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of the
State of Maryland

At the Session of the General Assembly Begun and Held in the
City of Annapolis on the Eleventh Day of January 2017
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Bills vetoed by the Governor appear after the Laws

VOLUME II

The Department of Legislative Services
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Chapter 122**(Senate Bill 372)**

AN ACT concerning

Carroll County – Detention Center – Polygraph Testing

FOR the purpose of establishing that a certain prohibition on requiring an employee or a prospective employee to take a polygraph examination or similar test as a condition of prospective or continued employment does not apply to an individual employed as a correctional officer or in a certain other capacity at the Carroll County Detention Center; and generally relating to polygraph testing of employees of the Carroll County Detention Center.

BY repealing and reenacting, with amendments,
Article – Labor and Employment
Section 3–702
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Labor and Employment

3–702.

(a) In this section, “employer” means:

(1) a person engaged in a business, industry, profession, trade, or other enterprise in the State;

(2) the State;

(3) a county; and

(4) a municipal corporation in the State.

(b) (1) This section does not apply to the federal government or any of its units.

(2) This section does not apply to an individual who is an employee of or applies for assignment to the Intelligence and Investigative Division of the Department of Public Safety and Correctional Services.

(3) This section does not apply to an individual who applies for employment or is employed:

(i) as a law enforcement officer, as defined in § 3–101 of the Public Safety Article;

(ii) as an employee of a law enforcement agency of the State, a county, or a municipal corporation;

(iii) as a communications officer of the Calvert County Control Center;

(iv) as a correctional officer of a State correctional facility;

(v) as an employee of a State correctional facility in any capacity that involves direct contact with an inmate in a State correctional facility;

(vi) as a correctional officer of the Calvert County Detention Center or in any other capacity that involves direct personal contact with an inmate in the Detention Center;

(VII) AS A CORRECTIONAL OFFICER OF THE CARROLL COUNTY DETENTION CENTER OR IN ANY OTHER CAPACITY THAT INVOLVES DIRECT PERSONAL CONTACT WITH AN INMATE IN THE DETENTION CENTER;

[(vii)] **(VIII)** as a correctional officer of the Washington County Detention Center or in any other capacity that involves direct personal contact with an inmate in the Center; or

[(viii)] **(IX)** as a correctional officer of:

1. the Baltimore County Detention Center;
2. the Cecil County Detention Center;
3. the Charles County Detention Center;
4. the Frederick County Adult Detention Center;
5. the Harford County Detention Center; or
6. the St. Mary's County Detention Center.

(4) This section does not apply to an applicant for employment as a correctional officer of a local correctional facility.

(5) This section does not apply to an applicant for employment with either the Anne Arundel County Department of Detention Facilities or the Caroline County

Department of Corrections in any capacity that involves direct contact with an inmate in either the Anne Arundel County Department of Detention Facilities or the Caroline County Department of Corrections.

(6) This section does not apply to an applicant for employment with the Washington County Emergency Communications Center.

(c) An employer may not require or demand, as a condition of employment, prospective employment, or continued employment, that an individual submit to or take a polygraph examination or similar test.

(d) (1) Each application for employment shall set out, in bold-faced upper case type, the following notice:

“Under Maryland law, an employer may not require or demand, as a condition of employment, prospective employment, or continued employment, that an individual submit to or take a polygraph examination or similar test. An employer who violates this law is guilty of a misdemeanor and subject to a fine not exceeding \$100.”

(2) Each application shall provide a space for an applicant to sign an acknowledgment of the notice required under this subsection.

(e) An applicant shall sign the acknowledgment of the notice required under subsection (d) of this section.

(f) If an employer violates subsection (c) or (d) of this section, an applicant for employment or prospective employment or an employee may submit to the Commissioner a written complaint.

(g) (1) Whenever the Commissioner determines that this section has been violated, the Commissioner may:

(i) try to resolve any issue involved in the violation informally by mediation; or

(ii) ask the Attorney General to bring an action on behalf of the applicant or employee.

(2) The Attorney General may bring an action under this section in the county where the violation allegedly occurred, for injunctive relief, damages, or other relief.

(h) An employer who violates any provision of this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$100.

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

Approved by the Governor, April 11, 2017.

Chapter 123
(House Bill 291)

AN ACT concerning

Homeowner's Insurance – Notices

FOR the purpose of authorizing certain offers, notices, statements, and disclosures relating to homeowner's insurance to be delivered by electronic means if the insurer complies with certain requirements; authorizing insurers to comply with certain renewal notice requirements relating to homeowner's insurance by sending a certain notice; requiring the Maryland Insurance Commissioner to adopt by regulation a certain notice to be provided to insureds or policyholders at each renewal that contains certain information; providing for the form and contents of a certain renewal notice; providing that a certain renewal notice does not create a private right of action; authorizing insurers to comply with certain renewal notice requirements by sending a certain notice; and generally relating to notices under homeowner's insurance.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 19–202, 19–205, 19–206, 19–206.1, 19–207, 19–209.1, 19–210, 19–214,
19–215, and 27–501(n)

Annotated Code of Maryland

(2011 Replacement Volume and 2016 Supplement)

BY adding to

Article – Insurance

Section 19–216

Annotated Code of Maryland

(2011 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article – Insurance

Section 27–601.2

Annotated Code of Maryland

(2011 Replacement Volume and 2016 Supplement)

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

Article – Insurance

19–202.

(a) An insurer that issues, sells, or delivers a homeowner’s insurance policy shall at time of application and renewal offer in writing to provide coverage for loss that:

(1) is caused by or results from water that backs up through sewers or drains; and

(2) is not caused by the negligence of the insured.

(b) If an application or renewal is made by telephone, the insurer is deemed to be in compliance with subsection (a) of this section if, within 7 calendar days after the date of application or renewal, the insurer sends the offer to the applicant or insured by a first-class mail tracking method.

(c) If an application or renewal is made using the Internet, the insurer is deemed to be in compliance with subsection (a) of this section if the insurer provides the offer to the applicant or insured prior to submission of the application or renewal.

(D) AN OFFER REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27–601.2 OF THIS ARTICLE.

(E) AN INSURER MAY COMPLY WITH THE RENEWAL NOTICE REQUIREMENTS OF THIS SECTION BY SENDING THE NOTICE AUTHORIZED BY § 19–216 OF THIS SUBTITLE.

19–205.

(a) (1) An insurer shall provide a policyholder with an annual statement that summarizes the coverages and exclusions under the policy issued by the insurer.

(2) The insurer’s statement shall be clear and specific.

(3) The insurer’s statement shall state whether the coverages under the policy provide for replacement cost, actual cash value, or other method of loss payment for covered structures and contents.

(4) The insurer’s statement shall include a disclosure that states:

(i) the policyholder should read the policy for complete information on coverages and exclusions;

(ii) the policyholder should refer to the declarations page for a listing of coverages purchased;

(iii) the policyholder should communicate with the insurance producer or the insurer for any additional information regarding the scope of coverages in the policy;

(iv) the statement does not include additional optional coverage purchased by the policyholder, if any;

(v) the statement is not part of the policy or contract of insurance and does not create a private right of action;

(vi) all rights, duties, and obligations are controlled by the policy and contract of insurance; and

(vii) the standard homeowner's insurance policy does not cover losses from flood.

(b) The statement under subsection (a) of this section:

(1) is not part of the policy or contract of insurance; and

(2) does not create a private right of action.

(C) THE STATEMENT REQUIRED BY SUBSECTION (A) OF THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27-601.2 OF THIS ARTICLE.

[(c)] (D) The Commissioner may adopt regulations to implement the provisions of this section.

19-206.

(a) (1) An insurer that sells or negotiates homeowner's insurance in the State shall provide an applicant, at the time a policy of homeowner's insurance is initially purchased, with a written notice that states that a standard homeowner's insurance policy does not cover losses from flood.

(2) If an application is made by telephone, the insurer is deemed to be in compliance with this section if, within 7 calendar days after the date of application, the insurer sends the notice to the applicant or insured by a first-class mail tracking method.

(3) If an application is made using the Internet, the insurer is deemed to be in compliance with this section if the insurer provides the notice to the applicant prior to the submission of the application.

(b) The notice shall:

(1) state that flood insurance may be available through the National Flood Insurance Program or other sources;

(2) provide the applicant with the contact information for the National Flood Insurance Program;

(3) advise the applicant to confirm the need for flood insurance with the National Flood Insurance Program or the applicant's mortgage lender;

(4) advise the applicant to contact the National Flood Insurance Program, the applicant's insurer, or the applicant's insurance producer for information about flood insurance;

(5) advise the applicant that flood insurance may be available for covered structures and their contents;

(6) advise the applicant that a claim under a flood insurance policy may be adjusted and paid on a different basis than a claim under a homeowner's insurance policy; and

(7) advise the applicant that a separate application must be completed to purchase flood insurance.

(c) A notice required to be sent by a first-class mail tracking method under this section may be sent with the statement required under § 19-207 of this subtitle.

(d) A notice provided under this section does not create a private right of action.

(E) A NOTICE REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27-601.2 OF THIS ARTICLE.

19-206.1.

(a) This section applies to an insurer that offers a homeowner's insurance or renter's insurance policy in the State that does not provide coverage for losses caused by specific breeds or specific mixed breeds of dogs.

(b) At the time of application for or issuance of a policy of homeowner's insurance or renter's insurance, and at each renewal of a policy of homeowner's insurance or renter's insurance, an insurer subject to this section shall provide to an applicant or an insured a written notice that:

(1) states that the policy does not provide coverage for losses caused by specific breeds or specific mixed breeds of dogs; and

(2) identifies the specific breeds or specific mixed breeds of dogs for which the policy does not provide coverage.

(c) An insurer subject to this section may provide the notice required under subsection (b) of this section in the annual statement required under § 19–205 of this subtitle.

(D) THE NOTICE REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27–601.2 OF THIS ARTICLE.

19–207.

(a) (1) An insurer that sells or negotiates homeowner’s insurance in the State shall provide an applicant, at the time of application for homeowner’s insurance, with a written statement that lists all additional optional coverage available from the insurer to the applicant.

(2) If an application is made by telephone, the insurer is deemed to be in compliance with this section if, within 7 calendar days after the date of application, the insurer sends the statement to the applicant or insured by a first-class mail tracking method.

(3) If an application is made using the Internet, the insurer is deemed to be in compliance with this section if the insurer provides the statement to the applicant prior to submission of the application.

(b) The statement shall:

(1) be on a separate form;

(2) be titled, in at least 12 point type, “Additional Optional Coverage Not Included in the Standard Homeowner’s Insurance Policy”;

(3) contain the following disclosure in at least 10 point type:

“Your standard homeowner’s insurance policy does not cover all risks. You may need to obtain additional insurance to cover loss or damage to your home, property, and the contents of your home or to cover risks related to business or personal activities on your property.

This statement provides a list of the types of additional insurance coverage that are available. Contact your insurance company, insurance producer, or insurance agent to discuss these additional coverages.”; and

(4) contain a list of additional optional coverage.

(c) A statement required to be sent by a first-class mail tracking method under this section may be sent with the notice required under § 19-206 of this subtitle.

(d) A statement provided under this section does not create a private right of action.

(E) A STATEMENT REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27-601.2 OF THIS ARTICLE.

19-209.1.

(a) An insurer that issues a policy of homeowner's insurance that includes a deductible that is equal to a percentage of the "Coverage A – Dwelling Limit" of the policy, or has adopted an underwriting standard that requires a mandatory hurricane deductible equal to a percentage of the "Coverage A – Dwelling Limit" of the policy, shall provide an insured with a statement about the deductible at the time the policy of homeowner's insurance is first issued and at each renewal.

(b) (1) The statement required under subsection (a) of this section shall:

(i) be titled, in at least 12 point type, "Percentage Deductible Notice";

(ii) state the actual percentage of the percentage deductible;

(iii) state the circumstances under which the deductible applies;

(iv) include an example of how the deductible applies to a loss; and

(v) include the following statement, or a substantially similar statement, in at least 10 point type:

"Your homeowner's insurance policy contains a percentage deductible, which means that your deductible for a covered loss will be determined by multiplying the dollar amount of your Coverage A – Dwelling Limit of Liability by this percentage under the following circumstances: (insert explanation of circumstances under which a percentage deductible would be applied)".

(2) The example required under paragraph (1)(iv) of this subsection may be provided in the following manner:

"If, at the time of a covered loss, a homeowner's insurance policy's Coverage A – Dwelling Limit of Liability is \$300,000 and the policy includes a 2% deductible, the policyholder will be responsible for paying a deductible of \$6,000 on a claim for a covered loss (\$300,000 x 2%). This means that, for example:

If the covered loss to the dwelling is \$25,000 and the covered loss to personal property is \$10,000 for a total covered loss of \$35,000, the policyholder is responsible for paying a \$6,000 deductible and the insurer is responsible for the balance of the covered loss, or \$29,000.

If the covered loss to the dwelling is \$5,000, the policyholder is responsible for paying the entire covered loss because the total amount of the covered loss is less than the percentage deductible, which is \$6,000.”.

(c) (1) An insurer may satisfy the requirements of subsection (b) of this section if, on the declarations page of the policy of homeowner’s insurance or in a separate statement, the insurer states:

(i) the actual percentage of the percentage deductible;

(ii) the dollar amount of the percentage deductible as it relates to the policy of homeowner’s insurance; and

(iii) the circumstances under which the deductible applies.

(2) The statement shall be titled, in at least 12 point type, “Percentage Deductible Notice”.

(D) THE STATEMENT REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27-601.2 OF THIS ARTICLE.

19-210.

(a) An insurer shall offer at least one actuarially justified premium discount on a policy of homeowner’s insurance to a policyholder who submits proof of improvements made to the insured premises as a means of mitigating loss from a hurricane or other storm.

(b) Means of mitigating loss include:

(1) the installation of one or more of the following:

(i) hurricane shutters;

(ii) secondary water barrier;

(iii) reinforced roof coverings;

(iv) braced gable ends;

(v) reinforced roof to wall connections;

- (vi) tie downs; and
- (vii) reinforced opening protections;
- (2) repair or replacement of:
 - (i) exterior doors, including garage doors;
 - (ii) hurricane resistant trusses, studs, and other structural components; and
 - (iii) repair or replacement of manufactured home piers, anchors, and tie down straps; and
- (3) any mitigation effort that materially mitigates loss from a hurricane or other storm otherwise covered under the policy.

(c) Improvements made to the insured premises under this section shall be inspected by a contractor licensed by the Department of Labor, Licensing, and Regulation.

(d) (1) An insurer shall be allowed to inspect the improvements that are the basis of a premium discount under this section.

(2) (i) Verification of improvements that are the basis of a premium discount under this section rests with the insurer.

(ii) An insurer may accept an inspection certificate issued by a governmental agency as verification of improvements that are the basis of a premium discount under this section.

(e) A premium discount offered under this section shall:

(1) comply with the provisions of Title 11 of this article; and

(2) only be offered for improvements identified by the Commissioner as qualified mitigation actions made to the insured premises that may materially mitigate loss from a hurricane or other storm otherwise covered under the policy.

(f) (1) An insurer that offers a premium discount under this section shall provide a policyholder with an annual statement regarding the availability of the discount and the method of applying for the discount.

(2) The notice required under paragraph (1) of this subsection may be sent with the statement required under § 19–205 of this subtitle.

(3) AN INSURER MAY COMPLY WITH THE RENEWAL NOTICE REQUIREMENTS OF THIS SUBSECTION BY SENDING THE NOTICE AUTHORIZED BY § 19–216 OF THIS SUBTITLE.

(G) THE NOTICE REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27–601.2 OF THIS ARTICLE.

[(g)] (H) The Commissioner may adopt regulations to implement the provisions of this section.

19–214.

(a) An insurer that offers homeowner’s insurance in the State shall provide a written notice to the insured at the time of application or issuance and at each renewal of the policy that states, in substantially similar language, that, in addition to the other allowable reasons for cancellation or refusal to renew under Maryland law:

(1) the insurer may cancel or refuse to renew coverage on the basis of the number of claims made by the policyholder within the preceding 3–year period; and

(2) the insurer may cancel or refuse to renew coverage on the basis of:

(i) three or more weather–related claims made within the preceding 3–year period;

(ii) one or more weather–related claims made within the preceding 3–year period if the insurer has provided written notice to the insured for reasonable or customary repairs or replacement specific to the insured’s premises or dwelling that:

1. the insured failed to make; and

2. if made, would have prevented the loss for which a claim was made; and

(iii) a change in the physical condition or contents of the premises that:

1. increases the hazard insured against; and

2. if present and known to the insurer before the issuance of the policy, would have caused the insurer to refuse to issue the policy.

(b) In order to support cancellation or refusal to renew under subsection (a)(2)(ii) of this section, the written notice:

(1) must refer to specific conditions known to the insurer concerning the insured's specific premises or dwelling; and

(2) may not be a general notification of repairs or replacements common to that type of premises or dwelling.

(C) A NOTICE REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27-601.2 OF THIS ARTICLE.

(D) AN INSURER MAY COMPLY WITH THE RENEWAL NOTICE REQUIREMENTS OF THIS SECTION BY SENDING THE NOTICE AUTHORIZED BY § 19-216 OF THIS SUBTITLE.

19-215.

(a) An insurer that issues a policy of homeowner's insurance in the State that contains an anti-concurrent causation (ACC) clause shall provide a policyholder each year with a notice that:

(1) is clear and specific;

(2) describes the ACC clause;

(3) informs the insured to read the policy for complete information on the exclusions; and

(4) states that the insured should communicate with the insurance producer or the insurer for additional information regarding the scope of the exclusions.

(b) The notice under subsection (a) of this section:

(1) is not part of the policy or contract of insurance; and

(2) does not create a private right of action.

(C) A NOTICE REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27-601.2 OF THIS ARTICLE.

[(c)] (D) The Commissioner may adopt regulations to implement this section.

19-216.

(A) THE COMMISSIONER SHALL ADOPT BY REGULATION A NOTICE TO BE PROVIDED TO INSURED OR POLICYHOLDERS AT EACH RENEWAL REGARDING AREAS OF CONCERNS, INCLUDING:

(1) FLOOD;

(2) COVERAGE FOR LOSS FROM WATER THAT BACKS UP THROUGH SEWERS AND DRAINS;

(3) DEDUCTIBLES;

(4) STORM LOSS PROTECTIVE DEVICE DISCOUNT;

(5) CLAIMS HISTORY; AND

(6) INCREASED HAZARD.

(B) THE NOTICE PROVIDED UNDER SUBSECTION (A) OF THIS SECTION SHALL:

(1) BE WRITTEN IN CLEAR AND SPECIFIC LANGUAGE; AND

(2) CONTAIN THE FOLLOWING LANGUAGE IN AT LEAST 10 POINT TYPE:

“THIS NOTICE IS NOT YOUR POLICY, DOES NOT GIVE YOU ANY NEW OR ADDITIONAL RIGHTS BEYOND THOSE EXPRESSLY STATED IN YOUR POLICY, AND DOES NOT ALTER YOUR POLICY IN ANY WAY.”.

(C) THE NOTICE PROVIDED UNDER SUBSECTION (A) OF THIS SECTION DOES NOT CREATE A PRIVATE RIGHT OF ACTION.

(D) AN INSURER MAY PROVIDE THE RENEWAL NOTICES REQUIRED BY §§ 19-202, 19-205(A)(4)(VII), 19-210(F), AND 19-214(A) OF THIS SUBTITLE AND § 27-501(N)(2) OF THIS ARTICLE BY SENDING THE NOTICE AUTHORIZED BY SUBSECTION (A) OF THIS SECTION.

(E) THE NOTICE AUTHORIZED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27-601.2 OF THIS ARTICLE.

(n) (1) Subject to the requirements of this article, if an insurer considers claims history for the purposes of canceling or refusing to renew coverage, the insurer may consider the following factors in mitigation of the proposed decision without producing statistical validation:

- (i) the severity of the losses;
- (ii) the length of time that an insured has been a policyholder with the insurer;
- (iii) loss mitigation of previous losses; and
- (iv) the availability of a higher deductible for the particular policy and types of losses.

(2) If an insurer considers claims history for purposes of canceling or refusing to renew coverage, the insurer shall disclose the practice to an insured at the inception of the policy and at each renewal.

(3) AN INSURER MAY COMPLY WITH THE DISCLOSURE REQUIRED AT RENEWAL BY PARAGRAPH (2) OF THIS SUBSECTION BY SENDING THE NOTICE AUTHORIZED BY § 19–216 OF THIS ARTICLE.

27–601.2.

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

(2) “Delivered by electronic means” includes:

- (i) delivery to an electronic mail address at which a party has consented to receive notice; and
- (ii) posting on an electronic network, together with separate notice to a party directed to the electronic mail address at which the party has consented to receive notice of the posting.

(3) “Party” means an applicant, an insured, or a policyholder.

(b) Subject to subsection (d) of this section, any notice to a party required under this subtitle may be delivered by electronic means provided the process used to obtain consent of the party to have notice delivered by electronic means meets the requirements of Title 21, Subtitle 1 of the Commercial Law Article.

(c) Delivery of a notice in accordance with subsection (b) of this section shall be considered equivalent to any delivery method required under this subtitle, including delivery by first-class mail, certified mail, or a first-class mail tracking method.

(d) A notice may be delivered by electronic means by an insurer to a party under this section if:

(1) the party has affirmatively consented to that method of delivery and has not withdrawn the consent;

(2) the party, before giving consent, is provided with a clear and conspicuous statement:

(i) informing the party of:

1. any right or option of the party to have the notice provided or made available in paper or another nonelectronic form;

2. the right of the party to withdraw consent to have notice delivered by electronic means and any fees, conditions, or consequences imposed in the event consent is withdrawn;

3. whether the party's consent applies:

A. only to the particular transaction as to which the notice must be given; or

B. to identified categories of notices that may be delivered by electronic means during the course of the parties' relationship;

4. A. how, after consent is given, the party may obtain a paper copy of a notice delivered by electronic means; and

B. the fee, if any, for the paper copy; and

5. the procedures the party must use to withdraw consent to have notice delivered by electronic means and to update information needed to contact the party electronically;

(3) the party:

(i) before giving consent, is provided with a statement of the hardware and software requirements for access to and retention of a notice delivered by electronic means; and

(ii) consents electronically, or confirms consent electronically, in a manner that reasonably demonstrates that the party can access information in the electronic form that will be used for notices delivered by electronic means as to which the party has given consent; and

(4) after consent of the party is given, the insurer, in the event a change in the hardware or software requirements needed to access or retain a notice delivered by electronic means creates a material risk that the party will not be able to access or retain a subsequent notice to which the consent applies:

(i) provides the party with a statement of:

1. the revised hardware and software requirements for access to and retention of a notice delivered by electronic means; and

2. the right of the party to withdraw consent without the imposition of any fee, condition, or consequence that was not disclosed under item (2)(i)2 of this subsection; and

(ii) complies with item (2) of this subsection.

(e) This section does not affect the content or timing of any notice required under this subtitle.

(f) If a provision of this subtitle requiring notice to be provided to a party expressly requires verification or acknowledgment of receipt of the notice, the notice may be delivered by electronic means only if the method used provides for verification or acknowledgment of receipt.

(g) The legal effectiveness, validity, or enforceability of any contract or policy of insurance executed by a party may not be denied solely because of the failure to obtain electronic consent or confirmation of consent of the party in accordance with subsection (d)(3)(ii) of this section.

(h) (1) A withdrawal of consent by a party does not affect the legal effectiveness, validity, or enforceability of a notice delivered by electronic means to the party before the withdrawal of consent is effective.

(2) A withdrawal of consent by a party is effective within a reasonable period of time after receipt of the withdrawal by the insurer.

(3) Failure to comply with subsection (d)(4) of this section may be treated, at the election of the party, as a withdrawal of consent for purposes of this section.

(i) This section does not apply to a notice delivered by an insurer in an electronic form before October 1, 2011, to a party who, before October 1, 2011, has consented to receive notice in an electronic form otherwise allowed by law.

(j) If the consent of a party to receive notice in an electronic form is on file with an insurer before October 1, 2011, the insurer shall notify the party of:

(1) the notices that may be delivered by electronic means under this section; and

(2) the party's right to withdraw consent to have notices delivered by electronic means.

(k) (1) Except as otherwise provided by law, if an oral communication or a recording of an oral communication can be reliably stored and reproduced by an insurer, the oral communication or recording may qualify as a notice delivered by electronic means for purposes of this section.

(2) If a provision of this subtitle requires a signature or record to be notarized, acknowledged, verified, or made under oath, the requirement is satisfied if the electronic signature of the person authorized to perform those acts, together with all other information required to be included by the provision, is attached to or logically associated with the signature or record.

(l) This section may not be construed to modify, limit, or supersede the provisions of the federal Electronic Signatures in Global and National Commerce Act relating to the use of an electronic record to provide or make available information that is required to be provided or made available in writing to a party.

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

Approved by the Governor, April 11, 2017.

Chapter 124

(Senate Bill 279)

AN ACT concerning

Homeowner's Insurance – Notices

FOR the purpose of authorizing certain offers, notices, statements, and disclosures relating to homeowner's insurance to be delivered by electronic means if the insurer complies with certain requirements; authorizing insurers to comply with certain renewal notice requirements relating to homeowner's insurance by sending a certain notice; requiring the Maryland Insurance Commissioner to adopt by regulation a certain notice to be provided to insureds or policyholders at each renewal that contains certain information; providing for the form and contents of a certain renewal notice; providing that a certain renewal notice does not create a private right of action; authorizing insurers to comply with certain renewal notice requirements by sending a certain notice; and generally relating to notices under homeowner's insurance.

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BY adding to

Article – Insurance

Section 19–216

Annotated Code of Maryland

(2011 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article – Insurance

Section 27–601.2

Annotated Code of Maryland

(2011 Replacement Volume and 2016 Supplement)

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

Article – Insurance

19–202.

(a) An insurer that issues, sells, or delivers a homeowner’s insurance policy shall at time of application and renewal offer in writing to provide coverage for loss that:

(1) is caused by or results from water that backs up through sewers or drains; and

(2) is not caused by the negligence of the insured.

(b) If an application or renewal is made by telephone, the insurer is deemed to be in compliance with subsection (a) of this section if, within 7 calendar days after the date of application or renewal, the insurer sends the offer to the applicant or insured by a first-class mail tracking method.

(c) If an application or renewal is made using the Internet, the insurer is deemed to be in compliance with subsection (a) of this section if the insurer provides the offer to the applicant or insured prior to submission of the application or renewal.

(D) AN OFFER REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27–601.2 OF THIS ARTICLE.

(E) AN INSURER MAY COMPLY WITH THE RENEWAL NOTICE REQUIREMENTS OF THIS SECTION BY SENDING THE NOTICE AUTHORIZED BY § 19–216 OF THIS SUBTITLE.

19–205.

(a) (1) An insurer shall provide a policyholder with an annual statement that summarizes the coverages and exclusions under the policy issued by the insurer.

(2) The insurer's statement shall be clear and specific.

(3) The insurer's statement shall state whether the coverages under the policy provide for replacement cost, actual cash value, or other method of loss payment for covered structures and contents.

(4) The insurer's statement shall include a disclosure that states:

(i) the policyholder should read the policy for complete information on coverages and exclusions;

(ii) the policyholder should refer to the declarations page for a listing of coverages purchased;

(iii) the policyholder should communicate with the insurance producer or the insurer for any additional information regarding the scope of coverages in the policy;

(iv) the statement does not include additional optional coverage purchased by the policyholder, if any;

(v) the statement is not part of the policy or contract of insurance and does not create a private right of action;

(vi) all rights, duties, and obligations are controlled by the policy and contract of insurance; and

(vii) the standard homeowner's insurance policy does not cover losses from flood.

(b) The statement under subsection (a) of this section:

(1) is not part of the policy or contract of insurance; and

(2) does not create a private right of action.

(C) THE STATEMENT REQUIRED BY SUBSECTION (A) OF THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27-601.2 OF THIS ARTICLE.

[(c)] (D) The Commissioner may adopt regulations to implement the provisions of this section.

19-206.

(a) (1) An insurer that sells or negotiates homeowner's insurance in the State shall provide an applicant, at the time a policy of homeowner's insurance is initially purchased, with a written notice that states that a standard homeowner's insurance policy does not cover losses from flood.

(2) If an application is made by telephone, the insurer is deemed to be in compliance with this section if, within 7 calendar days after the date of application, the insurer sends the notice to the applicant or insured by a first-class mail tracking method.

(3) If an application is made using the Internet, the insurer is deemed to be in compliance with this section if the insurer provides the notice to the applicant prior to the submission of the application.

(b) The notice shall:

(1) state that flood insurance may be available through the National Flood Insurance Program or other sources;

(2) provide the applicant with the contact information for the National Flood Insurance Program;

(3) advise the applicant to confirm the need for flood insurance with the National Flood Insurance Program or the applicant's mortgage lender;

(4) advise the applicant to contact the National Flood Insurance Program, the applicant's insurer, or the applicant's insurance producer for information about flood insurance;

(5) advise the applicant that flood insurance may be available for covered structures and their contents;

(6) advise the applicant that a claim under a flood insurance policy may be adjusted and paid on a different basis than a claim under a homeowner's insurance policy; and

(7) advise the applicant that a separate application must be completed to purchase flood insurance.

(c) A notice required to be sent by a first-class mail tracking method under this section may be sent with the statement required under § 19-207 of this subtitle.

(d) A notice provided under this section does not create a private right of action.

(E) A NOTICE REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27-601.2 OF THIS ARTICLE.

19-206.1.

(a) This section applies to an insurer that offers a homeowner's insurance or renter's insurance policy in the State that does not provide coverage for losses caused by specific breeds or specific mixed breeds of dogs.

(b) At the time of application for or issuance of a policy of homeowner's insurance or renter's insurance, and at each renewal of a policy of homeowner's insurance or renter's insurance, an insurer subject to this section shall provide to an applicant or an insured a written notice that:

(1) states that the policy does not provide coverage for losses caused by specific breeds or specific mixed breeds of dogs; and

(2) identifies the specific breeds or specific mixed breeds of dogs for which the policy does not provide coverage.

(c) An insurer subject to this section may provide the notice required under subsection (b) of this section in the annual statement required under § 19-205 of this subtitle.

(D) THE NOTICE REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27-601.2 OF THIS ARTICLE.

19-207.

(a) (1) An insurer that sells or negotiates homeowner's insurance in the State shall provide an applicant, at the time of application for homeowner's insurance, with a written statement that lists all additional optional coverage available from the insurer to the applicant.

(2) If an application is made by telephone, the insurer is deemed to be in compliance with this section if, within 7 calendar days after the date of application, the insurer sends the statement to the applicant or insured by a first-class mail tracking method.

(3) If an application is made using the Internet, the insurer is deemed to be in compliance with this section if the insurer provides the statement to the applicant prior to submission of the application.

(b) The statement shall:

(1) be on a separate form;

(2) be titled, in at least 12 point type, “Additional Optional Coverage Not Included in the Standard Homeowner’s Insurance Policy”;

(3) contain the following disclosure in at least 10 point type:

“Your standard homeowner’s insurance policy does not cover all risks. You may need to obtain additional insurance to cover loss or damage to your home, property, and the contents of your home or to cover risks related to business or personal activities on your property.

This statement provides a list of the types of additional insurance coverage that are available. Contact your insurance company, insurance producer, or insurance agent to discuss these additional coverages.”; and

(4) contain a list of additional optional coverage.

(c) A statement required to be sent by a first-class mail tracking method under this section may be sent with the notice required under § 19–206 of this subtitle.

(d) A statement provided under this section does not create a private right of action.

(E) A STATEMENT REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27–601.2 OF THIS ARTICLE.

19–209.1.

(a) An insurer that issues a policy of homeowner’s insurance that includes a deductible that is equal to a percentage of the “Coverage A – Dwelling Limit” of the policy, or has adopted an underwriting standard that requires a mandatory hurricane deductible equal to a percentage of the “Coverage A – Dwelling Limit” of the policy, shall provide an insured with a statement about the deductible at the time the policy of homeowner’s insurance is first issued and at each renewal.

(b) (1) The statement required under subsection (a) of this section shall:

(i) be titled, in at least 12 point type, “Percentage Deductible Notice”;

- (ii) state the actual percentage of the percentage deductible;
- (iii) state the circumstances under which the deductible applies;
- (iv) include an example of how the deductible applies to a loss; and
- (v) include the following statement, or a substantially similar statement, in at least 10 point type:

“Your homeowner’s insurance policy contains a percentage deductible, which means that your deductible for a covered loss will be determined by multiplying the dollar amount of your Coverage A – Dwelling Limit of Liability by this percentage under the following circumstances: (insert explanation of circumstances under which a percentage deductible would be applied)”.

(2) The example required under paragraph (1)(iv) of this subsection may be provided in the following manner:

“If, at the time of a covered loss, a homeowner’s insurance policy’s Coverage A – Dwelling Limit of Liability is \$300,000 and the policy includes a 2% deductible, the policyholder will be responsible for paying a deductible of \$6,000 on a claim for a covered loss (\$300,000 x 2%). This means that, for example:

If the covered loss to the dwelling is \$25,000 and the covered loss to personal property is \$10,000 for a total covered loss of \$35,000, the policyholder is responsible for paying a \$6,000 deductible and the insurer is responsible for the balance of the covered loss, or \$29,000.

If the covered loss to the dwelling is \$5,000, the policyholder is responsible for paying the entire covered loss because the total amount of the covered loss is less than the percentage deductible, which is \$6,000.”.

(c) (1) An insurer may satisfy the requirements of subsection (b) of this section if, on the declarations page of the policy of homeowner’s insurance or in a separate statement, the insurer states:

- (i) the actual percentage of the percentage deductible;
- (ii) the dollar amount of the percentage deductible as it relates to the policy of homeowner’s insurance; and
- (iii) the circumstances under which the deductible applies.

(2) The statement shall be titled, in at least 12 point type, “Percentage Deductible Notice”.

(D) THE STATEMENT REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27-601.2 OF THIS ARTICLE.

19-210.

