
 - (ii) is engaged primarily in the care of individuals who:
 - 1. are aged, intellectually disabled, or sick or have a mental disorder; and
 - 2. reside at the institution.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 129 – *Task Force to Study Implementing a Civil Right to Counsel in Maryland*.

This bill establishes the Task Force to Study Implementing a Civil Right to Counsel in Maryland which provides for the composition, chair, and staffing of the Task Force. It requires the Task Force to study and make recommendations regarding specified matters and to report its findings and recommendations to specified public officials on or before October 1, 2014.

Senate Bill 262, 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 129.

Sincerely,

Governor Martin O'Malley

House Bill 129

AN ACT concerning

Task Force to Study Implementing a Civil Right to Counsel in Maryland

FOR the purpose of establishing the Task Force to Study Implementing a Civil Right to Counsel in Maryland; providing for the composition, chair, and staffing of the Task Force; prohibiting a member of the Task Force from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Task Force to study and make recommendations regarding certain matters; requiring the Task Force to report its findings and recommendations to certain public officials on or before a certain date; providing for the termination of this Act; and generally relating to the Task Force to Study Implementing a Civil Right to Counsel in Maryland.

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

(a) There is a Task Force to Study Implementing a Civil Right to Counsel in Maryland.

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

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

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

(3) three members appointed by the Governor, one of whom shall be an attorney who is a member of the Maryland State Bar Association and who is appointed after consultation with the President of the Maryland State Bar Association and one of whom shall be an attorney or a legal provider or both; and

(4) three members who are representatives of the Judiciary, appointed by the Chief Judge of the Court of Appeals.

(c) The Chief Judge of the Court of Appeals shall designate the chair of the Task Force, who shall have a vote in the recommendations of the Task Force.

(d) The Maryland Access to Justice Commission shall provide staff for the Task Force.

(e) A member of the Task Force:

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

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

(f) The Task Force shall:

(1) study the current resources available to assist in providing counsel to low-income Marylanders compared to the depth of the unmet need, including the resulting burden on the court system and the stress on other public resources;

(2) study whether low-income Marylanders should have the right to counsel at public expense in basic human needs cases, such as those involving shelter, sustenance, safety, health, or child custody, including review and analysis of the Maryland Access to Justice Commission's "Implementing a Civil Right to Counsel in Maryland" report and each other previous report by a task force, commission, or workgroup on this issue;

(3) study alternatives regarding the currently underserved citizenry of the State and the operation of the court system;

(4) study how the right to counsel might be implemented in Maryland;

(5) study the costs to provide meaningful access to counsel and the savings to the court system and other public resources;

(6) study the possible revenue sources; and

(7) make recommendations regarding the matters described in this subsection.

(g) On or before October 1, 2014, the Task Force shall report its findings and recommendations to the Governor, the Chief Judge of the Court of Appeals, and, in accordance with § 2-1246 of the State Government Article, the President of the Senate, the Speaker of the House, the Senate Budget and Taxation Committee, the Senate Judicial Proceedings Committee, the House Appropriations Committee, and the House Judiciary Committee.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013. It shall remain effective for a period of 1 year and, at the end of September 30, 2014, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 151 – *Task Force on the Implementation of Tax Benefits for Emergency Preparedness Equipment*.

This bill establishes the Task Force to Study the Implementation of Tax Benefits for Emergency Preparedness Equipment and provides for the composition, chair, and staffing of the Task Force. This bill requires the Task Force to study and make recommendations regarding which members of the population would benefit from the implementation of an income tax credit to purchase electric generators or a tax-free period for emergency preparedness equipment, and other matters, and also requires a report on or before December 1, 2013.

Senate Bill 481, 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 151.

Sincerely,

Governor Martin O'Malley

House Bill 151

AN ACT concerning

~~Sales and Use Tax Tax Free Period Emergency Preparedness Equipment~~
*Task Force on the Implementation of Tax Benefits for Emergency
Preparedness Equipment*

FOR the purpose of ~~establishing a tax free period each year during which a certain sales and use tax exemption for the sale of certain emergency preparedness items is provided; requiring the Comptroller of the Treasury to publish a certain list on or before a certain date; authorizing the Comptroller to amend a certain list under certain circumstances; defining a certain term; providing for the termination of this Act; and generally relating to sales and use tax exemptions~~
establishing the Task Force to Study the Implementation of Tax Benefits for Emergency Preparedness Equipment; providing for the composition, chair, and staffing of the Task Force; prohibiting a member of the Task Force from receiving certain compensation, but authorizing the reimbursement of certain expenses;

requiring the Task Force to study and make recommendations regarding certain matters; requiring the Task Force to report its findings and recommendations to the Governor and the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to the Task Force to Study the Implementation of Tax Benefits for Emergency Preparedness Equipment.

~~BY adding to~~

~~Article — Tax — General~~

~~Section 11-228.1~~

~~Annotated Code of Maryland~~

~~(2010 Replacement Volume and 2012 Supplement)~~

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

~~Article — Tax — General~~

~~11-228.1.~~

~~(A) IN THIS SECTION, “EMERGENCY PREPAREDNESS EQUIPMENT” INCLUDES PORTABLE GENERATORS AND OTHER ITEMS AS DEFINED BY THE COMPTROLLER BY REGULATION.~~

~~(B) (1) BEGINNING IN CALENDAR YEAR 2014, THE 7 DAY PERIOD FROM THE THIRD SUNDAY IN MAY THROUGH THE FOLLOWING SATURDAY SHALL BE A TAX FREE PERIOD FOR EMERGENCY PREPAREDNESS EQUIPMENT SHOPPING IN MARYLAND DURING WHICH THE EXEMPTION UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL APPLY.~~

~~(2) DURING THE TAX FREE PERIOD FOR EMERGENCY PREPAREDNESS EQUIPMENT SHOPPING ESTABLISHED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE SALES AND USE TAX DOES NOT APPLY TO THE SALE OF ANY EMERGENCY PREPAREDNESS EQUIPMENT IF THE TAXABLE PRICE OF THE ITEM IS \$1,500 OR LESS.~~

~~(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, ON OR BEFORE JANUARY 1, 2014, THE COMPTROLLER SHALL PUBLISH ON THE COMPTROLLER’S WEB SITE A LIST OF EMERGENCY PREPAREDNESS EQUIPMENT THAT IS EXEMPT FROM TAXATION DURING THE TAX FREE PERIOD.~~

~~(2) AFTER THE COMPLETION OF THE TAX FREE PERIOD IN CALENDAR YEAR 2014, THE COMPTROLLER MAY AMEND THE LIST OF EMERGENCY PREPAREDNESS EQUIPMENT THAT IS EXEMPT FROM TAXATION FOR EACH SUBSEQUENT TAX FREE PERIOD.~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013. It shall remain effective for a period of 3 years and, at the end of June 30, 2016, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.~~

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

(a) There is a Task Force to Study Tax Benefits for Emergency Preparedness Equipment.

(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 Comptroller, or the Comptroller's designee;

(4) one representative from the Maryland chapter of AARP, designated by the Maryland AARP State president;

(5) the Chairman of the Public Service Commission, or the Chairman's designee;

(6) the Secretary of the Department of Health and Mental Hygiene, or the Secretary's designee;

(7) the Director of the Maryland Energy Administration, or the Director's designee;

(8) the Director of the Maryland Emergency Management Agency, or the Director's designee;

(9) the Director of the Governor's Office of Homeland Security, or the Director's designee; and

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

(i) one member of the Maryland Retailers Association; and

(ii) one member of the public who is a customer of an electric utility.

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

(d) The Maryland Energy Administration, Maryland Emergency Management Agency, and Governor's Office of Homeland Security shall provide staff for the Task Force.

(e) A member of the Task Force:

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

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

(f) The Task Force shall:

(1) study which members of the population would benefit from the implementation of:

(i) an income tax credit to purchase electric generators; or

(ii) a tax-free period for emergency preparedness equipment;

(2) study how individuals with physical difficulties, elderly individuals, and other individuals who are dependent on a consistent supply of power for medical purposes would benefit from the implementation of:

(i) an income tax credit to purchase electric generators; or

(ii) a tax-free period for emergency preparedness equipment;

(3) study whether commercial establishments would also benefit from an income tax credit to purchase electric generators or a tax-free period for emergency preparedness equipment and the costs of establishing the credit or tax-free period; and

(4) make recommendations regarding the implementation of an income tax credit for the purchase of electric generators or a tax-free period for emergency preparedness equipment, including:

(i) qualifications for the credit;

(ii) the amount of the credit to be granted; and

(iii) the length of a tax-free period for emergency preparedness equipment.

(g) On or before December 1, 2013, the Task Force shall report its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013. It shall remain effective for a period of 1 year and 1 month and, at the end of June 30, 2014, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 183 – *Correctional Training Commission – Members*.

This bill alters the membership of the Correctional Training Commission.

Senate Bill 441, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 183.

Sincerely,

Governor Martin O'Malley

House Bill 183

AN ACT concerning

Correctional Training Commission – ~~Correctional Officer~~ Members

FOR the purpose of ~~requiring that certain members~~ altering the membership of the Correctional Training Commission ~~be correctional officers only rather than correctional officers or officials of the State; requiring that certain members of the Commission be recommended by the exclusive representative for the correctional officers before appointment by the Governor; and generally relating~~ to membership of the Correctional Training Commission.

BY repealing and reenacting, with amendments,
Article – Correctional Services

Section 8-204
Annotated Code of Maryland
(2008 Replacement Volume and 2012 Supplement)

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

Article – Correctional Services

8-204.

(a) The Commission consists of the following ~~14~~ members:

(1) the Secretary of Public Safety and Correctional Services;

(2) the Secretary of Juvenile Services;

(3) a representative of the Department of Public Safety and Correctional Services, designated by the Secretary of Public Safety and Correctional Services;

(4) A REPRESENTATIVE OF THE DEPARTMENT OF JUVENILE SERVICES, DESIGNATED BY THE SECRETARY OF JUVENILE SERVICES;

~~(4)~~ **(5)** a Deputy Secretary of Public Safety and Correctional Services;

~~(5)~~ **(6)** the president of the Maryland Correctional Administrators Association;

~~(6)~~ **(7)** the president of the Maryland Sheriffs Association;

~~(7)~~ **(8)** the president of the Maryland Criminal Justice Association;

~~(8)~~ **(9)** a representative of the Federal Bureau of Prisons, designated by its Director;

~~(9)~~ **(10)** the Attorney General of the State;

~~(10)~~ **(11)** the president of a university or college in the State with a correctional education curriculum, appointed by the Maryland Higher Education Commission; ~~and~~

(12) ONE CORRECTIONAL OFFICER OF THE STATE RECOMMENDED BY THE EXCLUSIVE REPRESENTATIVE FOR THE OFFICERS COVERED UNDER

**TITLE 10, SUBTITLE 9 OF THIS ARTICLE AND APPOINTED BY THE GOVERNOR;
AND**

~~(11)~~ **(13)** four correctional officers ~~for officials~~ of the State ~~RECOMMENDED BY THE EXCLUSIVE REPRESENTATIVE FOR THE OFFICERS COVERED UNDER TITLE 10, SUBTITLE 9 OF THIS ARTICLE AND~~ appointed under subsection (b) of this section.

(b) (1) The Governor shall appoint, with the advice and consent of the Senate, four correctional officers ~~for officials~~ to be members of the Commission, at least one of whom shall be a Department of Juvenile Services employee ~~for official~~.

(2) The four members appointed under paragraph (1) of this subsection shall represent different geographic areas of the State.

(3) The term of a member who is appointed under paragraph (1) of this subsection is 3 years.

(4) The terms of the members who are appointed under paragraph (1) of this subsection are staggered as required by the terms provided for members of the Commission on October 1, 1999.

(5) (i) At the end of a term, a member who was appointed under paragraph (1) of this subsection continues to serve until a successor is appointed and qualifies.

(ii) A member who is appointed after a term has begun serves only for the remainder of the term and until a successor is appointed and qualifies.

(c) Except for the four members appointed by the Governor under subsection (b) of this section, a member of the Commission may serve personally at a Commission meeting or designate a representative from the member's unit or association who may act at any meeting to the same effect as if the member were personally present.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House

Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 206 – *Health Occupations – Sunset Extension and Program Evaluation*.

This bill continues the State Acupuncture Board, the State Board of Dietetic Practice, and the State Board of Occupational Therapy Practice in accordance with the provisions of the Maryland Program Evaluation Act (sunset law) by extending to July 1, 2025 the termination provisions relating to the statutory and regulatory authority of the boards.

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 206.

Sincerely,

Governor Martin O'Malley

House Bill 206

AN ACT concerning

Health Occupations – Sunset Extension and Program Evaluation

FOR the purpose of continuing the State Acupuncture Board, the State Board of Dietetic Practice, and the State Board of Occupational Therapy Practice 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 boards; requiring that an evaluation of certain boards and the statutes and regulations that relate to certain boards be performed on or before a certain date; requiring the State Acupuncture Board and the State Board of Dietetic Practice to submit certain reports to certain committees of the General Assembly on or before a certain date; making a technical correction to the period for renewal of certain permits under the sunset extension law that continued the State Board of Pharmacy; making technical changes; and generally relating to the ~~State Acupuncture Board, the State Board of Dietetic Practice, and the State Board of Occupational Therapy Practice~~ sunset extension of certain health occupation boards.

BY repealing and reenacting, with amendments,

Article – Health Occupations

Section 1A-502, 5-101(i), 5-202(b), 5-302(d), 5-305, 5-502, and 10-502

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, without amendments,

Article – State Government

Section 8–403(a)

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government

Section 8–403(b)(1), (16), and (43)

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Chapter 658 of the Acts of the General Assembly of 2012

Section 2

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

Article – Health Occupations

1A–502.

Subject to the evaluation and reestablishment provisions of the Maryland Program Evaluation Act, this title and all rules and regulations adopted under this title shall terminate and be of no effect after July 1, [2015] **2025**.

5–101.

(i) “Registered dietitian” means an individual registered with the Commission on Dietetic Registration, the accrediting body of the [American Dietetic Association] **ACADEMY OF NUTRITION AND DIETETICS**.

5–202.

(b) (1) For each licensed dietitian–nutritionist vacancy, the Board shall compile a list of names to be submitted to the Secretary in accordance with this subsection, including at least three names for each of the vacancies.

(2) The Board shall notify all licensed dietitian–nutritionists in the State of the vacancy to solicit nominations to fill the vacancy.

(3) The [Maryland Dietetic Association] **MARYLAND ACADEMY OF NUTRITION AND DIETETICS** or the Maryland Nutritionists Association shall

nominate qualified individuals to fill the vacancy within 30 days after the notice required in paragraph (2) of this subsection is given.

(4) The [Maryland Dietetic Association] **MARYLAND ACADEMY OF NUTRITION AND DIETETICS** may comment on an individual nominated by the Maryland Nutritionists Association under paragraph (3) of this subsection within 30 days after the nomination and before the list is submitted to the Secretary.

(5) The Maryland Nutritionists Association may comment on an individual nominated by the [Maryland Dietetic Association] **MARYLAND ACADEMY OF NUTRITION AND DIETETICS** under paragraph (3) of this subsection within 30 days after the nomination and before the list is submitted to the Secretary.

5-302.

(d) The applicant for licensure as a dietitian–nutritionist shall:

(1) (i) 1. Have satisfactorily completed academic requirements for the field of dietetics as approved by the Board; and

2. Have received a baccalaureate degree from a college or university accredited by an educational accrediting association recognized by the Council on Higher Education and Accreditation; or

(ii) Have received a master's or doctoral degree from a college or university accredited by an educational accrediting association recognized by the Council on Higher Education and Accreditation in nutritional sciences (with emphasis in human nutrition), food and nutrition, dietetics, human nutrition, community nutrition, public health nutrition, or equivalent training approved by the Board;

(2) Have satisfactorily completed a program of supervised clinical experience approved by the Board; and

(3) (i) Submit to the Board proof of certification by the Certification Board for Nutritional Specialists; or

(ii) Submit to the Board proof of registration with the Commission on Dietetic Registration of the [American Dietetic Association] **ACADEMY OF NUTRITION AND DIETETICS**.

5-305.

(a) Subject to the provisions of this section, the Board may waive an examination requirement of this title for an individual who:

(1) Is licensed to practice dietetics in another state or country;

(2) Is registered to practice dietetics by the Commission on Dietetic Registration of the [American Dietetic Association] **ACADEMY OF NUTRITION AND DIETETICS**; or

(3) Is certified by the Certification Board for Nutrition Specialists.

(b) The Board may grant a waiver under this section only if the applicant:

(1) Pays the application fee set by the Board under § 5–206 of this title; and

(2) Provides adequate evidence that the applicant:

(i) Meets the qualifications otherwise required by this subtitle; and

(ii) 1. Became licensed in the other state or country after passing, in that state or country, an examination that the Board determines to be comparable to the examination for which the applicant is seeking the waiver;

2. Became registered by the Commission on Dietetic Registration of the [American Dietetic Association] **ACADEMY OF NUTRITION AND DIETETICS** after meeting the examination waiver requirements of that Commission or its predecessor; or

3. Became certified by the Certification Board for Nutrition Specialists after meeting the examination waiver requirements of that Certification Board or its predecessor.

5–502.

Subject to the evaluation and reestablishment provisions of the Maryland Program Evaluation Act, this title and all regulations adopted under this title shall terminate and be of no effect after July 1, [2015] **2025**.

10–502.

Subject to the evaluation and reestablishment provisions of the Maryland Program Evaluation Act, this title and all rules and regulations adopted under this title shall terminate and be of no effect after July 1, [2015] **2025**.

Article – State Government

8–403.

(a) On or before December 15 of the 2nd year before the evaluation date of a governmental activity or unit, the Legislative Policy Committee, based on a preliminary evaluation, may waive as unnecessary the evaluation required under this section.

(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:

(1) Acupuncture Board, State (§ 1A-201 of the Health Occupations Article: July 1, [2014] **2024**);

(16) Dietetic Practice, State Board of (§ 5-201 of the Health Occupations Article: July 1, [2014] **2024**);

(43) Occupational Therapy Practice, State Board of (§ 10-201 of the Health Occupations Article: July 1, [2014] **2024**);

Chapter 658 of the Acts of 2012

SECTION 2. AND BE IT FURTHER ENACTED, That the State Board of Pharmacy shall extend the renewal of permits required under §§ 12-407 and 12-6C-06 of the Health Occupations Article, as enacted by Section 1 of this Act, to [May 31, 2013, and May 31, 2014,] **MAY 31, 2014, AND MAY 31, 2013,** respectively, for pharmacy permits and wholesale distributor permits expiring on [December 31, 2012, and December 31, 2013,] **DECEMBER 31, 2013, AND DECEMBER 31, 2012,** respectively, to accommodate the revised permit renewal date of May 31.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1, 2013, the State Acupuncture Board shall submit a report to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee, in accordance with § 2-1246 of the State Government Article, that:

(1) builds on the figures provided by the Board in its response to the 2012 Joint Chairmen's Report;

(2) addresses the options suggested by the Department of Legislative Services in the 2012 Preliminary Evaluation of the State Acupuncture Board to keep revenues and expenditures in balance; and

(3) includes any fee increases, changes to the executive director position, and any options for sharing additional resources or pooling funding with other boards and discusses how these changes would modify the Board's fund balance.

SECTION 3. AND BE IT FURTHER ENACTED, That, on or before October 1, 2013, the State Board of Dietetic Practice shall submit a report to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee, in accordance with § 2-1246 of the State Government Article, that recommends any legislative changes to clarify the practice of dietetics and any additional authority the Board needs to address complaints alleging the unlicensed practice of dietetics.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 209 – *State Board of Public Accountancy – Sunset Extension and Program Evaluation*.

This bill continues the State Board of Public Accountancy in accordance with the provisions of the Maryland Program Evaluation Act (sunset law) by extending to July 1, 2025, the termination provisions relating to the statutory and regulatory authority of the Board; requires that an evaluation of the Board and the statutes and regulations that relate to the Board be performed on or before July 1, 2024; and requires the Board to submit a specified report on or before October 1, 2013.

Senate Bill 238, 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 209.

Sincerely,

Governor Martin O'Malley

House Bill 209

AN ACT concerning

**State Board of Public Accountancy – Sunset Extension and Program
Evaluation**

FOR the purpose of continuing the State Board of Public Accountancy in accordance with the provisions of the Maryland Program Evaluation Act (sunset law) by extending to a certain date the termination provisions relating to the statutory and regulatory authority of the Board; requiring that an evaluation of the Board and the statutes and regulations that relate to the Board be performed on or before a certain date; requiring the Board to submit a certain report on or before a certain date; and generally relating to the State Board of Public Accountancy.

BY repealing and reenacting, with amendments,
Article – Business Occupations and Professions
Section 2–702
Annotated Code of Maryland
(2010 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, without amendments,
Article – State Government
Section 8–403(a)
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 8–403(b)(57)
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

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

Article – Business Occupations and Professions

2–702.

Subject to the evaluation and reestablishment provisions of the Maryland Program Evaluation Act, this title and all regulations adopted under this title shall terminate and be of no effect after July 1, [2015] **2025**.

Article – State Government

8–403.

(a) On or before December 15 of the 2nd year before the evaluation date of a governmental activity or unit, the Legislative Policy Committee, based on a

preliminary evaluation, may waive as unnecessary the evaluation required under this section.

(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:

(57) Public Accountancy, State Board of (§ 2–201 of the Business Occupations and Professions Article: July 1, [2014] **2024**);

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1, 2013, the State Board of Public Accountancy shall report to the Senate Education, Health, and Environmental Affairs Committee and the House Economic Matters Committee, in accordance with § 2–1246 of the State Government Article, on:

(1) fund balances, changes to the target fund balances, and future plans to use any remaining surplus;

(2) findings and recommendations related to the outsourcing of exam application processing; and

(3) (i) the number of peer reviews conducted in each of the previous three calendar years;

(ii) the number of licensees and permit holders that failed, passed with deficiencies, or failed to take corrective action;

(iii) reasons why the board did not previously receive a vast majority of failed peer reviews;

(iv) steps taken by the board with respect to licensees and permit holders who previously failed a peer review; and

(v) actions taken to resolve the inconsistent reporting of failed peer reviews to the board.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch

Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 231 – *Alcoholic Beverages – Class 7 Limited Beer Wholesaler's License*.

This bill creates a Class 7 limited beer wholesaler's license that allows the license holder to sell, deliver, and distribute its own beer produced at the holder's premises to a retail license holder or permit holder in the State under specified circumstances. This bill authorizes the Office of the Comptroller to issue a nonresident brewery permit to a specified person licensed outside the State to sell and deliver beer in the State and provides for specified fees.

Senate Bill 223, 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 231.

Sincerely,

Governor Martin O'Malley

House Bill 231

AN ACT concerning

Alcoholic Beverages – Class 7 Limited Beer Wholesaler's License

FOR the purpose of creating a Class 7 limited beer wholesaler's license that allows the license holder to sell, deliver, and distribute its own beer produced at the holder's premises to a retail license holder or permit holder in the State under certain circumstances; repealing certain prohibitions against issuing a nonresident dealer's permit to a certain person; authorizing the Office of the Comptroller to issue a nonresident brewery permit to a certain person licensed outside the State to sell and deliver a certain amount of beer to a retail license holder or permit holder in the State under certain circumstances; authorizing certain holders of a Class 5 manufacturer's license or a Class 7 micro-brewery license to apply for and obtain a Class 7 limited beer wholesaler's license if certain requirements are met; specifying certain annual license fees for a Class 7 limited beer wholesaler's license and a nonresident brewery permit; authorizing a holder of a Class 7 limited beer wholesaler's license to use additional locations for certain purposes on the payment of a certain fee; allowing a Class 7 limited beer wholesaler's license to be issued only to certain persons; authorizing a holder of a Class 7 limited beer wholesaler's license to

distribute not more than a certain amount of its own beer annually; and generally relating to Class 7 beer wholesaler's licenses.

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages

Section 2–101(i)(2) and (w)(3), 2–201(b), and 2–301(a) and (b)

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

BY adding to

Article 2B – Alcoholic Beverages

Section 2–101(z)

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

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

Article 2B – Alcoholic Beverages

2–101.

(i) (2) A nonresident dealer's permit may not be issued to a person who:

(i) Holds a wholesaler or retailer license of any class issued under this article;

(ii) Has an interest in a wholesaler licensed under this article[, other than a disclosed legal, equity, or security interest of a malt beverage wholesaler]; or

(iii) Has an interest in a retailer licensed under this article.

(w) (3) A resident dealer's permit may not be issued to a person who:

(i) Holds a wholesaler or retailer license of any class issued under this article;

(ii) Has an interest in a wholesaler licensed under this article[, other than a disclosed legal, equity, or security interest of a malt beverage wholesaler]; or

(iii) Has an interest in a retailer licensed under this article.

(Z) (1) THE OFFICE OF THE COMPTROLLER MAY ISSUE A NONRESIDENT BREWERY PERMIT TO A PERSON THAT:

(I) IS LICENSED OUTSIDE THE STATE TO ENGAGE IN THE MANUFACTURE OF BEER;

(II) PRODUCES IN THE AGGREGATE FROM ALL OF ITS LOCATIONS NOT MORE THAN 22,500 BARRELS OF BEER ANNUALLY; AND

(III) DOES NOT HOLD A NONRESIDENT DEALER'S PERMIT.

(2) A HOLDER OF A NONRESIDENT BREWERY PERMIT MAY SELL AND DELIVER NOT MORE THAN 3,000 BARRELS OF ITS OWN BEER ANNUALLY FROM A LOCATION OUTSIDE THE STATE TO A RETAIL LICENSE HOLDER OR PERMIT HOLDER IN THE STATE AUTHORIZED TO ACQUIRE THE BEER.

(3) A NONRESIDENT BREWERY PERMIT HOLDER SHALL COMPLY WITH ALL THE REQUIREMENTS OF THIS ARTICLE, THE TAX – GENERAL ARTICLE, AND THE REGULATIONS OF THE OFFICE OF THE COMPTROLLER THAT APPLY TO A HOLDER OF A CLASS 7 LIMITED BEER WHOLESALER'S LICENSE.

(4) THE ANNUAL FEE FOR A NONRESIDENT BREWERY PERMIT IS \$50.

2–201.

(b) (1) This subsection does not apply to a Class 6 pub–brewery license.

(2) The holder of a distillery, rectifying, winery, limited winery, or brewery license may apply for and obtain, under a different name, one or more additional distillery, rectifying, winery, limited winery, or brewery licenses for the same or another premises.

(3) Those licenses may be issued to different persons or under trade names used by persons occupying a part of or all of the same premises.

(4) A holder of a license listed in paragraph (2) of this subsection may hold additional licenses listed in paragraph (2) of this subsection of the same or of a different class.

(5) (i) The holder of a rectifying[,] OR winery[, or brewery] license may apply for and obtain a wholesaler's license of any class for the same premises or elsewhere as provided under this article.

(ii) The holder of a limited winery license may apply for and obtain a Class 6 limited wine wholesaler's license for the same premises or elsewhere as provided under this article.

(iii) 1. THE HOLDER OF A CLASS 5 MANUFACTURER'S LICENSE OR CLASS 7 MICRO-BREWERY LICENSE MAY APPLY FOR AND OBTAIN A CLASS 7 LIMITED BEER WHOLESALER'S LICENSE IN ACCORDANCE WITH THIS SUBPARAGRAPH.

2. A HOLDER OF A CLASS 5 MANUFACTURER'S LICENSE THAT WAS SELLING THE HOLDER'S OWN BEER AT WHOLESALE IN THE STATE AS OF JANUARY 1, 2013, MAY OBTAIN A CLASS 7 LIMITED BEER WHOLESALER'S LICENSE TO CONTINUE TO SELL THE HOLDER'S OWN BEER AT WHOLESALE IN THE SAME LOCATION IN AN AMOUNT THAT IS NOT MORE THAN 3,000 BARRELS ANNUALLY.

3. A HOLDER OF A CLASS 5 MANUFACTURER'S LICENSE OR CLASS 7 MICRO-BREWERY LICENSE THAT PRODUCES IN AGGREGATE FROM ALL ITS LOCATIONS NOT MORE THAN 22,500 BARRELS OF BEER ANNUALLY MAY OBTAIN A CLASS 7 LIMITED BEER WHOLESALER'S LICENSE AND DISTRIBUTE NOT MORE THAN 3,000 BARRELS OF ITS OWN BEER ANNUALLY.

2-301.

(a) (1) The annual fees for the following classes of wholesaler's licenses are:

Class 1	Beer, wine and liquor.....	\$ 2,000
Class 2	Wine and liquor.....	1,750
Class 3	Beer and wine	1,500
Class 4	Beer	1,250
Class 5	Wine.....	1,250
Class 6	Limited wine	50
CLASS 7	LIMITED BEER.....	50

(2) Upon approval of the application:

(i) A Class 1 wholesale licensee may use additional locations for the warehousing, sale and delivery of beer, wine and liquor upon the payment of an additional fee of \$2,000 for each additional location.

(ii) A Class 2 wholesale licensee may use additional locations for the warehousing, sale and delivery of wine and liquor upon the payment of an additional fee of \$1,750 for each additional location.

(iii) A Class 3 wholesale licensee may use additional locations for the warehousing, sale and delivery of beer and wine upon the payment of an additional fee of \$1,500 for each additional location.

(iv) A Class 4 wholesale licensee may use additional locations for the warehousing, sale and delivery of beer upon the payment of an additional fee of \$1,250 for each additional location.

(v) A Class 5 wholesale licensee may use additional locations for the warehousing, sale and delivery of wine upon the payment of an additional fee of \$1,250 for each additional location.

(vi) A Class 6 limited wine wholesale licensee may use additional locations for the warehousing, sale and delivery of wine upon the payment of an additional fee of \$50 for each additional location.

(VII) A CLASS 7 LIMITED BEER WHOLESALE LICENSEE MAY USE ADDITIONAL LOCATIONS FOR THE WAREHOUSING, SALE, AND DELIVERY OF BEER ON THE PAYMENT OF AN ADDITIONAL FEE OF \$50 FOR EACH ADDITIONAL LOCATION.

(b) (1) Except as otherwise provided in this subsection, a wholesaler's license issued in accordance with the fee paid entitles the holder to acquire the alcoholic beverages indicated on the license from licensees and holders of nonresident dealer's permits and resident dealer's permits authorized by this State to make the sales and deliveries. The license authorizes the sale and delivery of those alcoholic beverages from the licensed premises to licensees and permit holders in Maryland and to persons outside of this State.

(2) A Class 6 limited wine wholesaler's license shall be issued only to a wine manufacturer that:

(i) Produces not more than 27,500 gallons of its own wine annually; and

(ii) Holds a Class 4 limited winery manufacturer's license issued under this article.

(3) A person who holds a Class 6 limited wine wholesaler's license, on approval of the application and payment of the fee:

(i) May sell and deliver its own brand of wine produced at the licensee's premises to a retail licensee or permit holder in the State authorized to acquire the wine; and

(ii) May not sell its wine to a licensed wholesaler.

(4) A CLASS 7 LIMITED BEER WHOLESALER'S LICENSE SHALL BE ISSUED ONLY TO A PERSON THAT:

(I) PRODUCES IN AGGREGATE FROM ALL ITS LOCATIONS NOT MORE THAN 22,500 BARRELS OF BEER ANNUALLY; AND

(II) HOLDS A CLASS 5 MANUFACTURER'S LICENSE OR CLASS 7 MICRO-BREWERY LICENSE.

(5) ON APPROVAL OF THE APPLICATION AND PAYMENT OF THE FEE, A HOLDER OF A CLASS 7 LIMITED BEER WHOLESALER'S LICENSE MAY:

(I) SELL AND DELIVER ITS OWN BEER PRODUCED AT THE HOLDER'S PREMISES TO A RETAIL LICENSE HOLDER OR PERMIT HOLDER IN THE STATE AUTHORIZED TO ACQUIRE THE BEER; AND

(II) DISTRIBUTE NOT MORE THAN 3,000 BARRELS OF ITS OWN BEER ANNUALLY.

[(4)] (6) In Allegany County the holder of a Class 1 or Class 2 wholesaler's license may not sell liquor in any size container smaller than 23 ounces or 680 milliliters to any holder of a special permit issued under § 7-101(h) of this article.

[(5)] (7) A wholesaler's license of the appropriate class authorizes the holder to directly import beer, wine, or distilled spirits from sources outside the continental limits and possessions of the United States. However, any wholesale licensee that imports for subsequent distribution in or outside the State of Maryland shall be:

(i) The brand owner;

(ii) A wholesale licensee that purchases directly from the brand owner or the authorized agent of the brand owner; or

(iii) A wholesale licensee that purchases from the authorized United States importer.

[(6)] (8) Paragraph **[(5)] (7)** of this subsection only applies if the wholesale licensee's jurisdiction and authority to sell has been submitted to the Comptroller by the brand owner.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 270 – *Electrical Inspectors and Plumbing Inspectors – Master License Required*.

This bill requires a county or local government to employ as electrical inspectors only individuals who hold, or have previously held within the past 5 years under specified circumstances, a State or local license, as applicable, to provide electrical services as a master electrician or who are certified by specified entities. The bill also requires a county or local government to employ as plumbing inspectors only individuals who hold a master plumber license issued by specified entities.

Senate Bill 350, 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 270.

Sincerely,

Governor Martin O'Malley

House Bill 270

AN ACT concerning

Electrical Inspectors and Plumbing Inspectors – Master License Required

FOR the purpose of requiring a county or local government to employ as electrical inspectors only individuals who hold, or have previously held within a certain period of time under certain circumstances, a State license or local license, as applicable, to provide electrical services as a master electrician or who are certified by certain entities; requiring a county or local government to employ as plumbing inspectors only individuals who hold a master plumber license issued by certain entities; providing certain exceptions to certain requirements of this Act; providing for the scope of certain provisions of this Act; providing for the application of this Act; providing for a delayed effective date; and generally relating to licensing requirements for electrical inspectors and plumbing inspectors.

BY repealing and reenacting, without amendments,
Article – Business Occupations and Professions
Section 6–101(a), (g), (h), and (k) and 12–101(a) and (l)
Annotated Code of Maryland
(2010 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article – Business Occupations and Professions
Section 6–313, 12–103, and 12–503
Annotated Code of Maryland
(2010 Replacement Volume and 2012 Supplement)

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

Article – Business Occupations and Professions

6–101.

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

(g) “Local license” means, unless the context requires otherwise, a license that is issued by a local board to provide electrical services as a master electrician.

(h) “Master electrician” means an individual who has the experience, knowledge, and skill to provide electrical services in all aspects of the electrical trade, in a manner that complies with applicable plans, specifications, codes, or law.

(k) “State license” means a license that is issued by the State Board to a master electrician.

6–313.

(A) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A COUNTY OR LOCAL GOVERNMENT MAY EMPLOY AN INDIVIDUAL AS AN ELECTRICAL INSPECTOR ONLY IF THE INDIVIDUAL:

(I) HOLDS A STATE LICENSE OR LOCAL LICENSE, AS APPLICABLE;

(II) PREVIOUSLY HELD, WITHIN THE LAST 5 YEARS, A STATE LICENSE OR LOCAL LICENSE, AS APPLICABLE, THAT WAS NOT SUSPENDED OR REVOKED; OR

(III) IS CERTIFIED BY:

1. THE INTERNATIONAL CODE COUNCIL AS A COMBINATION INSPECTOR OR AS AN ELECTRICAL INSPECTOR FOR RESIDENTIAL OR COMMERCIAL BUILDINGS; ~~BY~~

2. THE NORTH AMERICAN BOARD OF CERTIFIED ENERGY PRACTITIONERS; OR

3. A CERTIFYING ENTITY THAT IS COMPARABLE TO THE ENTITY LISTED IN ITEM 1 OR 2 OF THIS ITEM.

(2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO A COUNTY OR LOCAL GOVERNMENT THAT USES CODE INSPECTORS OR COMBINATION BUILDING CODE INSPECTORS TO CONDUCT ~~CONCURRENT~~ TRADE-SPECIFIC INSPECTIONS ON RESIDENTIAL OR COMMERCIAL BUILDINGS TO DETERMINE COMPLIANCE WITH ADOPTED ELECTRICAL CODES ~~AND OR~~ RELATED BUILDING CODES.

[(a)] (B) An individual may not have any financial interest in any electrical business while employed by the State, a county, or a local government as an electrical inspector.

[(b)] (C) (1) On appointment or employment as an electrical inspector, the individual:

(i) shall place the State license of the individual on inactive status; and

(ii) except for the renewal fee, shall meet the inactive status requirements of § 6-311 of this subtitle.

(2) The State Board may issue an electrical inspector identification card to an electrical inspector who has placed the State license on inactive status.

(3) The State Board may not charge a fee to issue the identification card.

[(c)] (D) The State Board may change the status of an electrical inspector to individual inactive status, if the electrical inspector:

(1) meets the inactive status requirements of § 6-311 of this subtitle; and

(2) pays an inactive status fee of \$50.

[(d)] (E) On termination of the appointment or employment of an individual as an electrical inspector, the State Board shall reactivate the State license of the individual who is on inactive status, without examination, if the individual meets the reactivation requirements for a State license under § 6–311(f) of this subtitle, including payment of the reactivation fee.

12–101.

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

(1) (1) “Master plumber” means, unless the context requires otherwise, an individual who is licensed by the Board to provide plumbing services and natural gas services.

(2) “Master plumber” includes a master plumber gas fitter.

12–103.

(a) Except as expressly provided in §§ 12–305 [and], 12–307, **AND 12–503(B)** of this title, this title does not apply to Baltimore County.

(b) Except as expressly provided in §§ 12–305 [and], 12–307, **AND 12–503(B)** of this title, this title does not apply to areas of Montgomery and Prince George’s counties that are under the jurisdiction of the Washington Suburban Sanitary Commission.

12–503.

(a) Each individual whom the State, a county, or a local government appoints or employs as a plumbing inspector shall:

(1) each year attend a continuing education course that the Board or, with the approval of the Board, a county or local government conducts; and

(2) meet minimum standards that:

(i) adequately ensure that the plumbing inspector is qualified to inspect in accordance with the State Plumbing Code;

(ii) are established:

1. by the county or local government in consultation with the Board; or

2. if there is no standard established by the county or local government, by the Board; and

(iii) are administered:

1. for a county or local government inspector, by the county or local government that appoints or employs the inspector; and

2. for a State inspector, by the State.

(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A COUNTY OR LOCAL GOVERNMENT MAY EMPLOY AN INDIVIDUAL AS A PLUMBING INSPECTOR ONLY IF THE INDIVIDUAL HOLDS A MASTER PLUMBER LICENSE ISSUED BY THE BOARD, THE BALTIMORE COUNTY PLUMBING BOARD, OR THE WASHINGTON SUBURBAN SANITARY COMMISSION.

(2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO A COUNTY OR LOCAL GOVERNMENT THAT USES COMBINATION BUILDING CODE INSPECTORS TO CONDUCT CONCURRENT TRADE-SPECIFIC INSPECTIONS ON RESIDENTIAL OR COMMERCIAL BUILDINGS TO DETERMINE COMPLIANCE WITH ADOPTED PLUMBING CODES AND BUILDING CODES IF THE COMBINATION BUILDING CODE INSPECTOR, AS PART OF THE INSPECTOR'S TRAINING, HAS PASSED;

(I) A MASTER PLUMBER EXAMINATION GIVEN ~~IN THE STATE AS PART OF THE INSPECTOR'S TRAINING~~ BY THE BOARD, THE BALTIMORE COUNTY PLUMBING BOARD, OR THE WASHINGTON SUBURBAN SANITARY COMMISSION; OR

(II) THE PLUMBING INSPECTOR'S TEST ADMINISTERED BY THE BOARD.

[(b)] (C) An individual may not have any financial interest in any plumbing business while employed by the State, a county, or any local government as a plumbing inspector.

[(c)] (D) (1) On appointment or employment, the individual shall place the master plumber license, journey plumber license, or limited license on inactive status.

(2) The Board may issue a plumbing inspector identification card to a plumbing inspector who has placed the appropriate license on inactive status.

(3) On termination of the appointment or employment of an individual as a plumbing inspector, the Board shall reactivate the master plumber license, journey plumber license, or limited license of an individual who is on inactive status, without examination, if the individual:

- (i) makes a written request to the Board; and
- (ii) pays to the Board a reactivation fee of:
 - 1. \$20, for a journey plumber or holder of a limited journey plumber license; or
 - 2. \$50, for a master plumber or holder of a limited master plumber license.

[(d)] (E) The Board may impose a reasonable fee to cover the costs of conducting the continuing education courses under subsection (a) of this section.

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 electrical inspector or plumbing inspector employed by a county or local government before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 2014.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 277 – *Children in Need of Assistance – Review Hearings*.

This bill requires the juvenile court to conduct specified hearings within specified periods of time to review the status of specified children under its jurisdiction. The bill also requires the juvenile court to take specified actions at a review hearing under the Act and establishes that a specified hearing to review a child's permanency plan satisfies the requirements for a review hearing under the Act.

Senate Bill 264, 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 277.

Sincerely,

Governor Martin O'Malley

House Bill 277

AN ACT concerning

Children in Need of Assistance – Review Hearings

FOR the purpose of requiring the juvenile court to conduct certain hearings within certain periods of time to review the status of certain children under its jurisdiction; requiring the juvenile court to take certain actions at a review hearing under this Act; establishing that a certain hearing to review a child's permanency plan satisfies the requirements for a review hearing under this Act; and generally relating to children in need of assistance.

BY adding to

Article – Courts and Judicial Proceedings

Section 3–816.2

Annotated Code of Maryland

(2006 Replacement Volume and 2012 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

3–816.2.

(A) (1) THE COURT SHALL CONDUCT A HEARING TO REVIEW THE STATUS OF EACH CHILD UNDER ITS JURISDICTION WITHIN 6 MONTHS AFTER THE FILING OF THE FIRST PETITION UNDER THIS SUBTITLE AND AT LEAST EVERY 6 MONTHS THEREAFTER.

(2) AT A REVIEW HEARING UNDER THIS SECTION, THE COURT SHALL:

(I) EVALUATE THE SAFETY OF THE CHILD;

(II) DETERMINE THE CONTINUING NECESSITY FOR AND APPROPRIATENESS OF ANY OUT-OF-HOME PLACEMENT;

(III) DETERMINE THE APPROPRIATENESS OF AND EXTENT OF COMPLIANCE WITH THE CASE PLAN FOR THE CHILD;

(IV) DETERMINE THE EXTENT OF PROGRESS THAT HAS BEEN MADE TOWARD ALLEVIATING OR MITIGATING THE CAUSES NECESSITATING THE COURT'S JURISDICTION; AND

(V) PROJECT A REASONABLE DATE BY WHICH THE CHILD MAY BE RETURNED TO AND SAFELY MAINTAINED IN THE HOME OR PLACED FOR ADOPTION OR UNDER A LEGAL GUARDIANSHIP.

(B) IF A PERMANENCY PLAN FOR THE CHILD HAS BEEN DETERMINED UNDER § 3-823 OF THIS SUBTITLE, A REVIEW HEARING CONDUCTED BY THE COURT UNDER § 3-823(H) OF THIS SUBTITLE SHALL SATISFY THE REQUIREMENTS OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 278 – *Children in Need of Assistance – Rights of Preadoptive Parents, Foster Parents, and Caregivers of Child*.

This bill expands the proceedings for which a local department of social services is required to provide specified notice to pre-adoptive parents and foster parents of a child under specified circumstances and at which pre-adoptive parents and foster parents have the right to be heard. The bill repeals a requirement that a local department of social services provide specified notice to specified relatives of a child and substitutes a requirement that the local department provide specified notice to caregivers of a child.

Senate Bill 265, 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 278.

Sincerely,

Governor Martin O'Malley

House Bill 278

AN ACT concerning

Children in Need of Assistance – Rights of Preadoptive Parents, Foster Parents, and Caregivers of Child

FOR the purpose of expanding the proceedings for which a local department of social services is required to provide certain notice to preadoptive parents and foster parents of a child under certain circumstances and at which preadoptive parents, foster parents, or their attorneys have the right to be heard; repealing a requirement that a local department of social services provide certain notice to certain relatives of a child and substituting a requirement that the local department provide certain notice to caregivers of a child; repealing the right of certain relatives or their attorneys to be heard in certain proceedings concerning the child and substituting the right of caregivers of a child or their attorneys to be heard in certain proceedings concerning the child; establishing that certain individuals may not be considered to be a party solely on the basis of certain rights; defining a certain term; and generally relating to the rights of preadoptive parents, foster parents, and caregivers of a child.

BY adding to

Article – Courts and Judicial Proceedings
Section 3–816.2
Annotated Code of Maryland
(2006 Replacement Volume and 2012 Supplement)

BY repealing

Article – Courts and Judicial Proceedings
Section 3–823(i)
Annotated Code of Maryland
(2006 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – Courts and Judicial Proceedings
Section 3–823(j) and (k)
Annotated Code of Maryland
(2006 Replacement Volume and 2012 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

3–816.2.

(A) IN THIS SECTION, “PREADOPTIVE PARENT” MEANS AN INDIVIDUAL WHOM A CHILD PLACEMENT AGENCY, AS DEFINED IN § 5–101 OF THE FAMILY LAW ARTICLE, APPROVES TO ADOPT A CHILD WHO HAS BEEN PLACED IN THE INDIVIDUAL’S HOME FOR ADOPTION BEFORE THE ORDER OF ADOPTION.

(B) UNLESS WAIVED FOR GOOD CAUSE, BEFORE ANY PROCEEDING CONCERNING A CHILD, THE LOCAL DEPARTMENT SHALL GIVE AT LEAST 10 DAYS’ NOTICE IN WRITING TO THE CHILD’S FOSTER PARENT, PREADOPTIVE PARENT, OR CAREGIVER OF THE DATE, TIME, AND PLACE OF THE PROCEEDING AND OF THE RIGHT TO BE HEARD AT THE PROCEEDING.

(C) THE FOSTER PARENT, PREADOPTIVE PARENT, CAREGIVER, OR AN ATTORNEY FOR THE FOSTER PARENT, PREADOPTIVE PARENT, OR CAREGIVER SHALL BE GIVEN THE RIGHT TO BE HEARD AT THE PROCEEDING.

(D) THE FOSTER PARENT, PREADOPTIVE PARENT, CAREGIVER, OR ATTORNEY MAY NOT BE CONSIDERED TO BE A PARTY SOLELY ON THE BASIS OF THE RIGHT TO NOTICE AND THE RIGHT TO BE HEARD PROVIDED UNDER THIS SECTION.

3–823.

[(i) (1) In this subsection, “preadoptive parent” means an individual whom a child placement agency, as defined in § 5–101 of the Family Law Article, approves to adopt a child who has been placed in the individual’s home for adoption before the order of adoption.

(2) (i) If practicable, before any hearing conducted under this section, the local department shall give at least 10 days’ notice to the child’s foster parent, preadoptive parent, or relative providing care for the child of the date, time, and place of the hearing and of the right to be heard.

(ii) Unless waived for good cause, the notice shall be in writing.

(3) The foster parent, preadoptive parent, relative, or an attorney for the foster parent, preadoptive parent, or relative shall be given the right to be heard at the hearing.

(4) The foster parent, preadoptive parent, relative, or attorney may not be considered to be a party solely on the basis of the right to notice and the right to be heard provided under this subsection.]

[(j)] (I) At a review hearing under this section, the court shall consider any written report of a local out-of-home care review board required under § 5-545 of the Family Law Article.

[(k)] (J) (1) At least every 12 months at a hearing under this section, the court shall consult on the record with the child in an age-appropriate manner to obtain the child's views on permanency.

(2) (i) If, after a hearing or with the agreement of all parties, the court determines that the child is medically fragile and that it is detrimental to the child's physical or mental health to be transported to the courthouse, the court may, subject to subparagraph (ii) of this paragraph:

1. Visit the child at the child's placement and use appropriate technology to document the consultation for the record; or

2. Use video conferencing to consult with the child on the record during the hearing.

(ii) If the court visits the child at the child's placement under subparagraph (i)1 of this paragraph or uses video conferencing under subparagraph (i)2 of this paragraph, the court shall give each party notice and an opportunity to attend the visit or the video conferencing, unless the court determines that it is not in the best interest of the child for a party to attend the visit or the video conferencing.

(3) Subject to the provisions of paragraph (2)(ii) of this subsection, if the child's placement is outside the State and, after a hearing or with the agreement of all parties, the court determines that it is not in the best interest of the child to be transported to the court, the court may use video conferencing to consult with the child on the record during the hearing.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House

Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 285 – *St. Mary's County – Alcoholic Beverages – Micro-Brewery License*.

This bill adds St. Mary's County to the list of counties in which a Class 7 micro-brewery license may be issued; adds St. Mary's County to the list of counties in which the license holder may sell at retail beer brewed under the license for consumption off the licensed premises under specified conditions; and provides that a Class 7 micro-brewery license may be issued to a holder of a Class B beer, wine and liquor license.

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 House Bill 285.