(a) An insurer shall offer at least one actuarially justified premium discount on a policy of homeowner's insurance to a policyholder who submits proof of improvements made to the insured premises as a means of mitigating loss from a hurricane or other storm.

(b) Means of mitigating loss include:

(1) the installation of one or more of the following:

- (i) hurricane shutters;
- (ii) secondary water barrier;
- (iii) reinforced roof coverings;
- (iv) braced gable ends;
- (v) reinforced roof to wall connections;
- (vi) tie downs; and
- (vii) reinforced opening protections;

(2) repair or replacement of:

- (i) exterior doors, including garage doors;
- (ii) hurricane resistant trusses, studs, and other structural components; and
- (iii) repair or replacement of manufactured home piers, anchors, and tie down straps; and

(3) any mitigation effort that materially mitigates loss from a hurricane or other storm otherwise covered under the policy.

(c) Improvements made to the insured premises under this section shall be inspected by a contractor licensed by the Department of Labor, Licensing, and Regulation.

(d) (1) An insurer shall be allowed to inspect the improvements that are the basis of a premium discount under this section.

(2) (i) Verification of improvements that are the basis of a premium discount under this section rests with the insurer.

(ii) An insurer may accept an inspection certificate issued by a governmental agency as verification of improvements that are the basis of a premium discount under this section.

(e) A premium discount offered under this section shall:

(1) comply with the provisions of Title 11 of this article; and

(2) only be offered for improvements identified by the Commissioner as qualified mitigation actions made to the insured premises that may materially mitigate loss from a hurricane or other storm otherwise covered under the policy.

(f) (1) An insurer that offers a premium discount under this section shall provide a policyholder with an annual statement regarding the availability of the discount and the method of applying for the discount.

(2) The notice required under paragraph (1) of this subsection may be sent with the statement required under § 19–205 of this subtitle.

(3) AN INSURER MAY COMPLY WITH THE RENEWAL NOTICE REQUIREMENTS OF THIS SUBSECTION BY SENDING THE NOTICE AUTHORIZED BY § 19–216 OF THIS SUBTITLE.

(G) THE NOTICE REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27–601.2 OF THIS ARTICLE.

[(g)] **(H)** The Commissioner may adopt regulations to implement the provisions of this section.

19–214.

(a) An insurer that offers homeowner’s insurance in the State shall provide a written notice to the insured at the time of application or issuance and at each renewal of the policy that states, in substantially similar language, that, in addition to the other allowable reasons for cancellation or refusal to renew under Maryland law:

(1) the insurer may cancel or refuse to renew coverage on the basis of the number of claims made by the policyholder within the preceding 3–year period; and

(2) the insurer may cancel or refuse to renew coverage on the basis of:

(i) three or more weather-related claims made within the preceding 3-year period;

(ii) one or more weather-related claims made within the preceding 3-year period if the insurer has provided written notice to the insured for reasonable or customary repairs or replacement specific to the insured's premises or dwelling that:

1. the insured failed to make; and

2. if made, would have prevented the loss for which a claim was made; and

(iii) a change in the physical condition or contents of the premises that:

1. increases the hazard insured against; and

2. if present and known to the insurer before the issuance of the policy, would have caused the insurer to refuse to issue the policy.

(b) In order to support cancellation or refusal to renew under subsection (a)(2)(ii) of this section, the written notice:

(1) must refer to specific conditions known to the insurer concerning the insured's specific premises or dwelling; and

(2) may not be a general notification of repairs or replacements common to that type of premises or dwelling.

(C) A NOTICE REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27-601.2 OF THIS ARTICLE.

(D) AN INSURER MAY COMPLY WITH THE RENEWAL NOTICE REQUIREMENTS OF THIS SECTION BY SENDING THE NOTICE AUTHORIZED BY § 19-216 OF THIS SUBTITLE.

19-215.

(a) An insurer that issues a policy of homeowner's insurance in the State that contains an anti-concurrent causation (ACC) clause shall provide a policyholder each year with a notice that:

(1) is clear and specific;

(2) describes the ACC clause;

(3) informs the insured to read the policy for complete information on the exclusions; and

(4) states that the insured should communicate with the insurance producer or the insurer for additional information regarding the scope of the exclusions.

(b) The notice under subsection (a) of this section:

(1) is not part of the policy or contract of insurance; and

(2) does not create a private right of action.

(C) A NOTICE REQUIRED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27-601.2 OF THIS ARTICLE.

[(c)] (D) The Commissioner may adopt regulations to implement this section.

19-216.

(A) THE COMMISSIONER SHALL ADOPT BY REGULATION A NOTICE TO BE PROVIDED TO INSURED OR POLICYHOLDERS AT EACH RENEWAL REGARDING AREAS OF CONCERNS, INCLUDING:

(1) FLOOD;

(2) COVERAGE FOR LOSS FROM WATER THAT BACKS UP THROUGH SEWERS AND DRAINS;

(3) DEDUCTIBLES;

(4) STORM LOSS PROTECTIVE DEVICE DISCOUNT;

(5) CLAIMS HISTORY; AND

(6) INCREASED HAZARD.

(B) THE NOTICE PROVIDED UNDER SUBSECTION (A) OF THIS SECTION SHALL:

(1) BE WRITTEN IN CLEAR AND SPECIFIC LANGUAGE; AND

(2) CONTAIN THE FOLLOWING LANGUAGE IN AT LEAST 10 POINT TYPE:

“THIS NOTICE IS NOT YOUR POLICY, DOES NOT GIVE YOU ANY NEW OR ADDITIONAL RIGHTS BEYOND THOSE EXPRESSLY STATED IN YOUR POLICY, AND DOES NOT ALTER YOUR POLICY IN ANY WAY.”.

(C) THE NOTICE PROVIDED UNDER SUBSECTION (A) OF THIS SECTION DOES NOT CREATE A PRIVATE RIGHT OF ACTION.

(D) AN INSURER MAY PROVIDE THE RENEWAL NOTICES REQUIRED BY §§ 19-202, 19-205(A)(4)(VII), 19-210(F), AND 19-214(A) OF THIS SUBTITLE AND § 27-501(N)(2) OF THIS ARTICLE BY SENDING THE NOTICE AUTHORIZED BY SUBSECTION (A) OF THIS SECTION.

(E) THE NOTICE AUTHORIZED BY THIS SECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER COMPLIES WITH THE REQUIREMENTS OF § 27-601.2 OF THIS ARTICLE.

27-501.

(n) (1) Subject to the requirements of this article, if an insurer considers claims history for the purposes of canceling or refusing to renew coverage, the insurer may consider the following factors in mitigation of the proposed decision without producing statistical validation:

- (i) the severity of the losses;
- (ii) the length of time that an insured has been a policyholder with the insurer;
- (iii) loss mitigation of previous losses; and
- (iv) the availability of a higher deductible for the particular policy and types of losses.

(2) If an insurer considers claims history for purposes of canceling or refusing to renew coverage, the insurer shall disclose the practice to an insured at the inception of the policy and at each renewal.

(3) AN INSURER MAY COMPLY WITH THE DISCLOSURE REQUIRED AT RENEWAL BY PARAGRAPH (2) OF THIS SUBSECTION BY SENDING THE NOTICE AUTHORIZED BY § 19-216 OF THIS ARTICLE.

27-601.2.

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

(2) “Delivered by electronic means” includes:

(i) delivery to an electronic mail address at which a party has consented to receive notice; and

(ii) posting on an electronic network, together with separate notice to a party directed to the electronic mail address at which the party has consented to receive notice of the posting.

(3) “Party” means an applicant, an insured, or a policyholder.

(b) Subject to subsection (d) of this section, any notice to a party required under this subtitle may be delivered by electronic means provided the process used to obtain consent of the party to have notice delivered by electronic means meets the requirements of Title 21, Subtitle 1 of the Commercial Law Article.

(c) Delivery of a notice in accordance with subsection (b) of this section shall be considered equivalent to any delivery method required under this subtitle, including delivery by first-class mail, certified mail, or a first-class mail tracking method.

(d) A notice may be delivered by electronic means by an insurer to a party under this section if:

(1) the party has affirmatively consented to that method of delivery and has not withdrawn the consent;

(2) the party, before giving consent, is provided with a clear and conspicuous statement:

(i) informing the party of:

1. any right or option of the party to have the notice provided or made available in paper or another nonelectronic form;

2. the right of the party to withdraw consent to have notice delivered by electronic means and any fees, conditions, or consequences imposed in the event consent is withdrawn;

3. whether the party’s consent applies:

A. only to the particular transaction as to which the notice must be given; or

B. to identified categories of notices that may be delivered by electronic means during the course of the parties’ relationship;

4. A. how, after consent is given, the party may obtain a paper copy of a notice delivered by electronic means; and

B. the fee, if any, for the paper copy; and

5. the procedures the party must use to withdraw consent to have notice delivered by electronic means and to update information needed to contact the party electronically;

(3) the party:

(i) before giving consent, is provided with a statement of the hardware and software requirements for access to and retention of a notice delivered by electronic means; and

(ii) consents electronically, or confirms consent electronically, in a manner that reasonably demonstrates that the party can access information in the electronic form that will be used for notices delivered by electronic means as to which the party has given consent; and

(4) after consent of the party is given, the insurer, in the event a change in the hardware or software requirements needed to access or retain a notice delivered by electronic means creates a material risk that the party will not be able to access or retain a subsequent notice to which the consent applies:

(i) provides the party with a statement of:

1. the revised hardware and software requirements for access to and retention of a notice delivered by electronic means; and

2. the right of the party to withdraw consent without the imposition of any fee, condition, or consequence that was not disclosed under item (2)(i)2 of this subsection; and

(ii) complies with item (2) of this subsection.

(e) This section does not affect the content or timing of any notice required under this subtitle.

(f) If a provision of this subtitle requiring notice to be provided to a party expressly requires verification or acknowledgment of receipt of the notice, the notice may be delivered by electronic means only if the method used provides for verification or acknowledgment of receipt.

(g) The legal effectiveness, validity, or enforceability of any contract or policy of insurance executed by a party may not be denied solely because of the failure to obtain

electronic consent or confirmation of consent of the party in accordance with subsection (d)(3)(ii) of this section.

(h) (1) A withdrawal of consent by a party does not affect the legal effectiveness, validity, or enforceability of a notice delivered by electronic means to the party before the withdrawal of consent is effective.

(2) A withdrawal of consent by a party is effective within a reasonable period of time after receipt of the withdrawal by the insurer.

(3) Failure to comply with subsection (d)(4) of this section may be treated, at the election of the party, as a withdrawal of consent for purposes of this section.

(i) This section does not apply to a notice delivered by an insurer in an electronic form before October 1, 2011, to a party who, before October 1, 2011, has consented to receive notice in an electronic form otherwise allowed by law.

(j) If the consent of a party to receive notice in an electronic form is on file with an insurer before October 1, 2011, the insurer shall notify the party of:

(1) the notices that may be delivered by electronic means under this section; and

(2) the party's right to withdraw consent to have notices delivered by electronic means.

(k) (1) Except as otherwise provided by law, if an oral communication or a recording of an oral communication can be reliably stored and reproduced by an insurer, the oral communication or recording may qualify as a notice delivered by electronic means for purposes of this section.

(2) If a provision of this subtitle requires a signature or record to be notarized, acknowledged, verified, or made under oath, the requirement is satisfied if the electronic signature of the person authorized to perform those acts, together with all other information required to be included by the provision, is attached to or logically associated with the signature or record.

(l) This section may not be construed to modify, limit, or supersede the provisions of the federal Electronic Signatures in Global and National Commerce Act relating to the use of an electronic record to provide or make available information that is required to be provided or made available in writing to a party.

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

Approved by the Governor, April 11, 2017.

Chapter 125

(House Bill 302)

AN ACT concerning

Kent County – Property Tax Credit – Commerce Zones

FOR the purpose of authorizing a certain property tax credit for certain business entities that obtain certain new, improved, or expanded premises in a certain commerce zone in Kent County; providing for the amount and duration of the property tax credit; authorizing the governing body of Kent County to provide, by law, for certain matters relating to the tax credit; defining certain terms; providing for the application of this Act; and generally relating to a property tax credit in Kent County for real property located in certain commerce zones.

BY adding to

Article – Tax – Property

Section 9–316

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

Article – Tax – Property

9–316.

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

(2) “COMMERCE ZONE” MEANS A PRIORITY FUNDING AREA IN KENT COUNTY DESIGNATED BY THE GOVERNING BODY OF KENT COUNTY AS A COMMERCE ZONE.

(3) “NEW, IMPROVED, OR EXPANDED PREMISES” MEANS COMMERCIAL OR INDUSTRIAL REAL PROPERTY, INCLUDING A BUILDING OR PART OF A BUILDING THAT HAS NOT BEEN PREVIOUSLY OCCUPIED, WHERE A BUSINESS ENTITY LOCATES TO CONDUCT BUSINESS.

(B) THE GOVERNING BODY OF KENT 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 ENTITY THAT MEETS THE REQUIREMENTS SPECIFIED UNDER THIS SECTION.

(C) TO QUALIFY FOR A PROPERTY TAX CREDIT UNDER THIS SECTION, A BUSINESS ENTITY SHALL OBTAIN NEW, IMPROVED, OR EXPANDED PREMISES IN A COMMERCE ZONE BY:

- (1) PURCHASING NEWLY CONSTRUCTED PREMISES;
- (2) CONSTRUCTING NEW PREMISES;~~OR;~~
- (3) CAUSING NEW PREMISES TO BE CONSTRUCTED;OR
- (4) IMPROVING EXISTING PREMISES FOR OCCUPATION BY THE BUSINESS ENTITY.

(D) IF A BUSINESS ENTITY MEETS THE REQUIREMENTS UNDER SUBSECTION (C) OF THIS SECTION, THE PROPERTY TAX CREDIT GRANTED UNDER THIS SECTION SHALL EQUAL A PERCENTAGE OF THE AMOUNT OF COUNTY PROPERTY TAX IMPOSED ON THE ASSESSMENT OF THE NEW, IMPROVED, OR EXPANDED PREMISES, AS FOLLOWS:

- (1) 50% FOR EACH OF THE FIRST 5 TAXABLE YEARS;
- (2) 25% IN TAXABLE YEARS 6 AND 7;
- (3) 15% IN TAXABLE YEARS 8 THROUGH 10; AND
- (4) 0% FOR EACH TAXABLE YEAR THEREAFTER.

(E) THE GOVERNING BODY OF KENT COUNTY MAY PROVIDE, BY LAW, FOR:

- (1) THE SPECIFIC ELIGIBILITY REQUIREMENTS FOR THE TAX CREDIT AUTHORIZED UNDER THIS SECTION;
 - (2) ANY ADDITIONAL LIMITATIONS ON ELIGIBILITY FOR THE CREDIT;
- AND
- (3) ANY OTHER PROVISION NECESSARY TO IMPLEMENT THE CREDIT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply retroactively and shall be applied to and interpreted to affect all taxable years beginning after June 30, 2015.

~~SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017, and shall be applicable to all taxable years beginning after June 30, 2017.~~

Approved by the Governor, April 11, 2017.

Chapter 126

(Senate Bill 389)

AN ACT concerning

Kent County – Property Tax Credit – Commerce Zones

FOR the purpose of authorizing a certain property tax credit for certain business entities that obtain certain new, improved, or expanded premises in a certain commerce zone in Kent County; providing for the amount and duration of the property tax credit; authorizing the governing body of Kent County to provide, by law, for certain matters relating to the tax credit; defining certain terms; providing for the application of this Act; and generally relating to a property tax credit in Kent County for real property located in certain commerce zones.

BY adding to

Article – Tax – Property

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

Article – Tax – Property

9–316.

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

(2) “COMMERCE ZONE” MEANS A PRIORITY FUNDING AREA IN KENT COUNTY DESIGNATED BY THE GOVERNING BODY OF KENT COUNTY AS A COMMERCE ZONE.

(3) “NEW, IMPROVED, OR EXPANDED PREMISES” MEANS COMMERCIAL OR INDUSTRIAL REAL PROPERTY, INCLUDING A BUILDING OR PART OF A BUILDING THAT HAS NOT BEEN PREVIOUSLY OCCUPIED, WHERE A BUSINESS ENTITY LOCATES TO CONDUCT BUSINESS.

(B) THE GOVERNING BODY OF KENT 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 ENTITY THAT MEETS THE REQUIREMENTS SPECIFIED UNDER THIS SECTION.

(C) TO QUALIFY FOR A PROPERTY TAX CREDIT UNDER THIS SECTION, A BUSINESS ENTITY SHALL OBTAIN NEW, IMPROVED, OR EXPANDED PREMISES IN A COMMERCE ZONE BY:

- (1) PURCHASING NEWLY CONSTRUCTED PREMISES;
- (2) CONSTRUCTING NEW PREMISES, OR;
- (3) CAUSING NEW PREMISES TO BE CONSTRUCTED; OR
- (4) IMPROVING EXISTING PREMISES FOR OCCUPATION BY THE BUSINESS ENTITY.

(D) ~~(1) IF EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,~~
~~IF~~ IF A BUSINESS ENTITY MEETS THE REQUIREMENTS UNDER SUBSECTION (C) OF THIS SECTION, THE PROPERTY TAX CREDIT GRANTED UNDER THIS SECTION SHALL EQUAL A PERCENTAGE OF THE AMOUNT OF COUNTY PROPERTY TAX IMPOSED ON THE ASSESSMENT OF THE NEW, IMPROVED, OR EXPANDED PREMISES, AS FOLLOWS:

- ~~(1) (1)~~ 50% FOR EACH OF THE FIRST 5 TAXABLE YEARS;
- ~~(2) (2)~~ 25% 40% 25% IN TAXABLE YEARS 6 AND 7;
- ~~(3) (3)~~ 15% 30% 15% IN TAXABLE YEARS 8 THROUGH 10; AND
~~AND~~
- ~~(4) (4)~~ 20% IN TAXABLE YEARS 11 AND 12;
- ~~(5) (5)~~ 15% IN TAXABLE YEARS 13 AND 14;
- ~~(6) (6)~~ 10% IN TAXABLE YEAR 15; AND
- ~~(7) (7)~~ 0% FOR EACH TAXABLE YEAR THEREAFTER.

~~(2) IF THE NEW, IMPROVED, OR EXPANDED PREMISES IS ALSO LOCATED IN AN ENTERPRISE ZONE IN KENT COUNTY, THE PROPERTY TAX CREDIT UNDER THIS SECTION MAY NOT BE GRANTED FOR THE FIRST 10 TAXABLE YEARS BUT MAY BE GRANTED FOR TAXABLE YEARS 11 THROUGH 15 AS PROVIDED IN ITEMS (IV) THROUGH (VI) OF PARAGRAPH (1) OF THIS SUBSECTION.~~

- (4) 0% FOR EACH TAXABLE YEAR THEREAFTER.

(E) THE GOVERNING BODY OF KENT COUNTY MAY PROVIDE, BY LAW, FOR:

(1) THE SPECIFIC ELIGIBILITY REQUIREMENTS FOR THE TAX CREDIT AUTHORIZED UNDER THIS SECTION;

(2) ANY ADDITIONAL LIMITATIONS ON ELIGIBILITY FOR THE CREDIT;
AND

(3) ANY OTHER PROVISION NECESSARY TO IMPLEMENT THE CREDIT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply retroactively and shall be applied to and interpreted to affect all taxable years beginning after June 30, 2015.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017, ~~and shall be applicable to all taxable years beginning after June 30, 2017.~~

Approved by the Governor, April 11, 2017.

Chapter 127

(House Bill 306)

AN ACT concerning

Montgomery County – Alcoholic Beverages – Tasting at Dispensaries

MC 19-17

FOR the purpose of authorizing the Department of Liquor Control for Montgomery County to hold tastings of beer, wine, and liquor in the inventory of the dispensary under certain circumstances at certain dispensaries; ~~authorizing a dispensary to serve, for tasting, beer, wine, and liquor that are in the inventory of the dispensary;~~ limiting the quantity of beer, wine, and liquor that an individual may consume as part of a tasting; making this Act an emergency measure; and generally relating to alcoholic beverages in Montgomery County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 25-102 and 25-301
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 25-310

Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

25–102.

This title applies only in Montgomery County.

25–301.

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

(b) “Department” means the County Department of Liquor Control.

(c) “Director” means the Director of the Department.

(d) “Dispensary” means a store established and maintained by the Department for the sale of alcoholic beverages.

25–310.

(a) With the approval of the County Executive, the Director may establish a dispensary at one or more locations that the Director determines.

(b) (1) The Department may sell its inventory through:

(i) dispensaries selling at wholesale and retail; and

(ii) subject to subsection (c) of this section, retail outlets operated by individuals with whom the Department contracts.

(2) Notwithstanding any other law, the Director may sell at wholesale or retail alcoholic beverages in whole cases or in individual bottles through dispensaries to a license holder in the county.

(3) The Department may not sell alcoholic beverages at different prices to different license holders or classes of license holders.

(c) (1) The Director may not contract with a person to operate:

(i) a dispensary; or

(ii) except as provided in paragraph (2) of this subsection, a retail outlet for the sale of beer, wine, and liquor.

(2) The Director may enter into a contract with a person to operate a retail outlet for the sale of beer, wine, and liquor if:

(i) the Board of License Commissioners determines that the person is fit to operate the retail outlet; and

(ii) the Director had a contract with a person to operate the retail outlet on January 1, 1997.

(d) A dispensary or a retail outlet operated under contract with the Director:

(1) may sell only:

(i) EXCEPT AS PROVIDED FOR IN SUBSECTION (E) OF THIS SUBSECTION, for off-premises consumption, nonchilled beer, wine, and liquor;

(ii) ice;

(iii) bottled water; and

(iv) items commonly associated with the serving or consumption of alcoholic beverages, including bottle openers, corkscrews, drink mixes, and lime juice; and

(2) may not sell snack foods or soft drinks.

(e) **(1) A DISPENSARY MAY SELL ANY PRODUCT IN THE DISPENSARY'S INVENTORY FOR THE PURPOSE OF:**

(I) ~~HOLD~~ HOLDING TASTINGS OF BEER, WINE, AND LIQUOR ON THE PREMISES OF THE DISPENSARY ONLY;

(II) ~~SERVE~~ SERVING, FOR TASTING, BEER, WINE, AND LIQUOR ~~THAT ARE IN THE INVENTORY OF THE DISPENSARY~~; AND

(III) ~~ALLOW~~ ALLOWING THE CONSUMPTION OF BEER, WINE, AND LIQUOR BY AN INDIVIDUAL FOR TASTING IN A QUANTITY OF NOT MORE THAN:

1. ONE-HALF OUNCE FROM EACH OFFERING OF LIQUOR;

2. 1.5 OUNCES FROM ALL OFFERINGS OF LIQUOR IN A DAY;

3. 1 OUNCE FROM EACH OFFERING OF WINE;

4. 4 OUNCES FROM ALL OFFERINGS OF WINE IN A DAY;
5. 3 OUNCES FROM EACH OFFERING OF BEER; AND
6. 12 OUNCES FROM ALL OFFERINGS OF BEER IN A DAY.

(2) ONCE OPENED, A BOTTLE USED FOR BEER, WINE, OR LIQUOR TASTING SHALL BE MARKED THAT IT IS TO BE USED FOR THAT PURPOSE ONLY.

(F) The Department may sell or deliver alcoholic beverages to a retail license holder from 6 a.m. to midnight on every day except Sunday.

[(f)] (G) A manager of a dispensary, an individual who contracts to operate a retail outlet as authorized under subsection (c) of this section, or an employee of a dispensary or retail outlet who commits a prohibited act related to the sale or providing of alcoholic beverages to individuals under the age of 21 years under this article or the Criminal Law Article is subject to:

(1) any penalty authorized by law, including a civil citation issued under § 10–119 of the Criminal Law Article; and

(2) a fine and suspension or revocation of employment by the Board in the same manner as a license holder or employee of a license holder would be subject to a fine and suspension or revocation of the license for the violation.

[(g)] (H) Title 4, Subtitle 2 of this article does not apply to 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.

Approved by the Governor, April 11, 2017.

Chapter 128

(House Bill 311)

AN ACT concerning

Montgomery County – Alcoholic Beverages – Class H–BW Licenses

MC 9-17

FOR the purpose of specifying that, in Montgomery County, the maximum number of certain licenses a person may hold may include one or more Class H–BW licenses; and generally relating to the number of Class H–BW licenses that a certain license holder may hold in Montgomery County.

BY repealing and reenacting, without amendments,
 Article – Alcoholic Beverages
 Section 25–102 and 25–1613
 Annotated Code of Maryland
 (2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
 Article – Alcoholic Beverages
 Section 25–1614
 Annotated Code of Maryland
 (2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

25–102.

This title applies only in Montgomery County.

25–1613.

Sections 25–1614 and 25–1615 of this subtitle apply only to a holder of a Class B beer, wine, and liquor on–sale license.

25–1614.

(A) Except as provided in § 25–1615 of this subtitle, the Board may not authorize the same license holder to hold more than 10 licenses[, including no more than one Class BD–BWL license].

(B) THE 10 LICENSES THAT MAY BE HELD BY THE SAME LICENSE HOLDER:

(1) MAY INCLUDE ONE OR MORE CLASS H–BW LICENSES; AND

(2) MAY NOT INCLUDE MORE THAN ONE CLASS BD–BWL LICENSE.

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

Approved by the Governor, April 11, 2017.

Chapter 129

(House Bill 342)

AN ACT concerning

**Montgomery County – Property Tax Credit for Qualified Enterprise Zone
Property – Extension**

MC 3–17

FOR the purpose of extending the eligibility period during which a certain business entity may claim a certain property tax credit for improvements made to certain enterprise zone property in Montgomery County; and generally relating to a property tax credit in Montgomery County for improvements made to qualified enterprise zone property.

BY repealing and reenacting, with amendments,
Article – Tax – Property
Section 9–317(f)(1)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Tax – Property

9–317.

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

(ii) “Eligible business entity” means a person who operates or conducts a trade or business on qualified enterprise zone property but does not own the qualified enterprise zone property.

(iii) “Qualified enterprise zone property” means real property that:

1. A. is not used for residential purposes;

B. is used in a trade or business by an eligible business entity;

C. is located in an enterprise zone that is designated under Title 5, Subtitle 7 of the Economic Development Article; and

D. is eligible for the property tax credit under § 9–103 of this title;

2. A. is located within the area encompassed by the Burtonsville Crossroads Neighborhood Plan developed by the Montgomery County Planning Department;

B. is zoned for commercial or commercial/residential mixed use development; and

C. has had improvements made on it on or before January 1, [2020] **2025**; or

3. A. is located within the area encompassed by the Glenmont Shopping Center area, the Metro Station/Layhill Triangle Block, the Winexburg Manor Apartments area, the Glenmont Forest Apartments area, and the Privacy World area of the Glenmont Sector Plan developed by the Montgomery County Planning Department;

B. is zoned for commercial or commercial/residential mixed use development; and

C. has had improvements made on it on or before January 1, 2025.

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

Approved by the Governor, April 11, 2017.

Chapter 130

(House Bill 560)

AN ACT concerning

Montgomery County – Alcoholic Beverages Licenses – Hours of Sale

FOR the purpose of altering the hours a holder of a Class B or a Class B–BWL (H–M) beer, wine, and liquor license in Montgomery County may sell beer, wine, and liquor on the day designated by the federal government as a public holiday; and generally relating to the sale of alcoholic beverages in Montgomery County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 25–102
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 25–2005(c) and (e)
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

25–102.

This title applies only in Montgomery County.

25–2005.

(c) (1) Subject to paragraphs (2) and (3) of this subsection, a holder of a Class B beer, wine, and liquor license may sell beer, wine, and liquor:

(i) on Monday through Thursday, from 9 a.m. to 2 a.m. the following day;

(ii) on Friday and Saturday, from 9 a.m. to 3 a.m. the following day;
and

(iii) on Sunday:

1. from 10 a.m. to 2 a.m. the following day; or

2. from 10 a.m. to 3 a.m. the following day if the federal government has designated the following day as [President’s Day, Memorial Day, Independence Day, Labor Day, or Christmas] **A PUBLIC HOLIDAY.**

(2) The license holder may not sell beer, wine, or liquor at a bar or counter on Sunday, from 10 a.m. to 1 a.m. the following day.

(3) The license holder shall sell or make available food for consumption on the premises during the hours that alcoholic beverages are permitted to be served.

(e) (1) Subject to paragraphs (2) and (3) of this subsection, a holder of a Class B–BWL (H–M) beer, wine, and liquor license may sell beer, wine, and liquor:

(i) on Monday through Thursday, from 9 a.m. to 2 a.m. the following day;

(ii) on Friday and Saturday, from 9 a.m. to 3 a.m. the following day; and

(iii) on Sunday:

1. from 10 a.m. to 2 a.m. the following day; or

2. from 10 a.m. to 3 a.m. the following day if the federal government has designated the following day as [President’s Day, Memorial Day, Independence Day, Labor Day, or Christmas] **A PUBLIC HOLIDAY.**

(2) The license holder may not sell beer, wine, or liquor at a bar or counter on Sunday, from 10 a.m. to 1 a.m. the following day.

(3) The license holder shall sell or make available food for consumption on the premises during the hours that alcoholic beverages are permitted to be served.

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

Approved by the Governor, April 11, 2017.

Chapter 131

(House Bill 566)

AN ACT concerning

**Howard County – Property Tax – Exemption for Personal Property of Business
Located in Historic District**

Ho. Co. 10–17

FOR the purpose of authorizing the governing body of Howard County to exempt certain personal property from the Howard County property tax under certain circumstances; defining a certain term; providing for the application of this Act; providing for the termination of this Act; and generally relating to a certain property tax exemption in Howard County.

BY adding to

Article – Tax – Property

Section 7–520

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

Article – Tax – Property

7–520.

(A) IN THIS SECTION, “LOCAL HISTORIC DISTRICT” MEANS A DISTRICT THAT THE GOVERNING BODY OF HOWARD COUNTY HAS DESIGNATED UNDER LOCAL LAW AS HISTORIC.

(B) THE GOVERNING BODY OF HOWARD COUNTY MAY EXEMPT PERSONAL PROPERTY THAT IS OWNED OR LEASED BY A BUSINESS ENTITY FROM THE HOWARD COUNTY PROPERTY TAX IF THE BUSINESS ENTITY IS LOCATED IN A LOCAL HISTORIC DISTRICT OR A NATIONAL REGISTER DISTRICT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017, and shall be applicable to all taxable years beginning after June 30, 2017, but before July 1, 2022. It shall remain effective for a period of 5 years and 1 month and, at the end of June 30, 2022, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, April 11, 2017.

Chapter 132

(House Bill 448)

AN ACT concerning

Maryland Achieving a Better Life Experience (ABLE) Program – Account Clarifications

FOR the purpose of clarifying that a certain amount may be contributed in each calendar year to an account for a disabled individual under the Maryland Achieving a Better Life Experience (ABLE) Program; providing that contributions to an ABLE account may not exceed a certain maximum amount; requiring the Maryland 529 Board to adopt certain procedures to ensure that certain contributions to ABLE accounts do not exceed a certain maximum limit; and generally relating to the Maryland ABLE Program.

BY repealing and reenacting, without amendments,
 Article – Education
 Section 18–19C–01(a) through (d) and (g)
 Annotated Code of Maryland
 (2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
 Article – Education
 Section 18–19C–03(c) and 18–19C–09
 Annotated Code of Maryland
 (2014 Replacement Volume and 2016 Supplement)

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

Article – Education

18–19C–01.

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

(b) “ABLE account” means an account described under § 529A(e) of the Internal Revenue Code.

(c) “ABLE account contributor” means an individual who contributes money to an ABLE account described under § 529A(e) of the Internal Revenue Code.

(d) “ABLE account holder” means an individual who has established an account described under § 529A(e) of the Internal Revenue Code and is the designated beneficiary of the account.

(g) “Maryland ABLE Program” means a qualified ABLE program described in § 529A(b) of the Internal Revenue Code.

18–19C–03.

(c) (1) The Maryland ABLE Program is subject to the provisions of § 529A of the Internal Revenue Code.

(2) The Maryland ABLE Program shall include provisions for automatic contributions.

(3) Money and assets in the accounts established under the Maryland ABLE Program or an ABLE program in any other state may not be considered for the purpose of determining eligibility to receive, or the amount of, any assistance or benefits from local or State means-tested programs.

(4) Money and assets **CONTRIBUTED** in **EACH CALENDAR YEAR TO** the account of each ABLE account holder may not exceed the amount specified in § 2503(b) of the Internal Revenue Code for each calendar year in which the taxable year begins.

(5) CONTRIBUTIONS TO THE ACCOUNT OF EACH ABLE ACCOUNT HOLDER MAY NOT EXCEED THE MAXIMUM AMOUNT DETERMINED BY THE BOARD TO BE IN ACCORDANCE WITH § 529A(B)(6) OF THE INTERNAL REVENUE CODE.

18–19C–09.

(a) The Board shall issue refunds as specified in this section.

(b) If the contribution of an ABLE account contributor under the Maryland ABLE Program would result in aggregate contributions from all contributors to the ABLE account for the taxable year exceeding the amount specified in § 2503(b) of the Internal Revenue Code for each calendar year in which the taxable year begins, the Board shall issue a refund to the ABLE account contributor.

(C) THE BOARD SHALL ADOPT PROCEDURES TO ENSURE THAT CONTRIBUTIONS TO THE ACCOUNT OF EACH ABLE ACCOUNT HOLDER DO NOT EXCEED THE TOTAL MAXIMUM AMOUNT DETERMINED UNDER § 529A(B)(6) OF THE INTERNAL REVENUE CODE.

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

Approved by the Governor, April 11, 2017.

Chapter 133

(Senate Bill 344)

AN ACT concerning

Maryland Achieving a Better Life Experience (ABLE) Program – Account Clarifications

FOR the purpose of clarifying that a certain amount may be contributed in each calendar year to an account for a disabled individual under the Maryland Achieving a Better Life Experience (ABLE) Program; providing that contributions to an ABLE account may not exceed a certain maximum amount; requiring the Maryland 529 Board to adopt certain procedures to ensure that certain contributions to ABLE accounts do not exceed a certain maximum limit; and generally relating to the Maryland ABLE Program.

BY repealing and reenacting, without amendments,
Article – Education
Section 18–19C–01(a) through (d) and (g)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Education
Section 18–19C–03(c) and 18–19C–09
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

18–19C–01.

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

(b) “ABLE account” means an account described under § 529A(e) of the Internal Revenue Code.

(c) “ABLE account contributor” means an individual who contributes money to an ABLE account described under § 529A(e) of the Internal Revenue Code.

(d) “ABLE account holder” means an individual who has established an account described under § 529A(e) of the Internal Revenue Code and is the designated beneficiary of the account.

(g) “Maryland ABLE Program” means a qualified ABLE program described in § 529A(b) of the Internal Revenue Code.

18–19C–03.

(c) (1) The Maryland ABLE Program is subject to the provisions of § 529A of the Internal Revenue Code.

(2) The Maryland ABLE Program shall include provisions for automatic contributions.

(3) Money and assets in the accounts established under the Maryland ABLE Program or an ABLE program in any other state may not be considered for the purpose of determining eligibility to receive, or the amount of, any assistance or benefits from local or State means-tested programs.

(4) Money and assets **CONTRIBUTED** in **EACH CALENDAR YEAR** TO the account of each ABLE account holder may not exceed the amount specified in § 2503(b) of the Internal Revenue Code for each calendar year in which the taxable year begins.

(5) CONTRIBUTIONS TO THE ACCOUNT OF EACH ABLE ACCOUNT HOLDER MAY NOT EXCEED THE MAXIMUM AMOUNT DETERMINED BY THE BOARD TO BE IN ACCORDANCE WITH § 529A(B)(6) OF THE INTERNAL REVENUE CODE.

18–19C–09.

(a) The Board shall issue refunds as specified in this section.

(b) If the contribution of an ABLE account contributor under the Maryland ABLE Program would result in aggregate contributions from all contributors to the ABLE account for the taxable year exceeding the amount specified in § 2503(b) of the Internal Revenue Code for each calendar year in which the taxable year begins, the Board shall issue a refund to the ABLE account contributor.

(C) THE BOARD SHALL ADOPT PROCEDURES TO ENSURE THAT CONTRIBUTIONS TO THE ACCOUNT OF EACH ABLE ACCOUNT HOLDER DO NOT EXCEED THE TOTAL MAXIMUM AMOUNT DETERMINED UNDER § 529A(B)(6) OF THE INTERNAL REVENUE CODE.

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

Approved by the Governor, April 11, 2017.

Chapter 134

(House Bill 457)

AN ACT concerning

**Charles County – State’s Attorney’s Office and Child Support Enforcement
Administration – Transfer of Personnel**

FOR the purpose of transferring the functions, powers, and duties of the Child Support Unit of the Office of the State’s Attorney for Charles County to the Child Support Enforcement Administration of the Department of Human Resources; requiring that certain employees be transferred in accordance with certain provisions of law that provide for inclusion in the State Personnel Management System, seniority, compensation, annual leave accrual, transfer of certain pension contributions, and other personnel matters for employees transferring to the Child Support Enforcement Administration; requiring Charles County to pay certain personnel certain compensation as of a certain date; requiring the creation of certain Position Identification Numbers for certain transferred employees; providing for the determination of salary grade and seniority for transferred employees; requiring that certain transferred employees be given credit with the State for years of county employment for purposes of determining eligibility for participation as a retiree in the State Employee and Retiree Health and Welfare Benefits Program; requiring that certain transferred employees be subject to certain benefit selections in the Employees’ Pension System; providing that certain transferred employees are not responsible for depositing the difference between certain member contributions and interest in the Charles County Pension Plan and the Employees’ Pension System for certain creditable service earned in the Charles County Pension Plan; requiring a certain valuation to be performed by a certain actuary; making this Act an emergency measure; and generally relating to the transfer of certain personnel to the Child Support Enforcement Administration of the Department of Human Resources.

BY repealing and reenacting, without amendments,

Article – Family Law

Section 10–117

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

Article – Family Law

10–117.

(a) A county or circuit court with a local support enforcement office may request that the responsibility for support enforcement be transferred to the Administration.

(b) A request for transfer of responsibility under this section must be made to the Department of Human Resources by September 1 of the year preceding the fiscal year for which responsibility will be transferred.

(c) Any personnel of the local support enforcement office involved in a transfer under this section shall be in the State Personnel Management System and shall be placed in the position that is comparable to or most closely compares to their former position, without further examination or qualification. These employees shall be credited with the years of service with the jurisdiction for purposes of seniority, including the determination of leave accumulation and the determination of layoff rights under Title 11, Subtitle 2 of the State Personnel and Pensions Article, and, except as provided under § 2–510 of the Courts Article, shall become members of the Employees’ Pension System of the State of Maryland. All previous pension contributions shall be transferred in accordance with Title 37 of the State Personnel and Pensions Article. These employees shall receive no diminution in compensation or accumulated leave solely as a result of the transfer. The salary grade of these employees shall be determined using a salary based on the same hourly rate of salary of the employee at the time of transfer. Annual leave in excess of that which may be retained annually in the State Personnel Management System may be retained at the time of transfer if that accumulation was permitted by the former employer.

SECTION 2. AND BE IT FURTHER ENACTED, That, on July 1, 2017, all the functions, powers, and duties of the Child Support Unit of the Office of the State’s Attorney for Charles County and the personnel indicated in Section 3 of this Act shall be transferred to the Child Support Enforcement Administration of the Department of Human Resources.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) Except for the assistant State’s Attorneys, all employees of the Child Support Unit of the Office of the State’s Attorney for Charles County on June 30, 2017, shall be transferred to the Child Support Enforcement Administration of the Department of Human Resources in accordance with the provisions of § 10–117(c) of the Family Law Article.

(b) Except for the assistant State’s Attorneys, a Position Identification Number (PIN) shall be created for each transferred employee in a State classification commensurate with the employee’s salary grade at the time of the transfer. The salary grade shall be determined using a salary based on the same hourly rate of salary of the employee at the time of transfer. Each transferred employee shall be given credit with the State for years of County employment for purposes of seniority including the determination of leave accumulation and determination of layoff rights under Title 11, Subtitle 2 of the State Personnel and Pensions Article.

(c) If an employee of the Office of the State’s Attorney for Charles County who provides services as an assistant State’s Attorney under the 2017 agreement between the Child Support Enforcement Administration and the Office of the State’s Attorney for Charles County for the period between October 1, 2016, and June 30, 2017, both inclusive, is appointed by the Office of the Attorney General to continue providing services for the Child Support Enforcement Administration as a State employee on or after June 30, 2017, a Position Identification Number (PIN) shall be created for each transferred employee in a State classification commensurate with the employee’s salary grade at the time of the transfer. The salary grade shall be determined using a salary based on the same hourly

rate of salary of the employee at the time of transfer. Each transferred employee shall be given credit with the State for years of County employment for purposes of seniority including the determination of leave accumulation and determination of layoff rights under Title 11, Subtitle 2 of the State Personnel and Pensions Article.

(d) Each transferred employee who is a member of the Charles County Pension Plan on June 30, 2017, shall be given credit with the State for years of County employment for purposes of determining eligibility for participation as a retiree in the State Employee and Retiree Health and Welfare Benefits Program under § 2–508 of the State Personnel and Pensions Article, so that eligibility is based on the starting date for service with the Child Support Unit of the Office of the State’s Attorney for Charles County instead of the starting date of employment with the State.

(e) Each transferred employee who is a member of the Charles County Pension Plan on June 30, 2017, and who becomes a member of the Employees’ Pension System of the State of Maryland in accordance with this Act shall be subject to:

(1) the Alternate Contributory Pension Selection of the Employees’ Pension System as provided under Title 23, Subtitle 2, Part III of the State Personnel and Pensions Article if the beginning date of the individual’s employment with the Child Support Unit of the Office of the State’s Attorney for Charles County was on or before June 30, 2011; or

(2) the Reformed Contributory Pension Benefit of the Employees’ Pension System as provided under Title 23, Subtitle 2, Part IV of the State Personnel and Pensions Article if the beginning date of the individual’s employment with the Child Support Unit of the Office of the State’s Attorney for Charles County was on or after July 1, 2011.

(f) Notwithstanding § 37–203.1(a) of the State Personnel and Pensions Article, each transferred employee who transfers service credit from the Charles County Pension Plan to the Employees’ Pension System of the State of Maryland in accordance with this Act is not responsible for depositing in the annuity savings fund of the Employees’ Pension System the difference between the member contributions at the rate provided for in the Charles County Pension Plan, including interest on those contributions, and the member contributions at the rate provided for in the Employees’ Pension System, including interest on those contributions of 5% per year compounded annually, for the individual’s creditable service that was earned in the Charles County Pension Plan.

(g) The actuarial valuation required under § 37–205 of the State Personnel and Pensions Article for employees transferred under this Act shall be performed by the actuary designated by the Board of Trustees in accordance with § 21–125 of the State Personnel and Pensions Article.

(h) It shall be the responsibility of Charles County to pay to each employee transferred under this Act any compensation due to the employee on termination of County employment as of June 30, 2017.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act ~~shall take effect July 1, 2017~~ is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yeas and nays 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.

Approved by the Governor, April 11, 2017.

Chapter 135

(Senate Bill 347)

AN ACT concerning

Charles County – State’s Attorney’s Office and Child Support Enforcement Administration – Transfer of Personnel

FOR the purpose of transferring the functions, powers, and duties of the Child Support Unit of the Office of the State’s Attorney for Charles County to the Child Support Enforcement Administration of the Department of Human Resources; requiring that certain employees be transferred in accordance with certain provisions of law that provide for inclusion in the State Personnel Management System, seniority, compensation, annual leave accrual, transfer of certain pension contributions, and other personnel matters for employees transferring to the Child Support Enforcement Administration; requiring Charles County to pay certain personnel certain compensation as of a certain date; requiring the creation of certain Position Identification Numbers for certain transferred employees; providing for the determination of salary grade and seniority for transferred employees; requiring that certain transferred employees be given credit with the State for years of county employment for purposes of determining eligibility for participation as a retiree in the State Employee and Retiree Health and Welfare Benefits Program; requiring that certain transferred employees be subject to certain benefit selections in the Employees’ Pension System; providing that certain transferred employees are not responsible for depositing the difference between certain member contributions and interest in the Charles County Pension Plan and the Employees’ Pension System for certain creditable service earned in the Charles County Pension Plan; requiring a certain valuation to be performed by a certain actuary; making this Act an emergency measure; and generally relating to the transfer of certain personnel to the Child Support Enforcement Administration of the Department of Human Resources.

BY repealing and reenacting, without amendments,
Article – Family Law
Section 10–117
Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

Article – Family Law

10–117.

(a) A county or circuit court with a local support enforcement office may request that the responsibility for support enforcement be transferred to the Administration.

(b) A request for transfer of responsibility under this section must be made to the Department of Human Resources by September 1 of the year preceding the fiscal year for which responsibility will be transferred.

(c) Any personnel of the local support enforcement office involved in a transfer under this section shall be in the State Personnel Management System and shall be placed in the position that is comparable to or most closely compares to their former position, without further examination or qualification. These employees shall be credited with the years of service with the jurisdiction for purposes of seniority, including the determination of leave accumulation and the determination of layoff rights under Title 11, Subtitle 2 of the State Personnel and Pensions Article, and, except as provided under § 2–510 of the Courts Article, shall become members of the Employees’ Pension System of the State of Maryland. All previous pension contributions shall be transferred in accordance with Title 37 of the State Personnel and Pensions Article. These employees shall receive no diminution in compensation or accumulated leave solely as a result of the transfer. The salary grade of these employees shall be determined using a salary based on the same hourly rate of salary of the employee at the time of transfer. Annual leave in excess of that which may be retained annually in the State Personnel Management System may be retained at the time of transfer if that accumulation was permitted by the former employer.

SECTION 2. AND BE IT FURTHER ENACTED, That, on July 1, 2017, all the functions, powers, and duties of the Child Support Unit of the Office of the State’s Attorney for Charles County and the personnel indicated in Section 3 of this Act shall be transferred to the Child Support Enforcement Administration of the Department of Human Resources.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) Except for the assistant State’s Attorneys, all employees of the Child Support Unit of the Office of the State’s Attorney for Charles County on June 30, 2017, shall be transferred to the Child Support Enforcement Administration of the Department of Human Resources in accordance with the provisions of § 10–117(c) of the Family Law Article.

(b) Except for the assistant State’s Attorneys, a Position Identification Number (PIN) shall be created for each transferred employee in a State classification commensurate with the employee’s salary grade at the time of the transfer. The salary grade shall be

determined using a salary based on the same hourly rate of salary of the employee at the time of transfer. Each transferred employee shall be given credit with the State for years of County employment for purposes of seniority including the determination of leave accumulation and determination of layoff rights under Title 11, Subtitle 2 of the State Personnel and Pensions Article.

(c) If an employee of the Office of the State's Attorney for Charles County who provides services as an assistant State's Attorney under the 2017 agreement between the Child Support Enforcement Administration and the Office of the State's Attorney for Charles County for the period between October 1, 2016, and June 30, 2017, both inclusive, is appointed by the Office of the Attorney General to continue providing services for the Child Support Enforcement Administration as a State employee on or after June 30, 2017, a Position Identification Number (PIN) shall be created for each transferred employee in a State classification commensurate with the employee's salary grade at the time of the transfer. The salary grade shall be determined using a salary based on the same hourly rate of salary of the employee at the time of transfer. Each transferred employee shall be given credit with the State for years of County employment for purposes of seniority including the determination of leave accumulation and determination of layoff rights under Title 11, Subtitle 2 of the State Personnel and Pensions Article.

(d) Each transferred employee who is a member of the Charles County Pension Plan on June 30, 2017, shall be given credit with the State for years of County employment for purposes of determining eligibility for participation as a retiree in the State Employee and Retiree Health and Welfare Benefits Program under § 2-508 of the State Personnel and Pensions Article, so that eligibility is based on the starting date for service with the Child Support Unit of the Office of the State's Attorney for Charles County instead of the starting date of employment with the State.

(e) Each transferred employee who is a member of the Charles County Pension Plan on June 30, 2017, and who becomes a member of the Employees' Pension System of the State of Maryland in accordance with this Act shall be subject to:

(1) the Alternate Contributory Pension Selection of the Employees' Pension System as provided under Title 23, Subtitle 2, Part III of the State Personnel and Pensions Article if the beginning date of the individual's employment with the Child Support Unit of the Office of the State's Attorney for Charles County was on or before June 30, 2011; or

(2) the Reformed Contributory Pension Benefit of the Employees' Pension System as provided under Title 23, Subtitle 2, Part IV of the State Personnel and Pensions Article if the beginning date of the individual's employment with the Child Support Unit of the Office of the State's Attorney for Charles County was on or after July 1, 2011.

(f) Notwithstanding § 37-203.1(a) of the State Personnel and Pensions Article, each transferred employee who transfers service credit from the Charles County Pension Plan to the Employees' Pension System of the State of Maryland in accordance with this Act is not responsible for depositing in the annuity savings fund of the Employees' Pension System the difference between the member contributions at the rate provided for in the

Charles County Pension Plan, including interest on those contributions, and the member contributions at the rate provided for in the Employees' Pension System, including interest on those contributions of 5% per year compounded annually, for the individual's creditable service that was earned in the Charles County Pension Plan.

(g) The actuarial valuation required under § 37-205 of the State Personnel and Pensions Article for employees transferred under this Act shall be performed by the actuary designated by the Board of Trustees in accordance with § 21-125 of the State Personnel and Pensions Article.

(h) It shall be the responsibility of Charles County to pay to each employee transferred under this Act any compensation due to the employee on termination of County employment as of June 30, 2017.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act ~~shall take effect July 1, 2017~~ is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a 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.

Approved by the Governor, April 11, 2017.

Chapter 136

(House Bill 534)

AN ACT concerning

Railroad Grade Crossings – Exempt Highway–Rail Grade Crossing Plaque

FOR the purpose of authorizing the State Highway Administration to erect an exempt highway–rail grade crossing plaque at certain railroad grade crossings; specifying the design and placement of a plaque erected under this Act; exempting certain vehicles from the requirement to stop at certain railroad grade crossings if the railroad grade crossing has an exempt highway–rail grade crossing plaque; and generally relating to an exempt highway–rail grade crossing plaque at railroad grade crossings.

BY adding to

Article – Transportation

Section 8-644

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation
Section 21–703
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Transportation

8–644.

(A) THE ADMINISTRATION MAY ERECT AN EXEMPT HIGHWAY–RAIL GRADE CROSSING PLAQUE AT EACH RAILROAD GRADE CROSSING IN THE STATE THAT IS NO LONGER IN USE BY A RAILROAD.

(B) THE DESIGN AND PLACEMENT OF A PLAQUE ERECTED UNDER THIS SECTION SHALL BE IN ACCORDANCE WITH THE FEDERAL MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES.

21–703.

(a) Except as provided in subsection (g) of this section, this section applies to:

- (1) Every motor vehicle carrying a passenger for hire;
- (2) Every school vehicle carrying any passenger;
- (3) Every bus that is owned or operated by a church and carrying any passenger;
- (4) Every vehicle carrying as cargo a flammable liquid or an explosive; and
- (5) Every vehicle carrying hazardous materials of a type and quantity requiring placarding under federal hazardous materials regulations.

(b) If the driver of any vehicle described in subsection (a) of this section approaches a railroad grade crossing, the driver shall stop within 50 feet but not less than 15 feet from the nearest rail in the crossing.

(c) If the driver of any vehicle described in subsection (a) of this section approaches a railroad grade crossing, the driver, while stopped, shall listen and look in both directions along the track for any approaching or passing railroad train and for any signals indicating the approach or passage of a railroad train.

(d) If the driver of any vehicle described in subsection (a) of this section approaches a railroad grade crossing, the driver may not proceed until he can do so safely.

(e) If the driver of any vehicle described in subsection (a) of this section approaches a railroad grade crossing, the driver may proceed only in that gear of the vehicle in which it will be unnecessary to shift gears manually while passing through the crossing.

(f) If the driver of any vehicle described in subsection (a) of this section approaches a railroad grade crossing, the driver may not shift gears manually while passing over any track of the railroad.

(g) (1) This section does not apply to the vehicles described in subsection (a)(1), (4), and (5) of this section, at any railroad grade crossing in a business district or residential district.

(2) This section does not apply to school buses and church buses, as described in subsection (a)(2) and (3) of this section, at locations within Baltimore City where complying with the provision of this section would conflict with the existing traffic signal indications.

(3) THIS SECTION DOES NOT APPLY TO THE VEHICLES DESCRIBED IN SUBSECTION (A) OF THIS SECTION, AT ANY RAILROAD GRADE CROSSING WITH AN EXEMPT HIGHWAY–RAIL GRADE CROSSING PLAQUE.

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

Approved by the Governor, April 11, 2017.

Chapter 137

(House Bill 572)

AN ACT concerning

**Howard County – Property Tax Credit for Commercial Real Property – Flood
Damage**

Ho. Co. 9–17

FOR the purpose of authorizing the governing body of Howard County to grant, by law, a tax credit against the county property tax imposed on commercial real property that the governing body determines has suffered certain damage caused by flood conditions; authorizing the governing body of Howard County to specify the amount and duration of the credit and to provide for the implementation and administration

of the credit; providing for the application of this Act; making this Act an emergency measure; and generally relating to a property tax credit in Howard County for certain flood damage to commercial real property.

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 9–315(a) and (b)

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

Article – Tax – Property

9–315.

(a) The governing body of Howard County may grant, by law, a property tax credit under this section against the county property tax imposed on:

(1) property that:

(i) is owned by any community association;

(ii) is used for community, civic, educational, library, or park purposes; and

(iii) is not a swimming pool, tennis court, or similar recreational facility;

(2) real property that is subject to the county's agricultural land preservation program;

(3) subject to subsections (b) and (c) of this section, real property that is new construction or an improvement to real property owned or occupied by a commercial or industrial business that:

(i) is currently or will be doing business in Howard County;

(ii) will employ at least 12 additional full-time local employees by the second year in which the credit is allowed, not including any employee filling a job created when a job function is shifted from an existing location in the State to the location of the new construction or improvement; and

(iii) makes a substantial investment in Howard County, which may be:

1. the acquisition of a building, land, or equipment that totals at least \$2,000,000; or

2. the creation of 10 positions with salaries greater than the current average annual wage in Howard County;

(4) subject to subsection (b) of this section, real property that is used as a therapeutic riding facility by a nonprofit organization that:

(i) is exempt from taxation under § 501(c)(3) of the Internal Revenue Code;

(ii) provides services to disabled individuals; and

(iii) has at least 85% of its clients who are disabled individuals; [and]

(5) subject to subsection (b) of this section, owner-occupied residential real property that is jointly owned by an individual and the Howard County Housing Commission; AND

(6) SUBJECT TO SUBSECTION (B) OF THIS SECTION, COMMERCIAL REAL PROPERTY THAT THE GOVERNING BODY OF HOWARD COUNTY DETERMINES HAS SUFFERED FLOOD DAMAGE OR SEWER DAMAGE CAUSED BY FLOOD CONDITIONS.

(b) In establishing a tax credit under subsection (a)(3) through [(5)] (6) of this section, the governing body of Howard County:

(1) shall develop criteria necessary to implement the credit;

(2) shall designate an agency to administer the credit; and

(3) may specify:

(i) the amount and duration of the credit;

(ii) the qualifications and application procedures for the credit; and

(iii) any other requirement or procedure for the granting or administration of the credit that the governing body considers appropriate.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be applicable to all taxable years beginning after June 30, 2017.

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 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.

Approved by the Governor, April 11, 2017.

Chapter 138

(House Bill 712)

AN ACT concerning

Charles County – Alcoholic Beverages – Selling to Underage Individual – Penalties

FOR the purpose of altering a certain penalty the Board of License Commissioners for Charles County may impose on a license holder or an employee of a license holder who violates as a first offense the prohibition against selling or providing alcoholic beverages to an individual under the age of 21 years; and generally relating to alcoholic beverages in Charles County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 6–304 and 18–102
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 18–2702
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

6–304.

A license holder or an employee of the license holder may not sell or provide alcoholic beverages to an individual under the age of 21 years.

18–102.

This title applies only in Charles County.

18-2702.

(a) A license holder or an employee of a license holder who is charged with a violation of § 6-304 of this article:

(1) shall receive a summons to appear in court on a certain day to answer the charges placed against the license holder or employee; and

(2) may not be required to post bail pending trial in any court in the State.

(b) A license holder or an employee of a license holder may not be found guilty of a violation of § 6-304 of this article if:

(1) the license holder or employee establishes to the satisfaction of the finder of fact that the license holder or employee used due caution to establish that the individual was not under the age of 21 years; and

(2) the individual was not a resident of the State.

(c) (1) If a license holder or an employee of a license holder violates § 6-304 of this article:

(i) the Board may impose on the license holder:

1. for the first offense, a fine [not exceeding \$750] **THAT THE BOARD DETERMINES** or a suspension of the license not exceeding 3 days or both; and

2. for each subsequent offense, a penalty that the Board determines; and

(ii) the Board may impose on the employee a fine not exceeding \$500 for each offense.

(2) When determining the number of days for a suspension of a license for a subsequent offense as provided for in paragraph (1)(i)2 of this subsection, the Board shall consider:

(i) the class of license; and

(ii) the economic impact that the suspension will have on the business, taking into account the total sales of alcoholic beverages of the licensed establishment before the suspension compared to the estimated total sales during the suspension.

(3) A fine imposed under this section shall be imposed subject to § 10-1001 of the State Government Article.

(d) Fines collected under this section shall be paid into the general fund of the county.

(e) The granting of probation before judgment to a license holder or an employee of the license holder for a violation of § 6–304 of this article does not bar the Board from proceeding administratively against the license holder for the violation.

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

Approved by the Governor, April 11, 2017.

Chapter 139

(House Bill 747)

AN ACT concerning

Public Health – Cigarette Restitution Fund Programs – Modifications

FOR the purpose of altering certain information measured by the Baseline Tobacco Study; requiring a local health officer to identify a certain coalition and certain programs, evaluate the effectiveness of certain programs, and develop a certain plan with the assistance of a certain coalition before applying for certain grants; requiring a local health officer, in consultation with a certain coalition, to update a certain plan; requiring the local health officers of two or more counties to identify a certain coalition under certain circumstances; repealing the requirement that a county or statewide academic health center that receives funds under a certain grant dedicate a certain percentage of the funds to cancer screening, diagnosis, and treatment; requiring the Department of Health and Mental Hygiene, prior to each fiscal year, to determine the percentage of funds to be allocated to cancer screening, diagnosis, and treatment by a certain county or statewide academic health center; requiring certain plans to include a list of certain members of a certain coalition, describe how the plan will help to increase availability of and access to health care services for underinsured individuals, and demonstrate that priority consideration was given to certain persons that have demonstrated a commitment to providing certain services to certain underinsured individuals; repealing a requirement that, in Montgomery County and Prince George's County, a certain coalition must develop a specific plan under certain circumstances; repealing a requirement that, in Baltimore County, a certain comprehensive plan must include a specific plan under certain circumstances; repealing a requirement that certain statewide academic health centers collaborate with a certain coalition to develop and implement a specific plan under certain circumstances; requiring certain statewide academic health centers, in collaboration with the Baltimore City Health Department, to identify a certain

coalition and to identify certain programs, evaluate the effectiveness of certain programs, and develop a certain plan with the assistance of a certain coalition before applying for a certain grant; repealing the requirement that a certain plan include a specific plan as to how certain hospitals will be used to achieve certain goals; altering a certain definition; defining a certain term; making stylistic changes; and generally relating to Cigarette Restitution Fund programs.

BY repealing and reenacting, without amendments,

Article – Health – General

Section 13–1003(c)(1) and 13–1115(a) and (d)

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Health – General

Section 13–1003(c)(2)(i), (ii), and (vi), 13–1008, 13–1009, 13–1101, 13–1107, 13–1109, 13–1110, 13–1114, and 13–1115 ~~(a) through (e)~~ (b), (c), and (e)

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

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

Article – Health – General

13–1003.

(c) (1) To initiate the Surveillance and Evaluation Component, the Department shall conduct a comprehensive statewide Baseline Tobacco Study as provided under this section.

(2) The Baseline Tobacco Study shall measure:

(i) The number and percentage of individuals [under the age of 18 years] **ATTENDING MIDDLE SCHOOL OR HIGH SCHOOL** who smoke or otherwise use tobacco products, both statewide and in each county;

(ii) The number and percentage of minority individuals [under the age of 18 years] **ATTENDING MIDDLE SCHOOL OR HIGH SCHOOL** who smoke or otherwise use tobacco products, both statewide and in each county;

(vi) The number and percentage of households with individuals [under the age of 18 years] **ATTENDING MIDDLE SCHOOL OR HIGH SCHOOL** in which at least one household member who is at least 18 years old smokes tobacco products, both statewide and in each county;

13–1008.

(a) (1) Subject to the other provisions of this section, a local health officer may apply to the Department for a Local Public Health Tobacco Grant.

(2) The amount of the Local Public Health Tobacco Grant shall be determined by the Department using the formula established under § 13–1007 of this subtitle.

(b) Before applying for a Local Public Health Tobacco Grant, a local health officer shall:

(1) Establish a Community Health Coalition, as provided under § 13–1010 of this subtitle, **OR IDENTIFY ANOTHER COALITION APPROVED BY THE DEPARTMENT;** and

(2) With the assistance of the [Community Health Coalition] **COALITION ESTABLISHED OR IDENTIFIED UNDER ITEM (1) OF THIS SUBSECTION:**

(i) Identify all existing tobacco use prevention and cessation programs in the county that are publicly funded;

(ii) Evaluate the effectiveness of the publicly funded programs identified under item (i) of this paragraph; and

(iii) Develop a Comprehensive Plan for Tobacco Use Prevention and Cessation that outlines a strategy for meeting the tobacco use prevention and cessation goals and requirements established for the county under § 13–1007 of this subtitle.

(c) A Comprehensive Plan for Tobacco Use Prevention and Cessation shall:

(1) Include a list of the members of the [Community Health Coalition] **COALITION ESTABLISHED OR IDENTIFIED UNDER SUBSECTION (B)(1) OF THIS SECTION** and their organizational affiliations;

(2) Include an evaluation of any county program funded with a Local Public Health Tobacco Grant in the prior year;

(3) Each year, after the first year of funding, demonstrate that progress has been made toward meeting the tobacco use prevention and cessation goals established for the county under § 13–1007 of this subtitle;

(4) Include a budget plan that provides specific levels of funding for each initiative described in the Plan and an explanation as to how each initiative is expected to help meet the tobacco use prevention and cessation goals and requirements established for the county under § 13–1007 of this subtitle;

(5) Demonstrate that the county has met the base-year funding requirement established under § 13-1011 of this subtitle;

(6) Each year, after the first year of funding, identify all persons who received money under a Local Public Health Tobacco Grant in the prior year and state the amount of money that was received by each person under the grant;

(7) Each year, after the first year of funding, state the amount of money that was received by a county under a Local Public Health Tobacco Grant in the prior fiscal year that remained unspent and unobligated at the end of that year;

(8) Describe how the Plan will help to reduce tobacco use among women, minority individuals, and individuals under the age of 18 years, with particular emphasis on how the Plan seeks to address the relevant findings and recommendations of the Task Force Report;

(9) Describe how the Plan will help to increase availability of and access to cessation programs for uninsured individuals and medically underserved populations, with particular emphasis on how the Plan seeks to address the relevant findings and recommendations of the Task Force Report;

(10) Allocate resources in a manner that is consistent with:

(i) The needs of different populations in the county, including targeted minority populations, as identified in the Baseline Tobacco Study and annual tobacco studies; and

(ii) The recommendations of the Centers for Disease Control and Prevention regarding best practices for a comprehensive tobacco control program; and

(11) Contain any data or other information required by the Department.

(d) If a Comprehensive Plan for Tobacco Use Prevention and Cessation does not allocate resources in a manner that is consistent with the recommendations of the Centers for Disease Control and Prevention regarding best practices for a comprehensive tobacco control program, the Plan shall:

(1) State the reason for not allocating resources in this manner; and

(2) Identify the extent to which other resources assist the county in meeting this requirement.

(e) A local health officer who seeks to obtain a Local Public Health Tobacco Grant shall apply to the Department by submitting a copy of the county's Comprehensive Plan for Tobacco Use Prevention and Cessation for approval.

(f) Each year, a local health officer, in consultation with the [Community Health Coalition] **COALITION ESTABLISHED OR IDENTIFIED UNDER SUBSECTION (B)(1) OF THIS SECTION**, shall update the Comprehensive Plan for Tobacco Use Prevention and Cessation.

(g) (1) The Department may designate a person other than the head of a county health department to coordinate a county's tobacco use prevention and cessation efforts if:

(i) The county health department is unwilling to coordinate these efforts;

(ii) The county health department has been unsuccessful in implementing tobacco use prevention and cessation initiatives that satisfy performance standards established by the Department; or

(iii) The county health department lacks sufficient staff or resources to coordinate these efforts.

(2) Subject to paragraph (3) of this subsection, the Department shall establish procedures for making a designation under this subsection.

(3) If the Department determines that it is necessary to designate a person other than the local health officer to coordinate a county's tobacco use prevention and cessation efforts, the Department may designate the Department as the entity that will coordinate the county's efforts.

13–1009.

(a) The local health officers of two or more counties may join together as a region to apply for a Local Public Health Tobacco Grant.

(b) The amount of the Local Public Health Tobacco Grant that is distributed to a region under subsection (a) of this section shall be equal to the sum of the Local Public Health Tobacco Grants that otherwise would have been distributed to each county under § 13–1007 of this subtitle.

(c) If the local health officers of two or more counties join together as a region to apply for a Local Public Health Tobacco Grant, the local health officers shall act jointly to:

(1) Develop a Comprehensive Plan for Tobacco Use Prevention and Cessation, as required under § 13–1008 of this subtitle;

(2) Establish a Community Health Coalition, as required under § 13–1008 of this subtitle, **OR IDENTIFY ANOTHER COALITION APPROVED BY THE DEPARTMENT;**

(3) Demonstrate that the base-year funding requirement of § 13–1011 of this subtitle has been met; and

(4) Otherwise satisfy the requirements of §§ 13–1006 through 13–1012 of this subtitle.

13–1101.

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

(b) “Administrative Component” means the component of the Program established under § 13–1119 of this subtitle.

(c) “Baseline Cancer Study” means the study conducted under § 13–1103 of this subtitle.

(d) “Cancer Research Plan” means a plan developed under § 13–1116 of this subtitle.

(e) “Cigarette Restitution Fund” means the fund that is established under § 7–317 of the State Finance and Procurement Article.

(f) “Community Health Coalition” means a coalition established under § 13–1109(c)(1) or § 13–1115(b)(1) of this subtitle.

(g) “Comprehensive Plan for Cancer Prevention, Education, Screening, and Treatment” means a plan developed under § 13–1109(c)(2) or § 13–1115(b)(2) of this subtitle.

(h) “County” includes Baltimore City.

(i) “Education” means information provided to the public regarding the purpose of, availability of, and access to screening programs.

(j) “Federally qualified health center” has the meaning stated in 42 U.S.C. § 254b.

(k) “Johns Hopkins Institutions” means the Johns Hopkins University and the Johns Hopkins Health System.

(l) “Local health officer” means:

(1) The head of a county health department; or

(2) A person designated by the Department under [§ 13–1109(h)] § 13–1109(G) or § 13–1115(f) of this subtitle.

(m) “Local Public Health Cancer Grant” means a grant distributed by the Department to a county under §§ 13–1107 through 13–1113 of this subtitle.

(n) “Local Public Health Component” means the component of the Program that is established under § 13–1107 of this subtitle.

(o) “Maryland Cancer Registry” means the computerized data system, operated by the [Community Public Health Administration in the] Department with the assistance of the Maryland State Council on Cancer Control, that registers cases of cancer that are diagnosed and treated in the State.