Sincerely,

Governor Martin O'Malley

House Bill 285

AN ACT concerning

St. Mary's County – Alcoholic Beverages – Micro-Brewery License

FOR the purpose of adding St. Mary's County to the list of counties in which a Class 7 micro-brewery license may be issued; adding St. Mary's County to the list of counties in which the license holder may sell at retail beer brewed under the license for consumption off the licensed premises under certain conditions; providing that a Class 7 micro-brewery license may be issued to a holder of a Class B beer, wine and liquor license in St. Mary's County; providing for the hours and days for sale for a Class 7 micro-brewery license; and generally relating to alcoholic beverages in St. Mary's County.

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 2–208
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

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

Article 2B – Alcoholic Beverages

2–208.

- (a) There is a Class 7 micro–brewery (on– and off–sale) license.
- (b) The license shall be issued:
 - (1) By the State Comptroller;
 - (2) Only in the following jurisdictions:
 - (i) Allegany County;
 - (ii) Baltimore City;
 - (iii) Baltimore County;
 - (iv) The City of Annapolis;
 - (v) Anne Arundel County;
 - (vi) Calvert County;
 - (vii) Carroll County;
 - (viii) Charles County;
 - (ix) Dorchester County;
 - (x) Frederick County;
 - (xi) Garrett County;
 - (xii) Harford County;
 - (xiii) Howard County;
 - (xiv) Kent County;
 - (xv) Montgomery County;
 - (xvi) Prince George’s County;
 - (xvii) **ST. MARY’S COUNTY;**
 - (XVIII)** Talbot County;

[(xviii)] **(XIX)** Washington County;

[(xix)] **(XX)** Wicomico County; and

[(xx)] **(XXI)** Worcester County;

(3) (i) Only to a holder of a Class B beer, wine and liquor (on-sale) license that is issued for use on the premises of a restaurant located in a jurisdiction listed in paragraph (2) of this subsection;

(ii) To a holder of a Class D beer (off-sale) license that is issued for use on the premises of the existing Class D license if the premises are located in Kent County or the Town of Berlin in Worcester County; or

(iii) To a holder of a Class D alcoholic beverages license that is issued for use on the premises of the existing Class D license if the premises are located in:

1. The 22nd Alcoholic Beverages District of Prince George's County; or

2. Washington County; and

(4) In addition to item (3) of this subsection, in Montgomery County only to a holder of a Class H beer and light wine license that is issued for use on the premises of a restaurant located in the County.

(c) (1) A holder of a Class 7 micro-brewery license:

(i) May brew and bottle malt beverages at the license location;

(ii) May obtain a Class 2 rectifying license for a premises located within 1 mile of the existing Class 7 micro-brewery location to bottle malt beverages brewed at the micro-brewery location only;

(iii) May contract with the holder of a Class 5 brewery license, a Class 7 micro-brewery license, or a Class 2 rectifying license held under § 2-203 of this subtitle or the holder of a nonresident dealer's permit to brew and bottle malt beverages on their behalf;

(iv) May store the finished product under an individual storage permit or at a licensed public storage facility for subsequent sale and delivery to a licensed wholesaler, an authorized person outside this State, and for shipment back to the micro-brewery location for sale on the retail premises;

(v) May not collectively brew, bottle, or contract for more than 22,500 barrels of malt beverages each calendar year; and

(vi) May enter into a temporary delivery agreement with a distributor only for delivery of beer to a beer festival or wine and beer festival and the return of any unused beer if:

1. The beer festival or wine and beer festival is in a sales territory for which the holder does not have a franchise with a distributor under the Beer Franchise Fair Dealing Act; and

2. The temporary delivery agreement is in writing.

(2) A Class 7 licensee who wishes to produce more than the barrelage authorized under paragraph (1)(v) of this subsection shall divest of any Class B, D, or any other retail license and obtain a Class 5 manufacturer's license.

(3) For the purposes of determining the barrelage limitation under paragraph (1)(v) of this subsection, any salable beer produced under contractual arrangements accrues only to the Class 7 micro-brewery licensee who is the brand owner.

(4) In Allegany County only, the holder of a Class 7 license:

(i) May brew in one location and may contract for the bottling of the malt beverage in another location; and

(ii) Need not meet the hotel/motel requirements for a Class B beer, wine and liquor licensee but shall meet the requirements for those Class B restaurants.

(d) (1) The on-sale privilege authorizes the holder, each calendar year, to sell at retail up to 4,000 barrels of beer brewed under this license to customers for consumption on the licensed premises.

(2) The off-sale privilege authorizes the holder to sell and deliver beer brewed under this license to:

(i) Any wholesaler licensed under this article to sell beer in this State; or

(ii) Any person who is located in a state other than Maryland who is authorized under the laws of that state to receive brewed beverages.

(3) (i) This paragraph applies only in:

1. Allegany County;

2. The City of Annapolis;
3. Anne Arundel County;
4. Baltimore City;
5. Baltimore County;
6. Calvert County;
7. Carroll County;
8. Charles County;
9. Dorchester County;
10. Frederick County;
11. Garrett County;
12. Harford County;
13. Howard County;
14. Kent County;
15. Montgomery County;
16. Prince George's County;
17. **ST. MARY'S COUNTY;**
18. Talbot County;
- [18.] 19. Washington County;
- [19.] 20. Wicomico County; and
- [20.] 21. Worcester County.

(ii) The holder may sell at retail beer brewed under this license to customers for consumption off the licensed premises in refillable containers that are sealed by the micro-brewery licensee at the time of each refill.

(e) A holder of a Class 7 micro-brewery license:

(1) May not own, operate or be affiliated with any other manufacturer of beer except for a Class 2 rectifying license authorized by subsection (c)(1)(ii) of this section; and

(2) Notwithstanding § 2-201(b) of this subtitle, may not be granted a wholesale alcoholic beverages license.

(f) (1) Except as provided in paragraph (2) of this subsection, the hours and days for consumer sales under a Class 7 micro-brewery license are as established for:

(i) A Class B license in the respective jurisdictions listed in subsection (b)(2) of this section, for a holder of a Class B beer, wine and liquor license;

(ii) A Class D beer license in Worcester County, for a holder of a Class D beer license in the Town of Berlin in Worcester County; or

(iii) A Class D license in Kent County.

(2) For Class D licensees in the 22nd Alcoholic Beverages District in Prince George's County only, the hours and days for consumer sales under this license are as established for a Class D license in Prince George's County.

(3) For Class D licensees in Washington County, the hours and days for consumer sales under this license are as established for a Class D license in Washington County.

(g) In Montgomery County, a holder of a Class 7 micro-brewery license shall enter into a written agreement with the Department of Liquor Control for Montgomery County for the sale and resale of malt beverages brewed under this license in accordance with this article.

(h) For Talbot County, the Office of the Comptroller of Maryland shall specify which local license is the equivalent of the Class B beer, wine and liquor license specified in subsection (b)(3) of this section.

(i) In Carroll County, the distance restriction requirement for micro-breweries is found in § 9-207 of this article.

(j) (1) This subsection applies only in Washington County.

(2) The Comptroller may not issue a Class 7 micro-brewery license for a premises on property that has been leased unless the landlord of the property presents to the Comptroller a receipt or certificate showing that there are no unpaid taxes due to the State, a county, or any local government from the landlord or any entity in which the landlord has a direct or indirect interest that:

- (i) Is proprietary; or
- (ii) Has been obtained by a loan, mortgage, or lien, or in any other manner.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 293 – *State Finance and Procurement – Retention of Percentage of Contract – Security*.

This bill alters a specified percentage that may be retained by a public body under a specified contract under specified circumstances and repeals an authorization for a public body to retain a specified percentage of a specified contract under specified circumstances.

Senate Bill 140, 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 293.

Sincerely,

Governor Martin O'Malley

House Bill 293

AN ACT concerning

~~Construction Contracts Awarded by Public Bodies – Retention of Percentage~~
~~as Security~~
State Finance and Procurement – Retention of Percentage of Contract –
Security

FOR the purpose of altering ~~the cap on the percentage amount of a contract for construction awarded by a public body that may be specified in the contract as retainage for security; repealing the provision of law that limits the retainage to a certain percent of the contract except under certain circumstances~~ a certain percentage that may be retained by a public body under a certain contract under certain circumstances; repealing an authorization for a public body to retain a certain percentage of a certain contract under certain circumstances; providing for the application of this Act; making stylistic changes; and generally relating to the retention as security of a percentage of the amount of a contract for construction awarded by a public body contracts as security.

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 17–110 *(a) and (b)*

Annotated Code of Maryland

(2009 Replacement Volume and 2012 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

17–110.

(a) Subsections (b)(1)[,] AND (2), [and (3),] (c), and (d) of this section do not apply to an entity that is required to comply with the provisions of § 13–225 of this article.

(b) (1) If a contractor has furnished 100% payment security and 100% performance security in accordance with this subtitle under a contract for construction awarded by a public body, the percentage specified in the contract for retainage may not exceed [10%] **5%** of the total amount [for the first 50%] of the contract.

[(2) Unless a public body demonstrates the need to retain more than 5% to protect the public interest, after 50% of the contract is completed, a public body may retain only 5% of the total amount.]

[(3)] **(2)** In addition to retainage, a public body may withhold from payments otherwise due a contractor any amount that the public body reasonably believes necessary to protect the public body's interest.

[(4)] **(3)** Except as provided in paragraph [(5)] **(4)** of this subsection, within 120 days after satisfactory completion of a contract for construction, a public body shall release any retainage due to the contractor.

~~[(5)] (4)~~ If there is a dispute or contract claim between the contractor and the public body concerning the satisfactory completion of a contract for construction, the public body shall release the retainage to the contractor within 120 days after the resolution of the dispute or contract claim.

~~(c) (1) A contractor may not retain a percentage of payments due a subcontractor that exceeds the percentage of payments retained by the public body.~~

~~(2) Paragraph (1) of this subsection may not be construed to prohibit a contractor from withholding any amount in addition to retainage if the contractor determines that a subcontractor's performance under the subcontract provides reasonable grounds for withholding the additional amount.~~

~~(d) (1) A subcontractor may not retain a percentage of payments due a lower tier subcontractor that exceeds the percentage of payments retained from the subcontractor.~~

~~(2) Paragraph (1) of this subsection may not be construed to prohibit a subcontractor from withholding any amount in addition to retainage if the subcontractor determines that a lower tier subcontractor's performance under the subcontract provides reasonable grounds for withholding the additional amount.~~

~~(e) This section may not be construed to limit the application of the remaining provisions of this subtitle.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any *construction* contract entered into awarded before the effective date of this Act.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 306 – *Natural Resources – Aquaculture – Shellfish Nursery Permits*.

This bill prohibits a person from engaging in the commercial rearing of shellfish seed outside specified leased areas without first obtaining a shellfish nursery permit from the Department of Natural Resources. This bill places limitations on the issuance and scope of a permit for land-based and in-water shellfish nursery operations and exempts shellfish nursery products from specified water quality classifications and restrictions.

Senate Bill 464, 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 306.

Sincerely,

Governor Martin O'Malley

House Bill 306

AN ACT concerning

Natural Resources – Aquaculture – Shellfish Nursery Permits

FOR the purpose of prohibiting a person from engaging in the commercial rearing of shellfish seed outside certain leased areas without first obtaining a shellfish nursery permit from the Department of Natural Resources; placing certain limitations on the issuance and scope of a permit for land-based and in-water shellfish nursery operations; ~~providing that certain water quality classifications and restrictions established by the Department of the Environment may not affect certain in-water shellfish nursery operations;~~ clarifying that a person is not required to obtain a water column lease or a submerged land lease for in-water shellfish nursery operations; exempting shellfish nursery products from certain water quality classifications and restrictions; establishing a certain application process and a certain application fee for permit applications; authorizing the Department of Natural Resources to deny a permit application for reasonable cause or to include conditions in a permit; establishing a certain term for a permit; authorizing the Department of Natural Resources to suspend or revoke a permit for certain reasons; requiring a permit holder to allow certain inspections by the Department of Natural Resources; authorizing the Department of Natural Resources to adopt regulations implementing this Act; defining a certain term; making this Act an emergency measure; and generally relating to shellfish nursery permits.

BY adding to

Article – Natural Resources
Section 4-11A-23

Annotated Code of Maryland
(2012 Replacement Volume)

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

Article – Natural Resources

4–11A–23.

(A) IN THIS SECTION, “PERMIT” MEANS A SHELLFISH NURSERY PERMIT.

(B) A PERSON MAY NOT ENGAGE IN THE COMMERCIAL REARING OF SHELLFISH SEED OUTSIDE AN AREA LEASED UNDER THIS SUBTITLE WITHOUT FIRST OBTAINING A PERMIT FROM THE DEPARTMENT.

(C) FOR A SHELLFISH NURSERY TO BE LOCATED ON LAND, THE DEPARTMENT MAY ISSUE A PERMIT ONLY TO THE OWNER OR LEGAL TENANT OF THE PROPERTY OR TO A PERSON WITH THE PERMISSION OF THE PROPERTY OWNER.

(D) (1) FOR A SHELLFISH NURSERY TO BE LOCATED IN WATERS OF THE STATE OUTSIDE A LEASED AREA, THE DEPARTMENT MAY ISSUE A PERMIT ONLY:

(I) TO THE OWNER OF A WHARF OR OTHER STRUCTURE CONSTRUCTED ON OR ABOUT THE WATER AND APPROVED BY THE U.S. ARMY CORPS OF ENGINEERS, OR TO A PERSON WITH THE PERMISSION OF THE OWNER OF THE WHARF OR OTHER STRUCTURE; AND

(II) FOR THE CULTIVATION OF SHELLFISH SEED WITHIN 20 FEET OF THE WHARF OR OTHER STRUCTURE, IN AN AREA OF WATER NOT EXCEEDING 200 SQUARE FEET.

(2) A PERSON IS NOT REQUIRED TO OBTAIN A WATER COLUMN LEASE OR A SUBMERGED LAND LEASE FOR A PERMITTED IN-WATER SHELLFISH NURSERY OPERATION.

(3) ~~WATER SHELLFISH NURSERY PRODUCTS ARE EXEMPT FROM WATER QUALITY CLASSIFICATIONS AND RESTRICTIONS ESTABLISHED BY THE DEPARTMENT OF THE ENVIRONMENT UNDER THE NATIONAL SHELLFISH SANITATION PROGRAM OR § 4-742 OF THIS TITLE MAY NOT AFFECT A PERMITTED IN-WATER SHELLFISH NURSERY OPERATION.~~

(E) (1) TO OBTAIN A PERMIT, A PERSON SHALL:

(I) COMPLETE AND SUBMIT AN APPLICATION TO THE DEPARTMENT ON A FORM PRESCRIBED BY THE DEPARTMENT; AND

(II) PAY A NONREFUNDABLE APPLICATION FEE ESTABLISHED BY THE DEPARTMENT IN CONSULTATION WITH THE AQUACULTURE COORDINATING COUNCIL.

(2) THE APPLICATION FEE MAY NOT EXCEED THE COST OF PROCESSING THE PERMIT.

(F) THE DEPARTMENT MAY, AS IT CONSIDERS NECESSARY TO PROTECT THE PUBLIC HEALTH, SAFETY, AND WELFARE:

(1) DENY A PERMIT APPLICATION FOR REASONABLE CAUSE; OR

(2) INCLUDE CONDITIONS IN A PERMIT.

(G) (1) THE TERM OF A SHELLFISH NURSERY PERMIT IS 5 YEARS.

(2) THE DEPARTMENT MAY REVOKE OR SUSPEND A PERMIT ISSUED UNDER THIS SECTION AT ANY TIME FOR NONCOMPLIANCE WITH THE REQUIREMENTS OF THIS SECTION, REGULATIONS ADOPTED UNDER THIS SECTION, OR THE CONDITIONS OF THE PERMIT.

(H) A PERMIT HOLDER SHALL ALLOW THE DEPARTMENT TO INSPECT AT REASONABLE HOURS ANY FACILITIES, EQUIPMENT, OR SHELLFISH THAT ARE PART OF THE PERMIT HOLDER'S SHELLFISH NURSERY OPERATIONS.

(I) THE DEPARTMENT MAY ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

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 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 16, 2013

The Honorable Michael E. Busch

Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 327 – *State Government – Health, Education, and Social Services – Submission of Documents in Electronic Form*.

This bill requires the Council for the Procurement of Health, Education, and Social Services to establish a workgroup to determine a process for specified entities to submit specified electronic documents to specified agencies. The bill also requires the Council to report to specified committees of the General Assembly on or before January 1, 2014.

Senate Bill 385, 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 327.

Sincerely,

Governor Martin O'Malley

House Bill 327

AN ACT concerning

State Government – Health, Education, and Social Services ~~Provider Data Warehouse~~ – Submission of Documents in Electronic Form

FOR the purpose of ~~requiring the State to authorize private sector development of a certain data warehouse for certain providers; authorizing a certain provider to store certain information in the data warehouse; prohibiting a certain provider from using the data warehouse for certain purposes; authorizing a certain provider to provide a State agency with certain information in a certain manner; requiring a State agency to accept a certain submission as the equivalent of certain documents; prohibiting a State agency from requiring a certain provider to use the data warehouse; requiring a provider that uses the data warehouse to ensure that the data is current and accessible to a certain State agency; authorizing a State agency to request additional or updated information from a certain provider under certain circumstances; requiring a provider to submit certain information to a certain State agency within a certain period of time after receiving a request from the agency; requiring access to the data warehouse to be provided to a State agency free of charge; defining certain terms; and generally relating to a health, education, and social services provider data warehouse~~ requiring the Council for the Procurement of

Health, Education, and Social Services to establish a workgroup to determine a process for certain entities to submit certain electronic documents to certain agencies; requiring the Council to report to certain committees of the General Assembly on or before a certain date; providing for the application of this Act; and generally relating to health, education, and social services and the electronic submission of documents.

~~BY adding to~~

~~Article — State Government~~

~~Section 10-645 to be under the new part “Part VI. Health, Education, and Social Services Provider Data Warehouse”~~

~~Annotated Code of Maryland~~

~~(2009 Replacement Volume and 2012 Supplement)~~

Preamble

WHEREAS, The Task Force to Study the Procurement of Health, Education, and Social Services by State Agencies recommended the development of an Internet-based data warehouse (document vault) eliminating duplicative and voluminous submissions to multiple agencies; and

WHEREAS, The State remains committed to identifying all means of environmentally sound communication methods; and

WHEREAS, Providers of health, education, and social services are committed to efficient and cost effective transmission and preservation of data; and

WHEREAS, Private providers of health, education, and social services are required to submit to State licensing agencies volumes of corporate, fiscal, and administrative documents on a recurring basis and are required to keep voluminous certification files on foster parents; and

WHEREAS, All State agencies, facilities, and programs are taking steps to support Governor O'Malley's Smart, Green, and Growing initiative, which includes encouraging State employees to view documents electronically instead of on paper whenever possible; now, therefore,

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

~~Article — State Government~~

~~10-643. RESERVED.~~

~~10-644. RESERVED.~~

~~PART VI. HEALTH, EDUCATION, AND SOCIAL SERVICES PROVIDER DATA
WAREHOUSE.~~

~~10-645.~~

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

~~(2) "DATA WAREHOUSE" MEANS AN INTERNET-BASED, SECURE,
AND CONSOLIDATED DOCUMENT STORAGE AND RETRIEVAL SYSTEM FOR
CORPORATE, FISCAL, AND ADMINISTRATIVE DATA NECESSARY FOR THE
LICENSING AND PROCUREMENT OF HEALTH, EDUCATION, AND SOCIAL SERVICES
AND MADE AVAILABLE TO STATE AGENCY PERSONNEL FOR THOSE PURPOSES.~~

~~(3) "PROVIDER" MEANS A HEALTH, EDUCATION, OR SOCIAL
SERVICES PROVIDER.~~

~~(B) THE STATE SHALL AUTHORIZE PRIVATE SECTOR DEVELOPMENT
AND IMPLEMENTATION OF A DATA WAREHOUSE FOR MAINTAINING CORPORATE,
FISCAL, AND ADMINISTRATIVE RECORDS OF PRIVATE PROVIDERS.~~

~~(C) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (D) OF THIS
SECTION, A PRIVATE PROVIDER MAY USE THE DATA WAREHOUSE TO STORE
DOCUMENTS REQUIRED:~~

~~(1) FOR THE INITIAL LICENSURE AND RE-LICENSURE OF PRIVATE
HEALTH, EDUCATION, AND SOCIAL SERVICES;~~

~~(2) FOR THE PERIODIC LICENSING AND CONTRACT COMPLIANCE
MONITORING OF PROGRAMS SPECIFIED IN ITEM (1) OF THIS SUBSECTION;~~

~~(3) FOR THE CERTIFICATION AND RE-CERTIFICATION OF
PRIVATE TREATMENT FOSTER PARENTS IN ACCORDANCE WITH COMAR
07.05.02; AND~~

~~(4) BY A STATE AGENCY FOR THE PROCUREMENT OF PRIVATE
HEALTH, EDUCATION, AND SOCIAL SERVICES.~~

~~(D) A PRIVATE PROVIDER MAY NOT USE THE DATA WAREHOUSE FOR
THE STORAGE OR TRANSMISSION OF CLIENT FILES OR RECORDS.~~

~~(E) IF A PRIVATE PROVIDER USES THE DATA WAREHOUSE:~~

~~(1) THE PRIVATE PROVIDER MAY PROVIDE A STATE AGENCY WITH THE NECESSARY INFORMATION TO ACCESS DOCUMENTS IN THE DATA WAREHOUSE INSTEAD OF SUBMITTING PAPER DOCUMENTS OR ELECTRONIC FILES; AND~~

~~(2) THE STATE AGENCY SHALL ACCEPT THE SUBMISSION AS THE EQUIVALENT OF PAPER DOCUMENTS OR ELECTRONIC FILES.~~

~~(F) A STATE AGENCY MAY NOT REQUIRE A PROVIDER TO USE THE DATA WAREHOUSE.~~

~~(G) A PROVIDER THAT USES THE DATA WAREHOUSE SHALL ENSURE THAT THE DATA STORED BY THE PROVIDER IS CURRENT AND ACCESSIBLE TO THE APPROPRIATE STATE AGENCY.~~

~~(H) (1) IF THE INFORMATION PROVIDED TO THE APPROPRIATE STATE AGENCY IS NOT CURRENT OR IS UNAVAILABLE FROM THE DATA WAREHOUSE, THE STATE AGENCY MAY REQUEST ADDITIONAL OR UPDATED INFORMATION FROM THE PROVIDER.~~

~~(2) A PROVIDER SHALL SUBMIT ANY ADDITIONAL OR UPDATED INFORMATION TO THE DATA WAREHOUSE WITHIN 10 BUSINESS DAYS AFTER RECEIVING A REQUEST FROM A STATE AGENCY.~~

~~(I) ACCESS TO THE DATA WAREHOUSE SHALL BE PROVIDED TO STATE AGENCIES WITHOUT CHARGE.~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Council for the Procurement of Health, Education, and Social Services shall:

(a) establish a workgroup of Council members and appropriate staff from the State agencies that license health, education, or social services programs to determine a process for nongovernmental entities that provide health, education, or social services in the State to submit documents in an electronic form to the State agencies, by direct transmission or by posting to an online system for document storage, including:

- (1) naming and formatting documents;
- (2) submitting, updating, and retrieving documents;
- (3) security measures;

(4) standards necessary for the efficient and secure submission of electronic documents; and

(5) a recommended implementation date; and

(b) on or before January 1, 2014, report to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee, in accordance with § 2-1246 of the State Government Article, on the process determined under subsection (a) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That nothing in this Act may be construed to limit any existing authority of a State agency to accept documents or information by electronic transmission.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ June 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 343 – *Harford County – Alcoholic Beverages – Hours of Sale for Class B Licensees*.

This bill alters the hours of sale for a Class B Cafe licensee in Harford County.

Senate Bill 128, 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 343.

Sincerely,

Governor Martin O'Malley

House Bill 343

AN ACT concerning

Harford County – Alcoholic Beverages – Hours of Sale for Class B Licensees

FOR the purpose of altering the hours of sale for a Class B Cafe licensee in Harford County; and generally relating to the sale of alcoholic beverages in Harford County.

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 11–513
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

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

Article 2B – Alcoholic Beverages

11–513.

- (a) The provisions of this section apply in Harford County only.
- (b)
 - (1) A licensee may sell, offer for sale, or dispense alcoholic beverages:
 - (i) On Monday through Sunday; and
 - (ii) Only between 8 a.m. and 2 a.m. the following morning.
 - (2) [A Class B Cafe licensee may offer to sell beer and wine:
 - (i) On Monday through Saturday from 10 a.m. to 11 p.m.; and
 - (ii) On Sunday from 10 a.m. to 11 p.m.
 - (3) During a baseball game only, a licensee who holds a stadium on-sale license under § 8–213.1 of this article may not sell alcoholic beverages:
 - (i) After the beginning of the eighth inning; or
 - (ii) During a doubleheader game, after the beginning of the sixth inning of the second game.
- (c) A licensee may not:
 - (1) Allow alcoholic beverages to be consumed on the licensee's premises after 2:15 a.m. or before 8:00 a.m. the same morning; or

(2) Allow alcoholic beverages glasses, bottles, or containers to remain on tables or serving counters after 2:30 a.m.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 345 – *Harford County Liquor Control Board – Reserve Account*.

This bill establishes a Reserve Account of the Harford County Liquor Control Board as a special, non-lapsing account. This bill also specifies the purpose of the Reserve Account and requires the Board to hold the Account separately and account for the Reserve Account. The bill specifies the contents of the Reserve Account and specifies a maximum amount that is payable annually into the Reserve Account. In addition, the bill requires that fines imposed or recognizances forfeited for specified violations be payable to the Board.

Senate Bill 131, 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 345.

Sincerely,

Governor Martin O'Malley

House Bill 345

AN ACT concerning

Harford County Liquor Control Board – Reserve Account

FOR the purpose of establishing a Reserve Account of the Harford County Liquor Control Board as a special, nonlapsing account; specifying the purpose of the Reserve Account; requiring a designee of the Board to administer the Reserve

Account; requiring the Board to hold the Reserve Account separately and account for the Reserve Account; specifying the contents of the Reserve Account; specifying a certain maximum amount that is payable annually into the Reserve Account; specifying the circumstances under which expenditures from the Reserve Account may occur; stating a certain maximum amount that the Reserve Account may hold at any time; requiring that fines imposed or recognizances forfeited for certain violations be payable to the Board; defining certain terms; making certain stylistic changes; clarifying language; and generally relating to the Reserve Account of the Harford County Liquor Control Board.

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 10–204(n) and 16–502(a)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

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

Article 2B – Alcoholic Beverages

10–204.

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

(II) “BOARD” MEANS THE HARFORD COUNTY LIQUOR CONTROL BOARD.

(III) “RESERVE ACCOUNT” MEANS THE RESERVE ACCOUNT OF THE HARFORD COUNTY LIQUOR CONTROL BOARD.

[(1)] (2) The provisions of this subsection apply only in Harford County.

[(2)] (3) [The] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, THE net proceeds of all funds received by the Board from the sale of licenses under the provisions of this article, outside of the corporate limits of the municipalities of Aberdeen, Bel Air and Havre de Grace, shall be paid to the Treasurer and credited to the general funds of the county.

(4) (I) THERE IS A RESERVE ACCOUNT OF THE BOARD.

(II) THE PURPOSE OF THE RESERVE ACCOUNT IS TO ENSURE THAT ISSUANCE AND RENEWAL OF LICENSES, LICENSING

ENFORCEMENT, AND OTHER SERVICES THAT THE BOARD PROVIDES WILL CONTINUE TO BE MET IN THE FACE OF UNANTICIPATED FINANCIAL EVENTS OR CIRCUMSTANCES.

(III) A DESIGNEE OF THE BOARD SHALL ADMINISTER THE RESERVE ACCOUNT.

(IV) THE RESERVE ACCOUNT IS A SPECIAL, NONLAPSING ACCOUNT.

(V) THE BOARD SHALL HOLD THE RESERVE ACCOUNT SEPARATELY AND ACCOUNT FOR THE RESERVE ACCOUNT.

(VI) THE RESERVE ACCOUNT CONSISTS OF:

1. MONEY DISTRIBUTED TO THE BOARD FROM LICENSE FEES;

2. FINES IMPOSED FOR A VIOLATION OF THIS ARTICLE IN HARFORD COUNTY UNDER § 16-502(A)(3) OF THIS ARTICLE;

3. EXCEPT FOR BONDS FORFEITED UNDER § 14-101(C) OF THIS ARTICLE, RECOGNIZANCES FORFEITED FOR A VIOLATION OF THIS ARTICLE IN HARFORD COUNTY UNDER § 16-502(A)(3) OF THIS ARTICLE;

4. INTEREST OR OTHER INCOME EARNED FROM THE INVESTMENT OF ANY PORTION OF THE RESERVE ACCOUNT; AND

5. ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE RESERVE ACCOUNT.

(VII) EACH YEAR, THE AMOUNT PAYABLE INTO THE RESERVE ACCOUNT MAY NOT BE MORE THAN 20% OF THE AGGREGATE NET PROCEEDS RECEIVED BY THE BOARD.

(VIII) EXPENDITURES FROM THE RESERVE ACCOUNT MAY OCCUR IF THE BOARD DETERMINES THAT APPROPRIATIONS FOR THE CURRENT YEAR EXCEED EXPECTED REVENUES.

(IX) THE RESERVE ACCOUNT MAY NOT EXCEED \$100,000 AT ANY TIME.

[(3)] (5) The net proceeds of the funds derived from the sale of licenses within the corporate limits of the municipalities of Aberdeen, Bel Air and Havre de Grace, after the deduction of a proportionate part of the expenses incident to the proper administration and enforcement of this article, shall be paid by the Board to the treasurers of the respective towns, to be applied to the payment of the interest and the redemption of the principal of any bonded indebtedness.

[(4)] (6) All expenses incident to the proper administration and enforcement of this article, including the salaries of the members of the Board, and the proper proportion of the salaries of any employees of the Board, whose duties include the handling of licenses, including the salaries of officers, inspectors, etc., shall be deducted proportionately from the shares of the license fees payable as set forth in this subsection, to the general funds of the county and the governing bodies of the three municipalities.

[(5)] (7) (i) Prior to the beginning of each fiscal year, the Board shall submit an annual budget to the County Council and County Executive for review.

(ii) Except as provided under § 15–205(i)(3) of this article, the budget is not subject to approval by the County Council or County Executive.

(iii) The expenditure of license fees collected by the Board for the administration and enforcement of county liquor laws is a matter entirely within the sound discretion of the Board and the provisions of this subsection.

16–502.

(a) All fines imposed or recognizances forfeited for any violation of any provision of this article shall be payable to:

(1) EXCEPT FOR HARFORD COUNTY, the county in which the offense was committed[, or to];

(2) Baltimore City, if the offense was committed in [said city]
BALTIMORE CITY; OR

(3) THE HARFORD COUNTY LIQUOR CONTROL BOARD, IF THE OFFENSE WAS COMMITTED IN HARFORD COUNTY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 373 – *Hospitals – Outpatient Services – Off-Site Facility – Rate Regulation*.

This bill alters the hospital outpatient services for which the Maryland Medical Assistance Program must pay according to specified rates, under specified circumstances. The bill also alters the date by which a hospital must notify the Health Services Cost Review Commission that the hospital would like specified services to be subject to specified provisions of law. In addition, this bill alters the hospital outpatient services for which a hospital may elect to be subject to specified provisions of law.

Senate Bill 151, 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 373.

Sincerely,

Governor Martin O'Malley

House Bill 373

AN ACT concerning

Hospitals – Outpatient Services – Off-Site Facility – Rate Regulation

FOR the purpose of altering the hospital outpatient services for which the Maryland Medical Assistance Program must pay according to certain rates, under certain circumstances; altering the date by which a hospital must notify the Health Services Cost Review Commission that the hospital would like certain services to be subject to certain provisions of law; altering the hospital outpatient services for which a hospital may elect to be subject to certain provisions of law; requiring the University of Maryland Medical System to track utilization of certain services and submit certain reports to certain legislative committees; making certain clarifying and stylistic changes; making a certain technical change; making this Act an emergency measure; and generally relating to rates for hospital outpatient services at an off-site facility.

BY repealing and reenacting, with amendments,
Article – Health – General
Section 15–105(d)
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Chapter 670 of the Acts of the General Assembly of 1999
Section 2

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

Article – Health – General

15–105.

(d) (1) The Department shall adopt regulations for the reimbursement of specialty outpatient treatment and diagnostic services rendered to Program recipients at a freestanding clinic owned and operated by a hospital that is under a capitation agreement approved by the Health Services Cost Review Commission.

(2) (i) Except as provided in subparagraph (ii) of this paragraph, the reimbursement rate under paragraph (1) of this subsection shall be set according to Medicare standards and principles for retrospective cost reimbursement as described in 42 C.F.R. Part 413 or on the basis of charges, whichever is less.

(ii) The reimbursement rate for [a] hospital [that has transferred] outpatient oncology, diagnostic, AND rehabilitative[, and digestive disease] services **THAT THE HOSPITAL TRANSFERRED** to an off–site facility prior to January 1, 1999, shall be set according to the rates approved by the Health Services Cost Review Commission if:

1. The transfer of services was due to zoning restrictions at the hospital campus;

2. The off–site facility is surveyed as part of the hospital for purposes of accreditation by the Joint Commission [on Accreditation of Healthcare Organizations]; and

3. The hospital notifies the Health Services Cost Review Commission in writing by [July 1, 1999] **JUNE 1, 2013**, that the hospital would like the services provided at the off–site facility **TO BE** subject to Title 19, Subtitle 2 of this article.

Chapter 670 of the Acts of 1999

SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding any provision of § 19–201 of the Health – General Article, a hospital that has transferred outpatient oncology, diagnostic, **AND** rehabilitative[, and digestive disease] services to an off–site facility prior to January 1, 1999, may elect to have these outpatient services **BE** subject to Title 19, Subtitle 2 of the Health – General Article if:

- (a) the transfer was due to zoning restrictions at the hospital campus;
- (b) the off–site facility is surveyed as part of the hospital for purposes of accreditation by the Joint Commission [on the Accreditation of Healthcare Organizations]; and
- (c) the hospital notifies the Health Services Cost Review Commission in writing by [July 1, 1999] **JUNE 1, 2013**, that the hospital would like the services provided at the off–site facility **TO BE** subject to Title 19, Subtitle 2 of the Health – General Article.

SECTION 2. AND BE IT FURTHER ENACTED, That the University of Maryland Medical System:

- (a) shall track utilization, including payer mix, of outpatient digestive disease services provided at on–site and off–site facilities within the Shore Health System before and after the sale or transfer of an off–site facility at which digestive disease services are provided; and
- (b) on or before January 1, 2014, and on or before January 1, 2015, shall submit a report, in accordance with § 2–1246 of the State Government Article, to the Senate Finance Committee and House Health and Government Operations Committee on the changes in utilization, including payer mix, of outpatient digestive disease services provided at on–site and off–site facilities within the Shore Health System before and after the sale or transfer of the off–site facility.

SECTION 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.

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 374 – *Vehicle Laws – Registration Plates for Motorcycles – Individuals with Disabilities*.

This bill authorizes an individual to possess a specified number of special registration plates for individuals with disabilities for specified motorcycles in addition to the special registration plate and parking placards authorized under specified provisions of law.

Senate Bill 212, 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 374.

Sincerely,

Governor Martin O'Malley

House Bill 374

AN ACT concerning

Vehicle Laws – Registration Plates for Motorcycles – Individuals with Disabilities

FOR the purpose of authorizing an individual to possess a certain number of certain special registration plates for individuals with disabilities for certain motorcycles in addition to the special registration plate and parking placards authorized under certain provisions of law; and generally relating to special registration plates and parking placards for individuals with disabilities.

BY repealing and reenacting, with amendments,
Article – Transportation
Section 13–616(c) and 13–616.1(c)
Annotated Code of Maryland
(2012 Replacement Volume)

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

Article – Transportation

13-616.

(c) (1) Except as otherwise provided in subsection (b)(4) of this section, special registration and special registration plates may be issued under this section only if the applicant submits proof satisfactory to the Administration that the applicant is an individual with a disability described in subsection (b)(1) of this section.

(2) Except as provided by **PARAGRAPH (3) OF THIS SUBSECTION** **AND** subsection (b)(4) of this section, the Administration may not accept applications for special registration under this section from an applicant who, at the time of application:

(i) Possesses one valid special registration issued under this section; or

(ii) Possesses two parking placards issued under § 13-616.1 of this subtitle.

(3) AN INDIVIDUAL MAY POSSESS TWO VALID SPECIAL REGISTRATIONS FOR CLASS D MOTORCYCLES IN ADDITION TO THE SPECIAL REGISTRATION AUTHORIZED UNDER ~~PARAGRAPH (2) OF THIS SUBSECTION~~ SUBSECTION (B) OF THIS SECTION AND THE PARKING PLACARDS AUTHORIZED UNDER § 13-616.1 OF THIS SUBTITLE.

13-616.1.

(c) (1) **[The] EXCEPT AS PROVIDED IN § 13-616(C) OF THIS SUBTITLE, THE** Administration may not issue to an applicant:

(i) More than one placard if the applicant requests one set of special registration plates under § 13-616 of this subtitle; or

(ii) More than two placards if the applicant does not request a set of special registration plates under § 13-616 of this subtitle.

(2) **[The] EXCEPT AS PROVIDED IN § 13-616(C) OF THIS SUBTITLE, THE** Administration may not issue to a person issued special vehicle registration plates under § 13-616 of this subtitle a combination of special disability registration plates and placards exceeding two.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~July~~ October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 391 – *State Employee and Retiree Health and Welfare Benefits Program – Wellness Program*.

This bill requires the Secretary of Budget and Management to include a specified wellness program in the State Employee and Retiree Health and Welfare Benefits Program and establishes requirements for the wellness program. The bill also requires the Secretary of Budget and Management to submit reports on implementation to the Governor and specified legislative committees on two specified dates, the latter being on or before February 1, 2016.

Senate Bill 224, 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 391.

Sincerely,

Governor Martin O'Malley

House Bill 391

AN ACT concerning

State Employee and Retiree Health and Welfare Benefits Program – ~~Bona Fide Wellness Program and Wellness Promotion~~

FOR the purpose of requiring the Secretary of Budget and Management, ~~in consultation with the Secretary of Health and Mental Hygiene, to develop and implement a certain bona fide wellness program for inclusion to include a certain wellness program~~ in the State Employee and Retiree Health and Welfare Benefits Program; establishing certain requirements for the ~~bona fide wellness program; authorizing the bona fide wellness program to include certain incentives for achieving health goals; requiring the Secretary of Budget and Management to consider certain actions to promote wellness among Program enrollees;~~ requiring the Secretary of Budget and Management to report to the

Governor and ~~the General Assembly~~ certain legislative committees on or before ~~a certain date~~ certain dates on the implementation of this Act; defining a certain term; and generally relating to a ~~bona fide~~ wellness program in the State Employee and Retiree Health and Welfare Benefits Program ~~and wellness promotion~~.

BY repealing and reenacting, without amendments,
Article – State Personnel and Pensions
Section 2–501(a) and (b)
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

BY adding to
Article – State Personnel and Pensions
Section 2–501(d)
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 2–503(b)
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

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

Article – State Personnel and Pensions

2–501.

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

(b) “Program” means the State Employee and Retiree Health and Welfare Benefits Program.

(D) “WELLNESS PROGRAM” MEANS A PROGRAM THAT IS DESIGNED TO:

(1) PROMOTE HEALTH OR PREVENT OR DETECT DISEASE OR ILLNESS;

(2) IMPROVE CLINICAL OUTCOMES;

(3) PREVENT OR REDUCE ACUTE ADMISSIONS AND READMISSIONS TO HEALTH CARE FACILITIES;

(4) IMPROVE TREATMENT COMPLIANCE FOR CHRONIC CONDITIONS;

(5) PROMOTE HEALTHY BEHAVIORS; OR

(6) PREVENT OR CONTROL INJURY.

2-503.

(b) (1) The Secretary may arrange as the Secretary considers appropriate any benefit option for inclusion in the Program.

(2) The Secretary shall include in the Program an option to purchase up to \$200,000 of additional life insurance coverage for employees who:

(i) fly in a helicopter in the course of their employment with the State;

(ii) scuba dive in the course of their employment with the State; or

(iii) as a result of their employment with the State, face a significant likelihood of receiving a less favorable life insurance rating than an individual employed in a nonhazardous position.

~~(3) (I) THE SECRETARY, IN CONSULTATION WITH THE SECRETARY OF HEALTH AND MENTAL HYGIENE, SHALL DEVELOP AND IMPLEMENT A BONA FIDE WELLNESS PROGRAM, AS DEFINED IN § 15-509 OF THE INSURANCE ARTICLE, FOR INCLUSION IN THE PROGRAM SHALL INCLUDE A WELLNESS PROGRAM IN THE PROGRAM.~~

~~(II) THE BONA FIDE WELLNESS PROGRAM SHALL:~~

~~1. INCLUDE A HEALTH RISK ASSESSMENT FOR ALL ENROLLEES IN THE PROGRAM BE DEVELOPED IN CONSULTATION WITH THE SECRETARY OF HEALTH AND MENTAL HYGIENE;~~

~~2. PROMOTE THE GOALS OF THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE STATE HEALTH IMPROVEMENT PLAN; PROCESS; AND~~

~~3. COMPLY WITH § 15-509 OF THE INSURANCE ARTICLE; AND~~

~~4. AIM TO ACHIEVE SAVINGS IN THE PROGRAM OVER TIME THAT EXCEED THE COSTS OF THE BONA FIDE WELLNESS PROGRAM.~~

~~(III) THE BONA FIDE WELLNESS PROGRAM MAY INCLUDE, AS INCENTIVES FOR ACHIEVING HEALTH GOALS:~~

~~1. DISCOUNTED PREMIUMS;~~

~~2. A WAIVER OF ALL OR PART OF A COST SHARING MECHANISM, SUCH AS DEDUCTIBLES, COPAYMENTS, OR COINSURANCE; AND~~

~~3. ADDITIONAL BENEFITS.~~

~~(IV) TO PROMOTE WELLNESS AMONG PROGRAM ENROLLEES, THE SECRETARY SHALL CONSIDER:~~

~~1. MERGING SICK LEAVE AND ANNUAL LEAVE INTO A SINGLE LEAVE BENEFIT FOR STATE EMPLOYEES; AND~~

~~2. INCLUDING A HIGH DEDUCTIBLE HEALTH PLAN WITH A HEALTH SAVINGS ACCOUNT AS A HEALTH BENEFIT PLAN OPTION IN THE PROGRAM.~~

SECTION 2. AND BE IT FURTHER ENACTED, That, ~~on or before January 1, 2014,~~ the Secretary of Budget and Management shall report to the Governor and, in accordance with § 2-1246 of the State Government Article, the ~~General Assembly~~ Senate Finance Committee, the House Appropriations Committee, and the House Health and Government Operations Committee on the implementation of Section 1 of this Act;

(1) within 60 calendar days after the date that the Department releases the request for proposals for administration of health care benefits under the State Employee and Retiree Health and Welfare Benefits Program; and

(2) on or before February 1, 2016.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch

Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 448 – *State Government – Notary Public – Appointment*.

This bill authorizes a State Senator to delegate to the Secretary of State the Senator's authority to approve an applicant for notary public and authorizes the Governor to appoint and commission, under specified circumstances, an individual as a notary public on approval by the Secretary. This bill requires an application for notary public, under specified circumstances, to bear or be accompanied by the written approval of the Secretary.

Senate Bill 190, 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 448.

Sincerely,

Governor Martin O'Malley

House Bill 448

AN ACT concerning

State Government – Notary Public – Appointment

FOR the purpose of authorizing a State Senator to delegate the Senator's authority to approve an applicant for notary public to the Secretary of State; authorizing the Governor to appoint and commission, under certain circumstances, an individual as a notary public on the approval of the Secretary; requiring a certain application, under certain circumstances, to bear or be accompanied by the written approval of the Secretary; and generally relating to the appointment of a notary public.

BY repealing and reenacting, with amendments,
Article – State Government
Section 18-101 and 18-103(a)
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

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

Article – State Government

18–101.

(a) (1) [The] **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE** Governor, on approval of the application by a Senator representing the senatorial district and subdistrict in which the applicant resides or on approval by any Senator if the senatorial office representing the senatorial district and subdistrict in which the applicant resides is vacant, may appoint and commission individuals as notaries public as provided in this title.

(2) (I) A SENATOR MAY DELEGATE THE SENATOR’S AUTHORITY TO APPROVE APPLICANTS UNDER THIS SUBSECTION TO THE SECRETARY OF STATE.

(II) IF A SENATOR HAS DELEGATED APPROVAL AUTHORITY UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE GOVERNOR MAY APPOINT AND COMMISSION AN INDIVIDUAL AS A NOTARY PUBLIC AS PROVIDED IN THIS TITLE ON APPROVAL OF THE APPLICATION BY THE SECRETARY OF STATE.

(b) (1) The Governor, on approval of the application by the Secretary of State and a member of the Senate of Maryland, shall appoint and commission out-of-state individuals as notaries public as provided in this title.

(2) An out-of-state notary shall be deemed to have irrevocably appointed the Secretary of State as the notary’s agent upon whom may be served any summons, subpoena, subpoena duces tecum, or other process.

18–103.

(a) (1) An application for original appointment as a notary public shall be made on forms prepared by the Secretary of State and shall be sworn to by the applicant.

(2) (I) [An] **EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AN** application by a resident of the State shall bear or be accompanied by the written approval of a Senator representing the senatorial district and subdistrict in which the applicant resides or, if that office is vacant, by any Senator’s written approval.

(II) IF A SENATOR HAS DELEGATED APPROVAL AUTHORITY UNDER § 18–101 OF THIS SUBTITLE, THE APPLICATION SHALL BEAR OR BE ACCOMPANIED BY THE WRITTEN APPROVAL OF THE SECRETARY OF STATE.

(3) An application by an out-of-state individual shall bear or be accompanied by the written approval of a Maryland State Senator.

(4) Completed applications shall be filed with the Secretary of State.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 452 – *Garrett County – Bonds for Garrett County Memorial Hospital*.

This bill authorizes and empowers the County Commissioners of Garrett County to borrow not more than \$15,000,000 in order to assist in the financing of the cost of hospital improvements at Garrett County Memorial Hospital.

Senate Bill 369, 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 452.

Sincerely,

Governor Martin O'Malley

House Bill 452

AN ACT concerning

Garrett County – Bonds for Garrett County Memorial Hospital

FOR the purpose of authorizing and empowering the County Commissioners of Garrett County, from time to time, to borrow not more than \$15,000,000 in order to assist in the financing of the cost of certain hospital improvements in Garrett County, as herein defined, and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds in like par amount; empowering the County to fix and determine, by resolution, the form, tenor, interest rate or rates or method of determining the same, terms,

conditions, maturities, and all other details incident to the issuance and sale of the bonds; empowering the County and directing the County to enter into an agreement with the Board of Governors of Garrett County Memorial Hospital for the payment of debt service requirements of the bonds from the revenues of the Garrett County Memorial Hospital; empowering the County to issue refunding bonds for the purchase or redemption of bonds in advance of maturity; empowering and directing the County to levy, impose, and collect, annually, ad valorem taxes in rate and amount sufficient to provide funds for the payment of the maturing principal of and interest on the bonds; exempting the bonds and refunding bonds and the interest thereon and any income derived therefrom from all State, county, municipal, and other taxation in the State of Maryland; providing that nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes; and generally relating to the issuance and sale of such bonds.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That as used herein, the term “County” means the body politic and corporate of the State of Maryland known as the County Commissioners of Garrett County, and the term “hospital improvements” means the alteration, construction, reconstruction, enlargement, equipping, expansion, extension, improvement, rehabilitation, renovation, upgrading, and repair of the Garrett County Memorial Hospital, including, but not limited to, the hospital buildings and facilities, capital furnishings and equipment, and parking facilities, means of access and utility services, demolition, removal, and relocation of existing hospital facilities, the acquisition and development, as applicable, of land, structures, real or personal property, rights, rights-of-way, easements and other interests for such hospital facilities, together with any related financing charges, interest prior to and during construction (and, if deemed necessary by the County, for a limited period after completion of construction), interest and reserves for principal and interest and for extensions, enlargements, additions and improvements, architectural, engineering, financial and legal planning and other professional services, plans, specifications, studies, surveys, estimates of cost and of revenues, administrative expenses necessary or incident to determining the feasibility or practicability of the hospital facilities and such other expenses as may be necessary or incident to the acquisition, construction, improvement, development, rehabilitation, repair, furnishing and equipping of the hospital facilities, the financing or refinancing of such acquisition, construction, improvement, development, rehabilitation, repair, furnishing and equipping of the hospital facilities.