(p) “Maryland Technology Development Corporation” means the entity that is established under Title 10, Subtitle 4 of the Economic Development Article.

(q) “Minority individual” means a woman or an individual of African American, Hispanic, Native American, or Asian descent.

(r) “Outreach efforts” means activities that are related to encouraging individuals to seek screening services.

(s) “Prevention” means activities relating to early detection, screening, and risk factor reduction.

(t) “Program” means the Cancer Prevention, Education, Screening, and Treatment Program that is established under § 13–1102 of this subtitle.

(u) “Screening” includes screening, early detection, identification, diagnosis, and outreach efforts associated with screening and early detection programs.

(v) “Statewide Academic Health Center” means the University of Maryland Medical Group or the Johns Hopkins Institutions.

(w) “Statewide Academic Health Center Cancer Research Grant” means a grant that is distributed under § 13–1116 of this subtitle.

(x) “Statewide Academic Health Center Component” means the component established under § 13–1114 of this subtitle.

(y) “Statewide Academic Health Center Public Health Grant” means a grant that is distributed under § 13–1115 of this subtitle.

(z) “Statewide Academic Health Center Tobacco–Related Diseases Research Grant” means a grant that is distributed under § 13–1017 of this title.

(aa) “Statewide Public Health Component” means the component of the Program that is established under § 13–1106 of this subtitle.

(bb) “Surveillance and Evaluation Component” means the component of the Program that is established under § 13–1103 of this subtitle.

(cc) “Targeted cancer” means a cancer that is identified by the Department under § 13–1102(d) of this subtitle.

(dd) “Task Force Report” means the report entitled “Report of the Governor’s Task Force to Conquer Cancer” that was issued in December 1999.

(ee) “Tobacco–related diseases” means cardiovascular disease, chronic pulmonary disease, peripheral vascular disease, stroke, and infant mortality due to low birth weight.

(ff) “Treatment” includes appropriate access to:

(1) Local hospitals, community clinics, physicians, and other health care providers; and

(2) Clinical trials, transportation, case management, hospice care, and cancer support groups.

(GG) “UNDERINSURED INDIVIDUAL” MEANS AN INDIVIDUAL:

(1) FOR WHOM THE APPROPRIATE TREATMENT IS NOT ADEQUATELY COVERED BY PRIVATE HEALTH INSURANCE, MEDICAID, MEDICARE, OR THE MARYLAND CHILDREN’S HEALTH PROGRAM DUE TO OUT-OF-POCKET COSTS, INCLUDING REQUIRED COPAYMENTS, COINSURANCE, OR DEDUCTIBLES; AND

(2) WHO THE DEPARTMENT DETERMINES DOES NOT HAVE THE FINANCIAL MEANS TO PAY FOR APPROPRIATE TREATMENT.

[(gg)] (HH) “Uninsured individual” means an individual:

(1) For whom the appropriate treatment is not covered by private health insurance, Medicaid, Medicare, or the Maryland Children’s Health Program; and

(2) Who the Department determines does not have the financial means to pay for appropriate treatment.

[(hh)] (II) “University of Maryland Medical Group” means the University of Maryland Medical System Corporation, the University of Maryland Medical School, and the University of Maryland, Baltimore Campus.

13–1107.

(a) There is a Local Public Health Component in the Program.

(b) The purpose of the Local Public Health Component is to maximize the effectiveness of anti-cancer initiatives in the State by empowering local health coalitions to develop and implement cancer prevention, education, screening, and treatment programs in coordination with the Department.

(c) Subject to §§ 13–1108 through 13–1113 of this subtitle, the Department may distribute grants to counties for cancer prevention, education, screening, and treatment programs.

(d) (1) Except as provided under paragraph (2) of this subsection, the Department may not spend any funds that are allocated to the Local Public Health Component in the State budget until after the Baseline Cancer Study has been completed.

(2) Before the Baseline Cancer Study is completed, the Department may distribute a planning grant of not more than \$10,000 to each local health department other than the Baltimore City Health Department.

(e) [A county or statewide academic health center that receives funds under a local public health cancer grant shall dedicate at least 60% of the funds to cancer screening, diagnosis, and treatment] **PRIOR TO EACH FISCAL YEAR, THE DEPARTMENT SHALL DETERMINE THE PERCENTAGE OF FUNDS THAT SHALL BE ALLOCATED TO CANCER SCREENING, DIAGNOSIS, AND TREATMENT BY A COUNTY OR STATEWIDE ACADEMIC HEALTH CENTER THAT RECEIVES FUNDS UNDER A LOCAL PUBLIC HEALTH CANCER GRANT.**

13–1109.

(a) Except as provided in § 13–1115(f) of this subtitle, this section does not apply to Baltimore City.

(b) (1) Subject to the other provisions of this section, a local health officer may apply to the Department for a Local Public Health Cancer Grant.

(2) The amount of a Local Public Health Cancer Grant shall be determined by the Department using the formula that is established under § 13–1108 of this subtitle.

(c) Before applying for a Local Public Health Cancer Grant, a local health officer shall:

(1) Establish a Community Health Coalition, as provided under § 13–1111 of this subtitle, **OR IDENTIFY ANOTHER COALITION APPROVED BY THE DEPARTMENT;** and

(2) With the assistance of the [Community Health Coalition] **COALITION ESTABLISHED OR IDENTIFIED UNDER ITEM (1) OF THIS SUBSECTION:**

(i) Identify all existing cancer prevention, education, screening, and treatment programs that relate to targeted cancers in the county that are publicly funded;

(ii) Evaluate the effectiveness of the publicly funded programs identified under item (i) of this paragraph; and

(iii) Develop a Comprehensive Plan for Cancer Prevention, Education, Screening, and Treatment that outlines a strategy for meeting the cancer prevention, education, screening, and treatment goals and requirements established for the county under § 13–1108 of this subtitle.

(d) A Comprehensive Plan for Cancer Prevention, Education, Screening, and Treatment shall:

(1) Include a list of the members of the **[Community Health Coalition] COALITION ESTABLISHED OR IDENTIFIED UNDER SUBSECTION (C)(1) OF THIS SECTION** and their organizational affiliations;

(2) Include the evaluation of any program funded with a Local Public Health Cancer Grant in the prior year;

(3) Each year, after the first year of funding, demonstrate that progress has been made toward meeting the cancer prevention, education, screening, and treatment goals established for the county under § 13–1108 of this subtitle;

(4) Include a budget plan that provides specific levels of funding for each initiative described in the Plan and an explanation as to how each initiative is expected to help meet the cancer prevention, education, screening, and treatment goals and requirements established for the county under § 13–1108 of this subtitle;

(5) Demonstrate that the county has met the base-year funding requirement established under § 13–1112 of this subtitle;

(6) Demonstrate that any early detection or screening program that is or will be funded under a Local Public Health Cancer Grant provides necessary treatment or linkages to necessary treatment for uninsured individuals who are diagnosed with a targeted or non-targeted cancer as a result of the screening process;

(7) Each year, after the first year of funding, identify all persons who received money under a Local Public Health Cancer Grant in the prior year and state the amount of money that was received by each person under the Grant;

(8) Each year, after the first year of funding, state the amount of money that was received by a county under a Local Public Health Cancer Grant in the prior fiscal year that remained unspent and unobligated at the end of that year;

(9) Describe how the Plan will help to eliminate the greater incidence of and higher morbidity rates for cancer in minority populations and rural areas, with particular emphasis on how the Plan seeks to address the relevant findings and recommendations of the Task Force Report;

(10) Describe how the Plan will help to increase availability of and access to health care services for uninsured **AND UNDERINSURED** individuals and medically underserved populations, with particular emphasis on how the Plan seeks to address the relevant findings and recommendations of the Task Force Report;

(11) Demonstrate that priority consideration was given to persons, including federally qualified health centers, that have demonstrated a commitment to providing cancer prevention, education, screening, and treatment services to uninsured **AND UNDERINSURED** individuals in the county and a proven ability to do so; and

(12) Contain any data or other information required by the Department.

[(e) (1) In addition to the requirements of subsection (d) of this section, in Montgomery and Prince George’s counties, the Community Health Coalition, acting jointly and in consultation with the Statewide Academic Health Centers, shall develop a specific plan as to how the expertise of the Statewide Academic Health Centers will be used to assist the Community Health Coalition in achieving the goals established for the county under § 13–1108 of this subtitle as they relate to enhancing the capacity for cancer screening and treatment at one or more major community hospitals in the county.

(2) In addition to the requirements of subsection (d) of this section, in Baltimore County, the Comprehensive Plan for Cancer Prevention, Education, Screening, and Treatment shall include a specific plan as to how the major community hospital or hospitals that are included in the Community Health Coalition, as required under § 13–1111 of this subtitle, will be used to achieve the goals established for the county under § 13–1108 of this subtitle as they relate to enhancing the capacity for cancer screening and treatment in the county.]

[(f) (E) A local health officer who seeks to obtain a Local Public Health Cancer Grant shall apply to the Department by submitting a copy of the county’s Comprehensive Plan for Cancer Prevention, Education, Screening, and Treatment for approval.

[(g) (F) Each year, a local health officer, in consultation with the [Community Health Coalition] **COALITION ESTABLISHED OR IDENTIFIED UNDER SUBSECTION (C)(1) OF THIS SECTION**, shall update the Comprehensive Plan for Cancer Prevention, Education, Screening, and Treatment.

[(h) (G) (1) The Department may designate a person other than the head of a county health department to coordinate a county’s cancer prevention, education, screening, and treatment efforts if:

(i) The county health department is unwilling to coordinate these efforts;

(ii) The county health department has been unsuccessful in implementing cancer prevention, education, screening, and treatment initiatives that satisfy performance standards established by the Department; or

(iii) The county health department lacks sufficient staff or resources to coordinate these efforts.

(2) Subject to paragraph (3) of this subsection, the Department shall establish procedures for making a designation under this subsection.

(3) If the Department determines that it is necessary to designate a person other than the local health officer to coordinate a county's cancer prevention, education, screening, and treatment efforts, the Department may designate the Department as the entity that will coordinate the county's efforts.

13-1110.

(a) The local health officers of two or more counties may join together as a region to apply for a Local Public Health Cancer Grant.

(b) The Department may require that two or more counties join together as a region to apply for a Local Public Health Cancer Grant if the Department determines that:

(1) It would be cost-effective to fund cancer prevention, education, screening, and treatment programs for targeted cancers on a regional basis; and

(2) It would serve the public health interests of the counties to fund cancer prevention, education, screening, and treatment programs for targeted cancers on a regional basis.

(c) The amount of a Local Public Health Cancer Grant that is distributed to a region under this section shall be equal to the sum of the Local Public Health Cancer Grants that otherwise would have been distributed to each county under the formula established under § 13-1108 of this subtitle.

(d) If the local health officers of two or more counties choose to join together as a region to apply for a Local Public Health Cancer Grant or are required to do so by the Department, the local health officers shall act jointly to:

(1) Develop a Comprehensive Plan for Cancer Prevention, Education, Screening, and Treatment, as required under § 13-1109(c) of this subtitle;

(2) Establish a Community Health Coalition, as provided under § 13-1111 of this subtitle, **OR IDENTIFY ANOTHER COALITION APPROVED BY THE DEPARTMENT;**

(3) Demonstrate that the base-year funding requirement established under § 13–1112 of this subtitle has been met; and

(4) Otherwise satisfy the requirements of §§ 13–1107 through 13–1113 of this subtitle.

13–1114.

(a) There is a Statewide Academic Health Center Component in the Program.

(b) The purpose of the Statewide Academic Health Center Component is to maximize the effectiveness of the Program by involving the University of Maryland Medical Group and the Johns Hopkins Institutions in the implementation of the Program.

(c) Subject to §§ 13–1115 and 13–1116 of this subtitle, the Department may implement the Statewide Academic Health Center Component by distributing:

(1) Statewide Academic Health Center Public Health Grants, as provided under § 13–1115 of this subtitle; and

(2) Statewide Academic Health Center Cancer Research Grants, as provided under § 13–1116 of this subtitle.

[(d) (1) Subject to paragraph (2) of this subsection, the University of Maryland Medical Group and the Johns Hopkins Institutions, at the request of a Community Health Coalition in Montgomery County or Prince George’s County, as provided under § 13–1109(e) of this subtitle, shall collaborate with the Community Health Coalition for the purpose of developing and implementing a specific plan as to how the expertise of the institution will be used to assist the Community Health Coalition in achieving the goals established for the county under § 13–1108 of this subtitle as they relate to enhancing the capacity for cancer screening and treatment at one or more major community hospitals in the county.

(2) Paragraph (1) of this subsection does not apply with respect to the implementation of a plan unless funds are specifically allocated in the State budget for this purpose.]

[(e) (D) The University of Maryland Medical Group and the Johns Hopkins Institutions shall coordinate their efforts with regard to initiatives that are funded with grants that are distributed under the Statewide Academic Health Center Component to maximize the benefits received from the use of these grant funds and to eliminate unnecessary duplication of efforts.

13–1115.

(a) (1) Subject to the other provisions of this section, the University of Maryland Medical Group and the Johns Hopkins Institutions may each apply for a Statewide Academic Health Center Public Health Grant.

(2) For fiscal year 2007 and any subsequent fiscal year, the amount of each Statewide Academic Health Center Public Health Grant that is distributed to the University of Maryland Medical Group or the Johns Hopkins Institutions, respectively, shall be equal to the sum of:

(i) At least 9.5% of the total local public health component money distributed under § 13–1108(b) of this subtitle; and

(ii) One-half of any money that is transferred from the Local Public Health Component to the Statewide Academic Health Center Component under § 13–1108(c) of this subtitle.

(b) Before applying for a Statewide Academic Health Center Public Health Grant, the University of Maryland Medical Group and the Johns Hopkins Institutions, acting jointly in collaboration with the Baltimore City Health Department, shall:

(1) Establish a Baltimore City Community Health Coalition, as provided under § 13–1111 of this subtitle, **OR IDENTIFY ANOTHER COALITION APPROVED BY THE DEPARTMENT** that reflects the demographics of Baltimore City and includes representatives of community-based groups, including minority and medically underserved populations, that, taken together, are familiar with all of the different communities and cultures in Baltimore City; and

(2) With the assistance of the [Baltimore City Community Health Coalition] **COALITION ESTABLISHED OR IDENTIFIED UNDER ITEM (1) OF THIS SUBSECTION:**

(i) Identify all existing cancer prevention, education, screening, and treatment programs that relate to targeted cancers in Baltimore City that are publicly funded;

(ii) Evaluate the effectiveness of the publicly funded programs identified under item (i) of this paragraph; and

(iii) Develop a Comprehensive Plan for Cancer Prevention, Education, Screening, and Treatment that outlines a strategy for meeting the cancer prevention, education, screening, and treatment goals and requirements established for Baltimore City under § 13–1108 of this subtitle.

(c) The Baltimore City Comprehensive Plan for Cancer Prevention, Education, Screening, and Treatment shall:

(1) Include a list of the members of the [Baltimore City Community Health Coalition] **COALITION ESTABLISHED OR IDENTIFIED UNDER SUBSECTION (B)(1) OF THIS SECTION** and their organizational affiliations;

(2) Include the evaluation of any program funded with a Statewide Academic Health Center Public Health Grant in the prior year;

(3) Each year, after the first year of funding, demonstrate that progress has been made toward meeting the cancer prevention, education, screening, and treatment goals established for Baltimore City under § 13–1108 of this subtitle;

(4) Include a budget plan that provides specific levels of funding for each initiative described in the Plan and an explanation as to how each initiative is expected to help meet the cancer prevention, education, screening, and treatment goals and requirements established for Baltimore City under § 13–1108 of this subtitle;

(5) Demonstrate that Baltimore City has met the base-year funding requirement established under subsection (h) of this section;

(6) Demonstrate that any early detection or screening program that is or will be funded under a Statewide Academic Health Center Public Health Grant provides necessary treatment or linkages to necessary treatment for uninsured individuals who are diagnosed with a targeted and non-targeted cancer as a result of the screening process;

(7) State that the Statewide Academic Health Center Public Health Grant will not be used to supplant any existing funding at the University of Maryland Medical Group or the Johns Hopkins Institutions for any cancer prevention, education, screening, or treatment programs that relate to targeted cancers;

(8) Each year, after the first year of funding, identify all persons who received money under the Statewide Academic Health Center Public Health Grant in the prior year and state the amount of money that was received by each person under the Grant;

(9) Each year, after the first year of funding, state the amount of money that was received by the University of Maryland Medical Group and the Johns Hopkins Institutions under a Statewide Academic Health Center Public Health Grant in the prior fiscal year that remained unspent and unobligated at the end of that year;

(10) Describe how the Plan will help to eliminate the greater incidence of and higher morbidity rates for cancer in minority populations, with particular emphasis on how the Plan seeks to address the relevant findings and recommendations of the Task Force Report;

(11) Describe how the Plan will help to increase availability of and access to health care services for uninsured **AND UNDERINSURED** individuals and medically

underserved populations, with particular emphasis on how the Plan seeks to address the relevant findings and recommendations of the Task Force Report;

(12) Demonstrate that priority consideration was given to persons, including federally qualified health centers, that have a demonstrated commitment to providing cancer prevention, education, screening, and treatment services to uninsured **AND UNDERINSURED** individuals in the city and a proven ability to do so; **AND**

(13) [Include a specific plan as to how the major community hospital or hospitals that are included in the Community Health Coalition, as required under § 13–1111 of this subtitle, will be used to achieve the goals established for Baltimore City under § 13–1108 of this subtitle as they relate to enhancing the capacity for cancer screening and treatment in the city; and

(14)] Contain any data or other information required by the Department.

(d) To apply for a Statewide Academic Health Center Public Health Grant, the University of Maryland Medical Group and the Johns Hopkins Institutions shall submit to the Department a copy of Baltimore City’s Comprehensive Plan for Cancer Prevention, Education, Screening, and Treatment for approval.

(e) Each year, the University of Maryland Medical Group and the Johns Hopkins Institutions, acting jointly in collaboration with the Baltimore City Health Department, in consultation with the [Baltimore City Community Health Coalition] **COALITION ESTABLISHED OR IDENTIFIED UNDER SUBSECTION (B)(1) OF THIS SECTION**, shall update the Comprehensive Plan for Cancer Prevention, Education, Screening, and Treatment.

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

Approved by the Governor, April 11, 2017.

Chapter 140

(House Bill 797)

AN ACT concerning

Howard County – Alcoholic Beverages – Thresholds for Tasting

Ho. Co. 19–17

FOR the purpose of altering certain thresholds for the amount of alcoholic beverages that a holder of a beer and wine tasting license in Howard County may serve for on–premises

consumption; altering certain thresholds for the amount of alcoholic beverages that a holder of a beer, wine, and liquor tasting license in Howard County may serve for on-premises consumption; and generally relating to alcoholic beverages licenses in Howard County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 23–102
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 23–1307 and 23–1308
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

23–102.

This title applies only in Howard County.

23–1307.

- (a) There is a beer and wine tasting (BWT) license.
- (b) The Board may issue the license to a holder of a Class A beer, wine, and liquor (BWL) license or Class A beer and wine (BW) license.
- (c) The license authorizes the holder to allow the on-premises consumption, for tasting, of:
 - (1) beer; or
 - (2) wine containing not more than 15.5% of alcohol by volume.
- (d) A license holder may serve:
 - (1) wine in a quantity of not more than [1 ounce] **2 OUNCES** from each offering and not more than [4] **8** ounces from all offerings to an individual in a day; or
 - (2) beer in a quantity of not more than [3] **6** ounces from each offering and not more than [8] **16** ounces from all offerings to an individual in a day.

(e) In addition to the fee of any other alcoholic beverages license, the annual license fee is \$100.

23-1308.

(a) There is a beer, wine, and liquor tasting (BWLTL) license.

(b) The Board may issue the license to a holder of a Class A beer, wine, and liquor (BWL) license.

(c) The license authorizes the holder to allow the on-premises consumption, for tasting, of:

(1) beer;

(2) wine containing not more than 15.5% of alcohol by volume; or

(3) liquor.

(d) A license holder may serve:

(1) wine in a quantity of not more than [1 ounce] **2 OUNCES** from each offering and not more than [4] **8** ounces from all offerings to an individual in a day;

(2) beer in a quantity of not more than [3] **6** ounces from each offering and not more than [8] **16** ounces from all offerings to an individual in a day; or

(3) liquor in a quantity of not more than [1/4] **1/2** ounce from each offering and not more than [1 ounce] **2 OUNCES** from all offerings to an individual in a day.

(e) In addition to any other alcoholic beverages license fee, the annual license fee is \$100.

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

Approved by the Governor, April 11, 2017.

Chapter 141

(House Bill 605)

AN ACT concerning

**PenMar Development Corporation – Dissolution – Authority of Washington
County Over Fort Ritchie**

FOR the purpose of repealing certain provisions of law relating to the PenMar Development Corporation, its board of directors, and its powers to develop, manage, and control Fort Ritchie; transferring certain remaining real and personal property interests, along with certain contracts, leases, and liabilities from the Corporation to the Board of County Commissioners for Washington County; requiring any party that has an issue with the transfer from the Corporation to the Board to refer to the memorandum of understanding between the Corporation and the Board; making certain conforming changes; making this Act an emergency measure; and generally relating to the dissolution of the PenMar Development Corporation and the transfer of its assets and liabilities to the Board of County Commissioners for Washington County.

BY repealing

Article – Economic Development

Section 11–501 through 11–520 and the subtitle “Subtitle 5. PenMar Development Corporation”

Annotated Code of Maryland

(2008 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 11–301(b)

Annotated Code of Maryland

(2008 Volume and 2016 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 11–501 through 11–520 and the subtitle “Subtitle 5. PenMar Development Corporation” of Article – Economic Development of the Annotated Code of Maryland be repealed.

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

Article – Economic Development

11–301.

(b) (1) “Authority” means a corporation incorporated in accordance with this subtitle to act as a local redevelopment authority in accordance with criteria set by the United States Department of Defense or its military services under the federal Defense Base Closure and Realignment Act of 1990.

(2) “Authority” does not include:

- (i) Bainbridge Development Corporation; **OR**
- (ii) Holabird Working Group/Baltimore Development Corporation (BDC)]; or
- (iii) PenMar Development Corporation].

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) On the effective date of this Act any remaining right, title, and interest in real property, together with all contracts, leases, liabilities, and personal property held by the PenMar Development Corporation shall be transferred to the Board of County Commissioners for Washington County.

(b) On completion of the transfer of real and personal property, contracts, leases, and liabilities from the PenMar Development Corporation to the Board of County Commissioners for Washington County and winding up of the Development Corporation's affairs, as described in subsection (a) of this section, the PenMar Development Corporation and its Board of Directors shall terminate.

(c) If an issue arises concerning the transfer from the PenMar Development Corporation to the Board of County Commissioners for Washington County, any concerned party shall refer to the memorandum of understanding between the Corporation and the Board, dated July 12, 2016, in order to resolve the issue.

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.

Approved by the Governor, April 11, 2017.

Chapter 142

(Senate Bill 204)

AN ACT concerning

PenMar Development Corporation – Dissolution – Authority of Washington County Over Fort Ritchie

FOR the purpose of repealing certain provisions of law relating to the PenMar Development Corporation, its board of directors, and its powers to develop, manage, and control

Fort Ritchie; transferring certain remaining real and personal property interests, along with certain contracts, leases, and liabilities from the Corporation to the Board of County Commissioners for Washington County; requiring any party that has an issue with the transfer from the Corporation to the Board to refer to the memorandum of understanding between the Corporation and the Board; making certain conforming changes; making this Act an emergency measure; and generally relating to the dissolution of the PenMar Development Corporation and the transfer of its assets and liabilities to the Board of County Commissioners for Washington County.

BY repealing

Article – Economic Development

Section 11–501 through 11–520 and the subtitle “Subtitle 5. PenMar Development Corporation”

Annotated Code of Maryland

(2008 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 11–301(b)

Annotated Code of Maryland

(2008 Volume and 2016 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 11–501 through 11–520 and the subtitle “Subtitle 5. PenMar Development Corporation” of Article – Economic Development of the Annotated Code of Maryland be repealed.

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

Article – Economic Development

11–301.

(b) (1) “Authority” means a corporation incorporated in accordance with this subtitle to act as a local redevelopment authority in accordance with criteria set by the United States Department of Defense or its military services under the federal Defense Base Closure and Realignment Act of 1990.

(2) “Authority” does not include:

(i) Bainbridge Development Corporation; **OR**

(ii) Holabird Working Group/Baltimore Development Corporation

(BDC)]; or

(iii) PenMar Development Corporation].

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) On the effective date of this Act any remaining right, title, and interest in real property, together with all contracts, leases, liabilities, and personal property held by the PenMar Development Corporation shall be transferred to the Board of County Commissioners for Washington County.

(b) On completion of the transfer of real and personal property, contracts, leases, and liabilities from the PenMar Development Corporation to the Board of County Commissioners for Washington County and winding up of the Development Corporation's affairs, as described in subsection (a) of this section, the PenMar Development Corporation and its Board of Directors shall terminate.

(c) If an issue arises concerning the transfer from the PenMar Development Corporation to the Board of County Commissioners for Washington County, any concerned party shall refer to the memorandum of understanding between the Corporation and the Board, dated July 12, 2016, in order to resolve the issue.

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.

Approved by the Governor, April 11, 2017.

Chapter 143

(House Bill 717)

AN ACT concerning

Academic Facilities Bonding Authority

FOR the purpose of approving certain projects for the acquisition, development, and improvement of certain academic facilities for the University System of Maryland; approving the issuance of bonds by the University System of Maryland in a certain total principal amount for financing the projects; providing that the bonds issued under the authority of this Act are not a debt or obligation of the State or any of its subdivisions; and generally relating to academic facilities bonding authority of the University System of Maryland and certain projects.

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

(1) In accordance with § 19–102(d) of the Education Article, each of the following projects is approved as a project for an academic facility, and the University System of Maryland may issue, sell, and deliver bonds in the total principal amount of \$15,000,000 for the purposes of financing and refinancing the costs of the following projects:

University of Maryland, College Park (Prince George’s County)

- (i) New Bioengineering Building
- (ii) Brendan Iribe Center for Computer Science

(2) In accordance with § 19–102(d) of the Education Article, those systemwide capital facilities renewal projects for existing academic facilities of the constituent institutions and centers of the University System of Maryland as are authorized by the Board of Regents are hereby approved as facility renewal projects for academic facilities, and the University System of Maryland may issue, sell, and deliver bonds in the total principal amount of \$17,000,000 for the purposes of financing and refinancing the costs of those academic facilities renewal projects.

(3) The bonds issued under the authority of this Act do not create or constitute any indebtedness or obligation of the State or of any political subdivision thereof except for the University System of Maryland, and the bonds shall so state on their face. The bonds do not constitute a debt or obligation contracted by the General Assembly of Maryland or pledge the faith and credit of the State within the meaning of Article III, § 34 of the Maryland Constitution.

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

Approved by the Governor, April 11, 2017.

Chapter 144

(House Bill 929)

AN ACT concerning

Garrett County – Alcoholic Beverages – Licenses and Sunday Sales

FOR the purpose of authorizing a Class 9 limited distillery license to be issued to a holder of a certain Class B license in Garrett County; altering the underlying licenses that may be held by a recipient of a Class BDR (deluxe restaurant) beer and wine license

issued in Garrett County; altering the alcoholic beverages that may be sold for on-premises consumption and off-premises consumption at a hotel, motel, or restaurant; altering certain catering options for certain licenses; altering certain restrictions regarding a license for use by a deluxe restaurant; repealing certain Sunday license fees for certain licenses; altering the hours of sale on Sunday for certain licenses; allowing the holder of a certain Class C license to purchase certain alcoholic beverages from a retailer; specifying that a requirement for a criminal history records check may apply to an applicant for license renewal; authorizing a holder of a Class B beer license to sell beer on certain days during certain hours; specifying certain license holders that may sell alcoholic beverages on Sunday under certain circumstances; making certain technical changes; clarifying certain language; and generally relating to alcoholic beverages licenses and Sunday sales of alcoholic beverages in Garrett County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 21-102, 21-803(a), 21-902(a), 21-904(b), 21-905(a)(1), 21-1002(a), 21-1304(a)(1), and 21-1305(a)(1)

Annotated Code of Maryland

(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages

Section 21-401, 21-803(b), 21-902(e) and (f), 21-903, 21-904(f), 21-905(d), 21-1002(c), 21-1304(f), 21-1305(b) and (g), 21-1309(a), 21-1312, 21-1804, 21-2002, 21-2003, 21-2004, 21-2006, and 21-2102(a)

Annotated Code of Maryland

(2016 Volume and 2016 Supplement)

BY adding to

Article – Alcoholic Beverages

Section 21-403.1

Annotated Code of Maryland

(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

21-102.

This title applies only in Garrett County.

21-401.

(a) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the county without exception or variation:

- (1) § 2–201 (“Issuance by Comptroller”);
- (2) [§ 2–203 (“Class 9 limited distillery license”);
- (3) § 2–205 (“Class 3 winery license”);
- ~~[(4)]~~ **(3)** § 2–207 (“Class 5 brewery license”);
- ~~[(5)]~~ **(4)** § 2–209 (“Class 7 micro–brewery license”);
- ~~[(6)]~~ **(5)** § 2–211 (“Residency requirement”);
- ~~[(7)]~~ **(6)** § 2–212 (“Additional licenses”);
- ~~[(8)]~~ **(7)** § 2–213 (“Additional fees”);
- ~~[(9)]~~ **(8)** § 2–214 (“Sale or delivery restricted”);
- ~~[(10)]~~ **(9)** § 2–215 (“Beer sale on credit to retail dealer prohibited”);
- ~~[(11)]~~ **(10)** § 2–216 (“Interaction between manufacturing entities and retailers”);
- ~~[(12)]~~ **(11)** § 2–217 (“Distribution of alcoholic beverages – Prohibited practices”); and
- ~~[(13)]~~ **(12)** § 2–218 (“Restrictive agreements between producers and retailers – Prohibited”).

(b) The following sections of Title 2, Subtitle 2 (“Manufacturer’s Licenses”) of Division I of this article apply in the county:

- (1) § 2–202 (“Class 1 distillery license”), subject to § 21–403 of this subtitle;
- (2) § 2–203 (“CLASS 9 LIMITED DISTILLERY LICENSE”), SUBJECT TO § 21–403.1 OF THIS SUBTITLE;**
- ~~[(2)]~~ **(3)** § 2–204 (“Class 2 rectifying license”), subject to § 21–404 of this subtitle;
- ~~[(3)]~~ **(4)** § 2–206 (“Class 4 limited winery license”), subject to § 21–405 of this subtitle;

~~[(4)] (5)~~ § 2–208 (“Class 6 pub–brewery license”), subject to § 21–406 of this subtitle; and

~~[(5)] (6)~~ § 2–210 (“Class 8 farm brewery license”), subject to § 21–407 of this subtitle.

21–403.1.

A CLASS 9 LIMITED DISTILLERY LICENSE MAY BE ISSUED TO A HOLDER OF A CLASS B LICENSE THAT HAS:

- (1) ON–SALE PRIVILEGES FOR BEER, WINE, AND LIQUOR; AND**
- (2) OFF–SALE PRIVILEGES FOR BEER.**

21–803.

- (a) There is a Class BDR (deluxe restaurant) beer and wine license.
- (b) The license may be issued to a holder of a Class B beer **LICENSE OR A CLASS B BEER** and wine license [or a Class B beer, wine, and liquor license].

21–902.

- (a) There is a Class B beer, wine, and liquor license.
- (e) The license authorizes the license holder to sell [beer, wine, and liquor] at a hotel, motel, or restaurant at retail at the place described in the license[, for on–premises consumption]:

- (1) BEER, WINE, AND LIQUOR FOR ON–PREMISES CONSUMPTION; AND**
- (2) BEER FOR OFF–PREMISES CONSUMPTION.**

(f) (1) The catering option authorizes the license holder to sell beer, wine, and liquor for consumption at events catered by the license holder in the county off the licensed premises.

(2) A license holder providing alcoholic beverages at a catered event off the licensed premises shall also provide food.

(3) [A holder of a license with the catering option may sell beer for off–premises consumption from the licensed premises but may not sell beer for off–premises consumption at a catered event held off the licensed premises.

(4)] The license holder may exercise catering privileges only during hours and days that are authorized under the Class B license.

21–903.

(a) There is a Class BDR (deluxe restaurant) beer, wine, and liquor license.

(b) The Board may issue the license to a holder of:

(1) A CLASS B BEER AND WINE LICENSE;

[(1)] (2) a Class B beer, wine, and liquor license; or

[(2)] (3) a Class B Resort beer, wine, and liquor license.

(c) (1) The Board may issue the license for use by a deluxe restaurant as defined by the Board with:

(i) seating **AT TABLES, NOT INCLUDING SEATS AT BARS OR COUNTERS**, for at least 85 individuals; and

(ii) a capital investment of at least \$250,000 for the restaurant facilities, not including the cost of land or buildings.

(2) If an 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 or lease.

(3) THE LICENSE AUTHORIZES THE LICENSE HOLDER TO SELL, AT RETAIL, AT THE PLACE DESCRIBED IN THE LICENSE:

(I) BEER, WINE, AND LIQUOR FOR ON–PREMISES CONSUMPTION; AND

(II) BEER FOR OFF–PREMISES CONSUMPTION.

(d) **(1)** A license holder of a Class BDR license may acquire [the] A catering option [authorized under § 21–902 of this subtitle] **THAT AUTHORIZES THE LICENSE HOLDER TO SELL BEER, WINE, AND LIQUOR FOR CONSUMPTION AT EVENTS CATERED BY THE LICENSE HOLDER IN THE COUNTY OFF THE LICENSED PREMISES.**

(2) A LICENSE HOLDER PROVIDING ALCOHOLIC BEVERAGES AT A CATERED EVENT OFF THE LICENSED PREMISES SHALL ALSO PROVIDE FOOD.

(3) THE LICENSE HOLDER MAY EXERCISE CATERING PRIVILEGES ONLY DURING HOURS AND DAYS THAT ARE AUTHORIZED UNDER THE CLASS B LICENSE.

(e) [The license holder may sell beer, wine, and liquor during the hours and days of sale as set out in § 21–2004(d) of this title.

(f)] The annual license fees are:

- (1) \$2,250 for a 6–day license without a catering option;
- (2) \$2,750 for a 6–day license with a catering option;
- (3) \$2,625 for a 7–day license without a catering option; and
- (4) \$3,125 for a 7–day license with a catering option.

[(g)] (F) The Board shall charge a one–time issuing fee for a new license in an amount equal to the annual license fee.

21–904.

(b) There is a Class C (club and organization) beer, wine, and liquor license.

(f) (1) This subsection applies only in:

(i) election districts 11 and 15; and

(ii) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales.

(2) The license holder may sell beer, wine, and liquor on Sunday during the hours as set out under § 21–2004(e)(2) of this title.

[(3) In addition to the fees specified in subsection (g) of this section, fees for exercising the privileges of the license on Sunday are:

(i) \$250, as an annual license fee; and

(ii) \$250, as an issuance fee for a new license.]

21–905.

(a) (1) There is:

(i) a Class D (75% on–sale) beer, wine, and liquor license; and

(ii) a Class D (75% off-sale) beer, wine, and liquor license.

(d) (1) [A holder of the license without a catering option may sell beer, wine, and liquor for on- or off-premises consumption.

(2)] A holder of the license with a catering option may sell beer, wine, and liquor[:

(i) for on- or off-premises consumption; and

(ii) subject to paragraph (3) of this subsection,] for consumption at events that the holder caters off the licensed premises during the hours and days that the Board allows.

[(3)] (2) The license holder shall provide food if the license holder provides alcoholic beverages at a catered event off the licensed premises.

21-1002.

(a) There is a Class B-resort beer, wine, and liquor license.

(c) The license authorizes the license holder to [exercise the same privileges as a license holder of a regular Class B hotels and restaurants beer, wine, and liquor license] **SELL AT A HOTEL, MOTEL, OR RESTAURANT AT RETAIL AT THE PLACE DESCRIBED IN THE LICENSE:**

(1) BEER, WINE, AND LIQUOR FOR ON-PREMISES CONSUMPTION; AND

(2) BEER FOR OFF-PREMISES CONSUMPTION.

21-1304.

(a) (1) There is a beer festival license.

(f) Notwithstanding subsection (e)(1) of this section, a holder of a beer festival license issued for a location at which Sunday sales are allowed under § 21-2002(e) of this title may make Sunday sales[:

(1)] beginning at [1 p.m.; and

(2) without a consumer placing an order for a meal before or with an order for an alcoholic beverage.] **10 A.M.**

21-1305.

(a) (1) There is a wine festival license.

(b) The Board may issue the license to:

(1) a holder of a retail license, Class 3 winery license, or Class 4 limited winery license; or

(2) a person that is eligible to hold [any type of] **A Class C MULTIPLE DAY OR MULTIPLE EVENT** license [that the Board issues].

(g) Notwithstanding subsection (f)(3)(i) of this section, a holder of a wine festival license issued for use in a location where Sunday sales are allowed [under § 21–2001(e) of this title] may make Sunday sales[:

(1)] beginning at 10 a.m.[; and

(2) without a consumer placing an order for a meal before or with an order for an alcoholic beverage.]

21–1309.

(a) The Board may issue a Class C multiple day beer license, beer and wine license, and beer, wine, and liquor license **TO A CLUB** for the following fees and license types:

(1) \$50 for a 2–day license;

(2) \$150 for a 6–day license; and

(3) \$300 for a 12–day license.

21–1312.

A holder of a Class C per diem beer, wine, and liquor license may purchase beer and wine from a wholesaler **OR BEER, WINE, AND LIQUOR FROM A RETAILER**.

21–1804.

The requirement for a criminal history records check under § 4–107 of this article [applies] **MAY APPLY** to an applicant for a license renewal.

21–2002.

(a) This section does not apply to the hours of sale on December 31 and January 1 set out in § 21–2007 of this subtitle.

(b) A holder of a Class A beer license may sell beer on Monday through Saturday from 6 a.m. to 2 a.m. the following day.

(c) **A HOLDER OF A CLASS B BEER LICENSE MAY SELL BEER ON MONDAY THROUGH SATURDAY FROM 6 A.M. TO 2 A.M. THE FOLLOWING DAY.**

(d) Reserved.

(e) [(1)] A holder of a Class D beer license may sell beer on Monday through Saturday from 6 a.m. to 2 a.m. the following day.

[(2) (i) (F) [Subject to subparagraph (ii) of this paragraph,] Sunday sales **FOR A CLASS A, CLASS B, OR CLASS D LICENSE** are allowed from [1 p.m.] **10 A.M.** to [10 p.m.] **MIDNIGHT** in:

[1.] (1) election districts 11 and 15; and

[2.] (2) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.

[(ii) A holder of a Class D beer license may sell beer on Sunday for on-premises consumption if the licensed premises:

1. is in a permanent building;
2. has a seating capacity at tables, not including seats at bars or counters, for at least 20 individuals;
3. is equipped with a full-service commercial kitchen capable of preparing and serving full-course meals for at least 20 individuals at one seating; and
4. is approved by the Board, the Department of Public Utilities, the Health Department, and the Planning and Land Development Office of the county.

(iii) Sunday sales are allowed from 1 p.m. to 10 p.m.

(iv) In addition to the usual license fee, fees for exercising the privileges of the license on Sunday are:

1. \$250, as an annual license fee; and
2. \$250, as an issuing fee for a new license.]

(a) This section does not apply to the hours of sale on December 31 and January 1 set out in § 21–2007 of this subtitle.

(b) **(1)** A holder of a Class A beer and wine license may sell beer and wine on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

(2) SUNDAY SALES ARE ALLOWED FROM 10 A.M. TO MIDNIGHT IN:

(I) ELECTION DISTRICTS 11 AND 15; AND

(II) ANY OTHER ELECTION DISTRICT OR PRECINCT OF AN ELECTION DISTRICT IN WHICH THE VOTERS IN A REFERENDUM AUTHORIZED BY LAW APPROVE SUNDAY SALES AS SPECIFIED IN THIS PARAGRAPH.

(c) **(1)** A holder of a Class B beer and wine license may sell beer and wine on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

(2) [(i)] Sunday sales are allowed from [1 p.m.] **10 A.M.** to [10 p.m.] **MIDNIGHT** in:

[1.] **(I)** election districts 11 and 15; and

[2.] **(II)** any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.

[(ii)] In addition to the usual license fee, fees for exercising the privileges of the license on Sunday are:

1. \$250, as an annual license fee; and
2. \$250, as an issuing fee for a new license.]

(d) Reserved.

(e) **(1)** A holder of a Class D beer and wine license may sell beer and wine on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

(2) [(i)] Subject to subparagraph (ii) of this paragraph,] Sunday sales are allowed from [1 p.m.] **10 A.M.** to [10 p.m.] **MIDNIGHT** in:

[1.] **(I)** election districts 11 and 15; and

[2.] (II) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.

[(ii) A holder of a Class D beer and wine license may sell beer and wine on Sunday for on-premises consumption if the licensed premises:

1. is in a permanent building;
2. has a seating capacity at tables, not including seats at bars or counters, for at least 20 individuals;
3. is equipped with a full-service commercial kitchen capable of preparing and serving full-course meals for at least 20 individuals at one seating; and
4. is approved by the Board, the Department of Public Utilities, the Health Department, and the Planning and Land Development Office of the county.

(iii) In addition to the usual license fee, fees for exercising the privileges of the license on Sunday are:

1. \$250, as an annual license fee; and
2. \$250, as an issuing fee for a new license.]

21-2004.

(a) This section does not apply to the hours of sale on December 31 and January 1 set out in § 21-2007 of this subtitle.

(b) [A holder of a Class A beer, wine, and liquor license may sell beer, wine, and liquor on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.] **RESERVED.**

(c) (1) A holder of a Class B beer, wine, and liquor license may sell beer, wine, and liquor on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

(2) [(i) Sunday sales are allowed from [1 p.m.] **10 A.M.** to [10 p.m.] **MIDNIGHT** in:

[1.] (I) election districts 11 and 15; and

[2.] (II) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.

[(ii) In addition to the usual license fee, fees for exercising the privileges of the license on Sunday are:

1. \$250 in addition to the usual license fee; and
2. \$250, as an issuing fee for a new license.]

(d) (1) A holder of a Class BDR (deluxe restaurant) beer, wine, and liquor license may sell beer, wine, and liquor on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

(2) **SUNDAY SALES ARE ALLOWED FROM 10 A.M. TO MIDNIGHT IN:**

(I) **ELECTION DISTRICTS 11 AND 15; AND**

(II) **ANY OTHER ELECTION DISTRICT OR PRECINCT OF AN ELECTION DISTRICT IN WHICH THE VOTERS IN A REFERENDUM AUTHORIZED BY LAW APPROVE SUNDAY SALES AS SPECIFIED IN THIS PARAGRAPH.**

(e) (1) A holder of a Class C beer, wine, and liquor license may sell beer, wine, and liquor on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

(2) [(i) Sunday sales are allowed from [1 p.m.] **10 A.M.** to [10 p.m.] **MIDNIGHT** in:

[1.] (I) election districts 11 and 15; and

[2.] (II) any other election district in which the voters by referendum approve Sunday sales.

[(ii) In addition to the usual license fee, fees for exercising the privileges of the license on Sunday are:

1. \$250 in addition to the usual license fee; and
2. \$250, as an issuing fee for a new license.]

(f) (1) A holder of a Class D beer, wine, and liquor license may sell beer, wine, and liquor on Monday through Saturday, from 6 a.m. to 2 a.m. the following day.

(2) [(i) Subject to subparagraph (ii) of this paragraph,] Sunday sales are allowed from [1 p.m.] **10 A.M.** to [10 p.m.] **MIDNIGHT** in:

[1.] (I) election districts 11 and 15; and

[2.] (II) any other election district or precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this paragraph.

[(ii) A holder of a Class D beer, wine, and liquor license may sell beer, wine, and liquor on Sunday for on-premises consumption if the licensed premises:

1. is in a permanent building;
2. has a seating capacity at tables, not including seats at bars or counters, for at least 20 individuals;
3. is equipped with a full-service commercial kitchen capable of preparing and serving full-course meals for at least 20 individuals at one seating; and
4. is approved by the Board, the Department of Public Utilities, the Health Department, and the Planning and Land Development Office of the county.

(iii) In addition to the usual license fee, fees for exercising the privileges of the license on Sunday are:

1. \$250, as an annual license fee; and
2. \$250, as an issuing fee for a new license.]

21-2006.

(a) This section applies in [an election district or a precinct of an election district in which the voters in a referendum authorized by law approve Sunday sales as specified in this section]:

(1) ELECTION DISTRICTS 11 AND 15; AND

(2) ANY OTHER ELECTION DISTRICT OR PRECINCT OF AN ELECTION DISTRICT IN WHICH THE VOTERS IN A REFERENDUM AUTHORIZED BY LAW APPROVE SUNDAY SALES AS SPECIFIED IN THIS SECTION.

(b) (1) [Subject to paragraph (2) of this subsection, this] **THIS** section applies only to off-premises sales by:

- (i) a holder of a Class A license;
- (ii) a holder of a Class B license, **INCLUDING A CLASS B&B LICENSE, CLASS BDR LICENSE, AND RESORT LICENSE;**

(iii) a holder of a [Class C license] **MULTIPLE DAY OR MULTIPLE EVENT LICENSE**; and

(iv) a holder of a Class D license.

(2) A holder of a license listed in paragraph (1) of this subsection may sell alcoholic beverages for off-premises consumption on a Sunday if the license holder may sell alcoholic beverages for off-premises consumption for the underlying license.

(C) (1) THIS SUBSECTION APPLIES TO ON-PREMISES SALES BY:

(I) A HOLDER OF A CLASS B LICENSE, INCLUDING A CLASS B&B LICENSE, CLASS BDR LICENSE, AND RESORT LICENSE;

(II) A HOLDER OF A CLASS C LICENSE;

(III) A HOLDER OF A MULTIPLE DAY OR MULTIPLE EVENT LICENSE; AND

(IV) A HOLDER OF A CLASS D LICENSE.

(2) A HOLDER OF A LICENSE SPECIFIED IN PARAGRAPH (1) OF THIS SUBSECTION MAY SELL ALCOHOLIC BEVERAGES FOR ON-PREMISES CONSUMPTION ON SUNDAY IF THE LICENSE HOLDER IS AUTHORIZED BY THE UNDERLYING LICENSE TO SELL ALCOHOLIC BEVERAGES FOR ON-PREMISES CONSUMPTION.

[(c) (3) Sunday sales authorized under this [section] SUBSECTION are from [1 p.m.] 10 A.M. to [10 p.m.] MIDNIGHT.

[(d) (1) This subsection does not apply to a holder of a Class C license.

(2) The Sunday sales fee is \$250 for the holder of a Class A license, Class B license, or Class D license.

(3) When the Class A license, Class B license, or Class D license is issued, the Board shall charge a \$250 issuing fee.]

21-2102.

(a) In addition to the grounds for suspension in § 4-604 of this article, the Board may suspend a license for a time not exceeding 1 year for:

(1) the sale of alcoholic beverages to an individual under the age of 21 years; or

(2) the sale on Sunday of alcoholic beverages in an election district **OR A PRECINCT OF AN ELECTION DISTRICT** in which Sunday sales have not been authorized by a voter referendum.

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

Approved by the Governor, April 11, 2017.

Chapter 145

(House Bill 1096)

AN ACT concerning

Allegany County – Alcoholic Beverages – Sunday Sales and Privileges

FOR the purpose of altering the times of sale on Sunday and license privileges on Sunday for certain alcoholic beverages licenses in Allegany County; repealing a certain requirement for certain Sunday sales; and generally relating to alcoholic beverages licenses in Allegany County.

BY repealing and reenacting, without amendments,
Article – Alcoholic Beverages
Section 9–102
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Alcoholic Beverages
Section 9–2002, 9–2003, and 9–2004
Annotated Code of Maryland
(2016 Volume and 2016 Supplement)

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

Article – Alcoholic Beverages

9–102.

This title applies only in Allegany County.

9–2002.

(a) (1) Except as provided in § 9–2005 of this subtitle for December 31 and January 1, a holder of a Class A beer license may sell beer:

(i) on Monday through Saturday from 7 a.m. to 2 a.m. the following day; and

(ii) on Sunday from 11 a.m. to [midnight] **2 A.M. THE FOLLOWING DAY** if the holder:

1. pays an additional fee of \$250; or

2. is issued a 2–day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) The Board may issue a 2–day Sunday sales permit to a holder of a Class A beer license.

(ii) An applicant for a 2–day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2–day Sunday sales permit authorizes the holder to sell beer for off–premises consumption on not more than two Sundays in a year from 11 a.m. to [midnight] **2 A.M. THE FOLLOWING DAY**.

(iv) The permit fee is \$50 for each time the permit is used.

(c) (1) Except as provided in § 9–2005 of this subtitle for December 31 and January 1, a holder of a Class C beer license may sell beer:

(i) on Monday through Saturday, for on–premises and off–premises consumption, from 7 a.m. to 2 a.m. the following day;

(ii) on Sunday, for on–premises **AND OFF–PREMISES** consumption, from [1 p.m.] **11 A.M.** to 2 a.m. the following day if the holder:

1. pays an additional fee of \$250; or

2. is issued a 2–day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) The Board may issue a 2–day Sunday sales permit to a holder of a Class C beer license.

(ii) An applicant for a 2–day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2-day Sunday sales permit authorizes the holder to sell beer for on-premises **AND OFF-PREMISES** consumption on not more than two Sundays in a year from [1 p.m.] **11 A.M.** Sunday to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

(d) (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class D beer license may sell beer:

(i) on Monday through Saturday, for on-premises and off-premises consumption, from 7 a.m. to 2 a.m. the following day;

(ii) on Sunday, for on-premises **AND OFF-PREMISES** consumption, from 11 a.m. to 2 a.m. the following day if the holder[:

1.] pays an additional fee of \$250; [and

2. is issued the license for use in a restaurant in a permanent building with ample space and accommodations where meals are usually prepared, sold, or served to the public when the restaurant is regularly open for business;] or

(iii) in accordance with a 2-day Sunday sales permit issued under paragraph (2) of this subsection.

(2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class D beer license.

(ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2-day Sunday sales permit authorizes the holder to sell beer for on-premises **AND OFF-PREMISES** consumption on not more than two Sundays in a year from 11 a.m. Sunday to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

9-2003.

(a) (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class A beer and light wine license may sell beer and light wine:

(i) on Monday through Saturday from 7 a.m. to 2 a.m. the following day; and

(ii) on Sunday from 11 a.m. to [midnight] **2 A.M. THE FOLLOWING DAY** if the holder:

1. pays an additional fee of \$250; or
2. is issued a 2-day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class A beer and light wine license.

(ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2-day Sunday sales permit authorizes the holder to sell beer and light wine for off-premises consumption on not more than two Sundays in a year from 11 a.m. to [midnight] **2 A.M. THE FOLLOWING DAY.**

(iv) The permit fee is \$50 for each time the permit is used.

(c) (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class C beer and light wine license may sell beer and light wine:

(i) on Monday through Saturday, for on-premises and off-premises consumption, from 7 a.m. to 2 a.m. the following day;

(ii) on Sunday, for on-premises **AND OFF-PREMISES** consumption, from [1 p.m.] **11 A.M.** to 2 a.m. the following day if the holder:

1. pays an additional fee of \$250; or
2. is issued a 2-day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class C beer and light wine license.

(ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2-day Sunday sales permit authorizes the holder to sell beer and light wine for on-premises consumption **AND OFF-PREMISES CONSUMPTION** on not more than two Sundays in a year from [1 p.m.] **11 A.M.** Sunday to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

(d) (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class D beer and light wine license may sell beer and light wine:

(i) on Monday through Saturday, for on–premises and off–premises consumption, from 7 a.m. to 2 a.m. the following day;

(ii) on Sunday, for on–premises **AND OFF–PREMISES** consumption, from 11 a.m. to 2 a.m. the following day if the holder[:

1.] pays an additional fee of \$250; [and

2. is issued the license for use in a restaurant in a permanent building with ample space and accommodations where meals are usually prepared, sold, or served to the public when the restaurant is regularly open for business;] or

(iii) in accordance with a 2–day Sunday sales permit issued under paragraph (2) of this subsection.

(2) (i) The Board may issue a 2–day Sunday sales permit to a holder of a Class D beer and light wine license.

(ii) An applicant for a 2–day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2–day Sunday sales permit authorizes the holder to sell beer and light wine for on–premises **AND OFF–PREMISES** consumption on not more than two Sundays in a year from 11 a.m. Sunday to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

9–2004.

(a) (1) Except as provided in § 9–2005 of this subtitle for December 31 and January 1, a holder of a Class A beer, wine, and liquor license may sell beer, wine, and liquor for off–premises consumption:

(i) on Monday through Saturday from 7 a.m. to 2 a.m. the following day; and

(ii) on Sunday from 11 a.m. to [midnight] **2 A.M. THE FOLLOWING DAY** if the holder:

1. pays an additional fee of \$250; or

2. is issued a 2–day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class A beer, wine, and liquor license.

(ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2-day Sunday sales permit authorizes the holder to sell beer, wine, and liquor for off-premises consumption on not more than two Sundays in a year from 11 a.m. to [midnight] **2 A.M. THE FOLLOWING DAY.**

(iv) The permit fee is \$50 for each time the permit is used.

(b) (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class B beer, wine, and liquor license may sell beer, wine, and liquor:

(i) on Monday through Saturday, for on-premises and off-premises consumption, from 7 a.m. to 2 a.m. the following day;

(ii) on Sunday, for on-premises **AND OFF-PREMISES** consumption, from 11 a.m. to 2 a.m. the following day if the holder:

1. pays an additional fee of \$250;

2. is issued the license for use in a restaurant in a permanent building with ample space and accommodations where meals are usually prepared, sold, or served to the public when the restaurant is regularly open for business; or

3. is issued a 2-day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) The Board may issue a 2-day Sunday sales permit to a holder of a Class B beer, wine, and liquor license, including a Class B beer, wine, and liquor license issued for use in a restaurant or banquet room in a hotel or motel.

(ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2-day Sunday sales permit authorizes the holder to sell beer, wine, and liquor for on-premises **AND OFF-PREMISES** consumption on not more than two Sundays in a year from 11 a.m. Sunday to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

(c) (1) Except as provided in § 9-2005 of this subtitle for December 31 and January 1, a holder of a Class C beer, wine, and liquor license may sell beer, wine, and liquor:

(i) on Monday through Saturday, for on–premises and off–premises consumption, from 7 a.m. to 2 a.m. the following day;

(ii) on Sunday, for on–premises **AND OFF–PREMISES** consumption, from [1 p.m.] **11 A.M.** to 2 a.m. the following day if the holder:

1. pays an additional fee of \$250; or

2. is issued a 2–day Sunday sales permit in accordance with paragraph (2) of this subsection.

(2) (i) The Board may issue a 2–day Sunday sales permit to a holder of a Class C beer, wine, and liquor license.

(ii) An applicant for a 2–day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2–day Sunday sales permit authorizes the holder to sell beer, wine, and liquor for on–premises **AND OFF–PREMISES** consumption on not more than two Sundays in a year from [1 p.m.] **11 A.M.** Sunday to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

(d) (1) Except as provided in § 9–2005 of this subtitle for December 31 and January 1, a holder of a Class D beer, wine, and liquor license may sell beer, wine, and liquor:

(i) on Monday through Saturday, for on–premises and off–premises consumption, from 7 a.m. to 2 a.m. the following day;

(ii) on Sunday, from 11 a.m. to 2 a.m. the following day if the holder[:

1.] pays an additional fee of \$250; [and

2. is issued the license for use in a restaurant in a permanent building with ample space and accommodations where meals are usually prepared, sold, or served to the public when the restaurant is regularly open for business;] or

(iii) in accordance with a 2–day Sunday sales permit issued under paragraph (2) of this subsection.

(2) (i) The Board may issue a 2–day Sunday sales permit to a holder of a Class D beer, wine, and liquor license.

(ii) An applicant for a 2-day Sunday sales permit need not have kitchen facilities on the licensed premises.

(iii) A 2-day Sunday sales permit authorizes the holder to sell beer, wine, and liquor for on-premises **AND OFF-PREMISES** consumption on not more than two Sundays in a year from 11 a.m. Sunday to 2 a.m. the following day.

(iv) The permit fee is \$50 for each time the permit is used.

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

Approved by the Governor, April 11, 2017.

Chapter 146

(House Bill 1440)

AN ACT concerning

Calvert County – Solid Waste Disposal Contracts

FOR the purpose of authorizing Calvert County to enter into a contract for solid waste disposal that may include transportation, may require payment of certain funds or receipt of certain payment, and is for an initial term of not more than a certain number of years; making a certain stylistic change; and generally relating to contracts for solid waste disposal entered into by Calvert County.

BY repealing and reenacting, with amendments,
 The Public Local Laws of Calvert County
 Section 6–103
 Article 5 – Public Local Laws of Maryland
 (2002 Edition and May 2015 Supplement, as amended)

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

Article 5 – Calvert County

6–103.

(A) When it is advantageous to the county to do so, the county may contract to purchase supplies or services for periods of more than one year if:

(1) Funds for the total cost of the contract are available at the time [of] the contract is executed; or

(2) A contract requiring the payment of funds from appropriations of more than one fiscal year is approved by resolution of the Commissioners, and is not for more than a three-year term.

(B) NOTWITHSTANDING SUBSECTION (A) OF THIS SECTION, THE COUNTY MAY ENTER INTO A CONTRACT FOR SOLID WASTE DISPOSAL THAT:

(1) MAY INCLUDE TRANSPORTATION;

(2) MAY REQUIRE PAYMENT OF FUNDS FROM APPROPRIATIONS OF THE COUNTY OR RECEIPT OF PAYMENT TO THE COUNTY; AND

(3) IS NOT FOR MORE THAN A TWENTY-YEAR INITIAL TERM.

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

Approved by the Governor, April 11, 2017.

Chapter 147

(House Bill 1578)

AN ACT concerning

**Prince George's County – Property Tax Exemption for Economic Development
Projects – Sunset ~~Repeal~~ Extension**

PG 407-17

FOR the purpose of ~~repealing~~ extending a certain termination provision relating to certain exemptions from the county real property tax in Prince George's County for certain economic development projects located in certain areas; ~~repealing as obsolete~~ altering a certain date of a certain reporting requirement; and generally relating to a property tax exemption for certain economic development projects located in Prince George's County.

BY repealing and reenacting, without amendments,
Article – Tax – Property
Section 7-516
Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Chapter 402 of the Acts of the General Assembly of 2012

Section 2 and 3

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

~~Chapter 402 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 – Tax – Property

7-516.

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

(2) “Designated focus area” means:

(i) a transit-oriented development, defined as a development or project within one-half mile of a Washington Metropolitan Area Transit Authority transit station or one-half mile of a Maryland Area Regional Commuter transit station, as measured from the main entrance of the building to the nearest entrance of the transit station;

(ii) a revitalization tax credit district, as defined in § 10-235.02 of the Prince George’s County Code and designated by the governing body of Prince George’s County; or

(iii) an urban renewal area, as designated by the governing body of Prince George’s County.

(3) “Economic development project” means a real estate development project that consists of newly constructed or rehabilitated commercial property if the real estate development project:

(i) has a certificate of occupancy issued on or after October 1, 2012;

(ii) is located on one or more parcels of land, all of which are situated in a designated focus area; and

(iii) includes at least one of the following:

1. a hotel that:

A. provides at least 100 full-time equivalent job opportunities; and

B. has a private capital investment of equity and debt combined of at least \$20,000,000;

2. an office building that:

A. provides at least 100 full-time equivalent job opportunities; and

B. has a private capital investment of equity and debt combined of at least \$20,000,000;

3. a retail facility that:

A. provides at least 100 full-time equivalent job opportunities; and

B. has a private capital investment of equity and debt combined of at least \$10,000,000;

4. an off-street parking facility that:

A. contains at least 250 parking spaces; and

B. has a private capital investment of equity and debt combined of at least \$2,500,000; or

5. a mixed-use facility that contains one or more of the facilities described in items 1 through 4 of this item, at least one of which satisfies the minimum criteria set forth in item 1, 2, 3, or 4 of this item.

(b) The governing body of Prince George's County, by resolution, may exempt or partially exempt an economic development project from the county real property tax if:

(1) the owner or owners of the economic development project demonstrate to the satisfaction of the County Executive and County Council of Prince George's County:

(i) that the county or its designated agency has conducted an economic analysis of the project, including:

1. a detailed description of the project and the development budget, including the identification of all sources of debt and equity financing;

2. a multiyear cash flow pro forma of the project detailing all incoming and outgoing cash flow revenues, operating expenses, debt service, taxes, capital expenditures, and any other cash outlays;

3. the projected return on investment for the owner or owners;

4. a determination that the project is an economic development project that meets the requirements of this section; and

5. any other relevant analysis;

(ii) the public benefit that the project will provide, including:

1. the number of jobs expected to be created, directly or indirectly, as a result of the project and the percentage of those jobs expected to be held by Prince George's County residents;

2. the wage rates and benefit packages for the jobs expected to be created;

3. other Prince George's County tax revenues, exclusive of real property taxes, that the project is expected to generate during the term of the payment in lieu of taxes agreement, including income, admissions and amusement, personal property, hotel, parking, energy, and other taxes;

4. the encouragement of economic development;

5. the general promotion and improvement of Prince George's County and its facilities;

6. the participation of local minority business enterprises and local business enterprises in the economic development project; and

7. any other relevant benefits;

(iii) the financial necessity for an exemption authorized under this section; and

(iv) that the private capital being invested in the economic development project includes an equity investment that is:

1. commensurate with the overall undertaking; and

2. A. for a hotel or an office building, an amount greater than or equal to 10% of the combined equity and debt investment; or

B. for an off–street parking facility, an amount greater than or equal to \$250,000;

(2) the owner or owners of the economic development project and the governing body of Prince George’s County enter into a payment in lieu of taxes agreement that specifies:

(i) an amount that the owner or owners shall pay to the county each year in lieu of the payment of county real property taxes during the term of the agreement that is not less than the sum of:

1. the taxes on the property before the construction or rehabilitation of the project; and

2. 25% of the county real property taxes related to the economic development project that would have otherwise been due absent the agreement;

(ii) the term of the agreement, not to exceed 15 years from the date a certificate of occupancy for the project is issued; and

(iii) that each year after the expiration of the agreement, full property taxes shall be payable on the property;

(3) prior to or no later than 18 months from the date of entering into the payment in lieu of taxes agreement, construction of the project has commenced and all conditions for the financing required for the construction of the project have been satisfied or waived; and

(4) the authorizing resolution states that the project may not involve gambling activities.

(c) On or before January 1 of each year, the Prince George’s County Executive or the County Executive’s designated agency shall submit a report to the Prince George’s County Council and to the Prince George’s County House and Senate Delegations of the General Assembly of Maryland that contains:

(1) a description of each project for which the county entered into a payment in lieu of taxes agreement under this section during the prior fiscal year, including a statement of:

(i) the basis on which each project met the requirements for the definition of an economic development project set forth in subsection (a) of this section; and

(ii) the analysis of the project described in subsection (b)(1) of this section; and

(2) for those projects that have a payment in lieu of taxes agreement and for which construction or rehabilitation has been completed:

(i) the number and types of jobs created during the preceding fiscal year and estimated to be created during the following fiscal year;

(ii) the total taxes that the project is estimated to have generated directly and indirectly for the county during the preceding fiscal year and estimated to be generated during the following fiscal year; and

(iii) any other economic benefits of the project.

Chapter 402 of the Acts of 2012

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 31, ~~2016~~ **2018**, the Prince George's County Office of the County Executive shall report to the Chairs of the Prince George's County House and Senate Delegations, 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 July 1, 2012. It shall remain effective for a period of ~~5~~ **9** years and, at the end of June 30, ~~2017~~ **2021**, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

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

Approved by the Governor, April 11, 2017.

Chapter 148

(House Bill 1604)

AN ACT concerning

Howard County – Transfer Tax Exemption and Rate Reduction – Law Enforcement Officers and Fire and Rescue Services Members

Ho. Co. 17-17

FOR the purpose of exempting from the Howard County transfer tax the sale of residential real property to certain law enforcement officers and fire and rescue services members under certain circumstances; establishing the maximum Howard County transfer tax rate applied to the sale of residential real property to certain law

enforcement officers and fire and rescue services members under certain circumstances; establishing certain qualifications for the transfer tax exemption or rate reduction; providing for the recapture of the transfer tax exempted or reduced under this Act under certain circumstances; defining a certain term; and generally relating to the transfer tax in Howard County.

BY repealing and reenacting, with amendments,
The Public Local Laws of Howard County
Section 20.300
Article 14 – Public Local Laws of Maryland
(1977 Edition and August 2008 Supplement, as amended)

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

Article 14 – Howard County

20.300.

(A) [A] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A tax is hereby imposed upon every instrument of writing conveying title to real or leasehold property offered for a record and recorded in Howard County with the clerk of the circuit court, for all or only that portion of such property described in such instrument which is actually located in Howard County, provided that conveyances to the state or to any agency or instrumentality thereof, or any political subdivision of the state, or any nonprofit hospital or religious or charitable organization, association or corporation, shall not be subject to the tax imposed by this section. The term “instrument of writing,” as used in this section shall be deemed to include any deed, lease, assignment of leasehold property or any other device the purpose of which is to convey title to real property, but shall not include any mortgage, deed of trust, conditional sales contract or any other device the purpose of which is to afford a security in real property rather than to convey title thereto.

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

(II) “FIRE AND RESCUE SERVICES MEMBER” MEANS A HOWARD COUNTY FIRE AND RESCUE SERVICES MEMBER.

(III) “LAW ENFORCEMENT OFFICER” MEANS A HOWARD COUNTY POLICE OFFICER OR HOWARD COUNTY DEPUTY SHERIFF.

(2) SUBJECT TO THE PROVISIONS OF PARAGRAPHS (3) AND (4) OF THIS SUBSECTION, FOR A SALE OF RESIDENTIAL REAL PROPERTY IN HOWARD COUNTY TO A LAW ENFORCEMENT OFFICER OR TO A FIRE AND RESCUE SERVICES MEMBER:

(I) THE TRANSFER TAX IMPOSED UNDER SUBSECTION (A) OF THIS SECTION DOES NOT APPLY TO THE LAW ENFORCEMENT OFFICER'S OR FIRE AND RESCUE SERVICES MEMBER'S FIRST PURCHASE OF RESIDENTIAL REAL PROPERTY IN HOWARD COUNTY; AND

(II) THE RATE OF THE TRANSFER TAX IMPOSED UNDER SUBSECTION (A) OF THIS SECTION MAY NOT EXCEED 0.7% WHEN APPLIED TO THE LAW ENFORCEMENT OFFICER'S OR FIRE AND RESCUE SERVICES MEMBER'S SECOND OR SUBSEQUENT PURCHASE OF RESIDENTIAL REAL PROPERTY IN HOWARD COUNTY.

(3) TO QUALIFY FOR AN EXEMPTION OR RATE REDUCTION UNDER THIS SUBSECTION, AT LEAST ONE GRANTEE, OTHER THAN A CO-MAKER OR GUARANTOR, MUST:

(I) OCCUPY THE RESIDENCE AS A PRINCIPAL PLACE OF RESIDENCE; AND

(II) BE EMPLOYED AS A LAW ENFORCEMENT OFFICER OR FIRE AND RESCUE SERVICES MEMBER FOR A MINIMUM OF 3 YEARS FOLLOWING THE PURCHASE OF THE RESIDENTIAL REAL PROPERTY.