SECTION 2. AND BE IT FURTHER ENACTED, That the County is hereby authorized to assist in the financing of the costs of the hospital facilities described in Section 1 of this Act, and to borrow money and incur indebtedness for those purposes, at one time or from time to time, in an amount not exceeding, in the aggregate \$15,000,000 and to evidence such borrowing by the issuance and sale upon its full faith and credit of general obligation bonds in like par amount, which may be issued at

one time or from time to time, in one or more groups or series, as the County may determine.

SECTION 3. AND BE IT FURTHER ENACTED, That the bonds shall be issued in accordance with a resolution of the County, which shall describe generally the hospital improvements 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 § 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 Garrett County; the manner of executing and sealing the bonds, which may be by facsimile; the terms and conditions, if any, under which bonds may be tendered for payment or purchase prior to their stated maturity; the terms or conditions, if any, under which bonds may or shall be redeemed prior to their stated maturity; the place or places of payment of the principal of and the interest on the bonds, which may be at any bank or trust company within or without the State of Maryland; covenants relating to compliance with applicable requirements of federal income tax law, including (without limitation) covenants regarding the payment of rebate or penalties in lieu of rebate; covenants relating to compliance with applicable requirements of federal or state securities laws; and generally all matters incident to the terms, conditions, issuance, sale, and delivery of the bonds.

The County may enter into agreements with agents, banks, fiduciaries, insurers, or others for the purpose of enhancing the marketability of any security for the bonds and for the purpose of securing any tender option that may be granted to holders of the bonds, all as may be determined and presented in the aforesaid resolution, which may (but need not) state as security for the performance by the County of any monetary obligations under such agreements the same security given by the County to bondholders for the performance by the County of its monetary obligations under the bonds.

In case any officer whose signature appears on any bond or on any coupon attached thereto 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 9, 10, and 11 of Article 31 of the Annotated Code of Maryland, as effective from time to time.

If the County determines in the resolution to offer any of the bonds by solicitation of competitive bids at public sale, the resolution shall fix the terms and

conditions of the public sale and shall adopt a form of notice of sale, which shall outline the terms and conditions, and a form of advertisement, which shall be published in one or more daily or weekly newspapers having a general circulation in the County and which may also be published in one or more journals having a circulation primarily among banks and investment bankers. At least one publication of the advertisement shall be made not less than 10 days before the sale of the bonds.

Upon delivery of any bonds to the purchaser or purchasers, payment therefor shall be made to the Treasurer of Garrett County or such other official of Garrett County as may be designated to receive such payment in a resolution passed by the County before such delivery.

SECTION 4. AND BE IT FURTHER ENACTED, That the net proceeds of the sale of bonds shall be used and applied exclusively and solely for financing the hospital improvements for which the bonds are sold and that the proceeds shall be loaned or otherwise paid by the County for the benefit of Garrett County Memorial Hospital as and when and under such terms, conditions, and documentation as the County directs, and secured by such collateral as the County directs in accordance with the terms and conditions of its agreement or agreements with Garrett County Memorial Hospital, of the resolutions of the County, and of this Act. If the net proceeds of the sale of any issue of bonds exceeds the amount needed to finance the hospital improvements described in the resolution, the excess funds so borrowed and not expended shall be applied to the payment of the next principal maturity of the bonds or to the redemption of any part of the bonds which have been made redeemable or to the purchase and cancellation of bonds, unless the County shall adopt a resolution allocating the excess funds to other hospital improvements.

SECTION 5. AND BE IT FURTHER ENACTED, That it is the intent of this Act that the County be vested with full discretion and authority to determine what portion, if any, of the cost of any hospital improvements shall be paid from the proceeds of general obligation bonds authorized pursuant to this Act and that the County may provide or require such conditions for the loan of the proceeds of such bonds to the Garrett County Memorial Hospital, as the County deems necessary or appropriate, including (without limitation) provisions for the repayment from rates charged patients at the Hospital.

SECTION 6. AND BE IT FURTHER ENACTED, That the County may enter into an agreement or agreements with the Board of Governors of Garrett County Memorial Hospital pursuant to which the hospital shall be required to make periodic payments from the hospital's revenues or other assets (i) to the County at such times and in such amounts to assure the timely payment of the maturing principal of and interest on the bonds and any related expenses of the County; or (ii) directly to the purchaser or purchasers of the bonds at such times and in such amounts to assure the timely payment of the maturing of the principal of and interest on the bonds. However, the bonds hereby authorized shall constitute, and they shall so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing principal of and interest on the bonds as and

when they become payable. In each and every fiscal year that any of the bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for or assure the payment, when due, of the principal of and interest on all the bonds maturing in each such fiscal year and, in the event the proceeds from the taxes so levied in any such fiscal year shall prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency. The County may apply to the payment of the principal of and interest on any bonds issued hereunder any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality thereof, or from any other source. If such funds are granted for the purpose of assisting the County or the hospital in financing the hospital improvements defined in this Act, the taxes that otherwise might be required to be levied under this Act may be reduced or need not be levied to the extent that any such funds are received or receivable in any fiscal year.

SECTION 7. AND BE IT FURTHER ENACTED, That the County is further authorized and empowered, at any time and from time to time, to issue its bonds in the manner hereinabove described for the purpose of refunding, by payment at maturity or upon purchase or redemption, any bonds issued hereunder. The validity of any such refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the obligations so refunded. The powers herein granted with respect to the issuance of bonds shall be applicable to the issuance of refunding bonds. Such refunding bonds may be issued by the County 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. 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. 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. AND BE IT FURTHER ENACTED, That the authority to borrow money and issue bonds conferred on the County by this Act shall be deemed to provide an additional and alternative authority for borrowing money and shall be regarded as supplemental and additional to powers conferred upon the County by other laws and shall not be regarded as in derogation of any power now existing; and all Acts of the General Assembly of Maryland heretofore passed authorizing the County to borrow money are hereby continued to the extent that the powers contained in such Acts have not been exercised, and nothing contained in this Act may be construed to impair, in any way, the validity of any bonds that may have been issued by the County under the authority of any said Acts, and the validity of the bonds is hereby ratified, confirmed, and approved. This Act, being necessary for the welfare of the inhabitants of Garrett 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. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 459 – *Somerset County – Alcoholic Beverages – Beer and Wine Tasting License*.

This bill establishes in Somerset County a beer and wine tasting (BWT) alcoholic beverages license for a holder of a beer, wine and liquor license or a beer and wine license. The bill specifies that a BWT license authorizes a holder to serve specified alcoholic beverages for tasting purposes only and for no consideration and requires the County Board of License Commissioners to regulate the quantity and number of bottles of specified alcoholic beverages to be served. The bill also specifies license and issuance fees.

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 459.

Sincerely,

Governor Martin O'Malley

House Bill 459

AN ACT concerning

Somerset County – Alcoholic Beverages – Beer and Wine Tasting License

FOR the purpose of establishing in Somerset County a beer and wine tasting (BWT) alcoholic beverages license for a holder of a beer, wine and liquor license or a beer and wine license; specifying that a BWT license authorizes a holder to serve certain alcoholic beverages for tasting purposes only and for no consideration; requiring the County Board of License Commissioners to regulate the quantity and number of bottles of certain alcoholic beverages to be served; specifying license and issuance fees; repealing certain provisions relating to a wine tasting license; prohibiting a holder from exercising the privileges of the BWT license during any festival event; authorizing the Board to adopt certain regulations; and generally relating to alcoholic beverages in Somerset County.

BY repealing and reenacting, with amendments,
Article 2B – Alcoholic Beverages
Section 8–410.2
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

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

Article 2B – Alcoholic Beverages

8–410.2.

(a) This section applies only in Somerset County.

(b) (1) The Board of License Commissioners may issue a **BEER AND** wine tasting [(WT)] **(BWT) ALCOHOLIC BEVERAGES** license [for wine tasting and sampling].

(2) [A WT license may be issued only to a holder of a Class A beer and wine (off-sale) license] **NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A BWT LICENSE TO A HOLDER OF A BEER, WINE AND LIQUOR LICENSE OR A BEER AND WINE LICENSE.**

(3) **A BWT LICENSE AUTHORIZES THE CONSUMPTION OF BEER OR WINE THAT MAY BE SOLD UNDER THE BEER, WINE AND LIQUOR LICENSE OR THE BEER AND WINE LICENSE FOR TASTING PURPOSES ONLY AND FOR WHICH NO CONSIDERATION MAY BE CHARGED.**

(4) **THE BOARD OF LICENSE COMMISSIONERS SHALL REGULATE:**

(i) **THE QUANTITY OF BEER OR WINE TO BE SERVED TO EACH PERSON; AND**

(ii) **THE NUMBER OF BOTTLES OF BEER OR WINE FROM WHICH THIS QUANTITY IS BEING SERVED.**

(c) (1) [The] **IN ADDITION TO THE COST OF THE BEER, WINE AND LIQUOR LICENSE OR THE BEER AND WINE LICENSE, THE** annual [(WT)] **BWT** license fee is \$150.

(2) **IN ADDITION TO THE ANNUAL BWT LICENSE FEE, THE ISSUING FEE IS \$100.**

[(d) (1) An application for a WT license shall be made on a form that the Board of License Commissioners provides.

(2) A renewal of the WT license may be made at the time the Class A beer and wine (off-sale) license is renewed.

(3) The Board of License Commissioners may grant a WT license without a hearing.

(4) If application for a WT license is denied, the applicant may request a public hearing before the Board of License Commissioners.

(e) (1) A WT license holder may not serve to any person for sampling or tasting purposes more than 1 ounce from each brand.

(2) A maximum of six bottles may be opened at any one time at a wine sampling or tasting event.

(3) The total number of days during which wine sampling or tasting events are held may not exceed 15 in any period for which a WT license is in effect.

(4) A WT license holder shall notify the Board of License Commissioners in writing at least 5 days before a wine sampling or tasting event.

(5) Once opened, each bottle used for a wine sampling or tasting event shall be marked that it is to be used for that purpose only.

(6) The contents of each bottle may not be mixed with any other bottle, and all bottles shall be destroyed once they are empty.

(f) (1) A WT license is for on-premises consumption only.

(2) Wine sampling or tasting may not be conducted from a drive-through window.]

(D) THE PRIVILEGES GRANTED BY THIS BWT LICENSE MAY NOT BE EXERCISED DURING A FESTIVAL EVENT.

(E) THE BOARD OF LICENSE COMMISSIONERS MAY ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 465 – *Somerset County – Emergency Burning Ban – Adoption and Enforcement*.

This bill authorizes the County Commissioners of Somerset County to adopt an emergency burning ban and prohibits a person from starting or allowing any open air burning during an emergency burning ban subject to specified exceptions. This bill also authorizes the County Commissioners, by resolution, to set a fine for a violation of an emergency burning ban and authorizes the Sheriff and the Sheriff's deputies to assess a fine against any person believed to be in violation of an emergency burning ban.

Senate Bill 424, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 465.

Sincerely,

Governor Martin O'Malley

House Bill 465

AN ACT concerning

Somerset County – Emergency Burning Ban – Adoption and Enforcement

FOR the purpose of authorizing the County Commissioners of Somerset County to adopt a certain emergency burning ban; prohibiting a person from starting or allowing any open air burning during an emergency burning ban; exempting certain ~~supervised~~ burning activities from a certain emergency burning ban; authorizing the County Commissioners, by resolution, to set a fine for a violation of a certain emergency burning ban; authorizing the Sheriff of Somerset County and the Sheriff's deputies to assess a certain fine against any person believed to be in violation of a certain emergency burning ban; defining certain terms; and generally relating to the adoption and enforcement of an emergency burning ban in Somerset County.

BY adding to

The Public Local Laws of Somerset County

Section 2–416

Article 20 – Public Local Laws of Maryland

(2003 Edition and 2009 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

2–416.

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

(2) "EMERGENCY BURNING BAN" MEANS A COMPLETE BAN ON ALL OPEN AIR BURNING THAT IS DECLARED BY THE COUNTY COMMISSIONERS DUE TO PROLONGED DROUGHT OR UNUSUAL CONDITIONS THAT ARE CONDUCTIVE TO THE EASY START AND SPREAD OF FIRE.

(3) "OPEN AIR BURNING" MEANS BURNING ANY MATERIAL IN THE OPEN OR IN A RECEPTACLE OTHER THAN A FURNACE, INCINERATOR, OR OTHER EQUIPMENT CONNECTED TO A STACK OR CHIMNEY.

(B) THE COUNTY COMMISSIONERS MAY ADOPT AN EMERGENCY BURNING BAN EFFECTIVE THROUGHOUT THE COUNTY.

(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A PERSON MAY NOT START OR ALLOW OPEN AIR BURNING DURING AN EMERGENCY BURNING BAN.

(2) THIS SUBSECTION DOES NOT APPLY TO:

(I) OPEN AIR BURNING ON STATE-OWNED PROPERTY THAT IS CONDUCTED IN ACCORDANCE WITH STATE LAW;

~~(II)~~ (II) 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

~~(III)~~ (III) ANY OTHER SUPERVISED BURNING CONDUCTED UNDER THE DIRECT CONTROL AND SUPERVISION OF:

1. A QUALIFIED FIRE INSTRUCTOR; OR

2. A FIRE CHIEF, CAPTAIN, OR FIRE LINE OFFICER OF A FIRE DEPARTMENT THAT HAS JURISDICTION OVER THE AREA WHERE THE SUPERVISED BURNING OCCURS.

(D) THE COUNTY COMMISSIONERS, BY RESOLUTION, MAY SET A FINE FOR A VIOLATION OF AN EMERGENCY BURNING BAN ADOPTED UNDER SUBSECTION (B) OF THIS SECTION.

(E) THE SHERIFF AND THE SHERIFF'S DEPUTIES MAY ASSESS A FINE ESTABLISHED UNDER SUBSECTION (D) OF THIS SECTION AGAINST ANY PERSON

BELIEVED TO BE IN VIOLATION OF AN EMERGENCY BURNING BAN ADOPTED UNDER SUBSECTION (B) OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 466 – *Somerset County – Sale of Small Boat Harbor Dock*.

This bill authorizes the County Commissioners of Somerset County to sell the Small Boat Harbor Dock to the City of Crisfield at private sale under specified terms. The bill requires the Small Boat Harbor Dock to revert to the County Commissioners under specified circumstances and exempts the sale of the Small Boat Harbor Dock from specified requirements.

Senate Bill 155, 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 466.

Sincerely,

Governor Martin O'Malley

House Bill 466

AN ACT concerning

Somerset County – Sale of Small Boat Harbor Dock

FOR the purpose of authorizing the County Commissioners of Somerset County to sell the Small Boat Harbor Dock to the City of Crisfield at private sale under certain terms; requiring the Small Boat Harbor Dock to revert to the County Commissioners under certain circumstances; exempting the sale of the Small Boat Harbor Dock from certain requirements; making a technical change; and

generally relating to the sale of county property by the County Commissioners of Somerset County.

BY repealing and reenacting, with amendments,
The Public Local Laws of Somerset County
Section 2-414
Article 20 – Public Local Laws of Maryland
(2003 Edition and 2009 Supplement, as amended)
(As enacted by Chapters 544 and 545 of the Acts of the General Assembly of 2011)

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

Article 20 – Somerset County

2-414.

(a) Subject to subsection (b) of this section, the County Commissioners may sell at private sale the following properties to the City of Crisfield under any terms that the County Commissioners [~~considers~~] **CONSIDER** appropriate:

(1) The property located at County Tax Map 101, Grid 8, Parcel 335, Account #07-113854 and described as 50 feet in width and approximates 200 feet in depth on the west side of Brick Kiln Road, also known as Collins Road, leading to the Small Boat Harbor;

(2) The portion of the roadway known as Wellington Road located in the Crisfield Election District beginning at the intersection of Collins Street and Wellington Road in a westerly direction 317 feet, more or less, a uniform width of 16 feet, more or less; [~~and~~]

(3) The property known as the County Boat Ramp located at the Small Boat Harbor in the City of Crisfield, described as the land located in the Crisfield Election District being known as the County Boat Ramp Property fronting 36 feet on Brick Kiln Road extending to the Harbor 53 feet; **AND**

(4) THE PROPERTY KNOWN AS THE SMALL BOAT HARBOR DOCK LOCATED AT THE SMALL BOAT HARBOR IN THE CITY OF CRISFIELD IN THE CRISFIELD ELECTION DISTRICT, FRONTING APPROXIMATELY 15 FEET ON BRICK KILN ROAD AND EXTENDING TO THE HARBOR APPROXIMATELY 63 FEET.

(b) A sale under this section shall require that the property reverts to the County Commissioners if the City of Crisfield:

(1) Attempts to restrict the public use of the property;

- (2) Assesses any fees for the use of the property; or
- (3) Attempts to transfer the property to any other person.

(c) The provisions of Article 25, § 11A of the Annotated Code of Maryland do not apply to a sale authorized under this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 470 – *Somerset County – County Treasurer – Abolishment and Transfer of Functions to the County Supervisor of Tax Collection*.

This bill abolishes the elected position of County Treasurer of Somerset County and transfers the duties and functions of the office of County Treasurer to the County Supervisor of Tax Collection, who shall work under the direction of the County Finance Director. The bill repeals provisions related to the appointment and salary of the deputy treasurer of Somerset County and provides that the Act does not affect the term of office of the incumbent County Treasurer.

Senate Bill 154, 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 470.

Sincerely,

Governor Martin O'Malley

House Bill 470

AN ACT concerning

**Somerset County – County Treasurer – Abolishment and Transfer of
Functions to the County Supervisor of Tax Collection**

FOR the purpose of abolishing the elected position of County Treasurer of Somerset County; transferring the duties and functions of the office of County Treasurer to the County Supervisor of Tax Collection, who shall work under the direction of the County Finance Director; repealing provisions related to the appointment and salary of the deputy treasurer of Somerset County; providing that the Supervisor of Tax Collection is subject to dismissal from office by the County Commissioners of Somerset County under certain circumstances and discipline or dismissal for a violation of certain rules and regulations; repealing provisions related to the removal of the County Treasurer; requiring the County Commissioners to provide an office for the Supervisor of Tax Collection to be open during certain hours on certain days of the week; requiring the Supervisor of Tax Collection to execute certain bonds for certain purposes to be paid for by the County Commissioners; providing for the appointment of Supervisors of Tax Collection in the event that a Supervisor of Tax Collection fails to execute a certain bond on or before a certain day; repealing provisions relating to a vacancy in the office of County Treasurer; repealing certain provisions relating to the documents of the County Treasurer's office; repealing provisions relating to the successor of the County Treasurer; providing that this Act does not ~~apply to the salary or compensation~~ affect the term of office of the incumbent County Treasurer; and generally relating to the abolishment of the elected position of County Treasurer of Somerset County and the transfer of the duties and functions of the office of County Treasurer to the County Supervisor of Tax Collection.

BY repealing

The Public Local Laws of Somerset County
Section 7-101 through 7-103, 7-108, 7-111, and 7-113
Article 20 – Public Local Laws of Maryland
(2003 Edition and 2009 Supplement, as amended)

BY adding to

The Public Local Laws of Somerset County
Section 7-101 and 7-102
Article 20 – Public Local Laws of Maryland
(2003 Edition and 2009 Supplement, as amended)

BY repealing and reenacting, with amendments,

The Public Local Laws of Somerset County
Section 7-104 through 7-107, 7-109, 7-110, 7-112, 7-114 through
7-118, 7-202 through 7-205, 7-302, and 9-103
Article 20 – Public Local Laws of Maryland
(2003 Edition and 2009 Supplement, as amended)

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages
Section 10–202(p)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

BY repealing

~~Article 25 – County Commissioners~~
~~Section 51(r)~~
~~Annotated Code of Maryland~~
~~(2011 Replacement Volume and 2012 Supplement)~~
Article – Local Government
Section 16–204
Annotated Code of Maryland
(As enacted by Chapter (H.B. 472) of the Acts of the General Assembly of
2013)

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

Article 20 – Somerset County

[7–101.

(a) There is a County Treasurer in Somerset County, who shall be elected for a 4–year term in accordance with the provisions of Article XVII of the Constitution of Maryland.

(b) The County Treasurer shall qualify on the first Tuesday in January after the election and hold office until a successor is duly elected and qualified.]

7–101.

(A) NOTWITHSTANDING ANY OTHER LAW, THE DUTIES AND FUNCTIONS OF THE OFFICE OF COUNTY TREASURER ARE TRANSFERRED TO THE COUNTY SUPERVISOR OF TAX COLLECTION, WHO SHALL WORK UNDER THE DIRECTION OF THE FINANCE DIRECTOR.

(B) THE COUNTY COMMISSIONERS SHALL APPOINT A SUPERVISOR OF TAX COLLECTION, WHO SHALL WORK WITH THE TAX COLLECTION OFFICE AS PART OF THE FINANCE DEPARTMENT UNDER THE DIRECTION OF THE FINANCE DIRECTOR.

[7–102.

(a) The Treasurer shall appoint a deputy and specify the deputy's duties. The Treasurer is responsible for the official conduct of the deputy treasurer, and the deputy shall act for the Treasurer during the Treasurer's absence.

(b) The deputy's annual salary shall be set by the County Commissioners.】

7-102.

THE SUPERVISOR OF TAX COLLECTION SHALL BE SUBJECT TO:

(1) DISMISSAL FROM OFFICE AT ALL TIMES BY THE COUNTY COMMISSIONERS FOR WILLFUL NEGLECT OF DUTY, MISDEMEANOR, OR MALFEASANCE IN OFFICE; AND

(2) DISCIPLINE OR DISMISSAL FOR A VIOLATION OF THE RULES AND REGULATIONS AS PROVIDED IN THE SOMERSET COUNTY EMPLOYEES HANDBOOK OF GOVERNING RULES AND REGULATIONS.

[7-103.

The County Treasurer may be removed from office by the Judges of the Circuit Court of Somerset County upon conviction for willful neglect of duty, misdemeanor, or malfeasance in office. The conviction shall be based upon presentment and indictment by the Grand Jury of Somerset County.】

[7-104.] 7-103.

(a) The County Commissioners shall provide an office for the **【Treasurer】 SUPERVISOR OF TAX COLLECTION** for the transaction of official business.

(b) The **【Treasurer's】 TAX COLLECTION** office shall be open between 8:30 a.m. and 4:30 p.m. weekdays. It shall be closed on Saturdays, Sundays, and State holidays.

[7-105.] 7-104.

(a) The **【Treasurer】 SUPERVISOR OF TAX COLLECTION** shall receive and collect all State and County taxes and all other money due to the County.

(b) The **【Treasurer】 SUPERVISOR OF TAX COLLECTION** has full power to enforce the payment of taxes by sale or otherwise and to convey title to any real or personal property sold by the **【Treasurer】 SUPERVISOR OF TAX COLLECTION** for the payment of State and County taxes in the manner prescribed by this title.

[7-106.] 7-105.

(a) [Before entering upon the duties of the office, the Treasurer shall take an oath before the Clerk of the Circuit Court for Somerset County that he faithfully will perform the duties of the office.

(b) (1) The [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall execute two bonds, each in the amount of \$150,000, as follows:

[(i)] (1) To the State of Maryland; and

[(ii)] (2) To Somerset County.

[(2)] (B) (1) The bonds shall be executed for the faithful performance of the [Treasurer's] **SUPERVISOR OF TAX COLLECTION'S** duties as [Treasurer] **COUNTY TAX COLLECTOR**. The bonds shall be conditioned that the [Treasurer] **SUPERVISOR OF TAX COLLECTION** will well and truly account and be liable for any and all money coming into his possession as [Treasurer and] **TAX collector**, for which the [Treasurer] **SUPERVISOR OF TAX COLLECTION** is answerable by law.

(2) The bonds shall be secured by a fidelity or security company qualified to act as surety or guarantor under the laws of Maryland.

(3) [They] **THE BONDS** shall be recorded in the office of the Clerk of the Circuit Court for the County and the premium on the bonds shall be paid by the County Commissioners.

[7-107.] **7-106.**

(A) Upon failure of [any Treasurer] **THE SUPERVISOR OF TAX COLLECTION** to execute the bond required on or before the day on which the [Treasurer] **SUPERVISOR OF TAX COLLECTION** is to enter on the duties of the office, the County Commissioners shall appoint [some qualified] **A COMPETENT PERSON WHO IS A voter of Somerset County as [Treasurer and collector] SUPERVISOR OF TAX COLLECTION** during that term in the place of the one who failed to qualify.

(B) In case of the new [Treasurer's] **SUPERVISOR OF TAX COLLECTION'S** failure to qualify within 30 days, the County Commissioners shall appoint another **COMPETENT** person, **IN 30 days' intervals**, until a [Treasurer] **SUPERVISOR OF TAX COLLECTION** is duly qualified.

(C) **EACH SUPERVISOR OF TAX COLLECTION SHALL BE SUBJECT TO THE PROVISIONS OF THIS TITLE.**

[7-108.

Within 30 days after a vacancy occurs in the office of Treasurer, the County Commissioners shall appoint a Treasurer and collector for the unexpired term who shall take the oath, give the bond, and perform all the duties of the office prescribed by law.]

[7-109.] **7-107.**

The [County Treasurer] **SUPERVISOR OF TAX COLLECTION** or the Clerk to the County Commissioners may administer an oath or affirmation to any account to any person who presents a claim against Somerset County, without charge for the oath or affirmation.

[7-110.] **7-108.**

(A) The [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall keep a full and fair cash account, showing all sums of money received by him, so as to indicate the source from which the money was received.

(B) The account shall show the money paid out by him either to the County Commissioners or to the State Treasurer.

[7-111.

All books, documents, and papers pertaining to the County Treasurer's office are the property and records of Somerset County, and shall be kept in the County-designated office for the County Treasurer. At any time, the County Commissioners, the Grand Jury of Somerset County, or any County taxpayer may examine them. All books, documents and papers, accounts, credits, and deposits belonging to the Treasurer's office or in the custody of the Treasurer shall be transferred to his successor in office when that successor is duly elected and qualified.]

[7-112.] **7-109.**

(a) (1) The [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall deposit in the manner required by this title all County taxes and all money due the County which the [Treasurer] **SUPERVISOR OF TAX COLLECTION** has collected.

(2) When the County taxes for any year have been collected in full, the [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall deliver to the County Commissioners a statement of deposits that show the collections in full.

(b) The [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall pay into the Treasury of the State of Maryland, according to law, all the State taxes levied and collected in the County.

(c) (1) The [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall be allowed 2 years from the date of each levy placed in his hands for collection to complete that collection and to make his final settlement with the County Commissioners and with the Treasurer of Maryland.

(2) Immediately after the expiration of the 2 years the County Commissioners shall bring suit on the bond of the [Treasurer] **SUPERVISOR OF TAX COLLECTION** for all County taxes in his hands uncollected or unaccounted for to the County Commissioners.

[7-113.

The County Commissioners, at any time after the expiration of the term of any County Treasurer, or at the time of the final settlement for which provision is made in this subtitle, may require the Treasurer to deliver over to the Treasurer's successor in office all collectible taxes due upon the levies with which the Treasurer was charged. The Treasurer shall deliver over the notices, schedules, and other proceedings had for the enforcement of payment of the taxes. In that case the successor, or newly elected or qualified Treasurer, upon the delivery to him of the bills for the taxes, shall enforce the payment of the taxes in the same manner as his predecessor could have done. The Treasurer has all the power and authority in law with which his predecessor was clothed for the purpose. In that case the bond of the newly elected or succeeding Treasurer is responsible for the proper collection and distribution of the taxes, and the bond of the preceding Treasurer shall be held responsible for whatever taxes remain uncollected from the preceding Treasurer's fault or negligence.]

[7-114.] 7-110.

If the bond of [any Treasurer] **THE SUPERVISOR OF TAX COLLECTION** becomes liable to Somerset County or to the State of Maryland for any unpaid or uncollected taxes, the sureties on the bond may enforce the payment of the taxes in the manner as the [Treasurer] **SUPERVISOR OF TAX COLLECTION** could have done.

[7-115.] 7-111.

(A) The [Treasurer] **SUPERVISOR OF TAX COLLECTION** or his designee shall be present and available in the [office of the Treasurer] **TAX COLLECTION OFFICE** during regular office hours to collect taxes.

(B) The [Treasurer] **SUPERVISOR OF TAX COLLECTION** may collect taxes at other locations within Somerset County after giving a 2-week public notice in local newspapers of the time and place of the temporary collection points.

[7-116.] 7-112.

(a) Upon request and payment of a fee of 50 cents, the [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall issue a certified statement, over his signature, of all taxes assessed since the first day of January, 1908, that are due and unpaid at the time of making the certificate and are a lien upon any particular piece of real estate located in Somerset County and on any tax sale affecting that piece of property since that date.

(b) (1) The certificate is a bar to the collection or recovery from any purchaser of real estate after the issue of the certificate of any tax or assessment omitted from the certificate and which is a lien on the real estate mentioned in it.

(2) The certificate does not affect the liability for the tax of the person who owned the real estate at the time the tax was levied, or at any time after the levy and before the issue of the certificate.

(c) The [Treasurer] **SUPERVISOR OF TAX COLLECTION** is responsible to the County for any loss of taxes that arises from an error in the certificate.

[7-117.] 7-113.

(A) At least once in each year, the [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall correct the list of transfers on the tax books of the County in accordance with the list furnished by the local office of the State Department of Assessments and Taxation.

(B) This correction shall be made not more than 30 days before the time set for the making of the annual levy.

[7-118.] 7-114.

(A) The provisions of the Code of Public General Laws of Maryland that are applicable to collectors of State and county taxes, except when they are repealed by or inconsistent with the provisions of this subtitle, apply to the [County Treasurer] **SUPERVISOR OF TAX COLLECTION**.

(B) As to the power, rights, duties, and liabilities, both civil and criminal, and those affecting the [Treasurer's] **SUPERVISOR OF TAX COLLECTION'S** bond or bondsmen, the [County Treasurer] **SUPERVISOR OF TAX COLLECTION** is in all respects in the same position as State and county collectors of taxes, except as provided in this title.

7-202.

(a) Immediately after the levy, the County Commissioners shall give notice of it by advertisement inserted once in a newspaper of general circulation.

(b) The [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall prepare the tax bills of each taxpayer and forward them by mail or deliver them to the person or persons, or corporate institutions, or to the agent of the person or persons, or corporate institutions to whom the property included in the tax bills is assessed, so far as their residence or post office address may be ascertained by the [Treasurer] **SUPERVISOR OF TAX COLLECTION**.

(c) The tax bills shall contain a notice to that effect that if the taxes are not paid on or before the next January 1, with the interest due on them after October 1, the taxes will be collected by process of law.

7-203.

(a) On October 1 following the levy, unpaid taxes are in arrears.

(b) The [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall enforce the payment of all taxes on real property that are unpaid on the following January 1 in the manner provided in State law.

7-204.

(a) **(1)** At least once in each week the [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall deposit in a national or State bank in Somerset County all taxes received or collected by the [Treasurer] **SUPERVISOR OF TAX COLLECTION** up to the date of the deposit.

(2) The portion due the State shall be deposited to the [Treasurer's] **SUPERVISOR OF TAX COLLECTION'S** credit as collector of State taxes, and the portion due Somerset County shall be deposited to the credit of the County Commissioners.

(b) Once a month, the [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall forward to the State Treasurer a check for the amount of State taxes to the State Treasurer's credit in the bank.

(c) The [County Treasurer] **SUPERVISOR OF TAX COLLECTION** shall receive from the bank a certificate of deposit for each deposit to the credit of the County Commissioners, which the [County Treasurer] **SUPERVISOR OF TAX COLLECTION** shall deliver to them at their next regular meeting, and for which they shall give to the [County Treasurer] **SUPERVISOR OF TAX COLLECTION** a proper receipt or voucher.

(d) Funds shall be drawn only from the bank upon the check of the President of the County Commissioners, countersigned by the [Treasurer] **SUPERVISOR OF TAX COLLECTION**:

(1) In payment of debts and accounts due by Somerset County, duly approved and passed by the County Commissioners and ordered by them to be paid; or

(2) For the investment of excess County funds.

(e) County funds may not be invested for terms that would cause a shortage of cash flow.

(f) Excess funds may be invested by the [Treasurer] **SUPERVISOR OF TAX COLLECTION** in:

(1) Treasury bills;

(2) The local government investment pool established in Article 95, § 22G of the Code; and

(3) State and national banks.

(g) The [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall maintain evidence that all invested funds are protected from any losses, through collateralized securities, FDIC insured accounts, or the full faith and credit of the federal government.

7-205.

(a) All claims for erroneous, insolvent, or uncollectible tax bills for which the [Treasurer] **SUPERVISOR OF TAX COLLECTION** claims a credit shall be presented to the County Commissioners before or at the time specified for the final settlement.

(b) The County Commissioners may not allow credit for erroneous, insolvent, or uncollectible taxes, unless satisfactory proof is produced under oath that they cannot be collected.

7-302.

(a) Whenever it is necessary to enforce the payment of taxes by a sale of personal property, the [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall make out a bill for the taxes in the usual form, with an order at the bottom of the bill directing the County Sheriff to levy upon the personal property of the delinquent and to sell it to satisfy and pay the taxes that are due.

(b) The Sheriff, upon receiving the tax bill and order, shall levy upon and sell the personal property of the delinquent in the same manner and upon the same notice.

(c) The Sheriff is entitled to the same fees as if the Sheriff were proceeding under an execution from a judge of the District Court.

(d) Immediately after the sale, the Sheriff shall pay over to the [Treasurer] **SUPERVISOR OF TAX COLLECTION** the amount due on the tax bill, and any surplus which remains after the payment of the taxes, interest, and cost shall be paid by the Sheriff to the delinquent taxpayer.

(e) The Sheriff's bond is liable for all of the tax bills that are placed in the Sheriff's hands by the [Treasurer] **SUPERVISOR OF TAX COLLECTION** to the same extent and in the same manner that the bond is liable for execution claims issued to him.

9–103.

(a) At the time of making their annual levy, the County Commissioners shall levy an amount annually that is necessary:

(1) For building, repairing, reconstruction, maintenance, and regulation of the use of the public roads, bridges, drains, water courses, public landings, culverts, and curbs and gutters along them in Somerset County, and

(2) For the purchase and maintenance of equipment and for the purchase or rental of land or buildings to be used for that purpose.

(b) The money levied shall be designated “For construction, reconstruction, and maintenance of County roads, bridges, drains, water courses, public landings, culverts, curbs, and gutters and purchasing and renting of equipment, land, and buildings in connection with them”. The money may not be earmarked by the County Commissioners for specific purposes; all authority to earmark is vested in the County Roads Board.

(c) All levied and received money shall be deposited by the [County Treasurer] **SUPERVISOR OF TAX COLLECTION** in a special fund for that purpose and paid out of that fund by the [County Treasurer] **SUPERVISOR OF TAX COLLECTION** on requisition of the County Roads Board. Any unexpected surplus remaining in this account at the end of any year may be carried over and used by the County Roads Board in future years to carry out the purposes of this title or may be used on account of the costs of the succeeding year's roads program.

(d) Title to land, buildings, or equipment purchased by the County Commissioners or by the County Roads Board remains in the County Commissioners.

Article 2B – Alcoholic Beverages

10–202.

(p) In Somerset County:

(1) Notice of each application for a license shall be published once a week for 2 consecutive weeks in at least one newspaper published in the municipal corporation or unincorporated area in which, or nearest to which, the applicant's proposed place of business is to be located;

(2) The applicant for the license shall pay the Board of License Commissioners a fee of \$350 to cover the costs of the advertising required by paragraph (1) of this subsection and the costs of processing the application; and

(3) After the Board of License Commissioners has approved the application for a license, the County [Treasurer] **SUPERVISOR OF TAX COLLECTION** shall issue the license on payment of the fee required for the license and the fee required by [paragraph (1)] **ITEM (2)** of this subsection.

~~**Article 25 – County Commissioners**~~

~~51.~~

~~[(r) The annual salary of the County Treasurer of Somerset County is \$60,000.]~~

Article – Local Government

[16–204.

The annual salary of the County Treasurer of Somerset County is \$60,000.]

SECTION 2. AND BE IT FURTHER ENACTED, That, nothing in this Act affects the term of office of the incumbent County Treasurer of Somerset County. The individual who is serving as County Treasurer on the effective date of this Act shall remain County Treasurer for the balance of the term to which elected unless the County Treasurer dies, resigns, or is removed under provisions of law before the expiration of the term.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House

H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 521 – *Baltimore City – Extinguishment or Redemption of Ground Rents*.

This bill alters the scope of a specified procedure in law that authorizes Baltimore City to apply to a specified State agency in order to extinguish or redeem a ground rent on property acquired by Baltimore City under specified circumstances. This bill also alters the contents of a specified affidavit required in the procedure to extinguish or redeem a ground rent on property acquired by Baltimore City under specified circumstances.

Senate Bill 366, 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 521.

Sincerely,

Governor Martin O'Malley

House Bill 521

AN ACT concerning

Baltimore City – Extinguishment or Redemption of Ground Rents

FOR the purpose of altering the scope of a certain procedure in law that authorizes Baltimore City to apply to the State Department of Assessments and Taxation in order to extinguish or redeem a ground rent on property acquired by Baltimore City under certain circumstances; altering the contents of a certain affidavit required in a certain procedure to extinguish or redeem a ground rent on property acquired by Baltimore City under certain circumstances; altering the scope of a certain procedure to authorize a landlord of abandoned or distressed property acquired by Baltimore City to collect a certain redemption amount under certain circumstances; and generally relating to ground rents in Baltimore City.

BY repealing and reenacting, with amendments,
Article – Real Property
Section 8–110
Annotated Code of Maryland
(2010 Replacement Volume and 2012 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 (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.

(4) This section does not apply to an affordable housing land trust agreement executed under Title 14, Subtitle 5 of this article.

(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 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.

(d) Notwithstanding 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.

(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.

(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] **ACQUIRES** 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] **ACQUIRES** 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] **HAS NOT REGISTERED THE GROUND LEASE WITH THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION UNDER SUBTITLE 7 OF THIS TITLE;** and

[5.] 4. 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] **ACQUIRED** 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.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 542 – *Criminal Law – Aggravated Animal Cruelty – Baiting*.

This bill prohibits a person from using or allowing a dog to be used for baiting. This bill also prohibits a person from possessing, owning, selling, transporting, or training a dog with the intent to use the dog for baiting and a person from knowingly allowing specified premises to be used for baiting.

Senate Bill 360, 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 542.

Sincerely,

Governor Martin O'Malley

House Bill 542

AN ACT concerning

Criminal Law – Aggravated Animal Cruelty – Baiting

FOR the purpose of prohibiting a person from using or allowing a dog to be used for baiting; prohibiting a person from possessing, owning, selling, transporting, or training a dog with the intent to use the dog for baiting; prohibiting a person from knowingly allowing certain premises to be used for baiting; defining a certain term; and generally relating to dogfights and baiting.

BY repealing and reenacting, with amendments,
Article – Criminal Law
Section 10–607
Annotated Code of Maryland
(2012 Replacement Volume and 2012 Supplement)

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

Article – Criminal Law

10–607.

(A) IN THIS SECTION, “BAITING” MEANS USING A DOG TO TRAIN A FIGHTING DOG OR TO TEST THE FIGHTING OR KILLING INSTINCT OF ANOTHER DOG.

[(a)] (B) A person may not:

- (1) use or allow a dog to be used in a dogfight **OR FOR BAITING**;
- (2) arrange or conduct a dogfight;
- (3) possess, own, sell, transport, or train a dog with the intent to use the dog in a dogfight **OR FOR BAITING**; or
- (4) knowingly allow premises under the person’s ownership, charge, or control to be used to conduct a dogfight **OR FOR BAITING**.

[(b)] (C) (1) A person who violates this section is guilty of the felony of aggravated cruelty to animals and on conviction is subject to imprisonment not exceeding 3 years or a fine not exceeding \$5,000 or both.

(2) As a condition of sentencing, the court may order a defendant convicted of violating this section to participate in and pay for psychological counseling.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 546 – *Washington County – Public Facilities Bonds*.

This bill authorizes and empowers the Board of County Commissioners of Washington County to borrow no more than \$60,000,000 in order to finance the cost of the construction, improvement, or development of specified public facilities in Washington County and to effect that borrowing by the issuance and sale at public or private sale of its general obligation bonds.

Senate Bill 508, 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 546.

Sincerely,

Governor Martin O'Malley

House Bill 546

AN ACT concerning

Washington County – Public Facilities Bonds

FOR the purpose of authorizing and empowering the County Commissioners of Washington County, from time to time, to borrow not more than \$60,000,000 in order to finance the costs of the construction, improvement, or development of certain public facilities in Washington County, as herein defined, and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds in like par amount; empowering the County to fix and determine, by resolution, the form, tenor, interest rate or rates or method of determining the same, terms, conditions, maturities, and all other details

incident to the issuance and sale of the bonds; empowering the County to issue refunding bonds for the purchase or redemption of bonds in advance of maturity; empowering and directing the County to levy, impose, and collect, annually, ad valorem taxes in rate and amount sufficient to provide funds for the payment of the maturing principal of and interest on the bonds; exempting the bonds and refunding bonds, and the interest thereon and any income derived therefrom, from all State, county, municipal, and other taxation in the State of Maryland; providing that nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes; providing that such borrowing may be undertaken by the County in the form of installment purchase obligations executed and delivered by the County for the purpose of acquiring agricultural land, woodland preservation easements, and transferable development rights; and relating generally to the issuance and sale of such bonds.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, as used herein, the term "County" means the body politic and corporate of the State of Maryland known as the County Commissioners of Washington County, and the term "construction, improvement, or development of public facilities" means the acquisition, alteration, construction, reconstruction, enlargement, equipping, expansion, extension, improvement, rehabilitation, renovation, upgrading, and repair of public buildings and facilities and public works projects, including, but not limited to, the following, together with related architectural, financial, legal, planning, or engineering services:

- (a) Public school buildings, a school for the arts, administrative facilities, sites, and grounds;
- (b) Community College buildings, sites, and grounds;
- (c) Buildings and facilities for public safety, health and social services, libraries, County administration purposes, County airport purposes, refuse collection, recycling or disposal by whatever means, and park and recreation purposes;
- (d) Acquisition of land or interests in land and any improvement thereon; and
- (e) Easements or similar or related rights in land, including transferable development rights, that restrict the use of agricultural land or woodland to maintain the character of the land as agricultural land or woodland.

SECTION 2. AND BE IT FURTHER ENACTED, That the County is hereby authorized to finance any part or all of the costs of the 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, \$60,000,000 and to evidence such borrowing by the issuance and sale upon its full faith and credit of

general obligation bonds in like par amount, which may be issued at one time or from time to time, in one or more groups or series, as the County may determine.

SECTION 3. AND BE IT FURTHER ENACTED, That the bonds shall be issued in accordance with a resolution of the County, which shall describe generally the construction, improvement, or development of public facilities 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 the County; the manner of executing and sealing the bonds, which may be by facsimile; the terms and conditions, if any, under which bonds may be tendered for payment or purchase prior to their stated maturity; the terms or conditions, if any, under which bonds may or shall be redeemed prior to their stated maturity; the place or places of payment of the principal of and the interest on the bonds, which may be at any bank or trust company within or without the State of Maryland; covenants relating to compliance with applicable requirements of federal income tax law, including (without limitation) covenants regarding the payment of rebate or penalties in lieu of rebate; covenants relating to compliance with applicable requirements of federal or state securities laws; and generally all matters incident to the terms, conditions, issuance, sale, and delivery thereof.

The bonds may be made redeemable before maturity, at the option of the County, at such price or prices and under such terms and conditions as may be fixed by the County prior to the issuance of the bonds, either in the resolution or in subsequent resolutions. 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. The County may enter into agreements with agents, banks, fiduciaries, insurers, or others for the purpose of enhancing the marketability of any security for the bonds and for the purpose of securing any tender option that may be granted to holders of the bonds, all as may be determined and presented in the aforesaid resolution, which may (but need not) state as security for the performance by the County of any monetary obligations under such agreements the same security given by the County to bondholders for the performance by the County of its monetary obligations under the bonds. If the County determines in the resolution to offer any of the bonds by solicitation of competitive bids at public sale, the resolution shall fix the

terms and conditions of the public sale and shall adopt a form of notice of sale, which shall outline the terms and conditions, including the manner of receipt of bids, and a form of advertisement. At least one publication of the advertisement shall be made not less than 10 days before the sale of the bonds.

Upon delivery of any bonds to the purchaser or purchasers, payment therefor shall be made to the Treasurer of Washington County or such other official of the County as may be designated to receive such payment in a resolution passed by the County Commissioners of Washington County before such 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 acquisition, construction, improvement, or development of public facilities for which the bonds are sold. If the amounts borrowed shall prove inadequate to finance the projects described in the resolution, the County may issue additional bonds within the limitations hereof for the purpose of evidencing the borrowing of additional funds for such financing, provided the resolution authorizing the sale of additional bonds shall so recite, but if the net proceeds of the sale of any issue of bonds exceeds the amount needed to finance the projects described in the resolution, the excess funds so borrowed and not expended shall be applied to the payment of the next principal maturity of the bonds or to the redemption of any part of the bonds which have been made redeemable or to the purchase and cancellation of bonds, unless the County shall adopt a resolution allocating the excess funds to the acquisition, construction, improvement, or development of other public facilities, as defined and within the limits set forth in this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That the bonds hereby authorized shall constitute, and they shall so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing principal of and interest on the bonds as and when they become payable. In each and every fiscal year that any of the bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of Washington County in rate and amount sufficient to provide for or assure the payment, when due, of the principal of and interest on all the bonds maturing in each such fiscal year and, in the event the proceeds from the taxes so levied in any such fiscal year shall prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency. The County may apply to the payment of the principal of and interest on any bonds issued hereunder any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality thereof, or from any other source, if such funds are granted for the purpose of assisting the County in financing the acquisition, construction, improvement, or development of the public facilities defined in this Act and, to the extent of any such funds received or receivable in any fiscal year, the taxes that are required to be levied may be reduced accordingly.

SECTION 6. AND BE IT FURTHER ENACTED, That the County is further authorized and empowered, at any time and from time to time, to issue its bonds in the manner hereinabove described for the purpose of refunding, by payment at maturity or upon purchase or redemption, any bonds issued hereunder. The validity of any such refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the obligations so refunded. The powers herein granted with respect to the issuance of bonds shall be applicable to the issuance of refunding bonds. Such refunding bonds may be issued by the County for the purpose of providing it with funds to pay any of its outstanding bonds issued hereunder at maturity, for the purpose of providing it with funds to purchase in the open market any of its outstanding bonds issued hereunder, prior to the maturity thereof, or for the purpose of providing it with funds for the redemption prior to maturity of any outstanding bonds issued hereunder which are, by their terms, redeemable, for the purpose of providing it with funds to pay interest on any outstanding bonds issued hereunder prior to their payment at maturity of purchase or redemption in advance of maturity, or for the purpose of providing it with funds to pay any redemption or purchase premium in connection with the refunding of any of its outstanding bonds issued hereunder. The proceeds of the sale of any such refunding bonds shall be segregated and set apart by the County as a separate trust fund to be used solely for the purpose of paying the purchase or redemption prices of the bonds to be refunded.

SECTION 7. AND BE IT FURTHER ENACTED, That the County may, prior to the preparation of definitive bonds, issue interim certificates or temporary bonds, 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 8. AND BE IT FURTHER ENACTED, That any and all obligations issued pursuant to the authority of this Act, their transfer, the interest payable thereon, and any income derived therefrom in the hands of the holders thereof from time to time (including any profit made in the sale thereof) shall be and are hereby declared to be at all times exempt from State, county, municipal, or other taxation of every kind and nature whatsoever within the State of Maryland.

Nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes.

SECTION 9. AND BE IT FURTHER ENACTED, That the authority to borrow money and issue bonds conferred on the County by this Act shall be deemed to provide an additional and alternative authority for borrowing money and shall be regarded as supplemental and additional to powers conferred upon the County by other laws and shall not be regarded as in derogation of any power now existing; and all Acts of the

General Assembly of Maryland heretofore passed authorizing the County to borrow money are hereby continued to the extent that the powers contained in such Acts have not been exercised, and nothing contained in this Act may be construed to impair, in any way, the validity of any bonds that may have been issued by the County under the authority of any said Acts, and the validity of the bonds is hereby ratified, confirmed, and approved. This Act, being necessary for the welfare of the inhabitants of Washington County, shall be liberally construed to effect the purposes hereof. All Acts and parts of Acts inconsistent with the provisions of this Act are hereby repealed to the extent of such inconsistency.

SECTION 10. AND BE IT FURTHER ENACTED, That 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, including transferable development rights, 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 easements or transferable development rights, and all matters incident to the execution and delivery of the installment purchase obligations and acquisition of the easements or transferable development rights 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 11. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 588 – *Baltimore City – Children – Records Access*.

This bill authorizes access to specified court records and police records by the Baltimore City Health Department's Office of Youth Violence Prevention and the Baltimore City Mayor's Office on Criminal Justice under specified circumstances and requires that the Baltimore City Health Department's Office of Youth Violence Prevention and the Baltimore City Mayor's Office on Criminal Justice be liable for the unauthorized release of specified records and information.