(4) IF A LAW ENFORCEMENT OFFICER OR FIRE AND RESCUE SERVICES MEMBER WHO RECEIVED A TRANSFER TAX EXEMPTION OR RATE REDUCTION UNDER THIS SUBSECTION SUBSEQUENTLY FAILS TO SATISFY THE REQUIREMENTS OF PARAGRAPH (3) OF THIS SUBSECTION, THE LAW ENFORCEMENT OFFICER OR FIRE AND RESCUE SERVICES MEMBER SHALL PAY THE BALANCE OF THE TRANSFER TAX THAT WOULD HAVE BEEN OTHERWISE PAYABLE.

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

Approved by the Governor, April 11, 2017.

Chapter 149

(Senate Bill 317)

AN ACT concerning

More Jobs for Marylanders Act of 2017

FOR the purpose of requiring the Governor each fiscal year to appropriate at least a certain amount for the Partnership for Workforce Quality Program; establishing the More Jobs for Marylanders Program within the Department of Commerce to provide certain manufacturing business entities tax credits and benefits for a certain number of years; ~~providing that certain business entities receiving tax credits under certain programs are not eligible to receive the credits or benefits under the Program;~~ requiring the Department to administer the Program; authorizing certain types of businesses to receive certain credits ~~and benefits~~ *and benefits* under the Program; providing for the termination of certain business entities from the Program under certain circumstances; authorizing the Secretary of the Department to ~~establish~~ *adopt* any regulation necessary to implement the Program; requiring the Department to report to the General Assembly on or before a certain date; ~~providing that certain business entities certified under the Program are not required to pay certain fees;~~ *providing that certain business entities certified under the Program are not required to pay certain fees;* establishing a Workforce Development Sequence Scholarship to be administered by the Office of Student Financial Assistance in the Maryland Higher Education Commission; authorizing an individual to apply to the Office for a scholarship if the individual is an eligible student; providing for the uses of the scholarship; establishing the maximum award amount of the scholarship; requiring the Governor annually to include at least a certain appropriation in the State budget to the Commission for the Workforce Development Sequence Scholarship; requiring the Commission to submit a certain report to the General Assembly on or before a certain date each year; requiring the State Board of Education to develop, on or before a certain date and in consultation with the Department of Labor, Licensing, and Regulation and the Governor's Workforce Development Board, certain goals for percentages of certain students for completing certain career and technical education programs and earning certain credentials; requiring the Maryland Longitudinal Data System Center and the Board to develop certain income earnings goals; stating certain goals of the State; requiring, on or before a certain date, the State Board to develop a method to consider, under certain circumstances, a student's attainment of a certain credential or completion of a certain apprenticeship program as equivalent to a certain Advanced Placement examination score for a certain purpose; requiring the State Board to report to the Governor and the General Assembly on or before a certain date regarding the progress toward attaining certain goals; requiring the Division of Workforce Development and Adult Learning in the Department to partner with certain State departments to identify, by a certain date, opportunities to create certain registered apprenticeship programs for a certain purpose; requiring the Division to identify opportunities to create certain registered apprenticeship programs to address the workforce needs of the State; allowing a credit against the State income tax for certain income of business entities certified under the Program; *requiring certain manufacturing businesses to apply for a tax credit certificate from the Department of Commerce under certain circumstances; authorizing the Department to provide for the form and content of the application; authorizing the Department to issue tax credit certificates, subject to certain limitations; limiting the total credit amounts for which the Department may issue initial credit certificates for each fiscal year; requiring the Department to give priority to certain manufacturing businesses under certain*

circumstances and to notify the Comptroller of the amount of any tax credit certificates issued; establishing the More Jobs for Marylanders Tax Credit Reserve Fund; requiring the Governor to include a certain appropriation to the Reserve Fund in the annual budget bill for certain fiscal years; requiring the Comptroller to transfer certain amounts from the Reserve Fund to the General Fund under certain circumstances; requiring the Department to report to the Governor and the General Assembly certain information regarding the tax credit; requiring the Department and the Comptroller to jointly adopt certain regulations; authorizing certain manufacturing businesses to claim a refund for the sales and use tax imposed on the sale of certain personal property or services and paid by the business entity during the preceding calendar year; requiring the business entity, in order to receive the refund, to file with the Department, on or after a certain date, a certain claim and provide to the Department certain evidence; establishing the More Jobs for Marylanders Sales and Use Tax Refund Reserve Fund; requiring the Department to pay certain claims for refunds of the sales and use tax from the Reserve Fund; requiring the Governor to include a certain appropriation to the Reserve Fund in the annual budget bill in certain fiscal years; ~~authorizing an exemption from the State sales and use tax for certain costs of certain business entities certified under the Program; providing a credit against the State property tax for certain business entities certified under the Program; allowing a credit against the State income tax for the employment of a certain eligible apprentice under certain circumstances; providing a credit against the State property tax for certain businesses certified under the Program;~~ providing an exemption for certain property of a manufacturing entity from a certain limitation on the applicability of certain Maryland income tax modifications for certain deductions for the cost of business property placed in service that is treated as an expense for federal income tax purposes; providing an exemption for certain property of a manufacturing entity from a certain limitation on the applicability of certain Maryland income tax modifications for a certain additional depreciation allowance under the federal income tax for business property placed in service; requiring certain agencies to report certain information; stating a certain finding of the General Assembly; requiring the Governor to work with the chief executive officers of certain states to negotiate a certain agreement by a certain date; requiring the agreement to specify certain information; requiring the executives to propose certain approaches to ensure compliance with the agreement; requiring the Governor to report to certain committees of the General Assembly on or before a certain date; defining certain terms; altering a certain definition; providing for the application of this Act; providing for the termination of a certain provision of this Act; and generally relating to certain ~~tax credits,~~ income tax credits, incentives, and workforce development programs. ~~exemptions, and other benefits for certain manufacturing businesses.~~

BY repealing and reenacting, without amendments,

Article – Economic Development

Section ~~1–101(a), (b), (c), and (f)~~ 1–101(a), (b), and (f), 3–402, and 6–101(a) and (e)

Annotated Code of Maryland

(2008 Volume and 2016 Supplement)

BY adding to

Article – Economic Development

Section ~~3–411(g)~~; and 6–801 through 6–809 to be under the new subtitle “Subtitle 8.
More Jobs for Marylanders Program”

Annotated Code of Maryland

(2008 Volume and 2016 Supplement)

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

~~Article – Corporations and Associations~~

~~Section 1–203.1~~

~~Annotated Code of Maryland~~

~~(2014 Replacement Volume and 2016 Supplement)~~

BY repealing and reenacting, with amendments,

Article – Corporations and Associations

Section 1–203.1

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article – Education

Section 18–101(a) through (c)

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

BY adding to

Article – Education

Section 18–3301 through 18–3304 to be under the new subtitle “Subtitle 33.
Workforce Development Sequence Scholarships”; and 21–204

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article – Labor and Employment

Section 11–102(a)

Annotated Code of Maryland

(2016 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Labor and Employment

Section 11–103

Annotated Code of Maryland

(2016 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 1–303(a), 10–210.1(a) and (b)(1) and (3)

Annotated Code of Maryland
(2016 Replacement Volume)

BY adding to

Article – Tax – General

~~Section 10-741 and 11-233 10-742~~

Section 1-303(h), 10-741, 10-742, and 11-411

Annotated Code of Maryland
(2016 Replacement Volume)

~~BY adding to~~

~~Article – Tax – Property~~

~~Section 9-110~~

~~Annotated Code of Maryland~~

~~(2012 Replacement Volume and 2016 Supplement)~~

BY adding to

Article – Tax – Property

Section 9-110

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

Article – Economic Development

1-101.

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

(b) “County” means a county of the State or Baltimore City.

(e) (1) “Qualified distressed county” means a county with:

(i) an average rate of unemployment for the most recent 24-month period for which data are available that exceeds 150% of the average rate of unemployment for the State during that period; [or]

(II) AN AVERAGE RATE OF UNEMPLOYMENT FOR THE MOST RECENT 24-MONTH PERIOD FOR WHICH DATA ARE AVAILABLE THAT EXCEEDS THE AVERAGE RATE OF UNEMPLOYMENT IN THE STATE BY AT LEAST 2 PERCENTAGE POINTS; OR

~~[(ii)] (III) an average per capita personal income for the most recent 24-month period for which data are available that is equal to or less than 67% of the average per capita personal income for the State during that period.~~

~~(2) “Qualified distressed county” includes a county that:~~

~~(i) no longer meets either criterion stated in paragraph (1) of this subsection; but~~

~~(ii) has met at least one of the criteria at some time during the preceding 24-month period.~~

~~(e) (1) “Qualified distressed county” means a county with:~~

~~(i) an average rate of unemployment for the most recent 24-month period for which data are available that exceeds 150% of the average rate of unemployment for the State during that period; or~~

~~(ii) an average per capita personal income for the most recent 24-month period for which data are available that is equal to or less than 67% of the average per capita personal income for the State during that period.~~

~~(2) “Qualified distressed county” includes a county that:~~

~~(i) no longer meets either criterion stated in paragraph (1) of this subsection; but~~

~~(ii) has met at least one of the criteria at some time during the preceding 24-month period.~~

(f) “Secretary” means the Secretary of Commerce.

3-402.

There is a Partnership for Workforce Quality Program in the Department.

3-411.

(G) THE GOVERNOR SHALL INCLUDE IN THE STATE BUDGET FOR EACH FISCAL YEAR AN APPROPRIATION OF AT LEAST \$1,000,000 FOR THE PARTNERSHIP FOR WORKFORCE QUALITY PROGRAM.

6-101.

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

(e) “Qualified employee” means an employee filling a qualified position.

SUBTITLE 8. MORE JOBS FOR MARYLANDERS PROGRAM.**6-801.**

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

(B) “BENEFIT YEAR” MEANS A TAXABLE YEAR IN WHICH A QUALIFIED BUSINESS ENTITY CLAIMS ~~A~~ THE A PROGRAM BENEFIT ESTABLISHED UNDER § 6-805 OF THIS SUBTITLE.

(C) (1) “BUSINESS ENTITY” MEANS A PERSON CONDUCTING OR OPERATING A TRADE OR BUSINESS THAT IS PRIMARILY ENGAGED IN ACTIVITIES THAT, IN ACCORDANCE WITH THE NORTH AMERICAN INDUSTRIAL CLASSIFICATION SYSTEM (NAICS), UNITED STATES MANUAL, UNITED STATES OFFICE OF MANAGEMENT AND BUDGET, 2012 EDITION, WOULD BE INCLUDED IN SECTOR 31, 32, OR 33.

(2) “BUSINESS ENTITY” DOES NOT INCLUDE A REFINER, AS DEFINED IN § 10-101 OF THE BUSINESS REGULATION ARTICLE.

(D) “ELIGIBLE PROJECT” MEANS A FACILITY OPERATED BY A BUSINESS ENTITY IN ~~A QUALIFIED DISTRESSED COUNTY. ALLEGANY COUNTY, BALTIMORE CITY, DORCHESTER COUNTY, GARRETT COUNTY, SOMERSET COUNTY, WICOMICO COUNTY, OR WORCESTER COUNTY OR ON A SITE THAT IS AT LEAST 3,000 ACRES AND IS NOT LOCATED WITHIN ALLEGANY COUNTY, DORCHESTER COUNTY, GARRETT COUNTY, SOMERSET COUNTY, WICOMICO COUNTY, OR WORCESTER COUNTY~~ A TIER I COUNTY OR TIER II COUNTY.

(E) “EXISTING BUSINESS ENTITY” MEANS A BUSINESS ENTITY THAT IS LOCATED IN THE STATE AT THE TIME IT NOTIFIES THE DEPARTMENT UNDER § 6-803(C) OF THIS SUBTITLE.

(F) “NEW BUSINESS ENTITY” MEANS A BUSINESS ENTITY THAT IS NOT LOCATED IN THE STATE AT THE TIME IT NOTIFIES THE DEPARTMENT UNDER § 6-803(B) OF THIS SUBTITLE.

(G) “PROGRAM” MEANS THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED UNDER THIS SUBTITLE.

(H) “QUALIFIED BUSINESS ENTITY” MEANS A NEW BUSINESS ENTITY OR AN EXISTING BUSINESS ENTITY OPERATING AN ELIGIBLE PROJECT UNDER THIS SUBTITLE.

~~(I) “QUALIFIED INCOME” MEANS A QUALIFIED BUSINESS ENTITY’S INCOME ATTRIBUTABLE TO ACTIVITIES AT AN ELIGIBLE PROJECT.~~

~~(J)~~ (I) (1) “QUALIFIED POSITION” MEANS A POSITION THAT:

(I) IS FULL-TIME AND OF INDEFINITE DURATION;

(II) PAYS AT LEAST ~~150% OF THE FEDERAL~~ 120% OF THE STATE MINIMUM WAGE;

(III) IS LOCATED IN A FACILITY;

(IV) IS NEWLY CREATED AT A SINGLE FACILITY IN THE STATE;

AND

(V) IS FILLED.

(2) “QUALIFIED POSITION” DOES NOT INCLUDE A POSITION THAT IS:

(I) CREATED WHEN AN EMPLOYMENT FUNCTION IS SHIFTED FROM AN EXISTING FACILITY OF A BUSINESS ENTITY IN THE STATE TO ANOTHER FACILITY OF THE SAME BUSINESS ENTITY IF THE POSITION IS NOT A NET NEW JOB IN THE STATE;

(II) CREATED THROUGH A CHANGE IN OWNERSHIP OF A TRADE OR BUSINESS;

(III) CREATED THROUGH A CONSOLIDATION, MERGER, OR RESTRUCTURING OF A BUSINESS ENTITY IF THE POSITION IS NOT A NET NEW JOB IN THE STATE;

(IV) CREATED WHEN AN EMPLOYMENT FUNCTION IS CONTRACTUALLY SHIFTED FROM AN EXISTING BUSINESS ENTITY TO ANOTHER BUSINESS ENTITY IN THE STATE IF THE POSITION IS NOT A NET NEW JOB IN THE STATE; OR

(V) FILLED FOR A PERIOD OF LESS THAN 12 MONTHS.

(J) “TIER I COUNTY” MEANS:

(1) A QUALIFIED DISTRESSED COUNTY, AS DEFINED IN § 1-101 OF THIS ARTICLE; OR

(2) A COUNTY DESIGNATED BY THE DEPARTMENT THAT IS NOT A COUNTY DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION, NOT TO EXCEED 3 COUNTIES.

(K) "TIER II COUNTY" MEANS A COUNTY THAT IS NOT A COUNTY DESCRIBED IN SUBSECTION (J) OF THIS SECTION.

6-802.

~~(A) THERE IS A MORE JOBS FOR MARYLANDERS PROGRAM IN THE DEPARTMENT.~~

~~(B) A BUSINESS ENTITY THAT IS RECEIVING BENEFITS UNDER THE ONE MARYLAND TAX CREDIT PROGRAM, THE JOB CREATION TAX CREDIT PROGRAM, THE ENTERPRISE ZONE PROGRAM, OR ANY OTHER JOBS-BASED TAX BENEFIT PROGRAM ADMINISTERED BY THE DEPARTMENT, IS NOT ELIGIBLE TO SIMULTANEOUSLY RECEIVE BENEFITS UNDER THE PROGRAM.~~

6-803.

(A) A BUSINESS ENTITY MAY APPLY TO THE DEPARTMENT TO ENROLL AN ELIGIBLE PROJECT IN THE PROGRAM IF THE ELIGIBLE PROJECT:

(1) IS IN A TIER I COUNTY AND THE BUSINESS ENTITY INTENDS TO CREATE AT LEAST FIVE QUALIFIED POSITIONS AT THE PROJECT LOCATION; OR

(2) IS IN A TIER II COUNTY AND THE BUSINESS ENTITY INTENDS TO CREATE AT LEAST 10 QUALIFIED POSITIONS AT THE PROJECT LOCATION.

(B) (1) A NEW BUSINESS ENTITY MAY NOT BE CERTIFIED AS A QUALIFIED BUSINESS ENTITY UNLESS THE NEW BUSINESS ENTITY:

(I) NOTIFIES THE DEPARTMENT OF ITS INTENT TO SEEK DESIGNATION OF AN ELIGIBLE PROJECT BEFORE ESTABLISHING ITS FACILITY IN THE STATE; AND

(II) OFFERS AN ONGOING JOB SKILLS ENHANCEMENT TRAINING PROGRAM OR POSTSECONDARY EDUCATION PROGRAM THAT IS APPROVED BY THE DEPARTMENT.

(2) THE DEPARTMENT MAY CERTIFY A NEW BUSINESS ENTITY AS A QUALIFIED BUSINESS ENTITY AFTER THE NEW BUSINESS ENTITY PROVIDES THE REQUIRED NOTICE UNDER PARAGRAPH ~~(1)~~ (1)(I) OF THIS SUBSECTION, APPLIES TO THE DEPARTMENT UNDER PARAGRAPH (3) OF THIS SUBSECTION, AND ESTABLISHES

AND OPERATES ~~A FACILITY IN A QUALIFIED DISTRESSED COUNTY~~ AN ELIGIBLE PROJECT.

(3) A NEW BUSINESS ENTITY SHALL SUBMIT TO THE DEPARTMENT AN APPLICATION CONTAINING AT LEAST THE FOLLOWING INFORMATION:

(I) THE ANTICIPATED DATE OF THE ESTABLISHMENT AND INITIAL OPERATION OF THE FACILITY AND THE NATURE OF ITS OPERATIONS;

(II) THE EXPECTED LOCATION OF THE FACILITY;

(III) ~~THE ESTIMATED NUMBER, PAYROLL, AND TYPE OF EMPLOYEES TO BE HIRED AT THE FACILITY;~~ THE ESTIMATED NUMBER OF QUALIFIED POSITIONS TO BE CREATED AND QUALIFIED EMPLOYEES TO BE HIRED AND THE ANTICIPATED PAYROLL OF THE NEW QUALIFIED EMPLOYEES; AND

(IV) ANY OTHER INFORMATION THE DEPARTMENT REQUIRES.

(c) (1) AN EXISTING BUSINESS ENTITY MAY APPLY TO BE CERTIFIED AS A QUALIFIED BUSINESS ENTITY IF THE EXISTING BUSINESS ENTITY INCREASES THE NUMBER OF QUALIFIED POSITIONS ~~AT~~ AS REQUIRED UNDER SUBSECTION (A) OF THIS SECTION FOR AN ELIGIBLE PROJECT IN A TIER I OR TIER II COUNTY ~~A FACILITY LOCATED IN A QUALIFIED DISTRESSED COUNTY~~ AN ELIGIBLE PROJECT.

(2) AN EXISTING BUSINESS ENTITY MAY NOT BE CERTIFIED AS A QUALIFIED BUSINESS ENTITY UNLESS THE BUSINESS ENTITY:

(I) NOTIFIES THE DEPARTMENT OF ITS INTENT TO SEEK DESIGNATION OF AN ELIGIBLE PROJECT PRIOR TO HIRING ANY EMPLOYEES TO FILL THE QUALIFIED POSITIONS NECESSARY TO MEET THE REQUIREMENTS OF THIS SUBTITLE; AND

(II) OFFERS AN ONGOING JOB SKILLS ENHANCEMENT TRAINING PROGRAM OR POSTSECONDARY EDUCATION PROGRAM THAT IS APPROVED BY THE DEPARTMENT.

(3) AN EXISTING BUSINESS ENTITY SHALL SUBMIT AN APPLICATION TO THE DEPARTMENT CONTAINING AT LEAST THE FOLLOWING INFORMATION:

(I) THE NUMBER OF FULL-TIME EMPLOYEES EXISTING BEFORE THE EXPANSION AND THE PAYROLL OF THE EXISTING EMPLOYEES;

(II) THE ESTIMATED NUMBER OF QUALIFIED POSITIONS TO BE CREATED AND QUALIFIED EMPLOYEES TO BE HIRED AND THE ANTICIPATED PAYROLL OF THE NEW QUALIFIED EMPLOYEES; AND

(III) ANY OTHER INFORMATION THAT THE DEPARTMENT REQUIRES.

~~(4)~~ (D) A BUSINESS ENTITY MUST BEGIN HIRING THE EMPLOYEES TO FILL THE QUALIFIED POSITIONS NECESSARY TO MEET THE REQUIREMENTS OF THIS SUBTITLE WITHIN 12 MONTHS AFTER IT NOTIFIES THE DEPARTMENT OF ITS INTENT TO SEEK DESIGNATION OF AN ELIGIBLE PROJECT.

6-804.

(A) THE PROGRAM ~~BENEFITS BENEFIT~~ BENEFITS AUTHORIZED UNDER THIS SECTION MAY BE CLAIMED BY A QUALIFIED BUSINESS ENTITY FOR UP TO 10 CONSECUTIVE BENEFIT YEARS.

~~(B) SUBJECT TO SUBSECTION (D) (C) OF THIS SECTION, ON ENROLLMENT IN THE PROGRAM, A NEW OR EXISTING BUSINESS ENTITY IS ELIGIBLE FOR:~~

(B) ON ENROLLMENT IN THE PROGRAM:

(1) A NEW BUSINESS ENTITY IN A TIER I COUNTY IS ELIGIBLE FOR:

~~(1)~~ (I) A CREDIT AGAINST THE STATE INCOME TAX, ESTABLISHED UNDER § 10-741(B) OF THE TAX – GENERAL ARTICLE;³

(II) A CREDIT AGAINST THE STATE PROPERTY TAX, ESTABLISHED UNDER § 9-110 OF THE TAX – PROPERTY ARTICLE;

(III) A REFUND OF SALES AND USE TAX PAID DURING THE IMMEDIATELY PRECEDING TAXABLE YEAR, AS PROVIDED UNDER § 11-411 OF THE TAX – GENERAL ARTICLE; AND

(IV) A WAIVER OF FEES CHARGED BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION, ESTABLISHED UNDER § 1-203.1 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE; AND

(2) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, AN EXISTING BUSINESS ENTITY THAT OPERATES AN ELIGIBLE PROJECT IS ELIGIBLE FOR A CREDIT AGAINST THE STATE INCOME TAX, ESTABLISHED UNDER § 10-741(B) OF THE TAX – GENERAL ARTICLE.

(C) THE INCOME TAX CREDIT ESTABLISHED UNDER § 10-741(B) OF THE TAX – GENERAL ARTICLE IS NOT AVAILABLE TO AN EXISTING BUSINESS ENTITY IF THE ENTITY MOVES ITS FACILITY TO ANOTHER COUNTY IN THE STATE ON OR AFTER JUNE 1, 2017.

~~(2) A CREDIT AGAINST THE STATE PROPERTY TAX, ESTABLISHED UNDER § 9-110 OF THE TAX – PROPERTY ARTICLE;~~

~~(3) AN EXEMPTION FROM THE SALES AND USE TAX, ESTABLISHED UNDER § 11-233 OF THE TAX – GENERAL ARTICLE; AND~~

~~(4) A WAIVER OF FEES CHARGED BY THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION, ESTABLISHED UNDER § 1-203.1 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE.~~

~~(C) SUBJECT TO SUBSECTION (D) OF THIS SECTION, ON ENROLLMENT IN THE PROGRAM, AN EXISTING BUSINESS ENTITY IS ELIGIBLE FOR A CREDIT AGAINST THE STATE INCOME TAX, ESTABLISHED UNDER § 10-741(C) OF THE TAX – GENERAL ARTICLE.~~

~~(D) (C) (D) IF THE NUMBER OF QUALIFIED POSITIONS AT THE ELIGIBLE PROJECT DECREASES TO A NUMBER EQUAL TO OR LESS THAN THE NUMBER ESTABLISHED IN THE FIRST BENEFIT YEAR, THE PROJECT SHALL BE REMOVED FROM THE PROGRAM AND ALL PROGRAM BENEFITS TERMINATE THE PROGRAM BENEFIT TERMINATES ALL PROGRAM BENEFITS TERMINATE.~~

6-805.

(A) THE DEPARTMENT SHALL PROVIDE TO A QUALIFIED BUSINESS ENTITY A CERTIFICATE THAT:

(1) CERTIFIES THE ELIGIBLE PROJECT THAT IS ENROLLED IN THE PROGRAM;

~~(2) CERTIFIES THE PROGRAM BENEFITS THE QUALIFIED BUSINESS ENTITY MAY CLAIM;~~

~~(3) (2) PROVIDES THE DURATION OF THE CERTIFICATION; AND~~

~~(4) (3) PROVIDES ANY ADDITIONAL INFORMATION NECESSARY FOR THE COMPTROLLER AND DEPARTMENT TO ADMINISTER THE PROGRAM.~~

(B) THE DEPARTMENT MAY NOT PROVIDE A QUALIFIED BUSINESS ENTITY A CERTIFICATE ON OR AFTER JUNE 1, 2020.

6-806.

(A) THE DEPARTMENT MAY REVOKE ITS CERTIFICATION UNDER THIS SUBTITLE, IN WHOLE OR IN PART, IF ANY REPRESENTATION MADE BY A QUALIFIED BUSINESS ENTITY IS DETERMINED BY THE DEPARTMENT TO HAVE BEEN FALSE WHEN MADE.

(B) IF THE DEPARTMENT REVOKES ITS CERTIFICATION AS PROVIDED UNDER SUBSECTION (A) OF THIS SECTION, THE COMPTROLLER MAY MAKE AN ASSESSMENT AGAINST THE QUALIFIED BUSINESS ENTITY TO RECAPTURE ANY AMOUNT OF A TAX CREDIT, ~~AN EXEMPTION, OR ANY OTHER BENEFIT~~ OR ANY OTHER BENEFIT THAT THE QUALIFIED BUSINESS ENTITY HAS RECEIVED.

6-807.

(A) THE DEPARTMENT MAY REQUIRE THAT ANY INFORMATION PROVIDED UNDER THIS SUBTITLE BE VERIFIED BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT THAT THE QUALIFIED BUSINESS ENTITY AND THE DEPARTMENT SELECT.

(B) (1) ACCEPTANCE BY A QUALIFIED BUSINESS ENTITY OF THE PROGRAM ~~BENEFITS~~ BENEFIT BENEFITS UNDER THIS SUBTITLE SHALL BE DEEMED TO AUTHORIZE THE COMPTROLLER TO SHARE WITH THE DEPARTMENT ANY INFORMATION RECEIVED FROM A QUALIFIED BUSINESS ENTITY ABOUT ELIGIBILITY FOR ~~A~~ THE A BENEFIT ALLOWED UNDER THIS SUBTITLE.

(2) INFORMATION THAT IS RECEIVED BY THE DEPARTMENT OR COMPTROLLER UNDER PARAGRAPH (1) OF THIS SUBSECTION IS SUBJECT TO CONFIDENTIALITY REQUIREMENTS ESTABLISHED BY LAW.

6-808.

THE SECRETARY MAY ~~ESTABLISH~~ ADOPT ANY REGULATION NECESSARY AND APPROPRIATE TO CARRY OUT THIS SUBTITLE.

6-809.

ON OR BEFORE DECEMBER 1 EACH YEAR, THE DEPARTMENT SHALL REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, ON THE QUALIFIED BUSINESS ENTITIES RECEIVING FINAL CERTIFICATION IN THE PRECEDING FISCAL YEAR.

1-203.1.

(A) With the exception of the recording fee to be paid when the Department accepts articles of incorporation for record, a volunteer fire company or volunteer rescue squad incorporated in this State is not subject to any of the recording, filing, or special fees enumerated in § 1-203 of this subtitle.

(B) A QUALIFIED BUSINESS ENTITY THAT IS A NEW BUSINESS ENTITY IN A TIER I COUNTY, AS DEFINED UNDER THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE, IS NOT SUBJECT TO THE FEES ENUMERATED IN § 1-203 OF THIS SUBTITLE.

~~Article – Corporations and Associations~~~~1-203.1.~~

~~(A) With the exception of the recording fee to be paid when the Department accepts articles of incorporation for record, a volunteer fire company or volunteer rescue squad incorporated in this State is not subject to any of the recording, filing, or special fees enumerated in § 1-203 of this subtitle.~~

~~(B) A QUALIFIED BUSINESS ENTITY THAT IS A NEW BUSINESS ENTITY, AS DEFINED UNDER THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE, IS NOT SUBJECT TO THE FEES ENUMERATED IN § 1-203 OF THIS SUBTITLE.~~

Article – Education18-101.

- (a) In this title the following words have the meanings indicated.
- (b) “Commission” means the Maryland Higher Education Commission.
- (c) “Office” means the Office of Student Financial Assistance.

SUBTITLE 33. WORKFORCE DEVELOPMENT SEQUENCE SCHOLARSHIPS.18-3301.

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

- (B) “ELIGIBLE STUDENT” MEANS A STUDENT WHO:**

(1) IS A MARYLAND RESIDENT OR HAS GRADUATED FROM A MARYLAND HIGH SCHOOL; AND

(2) IS ENROLLED IN A WORKFORCE DEVELOPMENT SEQUENCE AT A PUBLIC COMMUNITY COLLEGE IN THE STATE.

(C) (1) "WORKFORCE DEVELOPMENT SEQUENCE" MEANS A PROGRAM OFFERED BY A COMMUNITY COLLEGE THAT IS APPROVED BY THE COMMISSION AND IS COMPOSED OF COURSES THAT ARE RELATED TO:

(I) JOB PREPARATION OR AN APPRENTICESHIP;

(II) LICENSURE OR CERTIFICATION; OR

(III) JOB SKILL ENHANCEMENT.

(2) "WORKFORCE DEVELOPMENT SEQUENCE" DOES NOT INCLUDE A SEQUENCE OF COURSES LEADING TO AN ASSOCIATE'S OR BACHELOR'S DEGREE.

(D) "WORKFORCE DEVELOPMENT SEQUENCE SCHOLARSHIP" MEANS AN AWARD MADE TO AN ELIGIBLE STUDENT UNDER THIS SUBTITLE.

18-3302.

THERE IS A WORKFORCE DEVELOPMENT SEQUENCE SCHOLARSHIP ADMINISTERED BY THE OFFICE.

18-3303.

(A) AN INDIVIDUAL MAY APPLY TO THE OFFICE FOR A SCHOLARSHIP UNDER THIS SECTION IF THE INDIVIDUAL IS AN ELIGIBLE STUDENT.

(B) AN ELIGIBLE STUDENT WHO RECEIVES A WORKFORCE DEVELOPMENT SEQUENCE SCHOLARSHIP UNDER THIS SUBTITLE MAY USE THE AWARD FOR TUITION, MANDATORY FEES, AND OTHER ASSOCIATED COSTS OF ATTENDANCE.

(C) THE ANNUAL AMOUNT OF A SCHOLARSHIP AWARDED TO AN ELIGIBLE STUDENT MAY NOT EXCEED \$2,000.

(D) THE GOVERNOR SHALL PROVIDE IN THE ANNUAL BUDGET AN APPROPRIATION OF AT LEAST ~~\$2,000,000~~ \$1,000,000 TO THE COMMISSION FOR THE WORKFORCE DEVELOPMENT SEQUENCE SCHOLARSHIP.

18-3304.

ON OR BEFORE DECEMBER 1 EACH YEAR, THE COMMISSION SHALL REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, ON:

(1) THE NUMBER OF STUDENTS WHO RECEIVED A WORKFORCE DEVELOPMENT SEQUENCE SCHOLARSHIP;

(2) THE AMOUNT OF THE AWARD MADE TO EACH RECIPIENT;

(3) THE COMMUNITY COLLEGE THAT THE RECIPIENT ATTENDED; AND

(4) THE WORKFORCE DEVELOPMENT SEQUENCE IN WHICH THE RECIPIENT ENROLLED.

21-204.

(A) ON OR BEFORE DECEMBER 1, 2017, THE STATE BOARD, IN CONSULTATION WITH THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION AND THE GOVERNOR'S WORKFORCE DEVELOPMENT BOARD, SHALL ESTABLISH, FOR EACH YEAR FOR 2018 THROUGH 2024, INCLUSIVE, STATEWIDE GOALS THAT REACH ~~THE GOAL IDENTIFIED IN SUBSECTION (C) OF THIS SECTION~~ 45% BY JANUARY 1, 2025, FOR THE PERCENTAGES OF HIGH SCHOOL GRADUATES TO STUDENTS WHO, PRIOR TO GRADUATION:

(1) COMPLETE ~~EACH~~ A CAREER AND TECHNICAL EDUCATION (CTE) PROGRAM; ~~AND~~

(2) EARN INDUSTRY-RECOGNIZED OCCUPATIONAL OR SKILL CREDENTIALS; OR

(3) COMPLETE A REGISTERED YOUTH OR OTHER APPRENTICESHIP.

(B) ON OR BEFORE DECEMBER 1, 2017, THE MARYLAND LONGITUDINAL DATA SYSTEM CENTER AND THE GOVERNOR'S WORKFORCE DEVELOPMENT BOARD SHALL DEVELOP ANNUAL INCOME EARNINGS GOALS FOR HIGH SCHOOL GRADUATES WHO HAVE NOT EARNED AT LEAST A 2-YEAR COLLEGE DEGREE BY AGE 25.

~~IT IS THE GOAL OF THE STATE THAT, ON OR BEFORE JANUARY 1, 2025, AT LEAST 45% OF THE STUDENTS DESCRIBED UNDER SUBSECTION (A) OF THIS SECTION SHALL SUCCESSFULLY COMPLETE A CTE PROGRAM OR EARN INDUSTRY RECOGNIZED OCCUPATIONAL OR SKILL CREDENTIALS BEFORE LEAVING HIGH SCHOOL.~~

~~(D)~~ ON OR BEFORE DECEMBER 1, 2017, THE STATE BOARD SHALL DEVELOP A METHOD TO CONSIDER A STUDENT'S ATTAINMENT OF A STATE-APPROVED INDUSTRY CREDENTIAL OR COMPLETION OF AN APPRENTICESHIP PROGRAM AS EQUIVALENT TO EARNING A SCORE OF 3 OR BETTER ON AN ADVANCED PLACEMENT EXAMINATION FOR PURPOSES OF THE MARYLAND ACCOUNTABILITY PROGRAM ESTABLISHED BY THE DEPARTMENT IF THE STUDENT:

(1) (I) WAS ENROLLED IN THE STATE-APPROVED CTE PROGRAM AT THE CONCENTRATOR LEVEL OR HIGHER; AND

(II) SUCCESSFULLY EARNED THE CREDENTIAL ALIGNED WITH THE STATE-APPROVED CTE PROGRAM; OR

(2) SUCCESSFULLY COMPLETED A YOUTH OR OTHER APPRENTICESHIP TRAINING PROGRAM APPROVED BY THE MARYLAND APPRENTICESHIP TRAINING COUNCIL IN ACCORDANCE WITH § 11-405 OF THE LABOR AND EMPLOYMENT ARTICLE.

~~(E)~~ (D) ON OR BEFORE DECEMBER 1, 2017, AND DECEMBER 1 OF EACH YEAR THEREAFTER, THE STATE BOARD SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE PROGRESS TOWARD ATTAINING THE GOALS ESTABLISHED BY THE STATE BOARD IN ACCORDANCE WITH SUBSECTION (A) OF THIS SECTION AND THE GOALS ESTABLISHED UNDER SUBSECTION (B) OF THIS SECTION.

Article – Labor and Employment

11-102.

(a) There is a Division of Workforce Development and Adult Learning within the Department of Labor, Licensing, and Regulation.

11-103.

(a) The Division shall:

(1) promote apprenticeship and training programs;

(2) administer job training, placement, and service programs;

(3) implement the provisions of the federal Workforce Innovation and Opportunity Act;

(4) administer adult education and literacy services programs;

(5) conduct educational and job skills training programs in adult correctional facilities;

(6) oversee any other units established pursuant to State or federal employment, training, or manpower statutes;

(7) administer those programs assigned to the Division by law or designated by the Secretary; and

(8) administer any community service employment programs delegated to the State under Title V of the federal Older Americans Act of 1965.

(b) The Division shall meet and confer on a regular basis with representatives of the State's community colleges, appointed by the Maryland Association of Community Colleges, and the adult education community, appointed by the Maryland Association for Adult Continuing and Community Education, to assure that adult education and literacy services and job training activities and resources are effectively coordinated.

(C) THE DIVISION SHALL PARTNER WITH STATE DEPARTMENTS AND THEIR EXCLUSIVE REPRESENTATIVES TO IDENTIFY, BEFORE JANUARY 1, 2018, OPPORTUNITIES TO CREATE REGISTERED APPRENTICESHIP PROGRAMS TO HELP ADDRESS THE CAREER WORKFORCE NEEDS OF THOSE DEPARTMENTS.

(D) IN ACCORDANCE WITH THE IDENTIFICATION OF APPRENTICESHIP PROGRAMS UNDER SUBSECTION (C) OF THIS SECTION, THE DIVISION SHALL IDENTIFY OPPORTUNITIES TO CREATE REGISTERED APPRENTICESHIP PROGRAMS, INCLUDING GOALS FOR THE NUMBER OF APPRENTICESHIPS REGISTERED EACH YEAR, TO HELP ADDRESS THE CAREER WORKFORCE NEEDS OF THE STATE.

Article – Tax – General

1-303.

(a) An evaluation shall be made of the tax credits on or before the dates specified in subsections (b) through [(e)] (H) of this section.

(H) ON OR BEFORE JULY 1, 2021, AN EVALUATION SHALL BE MADE OF THE TAX CREDIT UNDER § 10-741 OF THIS ARTICLE AND THE SALES AND USE TAX REFUND UNDER § 11-411 OF THIS ARTICLE (MORE JOBS FOR MARYLANDERS TAX CREDIT).

10-741.

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

(2) “BUSINESS ENTITY” HAS THE MEANING STATED IN § 6–801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

~~(3)~~ “DEPARTMENT” MEANS THE DEPARTMENT OF COMMERCE.

~~(3)~~ ~~(4)~~ “ELIGIBLE PROJECT” HAS THE MEANING STATED IN § 6–801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

~~(4)~~ ~~(5)~~ “EXISTING BUSINESS ENTITY” HAS THE MEANING STATED IN § 6–801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

~~(5)~~ ~~(6)~~ “NEW BUSINESS ENTITY” HAS THE MEANING STATED IN § 6–801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

~~(6)~~ ~~(7)~~ “QUALIFIED BUSINESS ENTITY” HAS THE MEANING STATED IN § 6–801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

~~(7)~~ ~~“QUALIFIED DISTRESSED COUNTY” HAS THE MEANING STATED IN § 1–101(E) OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(8)~~ ~~“QUALIFIED INCOME” HAS THE MEANING STATED IN § 6–801 OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(9)~~ ~~(7)~~ ~~(8)~~ “QUALIFIED POSITION” HAS THE MEANING STATED IN § 6–801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

~~(9)~~ “TIER I COUNTY” HAS THE MEANING STATED IN § 6–801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

~~(10)~~ “TIER II COUNTY” HAS THE MEANING STATED IN § 6–801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

~~(B)~~ ~~AN INDIVIDUAL OR CORPORATION THAT IS A NEW BUSINESS ENTITY AND A QUALIFIED BUSINESS ENTITY MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX APPLICABLE TO ALL QUALIFIED INCOME OF THE ENTITY DURING THE TAXABLE YEAR.~~

~~(C)~~ ~~(B)~~ (1) AN SUBJECT TO THE LIMITATIONS OF THIS SECTION, AN INDIVIDUAL OR CORPORATION THAT IS A NEW BUSINESS ENTITY THAT OPERATES AN ELIGIBLE PROJECT IN A TIER I COUNTY OR AN EXISTING BUSINESS ENTITY AND A QUALIFIED BUSINESS ENTITY THAT OPERATES AN ELIGIBLE PROJECT MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX EQUAL TO THE AMOUNT PROVIDED UNDER PARAGRAPH (3) (2) OF THIS SUBSECTION STATED IN THE FINAL TAX CREDIT CERTIFICATE APPROVED BY THE DEPARTMENT FOR AN ELIGIBLE PROJECT.

(2) THE AMOUNT OF THE CREDIT AUTHORIZED UNDER PARAGRAPH (1) OF THIS SUBSECTION IS EQUAL TO THE PRODUCT OF:

(I) THE STATE EMPLOYER WITHHOLDING AMOUNT, WHICH IS EQUAL TO THE HIGHEST TAX RATE LISTED IN § 10-105(A) OF THIS TITLE; AND

(II) THE TOTAL AMOUNT OF WAGES PAID FOR EACH QUALIFIED POSITION AT AN ELIGIBLE PROJECT.

(3) IF THE TAX CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR EXCEEDS THE TOTAL TAX OTHERWISE PAYABLE BY THE QUALIFIED BUSINESS ENTITY FOR THAT TAXABLE YEAR, THE QUALIFIED BUSINESS ENTITY MAY CLAIM A REFUND IN THE AMOUNT OF THE EXCESS.

~~(3) FOR ANY TAXABLE YEAR, THE CREDIT UNDER THIS PARAGRAPH MAY NOT EXCEED THE AMOUNT OF QUALIFIED INCOME OF THE ENTITY.~~

~~(D)(C) (1) THE UNUSED AMOUNT OF A CREDIT AUTHORIZED UNDER THIS SECTION MAY NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.~~

~~(2) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR EXCEEDS THE STATE INCOME TAX FOR THAT TAXABLE YEAR, AN INDIVIDUAL OR A CORPORATION MAY CLAIM A REFUND IN THE AMOUNT OF THE EXCESS.~~

(C) (1) ON ENROLLMENT IN THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE, A QUALIFIED BUSINESS ENTITY SHALL APPLY TO THE DEPARTMENT FOR A TAX CREDIT CERTIFICATE.

(2) THE APPLICATION SHALL BE IN THE FORM AND SHALL CONTAIN THE INFORMATION THE DEPARTMENT REQUIRES.

(3) (I) SUBJECT TO SUBSECTIONS (D) AND (E) OF THIS SECTION, THE DEPARTMENT MAY ISSUE A TAX CREDIT CERTIFICATE TO A QUALIFIED BUSINESS ENTITY IN AN AMOUNT NOT TO EXCEED THE AMOUNT DETERMINED UNDER SUBSECTION (B)(2) OF THIS SECTION.

(II) IN DETERMINING THE ALLOCATION OF THE AGGREGATE TAX CREDIT AMOUNTS AVAILABLE IN A FISCAL YEAR AS PROVIDED UNDER SUBSECTION (D) OF THIS SECTION, THE DEPARTMENT SHALL GIVE PRIORITY TO APPLICATIONS FOR ELIGIBLE PROJECTS IN A TIER I COUNTY, AS DEFINED UNDER § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(D) (1) IN THIS SUBSECTION, "RESERVE FUND" MEANS THE MORE JOBS FOR MARYLANDERS TAX CREDIT RESERVE FUND ESTABLISHED UNDER PARAGRAPH (2) OF THIS SUBSECTION.

(2) (I) THERE IS A MORE JOBS FOR MARYLANDERS TAX CREDIT RESERVE FUND THAT IS A SPECIAL CONTINUING, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(II) THE MONEY IN THE RESERVE FUND SHALL BE INVESTED AND REINVESTED BY THE TREASURER, AND INTEREST AND EARNINGS SHALL BE CREDITED TO THE GENERAL FUND.

(3) (I) SUBJECT TO THE LIMITATIONS OF THIS SUBSECTION, THE DEPARTMENT SHALL ISSUE AN INITIAL TAX CREDIT CERTIFICATE IN AN AMOUNT EQUAL TO A PERCENTAGE OF TOTAL WAGES PAID FOR EACH QUALIFIED POSITION AT AN ELIGIBLE PROJECT AS CALCULATED UNDER SUBSECTION (B)(2) OF THIS SECTION.

(II) AN INITIAL TAX CREDIT CERTIFICATE ISSUED UNDER THIS SUBSECTION SHALL STATE THE MAXIMUM AMOUNT OF TAX CREDIT FOR WHICH THE QUALIFIED BUSINESS ENTITY IS ELIGIBLE.

(III) 1. EXCEPT AS OTHERWISE PROVIDED IN THIS SUBPARAGRAPH, FOR ANY FISCAL YEAR, THE DEPARTMENT MAY NOT ISSUE INITIAL TAX CREDIT CERTIFICATES FOR CREDIT AMOUNTS IN THE AGGREGATE TOTALING MORE THAN \$9,000,000 IN A FISCAL YEAR.

2. IF THE AGGREGATE CREDIT AMOUNTS UNDER INITIAL TAX CREDIT CERTIFICATES ISSUED IN A FISCAL YEAR TOTAL LESS THAN THE MAXIMUM PROVIDED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, ANY EXCESS AMOUNT SHALL REMAIN IN THE RESERVE FUND AND MAY BE ISSUED UNDER INITIAL TAX CREDIT CERTIFICATES FOR THE NEXT FISCAL YEAR.

3. FOR ANY FISCAL YEAR, IF FUNDS ARE TRANSFERRED FROM THE RESERVE FUND UNDER THE AUTHORITY OF ANY PROVISION OF LAW OTHER THAN UNDER PARAGRAPH (4) OF THIS SUBSECTION, THE MAXIMUM CREDIT AMOUNTS IN THE AGGREGATE FOR WHICH THE DEPARTMENT MAY ISSUE INITIAL TAX CREDIT CERTIFICATES SHALL BE REDUCED BY THE AMOUNT TRANSFERRED.

(IV) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION TO THE RESERVE FUND IN AN AMOUNT THAT IS NO LESS THAN THE AMOUNT THE DEPARTMENT REPORTS IS NECESSARY UNDER SUBSECTION (E) OF THIS SECTION TO:

1. MAINTAIN THE CURRENT LEVEL OF MANUFACTURING ACTIVITY IN THE STATE; AND

2. ATTRACT NEW MANUFACTURING ACTIVITY TO THE STATE.

(V) NOTWITHSTANDING THE PROVISIONS OF § 7-213 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, THE GOVERNOR MAY NOT REDUCE AN APPROPRIATION TO THE RESERVE FUND IN THE STATE BUDGET AS APPROVED BY THE GENERAL ASSEMBLY.

(VI) BASED ON AN AMOUNT EQUAL TO A PERCENTAGE OF THE TOTAL ACTUAL WAGES PAID FOR EACH QUALIFIED POSITION AT AN ELIGIBLE PROJECT AS CALCULATED UNDER SUBSECTION (B)(2) OF THIS SECTION, THE DEPARTMENT SHALL ISSUE A FINAL TAX CREDIT CERTIFICATE TO THE QUALIFIED BUSINESS ENTITY.

(4) (I) EXCEPT AS PROVIDED IN THIS PARAGRAPH, MONEY APPROPRIATED TO THE RESERVE FUND SHALL REMAIN IN THE FUND.

(II) 1. WITHIN 15 DAYS AFTER THE END OF EACH CALENDAR QUARTER, THE DEPARTMENT SHALL NOTIFY THE COMPTROLLER AS TO EACH FINAL CREDIT CERTIFICATE ISSUED DURING THE QUARTER:

A. THE MAXIMUM CREDIT AMOUNT STATED IN THE INITIAL TAX CREDIT CERTIFICATE FOR THE QUALIFIED BUSINESS ENTITY; AND

B. THE FINAL CERTIFIED CREDIT AMOUNT FOR THE QUALIFIED BUSINESS ENTITY.

2. ON NOTIFICATION THAT A FINAL CREDIT AMOUNT HAS BEEN CERTIFIED, THE COMPTROLLER SHALL TRANSFER AN AMOUNT EQUAL TO THE CREDIT AMOUNT STATED IN THE INITIAL TAX CREDIT CERTIFICATE FOR THE QUALIFIED BUSINESS ENTITY FROM THE RESERVE FUND TO THE GENERAL FUND.

(E) ON OR BEFORE JULY 1 EACH YEAR, THE DEPARTMENT SHALL REPORT TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE AMOUNT OF TAX CREDITS NECESSARY TO:

(1) MAINTAIN THE CURRENT LEVEL OF MANUFACTURING ACTIVITY IN THE STATE; AND

(2) ATTRACT NEW MANUFACTURING ACTIVITY TO THE STATE.

(F) THE DEPARTMENT AND THE COMPTROLLER JOINTLY SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION AND TO SPECIFY CRITERIA AND PROCEDURES FOR THE APPLICATION FOR, APPROVAL OF, AND MONITORING OF CONTINUING ELIGIBILITY FOR THE TAX CREDIT UNDER THIS SECTION.

11-411.

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

(2) "BUSINESS ENTITY" HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(3) "DEPARTMENT" MEANS THE DEPARTMENT OF COMMERCE.

(4) "ELIGIBLE PROJECT" HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(5) "NEW BUSINESS ENTITY" HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(6) "PROGRAM" MEANS THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(7) "QUALIFIED BUSINESS ENTITY" MEANS A NEW BUSINESS ENTITY OPERATING AN ELIGIBLE PROJECT UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(8) "QUALIFIED PERSONAL PROPERTY OR SERVICES" MEANS PERSONAL PROPERTY OR SERVICES PURCHASED FOR USE AT AN ELIGIBLE PROJECT BY A QUALIFIED BUSINESS ENTITY THAT IS ENROLLED IN THE PROGRAM.

(9) "RESERVE FUND" MEANS THE MORE JOBS FOR MARYLANDERS SALES AND USE TAX REFUND RESERVE FUND ESTABLISHED UNDER THIS SECTION.

(B) EXCEPT AS PROVIDED IN § 6-805(B) OF THE ECONOMIC DEVELOPMENT ARTICLE AND SUBJECT TO SUBSECTION (C) OF THIS SECTION, A QUALIFIED BUSINESS ENTITY IS ENTITLED TO A REFUND FOR THE AMOUNT OF SALES AND USE TAX PAID BY THE QUALIFIED BUSINESS ENTITY DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR FOR A SALE OF QUALIFIED PERSONAL PROPERTY OR

SERVICES MADE ON OR AFTER JANUARY 1, 2018, IF THE QUALIFIED PERSONAL PROPERTY OR SERVICES ARE PURCHASED BY THE QUALIFIED BUSINESS ENTITY SOLELY FOR USE AT AN ELIGIBLE PROJECT WHILE THE PROJECT IS ENROLLED IN THE PROGRAM.

(C) A QUALIFIED BUSINESS ENTITY MAY CLAIM THE REFUND AUTHORIZED UNDER SUBSECTION (B) OF THIS SECTION BY:

(1) ON OR AFTER JANUARY 1 OF THE CALENDAR YEAR IMMEDIATELY FOLLOWING THE PURCHASE OF THE QUALIFIED PERSONAL PROPERTY OR SERVICES, FILING A CLAIM FOR REFUND WITH THE DEPARTMENT; AND

(2) PROVIDING THE DEPARTMENT ANY EVIDENCE THAT THE DEPARTMENT REQUIRES BY REGULATION.

(D) (1) THERE IS A MORE JOBS FOR MARYLANDERS SALES AND USE TAX REFUND RESERVE FUND THAT IS A SPECIAL CONTINUING, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE MONEY IN THE RESERVE FUND SHALL BE INVESTED AND REINVESTED BY THE STATE TREASURER, AND INTEREST AND EARNINGS SHALL BE CREDITED TO THE GENERAL FUND.

(3) THE DEPARTMENT SHALL ISSUE A REFUND IN AN AMOUNT EQUAL TO THE AMOUNT CLAIMED BY THE QUALIFIED BUSINESS ENTITY UNDER SUBSECTION (C) OF THIS SECTION.

(4) (I) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBPARAGRAPH, FOR ANY FISCAL YEAR, THE DEPARTMENT MAY NOT ISSUE SALES AND USE TAX REFUNDS IN AMOUNTS IN THE AGGREGATE TOTALING MORE THAN \$1,000,000 IN A FISCAL YEAR.

(II) IF THE AGGREGATE AMOUNT OF SALES AND USE TAX REFUNDS ISSUED IN A FISCAL YEAR TOTALS LESS THAN THE MAXIMUM PROVIDED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, ANY EXCESS AMOUNT SHALL BE TRANSFERRED TO THE MORE JOBS FOR MARYLANDERS TAX CREDIT RESERVE FUND ESTABLISHED UNDER § 10-741 OF THIS ARTICLE.

(III) FOR ANY FISCAL YEAR, IF FUNDS ARE TRANSFERRED FROM THE RESERVE FUND UNDER AUTHORITY OF ANY PROVISION OF LAW, THE MAXIMUM AMOUNTS IN THE AGGREGATE FOR WHICH THE DEPARTMENT MAY ISSUE SALES AND USE TAX REFUNDS SHALL BE REDUCED BY THE AMOUNT TRANSFERRED.

(5) FOR FISCAL YEAR 2019 AND EACH FISCAL YEAR THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION TO THE RESERVE FUND.

(6) NOTWITHSTANDING THE PROVISIONS OF § 7-213 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, THE GOVERNOR MAY NOT REDUCE AN APPROPRIATION TO THE RESERVE FUND IN THE STATE BUDGET AS APPROVED BY THE GENERAL ASSEMBLY.

(E) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION AND TO SPECIFY CRITERIA AND PROCEDURES FOR THE APPLICATION FOR, APPROVAL OF, AND MONITORING OF CONTINUING ELIGIBILITY FOR SALES AND USE TAX REFUNDS UNDER THIS SECTION.

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

Article – Tax – General

10-742.

(A) IN THIS SECTION, “ELIGIBLE APPRENTICE” MEANS AN INDIVIDUAL WHO:

(1) IS ENROLLED IN AN APPRENTICESHIP TRAINING PROGRAM REGISTERED WITH THE MARYLAND APPRENTICESHIP AND TRAINING COUNCIL IN ACCORDANCE WITH § 11-405 OF THE LABOR AND EMPLOYMENT ARTICLE; AND

(2) HAS BEEN EMPLOYED BY THE TAXPAYER FOR AT LEAST 7 FULL MONTHS OF THE TAXABLE YEAR.

(B) SUBJECT TO THE LIMITATIONS OF THIS SECTION, A TAXPAYER MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR THE FIRST YEAR OF EMPLOYMENT OF AN ELIGIBLE APPRENTICE.

(C) (1) FOR ANY TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED THE LESSER OF:

(I) \$1,000 FOR EACH ELIGIBLE APPRENTICE; OR

(II) THE STATE INCOME TAX IMPOSED FOR THE TAXABLE YEAR CALCULATED BEFORE THE APPLICATION OF THE CREDITS ALLOWED UNDER THIS SECTION AND UNDER §§ 10-701 AND 10-701.1 OF THIS SUBTITLE BUT AFTER THE APPLICATION OF ANY OTHER CREDIT ALLOWED UNDER THIS SUBTITLE.

(2) IF THE CREDIT OTHERWISE ALLOWABLE UNDER SUBSECTION (B) OF THIS SECTION EXCEEDS THE LIMIT UNDER PARAGRAPH (1) OF THIS SUBSECTION, AN INDIVIDUAL MAY APPLY THE EXCESS AS A CREDIT AGAINST THE STATE INCOME TAX FOR SUCCEEDING TAXABLE YEARS UNTIL THE FULL AMOUNT OF THE EXCESS IS USED.

(3) FOR ANY TAXABLE YEAR, THE TOTAL AMOUNT OF CREDITS APPROVED BY THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION UNDER THIS SECTION MAY NOT EXCEED \$500,000.

(D) A TAXPAYER CLAIMING THE CREDIT ALLOWED UNDER THIS SECTION SHALL ATTACH TO THE TAXPAYER'S RETURN, FOR EACH ELIGIBLE APPRENTICE FOR WHICH THE CREDIT IS CLAIMED, PROOF OF:

(1) THE ENROLLMENT OF THE ELIGIBLE APPRENTICE IN A REGISTERED APPRENTICESHIP PROGRAM; AND

(2) THE DURATION OF THE ELIGIBLE APPRENTICE'S EMPLOYMENT BY THE TAXPAYER.

(E) THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION 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.

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Tax – Property

9–110.

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

(2) “BUSINESS ENTITY” HAS THE MEANING STATED IN § 6–801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(3) “ELIGIBLE PROJECT” HAS THE MEANING STATED IN § 6–801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(4) “NEW BUSINESS ENTITY” HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(5) “QUALIFIED BUSINESS ENTITY” MEANS A NEW BUSINESS ENTITY OPERATING AN ELIGIBLE PROJECT IN A TIER I COUNTY, AS DEFINED UNDER § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(6) “QUALIFIED PROPERTY” MEANS REAL PROPERTY WHERE AN ELIGIBLE PROJECT IS LOCATED.

(B) (1) THERE IS A CREDIT AGAINST THE STATE PROPERTY TAX UNDER THIS SECTION IMPOSED ON REAL PROPERTY OWNED BY A QUALIFIED BUSINESS ENTITY ENROLLED IN THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(2) THE PROPERTY TAX CREDIT PROVIDED UNDER THIS SECTION IS EQUAL TO 100% OF ALL STATE PROPERTY TAX THAT IS DUE.

(3) THE PROPERTY TAX CREDIT PROVIDED UNDER THIS SECTION DOES NOT AFFECT THE AMOUNT OF THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON THE PROPERTY.

(C) BY JUNE 15 EACH YEAR, THE DEPARTMENT SHALL SUBMIT TO THE DEPARTMENT OF COMMERCE A LIST THAT INCLUDES:

(1) THE LOCATION OF EACH QUALIFIED PROPERTY;

(2) THE AMOUNT OF THE BASE YEAR VALUE FOR EACH QUALIFIED PROPERTY; AND

(3) THE AMOUNT OF THE STATE PROPERTY TAX ASSESSED AGAINST EACH QUALIFIED PROPERTY.

~~11-233.~~

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

~~(2) “BUSINESS ENTITY” HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(3) “ELIGIBLE PROJECT” HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(4) “NEW BUSINESS ENTITY” HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(5) “PROGRAM” MEANS THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(6) “QUALIFIED BUSINESS ENTITY” MEANS A NEW BUSINESS ENTITY OPERATING AN ELIGIBLE PROJECT UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(7) “QUALIFIED PERSONAL PROPERTY OR SERVICES” MEANS PERSONAL PROPERTY OR SERVICES PURCHASED FOR USE AT AN ELIGIBLE PROJECT BY A QUALIFIED BUSINESS ENTITY THAT IS ENROLLED IN THE PROGRAM.~~

~~(B) THE SALES AND USE TAX DOES NOT APPLY TO A SALE OF QUALIFIED PERSONAL PROPERTY OR SERVICES IF:~~

~~(1) THE QUALIFIED PERSONAL PROPERTY OR SERVICES ARE PURCHASED BY THE QUALIFIED BUSINESS ENTITY SOLELY FOR USE AT AN ELIGIBLE PROJECT WHILE THE PROJECT IS ENROLLED IN THE PROGRAM; AND~~

~~(2) THE QUALIFIED BUSINESS ENTITY PROVIDES THE VENDOR WITH A CERTIFICATE OF EXEMPTION ISSUED BY THE COMPTROLLER IN THE SAME CALENDAR YEAR IN WHICH THE EXEMPTION IS SOUGHT.~~

~~(C) (1) EACH YEAR, THE DEPARTMENT OF COMMERCE SHALL PROVIDE A LIST TO THE COMPTROLLER OF QUALIFIED BUSINESS ENTITIES THAT ARE ELIGIBLE FOR THE EXEMPTION AUTHORIZED UNDER THIS SECTION FOR THAT CALENDAR YEAR.~~

~~(2) EACH YEAR, THE COMPTROLLER SHALL ISSUE SALES AND USE TAX EXEMPTION CERTIFICATES TO ELIGIBLE QUALIFIED BUSINESS ENTITIES, DISPLAYING AN EXPIRATION DATE THAT IS THE LAST DAY OF THE CALENDAR YEAR OF ISSUANCE.~~

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

~~Article Tax Property~~

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

~~(2) "BUSINESS ENTITY" HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(3) "ELIGIBLE PROJECT" HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(4) "NEW BUSINESS ENTITY" HAS THE MEANING STATED IN § 6-801 OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(5) "QUALIFIED BUSINESS ENTITY" MEANS A NEW BUSINESS ENTITY OPERATING AN ELIGIBLE PROJECT UNDER THIS SUBTITLE.~~

~~(6) "QUALIFIED PROPERTY" MEANS REAL PROPERTY WHERE AN ELIGIBLE PROJECT IS LOCATED.~~

~~(B) (1) THERE IS A CREDIT AGAINST THE STATE PROPERTY TAX UNDER THIS SECTION IMPOSED ON REAL PROPERTY OWNED BY A QUALIFIED BUSINESS ENTITY ENROLLED IN THE MORE JOBS FOR MARYLANDERS PROGRAM ESTABLISHED UNDER TITLE 6, SUBTITLE 8 OF THE ECONOMIC DEVELOPMENT ARTICLE.~~

~~(2) THE PROPERTY TAX CREDIT PROVIDED UNDER THIS SECTION IS EQUAL TO 100% OF ALL STATE PROPERTY TAX THAT IS DUE.~~

~~(3) THE PROPERTY TAX CREDIT PROVIDED UNDER THIS SECTION DOES NOT AFFECT THE AMOUNT OF THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON THE PROPERTY.~~

~~(C) BY JUNE 15 EACH YEAR, THE DEPARTMENT SHALL SUBMIT TO THE DEPARTMENT OF COMMERCE A LIST THAT INCLUDES:~~

~~(1) THE LOCATION OF EACH QUALIFIED PROPERTY;~~

~~(2) THE AMOUNT OF THE BASE YEAR VALUE FOR EACH QUALIFIED PROPERTY; AND~~

~~(3) THE AMOUNT OF THE STATE PROPERTY TAX ASSESSED AGAINST EACH QUALIFIED PROPERTY.~~

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Tax – General

10–210.1.

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

(2) “Depreciation” includes any deduction allowed under § 179 of the Internal Revenue Code.

(3) “Heavy duty SUV” means a 4–wheeled vehicle that:

(i) is manufactured primarily for use on public streets, roads, and highways;

(ii) is rated at more than 6,000 but not more than 14,000 pounds gross vehicle weight; and

(iii) would be a passenger automobile as defined in § 280F of the Internal Revenue Code if it were rated at 6,000 pounds gross vehicle weight or less.

(4) (I) “MANUFACTURING ENTITY” MEANS A PERSON CONDUCTING OR OPERATING A TRADE OR BUSINESS THAT IS PRIMARILY ENGAGED IN ACTIVITIES THAT, IN ACCORDANCE WITH THE NORTH AMERICAN INDUSTRIAL CLASSIFICATION SYSTEM (NAICS), UNITED STATES MANUAL, UNITED STATES OFFICE OF MANAGEMENT AND BUDGET, 2012 EDITION, WOULD BE INCLUDED IN SECTOR 31, 32, OR 33.

(II) “MANUFACTURING ENTITY” DOES NOT INCLUDE A REFINER, AS DEFINED IN § 10–101 OF THE BUSINESS REGULATION ARTICLE.

(b) In addition to the modifications under §§ 10–204 through 10–210 of this subtitle, to determine Maryland adjusted gross income of an individual:

(1) **(I) EXCEPT AS PROVIDED IN ITEM (II) OF THIS ITEM,** an amount is added to or subtracted from federal adjusted gross income to reflect the determination of the depreciation deduction provided under § 167(a) of the Internal Revenue Code and the adjusted basis of property without regard to the additional allowance under § 168(k) of the Internal Revenue Code; **AND**

(II) ITEM (I) OF THIS ITEM DOES NOT APPLY TO PROPERTY PLACED IN SERVICE BY A MANUFACTURING ENTITY ON OR AFTER JANUARY 1, 2019;

(3) **(I) EXCEPT AS PROVIDED IN ITEM (II) OF THIS ITEM,** an amount is added to or subtracted from federal adjusted gross income to reflect the determination of the maximum aggregate costs that the taxpayer may treat as an expense under § 179 of

the Internal Revenue Code for any taxable year without regard to any changes made to that section after December 31, 2002:

[(i)] 1. increasing above \$25,000 the dollar limitation set forth in § 179(b)(1) of the Internal Revenue Code; or

[(ii)] 2. increasing above \$200,000 the phase-out threshold set forth in § 179(b)(2) of the Internal Revenue Code; AND

(II) ITEM (I) OF THIS ITEM DOES NOT APPLY TO PROPERTY THAT IS PLACED IN SERVICE BY A MANUFACTURING ENTITY ON OR AFTER JANUARY 1, 2019;

SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That the State Department of Education, the Department of Labor, Licensing, and Regulation, and the Maryland Longitudinal Data System Center jointly shall determine ways to expand and analyze available data, including participation in career and technology education courses, relating to individuals who participate in registered apprenticeship training programs. On or before September 1, 2017, the State Department of Education and the Department of Labor, Licensing, and Regulation jointly shall report to the General Assembly, in accordance with § 2-1246 of the State Government Article, regarding the results of the discussions and determinations made under this section.

SECTION ~~5~~ 6. AND BE IT FURTHER ENACTED, That the Department of Labor, Licensing, and Regulation shall explore ways to combine the Youth Apprenticeship Pilot Program with the Apprenticeship and Training Program. On or before December 1, 2018, the Department shall report to the General Assembly, in accordance with § 2-1246 of the State Government Article, regarding its findings and recommendations in this regard.

SECTION ~~6~~ 7. AND BE IT FURTHER ENACTED, That:

(a) The General Assembly finds that the widespread adoption of tax subsidies intended to move jobs from one state to another reduces revenues in all participating states without increasing the total number and quality of jobs. Therefore, the Governor should work with the chief executive officers of Delaware, the District of Columbia, North Carolina, Pennsylvania, Virginia, and West Virginia to negotiate an agreement among all of these states by July 1, 2018, for the repeal of any law in each state that provides a tax subsidy, including any tax credit, deduction, exemption, or other modification, that is intended to create new jobs or entice new jobs to the state. The agreement shall specify the laws of each state that allow for such a tax subsidy and shall provide that each state will adopt legislation to repeal those laws, contingent on the enactment of the corresponding legislation by each of the other states. In connection with the agreement, the executives shall propose approaches for ensuring continuing compliance with the terms of the agreement. On or before September 15, 2018, the Governor shall report to the Senate Budget and Taxation Committee and the House Committee on Ways and Means, in

accordance with § 2–1246 of the State Government Article, on the status of reaching an agreement.

(b) If the agreement under subsection (a) of this section is not reached by September 15, 2018, the Governor shall include in the report alternatives to encourage agreement among the respective states, including but not limited to, increasing the amount of the job creation tax credit.

SECTION ~~4~~ ~~7~~ 8. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall be applicable to all taxable years beginning after December 31, ~~2016~~ 2017.

SECTION ~~5~~ ~~8~~ 9. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, 2017, and shall be applicable to all taxable years beginning after ~~June 30, 2017~~ December 31, 2016, but before January 1, 2020. It shall remain effective for a period of 3 years and, at the end of June 30, 2020, with no further action required by the General Assembly, Section 2 of this Act shall be abrogated and of no further force and effect.

SECTION 10. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall be applicable to all taxable years beginning after June 30, 2017.

SECTION ~~6~~ ~~9~~ 11. AND BE IT FURTHER ENACTED, That Section ~~3~~ 4 of this Act shall be applicable to all taxable years beginning after December 31, 2018.

SECTION ~~7~~ ~~10~~ 12. AND BE IT FURTHER ENACTED, That, except as provided in Section ~~8~~ 9 of this Act, this Act shall take effect June 1, 2017.

Approved by the Governor, April 11, 2017.

Chapter 150

(House Bill 150)

Budget Bill

(Fiscal Year 2018)

AN ACT for the purpose of making the proposed appropriations contained in the State Budget for the fiscal year ending June 30, 2018, in accordance with Article III, Section 52 of the Maryland Constitution; and generally relating to appropriations and budgetary provisions made pursuant to that section.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That subject to the provisions hereinafter set forth and subject to the Public General Laws of Maryland relating to the Budget procedure, the several amounts hereinafter specified, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby

appropriated and authorized to be disbursed for the several purposes specified for the fiscal year beginning July 1, 2017, and ending June 30, 2018, as hereinafter indicated.