Senate Bill 473, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 588.

Sincerely,

Governor Martin O'Malley

House Bill 588

AN ACT concerning

Baltimore City – Children – Records Access

FOR the purpose of authorizing access to certain court records and police records by the Baltimore City Health ~~Department~~ Department's Office of Youth Violence Prevention and the Baltimore City Mayor's Office on Criminal Justice under certain circumstances; requiring that the Baltimore City Health Department's Office of Youth Violence Prevention and the Baltimore City Mayor's Office on Criminal Justice be liable for the unauthorized release of certain records and information; requiring the Baltimore City Health Department's Office of Youth Violence Prevention and the Baltimore City Mayor's Office on Criminal Justice to submit a certain report within a certain period of time; requiring that certain records concerning child abuse and neglect be disclosed to the Baltimore City Health ~~Department~~ Department's Office of Youth Violence Prevention under certain circumstances; requiring the Department of Juvenile Services to disclose to the Baltimore City Health ~~Department~~ Department's Office of Youth Violence Prevention certain records concerning certain children under certain circumstances; requiring the Department of State Police to provide to the Baltimore City Health ~~Department~~ Department's Office of Youth Violence Prevention and the Baltimore City Mayor's Office on Criminal Justice certain information concerning certain children under certain circumstances; requiring the Baltimore City Health ~~Department~~ Department's Office of Youth Violence Prevention and the Baltimore City Mayor's Office on Criminal Justice to keep certain information confidential; authorizing the Baltimore City Health ~~Department~~ Department's Office of Youth Violence Prevention and the Baltimore City Mayor's Office on Criminal Justice to use certain information solely for certain purposes; providing for the termination of this Act; and generally relating to records concerning children and access by the Baltimore

City Health ~~Department~~ Department's Office of Youth Violence Prevention and
the Baltimore City Mayor's Office on Criminal Justice.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 3–827(a) and 3–8A–27
Annotated Code of Maryland
(2006 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article – Human Services
Section 1–202(b) and (c)(1)(v)
Annotated Code of Maryland
(2007 Volume and 2012 Supplement)

BY adding to
Article – Human Services
Section 1–202(f) and 9–219(f)
Annotated Code of Maryland
(2007 Volume and 2012 Supplement)

BY adding to
Article – Public Safety
Section 2–308(d)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 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

3–827.

(a) (1) All court records under this subtitle pertaining to a child shall be confidential and their contents may not be divulged, by subpoena or otherwise, except by order of the court on good cause shown.

(2) This subsection does not prohibit review of a court record by:

- (i) Personnel of the court;
- (ii) A party;
- (iii) Counsel for a party;
- (iv) A Court–Appointed Special Advocate for the child; [or]

(v) Authorized personnel of the Social Services Administration and local departments in order to conduct a child abuse or neglect investigation or to comply with requirements imposed under Title IV–E of the Social Security Act; OR

(VI) THE BALTIMORE CITY HEALTH DEPARTMENT DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION:

1. IF THE BALTIMORE CITY HEALTH DEPARTMENT DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION IS PROVIDING TREATMENT OR CARE TO A CHILD WHO IS THE SUBJECT OF THE RECORD, FOR A PURPOSE RELEVANT TO THE PROVISION OF THE TREATMENT OR CARE;

2. IF THE RECORD CONCERNS A CHILD CONVICTED OF A CRIME OR ADJUDICATED DELINQUENT FOR AN ACT THAT CAUSED A DEATH OR NEAR FATALITY; OR

3. IF THE RECORD CONCERNS A VICTIM OF, ~~OR A CHILD ADJUDICATED DELINQUENT FOR,~~ A CRIME OF VIOLENCE, AS DEFINED IN § 14-101 OF THE CRIMINAL LAW ARTICLE, WHO IS A CHILD RESIDING IN BALTIMORE CITY, FOR THE PURPOSE OF DEVELOPING APPROPRIATE PROGRAMS AND POLICIES AIMED AT REDUCING VIOLENCE AGAINST CHILDREN IN BALTIMORE CITY; ~~OR~~

~~(VII) THE BALTIMORE CITY MAYOR'S OFFICE ON CRIMINAL JUSTICE IF THE BALTIMORE CITY MAYOR'S OFFICE ON CRIMINAL JUSTICE IS PROVIDING PROGRAMS AND SERVICES TO A CHILD WHO IS THE SUBJECT OF THE RECORD, FOR A PURPOSE RELEVANT TO THE PROVISION OF THE PROGRAMS AND SERVICES.~~

(3) Information obtained from a court record is subject to the provisions of §§ 1-201, 1-202, 1-204, and 1-205 of the Human Services Article.

(4) (I) THE BALTIMORE CITY HEALTH DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION SHALL BE LIABLE FOR THE UNAUTHORIZED RELEASE OF A COURT RECORD IT REVIEWS UNDER THIS SUBSECTION.

(II) WITHIN 180 DAYS AFTER THE BALTIMORE CITY HEALTH DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION REVIEWS A COURT RECORD UNDER THIS SUBSECTION, THE BALTIMORE CITY HEALTH DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION SHALL SUBMIT A REPORT TO THE COURT DETAILING THE PURPOSES FOR WHICH THE RECORD WAS USED.

3-8A-27.

(a) (1) A police record concerning a child is confidential and shall be maintained separate from those of adults. Its contents may not be divulged, by subpoena or otherwise, except by order of the court upon good cause shown or as otherwise provided in § 7-303 of the Education Article.

(2) This subsection does not prohibit:

(i) Access to and confidential use of the record by the Department of Juvenile Services or in the investigation and prosecution of the child by any law enforcement agency;

(II) ACCESS TO AND CONFIDENTIAL USE OF THE RECORD BY THE BALTIMORE CITY HEALTH ~~DEPARTMENT~~ DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION:

1. IF THE BALTIMORE CITY HEALTH ~~DEPARTMENT~~ DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION IS PROVIDING TREATMENT OR CARE TO A CHILD WHO IS THE SUBJECT OF THE RECORD, FOR A PURPOSE RELEVANT TO THE PROVISION OF THE TREATMENT OR CARE;

2. IF THE RECORD CONCERNS A CHILD CONVICTED OF A CRIME OR ADJUDICATED DELINQUENT FOR AN ACT THAT CAUSED A DEATH OR NEAR FATALITY; OR

3. IF THE RECORD CONCERNS A VICTIM OF, ~~OR A CHILD ADJUDICATED DELINQUENT FOR,~~ A CRIME OF VIOLENCE, AS DEFINED IN § 14-101 OF THE CRIMINAL LAW ARTICLE, WHO IS A CHILD RESIDING IN BALTIMORE CITY, FOR THE PURPOSE OF DEVELOPING APPROPRIATE PROGRAMS AND POLICIES AIMED AT REDUCING VIOLENCE AGAINST CHILDREN IN BALTIMORE CITY;

(III) ACCESS TO AND CONFIDENTIAL USE OF THE RECORD BY THE BALTIMORE CITY MAYOR'S OFFICE ON CRIMINAL JUSTICE IF THE BALTIMORE CITY MAYOR'S OFFICE ON CRIMINAL JUSTICE IS PROVIDING PROGRAMS AND SERVICES TO A CHILD WHO IS THE SUBJECT OF THE RECORD, FOR A PURPOSE RELEVANT TO THE PROVISION OF THE PROGRAMS AND SERVICES AND THE DEVELOPMENT OF A COMPREHENSIVE TREATMENT PLAN;

[(ii)] (IV) A law enforcement agency of the State or of a political subdivision of the State, the Department of Juvenile Services, or the criminal justice information system from including in the law enforcement computer information

system information about an outstanding juvenile court ordered writ of attachment, for the sole purpose of apprehending a child named in the writ; or

[iii] (v) A law enforcement agency of the State or of a political subdivision of the State from releasing to the public photographs and identifying information of a child who has escaped from a detention center for juveniles or a secure residential facility for juveniles, for the purposes of facilitating apprehension of the child and ensuring public safety.

(3) (i) THE BALTIMORE CITY HEALTH DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION OR THE BALTIMORE CITY MAYOR'S OFFICE ON CRIMINAL JUSTICE SHALL BE LIABLE FOR THE UNAUTHORIZED RELEASE OF A POLICE RECORD IT ACCESSES UNDER THIS SUBSECTION.

(ii) WITHIN 180 DAYS AFTER THE BALTIMORE CITY HEALTH DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION OR THE BALTIMORE CITY MAYOR'S OFFICE ON CRIMINAL JUSTICE ACCESSES A POLICE RECORD UNDER THIS SUBSECTION, THE BALTIMORE CITY HEALTH DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION OR THE BALTIMORE CITY MAYOR'S OFFICE ON CRIMINAL JUSTICE SHALL SUBMIT A REPORT TO THE COURT DETAILING THE PURPOSES FOR WHICH THE RECORD WAS USED.

(b) (1) A court record pertaining to a child is confidential and its contents may not be divulged, by subpoena or otherwise, except by order of the court upon good cause shown or as provided in §§ 7–303 and 22–309 of the Education Article.

(2) This subsection does not prohibit access to and the use of the court record or fingerprints of a child described under Title 10, Subtitle 2 of the Criminal Procedure Article in a proceeding in the court involving the child, by personnel of the court, the State's Attorney, counsel for the child, a court-appointed special advocate for the child, or authorized personnel of the Department of Juvenile Services.

(3) (i) Except as provided in subparagraph (ii) of this paragraph, this subsection does not prohibit access to and confidential use of the court record or fingerprints of a child described under Title 10, Subtitle 2 of the Criminal Procedure Article by the Department of Juvenile Services or in an investigation and prosecution by a law enforcement agency.

(ii) The court record or fingerprints of a child described under §§ 10–215(a)(20) and (21), 10–216, and 10–220 of the Criminal Procedure Article may not be disclosed to:

1. A federal criminal justice agency or information center; or

2. Any law enforcement agency other than a law enforcement agency of the State or a political subdivision of the State.

(4) (i) The Department of Juvenile Services may provide access to and the confidential use of a treatment plan of a child described under Title 10, Subtitle 2 of the Criminal Procedure Article by an agency in the District of Columbia or a state agency in Virginia, if the agency:

1. Performs the same functions in the jurisdiction of the agency as described in § 9–216(a) of the Human Services Article;

2. Has a reciprocal agreement with the State that provides that the specific information to be shared by the State is the same type of information that will be shared by the agency; and

3. Has custody of the child.

(ii) A record that is shared under this paragraph may only provide information that is relevant to the supervision, care, and treatment of the child.

(iii) The Department of Juvenile Services shall be liable for an unauthorized release of a court record under this paragraph.

(iv) The Department of Juvenile Services shall adopt regulations to implement this paragraph.

(5) (i) This subsection does not prohibit access to and use of a court record by a judicial officer who is authorized under the Maryland Rules to determine a defendant's eligibility for pretrial release, counsel for the defendant, the State's Attorney, or the Maryland Division of Pretrial Detention and Services if:

1. The individual who is the subject of the court record is charged as an adult with an offense;

2. The access to and use of the court record is strictly limited for the purpose of determining the defendant's eligibility for pretrial release; and

3. The court record concerns an adjudication of delinquency that occurred within 3 years of the date the individual is charged as an adult.

(ii) The Court of Appeals may adopt rules to implement the provisions of this paragraph.

(6) (i) This subsection does not prohibit access to and confidential use of a court record by the Department of Human Resources for the purpose of claiming federal Title IV–E funds.

(ii) The Department of Human Resources shall be liable for the unauthorized release of a court record under this paragraph.

(7) THIS SUBSECTION DOES NOT PROHIBIT ACCESS TO AND CONFIDENTIAL USE OF A COURT RECORD BY THE BALTIMORE CITY HEALTH ~~DEPARTMENT~~ DEPARTMENT’S OFFICE OF YOUTH VIOLENCE PREVENTION:

(I) IF THE BALTIMORE CITY HEALTH ~~DEPARTMENT~~ DEPARTMENT’S OFFICE OF YOUTH VIOLENCE PREVENTION IS PROVIDING TREATMENT OR CARE TO A CHILD WHO IS THE SUBJECT OF THE RECORD, FOR A PURPOSE RELEVANT TO THE PROVISION OF THE TREATMENT OR CARE;

(II) IF THE RECORD CONCERNS A CHILD CONVICTED OF A CRIME OR ADJUDICATED DELINQUENT FOR AN ACT THAT CAUSED A DEATH OR NEAR FATALITY; OR

(III) IF THE RECORD CONCERNS A VICTIM OF A CRIME OF VIOLENCE, AS DEFINED IN § 14–101 OF THE CRIMINAL LAW ARTICLE, WHO IS A CHILD RESIDING IN BALTIMORE CITY, FOR THE PURPOSE OF DEVELOPING APPROPRIATE PROGRAMS AND POLICIES AIMED AT REDUCING VIOLENCE AGAINST CHILDREN IN BALTIMORE CITY.

(8) THIS SUBSECTION DOES NOT PROHIBIT ACCESS TO AND CONFIDENTIAL USE OF A COURT RECORD BY THE BALTIMORE CITY MAYOR’S OFFICE ON CRIMINAL JUSTICE IF THE BALTIMORE CITY MAYOR’S OFFICE ON CRIMINAL JUSTICE IS PROVIDING PROGRAMS AND SERVICES IN CONJUNCTION WITH THE BALTIMORE POLICE DEPARTMENT TO A CHILD WHO IS THE SUBJECT OF THE RECORD, FOR A PURPOSE RELEVANT TO THE PROVISION OF THE PROGRAMS AND SERVICES AND THE DEVELOPMENT OF A COMPREHENSIVE TREATMENT PLAN.

(9) (I) THE BALTIMORE CITY HEALTH DEPARTMENT’S OFFICE OF YOUTH VIOLENCE PREVENTION OR THE BALTIMORE CITY MAYOR’S OFFICE ON CRIMINAL JUSTICE SHALL BE LIABLE FOR THE UNAUTHORIZED RELEASE OF A COURT RECORD IT ACCESSES UNDER THIS SUBSECTION.

(II) WITHIN 180 DAYS AFTER THE BALTIMORE CITY HEALTH DEPARTMENT’S OFFICE OF YOUTH VIOLENCE PREVENTION OR THE BALTIMORE CITY MAYOR’S OFFICE ON CRIMINAL JUSTICE ACCESSES A COURT RECORD UNDER THIS SUBSECTION, THE BALTIMORE CITY HEALTH

DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION OR THE BALTIMORE CITY MAYOR'S OFFICE ON CRIMINAL JUSTICE SHALL SUBMIT A REPORT TO THE COURT DETAILING THE PURPOSES FOR WHICH THE RECORD WAS USED.

(c) The court, on its own motion or on petition, and for good cause shown, may order the court records of a child sealed, and, upon petition or on its own motion, shall order them sealed after the child has reached 21 years of age. If sealed, the court records of a child may not be opened, for any purpose, except by order of the court upon good cause shown.

(d) This section does not prohibit access to or use of any juvenile record by the Maryland Division of Parole and Probation or the Maryland Parole Commission when the Division or the Commission is carrying out any of their statutory duties either at the direction of a court of competent jurisdiction, or when the Maryland Parole Commission is carrying out any of its statutory duties, if the record concerns a charge or adjudication of delinquency.

(e) This section does not prohibit access to and use of any juvenile record by the Maryland Division of Correction when the Division is carrying out any of its statutory duties if: (1) the individual to whom the record pertains is committed to the custody of the Division; and (2) the record concerns an adjudication of delinquency.

(f) Subject to the provisions of §§ 9–219 and 9–220 of the Human Services Article, this section does not prohibit access to or use of any juvenile record for criminal justice research purposes. A record used under this subsection may not contain the name of the individual to whom the record pertains, or any other identifying information which could reveal the individual's name.

(g) This section does not prohibit a victim or victim's representative who has filed a notification request form from being notified of proceedings and events involving the defendant or child as provided in this subtitle, the Criminal Procedure Article, or the Criminal Law Article.

(h) This section does not prohibit the Department of Public Safety and Correctional Services or a supervising authority, as defined in § 11–701 of the Criminal Procedure Article, from accessing or using the part of a juvenile record that identifies an offense committed by a juvenile for purposes of complying with Title 11, Subtitle 7 of the Criminal Procedure Article.

Article – Human Services

1–202.

(b) A report or record concerning child abuse or neglect shall be disclosed:

(1) under a court order;

(2) under an order of an administrative law judge, if:

(i) the request for disclosure concerns a case pending before the Office of Administrative Hearings; and

(ii) provisions are made to comply with other State or federal confidentiality laws and to protect the identity of the reporter or other person whose life or safety is likely to be endangered by the disclosure; [or]

(3) to the Division of Parole and Probation in the Department of Public Safety and Correctional Services if, as a result of a report or investigation of suspected child abuse or neglect, the local department of social services has reason to believe that an individual who lives in or has a regular presence in a child's home is registered under Title 11, Subtitle 7 of the Criminal Procedure Article based on the commission of an offense against a child; OR

(4) ON A WRITTEN REQUEST, TO THE BALTIMORE CITY HEALTH ~~DEPARTMENT~~ DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION:

(I) IF THE BALTIMORE CITY HEALTH ~~DEPARTMENT~~ DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION IS PROVIDING TREATMENT OR CARE TO A CHILD WHO IS THE SUBJECT OF A REPORT OF CHILD ABUSE OR NEGLECT, FOR A PURPOSE RELEVANT TO THE PROVISION OF THE TREATMENT OR CARE;

(II) IF THE RECORD OR REPORT CONCERNS A CHILD CONVICTED OF A CRIME OR ADJUDICATED DELINQUENT FOR AN ACT THAT CAUSED A DEATH OR NEAR FATALITY; OR

(III) IF THE RECORD OR REPORT CONCERNS A VICTIM OF A CRIME OF VIOLENCE, AS DEFINED IN § 14-101 OF THE CRIMINAL LAW ARTICLE, WHO IS A CHILD RESIDING IN BALTIMORE CITY, FOR THE PURPOSE OF DEVELOPING APPROPRIATE PROGRAMS AND POLICIES AIMED AT REDUCING VIOLENCE AGAINST CHILDREN IN BALTIMORE CITY.

(c) A report or record concerning child abuse or neglect:

(1) may be disclosed on request to:

(v) **SUBJECT TO THE PROVISIONS OF SUBSECTION (B)(4) OF THIS SECTION**, a licensed practitioner who, or an agency, institution, or program that, is providing treatment or care to a child who is the subject of a report of child abuse or neglect for a purpose relevant to the treatment or care;

(F) (1) THE BALTIMORE CITY HEALTH DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION SHALL BE LIABLE FOR THE UNAUTHORIZED RELEASE OF A REPORT OR RECORD UNDER SUBSECTION (B) OF THIS SECTION.

(2) WITHIN 180 DAYS AFTER THE BALTIMORE CITY HEALTH DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION RECEIVES A REPORT OR RECORD UNDER SUBSECTION (B) OF THIS SECTION, THE BALTIMORE CITY HEALTH DEPARTMENT SHALL SUBMIT A REPORT TO THE DEPARTMENT OF HUMAN RESOURCES DETAILING THE PURPOSES FOR WHICH THE RECORD WAS USED.

9-219.

(F) (1) NOTWITHSTANDING THE PROVISIONS OF THIS SECTION, THE DEPARTMENT SHALL DISCLOSE TO THE BALTIMORE CITY HEALTH ~~DEPARTMENT~~ DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION, ON A WRITTEN REQUEST:

(I) A CONFIDENTIAL RESEARCH RECORD CONCERNING A CHILD TO WHOM THE BALTIMORE CITY HEALTH ~~DEPARTMENT~~ DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION IS PROVIDING TREATMENT OR CARE, FOR A PURPOSE RELEVANT TO THE PROVISION OF THE TREATMENT OR CARE;

(II) A CONFIDENTIAL RESEARCH RECORD CONCERNING A CHILD CONVICTED OF A CRIME OR ADJUDICATED DELINQUENT FOR AN ACT THAT CAUSED A DEATH OR NEAR FATALITY; OR

(III) A CONFIDENTIAL RESEARCH RECORD CONCERNING A VICTIM OF A CRIME OF VIOLENCE, AS DEFINED IN § 14-101 OF THE CRIMINAL LAW ARTICLE, WHO IS A CHILD RESIDING IN BALTIMORE CITY, FOR THE PURPOSE OF DEVELOPING APPROPRIATE PROGRAMS AND POLICIES AIMED AT REDUCING VIOLENCE AGAINST CHILDREN IN BALTIMORE CITY.

(2) (I) THE BALTIMORE CITY HEALTH ~~DEPARTMENT~~ DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION SHALL KEEP CONFIDENTIAL ANY INFORMATION PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(II) THE BALTIMORE CITY HEALTH DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION SHALL BE LIABLE FOR THE UNAUTHORIZED RELEASE OF INFORMATION PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(3) WITHIN 180 DAYS AFTER THE BALTIMORE CITY HEALTH DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION RECEIVES A CONFIDENTIAL RESEARCH RECORD UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE BALTIMORE CITY HEALTH DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION SHALL SUBMIT A REPORT TO THE DEPARTMENT DETAILING THE PURPOSES FOR WHICH THE CONFIDENTIAL RECORD WAS USED.

Article – Public Safety

2-308.

(D) (1) THE DEPARTMENT SHALL PROVIDE TO THE BALTIMORE CITY HEALTH ~~DEPARTMENT~~ DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION AND THE BALTIMORE CITY MAYOR'S OFFICE ON CRIMINAL JUSTICE, ON A WRITTEN REQUEST, INFORMATION CONCERNING:

(I) A VICTIM OF A CRIME OF VIOLENCE, AS DEFINED IN § 14-101 OF THE CRIMINAL LAW ARTICLE, WHO IS A CHILD RESIDING IN BALTIMORE CITY; AND

(II) A CHILD CONVICTED OF A CRIME OR ADJUDICATED DELINQUENT FOR AN ACT THAT CAUSED A DEATH OR NEAR FATALITY.

(2) THE BALTIMORE CITY HEALTH ~~DEPARTMENT~~ DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION:

(I) SHALL KEEP CONFIDENTIAL ANY INFORMATION PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION; AND

(II) MAY USE THE INFORMATION SOLELY TO DEVELOP APPROPRIATE PROGRAMS AND POLICIES AIMED AT REDUCING VIOLENCE AGAINST CHILDREN IN BALTIMORE CITY.

(3) THE BALTIMORE CITY MAYOR'S OFFICE ON CRIMINAL JUSTICE:

(I) SHALL KEEP CONFIDENTIAL ANY INFORMATION PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION; AND

(II) MAY USE THE INFORMATION SOLELY TO DEVELOP APPROPRIATE PROGRAMS AND SERVICES TO A CHILD WHO IS THE SUBJECT OF THE RECORD, FOR A PURPOSE RELEVANT TO THE PROVISION OF THE PROGRAMS AND SERVICES.

(4) (I) THE BALTIMORE CITY HEALTH DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION OR THE BALTIMORE CITY MAYOR'S OFFICE ON CRIMINAL JUSTICE SHALL BE LIABLE FOR THE UNAUTHORIZED RELEASE OF INFORMATION PROVIDED TO IT UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(II) WITHIN 180 DAYS AFTER THE BALTIMORE CITY HEALTH DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION OR THE BALTIMORE CITY MAYOR'S OFFICE ON CRIMINAL JUSTICE REVIEWS THE INFORMATION PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE BALTIMORE CITY HEALTH DEPARTMENT'S OFFICE OF YOUTH VIOLENCE PREVENTION OR THE BALTIMORE CITY MAYOR'S OFFICE ON CRIMINAL JUSTICE SHALL SUBMIT A REPORT TO THE DEPARTMENT DETAILING THE PURPOSES FOR WHICH THE INFORMATION WAS USED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013. It shall remain effective for a period of 6 years and, at the end of September 30, 2019, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 626 – *Register of Wills – Salary*.

This bill increases the limit on the maximum salary that the Board of Public Works may set for a register of wills from \$98,500 to \$114,500. This bill also provides that the Act does not apply to the salary or compensation of an incumbent register of wills.

Senate 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 House Bill 626.

Sincerely,

Governor Martin O'Malley

House Bill 626

AN ACT concerning

Register of Wills – Salary

FOR the purpose of altering a certain limit on the maximum salary that the Board of Public Works may set for a register of wills; providing that this Act does not apply to the salary or compensation of an incumbent register of wills during a certain term of office; and generally relating to the salary of a register of wills.

BY repealing and reenacting, without amendments,
Article – Estates and Trusts
Section 2–205(a)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article – Estates and Trusts
Section 2–205(b)
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

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

Article – Estates and Trusts

2–205.

(a) (1) It is the intent of this section that each register shall receive a fair and adequate compensation for the effort and duties required of the register by the register's office.

(2) The volume and character of work done by the register shall be in comparison to the salary fixed by the Board of Public Works for each of the other registers.

(b) (1) Each register is entitled to receive an annual salary of not more than [\$98,500] **\$114,500**, to be determined in each instance by the Board of Public Works.

(2) In determining the annual salary of the register, the Board of Public Works shall be guided in the exercise of its discretion by:

(i) The population of the county determined by the last official United States census;

(ii) The dollar volume of total fees and taxes collected and excess fees turned over to the State for each of the preceding 5 years by the office of the register for which the salary is being fixed; and

(iii) Other pertinent data which have relation to the reasonableness of the salary in relation to the work done and volume handled by the office.

SECTION 2. AND BE IT FURTHER ENACTED, That, pursuant to Article III, § 35 of the Maryland Constitution, this Act may not be construed to extend or apply to the salary or compensation of the registers of wills during a term of office beginning before the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the registers of wills 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, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 718 – *State Retirement and Pension System – Service Credit for Unused Sick Leave*.

This bill makes specified members of the State Retirement and Pension System eligible to receive creditable service at retirement for the total amount of unused sick leave accrued by the member in specified systems in the State Retirement and Pension System under specified circumstances. This bill provides for the calculation of the creditable service for unused sick leave accrued by a member in a specified system and requires the Department of Legislative Services to provide a specified report on or before December 1, 2013.

Senate Bill 813, 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 718.

Sincerely,

Governor Martin O'Malley

House Bill 718

AN ACT concerning

State Retirement and Pension System – Service Credit for Unused Sick Leave

FOR the purpose of making certain members of the State Retirement and Pension System eligible to receive creditable service at retirement for the total amount of unused sick leave ~~accumulated as a member of a former system~~ accrued by the member in certain systems in the State Retirement and Pension System under certain circumstances; providing for the ~~computation~~ calculation of the creditable service for unused sick leave ~~accumulated in the former State system~~ accrued by a member in certain systems; requiring the Department of Legislative Services and the State Retirement Agency to provide a certain report on or before a certain date; and generally relating to additional creditable service at retirement for unused sick leave for members of the State Retirement and Pension System.

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 20–206
Annotated Code of Maryland
(2009 Replacement Volume and 2012 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

20–206.

(a) In this section, “unused sick leave” means sick leave credit that has not been used before retirement.

(b) This section does not apply to:

- (1) the Judges’ Retirement System; or
- (2) the Legislative Pension Plan.

(c) [A] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, A member is entitled to receive creditable service for unused sick leave if the member retires on or before 30 days after the member is separated from employment with a participating employer or a participating governmental unit that has withdrawn from one of the several systems under Title 31 of this article.

(d) (1) At retirement, a member is entitled to receive creditable service for unused sick leave, on verification of the unused sick leave to the Board of Trustees.

(2) (i) This subsection does not apply to the Local Fire and Police System or the Law Enforcement Officers' Pension System.

(ii) A member who separates from employment for reasons other than retirement on or before June 30, 1990, is entitled to receive creditable service for unused sick leave that is reported by the member's employer at the member's separation from employment if the member was entitled to a vested allowance at the time of separation.

(e) (1) Subject to paragraph (3) of this subsection, for 22 days of unused sick leave a member is entitled to receive 1 month of creditable service.

(2) If fractional days totaling 11 or more result from the application of the formula described in paragraph (1) of this subsection, a member is entitled to receive 1 additional month of creditable service.

(3) For the purposes of this section:

(i) a member may not accumulate more than 15 days of sick leave per year;

(ii) unless sick leave credit is accepted and credited by the current participating employer, a member may not receive credit for unused sick leave granted by a former employer; and

(iii) if a participating employer provides a member with more than 15 days of sick leave per year, before crediting the member with additional sick leave for a year, the Board of Trustees shall reduce the member's accumulated sick leave by the lesser of:

1. the days of sick leave used by the member in that year; or

2. the number of days of sick leave provided by the participating employer for the year, less 15.

~~(F) (1) THIS SUBSECTION APPLIES TO A MEMBER OF A STATE SYSTEM WHO:~~

~~(I) WAS TRANSFERRED INVOLUNTARILY FROM ANOTHER STATE SYSTEM AS A RESULT OF A CHANGE IN POSITION THAT RENDERED THE INDIVIDUAL INELIGIBLE FOR MEMBERSHIP IN THE FORMER STATE SYSTEM; AND~~

~~(II) DID NOT TRANSFER SERVICE CREDIT TO THE NEW STATE SYSTEM.~~

~~(2) A MEMBER IS ENTITLED TO RECEIVE CREDITABLE SERVICE FOR UNUSED SICK LEAVE THAT:~~

~~(I) IS ACCUMULATED WHILE A MEMBER OF THE STATE SYSTEM FROM WHICH THE MEMBER RETIRES AS PROVIDED IN SUBSECTIONS (C) THROUGH (E) OF THIS SECTION; AND~~

~~(II) WAS ACCUMULATED WHILE A MEMBER OF THE FORMER STATE SYSTEM AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION.~~

~~(3) (I) AT RETIREMENT, A MEMBER IS ENTITLED TO RECEIVE CREDITABLE SERVICE IN THE FORMER STATE SYSTEM FOR UNUSED SICK LEAVE ACCUMULATED WHILE A MEMBER OF THE FORMER STATE SYSTEM ON VERIFICATION OF THE UNUSED SICK LEAVE TO THE BOARD OF TRUSTEES.~~

~~(II) THE CREDITABLE SERVICE SHALL BE COMPUTED AS PROVIDED IN SUBSECTION (E) OF THIS SECTION.~~

(F) (1) THIS SUBSECTION APPLIES TO A MEMBER OF THE EMPLOYEES' PENSION SYSTEM WHO:

(I) WAS A MEMBER OF THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM AND WAS TRANSFERRED FROM THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM TO THE EMPLOYEES' PENSION SYSTEM AS A RESULT OF A CHANGE IN POSITION WITH THE SAME EMPLOYER THAT RENDERED THE INDIVIDUAL INELIGIBLE FOR MEMBERSHIP IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM; AND

(II) DID NOT TRANSFER SERVICE CREDIT FROM THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM TO THE EMPLOYEES' PENSION SYSTEM.

(2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A MEMBER IS ENTITLED TO RECEIVE CREDITABLE SERVICE FOR THE TOTAL AMOUNT OF UNUSED SICK LEAVE ACCRUED BY THE MEMBER AT THE TIME OF RETIREMENT.

(3) THE CREDITABLE SERVICE FOR UNUSED SICK LEAVE SHALL BE CALCULATED FOR EACH OF THE TWO STATE SYSTEMS BY MULTIPLYING THE TOTAL AMOUNT OF UNUSED SICK LEAVE, CALCULATED IN ACCORDANCE WITH SUBSECTION (E) OF THIS SECTION, BY A FRACTION:

(i) THE NUMERATOR OF WHICH IS THE CREDITABLE SERVICE EARNED IN THE STATE SYSTEM, NOT INCLUDING THE CREDITABLE SERVICE FOR UNUSED SICK LEAVE; AND

(ii) THE DENOMINATOR OF WHICH IS THE TOTAL CREDITABLE SERVICE EARNED IN BOTH STATE SYSTEMS, NOT INCLUDING THE CREDITABLE SERVICE FOR UNUSED SICK LEAVE.

~~[(f)]~~ (G) Credit for unused sick leave may not be used under this section:

(1) to determine years of eligibility service required for a benefit under this Division II; or

(2) to compute average final compensation.

~~[(g)]~~ (H) A State employee who came into the State system while retaining sick leave and annual leave benefits under a county system and who came under the provisions of Chapter 423 of the Acts of 1971 shall be entitled to the same full credit toward retirement as provided by this section.

~~SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1, 2013, the Department of Legislative Services shall report to the Joint Committee on Pensions on~~

SECTION 2. AND BE IT FURTHER ENACTED, That the Department of Legislative Services and the State Retirement Agency shall:

(a) (1) study the requirement for a member of the Correctional Officers' Retirement System to join the Employees' Pension System as a condition of employment when the member is promoted to certain positions, including:

(i) when the requirement was established;

(ii) the rationale for the requirement;

(iii) the number of individuals who have been affected by the requirement; and

(iv) the difference in benefits between the Correctional Officers' Retirement System and the Employees' Pension System, including whether the benefits have changed since the Correctional Officers' Retirement System was established; and

(2) determine the cost of authorizing a member of the Correctional Officers' Retirement System to remain a member of the Correctional Officers' Retirement System even though the member is promoted to a position in which the member must join the Employees' Pension System as a condition of employment; and

(b) on or before December 1, 2013, report any findings and recommendations to the Joint Committee on Pensions.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 725 – *Vehicle Laws – Title and Registration – Transfer to Surviving Spouse*.

This bill establishes that when the interest in a vehicle of one joint owner passes to another joint owner who is the surviving spouse, the surviving spouse is not required to apply for a new certificate of title or submit a specified certificate of title to the Motor Vehicle Administration until a specified time. The bill authorizes a surviving spouse to drive a vehicle and allow the vehicle to be driven on a highway until a specified time without applying for a registration.

Senate Bill 25, 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 725.

Sincerely,

Governor Martin O'Malley

House Bill 725

AN ACT concerning

Vehicle Laws – Title and Registration – Transfer to Surviving Spouse

FOR the purpose of establishing that when the interest in a vehicle of one joint owner passes by operation of law to another joint owner who is the surviving spouse, the surviving spouse is not required to apply for a new certificate of title or submit a certain certificate of title to the Motor Vehicle Administration until a certain time; authorizing a surviving spouse to drive a certain vehicle and allow the vehicle to be driven on a highway until a certain time without applying for a certain registration if the interest in the vehicle passes to the surviving spouse through joint ownership; prohibiting the Administration, on the death of a joint owner of a vehicle, from charging a fee to another joint owner who is the surviving spouse for the issuance of a new certificate of title for the vehicle; and generally relating to the title and registration of a vehicle transferred to a surviving spouse.

BY repealing and reenacting, with amendments,
Article – Transportation
Section 13–114, 13–504, 13–801, and 13–802
Annotated Code of Maryland
(2012 Replacement Volume)

BY repealing and reenacting, without amendments,
Article – Transportation
Section 13–805
Annotated Code of Maryland
(2012 Replacement Volume)

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

Article – Transportation

13–114.

(a) Except as otherwise provided in this section, if the interest of an owner in a vehicle for which a certificate of title has been issued passes to another person other than by voluntary transfer, the transferee shall present to the Administration the last certificate of title for the vehicle, if available.

(b) Except as otherwise provided in this section, if the interest of an owner in a vehicle for which a certificate of title has been issued passes to another person other than by voluntary transfer, the transferee shall apply for a new certificate of title.

(c) (1) The application for a new certificate of title under subsection (b) of this section shall be accompanied by such instruments or documents of authority or certified copies of them as are sufficient in law or required by law to evidence or effect a transfer of title or interest in or to chattels in such case.

(2) A written assignment of title or interest is not required if the prior owner's title or interest has passed to the transferee as a result of a judicial decree, order, or proceeding.

(d) (1) If the interest of an owner in a vehicle for which a certificate of title has been issued passes to a legatee or distributee as a result of testamentary disposition or intestate devolution:

(i) An application for a new certificate of title need not be made until the expiration of the last annual registration in the name of the deceased owner; and

(ii) The certificate of title need not be submitted to the Administration until the application for a new certificate of title is made.

(2) If title is assigned properly by the personal representative of the deceased owner, a certificate of letters testamentary or of administration issued by a court of competent jurisdiction in this State is sufficient authority for the Administration to transfer the title of the vehicle of a deceased owner.

(e) (1) The Administration may transfer on its records the ownership of a vehicle that has been repossessed by a secured party, if the secured party submits to the Administration a certification that states:

(i) That the secured party has a security interest in the vehicle;

(ii) That, on the basis of the security agreement or other lawful basis, the secured party has a right to the possession of and title to the vehicle;

(iii) That the secured party has possession of the vehicle; and

(iv) Any other information that the Administration requires.

(2) On submission of the certification to it, the Administration may issue a new certificate of title if it is satisfied that the secured party is entitled to one.

(F) IN THE CASE OF A VEHICLE FOR WHICH A CERTIFICATE OF TITLE HAS BEEN ISSUED TO MARRIED INDIVIDUALS AS JOINT OWNERS, IF THE

INTEREST IN THE VEHICLE OF ONE OF THE JOINT OWNERS WHO HAS DIED PASSES BY OPERATION OF LAW TO THE SURVIVING SPOUSE:

(1) AN APPLICATION FOR A NEW CERTIFICATE OF TITLE NEED NOT BE MADE UNTIL THE EXPIRATION OF THE LAST REGISTRATION IN THE NAME OF THE JOINT OWNERS; AND

(2) THE CERTIFICATE OF TITLE NEED NOT BE SUBMITTED TO THE ADMINISTRATION UNTIL THE APPLICATION FOR A NEW CERTIFICATE OF TITLE IS MADE.

13-504.

(a) Except as otherwise provided in this section, if the title or interest of an owner in a registered vehicle passes to another person other than by voluntary transfer:

(1) The registration of the vehicle expires; and

(2) The vehicle may not be driven on a highway until the person entitled to possession of the vehicle applies for and obtains a new registration of the vehicle.

(b) However, the person entitled to possession of the vehicle, or his authorized representative, may drive the vehicle on highways in this State for a distance of not more than 200 miles, but only from the place that the person or his authorized representative obtained possession of the vehicle to the person's place of business, residence, or other place where the vehicle is to be kept.

(c) During the operation of a vehicle described in subsection (b) of this section, the registration plates issued to the former owner may be displayed on the vehicle.

(d) After the operation of a vehicle described in subsection (b) of this section is completed or, even before this operation is completed, on request of the former owner or the Administration, the person who obtained possession of the vehicle shall return its registration plates to the former owner or to the Administration.

(e) After 24 hours of the earlier of the request or the completion of the operation described in subsection (b) of this section, no person, other than the person to whom the registration plates originally were issued, may have the registration plates in his possession, whether or not they are in use.

(f) If the title or interest of an owner in a registered vehicle passes to a legatee or distributee as a result of testamentary disposition or intestate devolution, the personal representative, legatee, or distributee may drive the vehicle and permit it

to be driven on the highways, without applying for a new registration, until the expiration of the last annual registration in the name of the deceased owner.

(G) IF THE INTEREST IN A REGISTERED VEHICLE OF A JOINT OWNER WHO HAS DIED PASSES TO THE SURVIVING SPOUSE THROUGH JOINT OWNERSHIP, THE SURVIVING SPOUSE MAY DRIVE THE VEHICLE AND ALLOW IT TO BE DRIVEN ON A HIGHWAY, WITHOUT APPLYING FOR A NEW REGISTRATION, UNTIL THE EXPIRATION OF THE LAST REGISTRATION IN THE NAME OF THE JOINT OWNERS.

13–801.

[The] **ANY APPLICABLE** fees specified in this part for a certificate of title shall be paid to the Administration before issuance of the certificate.

13–802.

(a) Except as provided in subsection (b) of this section and § 13–805 of this subtitle, the fee for each certificate of title issued under this title is \$100.

(b) (1) For fiscal years 2012 through 2014 only, the fee for each certificate of title issued for a rental vehicle is \$50.

(2) The fee for each certificate of title issued for a motor scooter or a moped is \$20.

(3) ON THE DEATH OF A JOINT OWNER OF A VEHICLE, THE ADMINISTRATION MAY NOT CHARGE A FEE FOR A NEW CERTIFICATE OF TITLE ISSUED FOR THE VEHICLE TO ANOTHER JOINT OWNER WHO IS THE SURVIVING SPOUSE.

13–805.

For the issuance of a duplicate certificate of title, issued under § 13–111 of this title to replace a lost, stolen, or damaged certificate of title, the fee shall be established by the Administration.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 730 – *Election Law – Polling Places – Electioneering*.

This bill requires that electioneering be allowed on the premises of a public building that is used for a polling place up to a specified electioneering boundary and also requires that campaign signs be allowed on the premises of a public building that is used for a polling place for, at a minimum, specified time periods. The bill prohibits a polling place from being located in a privately owned building except under specified circumstances.

Senate Bill 542, 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 730.

Sincerely,

Governor Martin O'Malley

House Bill 730

AN ACT concerning

Election Law – Polling Places – Electioneering

FOR the purpose of requiring that electioneering be allowed on the premises of a public building that is used for a polling place up to a certain electioneering boundary; requiring that campaign signs be allowed on the premises of a public building that is used for a polling place for, at a minimum, certain time periods; prohibiting a polling place from being located in a privately owned building ~~unless the owner of the building agrees to allow electioneering on the premises up to a certain electioneering boundary~~ except under certain circumstances; and generally relating to electioneering at polling places.

BY repealing and reenacting, without amendments,
Article – Election Law
Section 10–101(a)(1) and (2)
Annotated Code of Maryland
(2010 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article – Election Law
Section 10–101(a)(3) and (4)
Annotated Code of Maryland
(2010 Replacement Volume and 2012 Supplement)

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

Article – Election Law

10–101.

(a) (1) Each local board shall designate a polling place that meets the requirements of this subsection for each precinct in the county as established by the local board in accordance with Title 2 of this article.

(2) Each polling place shall:

(i) provide an environment that is suitable to the proper conduct of an election;

(ii) be located as conveniently as practicable for the majority of registered voters assigned to that polling place;

(iii) except as authorized in paragraph (4) of this subsection, be in a public building;

(iv) be in the precinct that it serves unless no suitable location for a polling place can be found within that precinct, in which case the board may establish the polling place in an adjacent precinct; and

(v) whenever practicable, be selected and arranged to avoid architectural and other barriers that impede access or voting by elderly and physically disabled voters.

(3) (i) The public official responsible for the use of any public building requested by a local board for a polling place shall make available to the local board, without charge, the space that is needed in the building for the proper conduct of an election.

(ii) Light, heat, and custodial and janitorial services for the space shall be provided to the local board without charge.

(iii) **1. ELECTIONEERING SUBJECT TO**
SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, ELECTIONEERING SHALL BE
ALLOWED ON THE PREMISES OF THE PUBLIC BUILDING UP TO THE

ELECTIONEERING BOUNDARY ESTABLISHED UNDER § 16-206(B) OF THIS ARTICLE.

2. CAMPAIGN SIGNS SHALL BE ALLOWED ON THE PREMISES OF THE PUBLIC BUILDING, AT A MINIMUM, FROM:

A. 7 P.M. THE DAY IMMEDIATELY PRECEDING ELECTION DAY UNTIL 8 A.M. ON THE DAY IMMEDIATELY FOLLOWING ELECTION DAY; AND

B. 7 P.M. THE DAY BEFORE AN EARLY VOTING PERIOD BEGINS UNDER § 10-301.1 OF THIS TITLE UNTIL 8 A.M. THE DAY AFTER THE EARLY VOTING PERIOD ENDS.

(4) (i) If suitable space in a public building is not available, a local board may pay a reasonable fee for the use of space in a privately owned building.

(II) A POLLING PLACE MAY NOT BE LOCATED IN A PRIVATELY OWNED BUILDING UNLESS THE OWNER OF THE BUILDING AGREES TO:

1. ALLOW ELECTIONEERING ON THE PREMISES UP TO THE ELECTIONEERING BOUNDARY ESTABLISHED UNDER § 16-206(B) OF THIS ARTICLE; AND

2. ALLOW CAMPAIGN SIGNS ON THE PREMISES, AT A MINIMUM, FROM:

A. 7 P.M. THE DAY IMMEDIATELY PRECEDING ELECTION DAY UNTIL 8 A.M. ON THE DAY IMMEDIATELY FOLLOWING ELECTION DAY; AND

B. 7 P.M. THE DAY BEFORE AN EARLY VOTING PERIOD BEGINS UNDER § 10-301.1 OF THIS TITLE UNTIL 8 A.M. THE DAY AFTER THE EARLY VOTING PERIOD ENDS.

[(ii)] (III) Except as provided in subparagraphs [(iii)](IV) and [(iv)](V) of this paragraph, an election may not be held in any building or part of any building used or occupied by an establishment that holds an alcoholic beverages license.

[(iii)] (IV) An election may be held in a building that is owned and occupied by an establishment that holds an alcoholic beverages license if:

1. the local board determines that there is no suitable alternative place to hold an election;

2. the licensee agrees not to sell or dispense alcoholic beverages during the period beginning 2 hours before the polls open and ending 2 hours after the polls close; and

3. where applicable, all ballots are removed from the polling place by the local board immediately following the election.

[(iv)] (v) An early voting center may be located in a building that is partially occupied by an establishment that holds an alcoholic beverages license if:

1. the State Board, in collaboration with a local board, determines that the building is a suitable site for an early voting center; and

2. the entrance to a licensee's establishment is at least 100 feet from the entrance to the building that is closest to the part of the building where the early voting center is located.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 777 – *Criminal Procedure – Bail Bonds – Cash Bail*.

This bill authorizes in circuit courts and in the District Court cash bail or cash bond to be posted by the defendant, by an individual, or by a specified private surety acting for the defendant under specified circumstances. The bill requires cash bail or cash bond to be posted by the defendant only, unless the order setting bail expressly provides otherwise, in cases involving a defendant's failure to pay support to specified individuals and provides for the repeal of laws inconsistent with the Act.

Senate Bill 505, 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 777.

Sincerely,

Governor Martin O'Malley

House Bill 777

AN ACT concerning

Criminal Procedure – Bail Bonds – Cash Bail

FOR the purpose of authorizing in circuit courts and in the District Court cash bail or cash bond to be posted by the defendant, by an individual, or by a certain private surety acting for the defendant under certain circumstances; requiring cash bail or cash bond to be posted by the defendant only, unless the order setting bail expressly provides otherwise, in cases involving a defendant's failure to pay support to certain individuals; providing for the repeal of laws inconsistent with this Act; and generally relating to bail bonds in circuit courts and in the District Court.

BY repealing and reenacting, with amendments,
Article – Criminal Procedure
Section 5–203 and 5–205
Annotated Code of Maryland
(2008 Replacement Volume and 2012 Supplement)

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

Article – Criminal Procedure

5–203.

(a) (1) Subject to [paragraph (2)] **PARAGRAPHS (2) AND (3)** of this subsection, a circuit court may adopt rules setting the terms and conditions of bail bonds filed in that court and rules on the qualifications of and fees charged by bail bondsmen.

(2) Notwithstanding any other law or rule to the contrary, if expressly authorized by the court, a defendant or a private surety acting for the defendant may post a bail bond by executing it in the full penalty amount and depositing with the clerk of court the greater of 10% of the penalty amount or \$25.

(3) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, IF AN ORDER SETTING “CASH BAIL” OR “CASH BOND” SPECIFIES THAT IT MAY BE POSTED BY THE DEFENDANT ONLY, THE “CASH BAIL” OR “CASH BOND” MAY BE POSTED BY THE DEFENDANT, BY AN INDIVIDUAL, OR BY A PRIVATE SURETY, ACTING FOR THE DEFENDANT, THAT HOLDS A CERTIFICATE OF AUTHORITY IN THE STATE.

(II) UNLESS OTHERWISE ORDERED BY THE COURT, AN ORDER SETTING “CASH BAIL” OR “CASH BOND” FOR A FAILURE TO PAY SUPPORT UNDER TITLE 10, TITLE 11, TITLE 12, OR TITLE 13 OF THE FAMILY LAW ARTICLE MAY BE POSTED BY THE DEFENDANT ONLY.

[(3)] (4) A bail bond commissioner may be appointed to carry out rules adopted under this section.

[(4)] (5) A violation of a rule adopted under this section is contempt of court and shall be punished in accordance with Title 15, Chapter 200 of the Maryland Rules.

[(5)] (6) A person may not engage in the business of becoming a surety for compensation on bail bonds in criminal cases unless the person is:

(i) approved in accordance with any rules adopted under this section; and

(ii) if required under the Insurance Article, licensed in accordance with the Insurance Article.

(b) (1) In the circuit courts in the Seventh Judicial Circuit, a bail bondsman approved under subsection (a) of this section shall pay a license fee of 1% of the gross value of all bail bonds written in all courts of the circuit, if the fee is approved by the court of the county in which it applies.

(2) The fee shall be paid to the court as required by the rules of court and shall be used to pay the expenses of carrying out this section.

(3) Any absolute bail bond forfeitures collected may be used to pay the expenses of carrying out this section.

5–205.

(a) A District Court judge may:

(1) set bond or bail;

(2) release a defendant on personal recognizance or on a personal or other bail bond;

(3) commit a defendant to a correctional facility in default of a bail bond;

(4) order a bail bond forfeited if the defendant fails to meet the conditions of the bond; and

(5) exercise all of the powers of a justice of the peace under the Constitution of 1867.

(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, IF AN ORDER SETTING “CASH BAIL” OR “CASH BOND” SPECIFIES THAT IT MAY BE POSTED BY THE DEFENDANT ONLY, THE “CASH BAIL” OR “CASH BOND” MAY BE POSTED BY THE DEFENDANT, BY AN INDIVIDUAL, OR BY A PRIVATE SURETY, ACTING FOR THE DEFENDANT, THAT HOLDS A CERTIFICATE OF AUTHORITY IN THE STATE.

(2) UNLESS OTHERWISE EXPRESSLY ORDERED BY THE COURT OR DISTRICT COURT COMMISSIONER, AN ORDER SETTING “CASH BAIL” OR “CASH BOND” FOR A FAILURE TO PAY SUPPORT UNDER TITLE 10, TITLE 11, TITLE 12, OR TITLE 13 OF THE FAMILY LAW ARTICLE MAY BE POSTED BY THE DEFENDANT ONLY.

[(b)] (C) (1) This subsection does not apply to a defendant who has been arrested for failure to appear in court or for contempt of court.

(2) (i) Notwithstanding any other law or rule to the contrary, in a criminal or traffic case in the District Court in which a bail bond has been set and if expressly authorized by the court or District Court commissioner, the defendant or a private surety acting for the defendant may post the bail bond by:

1. executing it in the full penalty amount; and

2. depositing with the clerk of the court or a commissioner the greater of 10% of the penalty amount or \$25.

(ii) A judicial officer may increase the percentage of cash surety required in a particular case but may not authorize a cash deposit of less than \$25.

(3) On depositing the amount required under paragraph (2) of this subsection and executing the recognizance, the defendant shall be released from custody subject to the conditions of the bail bond.

[(c)] (D) (1) When all conditions of the bail bond have been performed without default and the defendant has been discharged from all obligations in the cause for which the recognizance was posted, the clerk of the court shall return the deposit to the person or private surety who deposited it.

(2) (i) If the defendant fails to perform any condition of the bail bond, the bail bond shall be forfeited.

(ii) If the bail bond is forfeited, the liability of the bail bond shall extend to the full amount of the bail bond set and the amount posted as a deposit shall be applied to reduce the liability incurred by the forfeiture.

SECTION 2. AND BE IT FURTHER ENACTED, That all laws or parts of laws, public general or public local, inconsistent with this Act, are repealed to the extent of the inconsistency.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 785 – *Commercial Law – Maryland Credit Services Businesses Act – Scope*.

This bill alters the definition of “credit services business” for purposes of the Maryland Credit Services Businesses Act, to exclude a person licensed by the State as an associate real estate broker or a real estate salesperson.

Senate Bill 375, 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 785.

Sincerely,

Governor Martin O'Malley

House Bill 785

AN ACT concerning

Commercial Law – Maryland Credit Services Businesses Act – Scope

FOR the purpose of altering the definition of “credit services business” for purposes of the Maryland Credit Services Businesses Act to exclude a person licensed by the State as an associate real estate broker or a real estate salesperson; and generally relating to the Maryland Credit Services Businesses Act.

BY repealing and reenacting, without amendments,
Article – Commercial Law
Section 14–1901(a)
Annotated Code of Maryland
(2005 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,
Article – Commercial Law
Section 14–1901(e)(3)
Annotated Code of Maryland
(2005 Replacement Volume and 2012 Supplement)

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

Article – Commercial Law

14–1901.

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

(e) (3) “Credit services business” does not include:

(i) Any person authorized to make loans or extensions of credit under the laws of this State or the United States who is actively engaged in the business of making loans or other extensions of credit to residents of this State;

(ii) Any bank, trust company, savings bank, or savings and loan association whose deposits or accounts are eligible for insurance by the Federal Deposit Insurance Corporation or any credit union organized and chartered under the laws of this State or the United States;

(iii) Any nonprofit organization exempt from taxation under § 501(c)(3) of the Internal Revenue Code (26 U.S.C. § 501(c)(3));

(iv) Any person licensed as a real estate broker, **AN ASSOCIATE REAL ESTATE BROKER, OR A REAL ESTATE SALESPERSON** by this State where the person is acting within the course and scope of that license;

(v) Any person licensed as a mortgage lender by this State;

(vi) An individual admitted to the Bar of the Court of Appeals of Maryland when the individual renders services within the course and scope of practice by the individual as a lawyer and does not engage in the credit services business on a regular and continuing basis;

(vii) Any broker–dealer registered with the Securities and Exchange Commission or the Commodity Futures Trading Commission where the broker–dealer is acting within the course and scope of that regulation;

(viii) Any consumer reporting agency as defined in the federal Fair Credit Reporting Act (15 U.S.C. §§ 1681 – 1681t) or in § 14–1201(e) of this title; or

(ix) An individual licensed by the Maryland Board of Public Accountancy when the individual renders services within the course and scope of practice by the individual as a certified public accountant and does not engage in the credit services business on a regular and continuing basis.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 802 – *Calvert County – Public Facilities Bonds*.

This bill authorizes and empowers the County Commissioners of Calvert County, from time to time, to borrow not more than \$33,810,000 to finance the construction, improvement, or development of specified public facilities in Calvert County and to effect such borrowing by the issuance and sale of its general obligation bonds.

Senate 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 House Bill 802.

Sincerely,

Governor Martin O'Malley

House Bill 802

AN ACT concerning

Calvert County – Public Facilities Bonds

FOR the purpose of authorizing and empowering the County Commissioners of Calvert County, from time to time, to borrow not more than \$33,810,000 to finance the construction, improvement, or development of certain public facilities in Calvert County, as herein defined, and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds in like par amount; empowering the County to fix and determine, by resolution, the form, tenor, interest rate or rates or method of determining the same, terms, conditions, maturities, and all other details incident to the issuance and sale of the bonds; empowering the County to issue refunding bonds for the purchase or redemption of bonds in advance of maturity; empowering and directing the County to levy, impose, and collect, annually, ad valorem taxes in rate and amount sufficient to provide funds for the payment of the maturing principal of and interest on the bonds; exempting the bonds and refunding bonds and the interest thereon and any income derived therefrom from all State, county, municipal, and other taxation in the State of Maryland; providing that nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes; and generally relating to the issuance and sale of such bonds.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, as used herein, the term “County” means the body politic and corporate of the State of Maryland known as the County Commissioners of Calvert County, and the term “construction, improvement, or development of public facilities” means the acquisition, alteration, construction, reconstruction, enlargement, equipping, expansion, extension, improvement, rehabilitation, renovation, upgrading, and repair of public buildings and facilities, including but not limited to the Emergency Communication System Upgrade and Expansions, Appeal Waterline Extension, Pasri Oaks Pump Station Rehab, and St. Leonard Well and Storage, and issuance costs together with the costs of acquiring land or interests in land as well as any related architectural, financial, legal, planning, or engineering services.

SECTION 2. AND BE IT FURTHER ENACTED, That the County is hereby authorized to finance any part or all of the costs of the public facilities described in Section 1 of this Act, and to borrow money and incur indebtedness for that purpose, at one time or from time to time, in an amount not exceeding, in the aggregate, \$33,810,000 and to evidence such borrowing by the issuance and sale upon its full faith and credit of general obligation bonds in like par amount, which may be issued at one time or from time to time, in one or more groups or series, as the County may determine.

SECTION 3. AND BE IT FURTHER ENACTED, That the bonds shall be issued in accordance with a resolution of the County, which shall describe generally the construction, improvement, or development of public facilities for which the proceeds of the bond sale are intended and the amount needed for those purposes. The County shall have and is hereby granted full and complete authority and discretion in the resolution to fix and determine with respect to the bonds of any issue: the designation, date of issue, denomination or denominations, form or forms, and tenor of the bonds which, without limitation, may be issued in registered form within the meaning of 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 Calvert County; the manner of executing and sealing the bonds, which may be by facsimile; the terms and conditions, if any, under which bonds may be tendered for payment or purchase prior to their stated maturity; the terms or conditions, if any, under which bonds may or shall be redeemed prior to their stated maturity; the place or places of payment of the principal of and the interest on the bonds, which may be at any bank or trust company within or without the State of Maryland; covenants relating to compliance with applicable requirements of federal income tax law, including (without limitation) covenants regarding the payment of rebate or penalties in lieu of rebate; covenants relating to compliance with applicable requirements of federal or state securities laws; and generally all matters incident to the terms, conditions, issuance, sale, and delivery thereof.

The bonds may be made redeemable before maturity, at the option of the County, at such price or prices and under such terms and conditions as may be fixed by the County prior to the issuance of the bonds, either in the resolution or in a bond order pursuant to the bond resolution. The bonds may be issued in registered form and provision may be made for the registration of the principal only. In case any officer whose signature appears on any bond ceases to be such officer before the delivery thereof, such signature shall nevertheless be valid and sufficient for all purposes as if he had remained in office until such delivery. The bonds and the issuance and sale thereof shall be exempt from the provisions of Sections 9, 10, and 11 of Article 31 of the Annotated Code of Maryland, as amended.

The County may enter into agreements with agents, banks, fiduciaries, insurers, or others for the purpose of enhancing the marketability of any security for the bonds and for the purpose of securing any tender option that may be granted to holders of the bonds, all as may be determined and presented in the aforesaid resolution, which may (but need not) state as security for the performance by the County of any monetary obligations under such agreements the same security given by the County to bondholders for the performance by the County of its monetary obligations under the bonds.

If the County determines in the resolution to offer any of the bonds by solicitation of competitive bids at public sale, the resolution shall fix the terms and conditions of the public sale and shall adopt a form of notice of sale, which shall outline the terms and conditions, and a form of advertisement, which shall be published in one or more daily or weekly newspapers having a general circulation in the County and which may also be published in one or more journals having a circulation primarily among banks and investment bankers. At least one publication of the advertisement shall be made not less than 10 days before the sale of the bonds.

Upon delivery of any bonds to the purchaser or purchasers, payment therefor shall be made to the Treasurer of Calvert County or such other official of Calvert County as may be designated to receive such payment in a resolution passed by the County before such delivery.

SECTION 4. AND BE IT FURTHER ENACTED, That the net proceeds of the sale of bonds shall be used and applied exclusively and solely for the acquisition, construction, improvement, or development of public facilities for which the bonds are sold. If the amounts borrowed shall prove inadequate to finance the projects described in the resolution, the County may issue additional bonds with the limitations hereof for the purpose of evidencing the borrowing of additional funds for such financing, provided the resolution authorizing the sale of additional bonds shall so recite, but if the net proceeds of the sale of any issue of bonds exceed the amount needed to finance the projects described in the resolution, the excess funds so borrowed and not expended shall be applied to the payment of the next principal maturity of the bonds or to the redemption of any part of the bonds which have been made redeemable or to the purchase and cancellation of bonds, unless the County shall adopt a resolution allocating the excess funds to the acquisition, construction, improvement, or development of other public facilities, as defined and within the limits set forth in this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That the bonds hereby authorized shall constitute, and they shall so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing principal of and interest on the bonds as and when they become payable. In each and every fiscal year that any of the bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for or assure

the payment, when due, of the principal of and interest on all the bonds maturing in each such fiscal year and, in the event the proceeds from the taxes so levied in any such fiscal year shall prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency. The County may apply to the payment of the principal of and interest on any bonds issued hereunder any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality thereof, or from any other source, if such funds are granted for the purpose of assisting the County in financing the acquisition, construction, improvement, or development of the public facilities defined in this Act and, to the extent of any such funds received or receivable in any fiscal year, the taxes that are required to be levied may be reduced accordingly.

SECTION 6. AND BE IT FURTHER ENACTED, That the County is further authorized and empowered, at any time and from time to time, to issue its bonds in the manner hereinabove described for the purpose of refunding, by payment at maturity or upon purchase or redemption, any bonds issued hereunder. The validity of any such refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the obligations so refunded. The powers herein granted with respect to the issuance of bonds shall be applicable to the issuance of refunding bonds. Such refunding bonds may be issued by the County in such an amount as shall be necessary for the purpose of providing it with funds to pay any of its outstanding bonds issued hereunder at maturity, for the purpose of providing it with funds to purchase in the open market any of its outstanding bonds issued hereunder, prior to the maturity thereof, or for the purpose of providing it with funds for the redemption prior to maturity of any outstanding bonds issued hereunder which are, by their terms, redeemable, for the purpose of providing it with funds to pay interest on any outstanding bonds issued hereunder prior to their payment at maturity of purchase or redemption in advance of maturity, or for the purpose of providing it with funds to pay any redemption or purchase premium in connection with the refunding of any of its outstanding bonds issued hereunder. The proceeds of the sale of any such refunding bonds shall be segregated and set apart by the County as a separate trust fund to be used solely for the purpose of paying the purchase or redemption prices of the bonds to be refunded.

SECTION 7. AND BE IT FURTHER ENACTED, That the County may, prior to the preparation of definitive bonds, issue interim certificates or temporary bonds, exchangeable for definitive bonds when such bonds have been executed and are available for such delivery, provided, however, that any such interim certificates or temporary bonds shall be issued in all respects subject to the restrictions and requirements set forth in this Act. The County may, by appropriate resolution, provide for the replacement of any bonds issued hereunder which shall have become mutilated or lost or destroyed upon such conditions and after receiving such indemnity as the County may require.

SECTION 8. AND BE IT FURTHER ENACTED, That any and all obligations issued pursuant to the authority of this Act, their transfer, the interest payable thereon, and any income derived therefrom in the hands of the holders thereof from

time to time (including any profit made in the sale thereof) shall be and are hereby declared to be at all times exempt from State, county, municipal, or other taxation of every kind and nature whatsoever within the State of Maryland. Nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes.

SECTION 9. AND BE IT FURTHER ENACTED, That the authority to borrow money and issue bonds conferred on the County by this Act shall be deemed to provide an additional and alternative authority for borrowing money and shall be regarded as supplemental and additional to powers conferred upon the County by other laws and shall not be regarded as in derogation of any power now existing; and all Acts of the General Assembly of Maryland heretofore passed authorizing the County to borrow money are hereby continued to the extent that the powers contained in such Acts have not been exercised, and nothing contained in this Act may be construed to impair, in any way, the validity of any bonds that may have been issued by the County under the authority of any said Acts, and the validity of the bonds is hereby ratified, confirmed, and approved. This Act, being necessary for the welfare of the inhabitants of Calvert County, shall be liberally construed to effect the purposes hereof. All Acts and parts of Acts inconsistent with the provisions of this Act are hereby repealed to the extent of such inconsistency.

SECTION 10. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 846 – *Carroll County – Public Facilities Bonds*.

This bill authorizes and empowers the County Commissioners of Carroll County, from time to time, to borrow not more than \$40,000,000 in order to finance the construction, improvement, or development of specified public facilities in Carroll County and to effect such borrowing by issuance and sale at public or private sale of its general obligation bonds.

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 846.

Sincerely,

Governor Martin O'Malley

House Bill 846

AN ACT concerning

Carroll County – Public Facilities Bonds

FOR the purpose of authorizing and empowering the County Commissioners of Carroll County, from time to time, to borrow not more than \$40,000,000 in order to finance the construction, improvement, or development of certain public facilities in Carroll County, including water and sewer projects, to finance loans for fire or emergency-related equipment, buildings, and other facilities of volunteer fire departments in the County, and to effect such borrowing by the issuance and sale at public or private sale of its general obligation bonds in like par amount; empowering the County to fix and determine, by resolution, the form, tenor, interest rate or rates or method of determining the same, terms, conditions, maturities, and all other details incident to the issuance and sale of the bonds; empowering the County to issue refunding bonds for the purchase or redemption of bonds in advance of maturity; providing that such borrowing may be undertaken by the County in the form of installment purchase obligations executed and delivered by the County for the purpose of acquiring agricultural land and woodland preservation easements; empowering and directing the County to levy, impose, and collect, annually, ad valorem taxes in rate and amount sufficient to provide funds for the payment of the maturing principal of and interest on the bonds; exempting the bonds and refunding bonds and the interest thereon and any income derived therefrom from all State, County, municipal, and other taxation in the State of Maryland; providing that nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes; and relating generally to the issuance and sale of such bonds.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, as used herein, the term “County” means the body politic and corporate of the State of Maryland known as the County Commissioners of Carroll County, and the term “construction, improvement, or development of public facilities” means the acquisition, alteration, construction, reconstruction, enlargement, equipping, expansion, extension, improvement, rehabilitation, renovation, upgrading, and repair of public buildings and facilities and public works projects, including, but not limited to, public works projects such as roads, bridges and storm drains, public

school buildings and facilities, landfills, Carroll Community College buildings and facilities, public operational buildings and facilities such as buildings and facilities for County administrative use, public safety, health and social services, libraries, refuse disposal buildings and facilities, water and sewer infrastructure facilities, easements or similar or related rights in land that restrict the use of agricultural land or woodland to maintain the character of the land as agricultural land or woodland, and parks and recreation buildings and facilities, together with the costs of acquiring land or interests in land as well as any related architectural, financial, legal, planning, or engineering services.

SECTION 2. AND BE IT FURTHER ENACTED, That the County is hereby authorized to finance any part or all of the costs of the construction, improvements or development of public facilities described in Section 1 of this Act, to make loans to each and every volunteer fire department in the County upon such terms and conditions as may be determined by the County for the purpose of financing certain fire or emergency-related equipment, buildings, or other facilities of volunteer fire departments, and to borrow money and incur indebtedness for those purposes, at one time or from time to time, in an amount not exceeding, in the aggregate, \$40,000,000 and to evidence such borrowing by the issuance and sale upon its full faith and credit of general obligation bonds in like par amount, which may be issued at one time or from time to time, in one or more groups or series, as the County may determine.

SECTION 3. AND BE IT FURTHER ENACTED, That the bonds shall be issued in accordance with a resolution of the County, which shall describe generally the construction, improvement, or development of public facilities, including water and sewer projects, the fire or emergency-related equipment, buildings, or other facilities of volunteer fire departments in the County for which the proceeds of the bond sale are intended and the amount needed for those purposes. The County shall have and is hereby granted full and complete authority and discretion in the resolution to fix and determine with respect to the bonds of any issue: the designation, date of issue, denomination or denominations, form or forms, and tenor of the bonds which, without limitation, may be issued in registered form within the meaning of 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 Carroll County; the manner of executing and sealing the bonds, which may be by facsimile; the terms and conditions of any loans made to volunteer fire departments; the terms and conditions, if any, under which bonds may be tendered for payment or purchase prior to their stated maturity; the terms or conditions, if any, under which bonds may or shall be redeemed prior to their stated maturity; the place or places of payment of the principal of and the interest on the bonds, which may be at any bank or trust company within or without the State of Maryland; covenants relating to compliance with applicable requirements of federal income tax law, including (without limitation) covenants

regarding the payment of rebate or penalties in lieu of rebate; covenants relating to compliance with applicable requirements of federal or state securities laws; and generally all matters incident to the terms, conditions, issuance, sale, and delivery thereof.

The bonds may be made redeemable before maturity, at the option of the County, at such price or prices and under such terms and conditions as may be fixed by the County prior to the issuance of the bonds, either in the resolution or in subsequent resolutions. The bonds may be issued in registered form, and provision may be made for the registration of the principal only. In case any officer whose signature appears on any bond ceases to be such officer before the delivery thereof, such signature shall nevertheless be valid and sufficient for all purposes as if the officer had remained in office until such delivery. The bonds and the issuance and sale thereof shall be exempt from the provisions of Sections 9, 10, and 11 of Article 31 of the Annotated Code of Maryland, as amended.

The borrowing authorized by this Act may also be undertaken by the County in the form of installment purchase obligations executed and delivered by the County for the purpose of acquiring easements or similar or related rights in land that restrict the use of agricultural land or woodland to maintain the character of the land as agricultural or woodland. The form of installment purchase obligations, the manner of accomplishing the acquisition of easements, which may be the direct exchange of installment purchase obligations for easement, and all matters incident to the execution and delivery of the installment purchase obligations and acquisition of the easements by the County shall be determined in the resolution. Except where the provisions of this Act would be inapplicable to installment purchase obligations, the term “bonds” used in this Act shall include installment purchase obligations and matters pertaining to the bonds under this Act, such as the security for the payment of the bonds, the exemption of the bonds from State, County, municipal, or other taxation, and authorization to issue refunding bonds and the limitation on the aggregate principal amount of bonds authorized for issuance, shall be applicable to installment purchase obligations.

The County may enter into agreements with agents, banks, fiduciaries, insurers, or others for the purpose of enhancing the marketability of any security for the bonds and for the purpose of securing any tender option that may be granted to holders of the bonds, all as may be determined and presented in the aforesaid resolution, which may (but need not) state as security for the performance by the County of any monetary obligations under such agreements the same security given by the County to bondholders for the performance by the County of its monetary obligations under the bonds.

If the County determines in the resolution to offer any of the bonds by solicitation of competitive bids at public sale, the resolution shall fix the terms and conditions of the public sale and shall adopt a form of notice of sale, which shall outline the terms and conditions, and a form of advertisement, which shall be published in one or more daily or weekly newspapers having a general circulation in

the County and which may also be published in one or more journals having a circulation primarily among banks and investment bankers. At least one publication of the advertisement shall be made not less than 10 days before the sale of the bonds.

Upon delivery of any bonds to the purchaser or purchasers, payment therefor shall be made to the Comptroller of Carroll County or such other official of Carroll County as may be designated to receive such payment in a resolution passed by the County before such delivery.

SECTION 4. AND BE IT FURTHER ENACTED, That the net proceeds of the sale of bonds shall be used and applied exclusively and solely for the acquisition, construction, improvement, or development of public facilities, including water and sewer projects, to make loans to volunteer fire departments for the financing of fire or emergency-related equipment, buildings, or other facilities of volunteer fire departments in the County for which the bonds are sold. If the amounts borrowed shall prove inadequate to finance the projects described in the resolution, the County may issue additional bonds with the limitations hereof for the purpose of evidencing the borrowing of additional funds for such financing, provided the resolution authorizing the sale of additional bonds shall so recite, but if the net proceeds of the sale of any issue of bonds exceed the amount needed to finance the projects described in the resolution, the excess funds so borrowed and not expended shall be applied to the payment of the next principal maturity of the bonds or to the redemption of any part of the bonds which have been made redeemable or to the purchase and cancellation of bonds, unless the County shall adopt a resolution allocating the excess funds to the acquisition, construction, improvement, or development of other public facilities, including water and sewer projects, or to the making of loans for fire or emergency-related equipment, buildings, or other facilities of volunteer fire departments in the County, as defined and within the limits set forth in this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That the bonds hereby authorized shall constitute, and they shall so recite, an irrevocable pledge of the full faith and credit and unlimited taxing power of the County to the payment of the maturing principal of and interest on the bonds as and when they become payable. In each and every fiscal year that any of the bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for or assure the payment, when due, of the principal of and interest on all the bonds maturing in each such fiscal year and, in the event the proceeds from the taxes so levied in any such fiscal year shall prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any such deficiency. The County may apply to the payment of the principal of and interest on any bonds issued hereunder any funds received by it as loan repayments from volunteer fire departments and any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality thereof, or from any other source, if such funds are granted for the purpose of assisting the County in financing the acquisition, construction, improvement, or development of the public facilities defined in this Act, including the water and sewer projects or the making of loans for the aforementioned fire or

emergency-related equipment, buildings, or other facilities for volunteer fire departments in the County and, to the extent of any such funds received or receivable in any fiscal year, the taxes that are required to be levied may be reduced accordingly.

SECTION 6. AND BE IT FURTHER ENACTED, That the County is further authorized and empowered, at any time and from time to time, to issue its bonds in the manner herein above described for the purpose of refunding, by payment at maturity or upon purchase or redemption, any bonds issued hereunder. The validity of any such refunding bonds shall in no way be dependent upon or related to the validity or invalidity of the obligations so refunded. The powers herein granted with respect to the issuance of bonds shall be applicable to the issuance of refunding bonds. Such refunding bonds may be issued by the County for the purpose of providing it with funds to pay any of its outstanding bonds issued hereunder at maturity, for the purpose of providing it with funds to purchase in the open market any of its outstanding bonds issued hereunder, prior to the maturity thereof, or for the purpose of providing it with funds for the redemption prior to maturity of any outstanding bonds issued hereunder which are, by their terms, redeemable, for the purpose of providing it with funds to pay interest on any outstanding bonds issued hereunder prior to their payment at maturity of purchase or redemption in advance of maturity, or for the purpose of providing it with funds to pay any redemption or purchase premium in connection with the refunding of any of its outstanding bonds issued hereunder. The proceeds of the sale of any such refunding bonds shall be segregated and set apart by the County as a separate trust fund to be used solely for the purpose of paying the purchase or redemption prices of the bonds to be refunded.

SECTION 7. AND BE IT FURTHER ENACTED, That the County may, prior to the preparation of definitive bonds, issue interim certificates or temporary bonds, exchangeable for definitive bonds when such bonds have been executed and are available for such delivery, provided, however, that any such interim certificates or temporary bonds shall be issued in all respects subject to the restrictions and requirements set forth in this Act. The County may, by appropriate resolution, provide for the replacement of any bonds issued hereunder which shall have become mutilated or lost or destroyed upon such conditions and after receiving such indemnity as the County may require.

SECTION 8. AND BE IT FURTHER ENACTED, That any and all obligations issued pursuant to the authority of this Act, their transfer, the interest payable thereon, and any income derived therefrom in the hands of the holders thereof from time to time (including any profit made in the sale thereof) shall be and are hereby declared to be at all times exempt from State, County, municipal, or other taxation of every kind and nature whatsoever within the State of Maryland. Nothing in this Act shall prevent the County from authorizing the issuance and sale of bonds the interest on which is not excludable from gross income for federal income tax purposes.

SECTION 9. AND BE IT FURTHER ENACTED, That the authority to borrow money and issue bonds conferred on the County by this Act shall be deemed to provide an additional and alternative authority for borrowing money and shall be regarded as

supplemental and additional to powers conferred upon the County by other laws and shall not be regarded as in derogation of any power now existing; and all Acts of the General Assembly of Maryland heretofore passed authorizing the County to borrow money are hereby continued to the extent that the powers contained in such Acts have not been exercised, and nothing contained in this Act may be construed to impair, in any way, the validity of any bonds that may have been issued by the County under the authority of any said Acts, and the validity of the bonds is hereby ratified, confirmed, and approved. This Act, being necessary for the welfare of the inhabitants of Carroll County, shall be liberally construed to effect the purposes hereof. All Acts and parts of Acts inconsistent with the provisions of this Act are hereby repealed to the extent of such inconsistency.

SECTION 10. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 863 – *Higher Education Fair Share Act*.

This bill alters the matters of negotiation that may be included in collective bargaining between an employee organization and specified system institutions, Morgan State University, St. Mary's College of Maryland, or Baltimore City Community College and requires employees of specified institutions of higher education to furnish written proof of specified payments to the President of the institution or the President's designee.

Senate Bill 841, 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 863.

Sincerely,

Governor Martin O'Malley

House Bill 863

AN ACT concerning

Higher Education Fair Share Act

FOR the purpose of altering the matters of negotiation that may be included in collective bargaining between an employee organization and certain system institutions, Morgan State University, St. Mary's College of Maryland, or Baltimore City Community College; ~~requiring that written proof of employee payments to certain charitable organizations be furnished to the president of a certain institution or the president's~~ *employees of certain institutions of higher education to furnish written proof of certain payments to the President of the institution or the President's designee*; and generally relating to collective bargaining for employees of certain State institutions of higher education.

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 3–502
Annotated Code of Maryland
(2009 Replacement Volume and 2012 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

3–502.

(a) Collective bargaining shall include all matters relating to wages, hours, and other terms and conditions of employment.

(b) (1) [Except as provided in paragraph (3) of this subsection, collective] **COLLECTIVE** bargaining may include negotiations relating to the right of an employee organization to receive service fees from nonmembers.

(2) An employee whose religious beliefs are opposed to joining or financially supporting any collective bargaining organization is:

(i) not required to pay a service fee; and

(ii) required to pay an amount of money as determined in collective bargaining negotiations, not to exceed any service fee negotiated under paragraph (1) of this subsection, to any charitable organization exempt from taxation under § 501(c)(3) of the Internal Revenue Code and to furnish **WRITTEN PROOF OF THE PAYMENT** to:

1. A. the Department ~~OR;~~ OR

B. IN THE CASE OF AN EMPLOYEE OF AN INSTITUTION ~~LISTED~~ OF HIGHER EDUCATION SPECIFIED IN § 3-102(A)(1)(V) OF THIS TITLE, THE ~~PRESIDENT~~ PRESIDENT OF THE INSTITUTION OR THE ~~PRESIDENT'S~~ PRESIDENT'S DESIGNEE; and

2. the exclusive representative ~~written proof of such payment.~~

[(3) Collective bargaining between an employee organization and a system institution, Morgan State University, St. Mary's College of Maryland, or Baltimore City Community College may not include negotiations relating to the right of an employee organization to receive service fees from nonmembers.]

(c) Notwithstanding subsection (a) of this section, the representatives of the State, a system institution, Morgan State University, St. Mary's College of Maryland, and Baltimore City Community College:

(1) shall not be required to negotiate over any matter that is inconsistent with applicable law; and

(2) may negotiate and reach agreement with regard to any such matter only if it is understood that the agreement with respect to such matter cannot become effective unless the applicable law is amended by the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 889 – *Vehicles Laws – Emergency Vehicles – Motorcades and Escorts.*

This bill authorizes the driver of specified emergency vehicles to exercise specified privileges while performing motorcade or escort duties. This bill also authorizes specified emergency vehicles to travel through any jurisdiction in the State as necessary to perform and return from motorcade or escort duty and requires a jurisdiction that employs a driver who travels through another jurisdiction while performing or returning from motorcade or escort duty to provide specified notice to the other jurisdiction.

Senate Bill 621, 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 889.

Sincerely,

Governor Martin O'Malley

House Bill 889

AN ACT concerning

Vehicles Laws – Emergency Vehicles – Motorcades and Escorts

FOR the purpose of authorizing the driver of certain emergency vehicles to exercise certain privileges while performing certain motorcade or escort duties; authorizing certain emergency vehicles to travel through any jurisdiction in the State as necessary to perform and return from motorcade or escort duty; requiring a jurisdiction that employs a driver who travels through another jurisdiction while performing or returning from motorcade or escort duty to provide certain notice to the other jurisdiction; prohibiting the driver of an emergency vehicle from using certain equipment while returning from motorcade or escort duty; and generally relating to the performance of motorcade or escort duty by an emergency vehicle.

BY repealing and reenacting, without amendments,
Article – Transportation
Section 11–118
Annotated Code of Maryland
(2012 Replacement Volume)

BY repealing and reenacting, with amendments,
Article – Transportation
Section 21–106
Annotated Code of Maryland
(2012 Replacement Volume)

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

Article – Transportation

11–118.

“Emergency vehicle” means any of the following vehicles that are designated by the Administration as entitled to the exemptions and privileges set forth in the Maryland Vehicle Law for emergency vehicles:

- (1) Vehicles of federal, State, or local law enforcement agencies;
- (2) Vehicles of volunteer fire companies, rescue squads, fire departments, the Maryland Institute for Emergency Medical Services Systems, and the Maryland Fire and Rescue Institute;
- (3) State vehicles used in response to oil or hazardous materials spills;
- (4) State vehicles designated for emergency use by the Commissioner of Correction;
- (5) Ambulances; and
- (6) Special vehicles funded or provided by federal, State, or local government and used for emergency or rescue purposes in this State.

21–106.

- (a) Subject to the conditions stated in this section[, the]:

(1) THE driver of an emergency vehicle registered in any state may exercise the privileges set forth in this section while:

- [(1)] (I) Responding to an emergency call;**
- [(2)] (II) Pursuing a violator or suspected violator of the law; or**
- [(3)] (III) Responding to, but not while returning from, a fire alarm[.];**

AND

(2) THE DRIVER OF AN EMERGENCY VEHICLE REGISTERED IN THE STATE OR A LOCAL JURISDICTION IN THE STATE MAY EXERCISE THE PRIVILEGES SET FORTH IN THIS SECTION WHILE PERFORMING MOTORCADE OR ESCORT DUTY IF THE MOTORCADE OR ESCORT DUTY INVOLVES:

- (I) HOMELAND SECURITY;**

(II) A FUNERAL;

(III) A DIGNITARY; OR

(IV) FACILITATING THE SAFE MOVEMENT OF VEHICLES OR PEDESTRIANS THAT ARE OR WILL BE NEAR THE MOTORCADE OR ESCORT.

(b) Under the circumstances stated in subsection (a) of this section, the driver of an emergency vehicle may:

(1) Park or stand without regard to the other provisions of this title;

(2) Pass a red or stop signal, a stop sign, or a yield sign, but only after slowing down as necessary for safety;

(3) Exceed any maximum speed limit, but only so long as the driver does not endanger life or property; [and]

(4) Disregard any traffic control device or regulation governing direction of movement or turning in a specified direction; AND

(5) TRAVEL THROUGH ANY LOCAL JURISDICTION IN THE STATE AS NECESSARY TO PERFORM AND RETURN FROM MOTORCADE OR ESCORT DUTY.

(c) (1) Subject to paragraph (2) of this subsection, the privileges set forth in this section apply only while the emergency vehicle is using audible and visual signals that meet the requirements of § 22–218 of this article, except that an emergency vehicle operated as a police vehicle need not be equipped with or display the visual signals.

(2) The privileges set forth in subsection (b)(1) of this section apply only while the emergency vehicle is using visual signals that meet the requirements of § 22–218 of this article.

(3) (i) The driver of an emergency vehicle may not use flashing lights or a bell, siren, or exhaust whistle while returning from an emergency call [or fire], FIRE alarm, OR MOTORCADE OR ESCORT, except that fire apparatus carrying standing firemen may use flashing lights that are visible only to the rear.

(ii) The driver of an emergency vehicle, while parking or backing the emergency vehicle, may use flashing lights within 100 feet of the entrance ramp to a:

1. Fire station; or
2. Rescue station.

(4) BEFORE EXERCISING THE PRIVILEGES SET FORTH IN SUBSECTION (B)(5) OF THIS SECTION, THE JURISDICTION THAT EMPLOYS THE DRIVER OF A MOTORCADE OR ESCORT SHALL PROVIDE NOTICE OF THE MOTORCADE OR ESCORT TO ANY JURISDICTION THAT THE DRIVER WILL ENTER WHILE PERFORMING OR RETURNING FROM THE MOTORCADE OR ESCORT DUTY.

(d) This section does not relieve the driver of an emergency vehicle from the duty to drive with due regard for the safety of all persons.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 890 – *Health – Overdose Response Program – Establishment*.

This bill provides for an Overdose Response Program overseen by the Department of Health and Mental Hygiene and requiring the Department to adopt regulations and authorizing the Department to take other actions. The bill specifies the requirements an individual must meet to qualify for a specified certificate and authorizes a certified individual to receive a prescription for naloxone and supplies, possess prescribed naloxone and supplies, and administer naloxone, under specified circumstances, to specified individuals.

Senate Bill 610, 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 890.

Sincerely,

Governor Martin O'Malley

House Bill 890

AN ACT concerning

Health – Overdose Response Program – Establishment

FOR the purpose of providing for an Overdose Response Program overseen by the Department of Health and Mental Hygiene; stating the purpose of the Program; ~~authorizing~~ requiring the Department to adopt certain regulations and ~~authorizing the Department to~~ take certain other action regarding the Program; specifying the requirements an individual must meet to qualify for a certain certificate; requiring that a certain educational training program be conducted by a physician or nurse practitioner or certain other individuals and include certain training; requiring an applicant for a certificate to submit a certain application; requiring a certain public or private entity to issue a certificate to an applicant under certain circumstances; requiring that a certificate contain certain information; providing that a replacement certificate may be issued under certain circumstances; providing for the term and renewal of a certain certificate; authorizing an individual who is certified to receive from a certain individual a prescription for naloxone and certain supplies, possess prescribed naloxone and certain paraphernalia, and administer naloxone, under certain circumstances, to certain individuals; authorizing a physician or nurse practitioner to prescribe and dispense naloxone to a certificate holder; ~~prohibiting a certain cause of action from arising against a certificate holder, physician, or nurse practitioner under certain circumstances; prohibiting a certificate holder, physician, and nurse practitioner from being held civilly or criminally liable for certain actions;~~ providing that a certificate holder, under certain circumstances, may not be considered to be practicing medicine for the purposes of a certain provision of law; ~~providing that a certain provision of this Act does not affect certain immunities or defenses; prohibiting an individual from being held civilly liable in certain actions under certain circumstances~~ providing that a physician who prescribes or dispenses naloxone may not be subject to certain disciplinary or other action under certain circumstances; providing for the construction of this Act; defining certain terms; and generally relating to the Overdose Response Program.

BY adding to

Article – Health – General

Section 13-3101 through ~~13-3110~~ 13-3109 to be under the new subtitle
“Subtitle 31. Overdose Response Program”

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

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

Article – Health – General

SUBTITLE 31. OVERDOSE RESPONSE PROGRAM.**13-3101.**

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

(B) "CERTIFICATE" MEANS A CERTIFICATE ISSUED BY A PRIVATE OR PUBLIC ENTITY TO ADMINISTER NALOXONE.

(C) "PRIVATE OR PUBLIC ENTITY" MEANS A HEALTH CARE PROVIDER, LOCAL HEALTH DEPARTMENT, COMMUNITY-BASED ORGANIZATION, SUBSTANCE ABUSE TREATMENT ORGANIZATION, OR OTHER PERSON THAT ADDRESSES MEDICAL OR SOCIAL ISSUES RELATED TO DRUG ADDICTION.

(D) "PROGRAM" MEANS AN OVERDOSE RESPONSE PROGRAM.

13-3102.

AN OVERDOSE RESPONSE PROGRAM IS A PROGRAM OVERSEEN BY THE DEPARTMENT FOR THE PURPOSE OF PROVIDING A MEANS OF AUTHORIZING CERTAIN INDIVIDUALS TO ADMINISTER NALOXONE TO AN INDIVIDUAL EXPERIENCING, OR BELIEVED TO BE EXPERIENCING, OPIOID OVERDOSE TO HELP PREVENT A FATALITY WHEN MEDICAL SERVICES ARE NOT IMMEDIATELY AVAILABLE.

13-3103.

(A) THE DEPARTMENT ~~MAY~~:

~~(1)~~ ~~ADOPT~~ SHALL ADOPT REGULATIONS NECESSARY FOR THE ADMINISTRATION OF THE PROGRAM~~s~~.

(B) THE DEPARTMENT MAY:

~~(2)~~ (1) COLLECT FEES NECESSARY FOR THE ADMINISTRATION OF THE PROGRAM;

~~(3)~~ (2) AUTHORIZE PRIVATE OR PUBLIC ENTITIES TO ISSUE AND RENEW CERTIFICATES TO PERSONS MEETING THE REQUIREMENTS OF THIS SUBTITLE;

~~(4)~~ (3) (I) AUTHORIZE PRIVATE OR PUBLIC ENTITIES TO CONDUCT EDUCATIONAL TRAINING PROGRAMS DESCRIBED IN § 13-3104 OF THIS SUBTITLE; AND

(II) DEVELOP GUIDANCE REGARDING THE CONTENT OF EDUCATIONAL TRAINING PROGRAMS CONDUCTED BY PRIVATE OR PUBLIC ENTITIES; AND

~~(5)~~ (4) COLLECT AND REPORT DATA ON THE OPERATION AND RESULTS OF THE PROGRAMS.

13-3104.

(A) TO QUALIFY FOR A CERTIFICATE, AN INDIVIDUAL SHALL MEET THE REQUIREMENTS OF THIS SECTION.

(B) THE APPLICANT SHALL BE AT LEAST 18 YEARS OLD.

(C) THE APPLICANT SHALL HAVE, OR REASONABLY EXPECT TO HAVE, AS A RESULT OF THE INDIVIDUAL'S OCCUPATION OR VOLUNTEER, FAMILY, OR SOCIAL STATUS, THE ABILITY TO ASSIST AN INDIVIDUAL WHO IS EXPERIENCING AN OPIOID OVERDOSE.

(D) (1) THE APPLICANT SHALL SUCCESSFULLY COMPLETE AN EDUCATIONAL TRAINING PROGRAM ~~APPROVED~~ OFFERED BY A PRIVATE OR PUBLIC ENTITY AUTHORIZED BY THE DEPARTMENT.

(2) AN EDUCATIONAL TRAINING PROGRAM REQUIRED UNDER THIS SUBSECTION SHALL:

(I) BE CONDUCTED BY:

1. A PHYSICIAN LICENSED TO PRACTICE MEDICINE UNDER TITLE 14 OF THE HEALTH OCCUPATIONS ARTICLE;

2. A NURSE PRACTITIONER LICENSED TO PRACTICE REGISTERED NURSING UNDER TITLE 8 OF THE HEALTH OCCUPATIONS ARTICLE AND CERTIFIED AS A NURSE PRACTITIONER BY THE STATE BOARD OF NURSING; OR

3. AN EMPLOYEE OR A VOLUNTEER OF A PRIVATE OR PUBLIC ENTITY THAT MAINTAINS A WRITTEN AGREEMENT WITH A SUPERVISORY PHYSICIAN OR NURSE PRACTITIONER THAT INCLUDES:

A. PROCEDURES FOR PROVIDING PATIENT OVERDOSE INFORMATION;

B. INFORMATION AS TO HOW THE EMPLOYEE OR VOLUNTEER PROVIDING THE INFORMATION WILL BE TRAINED; AND

C. STANDARDS FOR DOCUMENTING THE PROVISION OF PATIENT OVERDOSE INFORMATION TO PATIENTS; AND

(II) INCLUDE TRAINING IN:

1. THE RECOGNITION OF THE SYMPTOMS OF OPIOID OVERDOSE;

2. THE PROPER ADMINISTRATION OF NALOXONE;

3. THE IMPORTANCE OF CONTACTING EMERGENCY MEDICAL SERVICES;

4. THE CARE OF AN INDIVIDUAL AFTER THE ADMINISTRATION OF NALOXONE; AND

5. ANY OTHER TOPICS REQUIRED BY THE DEPARTMENT.

13-3105.

AN APPLICANT FOR A CERTIFICATE SHALL SUBMIT AN APPLICATION TO A PRIVATE OR PUBLIC ENTITY AUTHORIZED BY THE DEPARTMENT ON THE FORM THAT THE DEPARTMENT REQUIRES.

13-3106.

(A) A PRIVATE OR PUBLIC ENTITY AUTHORIZED BY THE DEPARTMENT SHALL ISSUE A CERTIFICATE TO ANY APPLICANT WHO MEETS THE REQUIREMENTS OF THIS SUBTITLE.

(B) EACH CERTIFICATE SHALL INCLUDE:

(1) A STATEMENT THAT THE HOLDER IS AUTHORIZED TO ADMINISTER NALOXONE IN ACCORDANCE WITH THIS SUBTITLE;

(2) THE FULL NAME OF THE CERTIFICATE HOLDER; AND

(3) A SERIAL NUMBER.

(C) A REPLACEMENT CERTIFICATE MAY BE ISSUED TO REPLACE A LOST, DESTROYED, OR MUTILATED CERTIFICATE.

(D) (1) THE CERTIFICATE SHALL BE VALID FOR 2 YEARS AND MAY BE RENEWED.

(2) IN ORDER TO RENEW A CERTIFICATE, THE CERTIFICATE HOLDER SHALL:

(I) SUCCESSFULLY COMPLETE A REFRESHER TRAINING PROGRAM CONDUCTED BY AN AUTHORIZED PRIVATE OR PUBLIC ENTITY; OR

(II) DEMONSTRATE PROFICIENCY TO THE PRIVATE OR PUBLIC ENTITY ISSUING CERTIFICATES UNDER THIS SUBTITLE.

13-3107.

AN INDIVIDUAL WHO IS CERTIFIED MAY:

(1) ON PRESENTMENT OF A CERTIFICATE, RECEIVE FROM ANY PHYSICIAN LICENSED TO PRACTICE MEDICINE IN THE STATE, OR ANY NURSE PRACTITIONER LICENSED TO PRACTICE NURSING IN THE STATE, A PRESCRIPTION FOR NALOXONE AND THE NECESSARY SUPPLIES FOR THE ADMINISTRATION OF NALOXONE;

(2) POSSESS PRESCRIBED NALOXONE AND THE NECESSARY SUPPLIES FOR THE ADMINISTRATION OF NALOXONE; AND

(3) IN AN EMERGENCY SITUATION WHEN MEDICAL SERVICES ARE NOT IMMEDIATELY AVAILABLE, ADMINISTER NALOXONE TO AN INDIVIDUAL EXPERIENCING OR BELIEVED BY THE CERTIFICATE HOLDER TO BE EXPERIENCING AN OPIOID OVERDOSE.

13-3108.

A PHYSICIAN OR NURSE PRACTITIONER MAY PRESCRIBE AND DISPENSE NALOXONE TO A CERTIFICATE HOLDER.

13-3109.

(A) ~~(1) A CAUSE OF ACTION MAY NOT ARISE AGAINST A CERTIFICATE HOLDER AUTHORIZED UNDER THIS SUBTITLE FOR ANY ACT OR OMISSION WHEN~~

~~THE CERTIFICATE HOLDER IS ACTING IN GOOD FAITH WHILE RENDERING EMERGENCY TREATMENT TO AN INDIVIDUAL EXPERIENCING OR BELIEVED BY THE CERTIFICATE HOLDER TO BE EXPERIENCING AN OPIOID OVERDOSE, UNLESS THE CONDUCT OF THE CERTIFICATE HOLDER AMOUNTS TO GROSS NEGLIGENCE, WILLFUL OR WANTON MISCONDUCT, OR INTENTIONALLY TORTIOUS CONDUCT.~~

~~(2) A CERTIFICATE HOLDER WHO IS IN POSSESSION OF OR IS ADMINISTERING NALOXONE TO AN INDIVIDUAL EXPERIENCING OR BELIEVED BY THE CERTIFICATE HOLDER TO BE EXPERIENCING AN OPIOID OVERDOSE MAY NOT BE HELD CIVILLY OR CRIMINALLY LIABLE FOR ACTIONS AUTHORIZED BY THIS SUBTITLE.~~

~~(3) A CERTIFICATE HOLDER WHO, IN ACCORDANCE WITH THIS SUBTITLE, IS ADMINISTERING NALOXONE TO AN INDIVIDUAL EXPERIENCING OR BELIEVED BY THE CERTIFICATE HOLDER TO BE EXPERIENCING AN OPIOID OVERDOSE MAY NOT BE CONSIDERED TO BE PRACTICING MEDICINE FOR THE PURPOSES OF TITLE 14 OF THE HEALTH OCCUPATIONS ARTICLE.~~

~~(B) (1) A CAUSE OF ACTION MAY NOT ARISE AGAINST ANY PHYSICIAN OR NURSE PRACTITIONER FOR ANY ACT OR OMISSION WHEN THE PHYSICIAN OR NURSE PRACTITIONER IN GOOD FAITH PRESCRIBES, TO AN INDIVIDUAL CERTIFIED UNDER § 13-3106 OF THIS SUBTITLE, NALOXONE AND THE NECESSARY SUPPLIES FOR THE ADMINISTRATION OF NALOXONE.~~

~~(2) A PHYSICIAN OR NURSE PRACTITIONER MAY NOT BE HELD CIVILLY OR CRIMINALLY LIABLE FOR ACTIONS AUTHORIZED BY THIS SUBTITLE.~~

~~(C) THIS SECTION DOES NOT AFFECT, AND MAY NOT BE CONSTRUED TO AFFECT, ANY IMMUNITIES FROM CIVIL LIABILITY OR DEFENSES ESTABLISHED BY ANY OTHER PROVISION OF STATE LAW OR BY COMMON LAW TO WHICH A VOLUNTEER, PHYSICIAN, OR NURSE PRACTITIONER MAY BE ENTITLED.~~

~~13-3110.~~

~~(A) THIS SUBTITLE MAY NOT BE CONSTRUED TO:~~

~~(1) CREATE A DUTY ON ANY INDIVIDUAL TO OBTAIN A CERTIFICATE UNDER THIS SUBTITLE, AND AN INDIVIDUAL MAY NOT BE HELD CIVILLY LIABLE FOR FAILING TO OBTAIN A CERTIFICATE UNDER THIS SUBTITLE; OR~~

~~(2) CREATE A DUTY ON A CERTIFICATE HOLDER TO ADMINISTER NALOXONE TO AN INDIVIDUAL EXPERIENCING, OR BELIEVED BY THE CERTIFICATE HOLDER TO BE EXPERIENCING, AN OPIOID OVERDOSE.~~

~~(B) AN INDIVIDUAL MAY NOT BE HELD CIVILLY LIABLE IN ANY ACTION ARISING FROM OR IN CONNECTION WITH THE ADMINISTRATION OF NALOXONE BY THE INDIVIDUAL SOLELY BECAUSE THE INDIVIDUAL DID NOT POSSESS A CERTIFICATE ISSUED UNDER THIS SUBTITLE~~ A PHYSICIAN WHO PRESCRIBES OR DISPENSES NALOXONE TO A CERTIFICATE HOLDER IN A MANNER CONSISTENT WITH THE PROTOCOL ESTABLISHED BY THE AUTHORIZED PRIVATE OR PUBLIC ENTITY MAY NOT BE SUBJECT TO ANY DISCIPLINARY OR OTHER ACTION UNDER TITLE 14 OF THE HEALTH OCCUPATIONS ARTICLE SOLELY FOR THE ACT OF PRESCRIBING OR DISPENSING NALOXONE TO THE CERTIFICATE HOLDER.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 905 – *Health Occupations – Funeral Establishments – Preparation and Holding Rooms*.

This bill establishes that a funeral establishment that uses a central preparation room at another funeral establishment is not required to have its own preparation room or holding room.

Senate 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 House Bill 905.

Sincerely,

Governor Martin O'Malley

House Bill 905

AN ACT concerning

**Health Occupations – Funeral Establishments – Preparation and
Holding Rooms**

FOR the purpose of establishing that a funeral establishment that uses a central preparation room at another funeral establishment is not required to have its own preparation room or holding room; and generally relating to funeral establishments.

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 7–310
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

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

Article – Health Occupations

7–310.

(a) (1) A funeral establishment shall be licensed by the Board before the establishment may be used for the preparation of the remains, viewing, and conducting of services.

(2) The licensee may be restricted to operations as determined by the Board.

(b) (1) To apply for a funeral establishment license, an applicant shall:

(i) Submit an application to the Board on the form that the Board requires; and

(ii) Pay to the Board:

1. An application fee set by the Board; and

2. The fee established under § 7–4A–05(a) of this title.

(2) An application for a funeral establishment license shall be signed by a licensed individual who is not an apprentice but is the owner or co-owner of the establishment to be licensed.

(c) The Board shall issue a funeral establishment license to a funeral establishment that:

- (1) Has complied with all applicable State and local laws;
- (2) Will be owned and operated in accordance with this title by at least one licensed mortician or one licensed funeral director, or a holder of a surviving spouse or corporation license; and
- (3) Will be held responsible for any and all activities performed on the premises.

(d) Signs and advertisements of a funeral establishment shall display the name that appears on the establishment license.

(E) A FUNERAL ESTABLISHMENT THAT USES A CENTRAL PREPARATION ROOM AT ANOTHER FUNERAL ESTABLISHMENT IS NOT REQUIRED TO HAVE ITS OWN PREPARATION ROOM OR HOLDING ROOM.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 977 – *Motor Vehicle Registration – Special Vintage Reproduction Registration Plate*.

This bill requires the Motor Vehicle Administration to develop and make available a specially designed vintage reproduction registration plate and prescribes who may apply for and the classes of vehicles eligible for the registration plate. This bill also provides the manner in which fees will be established, collected, and distributed in connection with the registration plate and requires that the registration plate be available for a specified time and resemble a specified registration plate issued by the State.

Senate Bill 39, 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 977.

Sincerely,

Governor Martin O'Malley

House Bill 977

AN ACT concerning

Motor Vehicle Registration – Special Vintage Reproduction Registration Plate

FOR the purpose of requiring the Motor Vehicle Administration to develop and make available a specially designed vintage reproduction registration plate; prescribing who may apply for and the classes of vehicles eligible for the registration plate; providing the manner in which fees will be established, collected, and distributed in connection with the registration plate; requiring that the registration plate be available for sale for a certain time and resemble a certain registration plate issued by the State; providing for a delayed effective date; and generally relating to the issuance of special registration plates.

BY adding to

Article – Transportation
Section 13–619.3
Annotated Code of Maryland
(2009 Replacement Volume and 2012 Supplement)

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

Article – Transportation

13–619.3.

(A) THE ADMINISTRATION SHALL DEVELOP AND MAKE AVAILABLE FOR QUALIFYING VEHICLES A SPECIALLY DESIGNED VINTAGE REPRODUCTION REGISTRATION PLATE.

(B) THE OWNER OF A VEHICLE, OR A LESSEE OF THE VEHICLE UNDER A LEASE NOT INTENDED AS SECURITY, OR A DIRECTOR, AN OFFICER, AN EMPLOYEE, OR A PARTNER OF A BUSINESS ENTITY THAT OWNS THE VEHICLE CONSIDERED ELIGIBLE BY THE ADMINISTRATION MAY APPLY TO THE

ADMINISTRATION FOR A REGISTRATION PLATE UNDER THIS SECTION IF THE VEHICLE IS INCLUDED IN ONE OF THE FOLLOWING CLASSES:

(1) A CLASS A (PASSENGER) VEHICLE;

(2) A CLASS E (TRUCK) VEHICLE WITH A MANUFACTURER'S RATED CAPACITY OF 1 TON OR LESS;

(3) A CLASS L (HISTORIC) VEHICLE;

(4) A CLASS M (MULTIPURPOSE) VEHICLE; OR

(5) A CLASS N (STREET ROD) VEHICLE.

(C) IN ADDITION TO THE ANNUAL REGISTRATION FEE OTHERWISE REQUIRED UNDER THIS TITLE, AN OWNER OF A VEHICLE ASSIGNED A REGISTRATION PLATE UNDER THIS SECTION SHALL PAY WHEN INITIALLY ISSUED THE REGISTRATION PLATE AND EACH TIME THE REGISTRATION PLATE IS RENEWED:

(1) A FEE SET BY THE ADMINISTRATION TO RECOVER THE ADMINISTRATION'S COSTS UNDER THIS SECTION; AND

(2) A FEE SET BY THE ADMINISTRATION TO BE CREDITED TO THE GASOLINE AND MOTOR VEHICLE REVENUE ACCOUNT FOR DISTRIBUTION UNDER § 8-403 OR § 8-404 OF THIS ARTICLE.

(D) THE SPECIAL REGISTRATION PLATE ISSUED UNDER THIS SECTION SHALL:

(1) BE AVAILABLE FOR SALE FOR 1 YEAR FROM THE DATE OF INITIAL ISSUANCE; AND

(2) RESEMBLE THE BLACK LETTERING ON YELLOW BACKGROUND REGISTRATION PLATE ISSUED BY THE STATE FOR DISPLAY ON A MOTOR VEHICLE IN 1910.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect January 1, 2014.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 999 – *Worcester County – Alcoholic Beverages*.

This bill alters in Worcester County the privileges of specified alcoholic beverages licenses and creates a Class EF (entertainment facility) beer, wine and liquor license. This bill also authorizes a license holder to sell beer, wine, and liquor from one or more outlets in a specified entertainment facility, for consumption anywhere throughout the entertainment facility only, and increases the maximum fine to \$4,000 in the county that may be imposed on a person for a specified alcoholic beverages violation.

Senate Bill 949, 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 999.

Sincerely,

Governor Martin O'Malley

House Bill 999

AN ACT concerning

Worcester County – Alcoholic Beverages ~~Licenses~~ ~~Fines~~ ~~Alcohol~~ ~~Awareness Program~~

FOR the purpose of altering in Worcester County the privileges relating to the sale of alcoholic beverages by the holders of certain alcoholic beverages licenses; creating a Class EF (entertainment facility) beer, wine and liquor license; authorizing a license holder to sell beer, wine, and liquor, from one or more outlets in a certain entertainment facility, for consumption anywhere throughout the entertainment facility only; requiring a facility for which a license is issued to have a certain amount of capital investment; authorizing the Board of License Commissioners to issue one or more licenses for the same facility; specifying the hours of sale and a certain license fee; increasing the maximum fine in the county that may be imposed on a person for a certain alcoholic beverages violation; exempting a certain licensee in the county from a certain requirement regarding certification by an approved alcohol awareness program; allowing in the county a person who is certified by a program to be

absent from the licensed premises under certain circumstances; authorizing the Department of Liquor Control, acting as a wholesaler, to purchase wine and liquor under certain circumstances; prohibiting the resale of certain wine and liquor until a certain excise tax has been paid; authorizing the Department, acting as a retailer, to purchase wine and liquor under certain circumstances; altering a certain date on which a licensee in the county may elect to purchase wine or liquor from a licensed wholesaler; and generally relating to alcoholic beverages in Worcester County.

BY repealing and reenacting, without amendments,

Article 2B – Alcoholic Beverages

Section 6–201(a)(1) and (y)(1), 6–401(y)(1) and (2)(i), and 13–101(c)(1) and (2)(iii)

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

BY repealing and reenacting, with amendments,

Article 2B – Alcoholic Beverages

Section 6–201(y)(4), 6–401(y)(2)(iv), 11–304(a)(2), ~~and~~ 13–101(c)(2)(i), (ii), and (iv)1., 15–205(l), and 15–204(e)

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

BY adding to

Article 2B – Alcoholic Beverages

Section 6–201(y)(9)

Annotated Code of Maryland

(2011 Replacement Volume and 2012 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.

(y) (1) This subsection applies only in Worcester County.

(4) Seven-day license holders may sell beer, wine and liquor [(on-sale) and beer and light wine (off-sale)] **(ON-SALE OR OFF-SALE)**.

(9) (I) THERE IS A CLASS EF (ENTERTAINMENT FACILITY) BEER, WINE AND LIQUOR LICENSE.

(II) A CLASS EF LICENSE AUTHORIZES THE HOLDER TO SELL BEER, WINE, AND LIQUOR BY THE DRINK AND BY THE BOTTLE, FROM ONE OR MORE OUTLETS IN THE ENTERTAINMENT FACILITY, FOR CONSUMPTION ANYWHERE THROUGHOUT THE ENTERTAINMENT FACILITY.

(III) A HOLDER OF A CLASS EF LICENSE MAY NOT SELL ALCOHOLIC BEVERAGES FOR OFF-SALE CONSUMPTION.

(IV) NOTWITHSTANDING § 8-208(B) OF THIS ARTICLE, THE BOARD OF LICENSE COMMISSIONERS MAY ISSUE A CLASS EF LICENSE ONLY IF THE APPLICANT HAS AN INITIAL CAPITAL INVESTMENT IN THE FACILITY FOR WHICH THE LICENSE IS SOUGHT OF AT LEAST \$45,000,000.

(V) THE BOARD MAY ISSUE ONE OR MORE CLASS EF LICENSES FOR THE SAME FACILITY.

(VI) A CLASS EF LICENSE AUTHORIZES THE SALE AND SERVING OF BEER, WINE, AND LIQUOR ANYWHERE THROUGHOUT THE ENTERTAINMENT FACILITY DURING THOSE DAYS THAT THE ENTERTAINMENT FACILITY IS OPEN FOR BUSINESS AND FROM 9:00 A.M. THROUGH 4:00 A.M. THE FOLLOWING DAY.

(VII) A CLASS EF LICENSE AUTHORIZES DANCING AND THE PLAYING OF MUSIC.

~~(VII)~~ (VIII) THE ANNUAL LICENSE FEE IS \$15,000.

6-401.

(y) (1) This subsection applies only in Worcester County.

(2) (i) A Class D beer, wine and liquor license may be issued only within:

1. The corporate limits of Ocean City;
2. The boundary lines of the 10th taxing district;
3. The area bounded by U.S. Route 50 to the south, Turville Creek and Herring Creek to the east, St. Martin River to the north, and Maryland Route 589 to the west;

4. The area bounded by Maryland Route 589 to the north and east, U.S. Route 50 to the south, and U.S. Route 113 to the west; and

5. From the intersection of Maryland Route 589 and U.S. Route 50, an area bounded by a line that extends 1,500 feet south of U.S. Route 50, east to the boundary of the 10th taxing district, north along the 10th taxing district boundary to U.S. Route 50, and west to the intersection of Maryland Route 589 and U.S. Route 50.

(iv) Seven-day license holders may sell beer, wine and liquor [(on-sale) and beer and light wine (off-sale)] **(ON-SALE AND OFF-SALE)**.

11-304.

(a) (2) Except as provided in this section, any person found consuming any alcoholic beverage on any premises open to the general public, and any owner, operator or manager of those premises or places who knowingly permits consumption between the hours provided by this section is guilty of a misdemeanor and, upon conviction, shall be fined not more than \$50 and not less than \$5.

(i) In Anne Arundel County the fine may not be more than \$250.

(ii) In Worcester County the fine may not be more than **[\$1,000]**
\$4,000.

13-101.

(c) (1) A holder of any class of retail alcoholic beverages license or an employee designated by the holder shall complete training in an approved alcohol awareness program. The training shall be valid for a period of 4 years, and the holder shall complete retraining in an approved program for each successive 4-year period.

(2) (i) This paragraph applies only in the following jurisdictions:

1. Howard County;
2. Montgomery County;
3. Kent County;
4. Washington County;
5. Caroline County; **[and]**

6. Except as provided in subparagraph (ii) of this paragraph, Wicomico County; **AND**

7. EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, WORCESTER COUNTY.

(ii) This paragraph does not apply to a licensee in Wicomico County **OR WORCESTER COUNTY** with a Class C license.

(iii) The licensee or a person who is employed in a supervisory capacity designated by the licensee:

1. Shall be certified by an approved alcohol awareness program; and

2. Except as otherwise provided in subparagraph (iv) of this paragraph, be present during the hours in which alcohol may be sold.

(iv) 1. In Howard County, Kent County, Washington County, [and] Wicomico County, **AND WORCESTER COUNTY**, the person certified by an approved alcohol awareness program may be absent from the licensed premises for a bona fide personal or business reason or an emergency, if the absence lasts for not more than 2 hours.

15-204.

(e) (1) In this subsection, "Department" means the Worcester County Department of Liquor Control.

(2) This subsection applies only in Worcester County.

(3) (i) Beginning on [May 1, 2016] **JULY 1, 2014**, a licensee in the county may elect to purchase wine or liquor from a licensed wholesaler by providing written notice of the licensee's intent to the Department at least 60 days before the date the purchasing activity is to start.

(ii) The notice shall contain:

1. The name of the licensee;

2. The name and address of the licensed premises; and

3. The date that the notice was sent to the Department.

(4) A licensee that meets the requirements of this subsection may purchase wine or liquor from a licensed wholesaler in addition to or instead of the Department.

(5) (i) The Department shall issue a letter of confirmation to a licensee that meets the requirements of this subsection.

(ii) The licensee shall display the letter conspicuously on the licensed premises.

15-205.

(1) (1) In Worcester County, subject to the approval of the County Commissioners, the Director of the Department of Liquor Control may purchase or otherwise acquire:

[(1)] (I) Real or personal property that the Director considers necessary to operate dispensaries, stores, or warehouses; and

[(2)] (II) [Wine] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, WINE and liquor from any source for resale.

(2) (I) 1. ACTING AS A WHOLESALER, ~~THE~~ THE DEPARTMENT OF LIQUOR CONTROL ~~ACTING AS A WHOLESALER~~ MAY PURCHASE WINE AND LIQUOR, ON WHICH THE EXCISE TAX HAS NOT BEEN PAID, FROM A LICENSED WHOLESALER.

2. THE DEPARTMENT OF LIQUOR CONTROL MAY ONLY RESELL THE WINE AND LIQUOR PURCHASED UNDER THIS SUBPARAGRAPH TO A NONDISPENSARY, LICENSED RETAILER AND ONLY AFTER THE EXCISE TAX HAS BEEN PAID.

(II) ~~REGARDLESS OF ANY OTHER STATE LAW OR REGULATION TO THE CONTRARY, WINE AND LIQUOR PURCHASED BY THE DEPARTMENT OF LIQUOR CONTROL FROM ANY SOURCE, INCLUDING A GOVERNMENTAL ALCOHOLIC BEVERAGE CONTROL DEPARTMENT OR AGENCY OF ANOTHER STATE, A NONRESIDENT WHOLESALER WHETHER OR NOT LICENSED IN THIS STATE OR ACTING AS A WHOLESALER, OR A LICENSED WHOLESALER OR LIQUOR CONTROL BOARD, MAY NOT BE RESOLD UNTIL THE EXCISE TAX IMPOSED BY § 5-102 OF THE TAX GENERAL ARTICLE HAS BEEN PAID. ACTING AS A RETAILER, THE DEPARTMENT OF LIQUOR CONTROL MAY PURCHASE WINE AND LIQUOR, ON WHICH THE EXCISE TAX HAS BEEN PAID, FROM A LICENSED WHOLESALER FOR RETAIL SALE IN DISPENSARY STORES.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 1024 – *Employees' Pension System – Elected or Appointed Officials – Membership*.

This bill prohibits specified individuals who are serving in specified elected or appointed positions from being members of the Employees' Pension System while serving in those positions.

Senate Bill 674, 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 1024.

Sincerely,

Governor Martin O'Malley

House Bill 1024

AN ACT concerning

Employees' Pension System – Elected or Appointed Officials – ~~Optional~~ Membership

FOR the purpose of ~~providing that certain elected or appointed officials whose employers are participating employers of the State Retirement and Pension System may elect to join the Employees' Pension System within a certain period of time; providing that certain elected or appointed officials whose employers are participating employers of the State Retirement and Pension System may elect to cease membership in the Employees' Pension System within a certain period of time; requiring certain elected or appointed officials who make an election to join or an election to cease membership to complete a certain form~~

~~and file it with the Board of Trustees for the State Retirement and Pension System; providing that certain elected or appointed officials who do not make an election to join within a certain period of time may not join the Employees' Pension System; providing that certain elected or appointed officials who do not make an election to cease membership within a certain period of time remain members in the Employees' Pension System; requiring the Board of Trustees to adopt certain regulations; defining a certain term; prohibiting certain individuals who are serving in certain elected or appointed positions from being members of the Employees' Pension System while serving in those positions; and generally relating to optional membership for elected or appointed officials in the Employees' Pension System.~~

~~BY adding to~~

~~Article State Personnel and Pensions~~

~~Section 23-204.1~~

~~Annotated Code of Maryland~~

~~(2009 Replacement Volume and 2012 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~~

~~23-204.1.~~

~~(A) IN THIS SECTION, "ELECTED OR APPOINTED OFFICIAL" MEANS AN INDIVIDUAL EMPLOYED BY A PARTICIPATING EMPLOYER AS:~~

- ~~(1) A STATE'S ATTORNEY;~~
- ~~(2) A SHERIFF, OTHER THAN THE BALTIMORE CITY SHERIFF;~~
- ~~(3) AN ELECTED OFFICIAL OF A COUNTY OR MUNICIPAL CORPORATION;~~
- ~~(4) AN ORPHANS' COURT JUDGE FOR A COUNTY THAT IS NOT REQUIRED TO PAY A PENSION UNDER § 2-108(Y) OF THE ESTATES AND TRUSTS ARTICLE;~~
- ~~(5) A MEMBER OF A BOARD THAT REGULATES GAMING UNDER TITLE 13 OF THE CRIMINAL LAW ARTICLE; OR~~
- ~~(6) A MEMBER OF A LOCAL LICENSING BOARD AS DEFINED IN ARTICLE 2B, § 1-101 OF THE CODE.~~

~~(B) (1) (i) MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM IS OPTIONAL FOR AN INDIVIDUAL WHO:~~

~~1. IS SERVING AS AN ELECTED OR APPOINTED OFFICIAL ON OR AFTER JULY 1, 2011;~~

~~2. REMAINS IN THE SAME ELECTED OR APPOINTED POSITION ON JULY 1, 2013; AND~~

~~3. IS NOT ENROLLED IN THE EMPLOYEES' PENSION SYSTEM.~~

~~(H) AN INDIVIDUAL UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH WHO ELECTS TO JOIN THE EMPLOYEES' PENSION SYSTEM MUST MAKE THE ELECTION IN WRITING ON A FORM PROVIDED BY THE BOARD OF TRUSTEES AND MUST FILE THE FORM WITH THE BOARD OF TRUSTEES ON OR BEFORE SEPTEMBER 30, 2013.~~

~~(HH) AN INDIVIDUAL WHO DOES NOT ELECT TO JOIN THE EMPLOYEES' PENSION SYSTEM AS PROVIDED UNDER SUBPARAGRAPH (H) IF THIS PARAGRAPH MAY NOT JOIN THE EMPLOYEES' PENSION SYSTEM AS AN ELECTED OR APPOINTED OFFICIAL WHILE SERVING IN THE SAME ELECTED OR APPOINTED POSITION.~~

~~(2) (i) MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM IS OPTIONAL FOR AN INDIVIDUAL WHO:~~

~~1. BEGINS SERVING AS AN ELECTED OR APPOINTED OFFICIAL ON OR AFTER JULY 1, 2013; OR~~

~~2. A. WAS SERVING AS AN ELECTED OR APPOINTED OFFICIAL ON OR AFTER JULY 1, 2011;~~

~~B. BEGINS SERVING AS AN ELECTED OR APPOINTED OFFICIAL IN A DIFFERENT POSITION ON OR AFTER JULY 1, 2013; AND~~

~~C. IS NOT ENROLLED IN THE EMPLOYEES' PENSION SYSTEM.~~

~~(H) AN INDIVIDUAL UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH WHO ELECTS TO JOIN THE EMPLOYEES' PENSION SYSTEM MUST MAKE THE ELECTION IN WRITING ON A FORM PROVIDED BY THE BOARD OF TRUSTEES AND MUST FILE THE FORM WITH THE BOARD OF TRUSTEES WITHIN 3~~

~~MONTHS OF BECOMING AN ELECTED OR APPOINTED OFFICIAL IN A NEW OR DIFFERENT POSITION ON OR AFTER JULY 1, 2013.~~

~~(HH) AN INDIVIDUAL WHO DOES NOT ELECT TO JOIN THE EMPLOYEES' PENSION SYSTEM AS PROVIDED UNDER SUBPARAGRAPH (H) OF THIS PARAGRAPH MAY NOT JOIN THE EMPLOYEES' PENSION SYSTEM AS AN ELECTED OR APPOINTED OFFICIAL WHILE SERVING IN THAT ELECTED OR APPOINTED POSITION.~~

~~(3) AN ELECTED OR APPOINTED OFFICIAL'S ELECTION UNDER THIS SUBSECTION TO JOIN THE EMPLOYEES' PENSION SYSTEM IS A ONE-TIME, IRREVOCABLE ELECTION.~~

~~(C) (1) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL WHO:~~

~~(I) IS AN ELECTED OR APPOINTED OFFICIAL ON OR AFTER JULY 1, 2011, AND REMAINS AN ELECTED OR APPOINTED OFFICIAL ON JULY 1, 2013; AND~~

~~(II) IS A MEMBER OF THE EMPLOYEES' PENSION SYSTEM.~~

~~(2) AN ELECTED OR APPOINTED OFFICIAL UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY ELECT TO CEASE BEING A MEMBER IN THE EMPLOYEES' PENSION SYSTEM AT THE START OF THE OFFICIAL'S NEW TERM OF OFFICE.~~

~~(3) AN ELECTION TO TERMINATE MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM SHALL BE MADE IN WRITING ON A FORM PROVIDED BY THE BOARD OF TRUSTEES AND FILED WITH THE BOARD OF TRUSTEES PROMPTLY AFTER THE START OF THE OFFICIAL'S NEW TERM OF OFFICE.~~

~~(4) AN ELECTED OR APPOINTED OFFICIAL'S ELECTION UNDER THIS SUBSECTION TO TERMINATE MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM IS A ONE-TIME, IRREVOCABLE ELECTION.~~

~~(5) AN ELECTED OR APPOINTED OFFICIAL WHO DOES NOT ELECT TO TERMINATE MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM REMAINS A MEMBER IN THE EMPLOYEES' PENSION SYSTEM.~~

~~(D) THE BOARD OF TRUSTEES SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.~~

(a) This section applies to an individual:

(1) (i) who, on or after July 1, 2011, was serving as an elected or appointed official of a municipality that became a participating governmental unit on or after July 1, 2006, and remains in the same elected or appointed position on July 1, 2013;

(ii) for whom no member or employer contributions have been made with respect to the individual's service as an elected or appointed official; and

(iii) who has not been enrolled in the Employees' Pension System on or before June 30, 2013; or

(2) (i) who, on or after July 1, 2011, was serving as an orphans' court judge in a county not required to provide a pension under § 2-108 of the Estates and Trusts Article and remains an orphans' court judge on July 1, 2013;

(ii) for whom no member or employer contributions have been made with respect to the individual's service as an orphans' court judge; and

(iii) who has not been enrolled in the Employees' Pension System on or before June 30, 2013.

(b) Notwithstanding any other provision of law to the contrary, an individual under subsection (a) of this section may not be a member of the Employees' Pension System while in the position described in subsection (a) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 1042 – *Hospitals – Credentialing and Privileging Process – Telemedicine*.

This bill authorizes a hospital, in its credentialing and privileging process for a physician who provides medical services to patients at the hospital only through telemedicine from a distant-site hospital or distant-site telemedicine entity, to rely on credentialing and privileging decisions made for the physician by the distant-site hospital or distant-site telemedicine entity under specified circumstances.

Senate Bill 798, 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 1042.

Sincerely,

Governor Martin O'Malley

House Bill 1042

AN ACT concerning

Hospitals – Credentialing and Privileging Process – Telemedicine

FOR the purpose of authorizing a hospital, in its credentialing and privileging process for a physician who provides medical services to patients at the hospital only through telemedicine from certain locations, to rely on certain credentialing and privileging decisions under certain circumstances; defining a certain term; and generally relating to hospital credentialing and privileging processes for physicians providing services through telemedicine.

BY repealing and reenacting, with amendments,

Article – Health – General

Section 19–319(e)

Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

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

Article – Health – General

19–319.

(e) (1) (I) In this subsection[, “uniform”] **THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

(II) 1. **“TELEMEDICINE” MEANS THE USE OF INTERACTIVE AUDIO, VIDEO, OR OTHER TELECOMMUNICATIONS OR**

**ELECTRONIC TECHNOLOGY BY A PHYSICIAN IN THE PRACTICE OF MEDICINE
OUTSIDE THE PHYSICAL PRESENCE OF THE PATIENT.**

2. "TELEMEDICINE" DOES NOT INCLUDE:

**A. AN AUDIO-ONLY TELEPHONE CONVERSATION
BETWEEN A PHYSICIAN AND A PATIENT;**

**B. AN ELECTRONIC MAIL MESSAGE BETWEEN A
PHYSICIAN AND A PATIENT; OR**

**C. A FACSIMILE TRANSMISSION BETWEEN A
PHYSICIAN AND A PATIENT.**

(III) "UNIFORM standard credentialing form" means:

[(i)] 1. The form designated by the Secretary through regulation for credentialing physicians who seek to be employed by or have staff privileges at a hospital; or

[(ii)] 2. The uniform credentialing form that the Insurance Commissioner designates under § 15-112.1 of the Insurance Article.

(2) As a condition of licensure, each hospital shall:

(i) Establish a credentialing process for the physicians who are employed by or who have staff privileges at the hospital; and

(ii) Use the uniform standard credentialing form as the initial application of a physician seeking to be credentialed.

(3) Use of the uniform standard credentialing form does not preclude a hospital from requiring supplemental or additional information as part of the hospital's credentialing process.

(4) The Secretary shall, by regulation and in consultation with hospitals, physicians, interested community and advocacy groups, and representatives of the Maryland Defense Bar and Plaintiffs' Bar, establish minimum standards for a credentialing process which shall include:

(i) A formal written appointment process documenting the physician's education, clinical expertise, licensure history, insurance history, medical history, claims history, and professional experience.

(ii) A requirement that an initial appointment to staff not be complete until the physician has successfully completed a probationary period.

(iii) A formal, written reappointment process to be conducted at least every 2 years. The reappointment process shall document the physician's pattern of performance by analyzing:

1. Claims filed against the physician;
2. Data dealing with utilization, quality, and risk;
3. Clinical skills;
4. Adherence to hospital bylaws, policies, and procedures;
5. Compliance with continuing education requirements;
6. Mental and physical status; and
7. The results of the practitioner performance evaluation process under subsection (i) of this section.

(5) If requested by the Department, a hospital shall provide documentation that, prior to employing or granting privileges to a physician, the hospital has complied with the requirements of this subsection and that, prior to renewing employment or privileges, the hospital has complied with the requirements of this subsection.

(6) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBSECTION, IN ITS CREDENTIALING AND PRIVILEGING PROCESS FOR A PHYSICIAN WHO PROVIDES MEDICAL SERVICES TO PATIENTS AT THE HOSPITAL ONLY THROUGH TELEMEDICINE FROM A DISTANT-SITE HOSPITAL OR DISTANT-SITE TELEMEDICINE ENTITY, A HOSPITAL MAY RELY ON THE CREDENTIALING AND PRIVILEGING DECISIONS MADE FOR THE PHYSICIAN BY THE DISTANT-SITE HOSPITAL OR DISTANT-SITE TELEMEDICINE ENTITY, AS AUTHORIZED UNDER 42 C.F.R. PART 482, IF:

(I) THE PHYSICIAN WHO PROVIDES MEDICAL SERVICES THROUGH TELEMEDICINE HOLDS A LICENSE TO PRACTICE MEDICINE IN THE STATE ISSUED UNDER TITLE 14 OF THE HEALTH OCCUPATIONS ARTICLE; AND

(II) THE CREDENTIALING AND PRIVILEGING DECISIONS WITH RESPECT TO THE PHYSICIAN WHO PROVIDES MEDICAL SERVICES THROUGH TELEMEDICINE ARE:

- 1. APPROVED BY THE MEDICAL STAFF OF THE HOSPITAL; AND**

**2. RECOMMENDED BY THE MEDICAL STAFF OF THE
HOSPITAL TO THE HOSPITAL'S GOVERNING BODY.**

[(6)] (7) If a hospital fails to establish or maintain a credentialing process required under this subsection, the Secretary may impose the following penalties:

- (i) Delicensure of the hospital; or
- (ii) \$500 per day for each day the violation continues.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 1124 – *Public Safety – Gas Pipelines – Implementation of Federal Pipeline Safety Laws*.

This bill requires the Public Service Commission to evaluate a specified process and criteria that the U.S. Secretary of Transportation would use to review an application for the Commission to act under a specified certification or agreement with the U.S. Secretary of Transportation as an interstate authority agent for the purpose of implementing specified federal pipeline safety laws. The bill also requires the Commission to make a specified determination and take specified actions necessary to carry out its responsibilities.

Senate Bill 863, 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 1124.

Sincerely,

Governor Martin O'Malley

House Bill 1124

AN ACT concerning

Public Safety – Gas Pipelines – Implementation of Federal Pipeline Safety Laws

FOR the purpose of requiring the Public Service Commission to evaluate a certain process and criteria that the U.S. Secretary of Transportation would use to review an application for the Commission to act under a certain certification or agreement with the U.S. Secretary of Transportation as an interstate authority agent for the purpose of implementing certain federal pipeline safety laws; requiring the Commission to make a certain determination; requiring the Commission to take certain actions necessary to carry out its responsibilities under a certain certification or agreement with the U.S. Secretary of Transportation under certain circumstances and in accordance with certain regulations; authorizing the Commission to accept grants-in-aid, cash, and reimbursements to implement certain federal pipeline safety laws; authorizing the Commission to charge a certain owner a certain fee for certain inspections of gas pipelines; requiring the Commission to regulate certain gas pipelines; requiring the Commission to adopt certain federal regulations as minimum standards for gas pipelines in the State; requiring a gas transmission company to comply with certain planning, notification, and reporting provisions; requiring a gas transmission company and the Commission to notify the National Response Center of certain errors or new information relating to a gas pipeline; authorizing the Commission to enter, inspect, and examine certain records and property of a gas transmission company for a certain purpose and under certain circumstances; requiring the Commission to inspect a gas pipeline with a certain frequency; authorizing the Commission to assess and collect a certain inspection fee from a gas transmission company; authorizing the Commission to seek a certain relief for a violation of this Act; authorizing the Commission to impose a certain civil penalty for a violation of this Act; defining certain terms; providing for the jurisdiction and enforcement authority of the Commission; and generally relating to gas pipeline safety.

BY adding to

Article – Public Safety

Section 15-101 ~~through 15-108~~ and 15-102 to be under the new title “Title 15.

Gas Pipeline Safety”

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

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

Article – Public Safety

TITLE 15. GAS PIPELINE SAFETY.**15-101.**

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

(B) "COMMISSION" MEANS THE PUBLIC SERVICE COMMISSION.

(C) "GAS" MEANS NATURAL GAS, FLAMMABLE GAS, OR TOXIC OR CORROSIVE GAS.

(D) (1) "GAS PIPELINE" MEANS AN INTRASTATE TRANSMISSION LINE OR ANY PORTION OF AN INTERSTATE TRANSMISSION LINE LOCATED WITHIN THE STATE THAT:

~~(1)~~ (I) TRANSPORTS GAS FROM A GATHERING LINE OR STORAGE FACILITY TO A DISTRIBUTION CENTER, STORAGE FACILITY, OR LARGE VOLUME CUSTOMER THAT IS NOT DOWNSTREAM FROM A DISTRIBUTION CENTER;

~~(2)~~ (II) OPERATES AT A HOOP STRESS OF 20% OR MORE OF THE SPECIFIED MINIMUM YIELD STRENGTH OF THE PIPELINE; OR

~~(3)~~ (III) TRANSPORTS GAS WITHIN A STORAGE FIELD.

(2) "GAS PIPELINE" DOES NOT INCLUDE ANY TRANSMISSION LINE OR DISTRIBUTION LINE CONSTRUCTED, OWNED, OR OPERATED BY A PUBLIC SERVICE COMPANY.

(E) (1) "GAS TRANSMISSION COMPANY" MEANS A PERSON THAT OWNS OR OPERATES A GAS PIPELINE REGULATED UNDER THIS TITLE.

(2) "GAS TRANSMISSION COMPANY" DOES NOT INCLUDE A PERSON THAT IS PRIMARILY IN THE BUSINESS OF LOCAL GAS DISTRIBUTION.

~~(F) "NATIONAL RESPONSE CENTER" MEANS THE NATIONAL RESPONSE CENTER OF THE U.S. COAST GUARD, AUTHORIZED TO RECEIVE REPORTS OF INCIDENTS INVOLVING THE TRANSPORTATION OF OIL, HAZARDOUS LIQUIDS, AND GAS BY PIPELINE.~~

15-102.

(A) ~~(1) THE~~ ON OR BEFORE DECEMBER 1, 2013, THE COMMISSION,
THROUGH SHALL:

(I) EVALUATE THE PROCESS AND CRITERIA THE U.S. SECRETARY OF TRANSPORTATION WOULD USE TO REVIEW AN APPLICATION FOR CERTIFICATION OR AGREEMENT WITH THE U.S. SECRETARY OF TRANSPORTATION UNDER 49 U.S.C. CHAPTER 601 WITH RESPECT TO INTERSTATE PIPELINES LOCATED WITHIN THE STATE; AND

(II) DETERMINE WHETHER IT IS IN THE PUBLIC INTEREST FOR THE COMMISSION TO APPLY FOR CERTIFICATION OR AGREEMENT WITH THE U.S. SECRETARY OF TRANSPORTATION UNDER 49 U.S.C. CHAPTER 601, SHALL TO ACT FOR THE U.S. SECRETARY OF TRANSPORTATION TO IMPLEMENT 49 U.S.C. CHAPTER 601 WITH RESPECT TO INTERSTATE GAS PIPELINES LOCATED WITHIN THE STATE.

(2) IF THE COMMISSION DETERMINES THAT IT IS IN THE PUBLIC INTEREST FOR THE COMMISSION TO ACT FOR THE U.S. SECRETARY OF TRANSPORTATION TO IMPLEMENT 49 U.S.C. CHAPTER 601 WITH RESPECT TO INTERSTATE PIPELINES LOCATED WITHIN THE STATE, THE COMMISSION SHALL, ON OR BEFORE JANUARY 1, 2014, APPLY FOR CERTIFICATION OR AGREEMENT WITH THE U.S. SECRETARY OF TRANSPORTATION.

(B) ~~THE COMMISSION SHALL~~ IF THE COMMISSION ENTERS INTO A CERTIFICATION OR AGREEMENT WITH THE U.S. SECRETARY OF TRANSPORTATION TO ACT FOR THE U.S. SECRETARY OF TRANSPORTATION TO IMPLEMENT 49 U.S.C. CHAPTER 601 WITH RESPECT TO INTERSTATE PIPELINES LOCATED WITHIN THE STATE, THE COMMISSION SHALL, IN ACCORDANCE WITH FEDERAL REGULATIONS:

(1) MAKE PERIODIC CERTIFICATIONS AND REPORTS TO THE ~~FEDERAL~~ U.S. DEPARTMENT OF TRANSPORTATION AS MAY BE REQUIRED UNDER 49 U.S.C. CHAPTER 601; AND

(2) TAKE ANY OTHER ACTIONS NECESSARY TO CARRY OUT RESPONSIBILITIES UNDER A CERTIFICATION OR AN AGREEMENT WITH THE U.S. SECRETARY OF TRANSPORTATION UNDER THIS TITLE.

(C) THE COMMISSION MAY:

(1) ACCEPT GRANTS-IN-AID, CASH, AND REIMBURSEMENTS MADE AVAILABLE TO THE STATE TO IMPLEMENT FEDERAL PIPELINE SAFETY LAWS OR OTHER FEDERAL LAW; AND

(2) CHARGE AN OWNER OF AN INTERSTATE GAS PIPELINE A FEE TO RECOVER THE COSTS OF THE INSPECTIONS OF THE OWNER'S INTERSTATE GAS PIPELINES LOCATED WITHIN THE STATE, LESS ANY GRANTS PROVIDED THROUGH THE U.S. DEPARTMENT OF TRANSPORTATION FOR INSPECTING INTERSTATE PIPELINES.

~~15-103.~~

~~(A) (1) THE COMMISSION SHALL ADOPT REGULATIONS THAT ESTABLISH SAFETY STANDARDS AND PRACTICES APPLICABLE TO THE DESIGN, CONSTRUCTION, OPERATION, AND MAINTENANCE OF GAS PIPELINES.~~

~~(2) FOR ANY PIPELINE REGULATORY PROGRAM THAT THE COMMISSION ESTABLISHES UNDER THIS TITLE, THE COMMISSION SHALL ADOPT AS MINIMUM STANDARDS THE FEDERAL SAFETY STANDARDS IN TITLE 49, C.F.R. PART 192.~~

~~(B) THE COMMISSION SHALL REQUIRE A GAS TRANSMISSION COMPANY TO PREPARE, MAINTAIN, AND CARRY OUT A WRITTEN PLAN FOR THE OPERATION AND MAINTENANCE OF EACH GAS PIPELINE OWNED OR OPERATED BY THE GAS TRANSMISSION COMPANY.~~

~~15-104.~~

~~(A) A GAS TRANSMISSION COMPANY SHALL IMMEDIATELY NOTIFY THE COMMISSION AND THE NATIONAL RESPONSE CENTER OF ANY:~~

~~(1) SIGNIFICANT ERROR IN INFORMATION THAT THE GAS TRANSMISSION COMPANY HAS PREVIOUSLY SUBMITTED TO EITHER UNIT; OR~~

~~(2) SIGNIFICANT NEW INFORMATION THAT RELATES TO REPORTING CRITERIA OR OTHER INFORMATION THAT THE GAS TRANSMISSION COMPANY IS REQUIRED TO SUBMIT UNDER THIS TITLE.~~

~~(B) THE COMMISSION SHALL NOTIFY THE NATIONAL RESPONSE CENTER OF ANY ERROR OR NEW INFORMATION THAT THE COMMISSION OR AN AGENT OF THE COMMISSION DISCOVERS WHILE:~~

~~(1) PROVIDING TRAINING FOR GAS PIPELINES;~~

~~(2) DEVELOPING REGULATIONS UNDER THIS TITLE; OR~~

~~(3) INSPECTING A GAS PIPELINE.~~

~~15-105.~~

~~(A) THE COMMISSION MAY ENTER, INSPECT, AND EXAMINE, AT REASONABLE TIMES AND IN A REASONABLE MANNER, THE RECORDS AND PROPERTY OF A GAS TRANSMISSION COMPANY TO DETERMINE WHETHER THE GAS TRANSMISSION COMPANY IS ACTING IN COMPLIANCE WITH THIS TITLE, FEDERAL PIPELINE SAFETY REGULATIONS, AND REGULATIONS ADOPTED BY THE COMMISSION UNDER THIS TITLE.~~

~~(B) THE COMMISSION SHALL INSPECT EACH GAS PIPELINE AT LEAST ONCE EACH YEAR.~~

~~(C) THE COMMISSION MAY ASSESS AND COLLECT FROM A GAS TRANSMISSION COMPANY AN INSPECTION FEE THAT MAY BE USED BY THE COMMISSION FOR ADMINISTERING THE REGULATORY PROGRAM ESTABLISHED UNDER THIS TITLE.~~

~~15-106.~~

~~THE COMMISSION MAY BRING AN ACTION FOR INJUNCTIVE RELIEF IN A CIRCUIT COURT TO:~~

~~(1) ENJOIN A VIOLATION OF THIS TITLE;~~

~~(2) ENJOIN THE OPERATION OF A GAS PIPELINE; OR~~

~~(3) ENFORCE A STANDARD ESTABLISHED BY THE COMMISSION UNDER THIS TITLE.~~

~~15-107.~~

~~(A) THE COMMISSION MAY IMPOSE ON A PERSON THAT VIOLATES THIS TITLE OR A REGULATION ADOPTED IN ACCORDANCE WITH THIS TITLE A CIVIL PENALTY THAT DOES NOT EXCEED THE MAXIMUM PENALTIES PROVIDED IN 49 U.S.C. CHAPTER 601.~~

~~(B) EACH DAY A VIOLATION CONTINUES IS A SEPARATE VIOLATION UNDER THIS SECTION.~~

~~(C) TO DETERMINE THE AMOUNT OF A PENALTY IMPOSED UNDER THIS SECTION, THE COMMISSION SHALL CONSIDER:~~

~~(1) THE NATURE, CIRCUMSTANCES, AND GRAVITY OF THE VIOLATION;~~

~~(2) WITH RESPECT TO THE VIOLATOR;~~

~~(I) THE DEGREE OF CULPABILITY;~~

~~(II) ANY HISTORY OF PRIOR VIOLATIONS;~~

~~(III) THE ABILITY TO PAY;~~

~~(IV) ANY EFFECT ON THE ABILITY TO CONTINUE DOING
BUSINESS; AND~~

~~(V) GOOD FAITH IN ATTEMPTING TO COMPLY; AND~~

~~(3) OTHER MATTERS THAT JUSTICE REQUIRES.~~

~~15-108.~~

~~THE COMMISSION HAS JURISDICTION OVER AND MAY ENFORCE THIS
TITLE AND ANY REGULATION ADOPTED UNDER THIS TITLE TO THE SAME
EXTENT AND IN THE SAME MANNER AS ANY PROVISION OF DIVISION I OF THE
PUBLIC UTILITIES ARTICLE, AS PROVIDED IN TITLE 13 OF THE PUBLIC
UTILITIES ARTICLE.~~

SECTION 2. AND BE IT FURTHER ENACTED, That, on completion of its
evaluation and determination under § 15-102(a) of the Public Safety Article, as
enacted by Section 1 of this Act, the Public Service Commission shall report to the
Governor and, in accordance with § 2-1246 of the State Government Article, the
General Assembly on its findings and conclusions.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take
effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 1166 – *Insurance – Ceding Insurers and Reinsurance*.

This bill requires that a domestic ceding insurer be allowed credit for reinsurance in specified manners under specified circumstances and provides for specified credit to be allowed under specified circumstances depending on the licensure or authorization status and accreditation status of the assuming insurer. This bill also establishes requirements and procedures for an assuming reinsurer to be accredited by the Maryland Insurance Commissioner.

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 1166.

Sincerely,

Governor Martin O'Malley

House Bill 1166

AN ACT concerning

Insurance – Ceding Insurers and Reinsurance

FOR the purpose of requiring that a domestic ceding insurer be allowed credit for reinsurance in certain manners under certain circumstances; providing for certain credit for reinsurance to be allowed under certain circumstances depending on the licensure or authorization status and accreditation status of the assuming insurer; establishing certain requirements and procedures for an assuming reinsurer to be accredited by the Maryland Insurance Commissioner; providing that an assuming reinsurer is deemed to be qualified under certain circumstances; requiring an assuming reinsurer to report certain information each year to the Commissioner for certain purposes and to submit to examination in a certain manner; prohibiting credit for reinsurance to be granted unless a certain trust has been approved by a certain official; establishing certain requirements for certain trusts; providing for the duration of a certain trust; requiring the trustee of a certain trust to report and certify certain information to the Commissioner; establishing certain requirements for certain trusts used by certain insurers; providing for the certification of certain insurers as reinsurers in this State in accordance with certain requirements and procedures; requiring the Commissioner to maintain a certain list of qualified jurisdictions in which an assuming insurer may be domiciled and considered for certification; providing certain criteria for the Commissioner to consider in recognizing certain qualified jurisdictions; requiring the Commissioner to consider a certain list of jurisdictions published through a certain association for certain purposes; requiring the Commissioner to assign certain ratings to certain certified reinsurers in a certain manner and to publish

a list of the reinsurers and their ratings; authorizing the Commissioner to ~~defer~~
~~to use information on~~ the certification and rating assigned by certain
jurisdictions under certain circumstances for certain purposes; providing for the
maintenance of certification in an inactive status under certain circumstances;
requiring a certified reinsurer to secure certain obligations in certain manners
and forms and at certain levels; requiring the Commissioner to reduce certain
allowable credit under certain circumstances; authorizing the Commissioner to
suspend or revoke the accreditation or certification of a reinsurer in a certain
manner under certain circumstances; limiting the qualification for credit of
certain reinsurance contracts under certain circumstances; prohibiting certain
credit if the assuming insurer is not licensed, accredited, or certified except
under certain circumstances and in a certain manner; providing for the
construction of a certain provision of this Act; providing for certain assets or
reductions from liability for certain reinsurance in a certain manner under
certain circumstances; requiring certain security to be in certain forms and held
in certain places and certain institutions; requiring a ceding insurer to take
certain steps to manage certain reinsurance recoverables and to notify the
Commissioner in certain manners; requiring a ceding insurer to diversify its
~~portfolio~~ reinsurance program and notify the Commissioner in certain manners;
authorizing the Commissioner to adopt certain regulations; repealing certain
obsolete provisions; defining certain terms; providing that certain laws of the
State inconsistent with this Act are superseded to the extent of the
inconsistency; providing that credit for reinsurance ceded to a reinsurer under
this Act may be allowed only for certain contracts entered into or renewed on or
after a certain date; providing that existing obligations or contract rights may
not be impaired by this Act; and generally relating to insurance and
reinsurance.

BY repealing and reenacting, with amendments,
Article – Insurance
Section 5–901 through 5–904
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

~~BY repealing and reenacting, without amendments,~~
~~Article – Insurance~~
~~Section 5–902~~
~~Annotated Code of Maryland~~
~~(2011 Replacement Volume and 2012 Supplement)~~

BY adding to
Article – Insurance
Section ~~5–902.1 and 5–903 and 5–906~~ through 5–914 5–916
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

BY repealing

Article – Insurance

Section ~~5–903, 5–904, and 5–905~~

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

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

Article – Insurance

5–901.

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

(b) “Ceding insurer” means an insurer that procures insurance for itself from another insurer for all or part of an insurance risk.

(C) “PRIMARY CERTIFYING STATE” MEANS A STATE OTHER THAN MARYLAND:

(1) IN WHICH THE INSURANCE REGULATORY AGENCY OR ITS EQUIVALENT HAS DESIGNATED AND ASSIGNED A RATING TO AN ASSUMING INSURER AS A CERTIFIED REINSURER; AND

(2) THE DESIGNATION OR RATING FROM WHICH THE COMMISSIONER HAS USED TO DESIGNATE OR ASSIGN A RATING TO THE ASSUMING INSURER IN THIS STATE UNDER § 5–910(B) OF THIS SUBTITLE.

(D) “QUALIFIED JURISDICTION” MEANS A JURISDICTION THAT THE COMMISSIONER DETERMINES MEETS THE REQUIREMENTS OF § 5–909 OF THIS SUBTITLE.

(E) “QUALIFIED UNITED STATES FINANCIAL INSTITUTION” MEANS:

(1) FOR PURPOSES OF ISSUANCE OR CONFIRMATION OF A LETTER OF CREDIT UNDER ~~§ 5–912(C)(3)~~ § 5–914(C)(3) OF THIS SUBTITLE, AN INSTITUTION THAT:

(I) IS ORGANIZED OR, IN THE CASE OF A UNITED STATES OFFICE OF A FOREIGN BANKING ORGANIZATION, LICENSED UNDER THE LAWS OF THE UNITED STATES OR ANY STATE;

(II) IS REGULATED, SUPERVISED, AND EXAMINED BY FEDERAL OR STATE AUTHORITIES HAVING REGULATORY AUTHORITY OVER BANKS AND TRUST COMPANIES; AND

(III) HAS BEEN DETERMINED BY EITHER THE COMMISSIONER OR THE SECURITIES VALUATION OFFICE OF THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS TO MEET THE STANDARDS OF FINANCIAL CONDITION AND STANDING THAT ARE CONSIDERED NECESSARY AND APPROPRIATE TO REGULATE THE QUALITY OF FINANCIAL INSTITUTIONS WHOSE LETTERS OF CREDIT WILL BE ACCEPTABLE TO THE COMMISSIONER; OR

(2) FOR PURPOSES OF ELIGIBILITY TO ACT AS A FIDUCIARY OF A TRUST UNDER THIS SUBTITLE, AN INSTITUTION THAT:

(I) IS ORGANIZED OR, IN THE CASE OF A UNITED STATES BRANCH OR AGENCY OFFICE OF A FOREIGN BANKING ORGANIZATION, LICENSED UNDER THE LAWS OF THE UNITED STATES OR ANY STATE AND HAS BEEN GRANTED AUTHORITY TO OPERATE WITH FIDUCIARY POWERS; AND

(II) IS REGULATED, SUPERVISED, AND EXAMINED BY FEDERAL OR STATE AUTHORITIES HAVING REGULATORY AUTHORITY OVER BANKS AND TRUST COMPANIES.

[(c)] ~~(D)~~ (F) "Reinsurer" means an insurer from which a ceding insurer procures insurance for itself for all or part of an insurance risk.

(G) "TRUSTEED SURPLUS" MEANS FUNDS HELD IN A TRUST ACCOUNT IN EXCESS OF THE REINSURER'S LIABILITIES ATTRIBUTABLE TO REINSURANCE CEDED TO THE REINSURER BY UNITED STATES CEDING INSURERS IN ACCORDANCE WITH THIS SUBTITLE.

5-902.

(A) This subtitle does not apply to wet marine and transportation insurance.

(B) ALL LAWS OR PARTS OF LAWS OF THE STATE THAT ARE INCONSISTENT WITH THIS SUBTITLE ARE SUPERSEDED TO THE EXTENT OF THE INCONSISTENCY.

~~5-902.1~~, 5-903.

CREDIT FOR REINSURANCE SHALL BE ALLOWED A DOMESTIC CEDING INSURER AS EITHER AN ASSET OR A REDUCTION FROM LIABILITY ON ACCOUNT OF REINSURANCE CEDED IF THE REINSURER MEETS THE REQUIREMENTS OF THIS SUBTITLE.

~~5-903~~, 5-904.

(a) Except as provided in §§ 3-124 and 3-125 of this article for bulk reinsurance, an insurer may reinsure all or part of a particular risk.

~~(b) An insurer may accept reinsurance only of those risks, and retain risk on reinsurance only within those limits, as the insurer is otherwise authorized to insure.~~

~~5-903.~~

~~(A)~~ (B) (1) CREDIT SHALL BE ALLOWED UNDER SUBSECTION ~~(B)~~, (C), (D), OR ~~(D)~~ (E) OF THIS SECTION WITH RESPECT TO CESSIONS OF THOSE KINDS OR CLASSES OF BUSINESS THAT THE ASSUMING INSURER IS LICENSED OR OTHERWISE ALLOWED TO WRITE OR ASSUME IN ITS STATE OF DOMICILE OR, IN THE CASE OF A UNITED STATES BRANCH OF AN ALIEN ASSUMING INSURER, IN THE STATE THROUGH WHICH IT IS ENTERED AND LICENSED TO TRANSACT INSURANCE OR REINSURANCE.

(2) CREDIT SHALL BE ALLOWED UNDER SUBSECTION ~~(D)~~ OR (E) OR (F) OF THIS SECTION ONLY IF THE APPLICABLE REQUIREMENTS OF ~~§ 5-911~~ § 5-913 OF THIS SUBTITLE HAVE BEEN SATISFIED.

~~(B)~~ (C) CREDIT SHALL BE ALLOWED WHEN THE REINSURANCE IS CEDED TO AN ASSUMING INSURER THAT IS LICENSED TO TRANSACT INSURANCE OR REINSURANCE IN THIS STATE.

~~(C)~~ (D) CREDIT SHALL BE ALLOWED WHEN THE REINSURANCE IS CEDED TO AN ASSUMING INSURER THAT IS ACCREDITED BY THE COMMISSIONER AS A REINSURER IN THIS STATE IN ACCORDANCE WITH ~~§ 5-904~~ § 5-906 OF THIS SUBTITLE.

~~(D)~~ (E) SUBJECT TO THE REQUIREMENTS OF ~~§ 5-911~~ § 5-913 OF THIS SUBTITLE, CREDIT SHALL BE ALLOWED WHEN THE REINSURANCE IS CEDED TO AN ASSUMING INSURER THAT MAINTAINS A TRUST FUND MEETING THE REQUIREMENTS OF ~~§ 5-905~~ § 5-907 OF THIS SUBTITLE IN A QUALIFIED UNITED STATES FINANCIAL INSTITUTION FOR THE PAYMENT OF THE VALID CLAIMS OF ITS UNITED STATES CEDING INSURERS AND THEIR ASSIGNS AND SUCCESSORS IN INTEREST.

~~(E)~~ (F) CREDIT SHALL BE ALLOWED WHEN THE REINSURANCE IS CEDED TO AN ASSUMING INSURER THAT HAS BEEN CERTIFIED BY THE COMMISSIONER AS A REINSURER IN THIS STATE IN ACCORDANCE WITH §§ 5-908 AND 5-909 OF THIS SUBTITLE AND SECURES ITS OBLIGATIONS IN ACCORDANCE WITH THE REQUIREMENTS OF ~~§ 5-909~~ § 5-911 OF THIS SUBTITLE.

~~(F)~~ (G) CREDIT SHALL BE ALLOWED WHEN THE REINSURANCE IS CEDED TO AN ASSUMING INSURER NOT MEETING THE REQUIREMENTS OF SUBSECTION ~~(B)~~, (C), (D), (E), OR ~~(F)~~ (F) OF THIS SECTION, BUT ONLY AS TO THE INSURANCE OF RISKS LOCATED IN JURISDICTIONS WHERE THE REINSURANCE IS REQUIRED BY THE APPLICABLE LAW OR REGULATION OF THAT JURISDICTION.

~~5-904.~~ 5-905.

(a) (1) Credit may not be allowed, as an asset or deduction from liability, to a ceding insurer for reinsurance unless:

~~(i) the reinsurer is authorized to transact insurance business in the State or is a solvent insurer approved or accepted by the Commissioner for the purpose of reinsurance; and~~

~~(ii)~~ the reinsurance contract provides, in substance, that in the event of the insolvency of the ceding insurer, the reinsurance shall be payable under the terms of a contract reinsured by the reinsurer on the basis of reported claims allowed by the court in a liquidation proceeding, without diminution because of the insolvency of the ceding insurer.

(2) Payments made by a reinsurer under paragraph (1)(ii) of this subsection shall be made directly to the ceding insurer or its domiciliary receiver unless:

(i) the reinsurance contract or other written agreement specifically provides another payee of the reinsurance in the event of the insolvency of the ceding insurer; or

(ii) subject to any contractual or statutory requirement of consent by the policyholder, the reinsurer has assumed the policy obligations of the ceding insurer as direct obligations of the reinsurer to the payees under the policies and in substitution for the ceding insurer's obligations to the payees.

(3) (i) Notwithstanding paragraph (2) of this subsection, if a life and health insurance guaranty association has elected to succeed to the rights and obligations of an insolvent insurer under a reinsurance contract, the reinsurer's liability to pay covered reinsured claims shall continue under the reinsurance contract, subject to the payment of premiums to the reinsurer for the reinsurance coverage.

(ii) Payment for a covered reinsured claim under subparagraph (i) of this paragraph shall be made by the reinsurer only at the direction of the life and health insurance guaranty association or its designated successor.

(iii) Payment for a covered reinsured claim made by the reinsurer at the direction of the life and health insurance guaranty association or its designated successor discharges the reinsurer's liability to any other person for payment of the covered reinsured claim.

(b) (1) A reinsurance ~~agreement~~ **CONTRACT** may provide that the domiciliary receiver of an insolvent ceding insurer shall give written notice to the reinsurer of the pendency of a claim made against the insolvent ceding insurer under the contract reinsured within a reasonable time after the claim is filed in the liquidation proceeding.

(2) During the pendency of the claim, the reinsurer, at its own expense, may investigate the claim and interpose, in the liquidation proceeding, any defense that it determines is available to the insolvent ceding insurer or its receiver.

(3) (i) The reinsurer may file a claim against the insolvent ceding insurer for any expense incurred by the reinsurer under paragraph (2) of this subsection.

(ii) The claim may not exceed an amount equal to the proportionate share of the benefit accruing to the insolvent ceding insurer solely as a result of the defense undertaken by the reinsurer.

(iii) If two or more reinsurers are involved in a claim and a majority in interest elect to interpose a defense to the claim, the expense shall be apportioned in accordance with the terms of the reinsurance ~~agreement~~ **CONTRACT** as though the expense had been incurred by the insolvent ceding insurer.

(c) On request of the Commissioner, a ceding insurer shall inform the Commissioner promptly in writing of the cancellation or any other material change of any of its reinsurance ~~treaties~~ **CONTRACTS** or arrangements.†

~~5-904.~~ 5-906.

(A) IN ORDER FOR AN ASSUMING REINSURER TO BE ELIGIBLE FOR ACCREDITATION BY THE COMMISSIONER, THE REINSURER SHALL:

(1) FILE WITH THE COMMISSIONER EVIDENCE OF ITS SUBMISSION TO THIS STATE'S JURISDICTION;

(2) SUBMIT TO ~~THIS STATE'S~~ THE COMMISSIONER'S AUTHORITY TO EXAMINE ITS BOOKS AND RECORDS;

(3) BE LICENSED TO TRANSACT INSURANCE OR REINSURANCE IN AT LEAST ONE STATE OR, IN THE CASE OF A UNITED STATES BRANCH OF AN

ALIEN ASSUMING INSURER, BE ENTERED THROUGH AND LICENSED TO TRANSACT INSURANCE OR REINSURANCE IN AT LEAST ONE STATE;

(4) FILE EACH YEAR WITH THE COMMISSIONER A COPY OF ITS ANNUAL STATEMENT FILED WITH THE INSURANCE DEPARTMENT OF ITS STATE OF DOMICILE AND A COPY OF ITS MOST RECENT AUDITED FINANCIAL STATEMENT; AND

(5) DEMONSTRATE TO THE SATISFACTION OF THE COMMISSIONER THAT THE REINSURER HAS ADEQUATE FINANCIAL CAPACITY TO MEET ITS REINSURANCE OBLIGATIONS AND IS OTHERWISE QUALIFIED TO ASSUME REINSURANCE FROM DOMESTIC INSURERS.

(B) AN ASSUMING INSURER IS DEEMED TO MEET THE REQUIREMENT OF SUBSECTION (A)(5) OF THIS SECTION AS OF THE TIME OF ITS APPLICATION IF:

(1) THE ASSUMING INSURER MAINTAINS A SURPLUS AS REGARDS POLICYHOLDERS IN AN AMOUNT NOT LESS THAN \$20,000,000; AND

(2) THE COMMISSIONER HAS NOT DENIED THE ASSUMING INSURER'S ACCREDITATION WITHIN 90 DAYS AFTER SUBMISSION OF ITS APPLICATION.

[5-905.

Each unauthorized insurer that applies for approval or renewal of approval as an accepted reinsurer shall file annually with the Commissioner:

- (1) an annual statement on convention form;
- (2) a certificate evidencing a deposit; and
- (3) a certificate of compliance.]

~~5-905.~~ 5-907.

(A) TO ENABLE THE COMMISSIONER TO DETERMINE THE SUFFICIENCY OF THE TRUST FUND PROVIDED FOR IN ~~§ 5-903(D)~~ § 5-904(E) OF THIS SUBTITLE, THE ASSUMING INSURER SHALL REPORT EACH YEAR TO THE COMMISSIONER INFORMATION SUBSTANTIALLY THE SAME AS THAT REQUIRED TO BE REPORTED ON THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS ANNUAL STATEMENT FORM BY ~~LICENSED~~ AUTHORIZED INSURERS.

(B) THE ASSUMING INSURER SHALL SUBMIT TO EXAMINATION OF ITS BOOKS AND RECORDS BY THE COMMISSIONER AND BEAR THE EXPENSE OF EXAMINATION.

(C) CREDIT FOR REINSURANCE MAY NOT BE GRANTED UNDER THIS SECTION UNLESS THE FORM OF THE TRUST AND ANY AMENDMENTS TO THE TRUST HAVE BEEN APPROVED BY:

(1) THE ~~COMMISSIONER~~ INSURANCE REGULATORY AGENCY OF THE STATE WHERE THE TRUST IS DOMICILED; OR

(2) THE ~~COMMISSIONER~~ INSURANCE REGULATORY AGENCY OF ANOTHER STATE WHO, UNDER THE TERMS OF THE TRUST INSTRUMENT, HAS ACCEPTED PRINCIPAL REGULATORY OVERSIGHT OF THE TRUST.

(D) THE FORM OF THE TRUST AND ANY TRUST AMENDMENTS SHALL BE FILED WITH THE ~~COMMISSIONER~~ INSURANCE REGULATORY AGENCY OF EACH STATE IN WHICH THE CEDING INSURER BENEFICIARIES OF THE TRUST ARE DOMICILED.

(E) THE TRUST INSTRUMENT SHALL PROVIDE THAT CONTESTED CLAIMS SHALL BE VALID AND ENFORCEABLE ON THE FINAL ORDER OF ANY COURT OF COMPETENT JURISDICTION IN THE UNITED STATES.

(F) THE TRUST SHALL VEST LEGAL TITLE TO ITS ASSETS IN ITS TRUSTEES FOR THE BENEFIT OF THE ASSUMING INSURER'S UNITED STATES CEDING INSURERS AND THEIR ASSIGNS AND SUCCESSORS IN INTEREST.

(G) THE TRUST AND THE ASSUMING INSURER SHALL BE SUBJECT TO EXAMINATION AS DETERMINED BY THE COMMISSIONER ~~DETERMINES~~.

(H) THE TRUST SHALL REMAIN IN EFFECT FOR AS LONG AS THE ASSUMING INSURER HAS OUTSTANDING OBLIGATIONS DUE UNDER THE REINSURANCE ~~AGREEMENTS~~ CONTRACTS SUBJECT TO THE TRUST.

(I) NOT LATER THAN FEBRUARY 28 OF EACH YEAR, THE TRUSTEE OF THE TRUST SHALL:

(1) REPORT TO THE COMMISSIONER IN WRITING THE BALANCE OF THE TRUST AND LIST THE TRUST'S INVESTMENTS AT THE PRECEDING YEAR-END; AND

(2) CERTIFY THE DATE OF TERMINATION OF THE TRUST, IF SO PLANNED, OR CERTIFY THAT THE TRUST WILL NOT EXPIRE BEFORE THE FOLLOWING DECEMBER 31.

(J) (1) ~~IN THE CASE OF~~ THIS SUBSECTION APPLIES TO CEDING TO A SINGLE ASSUMING INSURER.

~~(H) (2) THE~~ THE TRUST FUND SHALL CONSIST OF FUNDS IN TRUST IN AN AMOUNT NOT LESS THAN THE ASSUMING INSURER'S LIABILITIES ATTRIBUTABLE TO REINSURANCE CEDED BY UNITED STATES CEDING INSURERS; AND.

~~(H) (3) EXCEPT~~ EXCEPT AS PROVIDED IN PARAGRAPH (2) (4) OF THIS SUBSECTION, THE ASSUMING INSURER SHALL MAINTAIN A TRUSTEED SURPLUS OF NOT LESS THAN \$20,000,000.

~~(2) (4) (I)~~ SUBJECT TO SUBPARAGRAPHS (II) AND (III) OF THIS PARAGRAPH, AT ANY TIME AFTER THE ASSUMING INSURER HAS PERMANENTLY DISCONTINUED UNDERWRITING NEW BUSINESS SECURED BY THE TRUST FOR AT LEAST 3 FULL YEARS, THE ~~COMMISSIONER~~ INSURANCE REGULATORY AGENCY WITH PRINCIPAL REGULATORY OVERSIGHT OF THE TRUST MAY AUTHORIZE A REDUCTION IN THE REQUIRED TRUSTEED SURPLUS, BUT ONLY AFTER A FINDING, BASED ON AN ASSESSMENT OF THE RISK, THAT THE NEW REQUIRED SURPLUS LEVEL IS ADEQUATE FOR THE PROTECTION OF UNITED STATES CEDING INSURERS, POLICYHOLDERS, AND CLAIMANTS IN LIGHT OF REASONABLY FORESEEABLE ADVERSE LOSS DEVELOPMENT.

(II) THE RISK ASSESSMENT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH:

1. MAY INVOLVE AN ACTUARIAL REVIEW, INCLUDING AN INDEPENDENT ANALYSIS OF RESERVES AND CASH FLOWS; AND

2. SHALL CONSIDER ALL MATERIAL RISK FACTORS, INCLUDING, WHEN APPLICABLE, THE LINES OF BUSINESS INVOLVED, THE STABILITY OF THE INCURRED LOSS ESTIMATES, AND THE EFFECT OF THE SURPLUS REQUIREMENTS ON THE ASSUMING INSURER'S LIQUIDITY OR SOLVENCY.

(III) THE MINIMUM REQUIRED TRUSTEED SURPLUS UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY NOT BE REDUCED TO AN AMOUNT LESS THAN 30% OF THE ASSUMING INSURER'S LIABILITIES ATTRIBUTABLE TO REINSURANCE CEDED BY UNITED STATES CEDING INSURERS COVERED BY THE TRUST.

~~(3)~~ ~~(4)~~ ~~(K)~~ (1) ~~IN THE CASE OF~~ THIS SUBSECTION APPLIES TO CEDING TO A GROUP INCLUDING THAT INCLUDES INCORPORATED AND INDIVIDUAL UNINCORPORATED UNDERWRITERS.

~~1~~ (2) ~~FOR~~ FOR REINSURANCE CEDED UNDER REINSURANCE ~~AGREEMENTS~~ CONTRACTS WITH AN INCEPTION, AMENDMENT, OR RENEWAL DATE ON OR AFTER JANUARY 1, 1993, THE TRUST SHALL CONSIST OF A TRUSTEED ACCOUNT IN AN AMOUNT NOT LESS THAN THE RESPECTIVE UNDERWRITERS' SEVERAL LIABILITIES ATTRIBUTABLE TO BUSINESS CEDED BY UNITED STATES DOMICILED CEDING INSURERS TO ANY UNDERWRITER OF THE GROUP.

~~2~~ (3) ~~FOR~~ FOR REINSURANCE CEDED UNDER REINSURANCE ~~AGREEMENTS~~ CONTRACTS WITH AN INCEPTION DATE ON OR BEFORE DECEMBER 31, 1992, AND NOT AMENDED OR RENEWED AFTER THAT DATE, NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS SECTION, THE TRUST SHALL CONSIST OF A TRUSTEED ACCOUNT IN AN AMOUNT NOT LESS THAN THE RESPECTIVE UNDERWRITERS' SEVERAL INSURANCE AND REINSURANCE LIABILITIES ATTRIBUTABLE TO BUSINESS WRITTEN IN THE UNITED STATES; ~~AND.~~

~~3~~ (4) IN ADDITION TO THESE TRUSTS, THE GROUP SHALL MAINTAIN IN TRUST A TRUSTEED SURPLUS OF WHICH \$100,000,000 SHALL BE HELD JOINTLY FOR THE BENEFIT OF THE UNITED STATES DOMICILED CEDING INSURERS OF ANY MEMBER OF THE GROUP FOR ALL YEARS OF ACCOUNT.

~~(H)~~ (5) THE INCORPORATED MEMBERS OF THE GROUP:

~~1~~ (I) MAY NOT BE ENGAGED IN ANY BUSINESS OTHER THAN UNDERWRITING AS A MEMBER OF THE GROUP; AND

~~2~~ (II) SHALL BE SUBJECT TO THE SAME LEVEL OF REGULATION AND SOLVENCY CONTROL BY THE GROUP'S DOMICILIARY REGULATOR AS ARE THE UNINCORPORATED MEMBERS.

~~(H)~~ (6) WITHIN 90 DAYS AFTER ITS FINANCIAL STATEMENTS ARE DUE TO BE FILED WITH THE GROUP'S DOMICILIARY REGULATOR, THE GROUP SHALL PROVIDE TO THE COMMISSIONER:

~~1~~ (I) AN ANNUAL CERTIFICATION BY THE GROUP'S DOMICILIARY REGULATOR OF THE SOLVENCY OF EACH UNDERWRITER MEMBER; OR

~~2.~~ (II) IF A CERTIFICATION IS UNAVAILABLE, FINANCIAL STATEMENTS, PREPARED BY INDEPENDENT PUBLIC ACCOUNTANTS, OF EACH UNDERWRITER MEMBER OF THE GROUP.

~~(4) IN THE CASE OF A GROUP OF INCORPORATED UNDERWRITERS UNDER COMMON ADMINISTRATION, THE GROUP SHALL:~~

~~(I) HAVE CONTINUOUSLY TRANSACTED AN INSURANCE BUSINESS OUTSIDE THE UNITED STATES FOR AT LEAST 3 YEARS IMMEDIATELY PRIOR TO MAKING APPLICATION FOR ACCREDITATION;~~

~~(II) MAINTAIN AGGREGATE POLICYHOLDERS' SURPLUS OF AT LEAST \$10,000,000,000;~~

~~(III) MAINTAIN A TRUST FUND IN AN AMOUNT NOT LESS THAN THE GROUP'S SEVERAL LIABILITIES ATTRIBUTABLE TO BUSINESS CEDED BY UNITED STATES DOMICILED CEDING INSURERS TO ANY MEMBER OF THE GROUP UNDER REINSURANCE CONTRACTS ISSUED IN THE NAME OF THE GROUP;~~

~~(IV) MAINTAIN A JOINT TRUSTEED SURPLUS OF WHICH \$100,000,000 SHALL BE HELD JOINTLY FOR THE BENEFIT OF UNITED STATES DOMICILED CEDING INSURERS OF ANY MEMBER OF THE GROUP AS ADDITIONAL SECURITY FOR THESE LIABILITIES; AND~~

~~(V) WITHIN 90 DAYS AFTER ITS FINANCIAL STATEMENTS ARE DUE TO BE FILED WITH THE GROUP'S DOMICILIARY REGULATOR, MAKE AVAILABLE TO THE COMMISSIONER AN ANNUAL CERTIFICATION OF EACH UNDERWRITER MEMBER'S SOLVENCY BY THE MEMBER'S DOMICILIARY REGULATOR AND FINANCIAL STATEMENTS OF EACH UNDERWRITER MEMBER OF THE GROUP PREPARED BY ITS INDEPENDENT PUBLIC ACCOUNTANT.~~

~~5-906.~~ 5-908.

(A) IN ORDER TO BE ELIGIBLE FOR CERTIFICATION IN ACCORDANCE WITH ~~§ 5-903(F)~~ § 5-904(F) OF THIS SUBTITLE, THE ASSUMING INSURER SHALL:

(1) BE DOMICILED AND LICENSED TO TRANSACT INSURANCE OR REINSURANCE IN A QUALIFIED JURISDICTION, AS DETERMINED UNDER ~~§ 5-907~~ § 5-909 OF THIS SUBTITLE;

(2) MAINTAIN MINIMUM CAPITAL AND SURPLUS, OR ITS EQUIVALENT, IN AN AMOUNT THE COMMISSIONER DETERMINES IN ACCORDANCE WITH REGULATIONS THE COMMISSIONER ADOPTS;

(3) MAINTAIN FINANCIAL STRENGTH RATINGS FROM TWO OR MORE RATING AGENCIES THAT THE COMMISSIONER CONSIDERS ACCEPTABLE IN ACCORDANCE WITH REGULATIONS THE COMMISSIONER ADOPTS;

(4) AGREE TO SUBMIT TO THE JURISDICTION OF THIS STATE;

(5) APPOINT THE COMMISSIONER AS ITS AGENT FOR SERVICE OF PROCESS IN THIS STATE;

(6) AGREE TO PROVIDE SECURITY FOR ALL OF THE ASSUMING INSURER'S LIABILITIES ATTRIBUTABLE TO REINSURANCE CEDED BY UNITED STATES CEDING INSURERS IF IT RESISTS ENFORCEMENT OF A FINAL UNITED STATES JUDGMENT;

(7) AGREE TO MEET APPLICABLE INFORMATION FILING REQUIREMENTS AS THE COMMISSIONER DETERMINES BOTH FOR THE INITIAL APPLICATION FOR CERTIFICATION AND ON AN ONGOING BASIS; AND

(8) SATISFY ANY OTHER REQUIREMENTS FOR CERTIFICATION THAT THE COMMISSIONER CONSIDERS RELEVANT.

(B) (1) ~~AN ASSOCIATION~~ A GROUP, INCLUDING INCORPORATED AND INDIVIDUAL UNINCORPORATED UNDERWRITERS, MAY BE A CERTIFIED REINSURER IF THE ~~ASSOCIATION~~ GROUP, INCLUDING INCORPORATED AND INDIVIDUAL UNINCORPORATED UNDERWRITERS, MEETS ALL THE REQUIREMENTS OF THIS ~~SUBSECTION AND SUBSECTION (A) OF THIS SECTION.~~

(2) THE ~~ASSOCIATION~~ GROUP SHALL SATISFY ITS MINIMUM CAPITAL AND SURPLUS EQUIVALENTS, NET OF LIABILITIES, OF THE ~~ASSOCIATION~~ GROUP AND ITS MEMBERS, WHICH SHALL INCLUDE A JOINT CENTRAL FUND THAT MAY BE APPLIED TO ANY UNSATISFIED OBLIGATION OF THE ~~ASSOCIATION~~ GROUP OR ANY OF ITS MEMBERS, IN AN AMOUNT THAT THE COMMISSIONER DETERMINES WILL PROVIDE ADEQUATE PROTECTION.

(3) THE INCORPORATED MEMBERS OF THE ~~ASSOCIATION~~ GROUP MAY NOT BE ENGAGED IN ANY BUSINESS OTHER THAN UNDERWRITING AS A MEMBER OF THE ~~ASSOCIATION~~ GROUP.

(4) THE INCORPORATED MEMBERS OF THE ~~ASSOCIATION~~ GROUP SHALL BE SUBJECT TO THE SAME LEVEL OF REGULATION AND SOLVENCY CONTROL BY THE ~~ASSOCIATION'S~~ GROUP'S DOMICILIARY REGULATOR AS ARE THE UNINCORPORATED MEMBERS.

(5) WITHIN 90 DAYS AFTER ITS FINANCIAL STATEMENTS ARE DUE TO BE FILED WITH THE ~~ASSOCIATION'S~~ GROUP'S DOMICILIARY REGULATOR, THE ~~ASSOCIATION~~ GROUP SHALL PROVIDE TO THE COMMISSIONER:

(I) AN ANNUAL CERTIFICATION BY THE ~~ASSOCIATION'S~~ GROUP'S DOMICILIARY REGULATOR OF THE SOLVENCY OF EACH UNDERWRITER MEMBER; OR

(II) IF A CERTIFICATION IS UNAVAILABLE, FINANCIAL STATEMENTS, PREPARED BY INDEPENDENT PUBLIC ACCOUNTANTS, OF EACH UNDERWRITER MEMBER OF THE ~~ASSOCIATION~~ GROUP.

~~5-907.~~ 5-909.

(A) (1) THE COMMISSIONER SHALL MAINTAIN AND PUBLISH A LIST OF QUALIFIED JURISDICTIONS UNDER WHICH AN ASSUMING INSURER, LICENSED AND DOMICILED IN THAT JURISDICTION, IS ELIGIBLE TO BE CONSIDERED FOR CERTIFICATION BY THE COMMISSIONER AS A CERTIFIED REINSURER.

(2) IN ORDER TO DETERMINE WHETHER THE DOMICILIARY JURISDICTION OF A NON-UNITED STATES ASSUMING INSURER IS ELIGIBLE TO BE RECOGNIZED AS A QUALIFIED JURISDICTION, THE COMMISSIONER SHALL:

(I) EVALUATE THE APPROPRIATENESS AND EFFECTIVENESS OF THE REINSURANCE SUPERVISORY SYSTEM OF THE JURISDICTION, INITIALLY AND ON AN ONGOING BASIS; AND

(II) CONSIDER THE RIGHTS, BENEFITS, AND EXTENT OF RECIPROCAL RECOGNITION AFFORDED BY THE NON-UNITED STATES JURISDICTION TO REINSURERS LICENSED AND DOMICILED IN THE UNITED STATES.

(3) A QUALIFIED JURISDICTION SHALL AGREE IN WRITING TO SHARE INFORMATION AND COOPERATE WITH THE COMMISSIONER WITH RESPECT TO ALL CERTIFIED REINSURERS DOMICILED IN THAT JURISDICTION.

(4) THE COMMISSIONER MAY NOT RECOGNIZE A JURISDICTION AS A QUALIFIED JURISDICTION ~~A JURISDICTION THAT~~ UNLESS THE COMMISSIONER DETERMINES DOES HAS DETERMINED THAT THE JURISDICTION ~~NOT ADEQUATELY AND PROMPTLY ENFORCE~~ ENFORCES FINAL UNITED STATES JUDGMENTS AND ARBITRATION AWARDS.

(5) THE COMMISSIONER MAY CONSIDER OTHER FACTORS IN DETERMINING THE JURISDICTION'S ELIGIBILITY TO BE RECOGNIZED AS A QUALIFIED JURISDICTION.

(B) (1) ~~THERE IS A~~ THE COMMISSIONER SHALL CONSIDER THE LIST OF QUALIFIED JURISDICTIONS PUBLISHED THROUGH THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS COMMITTEE PROCESS IN DETERMINING THE QUALIFIED JURISDICTIONS IN THIS STATE.

(2) ~~THE~~ IN DETERMINING WHETHER A JURISDICTION IS A QUALIFIED JURISDICTION, THE COMMISSIONER SHALL CONSIDER THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS LIST IN DETERMINING QUALIFIED JURISDICTIONS:

(I) WHEN THE JURISDICTION HAS BEEN EVALUATED FOR INCLUSION ON THE LIST; AND

(II) WHENEVER THE LIST IS AMENDED.

(3) IF THE COMMISSIONER APPROVES A JURISDICTION AS QUALIFIED THAT DOES NOT APPEAR ON THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS LIST OF QUALIFIED JURISDICTIONS, THE COMMISSIONER SHALL PROVIDE ~~THOROUGHLY DOCUMENTED JUSTIFICATION IN ACCORDANCE WITH CRITERIA TO BE DEVELOPED UNDER~~ INFORMATION RELATED TO THE APPROVAL TO THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS AS PROVIDED IN REGULATIONS THE COMMISSIONER ADOPTS.

(4) ~~UNITED STATES JURISDICTIONS~~ THE COMMISSIONER SHALL RECOGNIZE AS A QUALIFIED JURISDICTION IN THIS STATE ANY STATE THAT MEET MEETS THE REQUIREMENT FOR ACCREDITATION UNDER THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS FINANCIAL STANDARDS AND ACCREDITATION PROGRAM SHALL BE RECOGNIZED AS QUALIFIED JURISDICTIONS IN THIS STATE.

(5) IF A CERTIFIED REINSURER'S DOMICILIARY JURISDICTION CEASES TO BE A QUALIFIED JURISDICTION, THE COMMISSIONER MAY INDEFINITELY SUSPEND OR REVOKE THE REINSURER'S CERTIFICATION.

~~5-908.~~ 5-910.

(A) (1) THE COMMISSIONER SHALL ASSIGN A RATING TO EACH CERTIFIED REINSURER BASED ON FACTORS THE COMMISSIONER CONSIDERS RELEVANT, GIVING DUE CONSIDERATION TO THE FINANCIAL STRENGTH RATINGS THAT HAVE BEEN ASSIGNED BY RATING AGENCIES THAT THE

~~COMMISSIONER CONSIDERS ACCEPTABLE~~ IN ACCORDANCE WITH REGULATIONS THE COMMISSIONER ADOPTS.

(2) THE COMMISSIONER SHALL PUBLISH A LIST OF ALL CERTIFIED REINSURERS AND THEIR RATINGS.

(B) IF AN APPLICANT FOR CERTIFICATION HAS BEEN CERTIFIED AS A REINSURER ~~IN A JURISDICTION~~ BY THE INSURANCE REGULATORY AGENCY OF A STATE ACCREDITED BY THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS:

~~(1) , THE COMMISSIONER MAY DEFER TO THAT JURISDICTION'S CERTIFICATION AND TO THE RATING ASSIGNED BY THAT JURISDICTION; AND~~

~~(2) THE ASSUMING INSURER SHALL BE CONSIDERED TO BE A CERTIFIED REINSURER IN THIS STATE~~ USE INFORMATION PROVIDED BY THAT INSURANCE REGULATORY AGENCY TO:

(1) DESIGNATE THE ASSUMING INSURER AS A CERTIFIED REINSURER IN THIS STATE;

(2) ASSIGN A RATING TO THE ASSUMING INSURER; OR

(3) BOTH.

(C) (1) A CERTIFIED REINSURER THAT CEASES TO ASSUME NEW BUSINESS IN THIS STATE MAY REQUEST TO MAINTAIN ITS CERTIFICATION IN INACTIVE STATUS IN ORDER TO CONTINUE TO QUALIFY FOR A REDUCTION IN SECURITY FOR ITS IN-FORCE BUSINESS.

(2) AN INACTIVE CERTIFIED REINSURER SHALL CONTINUE TO COMPLY WITH ALL APPLICABLE REQUIREMENTS OF ~~§ 5-909~~ § 5-911 OF THIS SUBTITLE.

(3) THE COMMISSIONER SHALL ASSIGN A RATING THAT TAKES INTO ACCOUNT, IF RELEVANT, THE REASONS WHY THE REINSURER IS NOT ASSUMING NEW BUSINESS.

~~5-909.~~ 5-911.

(A) A CERTIFIED REINSURER SHALL SECURE OBLIGATIONS ASSUMED FROM UNITED STATES CEDING INSURERS UNDER THIS SUBTITLE AT A LEVEL CONSISTENT WITH ITS RATING, AS SPECIFIED IN REGULATIONS THE COMMISSIONER ADOPTS.

(B) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, IN ORDER FOR A DOMESTIC CEDING INSURER TO QUALIFY FOR FULL FINANCIAL STATEMENT CREDIT FOR REINSURANCE CEDED TO A CERTIFIED REINSURER, THE CERTIFIED REINSURER SHALL MAINTAIN SECURITY IN A FORM THE COMMISSIONER CONSIDERS ACCEPTABLE AND CONSISTENT WITH ~~THE PROVISIONS OF § 5-912 § 5-914~~ OF THIS SUBTITLE, OR IN A MULTIBENEFICIARY TRUST IN ACCORDANCE WITH ~~§ 5-905 § 5-907~~ OF THIS SUBTITLE.

(C) (1) IF A CERTIFIED REINSURER MAINTAINS A TRUST TO FULLY SECURE ITS OBLIGATIONS CONSISTENT WITH ~~THE PROVISIONS OF § 5-905 § 5-907~~ OF THIS SUBTITLE AND CHOOSES TO SECURE ITS OBLIGATIONS INCURRED AS A CERTIFIED REINSURER IN THE FORM OF A MULTIBENEFICIARY TRUST, THE CERTIFIED REINSURER SHALL MAINTAIN SEPARATE TRUST ACCOUNTS FOR ITS OBLIGATIONS INCURRED UNDER REINSURANCE ~~AGREEMENTS~~ CONTRACTS ISSUED OR RENEWED AS A CERTIFIED REINSURER WITH REDUCED SECURITY AS ALLOWED BY THIS SECTION OR COMPARABLE LAWS OF OTHER UNITED STATES JURISDICTIONS AND FOR ITS OBLIGATIONS SUBJECT TO ~~§ 5-905 § 5-907~~ OF THIS SUBTITLE.

(2) AS A CONDITION OF CERTIFICATION UNDER ~~§ 5-906 § 5-908~~ OF THIS SUBTITLE, THE CERTIFIED REINSURER SHALL BIND ITSELF, BY THE LANGUAGE OF THE TRUST AND AGREEMENT WITH THE COMMISSIONER WITH PRINCIPAL REGULATORY OVERSIGHT OF EACH TRUST ACCOUNT, TO FUND, ON TERMINATION OF THE TRUST ACCOUNT, OUT OF THE REMAINING SURPLUS OF THE TRUST, ANY DEFICIENCY OF ANY OTHER TRUST ACCOUNT.

(D) THE MINIMUM TRUSTEED SURPLUS REQUIREMENTS PROVIDED IN ~~§ 5-905 § 5-907~~ OF THIS SUBTITLE DO NOT APPLY WITH RESPECT TO A MULTIBENEFICIARY TRUST MAINTAINED BY A CERTIFIED REINSURER FOR THE PURPOSE OF SECURING OBLIGATIONS INCURRED UNDER THIS SECTION, EXCEPT THAT THE TRUST SHALL MAINTAIN A MINIMUM TRUSTEED SURPLUS OF \$10,000,000.

(E) WITH RESPECT TO OBLIGATIONS INCURRED BY A CERTIFIED REINSURER UNDER THIS SECTION, IF THE SECURITY IS INSUFFICIENT, THE COMMISSIONER:

(1) SHALL REDUCE THE ALLOWABLE CREDIT BY AN AMOUNT PROPORTIONATE TO THE DEFICIENCY; AND

(2) MAY IMPOSE FURTHER REDUCTIONS IN ALLOWABLE CREDIT ON FINDING THAT THERE IS A MATERIAL RISK THAT THE CERTIFIED REINSURER'S OBLIGATIONS WILL NOT BE PAID IN FULL WHEN DUE.

(F) (1) FOR PURPOSES OF THIS SECTION, A CERTIFIED REINSURER WHOSE CERTIFICATION THE COMMISSIONER HAS BEEN REVOKED, SUSPENDED, ~~VOLUNTARILY SURRENDERED~~, OR PLACED ON INACTIVE STATUS, OR HAS BEEN VOLUNTARILY SURRENDERED, FOR ANY REASON SHALL BE TREATED AS A CERTIFIED REINSURER REQUIRED TO SECURE ~~100%~~ ALL OF ITS OBLIGATIONS.

(2) IF THE COMMISSIONER CONTINUES TO ASSIGN A HIGHER RATING AS ALLOWED BY OTHER PROVISIONS OF THIS SECTION, THE REQUIREMENT OF PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO A CERTIFIED REINSURER IN INACTIVE STATUS OR TO A REINSURER WHOSE CERTIFICATION HAS BEEN SUSPENDED.

~~5-910. 5-912.~~

(A) AFTER PROVIDING NOTICE AND AN OPPORTUNITY FOR HEARING TO THE REINSURER, THE COMMISSIONER MAY SUSPEND OR REVOKE A REINSURER'S ACCREDITATION OR CERTIFICATION IF THE REINSURER CEASES TO MEET THE REQUIREMENTS FOR ACCREDITATION OR CERTIFICATION.

(B) THE REVOCATION OR SUSPENSION MAY NOT TAKE EFFECT UNTIL AFTER THE COMMISSIONER'S ORDER ON HEARING UNLESS:

(1) THE REINSURER WAIVES ITS RIGHT TO A HEARING;

(2) THE COMMISSIONER'S ORDER IS BASED ON A REGULATORY ACTION BY THE REINSURER'S DOMICILIARY JURISDICTION OR PRIMARY CERTIFYING STATE ~~TERMINATING~~ SUSPENDING OR REVOKING THE REINSURER'S ELIGIBILITY TO TRANSACT INSURANCE OR REINSURANCE;

(3) THE REINSURER VOLUNTARILY SURRENDERS ITS LICENSE OR CERTIFICATION TO TRANSACT INSURANCE OR REINSURANCE BUSINESS IN ITS DOMICILIARY JURISDICTION OR PRIMARY CERTIFYING STATE; OR

(4) (I) THE COMMISSIONER FINDS THAT AN EMERGENCY REQUIRES IMMEDIATE ACTION BY THE COMMISSIONER; AND

(II) A COURT OF COMPETENT JURISDICTION HAS NOT STAYED THE COMMISSIONER'S ACTION.

(C) (1) WHILE A REINSURER'S ACCREDITATION OR CERTIFICATION IS SUSPENDED, A REINSURANCE CONTRACT ISSUED OR RENEWED AFTER THE EFFECTIVE DATE OF THE SUSPENSION DOES NOT QUALIFY FOR CREDIT EXCEPT

TO THE EXTENT THE REINSURER'S OBLIGATIONS UNDER THE CONTRACT ARE SECURED IN ACCORDANCE WITH ~~§ 5-912~~ § 5-914 OF THIS SUBTITLE.

(2) IF A REINSURER'S ACCREDITATION OR CERTIFICATION IS REVOKED, CREDIT FOR REINSURANCE MAY NOT BE GRANTED AFTER THE EFFECTIVE DATE OF THE REVOCATION EXCEPT TO THE EXTENT THAT THE REINSURER'S OBLIGATIONS UNDER THE CONTRACT ARE SECURED IN ACCORDANCE WITH ~~§ 5-909 OR § 5-912~~ § 5-911 OR § 5-914 OF THIS SUBTITLE.

~~5-911.~~ 5-913.

(A) IF THE ASSUMING INSURER IS NOT LICENSED, ACCREDITED, OR CERTIFIED TO TRANSACT INSURANCE OR REINSURANCE IN THIS STATE, THE CREDIT ALLOWED BY ~~§ 5-903(D)~~ § 5-904(E) OF THIS SUBTITLE MAY NOT BE ALLOWED UNLESS THE ASSUMING INSURER AGREES IN THE REINSURANCE ~~AGREEMENTS~~ CONTRACTS:

(1) THAT IN THE EVENT OF THE FAILURE OF THE ASSUMING INSURER TO PERFORM ITS OBLIGATIONS UNDER THE TERMS OF THE REINSURANCE ~~AGREEMENT~~ CONTRACT, THE ASSUMING INSURER, AT THE REQUEST OF THE ~~OF THE~~ CEDING INSURER, SHALL:

(I) SUBMIT TO THE JURISDICTION OF ANY COURT OF COMPETENT JURISDICTION IN ANY STATE;

(II) COMPLY WITH ALL REQUIREMENTS NECESSARY TO GIVE THE COURT JURISDICTION; AND

(III) ABIDE BY THE FINAL DECISION OF THE COURT OR OF ANY APPELLATE COURT IN CASE OF AN APPEAL; AND

(2) TO DESIGNATE THE COMMISSIONER AS ITS RESIDENT AGENT ON WHOM ANY LAWFUL PROCESS MAY BE SERVED IN ANY ACTION, SUIT, OR PROCEEDING INSTITUTED BY OR ON BEHALF OF THE CEDING INSURER.

(B) SUBSECTION (A) OF THIS SECTION IS NOT INTENDED TO CONFLICT WITH OR OVERRIDE THE OBLIGATION OF THE PARTIES TO A REINSURANCE ~~AGREEMENT~~ CONTRACT TO ARBITRATE THEIR DISPUTES, IF THIS OBLIGATION IS CREATED IN THE REINSURANCE ~~AGREEMENT~~ CONTRACT.

(C) IF THE ASSUMING INSURER DOES NOT MEET THE REQUIREMENTS OF ~~§ 5-903(D)~~ § 5-904(C) OR ~~(E)~~ (D) OF THIS SUBTITLE, THE CREDIT ALLOWED BY ~~§ 5-903(D)~~ § 5-904(E) AND ~~(E)~~ (F) OF THIS SUBTITLE MAY NOT BE ALLOWED

UNLESS THE ASSUMING INSURER AGREES IN THE TRUST AGREEMENTS TO THE FOLLOWING CONDITIONS:

(1) NOTWITHSTANDING ANY OTHER PROVISION IN THE TRUST INSTRUMENT, IF THE TRUST FUND IS INADEQUATE BECAUSE IT CONTAINS AN AMOUNT LESS THAN THE AMOUNT REQUIRED BY ~~§ 5-905(J)~~ § 5-907(J) OF THIS SUBTITLE, OR IF THE GRANTOR OF THE TRUST HAS BEEN DECLARED INSOLVENT OR PLACED INTO RECEIVERSHIP, REHABILITATION, LIQUIDATION, OR SIMILAR PROCEEDINGS UNDER THE LAWS OF ITS STATE OR COUNTRY OF DOMICILE, THE TRUSTEE SHALL COMPLY WITH AN ORDER OF THE ~~COMMISSIONER~~ INSURANCE REGULATORY AGENCY WITH REGULATORY OVERSIGHT OVER THE TRUST OR WITH AN ORDER OF A COURT OF COMPETENT JURISDICTION DIRECTING THE TRUSTEE TO TRANSFER TO THE ~~COMMISSIONER~~ INSURANCE REGULATORY AGENCY WITH REGULATORY OVERSIGHT ALL OF THE ASSETS OF THE TRUST FUND;

(2) THE ASSETS SHALL BE DISTRIBUTED BY AND CLAIMS SHALL BE FILED WITH AND VALUED BY THE ~~COMMISSIONER~~ INSURANCE REGULATORY AGENCY WITH REGULATORY OVERSIGHT OVER THE TRUST IN ACCORDANCE WITH THE LAWS OF THE STATE IN WHICH THE TRUST IS DOMICILED THAT ARE APPLICABLE TO THE LIQUIDATION OF DOMESTIC INSURERS;

(3) IF THE ~~COMMISSIONER~~ INSURANCE REGULATORY AGENCY WITH REGULATORY OVERSIGHT OVER THE TRUST DETERMINES THAT THE ASSETS OF THE TRUST FUND OR ANY PART OF THE ASSETS ARE NOT NECESSARY TO SATISFY THE CLAIMS OF THE UNITED STATES CEDING INSURERS OF THE GRANTOR OF THE TRUST, THE ASSETS OR PART SHALL BE RETURNED BY THE ~~COMMISSIONER~~ INSURANCE REGULATORY AGENCY WITH REGULATORY OVERSIGHT TO THE TRUSTEE FOR DISTRIBUTION IN ACCORDANCE WITH THE TRUST AGREEMENT; AND

(4) THE GRANTOR SHALL WAIVE ANY RIGHT OTHERWISE AVAILABLE TO IT UNDER UNITED STATES LAW THAT IS INCONSISTENT WITH THIS SUBSECTION.

~~5-912.~~ 5-914.

(A) AN ASSET OR A REDUCTION FROM LIABILITY FOR THE REINSURANCE CEDED BY A DOMESTIC INSURER TO AN ASSUMING INSURER NOT MEETING THE REQUIREMENTS OF ~~§ 5-903~~ § 5-904 OF THIS SUBTITLE SHALL BE ALLOWED IN AN AMOUNT NOT EXCEEDING THE LIABILITIES CARRIED BY THE CEDING INSURER.

(B) THE REDUCTION SHALL BE IN THE AMOUNT OF FUNDS HELD BY OR ON BEHALF OF THE CEDING INSURER, INCLUDING FUNDS HELD IN TRUST FOR THE CEDING INSURER, UNDER A REINSURANCE CONTRACT WITH THE ASSUMING INSURER AS SECURITY FOR THE PAYMENT OF OBLIGATIONS UNDER THE CONTRACT, IF THE SECURITY IS HELD:

(1) IN THE UNITED STATES SUBJECT TO WITHDRAWAL SOLELY BY, AND UNDER THE EXCLUSIVE CONTROL OF, THE CEDING INSURER; OR

(2) IN THE CASE OF A TRUST, HELD IN A QUALIFIED UNITED STATES FINANCIAL INSTITUTION.

(C) THE SECURITY MAY BE IN THE FORM OF:

(1) CASH;

(2) SECURITIES LISTED BY THE SECURITIES VALUATION OFFICE OF THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS, INCLUDING THOSE DEEMED EXEMPT FROM FILING AS DEFINED BY THE PURPOSES AND PROCEDURES MANUAL OF THE SECURITIES VALUATION OFFICE, AND QUALIFYING AS ADMITTED ASSETS;

(3) SUBJECT TO SUBSECTION (D) OF THIS SECTION, CLEAN, IRREVOCABLE, UNCONDITIONAL LETTERS OF CREDIT, ISSUED OR CONFIRMED BY A QUALIFIED UNITED STATES FINANCIAL INSTITUTION, EFFECTIVE NO LATER THAN DECEMBER 31 OF THE YEAR FOR WHICH THE FILING IS BEING MADE, AND IN THE POSSESSION OF, OR IN TRUST FOR, THE CEDING INSURER ON OR BEFORE THE FILING DATE OF THE CEDING INSURER'S ANNUAL STATEMENT; OR

(4) ANY OTHER FORM OF SECURITY ACCEPTABLE TO THE COMMISSIONER.

(D) NOTWITHSTANDING THE SUBSEQUENT FAILURE OF THE ISSUING OR CONFIRMING INSTITUTION TO MEET APPLICABLE STANDARDS OF ISSUER ACCEPTABILITY, A LETTER OF CREDIT MEETING APPLICABLE STANDARDS OF ISSUER ACCEPTABILITY AS OF THE DATE OF ITS ISSUANCE OR CONFIRMATION UNDER SUBSECTION (C)(3) OF THIS SECTION SHALL CONTINUE TO BE ACCEPTABLE AS SECURITY UNTIL THE LETTER OF CREDIT EXPIRES OR IS EXTENDED, RENEWED, MODIFIED, OR AMENDED, WHICHEVER OCCURS FIRST.

(A) (1) A CEDING INSURER SHALL TAKE STEPS TO MANAGE ITS REINSURANCE RECOVERABLES PROPORTIONATE TO ITS OWN BOOK OF BUSINESS.

(2) (I) A DOMESTIC CEDING INSURER SHALL NOTIFY THE COMMISSIONER WITHIN 30 DAYS AFTER REINSURANCE RECOVERABLES FROM ANY SINGLE ASSUMING INSURER, OR GROUP OF AFFILIATED ASSUMING INSURERS, EXCEEDS OR IS LIKELY TO EXCEED 50% OF THE DOMESTIC CEDING INSURER'S LAST REPORTED SURPLUS TO POLICYHOLDERS.

(II) THE NOTIFICATION REQUIRED BY SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL DEMONSTRATE THAT THE DOMESTIC CEDING INSURER IS SAFELY MANAGING THE EXPOSURE.

(B) (1) A CEDING INSURER SHALL TAKE STEPS TO DIVERSIFY ITS REINSURANCE PROGRAM.

(2) (I) A DOMESTIC CEDING INSURER SHALL NOTIFY THE COMMISSIONER WITHIN 30 DAYS AFTER CEDING OR BEING LIKELY TO CEDE TO ANY SINGLE ASSUMING INSURER, OR GROUP OF AFFILIATED ASSUMING INSURERS, MORE THAN 20% OF THE CEDING INSURER'S GROSS WRITTEN PREMIUM IN THE PRIOR CALENDAR YEAR.

(II) THE NOTIFICATION REQUIRED BY SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL DEMONSTRATE THAT THE DOMESTIC CEDING INSURER IS SAFELY MANAGING THE EXPOSURE.

~~5-914.~~ 5-916.

THE COMMISSIONER MAY ADOPT REGULATIONS TO CARRY OUT THIS SUBTITLE.

SECTION 2. AND BE IT FURTHER ENACTED, That credit for reinsurance ceded to a reinsurer under this Act may be allowed only for reinsurance contracts entered into or renewed on or after the effective date of the certification of the assuming insurer by the Maryland Insurance Commissioner under this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That a presently existing obligation or contract right may not be impaired in any way by this Act.

SECTION ~~2.~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 1168 – *Education – Minority Teacher Recruitment – Study and Report*.

This bill requires the State Department of Education, the Maryland Higher Education Commission, and the University System of Maryland to study and make recommendations on strategies to increase and improve minority teacher recruitment, preparation, development, and retention in elementary and secondary education in the State. The bill requires the Department, Commission, and System jointly to submit a specified report to the Governor and the General Assembly on or before December 1, 2013.

Senate Bill 548, 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 1168.

Sincerely,

Governor Martin O'Malley

House Bill 1168

AN ACT concerning

~~State Department of Education~~ – Minority Teacher Recruitment – Study and Report

FOR the purpose of requiring the State Department of Education, the Maryland Higher Education Commission, and the University System of Maryland to study and make recommendations on certain strategies to increase and improve minority teacher recruitment, preparation, development, and retention in elementary and secondary education in the State; requiring the Department, Commission, and System to submit a certain report to the Governor and the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to minority teacher recruitment ~~and the State Department of Education.~~

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

(a) The State Department of Education, the Maryland Higher Education Commission, and the University System of Maryland jointly shall study and make recommendations on strategies to increase and improve the recruitment, preparation, development, and retention of high-quality minority teachers in elementary and secondary education in the State.

(b) On or before December 1, 2013, the State Department of Education, the Maryland Higher Education Commission, and the University System of Maryland jointly shall report on ~~its~~ their recommendations under subsection (a) of this section to the Governor and, in accordance with § 2-1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013. It shall remain effective for a period of 1 year and, at the end of June 30, 2014, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 1194 – *Baltimore County – Property Tax Credit – Bowerman-Loreley Beach Community Association, Inc.*

This bill corrects a reference to the Bowerman-Loreley Beach Community Association, Inc. for purposes of a specified property tax credit in Baltimore County and makes the Act an emergency measure.

Senate Bill 947, 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 1194.

Sincerely,

Governor Martin O'Malley

House Bill 1194

AN ACT concerning

**Baltimore County – Property Tax Credit – Bowerman–Loreley Beach
Community Association, Inc.**

FOR the purpose of making a technical correction for purposes of a certain property tax credit; making this Act an emergency measure; and generally relating to a property tax credit in Baltimore County for the Bowerman–Loreley Beach Community Association, Inc.

BY repealing and reenacting, with amendments,

Article – Tax – Property
Section 9–305(b)(21)
Annotated Code of Maryland
(2012 Replacement Volume)

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

Article – Tax – Property

9–305.

(b) The governing body of Baltimore County may grant, by law, a property tax credit under this section against the county property tax imposed on:

(21) real property that is owned by the [Loreley Beach Community Association] **BOWERMAN–LORELEY BEACH COMMUNITY ASSOCIATION, INC.;**

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 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 16, 2013

The Honorable Michael E. Busch
Speaker of the House

H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 1237 – *Health Care Practitioners – Prescription Drug or Device Dispensing – Medical Facilities or Clinics That Specialize in Treatment Reimbursable Through Workers' Compensation Insurance*.

This bill repeals an exception from the requirement that an individual be licensed by the Board of Pharmacy before the individual may practice pharmacy in the State. The bill requires a dentist, physician, or podiatrist who dispenses a prescription drug or device in the course of treating a patient at a medical facility or clinic that specializes in the treatment of medical cases reimbursable through workers' compensation insurance to obtain a dispensing permit and meet other requirements.

Senate Bill 139, 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 1237.

Sincerely,

Governor Martin O'Malley

House Bill 1237

AN ACT concerning

**Health Care Practitioners – Prescription Drug or Device Dispensing –
Medical Facilities or Clinics That Specialize in Treatment Reimbursable
Through Workers' Compensation Insurance**

FOR the purpose of repealing a certain exception from the requirement that an individual be licensed by the Board of Pharmacy before the individual may practice pharmacy in the State; requiring a dentist, physician, or podiatrist who dispenses a prescription drug or device in the course of treating a patient at a medical facility or clinic that specializes in the treatment of medical cases reimbursable through workers' compensation insurance to obtain a dispensing permit and meet certain other requirements; and generally relating to dispensing of prescription drugs or devices by dentists, physicians, or podiatrists.

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 12-102(g)
Annotated Code of Maryland

(2009 Replacement Volume and 2012 Supplement)

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

Article – Health Occupations

12–102.

(g) This title does not prohibit a dentist, physician, or podiatrist from dispensing a prescription drug or device in the course of treating a patient:

(1) [At a medical facility or clinic that specializes in the treatment of medical cases reimbursable through workers' compensation insurance;

(2)] At a medical facility or clinic that is operated on a nonprofit basis;

[(3)] (2) At a health center that operates on a campus of an institution of higher education; or

[(4)] (3) At a public health facility, a medical facility under contract with a State or local health department, or a facility funded with public funds.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H–101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 1253 – *Natural Resources – Commercial Fishing – Licensing*.

This bill alters the annual fees and surcharges for specified commercial fishing licenses and authorizations and requires that specified tidal fish licensees obtain a harvester registration from the Department of Natural Resources. The bill authorizes the Department to issue a permit authorizing a person to commercially harvest specified fish species, subject to specified annual fees and repeals provisions of law

that authorize the Department to establish and issue a commercial fishing apprenticeship permit.

Senate Bill 662, 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 1253.

Sincerely,

Governor Martin O'Malley

House Bill 1253

AN ACT concerning

Natural Resources – Commercial Fishing – Licensing

FOR the purpose of altering the annual fees and surcharges for certain commercial fishing licenses and authorizations; requiring that tidal fish licensees with certain authorizations obtain a harvester registration from the Department of Natural Resources; establishing a certain annual fee for the harvester registration; establishing that the harvester registration is nontransferable; authorizing the Department to issue a permit to commercially harvest certain fish species, subject to certain annual fees; authorizing the Department to adopt regulations establishing a permit to commercially harvest certain other fish species, subject to a certain maximum annual fee; repealing a provision of law authorizing a tidal fish licensee to catch striped bass for sale on payment of a certain annual surcharge; altering the amount of a certain annual surcharge for seafood marketing programs assessed on tidal fish licensees; exempting certain nonresident tidal fish licensees from a certain required annual surcharge; requiring the Department to accept applications for certain commercial fish license authorizations and to maintain a waiting list of candidates for each fishing activity in a certain order; repealing provisions of law that authorize the Department to establish and issue a commercial fishing apprenticeship permit, accept applications and annual fees for the permit, issue a certain license to a person who has completed an apprenticeship, adopt certain regulations related to the criteria required for an apprenticeship permit, and otherwise administer a commercial fishing apprenticeship permit process; authorizing a tidal fish licensee to renew a harvester registration annually; repealing a certain provision of law authorizing certain tidal fish license conversions; requiring certain licensees to possess a harvester registration when engaged in certain commercial fishing activity; altering certain standards for determining when a person is required to obtain a seafood dealer authorization; requiring certain persons to obtain a bait harvester permit under certain circumstances; establishing an annual fee for a bait harvester permit; requiring a licensee to provide the Department certain notification and pay a certain pound net activity registration fee in a certain time frame before setting a pound net;

authorizing the Governor annually to include a certain appropriation in the State budget for a certain purpose; providing for certain corrections of cross-references and terminology; clarifying certain language; and generally relating to commercial fishing licensing.

BY repealing and reenacting, with amendments,

Article – Natural Resources
Section 4–701, 4–702, and 4–711(i)
Annotated Code of Maryland
(2012 Replacement Volume)

BY repealing

Article – Natural Resources
Section 4–701.1
Annotated Code of Maryland
(2012 Replacement Volume)

BY repealing and reenacting, without amendments,

Article – Natural Resources
Section 4–711(a), (b), and (h)
Annotated Code of Maryland
(2012 Replacement Volume)

BY adding to

Article – Natural Resources
Section 4–711(i)
Annotated Code of Maryland
(2012 Replacement Volume)

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

Article – Natural Resources

4–701.

(a) This section applies to any person who is required under Subtitle 2, 7, 8, 9, or 10 of this title to be licensed to guide fishing parties or to catch, sell, buy, process, transport, export, or otherwise deal in fish caught in tidal waters.

(b) (1) The Department shall utilize a single, commercial license, to be known and designated as a tidal fish license.

(2) A tidal fish license authorizes a licensee:

(i) To engage in each activity indicated on the license; and

(ii) For catching crabs, to utilize the number of crew members [indicated on the license] **AUTHORIZED UNDER § 4-814 OF THIS TITLE.**

(3) Except for a person receiving a license as a beneficiary of a deceased licensee under subsection (j)(4)(i) of this section, the Department may not issue a tidal fish license to an individual who is younger than 14 years of age.

(4) A person may not guide fishing parties or catch, sell, buy, process, transport, export, or otherwise deal in fish caught in tidal waters unless licensed under this section.

(c) (1) The license year for every tidal fish license shall be 12 months from September 1 through August 31 of the following year.

(2) A licensee and crew members may engage only in those activities for which the annual fees for that license year have been paid.

(d) (1) The Department may issue no more than one authorization to a person to engage in each activity under paragraph (2)(ii)1 and 2 of this subsection during a license year.

(2) (i) On a tidal fish license, the Department may issue an authorization for any of the following activities for which the indicated fee has been paid.

(ii) The following annual fees for an authorization shall apply regardless of when the license is issued or an activity is authorized:

1. To provide services as:

A. A fishing guide in the tidal waters of Maryland – **[\$50] \$100** for a resident and **[\$100] \$200** for a nonresident; and

B. A master fishing guide, in addition to the fee under item A of this item – **[\$50] \$100** per vessel

2. To catch for sale fish with equipment which is legal under this title:

A. Finfish:

I. Hook and line only, anywhere: **[\$37.50] \$100**

II. All other equipment: **[\$100] \$150**

B. Crabs:

- I. Up to 50 pots, trotlines, nets, dip nets, traps, pounds, and scrapes: ~~[\$50]~~ **\$100**
- II. Over 50 pots, plus any other gear listed in item I of this sub-sub-subparagraph: \$150
- C. Clams – \$100
- D. Oysters – \$250 for a dredge boat and ~~[\$50]~~ **\$100** for other than a dredge boat
- E. Conch, turtles, and lobster – ~~[\$50]~~ **\$100**
- F. For all activities in item 1A of this subparagraph and in items A through E of this item, unlimited tidal fish – \$300

3. For one or two crew members employed under § 4-814 of this title to enable a licensee to catch crabs under subparagraph (ii)2BII and F of this paragraph with more than 300 pots, the licensee shall pay ~~[\$20 for each crew member]~~ **AN ADDITIONAL:**

- A. **\$100 FOR UP TO 600 POTS TOTAL PER VESSEL; OR**
- B. ~~\$200~~ **\$150** **FOR UP TO 900 POTS TOTAL PER VESSEL.**

4. ~~[Except for a licensee dealing in his own catch, for]~~ **FOR** a person to buy, process, pack, resell, market or otherwise deal in fish caught in the tidal waters of Maryland, seafood dealer ~~[- \$150]:~~

- A. **\$50 FOR A PERSON LICENSED UNDER ITEM 2 OF THIS SUBPARAGRAPH; OR**
- B. **\$250 FOR A PERSON NOT LICENSED UNDER ITEM 2 OF THIS SUBPARAGRAPH.**

5. For a person who is not licensed under this section to land fish caught in out-of-state tidal waters, seafood landing – ~~\$150~~ **\$350**

(E) (1) BEFORE CATCHING FISH FOR SALE UNDER AN AUTHORIZATION ISSUED UNDER SUBSECTION (D)(2)(II)2 OF THIS SECTION, A TIDAL FISH LICENSEE SHALL OBTAIN A HARVESTER REGISTRATION FROM THE DEPARTMENT.

(2) THE ANNUAL FEE FOR A HARVESTER REGISTRATION IS \$215.

(3) A HARVESTER REGISTRATION IS NONTRANSFERABLE.

(F) FOR A TIDAL FISH LICENSE, THE DEPARTMENT MAY ISSUE A PERMIT FOR ANY OF THE FOLLOWING ACTIVITIES FOR WHICH THE INDICATED ANNUAL FEE HAS BEEN PAID:

(1) TO CATCH FOR SALE:

(I) STRIPED BASS:

1. \$200 FOR A LICENSEE AUTHORIZED UNDER SUBSECTION (D)(2)(II)2A OF THIS SECTION; OR

2. \$150 FOR A LICENSEE AUTHORIZED UNDER SUBSECTION (D)(2)(II)2F OF THIS SECTION;

(II) YELLOW PERCH: \$25;

(III) HORSESHOE CRAB: \$25;

(IV) BLACK SEA BASS: \$25; ~~OR~~

(V) SUMMER FLOUNDER: \$25; OR

(VI) SNAPPING TURTLE: \$25.

(2) THE DEPARTMENT MAY ESTABLISH BY REGULATION A PERMIT AND AN ANNUAL PERMIT FEE NOT EXCEEDING \$25 FOR ANY SPECIES NOT SUBJECT TO A PERMIT UNDER THIS SUBSECTION.

[(e)] (G) (1) [To catch striped bass for sale:

(i) A licensee authorized under subsection (d)(2)(ii)2A of this section shall pay an annual surcharge of \$200; or

(ii) A licensee authorized under subsection (d)(2)(ii)2F of this section shall pay with the license fee an annual surcharge of \$100.

(2)] (i) A person may not catch oysters for sale without:

1. Possessing a valid license under this section;

2. Paying an annual surcharge of \$300; and

3. Certifying to the Department that the person received the publications required under § 4–1006.2 of this title.

(ii) The Department shall use the surcharges collected under this paragraph only for oyster repletion activities.

[(3)] (2) In addition to the normal license fees imposed under subsection (d)(2)(ii)2 and 4 of this section, a licensee shall pay to the Department an annual surcharge **[of \$10] IN THE FOLLOWING AMOUNTS** to be credited to the Seafood Marketing Office of the Department to fund seafood marketing programs which have been approved by the Department:

(I) \$20 FOR A LICENSEE AUTHORIZED UNDER SUBSECTION (D)(2)(II)1, 2, 3, OR 5 OF THIS SECTION, IF THE LICENSEE IS NOT ALSO AUTHORIZED UNDER SUBSECTION (D)(2)(II)4 OF THIS SECTION; OR

(II) \$50 FOR A LICENSEE AUTHORIZED UNDER SUBSECTION (D)(2)(II)4 OF THIS SECTION, REGARDLESS OF WHETHER THE LICENSEE IS ALSO AUTHORIZED UNDER SUBSECTION (D)(2)(II)1, 2, 3, OR 5 OF THIS SECTION.

[(4)] (3) (i) 1. In this paragraph, “fishing activities” means those activities that are directly related to catching fish.

2. “Fishing activities” does not include the activities of buying, selling, processing, transporting, exporting, or similarly dealing in fish.

(ii) **[The Department shall assess annually on] FOR** every nonresident license **[applicant for the applicant’s fishing activities] ISSUED** under Subtitles 7, 8, and 9 of this title, **EXCEPT UNDER SUBSECTION (D)(2)(II)1A OF THIS SECTION, THE DEPARTMENT SHALL ASSESS AN ANNUAL SURCHARGE** in addition to the normal license fees imposed by this subsection, **[a surcharge which cumulatively for the license year,] WHICH** shall be the greater of:

1. An amount equal to the difference between the total fees charged to a Maryland resident engaged in like fishing activities in the state of residence of the nonresident applicant and the total of normal license fees for fishing activities in Maryland; or

2. **[\$350] \$450.**

[(f)] (H) The Department may assess annually on every person licensed under subsection (d)(2)(ii)2 of this section a surcharge for the costs incurred by the Department for:

- (1) Fish tags issued to the licensee; and
- (2) The use by a licensee of a hailing system.

[(g)] (I) (1) THE DEPARTMENT SHALL ACCEPT APPLICATIONS FOR NEW AUTHORIZATIONS TO PARTICIPATE IN FISHING ACTIVITIES UNDER SUBSECTION (D)(2)(II)1 OR 2 OF THIS SECTION FROM QUALIFIED PERSONS AND MAINTAIN A WAITING LIST OF CANDIDATES FOR EACH FISHING ACTIVITY IN ORDER OF THE DATE AND TIME THAT APPLICATIONS ARE RECEIVED.

(2) An applicant for a license to provide services as a commercial fishing guide in tidal waters of the State shall supply as part of the application verifiable references to any federal license that is issued by the U.S. Coast Guard to operate a vessel carrying passengers for hire in the applicant's name, as a condition precedent to engaging as a commercial fishing guide in tidal waters.

[(h)] (1) Notwithstanding any other provision of this section, the Department may issue an apprenticeship permit for any activity under subsection (d)(2)(ii)1 or 2 of this section to a person who currently resides and has resided for at least 5 years on an island in the State that is at least 3 miles from the mainland.

(2)] (J) (1) The Department may set by regulation targets for the number of tidal fish license authorizations under subsection (d)(2)(ii) of this section to be the number issued between September 1, 1998 and March 31, 1999. The Department may modify by regulation the target number of authorizations based on:

(i) Recommendations of the Tidal Fisheries Advisory Commission;

(ii) Recommendations of fishery management plans adopted by the Department, the Chesapeake Bay Program, the Atlantic States Marine Fisheries Commission, the Mid-Atlantic Fisheries Management Council, or any other appropriate management body;

(iii) The number of people historically participating;

(iv) Target species, size, number, weight, incidental catch, total biomass, annual harvest, mortality rates, and other factors which are necessary and appropriate; and

(v) The number of authorizations relinquished to the Department under subsection **[(k)] (L)** of this section.

[(3)] (2) (i) The Department shall by regulation limit the total number of commercial authorizations to fish for striped bass not to exceed 1,231

participants in the commercial fishery and 499 participants in the charter boat fishery.

(ii) The Department shall provide in its regulations for reallocation of any authorizations that may be revoked or voluntarily relinquished to the Department.

(iii) The Department shall provide in its regulations for the allocation of any available quota on a monthly basis to assure that all areas of the State have ample opportunity to attain an equitable portion of the available quota.

[(i) The Department shall issue a license authorizing participation in a particular fishing activity to a person who has completed the requirements of an apprenticeship under § 4–701.1 of this subtitle.]

[(j)] (K) (1) A license or authorization may be transferred only under the provisions of this subsection.

(2) A person who desires to obtain a license or authorization by transfer under this subsection shall, for each license or authorization applied for:

(i) Pay a \$50 application fee; and

(ii) Submit a completed application to the Department.

(3) The Department shall review and may approve the permanent transfer of a license or an authorization to a person who is the licensee's spouse, daughter, son, stepchild, grandchild, stepgrandchild, parent, sister, brother, grandparent, aunt, uncle, niece, nephew, father-in-law, mother-in-law, son-in-law, daughter-in-law, sister-in-law, or brother-in-law.

(4) (i) On the death of a licensee, the Department shall review and may approve the permanent transfer of a license or authorization to the person indicated on the beneficiary form submitted by the deceased licensee at the time of issuance on the license.

(ii) The personal representative of the estate of the deceased licensee may retain the license or authorization for 2 years from the date of appointment as personal representative if:

1. The deceased licensee did not indicate a license beneficiary;

2. The Department determines that the license beneficiary is not qualified to receive the license or authorization; or

3. The license beneficiary does not accept the license or authorization.

(iii) On appointment, the personal representative shall notify the Department of the appointment and the intent to retain the license or authorization.

(iv) A license or authorization retained under this paragraph may be renewed annually as required by this title.

(v) Before the end of the 2-year period, the personal representative may submit a completed transfer application to transfer the license or authorization to a qualified individual.

(vi) If a license or authorization is not transferred under subparagraph (i) of this paragraph, and a transfer application is not submitted under subparagraph (ii) of this paragraph, the license or authorization is void.

(vii) A person may not operate under the license or authorization of the deceased licensee without approval of the application by the Department.

(5) (i) Twice per license year, the Department may approve a temporary transfer of a license or authorization for not more than the remainder of the license year.

(ii) A temporary transferee who is convicted or receives an accepted plea of nolo contendere for a violation of federal or State fisheries law that results in a license suspension or revocation may not engage in that fishing activity or receive a transfer of a tidal fish license during the period of suspension or revocation.

(6) The Department may approve the permanent transfer of a license or authorization under this subsection from a person who has held a valid tidal fish license for at least 2 years to a person who provides a notarized bill of sale for the license or authorization being transferred.

(7) (i) Except for a fishing guide licensee or a master fishing guide licensee, a licensee may allow one individual to use the licensee's commercial fishing vessel to engage in activities authorized under the license if:

1. The licensee's commercial fishing vessel number is registered on the license; and

2. The licensee has [indicated the name of] **IDENTIFIED** the assigned individual to the Department on a form provided by the Department.

(ii) A licensee may change the assignment once per license year.

(iii) If a licensee allows an individual to utilize a vessel under this paragraph, the individual and the licensee shall be held responsible for any violations committed by the individual using the vessel.

[(k)] (L) (1) Notwithstanding the qualification criteria for a license and authorization to engage in an activity under this section, licensees may renew **A HARVESTER REGISTRATION AND** any valid existing authorizations on their licenses annually.

(2) (i) Application to renew a tidal fish license shall be made not later than August 31, or the next business day in the instance that the Department is not open, for the following license year.

(ii) The Department may not accept application for renewal after that date, as stated in subparagraph (i) of this paragraph unless:

1. Application is made by March 31, or the next business day in the instance that the Department is not open, of the following license year;

2. The applicant shows good cause why application was not made by August 31 of the previous license year; and

3. A late fee of \$50 is paid by the applicant in addition to the license fee.

[(l)] (M) (1) **[Before September 1, 2012, at the time of license renewal, a licensee who possesses three or more authorizations under subsection (d)(2)(ii)1 and 2A through E of this section, one of which is a crabbing authorization, may relinquish each authorization and receive an authorization under subsection (d)(2)(ii)2F of this section.**

(2) (i) A licensee who possesses an unlimited tidal fish license under subsection (d)(2)(ii)2F of this section may relinquish the unlimited tidal fish license and receive one or more authorizations under subsection (d)(2)(ii)1A through E of this section.

(ii) If the fee for an unlimited tidal fish license is less than the total of the fees for authorizations received by a licensee under subparagraph (i) of this paragraph, the licensee shall pay to the Department an amount equal to the difference between the fee for the unlimited tidal fish license and the total of the fees for the authorizations received.

[(3)] (2) The Department shall adjust the number of authorizations under subsection (d)(2)(ii) of this section to reflect the number of license conversions under **[paragraphs (1) and (2)] PARAGRAPH (1)** of this subsection.

~~[(m)]~~ (N) (1) In addition to any other penalty provided in this title, the Department may suspend or revoke a person's entitlement to engage in a particular activity or activities under a tidal fish license.

(2) During a period of suspension or revocation imposed by the Department, the person penalized is not and shall not be authorized under any existing, renewed, transferred, or new tidal fish license to engage in the particular activity or activities for which the suspension is imposed.

(3) The following are grounds for suspension or revocation of a tidal fish license:

(i) Making any false statement in an application for a tidal fish license;

(ii) A serious violation of a State or federal commercial fisheries law that results in a conviction or an accepted plea of nolo contendere;

(iii) Failure to submit reports required by the provisions of this title or by the Department pursuant to provisions of this title; or

(iv) Failure for a nonresident of the State to appear in court pursuant to a citation issued by a Natural Resources police officer, or to any other process issued by any court of Maryland, for violation of this title.

(4) A penalty imposed in accordance with this subtitle shall be in addition to any other penalty authorized under § 4-1201 of this title regarding striped bass.

(5) The Department, in consultation with the Tidal Fisheries Advisory Commission and the Sport Fisheries Advisory Commission, shall adopt regulations relating to the suspension and revocation of licenses and authorizations issued under this title, including:

(i) A schedule of points assigned to various offenses under this title;

(ii) A schedule of the maximum number of days that a license may be suspended according to the number of points accumulated;

(iii) Suspension or revocation of a license or authorization for a serious violation of a State or federal commercial fisheries law that results in an individual receiving a conviction or an accepted plea of nolo contendere;

(iv) Enhanced penalties for repeated violations of this title; and

(v) Enhanced penalties for violations of provisions of this title that regulate species deemed by the Department to be in need of special protection, including striped bass, crabs, oysters, and menhaden.

(6) (i) Before the suspension or revocation of a tidal fish license under this section, the Department shall notify the licensee in writing of the licensee's right to a hearing on request.

(ii) If a licensee submits a written request for a hearing to the Department within 30 days after the date that the notice required under this paragraph is mailed, the Department shall:

1. Hold a hearing after providing at least 10 days' notice to the licensee; and

2. Conduct the hearing in accordance with Title 10, Subtitle 2 of the State Government Article.

(iii) The Department may suspend a commercial license issued under this title without a hearing if:

1. The licensee does not submit a written request for a hearing; or

2. The licensee fails to appear for a scheduled hearing for which the Department provided notice.

[(n)] (O) (1) If a person is engaged in an activity for which a license or authorization is required under this section, the person shall possess:

(i) Any required license, authorization, **REGISTRATION**, or permit; and

(ii) For a person to whom a license or authorization has been temporarily transferred, documentation indicating the Department's approval of the temporary transfer application.

(2) (i) This paragraph does not limit the Department's authority to inspect books, statements, and accounts under § 4–206(b) of this title.

(ii) The licensee or any person to whom a licensee has transferred a license under subsection **[(j)] (K)** of this section shall allow any police officer, at reasonable times, including when the licensee or person is engaged in an activity that requires a license under this section, to inspect:

1. The license, authorization, or permit;

2. Any applicable application to transfer the commercial tidal fish license approved by the Department for a temporary transfer;

3. Commercial fishing vessels;

4. Vehicles used to transport fish for commercial purposes; and

5. Fish businesses owned or operated by a person licensed under this section.

(iii) Inspections of vessels, vehicles, and businesses authorized under this paragraph shall be restricted to inspections of fishing gear and places where fish may be stored.

(iv) Inspections of businesses authorized under this paragraph may be conducted in any building other than a dwelling house.

(3) (i) An inspector may seize fishing gear or fish found during an inspection under this subsection that is used or possessed in connection with a violation of this title or a regulation adopted under this title.

(ii) Fishing gear seized under this paragraph shall be held by the Department pending disposition of court proceedings, and on conviction the property seized or proceeds from the seizure shall be forfeited to the State for destruction or disposition as the Department may deem appropriate.

(iii) The Department may dispose of fish seized under this paragraph at its discretion.

[(o)] (P) The Department shall assign a permanent identification number to each licensee. A licensee shall display the identification number on every vessel, vehicle, gear, or place of business, as the Department may require by regulation.

[(p)] (Q) The Department shall:

(1) Deposit to the credit of the Fisheries Research and Development Fund all fees received for tidal fish licenses, authorizations, and permits under this section; and

(2) Use the funds received from the sale of striped bass surcharges for striped bass management and enforcement purposes.

[(q)] (R) (1) This subsection applies only to a person who, on April 1, 1997:

(i) Held a valid fishing guide license; and

(ii) Either:

1. Owned two or more vessels used to carry passengers for fishing;
2. Owned or operated a federally licensed vessel of 50 tons or more that was used to carry passengers for fishing; or
3. Owned or operated a marina from which 10 or more vessels operate to carry passengers for fishing.

(2) A person who meets the requirements of paragraph (1) of this subsection may obtain an annual master fishing guide license by:

- (i) Filing an application on a form provided by the Department;
- (ii) Supplying with the application proofs of ownership of the required vessels; and
- (iii) Paying the master fishing guide license fee set forth in subsection (d)(2)(ii)1 of this section.

(3) A person holding a master fishing guide license may:

- (i) Employ other persons to guide fishing parties on vessels owned by the master fishing guide; and
- (ii) Allow a person who holds a valid Coast Guard license to operate a vessel to carry passengers for fishing from the marina owned or operated by the master guide license holder authorized under paragraph (1)(ii)3 of this subsection as follows:

1. One person for 10 vessels;
2. Two persons for 11 to 20 vessels;
3. Three persons for 21 to 30 vessels;
4. Four persons for 31 to 40 vessels;
5. Five persons for 41 to 50 vessels; and
6. Six persons for 51 or more vessels.

(4) (i) The Department shall issue a number of copies of the master fishing guide license corresponding to the number of vessels owned or operated by the

master fishing guide, with each copy bearing the registration number of one of the vessels.

(ii) The master fishing guide shall ensure that when a vessel is operated, the appropriate copy of the license is on board.

(5) If a master fishing guide employs another person to operate a vessel to carry passengers for fishing, for purposes of the license suspension criteria in subsection (m) of this section, the master fishing guide shall be held responsible for any violations committed by the person employed to operate the vessel.

[4-701.1.

(a) This section applies to a person who does not qualify for a license required under Subtitle 2, Subtitle 7, Subtitle 8, Subtitle 9, or Subtitle 10 of this title, except for a seafood dealer license or a seafood landing license, to be licensed to guide fishing parties or to catch, sell, buy, process, transport, export, or otherwise deal in fish caught in tidal waters.

(b) Except as provided under subsection (h) of this section, the Department may issue an apprenticeship permit to authorize a person to gain practical experience in the presence of a tidal fish licensee regarding commercial fishing activities.

(c) An apprenticeship permit is valid for up to 3 years from the date of issuance and may be renewed for 1 year if the applicant shows good cause.

(d) The fees for an apprenticeship permit shall be the same as the annual fees applied under § 4-701(d) of this subtitle for each commercial fishing activity for the term of the apprenticeship and the first license year.

(e) (1) The Department may accept an application for an apprenticeship permit from a person who is at least 14 years of age and does not qualify for a commercial tidal fish license or an authorization for a particular fishing activity.

(2) The Department may issue an apprenticeship permit if the number of tidal fish authorizations issued for that fishing activity is less than the target number established by regulation.

(3) The Department shall maintain a list in chronological order of persons who have applied for an apprenticeship permit but have not been issued an apprenticeship permit due to the target number already having been issued.

(4) The Department shall issue an apprenticeship permit to the first person on the list when a permit becomes available.

(5) The Department may not issue an apprenticeship permit for a particular fishing activity unless the number of the tidal fish authorizations issued for

the particular activity is below the target number or a review by the General Assembly has been completed.

(f) The Department shall issue a tidal fish license or authorization in accordance with § 4–701(i) of this subtitle to persons who have completed the criteria established in subsection (g) or (h) of this section.

(g) (1) (i) The practical experience of a permittee shall consist of:

1. For each commercial fishing activity authorized under § 4–701(d)(2)(ii) of this subtitle, 150 days of experience in the fishing activity applied for;

2. For multiple fishing activities under § 4–701(d)(2)(ii) of this subtitle and an unlimited tidal fish authorization, 180 days of experience in at least two commercial fishing activities; and

3. For the purposes of subparagraph (ii) of this paragraph, at least 60 days of practical experience spent in separate commercial fishing activities.

(ii) A permittee shall obtain the practical experience required under this subsection within 10 years before applying for a license or an authorization under subsection (f) of this section.

(2) Except as provided in paragraph (6) of this subsection, the practical experience shall be documented by the permittee on the forms provided by the Department and submitted to the Department on a monthly basis when engaging in practical experience. The forms shall include:

(i) Number of days spent gaining practical experience under the presence of a tidal fish licensee;

(ii) Particular fishing activities;

(iii) The signature of a tidal fish licensee certifying that the recorded information regarding the practical experience in fishing activities is true and correct; and

(iv) Copies of appropriate income tax forms documenting the permittee's compensated employment in the presence of a tidal fish licensee.

(3) (i) An applicant for an apprenticeship permit may begin to complete the requirements of this subsection if the applicant posts the fee for the apprenticeship permit.

(ii) This paragraph may not be construed to alter the applicant's position on the waiting list established under subsection (e)(3) of this section.

(4) An applicant shall be issued an apprenticeship permit in accordance with subsection (e)(4) of this section.

(5) An applicant may be credited with the completed requirements that were accrued and documented in accordance with paragraph (2) or (6) of this subsection before being issued an apprenticeship permit.

(6) (i) This paragraph shall apply only to an individual who:

1. Served as a crew member to a tidal fish licensee or a person that holds a commercial fishing license issued by another state or the federal government;

2. Held a Maryland Provisional Chesapeake Bay Charter Boat Permit in accordance with § 4-210.2 of this title;

3. Held a tidal fish license and has not permanently transferred a tidal fish license within the past 24 months in accordance with § 4-701(j) of this subtitle;

4. Held a temporary transfer of a tidal fish license;

5. Harvested fish from the waters of the Exclusive Economic Zone and landed the fish in the State;

6. Holds a commercial fishing license issued by another state or the federal government; or

7. Held a commercial fishing license issued by another state or the federal government.

(ii) Practical experience shall be documented by:

1. Stating the number of days spent engaged in a particular fishing activity up to the minimum number of days required under paragraph (1) of this subsection on forms and in a manner provided by the Department; and

2. Any fishing activity reports required by the State, by another state, or by the federal government.

(iii) For an individual who served as a crew member to a tidal fish licensee or person that holds a commercial fishing license issued by another state or the federal government, practical fishing experience shall be documented by:

1. Stating the number of days spent serving as a crew member engaged in a particular fishing activity up to the minimum number of days required under paragraph (1) of this subsection, certified in writing by the tidal fish licensee or person that holds a commercial fishing license issued by another state or the federal government on forms provided by the Department; and

2. Any fishing activity reports of the tidal fish licensee required by the State, another state, or by the federal government.

(7) In addition to practical experience, before a license may be issued to a permittee, the permittee shall complete an 8-hour program approved by the Department concerning commercial fishing activities.

(h) (1) The Department shall adopt regulations to establish criteria for the practical experience for an individual who holds a valid tidal fish license and who has applied for an additional authorization other than a fishing guide authorization or an unlimited tidal fish authorization.

(2) The criteria established in accordance with paragraph (1) of this subsection shall include documentation at the time of application for an authorization, for the previous 2 years, that at least 20% of the individual's gross income was from the individual's commercial fishing activities.]

4-702.

(a) Except as provided in subsection (b) of this section, a person may not buy[, sell, ship, transport, or otherwise deal in] **FOR RESALE** finfish, **CRABS**, or shellfish **FROM WATERS OF THE STATE** unless the person is licensed [by the Department] **AND AUTHORIZED AS A SEAFOOD DEALER UNDER § 4-701 OF THIS SUBTITLE**.

(b) The following persons are not required to obtain a [license] **SEAFOOD DEALER AUTHORIZATION** under this section:

(1) [A person licensed by the Department to catch finfish or shellfish for sale;

(2) A retail market, restaurant, or other establishment where finfish or shellfish are sold or served to ultimate consumers, and not for resale;

(3)] A person who buys finfish, **CRABS**, or shellfish for personal use or consumption; [and]

[(4)] (2) A person who [catches and sells as bait] **BUYS FOR RESALE** finfish or shellfish species defined as bait under subsection (c) of this section; **AND**

(3) A PERSON WHO BUYS FINFISH, CRABS, OR SHELLFISH FROM A ~~TIDAL FISH LICENSEE WITH A HARVESTER REGISTRATION AND~~ PERSON WITH A SEAFOOD DEALER AUTHORIZATION UNDER § 4-701 OF THIS SUBTITLE.

(c) (1) ANY PERSON NOT OTHERWISE LICENSED UNDER § 4-701(D)(2)(II)2 OF THIS SUBTITLE THAT HARVESTS AND SELLS FINFISH OR SHELLFISH SPECIES DEFINED AS BAIT UNDER PARAGRAPH (3) OF THIS SUBSECTION SHALL OBTAIN A BAIT HARVESTER PERMIT FROM THE DEPARTMENT.

(2) THE ANNUAL FEE FOR A BAIT HARVESTER PERMIT IS \$25.

(3) The Department shall adopt regulations defining which species of finfish and shellfish may be caught and sold as bait [under subsection (b)(4) of this section] IN ACCORDANCE WITH A BAIT HARVESTER PERMIT ISSUED UNDER THIS SUBSECTION.

(d) The Department shall adopt regulations to define the species that are included as shellfish under this section.

4-711.

(a) A person may not set any pound net or any line of these nets that is greater in length than one third the distance across the waters of the bay, sound, river, creek, cove, or inlet where it is set, or is set so that it impedes or obstructs navigation on or blocks in any way the main channel of the bay, sound, river, creek, cove, or inlet. The length limit provided here shall not be construed to apply to any line of nets running parallel to the bank or shore of any bay, sound, river, creek, cove, or inlet, but no net may be set across the mouth on any tributary, harbor, or navigation channel.

(b) A person may not set at any time a pound net within 4500 feet of another pound net in the Chesapeake Bay and within 1500 feet in a tributary of the Chesapeake Bay, measured at right angles to the line of stakes. Every pound net set licensed in the Chesapeake Bay or one of its tributaries may retain the locations it lawfully occupied on June 1, 1949. Except as otherwise provided by this title, a person may not set at any time a fyke net within 300 feet of a pound net, measured at right angles to the line of stakes. A person may set any fyke net closer to any pound net than the distance provided in this subsection if the owner of the pound net location gives written permission.

(h) (1) Every licensee shall:

(i) Maintain the licensee's stakes in good condition; and

(ii) Promptly remove and renew any stake that may be unsound, broken, or liable to go adrift.

(2) A licensee may not permit or allow to remain in the water:

(i) Any pound net stake for a period greater than 30 days following the removal of the net from each stake;

(ii) Any pound net or stake for a period greater than 30 days following the discontinuance of fishing of the net; or

(iii) Any pound net or stake between January 1 and January 31 of any year unless the owner of the pound net or stake notifies the Department by certified mail, return receipt requested, that the net is being actively fished.

(3) A licensee who fails to comply with the provisions of this subsection is guilty of a misdemeanor and upon conviction is subject to a fine of at least \$200 and not exceeding \$1,000 with costs imposed in the discretion of the court.

(4) For a licensee who is convicted twice within 2 years of violating paragraph (1) of this subsection, the Department may suspend the licensee's striped bass authorization in the following year.

(I) BEFORE SETTING A POUND NET IN ACCORDANCE WITH THIS SECTION AND THE REGULATIONS ADOPTED UNDER SUBSECTION (J) OF THIS SECTION, A LICENSEE SHALL ENSURE THAT, AT LEAST 7 DAYS BEFORE THE SETTING OF THE NET, THE DEPARTMENT RECEIVES:

(1) NOTICE FROM THE LICENSEE ~~ON A FORM PROVIDED BY THE DEPARTMENT~~ THAT THE POUND NET WILL BE SET AND ACTIVELY FISHED; AND

(2) A POUND NET ACTIVITY REGISTRATION FEE OF \$20.

[(i)] (J) (1) The Department may adopt regulations on the placement of pound or stake nets, including a limit on the number of locations of pound nets that may be assigned to a licensee.

(2) In the regulations adopted under paragraph (1) of this subsection, the Department may impose a limit of up to eight locations of pound nets that may be assigned to a licensee.

SECTION 2. AND BE IT FURTHER ENACTED, That, beginning in fiscal year 2014 and each fiscal year thereafter, the Governor may include in the State budget an appropriation from the General Fund to augment the increase in revenues generated for and received by the Department of Natural Resources under this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That the publishers of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct, with no further action required by the General Assembly, cross-references and terminology rendered incorrect by this Act or by any other Act of the General Assembly of 2013 that affects provisions enacted by this Act. The publishers shall adequately describe any such correction in an editor's note following the section affected.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 1328 – *Estates and Trusts – Special and Supplemental Needs Trusts – Regulations by State Agencies*.

This bill requires each State agency that provides public benefits to individuals of any age with disabilities to adopt specified regulations that are not more restrictive than any State law regarding trusts and that do not require disclosure of a beneficiary's personal or confidential information without the consent of the beneficiary.

Senate Bill 332, 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 1328.

Sincerely,

Governor Martin O'Malley

House Bill 1328

AN ACT concerning

**Estates and Trusts – Special and Supplemental Needs Trusts – Regulations
by State Agencies**

FOR the purpose of requiring each State agency that provides public benefits to individuals of any age with disabilities to adopt certain regulations that are not more restrictive than any State ~~statutes, regulations, or common~~ law regarding trusts and that do not require disclosure of a beneficiary's personal or confidential information without the consent of the beneficiary; providing that nothing in a certain provision of law shall be interpreted to require a court order to authorize a disbursement from a special or supplemental needs trust; establishing that a certain regulation enacted by a State agency regarding pooled special needs trusts shall apply only to certain trust beneficiaries; making stylistic changes; and generally relating to special and supplemental needs trusts.

BY repealing and reenacting, with amendments,
Article – Estates and Trusts
Section 14–115
Annotated Code of Maryland
(2011 Replacement Volume and 2012 Supplement)

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

Article – Estates and Trusts

14–115.

(a) In this section, “special needs trust” and “supplemental needs trust” include a trust funded by a trust beneficiary or by a third party.

(b) It is the policy of the State to encourage the use of a special needs trust or supplemental needs trust by an individual of any age with disabilities to preserve funds to provide for the needs of the individual not met by public benefits and to enhance quality of life.

(c) (1) Each State agency that provides public benefits to individuals [with disabilities of all ages] **OF ANY AGE WITH DISABILITIES** through means-tested programs, including the Medical Assistance Program, shall adopt regulations that [are]:

(I) **ARE** not more restrictive than existing federal law, regulations, or policies with regard to the treatment of a special needs trust or supplemental needs trust, including a trust defined in 42 U.S.C. § 1396p(c)(2) and (d)(4);

(II) **ARE NOT MORE RESTRICTIVE THAN** ~~STATE STATUTES, REGULATIONS, OR COMMON LAW REGARDING TRUSTS, INCLUDING THE~~

~~REASONABLE EXERCISE OF TRUSTEE DISCRETION, GUARDIANSHIP OF THE PROPERTY, OR CONSERVATORSHIP OF AN ALLEGED DISABLED ADULT ANY STATE LAW REGARDING TRUSTS, INCLUDING ANY STATE LAW REGARDING THE REASONABLE EXERCISE OF DISCRETION BY A TRUSTEE, GUARDIAN, OR CONSERVATOR IN THE BEST INTERESTS OF THE BENEFICIARY; AND~~

(III) DO NOT REQUIRE DISCLOSURE OF A BENEFICIARY'S PERSONAL OR CONFIDENTIAL INFORMATION WITHOUT THE CONSENT OF THE BENEFICIARY.

(2) The regulations described in paragraph (1) of this subsection shall allow:

(i) An individual account in a pooled asset special needs trust to be funded without financial limit;

(ii) A fund in a special needs trust, supplemental needs trust, or pooled asset special needs trust to be used for the sole benefit of the beneficiary including, at the discretion of the trustee, distributions for food, shelter, utilities, and transportation;

(iii) An individual to establish or fund an individual account in a pooled asset special needs trust without an age limit or a transfer penalty;

(iv) An individual to fund a special needs trust or supplemental needs trust for the individual's child with disabilities without a transfer penalty and regardless of the child's age; and

(v) All legally assignable income or resources to be assigned to a special needs trust, supplemental needs trust, or pooled asset special needs trust without limit.

(3) NOTHING IN THIS SUBSECTION MAY BE INTERPRETED TO REQUIRE A COURT ORDER TO AUTHORIZE A DISBURSEMENT FROM A SPECIAL OR SUPPLEMENTAL NEEDS TRUST.

(d) (1) A determination of the Internal Revenue Service regarding the nonprofit status of an organization operating a pooled asset special needs trust shall be sufficient to satisfy the nonprofit requirement of 42 U.S.C. § 1396p(d)(4)(C).

(2) A State agency may not impose additional requirements on an organization described in paragraph (1) of this subsection for the purpose of qualifying or disqualifying the organization from offering a pooled asset special needs trust.

(E) A REGULATION ADOPTED BY A STATE AGENCY REGARDING POOLED SPECIAL NEEDS TRUSTS SHALL APPLY ONLY TO THOSE TRUST BENEFICIARIES

WHO ARE STATE RESIDENTS OR WHO RECEIVE PUBLIC BENEFITS FUNDED BY THE STATE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

May 16, 2013

The Honorable Michael E. Busch
Speaker of the House
H-101 State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 1360 – *Maryland Income Tax Refund – Anne Arundel County Warrant Intercept Program – Extension*.

This bill extends, from September 30, 2013, to September 30, 2018, the termination date of a program that requires the Comptroller to withhold, under specified circumstances, the Maryland income tax refund of specified residents of Anne Arundel County with an outstanding warrant or specified individuals that have an outstanding warrant from Anne Arundel County. The bill requires the Comptroller to provide a report on or before December 1 of each year on the implementation of the programs.

Senate Bill 243, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1360.

Sincerely,

Governor Martin O'Malley

House Bill 1360

AN ACT concerning

Maryland Income Tax Refund – Anne Arundel County Warrant Intercept Program – Extension

FOR the purpose of extending the termination date of a certain program that requires the Comptroller to withhold the Maryland income tax refund of certain

individuals with outstanding warrants under certain circumstances; requiring the Comptroller to provide a certain report annually; providing for the termination of certain provisions of this Act; and generally relating to withholding income tax refunds for outstanding warrants.

BY adding to

Article – Tax – General

Section 13–940

Annotated Code of Maryland

(2010 Replacement Volume and 2012 Supplement)

BY repealing

Chapter 451 of the Acts of the General Assembly of 2012

Section 2

BY repealing and reenacting, with amendments,

Chapter 451 of the Acts of the General Assembly of 2012

Section 3

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

Article – Tax – General

13–940.

ON OR BEFORE DECEMBER 1 OF EACH YEAR, THE OFFICE OF THE COMPTROLLER SHALL REPORT TO THE HOUSE WAYS AND MEANS COMMITTEE AND THE SENATE BUDGET AND TAXATION COMMITTEE, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, ON THE IMPLEMENTATION OF §§ 13–935 THROUGH 13–939 OF THIS PART.

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

Chapter 451 of the Acts of 2012

[SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1, 2013, the Office of the Comptroller shall report to the House Ways and Means Committee and the Senate Budget and Taxation Committee, in accordance with § 2–1246 of the State Government Article, on the implementation of this Act.]

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2012. Section 1 of this Act shall remain effective for a period of [1 year] **6 YEARS** and, at the end of September 30, [2013] **2018**, with no further action required

by the General Assembly, Section 1 of this Act shall be abrogated and of no further force and effect.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2013. Section 1 of this Act shall remain effective until the taking effect of the termination provision specified in Section 3 of Chapter 451 of the Acts of 2012. If that termination provision takes effect, Section 1 of this Act shall be abrogated and of no further force and effect.