PAYMENTS TO CIVIL DIVISIONS OF THE STATE

A15000.01 Disparity Grants

General Fund Appropriation, provided that this appropriation shall be reduced by ~~\$8,443,550~~ \$2,414,665 contingent upon the enactment of legislation ~~level-funding the grants at the fiscal 2017 amount~~ *modifying the formula for disparity grants.*

Further provided that \$10,000,000 of this appropriation for Baltimore City may not be distributed as a grant to Baltimore City until the Maryland State Department of Education (MSDE) certifies that Baltimore City has appropriated for fiscal 2018 an additional \$10,000,000 for the Baltimore City Public Schools (BCPS) over the fiscal 2017 Maintenance of Effort appropriation. If MSDE does not certify that Baltimore City has appropriated an additional \$10,000,000 for the school system, then the funds may not be distributed as a grant to Baltimore City, and authority is hereby granted to transfer \$10,000,000 to R00A02.01 to be provided as a grant to BCPS. If the funds are not transferred for this purpose, then it may not be expended or transferred for any other purpose and shall revert to the General Fund at the end of the fiscal year.

Further provided that \$6,028,886 of the appropriation made for the purpose of disparity grants shall not be expended until each of the following jurisdictions certify that it will spend the following amounts, equal to what that particular jurisdiction receives in excess of the fiscal 2017 grant, to increase local spending on public schools above the amount required to meet maintenance of effort for fiscal 2018:

Baltimore City 946,445

<u>Cecil County</u>	<u>196,240</u>
<u>Prince George's County</u>	<u>4,245,462</u>
<u>Washington County</u>	<u>52,938</u>
<u>Wicomico County</u>	<u>587,801</u>

Further provided that on or before January 1, 2018, the Maryland State Department of Education shall submit certification to the budget committees to demonstrate that each jurisdiction has provided the appropriate increase in local spending on public schools above the amount required to meet maintenance of effort in order to have the funds released. **This increase shall not be included in the calculation of maintenance of effort for fiscal 2019 for each county.** The budget committees shall have 45 days to review and comment upon the receipt of the certification. These funds may not be transferred by budget amendment or otherwise to any other purpose, and if not expended shall revert to the General Fund

141,239,736

A15O00.02 Teacher Retirement Supplemental Grants General Fund Appropriation	27,658,661
A15O00.03 Miscellaneous Grants Special Fund Appropriation	1,040,803

SUMMARY

Total General Fund Appropriation	168,898,397
Total Special Fund Appropriation	1,040,803

Total Appropriation	169,939,200
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GENERAL ASSEMBLY OF MARYLAND

B75A01.01 Senate General Fund Appropriation	13,381,411
B75A01.02 House of Delegates General Fund Appropriation	25,258,604

B75A01.03 General Legislative Expenses	
General Fund Appropriation	1,028,412

DEPARTMENT OF LEGISLATIVE SERVICES

B75A01.04 Office of the Executive Director	
General Fund Appropriation	11,676,730

B75A01.05 Office of Legislative Audits	
General Fund Appropriation	14,367,809

B75A01.06 Office of Legislative Information Systems	
General Fund Appropriation	6,233,778

B75A01.07 Office of Policy Analysis	
General Fund Appropriation	18,605,930

SUMMARY

Total General Fund Appropriation	90,552,674
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JUDICIARY

Provided that \$6,257,414 in general funds for employee merit salary increases is reduced. The Chief Judge is authorized to allocate the reduction across the Judiciary.

Further provided that ~~\$3,913,974~~ ~~\$1,000,000~~ **\$2,000,000** in general funds is reduced. The Chief Judge shall allocate this reduction across the Judiciary.

C00A00.01 Court of Appeals	
General Fund Appropriation	11,778,805
C00A00.02 Court of Special Appeals	
General Fund Appropriation	12,737,667 12,701,614
C00A00.03 Circuit Court Judges	
General Fund Appropriation	70,287,550 70,018,662

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C00A00.04 District Court
 General Fund Appropriation, provided that \$8,500,000 of the general fund appropriation may be expended only for the purpose of providing attorneys for required representation at initial appearances before District Court commissioners consistent with the holding of the Court of Appeals in DeWolfe v. Richmond. Any funds not expended for this purpose shall revert to the General Fund.

Further provided that \$1,500,000 of the general fund appropriation for the Appointed Attorney Program is reduced contingent upon the failure of SB 714.

Further provided that 19.0 new regular

positions for District Court Commissioners shall be created contingent upon the enactment of SB 714. Further provided that these funds may not be used for the Appointed Attorney Program, but instead are restricted to be used for the implementation of SB 714 and that any funds not used for the restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund

~~191,769,037~~
~~188,393,617~~
190,286,174

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C00A00.06 Administrative Office of the Courts

General Fund Appropriation	68,767,932	
	<u>68,698,457</u>	
Special Fund Appropriation	17,000,000	
Federal Fund Appropriation	57,485	85,825,417
		<u>85,755,942</u>

C00A00.07 Court Related Agencies

General Fund Appropriation		3,370,718
		<u>3,352,692</u>

C00A00.08 State Law Library

General Fund Appropriation	3,538,469	
	<u>3,520,758</u>	
Special Fund Appropriation	9,400	3,547,869
		<u>3,530,158</u>

C00A00.09 Judicial Information Systems

General Fund Appropriation	43,487,993	
	<u>43,087,969</u>	
	43,464,803	
	<u>43,276,386</u>	
Special Fund Appropriation	8,700,234	52,188,227

51,788,203
52,165,037
51,976,620

C00A00.10 Clerks of the Circuit Court		
General Fund Appropriation, provided that <u>this appropriation is reduced by \$4,056,251</u> <u>\$3,056,251. The Chief Judge shall allocate</u> <u>the reduction across the Clerks of the</u> <u>Circuit Court program</u>	99,432,611 98,971,676	
Special Fund Appropriation	21,240,776 21,191,205	120,673,387 120,162,881

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C00A00.12 Major Information Technology Development Projects	
Special Fund Appropriation	19,433,053

SUMMARY

Total General Fund Appropriation	502,605,224
Total Special Fund Appropriation	66,333,892
Total Federal Fund Appropriation	57,485
	568,996,601
	568,996,601

OFFICE OF THE PUBLIC DEFENDER

C80B00.01 General Administration	
General Fund Appropriation	7,339,270
C80B00.02 District Operations	
General Fund Appropriation	89,028,640
Special Fund Appropriation	263,762
	89,292,402

Funds are appropriated in other agency

budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C80B00.03 Appellate and Inmate Services		
General Fund Appropriation		6,601,079
C80B00.04 Involuntary Institutionalization Services		
General Fund Appropriation		1,442,046

SUMMARY

Total General Fund Appropriation		104,411,035
Total Special Fund Appropriation		263,762
		<hr/>
Total Appropriation		104,674,797
		<hr/> <hr/>

OFFICE OF THE ATTORNEY GENERAL

C81C00.01 Legal Counsel and Advice		
General Fund Appropriation	5,287,171	
Special Fund Appropriation	1,823,953	7,111,124
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Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C81C00.04 Securities Division		
General Fund Appropriation		2,772,040
C81C00.05 Consumer Protection Division		
Special Fund Appropriation		6,024,695

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C81C00.06 Antitrust Division

General Fund Appropriation		912,044
C81C00.09 Medicaid Fraud Control Unit		
General Fund Appropriation	1,184,909	
Federal Fund Appropriation	3,553,963	4,738,872
	<hr/>	
C81C00.10 People’s Insurance Counsel Division		
Special Fund Appropriation		601,954
C81C00.12 Juvenile Justice Monitoring Program		
General Fund Appropriation		609,878
C81C00.14 Civil Litigation Division		
General Fund Appropriation	2,593,554	
Special Fund Appropriation	485,429	3,078,983
	<hr/>	
<p>Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.</p>		
C81C00.15 Criminal Appeals Division		
General Fund Appropriation		2,941,336
C81C00.16 Criminal Investigation Division		
General Fund Appropriation		1,839,753
<p>Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.</p>		
C81C00.17 Educational Affairs Division		
General Fund Appropriation		362,470
C81C00.18 Correctional Litigation Division		
General Fund Appropriation		340,705
C81C00.20 Contract Litigation Division		
<p>Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.</p>		

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

C81C00.21 Mortgage Foreclosure Settlement Program	
Special Fund Appropriation	507,520

SUMMARY

Total General Fund Appropriation	18,843,860
Total Special Fund Appropriation	9,443,551
Total Federal Fund Appropriation	3,553,963
	<hr/>
Total Appropriation	31,841,374
	<hr/> <hr/>

OFFICE OF THE STATE PROSECUTOR

C82D00.01 General Administration	
General Fund Appropriation	1,483,361
	<hr/> <hr/>

MARYLAND TAX COURT

C85E00.01 Administration and Appeals	
General Fund Appropriation	628,302
	<hr/> <hr/>

PUBLIC SERVICE COMMISSION

C90G00.01 General Administration and Hearings	
Special Fund Appropriation	24,859,321
	<u>18,627,394</u>

C90G00.02 Telecommunications, Gas, and Water Division	
Special Fund Appropriation	536,910

C90G00.03 Engineering Investigations	
Special Fund Appropriation	1,469,092
Federal Fund Appropriation	560,912
	<hr/>
	2,030,004

C90G00.04 Accounting Investigations

Special Fund Appropriation	693,833
C90G00.05 Common Carrier Investigations Special Fund Appropriation	1,884,234
C90G00.06 Washington Metropolitan Area Transit Commission Special Fund Appropriation	415,117
C90G00.07 Electricity Division Special Fund Appropriation	555,979
C90G00.08 Public Utility Law Judge Special Fund Appropriation	956,202
C90G00.09 Staff Counsel Special Fund Appropriation	1,106,960
C90G00.10 Energy Analysis and Planning Division Special Fund Appropriation	757,636

SUMMARY

Total Special Fund Appropriation	27,003,357
Total Federal Fund Appropriation	560,912
	<hr/>
Total Appropriation	27,564,269
	<hr/> <hr/>

OFFICE OF THE PEOPLE'S COUNSEL

C91H00.01 General Administration Special Fund Appropriation	4,068,831
	<hr/> <hr/>

SUBSEQUENT INJURY FUND

C94I00.01 General Administration Special Fund Appropriation	2,354,242
	<hr/> <hr/>

UNINSURED EMPLOYERS' FUND

C96J00.01 General Administration Special Fund Appropriation, <i>provided that</i> <i><u>PIN 092697 administrative manager senior</u></i>	
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I position shall be abolished and this appropriation reduced by \$105,900 to eliminate associated salary and fringe benefits of this position. The incumbent in this position may fill a currently authorized position

1,699,513

WORKERS' COMPENSATION COMMISSION

C98F00.01 General Administration

Special Fund Appropriation

14,720,894

C98F00.02 Major Information Technology

Development Projects

Special Fund Appropriation

1,575,000

SUMMARY

Total Special Fund Appropriation

16,295,894

BOARD OF PUBLIC WORKS

D05E01.01 Administration Office	
General Fund Appropriation	940,196
 D05E01.02 Contingent Fund	
To the Board of Public Works to be used by the Board in its judgment (1) for supplementing appropriations made in the budget for fiscal 2018 when the regular appropriations are insufficient for the operating expenses of the government beyond those that are contemplated at the time of the appropriation of the budget for this fiscal year, or (2) for any other contingencies that might arise within the State or other governmental agencies during the fiscal year or any other purposes provided by law, when adequate provision for such contingencies or purposes has not been made in this budget.	
General Fund Appropriation	500,000
 D05E01.05 Wetlands Administration	
General Fund Appropriation	229,215
 D05E01.10 Miscellaneous Grants to Private Non-Profit Groups	
General Fund Appropriation	6,021,136
 To provide annual grants to private groups and sponsors that have statewide implications and merit State support.	
Council of State Governments	166,927
Historic Annapolis Foundation	789,000
Maryland Zoo in Baltimore	4,815,209
Western Maryland Scenic Railroad	250,000

SUMMARY

Total General Fund Appropriation	7,690,547
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EXECUTIVE DEPARTMENT – GOVERNOR

D10A01.01 General Executive Direction and Control

General Fund Appropriation	11,348,501	
Special Fund Appropriation	36,000	11,384,501
	<hr/>	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

OFFICE OF THE DEAF AND HARD OF HEARING

D11A04.01 Executive Direction		
General Fund Appropriation		401,976
		<hr/> <hr/>

DEPARTMENT OF DISABILITIES

D12A02.01 General Administration		
General Fund Appropriation	3,405,531	
Special Fund Appropriation	323,137	
Federal Fund Appropriation	8,836,227	12,564,895
	<hr/>	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

MARYLAND ENERGY ADMINISTRATION

D13A13.01 General Administration		
Special Fund Appropriation	4,497,060	
Federal Fund Appropriation	737,385	5,234,445
	<hr/>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D13A13.02 The Jane E. Lawton Conservation Loan Program – Capital Appropriation		
Special Fund Appropriation		850,000

D13A13.03 State Agency Loan Program – Capital Appropriation Special Fund Appropriation		1,700,000
D13A13.06 Energy Efficiency and Conservation Programs, Low and Moderate Income Residential Sector Special Fund Appropriation		7,000,000
D13A13.07 Energy Efficiency and Conservation Programs, All Other Sectors Special Fund Appropriation	7,785,000	
Federal Fund Appropriation	2,500	7,787,500

D13A13.08 Renewable and Clean Energy Programs and Initiatives Special Fund Appropriation, <u>provided that \$1,200,000 of this appropriation made for the purpose of the Electric Vehicle Recharging Equipment Rebate Program is contingent on the enactment of HB 406 or SB 315, which extends the electric vehicle recharging equipment rebate program beyond fiscal 2017.</u>		
<u>Further provided that \$1,500,000 of this appropriation made for the purpose of the Maryland Energy Innovation Fund is contingent on the enactment of HB 410 or SB 313, which creates the Maryland Energy Innovation Institute and the Maryland Energy Innovation Fund</u>		35,000,000

SUMMARY

Total Special Fund Appropriation		56,832,060
Total Federal Fund Appropriation		739,885
		<hr/>
Total Appropriation		57,571,945
		<hr/> <hr/>

BOARDS, COMMISSIONS, AND OFFICES

D15A05.01 Survey Commissions General Fund Appropriation		130,000
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D15A05.03 Office of Minority Affairs			
General Fund Appropriation			1,396,271
 D15A05.05 Governor's Office of Community Initiatives			
General Fund Appropriation	2,458,459	<u>2,414,003</u>	
Special Fund Appropriation	296,162		
Federal Fund Appropriation	5,349,549		8,104,170
			<u>8,059,714</u>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D15A05.06 State Ethics Commission			
General Fund Appropriation	947,324		
Special Fund Appropriation	309,824		1,257,148

D15A05.07 Health Care Alternative Dispute Resolution Office			
General Fund Appropriation	386,813		
Special Fund Appropriation	32,929		419,742

D15A05.16 Governor's Office of Crime Control and Prevention			
General Fund Appropriation, provided that this appropriation shall be reduced by \$465,142 contingent upon the enactment of legislation reducing the required appropriation for State Aid for Police Protection to level fund aid at the fiscal 2017 amount	106,748,918		
Special Fund Appropriation	2,240,823		
Federal Fund Appropriation	49,067,086		158,056,827

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for

operating expenses in this program.

D15A05.20 State Commission on Criminal Sentencing Policy		
General Fund Appropriation		499,535
D15A05.22 Governor’s Grants Office		
General Fund Appropriation	378,656	
Special Fund Appropriation	49,652	428,308

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D15A05.23 State Labor Relations Board		
General Fund Appropriation		340,469

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D15A05.24 Contract Appeals Resolution		
General Fund Appropriation		705,001

SUMMARY

Total General Fund Appropriation		113,946,990
Total Special Fund Appropriation		2,929,390
Total Federal Fund Appropriation		54,416,635
		<hr/>
Total Appropriation		171,293,015
		<hr/> <hr/>

SECRETARY OF STATE

D16A06.01 Office of the Secretary of State
 General Fund Appropriation, **provided that, contingent on the enactment of SB 1023, \$50,000 of this appropriation intended for the Office of the Secretary of State may not be expended until the**

Secretary of State submits a report to the House Appropriations Committee, the House Ways and Means Committee, the Senate Budget and Taxation Committee and the Senate Education, Health and Environmental Affairs Committee on how the Office intends to reach out to other states to advocate for an independent redistricting process similar to that proposed in SB 1023. The report shall be submitted by December 1, 2017, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not received

	1,971,685	
Special Fund Appropriation	884,623	2,856,308
	<hr/>	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

HISTORIC ST. MARY'S CITY COMMISSION

D17B01.51 Administration		
General Fund Appropriation	2,667,518	
Special Fund Appropriation	837,171	3,504,689
	<hr/>	<hr/> <hr/>

GOVERNOR'S OFFICE FOR CHILDREN

D18A18.01 Governor's Office for Children		
General Fund Appropriation		1,929,325
		<u>1,829,325</u>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

BOARD OF PUBLIC WORKS – INTERAGENCY COMMITTEE
ON SCHOOL CONSTRUCTION

D25E03.01 General Administration
General Fund Appropriation 2,076,902

DEPARTMENT OF AGING

D26A07.01 General Administration
General Fund Appropriation ~~2,731,999~~
2,530,707
Special Fund Appropriation 550,548
Federal Fund Appropriation ~~2,211,253~~ 5,493,800
2,088,183 5,169,438

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D26A07.02 Senior Citizens Activities Centers
Operating Fund
General Fund Appropriation 764,003

D26A07.03 Community Services
General Fund Appropriation 19,894,653
Federal Fund Appropriation 27,348,210 47,242,863

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SUMMARY

Total General Fund Appropriation 23,189,363
Total Special Fund Appropriation 550,548
Total Federal Fund Appropriation 29,436,393

Total Appropriation 53,176,304

MARYLAND COMMISSION ON CIVIL RIGHTS

D27L00.01 General Administration		
General Fund Appropriation	2,574,501	
Federal Fund Appropriation	685,714	3,260,215

MARYLAND STADIUM AUTHORITY

D28A03.02 Maryland Stadium Facilities Fund		
Special Fund Appropriation		20,000,000
D28A03.55 Baltimore Convention Center		
General Fund Appropriation		6,692,678
D28A03.58 Ocean City Convention Center		
General Fund Appropriation		1,577,090
D28A03.59 Montgomery County Conference Center		
General Fund Appropriation		1,555,250
D28A03.60 Hippodrome Performing Arts Center		
General Fund Appropriation		1,393,768
D28A03.63 Office of Sports Marketing		

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D28A03.66 Baltimore City Public Schools		
Construction Financing Fund		
Special Fund Appropriation		20,000,000

D28A03.68 Baltimore City CORE

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SUMMARY

Total General Fund Appropriation		11,218,786
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Total Special Fund Appropriation		40,000,000
		<hr/>
Total Appropriation		51,218,786
		<hr/> <hr/>

STATE BOARD OF ELECTIONS

D38I01.01 General Administration			
General Fund Appropriation	4,483,555		
Special Fund Appropriation	109,106	4,592,661	
		<hr/>	
D38I01.02 Help America Vote Act			
General Fund Appropriation	3,017,331		
Special Fund Appropriation	7,477,695		
Federal Fund Appropriation	85,000	10,580,026	
		<hr/>	
D38I01.03 Major Information Technology Development Projects			
Special Fund Appropriation		4,455,521	
D38I01.04 Campaign Finance Fund			
General Fund Appropriation		1,032,852	
		<u>0</u>	

SUMMARY

Total General Fund Appropriation		7,500,886
Total Special Fund Appropriation		12,042,322
Total Federal Fund Appropriation		85,000
		<hr/>
Total Appropriation		19,628,208
		<hr/> <hr/>

DEPARTMENT OF PLANNING

D40W01.01 Operations Division		
General Fund Appropriation		2,878,189
D40W01.02 State Clearinghouse		
General Fund Appropriation		528,626
D40W01.03 Planning Data and Research		
General Fund Appropriation		2,270,494

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D40W01.04 Planning Coordination		
General Fund Appropriation	1,924,186	
Federal Fund Appropriation	50,709	1,974,895
	<hr/>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D40W01.07 Management Planning and Educational Outreach

~~Contingent upon enactment of HB 152 or SB 172 with a provision to repeal a grant to the Maryland Humanities Council, authorization to expend reimbursable funds is reduced by \$150,000.~~

General Fund Appropriation	1,491,615	
	<u>1,112,418</u>	
	<u>1,312,418</u>	
Special Fund Appropriation	3,221,675	
Federal Fund Appropriation	852,662	5,565,952
		<u>5,186,755</u>
	<hr/>	<u>5,386,755</u>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D40W01.08 Museum Services		
General Fund Appropriation	2,239,267	
Special Fund Appropriation	628,659	
Federal Fund Appropriation	84,678	2,952,604
	<hr/>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D40W01.09 Research Survey and Registration		
General Fund Appropriation	915,755	
Special Fund Appropriation	117,525	
Federal Fund Appropriation	332,117	1,365,397
	<hr/>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D40W01.10 Preservation Services		
General Fund Appropriation	757,176	
Special Fund Appropriation	396,258	
Federal Fund Appropriation	267,614	1,421,048
	<hr/>	

D40W01.11 Historic Preservation – Capital Appropriation		
Special Fund Appropriation		300,000

D40W01.12 Sustainable Communities Tax Credit		
General Fund Appropriation		9,000,000

SUMMARY

Total General Fund Appropriation		21,826,111
Total Special Fund Appropriation		4,664,117
Total Federal Fund Appropriation		1,587,780

Total Appropriation		28,078,008
		<hr/> <hr/>

MILITARY DEPARTMENT

MILITARY DEPARTMENT OPERATIONS AND MAINTENANCE

D50H01.01 Administrative Headquarters		
General Fund Appropriation	2,514,588	

Special Fund Appropriation	39,976	
Federal Fund Appropriation	390,478	2,945,042
	<hr/>	
D50H01.02 Air Operations and Maintenance		
General Fund Appropriation	765,629	
Federal Fund Appropriation	4,029,275	4,794,904
	<hr/>	
D50H01.03 Army Operations and Maintenance		
General Fund Appropriation	4,004,360	
Special Fund Appropriation	121,991	
Federal Fund Appropriation	9,340,169	13,466,520
	<hr/>	
D50H01.04 Capital Appropriation		
Federal Fund Appropriation		35,574,000
D50H01.05 State Operations		
General Fund Appropriation	3,042,292	
Federal Fund Appropriation	3,386,072	6,428,364
	<hr/>	
D50H01.06 Maryland Emergency Management Agency		
General Fund Appropriation	2,037,921	
Special Fund Appropriation	18,125,000	
Federal Fund Appropriation	34,766,091	54,929,012
	<hr/>	

SUMMARY

Total General Fund Appropriation		12,364,790
Total Special Fund Appropriation		18,286,967
Total Federal Fund Appropriation		87,486,085
		<hr/>
Total Appropriation		118,137,842
		<hr/> <hr/>

MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEMS

D53T00.01 General Administration		
Special Fund Appropriation	16,274,405	
Federal Fund Appropriation	2,444,280	18,718,685
	<hr/>	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

D53T00.02 Maryland Information Technology Development Projects Special Fund Appropriation	8,650,000
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SUMMARY

Total Special Fund Appropriation	24,924,405
Total Federal Fund Appropriation	2,444,280
	27,368,685
	27,368,685

DEPARTMENT OF VETERANS AFFAIRS

D55P00.01 Service Program General Fund Appropriation	1,557,833
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D55P00.02 Cemetery Program General Fund Appropriation	1,893,232	
Special Fund Appropriation	687,706	
Federal Fund Appropriation	1,588,420	4,169,358

D55P00.03 Memorials and Monuments Program General Fund Appropriation	407,082
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D55P00.04 Cemetery Program – Capital Appropriation Federal Fund Appropriation	7,720,000
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D55P00.05 Veterans Home Program General Fund Appropriation	3,348,759	
	<u>3,198,759</u>	
Special Fund Appropriation	3,070,685	
Federal Fund Appropriation, <i>provided that no portion of this appropriation made for the purpose of the Veterans Home Program may be expended for a feasibility study of a Western Maryland veterans home</i>	15,150,000	21,569,444

21,419,444

D55P00.08 Executive Direction		
General Fund Appropriation		861,741
D55P00.11 Outreach and Advocacy		
General Fund Appropriation		215,419

SUMMARY

Total General Fund Appropriation		8,134,066
Total Special Fund Appropriation		3,758,391
Total Federal Fund Appropriation		24,458,420
		<hr/>
Total Appropriation		36,350,877
		<hr/> <hr/>

STATE ARCHIVES

D60A10.01 Archives		
General Fund Appropriation	4,977,543	
Special Fund Appropriation	3,574,454	8,551,997
		<hr/>
D60A10.02 Artistic Property		
General Fund Appropriation	490,952	
Special Fund Appropriation	36,987	527,939
		<hr/>

SUMMARY

Total General Fund Appropriation		5,468,495
Total Special Fund Appropriation		3,611,441
		<hr/>
Total Appropriation		9,079,936
		<hr/> <hr/>

MARYLAND HEALTH BENEFIT EXCHANGE

D78Y01.01 Maryland Health Benefit Exchange		
Special Fund Appropriation	24,924,841	
Federal Fund Appropriation	26,947,514	51,872,355
		<hr/>

D78Y01.02 Major Information Technology Development Projects		
Special Fund Appropriation, <u>provided that</u> <u>\$250,000 of this appropriation intended for</u> <u>the purpose of information technology for</u> <u>qualified health plans may not be</u> <u>expended. These funds may not be</u> <u>transferred by budget amendment or</u> <u>otherwise to any other purpose and shall</u> <u>revert to the General Fund at the end of the</u> <u>year</u>	10,075,159	
Federal Fund Appropriation	20,525,845	30,601,004
	<hr/>	

D78Y01.03 Reinsurance Program		
Special Fund Appropriation		21,300,000

SUMMARY

Total Special Fund Appropriation		56,300,000
Total Federal Fund Appropriation		47,473,359
		<hr/>
Total Appropriation		103,773,359
		<hr/> <hr/>

MARYLAND INSURANCE ADMINISTRATION

INSURANCE ADMINISTRATION AND REGULATION

D80Z01.01 Administration and Operations		
Special Fund Appropriation	31,774,000	
	<u>31,477,173</u>	
Federal Fund Appropriation	728,701	32,502,701
		<u>32,205,874</u>
	<hr/>	

D80Z01.02 Major Information Technology Development Projects		
Special Fund Appropriation		355,000

SUMMARY

Total Special Fund Appropriation		31,832,173
Total Federal Fund Appropriation		728,701
		<hr/>

Total Appropriation		32,560,874
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CANAL PLACE PRESERVATION AND DEVELOPMENT AUTHORITY

D90U00.01 General Administration		
General Fund Appropriation	191,553	
Special Fund Appropriation	571,093	762,646

OFFICE OF ADMINISTRATIVE HEARINGS

D99A11.01 General Administration		
Special Fund Appropriation		52,000

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

COMPTROLLER OF MARYLAND
OFFICE OF THE COMPTROLLER

E00A01.01 Executive Direction		
General Fund Appropriation	3,766,665	
Special Fund Appropriation	657,403	4,424,068
	<hr/>	
E00A01.02 Financial and Support Services		
General Fund Appropriation	2,711,247	
Special Fund Appropriation	469,438	3,180,685
	<hr/>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SUMMARY

Total General Fund Appropriation	6,477,912
Total Special Fund Appropriation	1,126,841
	<hr/>
Total Appropriation	7,604,753
	<hr/> <hr/>

GENERAL ACCOUNTING DIVISION

E00A02.01 Accounting Control and Reporting	
General Fund Appropriation	5,706,006
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BUREAU OF REVENUE ESTIMATES

E00A03.01 Estimating of Revenues	
General Fund Appropriation	1,425,625
	<hr/> <hr/>

REVENUE ADMINISTRATION DIVISION

E00A04.01 Revenue Administration	
General Fund Appropriation	29,000,127
	28,820,287
	<u>28,661,282</u>

Special Fund Appropriation	4,761,284	33,761,411
	4,742,302	33,571,589
	<u>4,723,634</u>	<u>33,384,916</u>

COMPLIANCE DIVISION

E00A05.01 Compliance Administration		
General Fund Appropriation	25,810,406	
Special Fund Appropriation.....	11,062,810	36,873,216

FIELD ENFORCEMENT DIVISION

E00A06.01 Field Enforcement Administration		
General Fund Appropriation	3,314,031	
Special Fund Appropriation	3,574,887	6,888,918

CENTRAL PAYROLL BUREAU

E00A09.01 Payroll Management		
General Fund Appropriation	2,562,157	
Special Fund Appropriation	171,888	2,734,045

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

INFORMATION TECHNOLOGY DIVISION

E00A10.01 Annapolis Data Center Operations

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

E00A10.02 Comptroller IT Services		
General Fund Appropriation	21,588,904	
Special Fund Appropriation	3,676,395	25,265,299

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

STATE TREASURER’S OFFICE

TREASURY MANAGEMENT

E20B01.01 Treasury Management		
General Fund Appropriation	5,187,456	
Special Fund Appropriation	647,253	5,834,709
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Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

E20B01.02 Major Information Technology Development Projects		
Special Fund Appropriation		108,375

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SUMMARY

Total General Fund Appropriation		5,187,456
Total Special Fund Appropriation		755,628
		<hr/>
Total Appropriation		5,943,084
		<hr/> <hr/>

INSURANCE PROTECTION

E20B02.01 Insurance Management

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted

to use these receipts as special funds for operating expenses in this program.

E20B02.02 Insurance Coverage

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

BOND SALE EXPENSES

E20B03.01 Bond Sale Expenses

General Fund Appropriation	50,000	
Special Fund Appropriation	1,455,000	1,505,000
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STATE DEPARTMENT OF ASSESSMENTS AND TAXATION

E50C00.01 Office of the Director

General Fund Appropriation, provided that this appropriation shall be reduced by \$2,124,135 contingent upon the enactment of legislation that increases the local share to 70% of the cost of the Office of the Director program. Authorization is granted to process a special fund budget amendment of \$2,124,135 to replace the aforementioned General Fund amount.....	2,878,453	
Special Fund Appropriation	156,025	3,034,478
	<hr/>	

E50C00.02 Real Property Valuation

General Fund Appropriation, provided that this appropriation shall be reduced by \$7,097,754 contingent upon the enactment of legislation that increases the local share to 70% of the cost of the Real Property Valuation program. Authorization is granted to process a special fund budget amendment of \$7,097,754 to replace the aforementioned General Fund amount	17,744,925	
Special Fund Appropriation	17,743,846	35,488,771
	<hr/>	

E50C00.04 Office of Information Technology

General Fund Appropriation, provided that this appropriation shall be reduced by \$946,759 contingent upon the enactment of legislation that increases the local share to 70% of the cost of the Office of Information Technology program. Authorization is granted to process a special fund budget amendment of \$946,759 to replace the aforementioned General Fund amount		
	2,366,892	
Special Fund Appropriation	2,366,903	4,733,795

E50C00.05 Business Property Valuation

General Fund Appropriation, provided that this appropriation shall be reduced by \$694,059 contingent upon the enactment of legislation that increases the local share to 70% of the cost of the Business Property Valuation program. Authorization is granted to process a special fund budget amendment of \$694,059 to replace the aforementioned General Fund amount		
	1,735,341	
Special Fund Appropriation	1,734,956	3,470,297

E50C00.06 Tax Credit Payments

General Fund Appropriation		87,514,587
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E50C00.08 Property Tax Credit Programs

General Fund Appropriation	1,912,328	
Special Fund Appropriation	853,268	2,765,596

E50C00.10 Charter Unit

General Fund Appropriation	74,773	
Special Fund Appropriation	5,583,305	5,658,078

SUMMARY

Total General Fund Appropriation		114,227,299
Total Special Fund Appropriation		28,438,303
		<hr/>
Total Appropriation		142,665,602
		<hr/> <hr/>

MARYLAND LOTTERY AND GAMING CONTROL AGENCY

E75D00.01 Administration and Operations		
Special Fund Appropriation		68,984,798
		<u>68,849,185</u>
E75D00.02 Video Lottery Terminal and Gaming Operations		
General Fund Appropriation	20,083,420	
Special Fund Appropriation	11,857,000	31,940,420
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SUMMARY

Total General Fund Appropriation		20,083,420
Total Special Fund Appropriation		80,706,185
		<hr/>
Total Appropriation		100,789,605
		<hr/> <hr/>

PROPERTY TAX ASSESSMENT APPEALS BOARDS

E80E00.01 Property Tax Assessment Appeals Boards		
General Fund Appropriation		1,051,429
		<hr/> <hr/>

DEPARTMENT OF BUDGET AND MANAGEMENT

It is the intent of the General Assembly that the Governor's fiscal 2019 budget minimize the use of reversions and instead rely on budget reconciliation legislation, Board of Public Works action, and negative deficiencies to capture expected savings in fiscal 2018. No more than \$30 million of unspecified reversions should be assumed for either fiscal 2018 or the fiscal 2019 allowance.

OFFICE OF THE SECRETARY

F10A01.01 Executive Direction

General Fund Appropriation, provided that \$100,000 of this appropriation made for the purpose of executive direction may not be expended unless the Department of Budget and Management includes in its submission of the fiscal 2019 Governor's budget books a separate volume that provides personnel and Managing for Results (MFR) data by agency. The personnel data shall be consistent with Section 7-121 of the State Finance and Procurement Article. The MFR data shall include the mission, vision, as well as key goals, objectives, and at least five performance indicators per objective. Funds restricted pending receipt of the volume of the Governor's budget book may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the volume is not included with the Governor's budget books submitted on the third Wednesday of January 2018.

~~Further provided that \$100,000 of this appropriation made for the purpose of executive direction may not be expended until:~~

~~(1) The Department of Juvenile~~

~~Services and the Maryland State Department of Education (MSDE) jointly develop measures that evaluate the performance of the Juvenile Services Education (JSE) program, to include but not be limited to the following measures:~~

- ~~(a) average length of time to transition student records between a JSE school and a local school system;~~
- ~~(b) teacher vacancy rates and length of tenure;~~
- ~~(c) contacts with local school system liaisons to support student transition into the community;~~
- ~~(d) students participating in postsecondary opportunities and vocational opportunities; and~~
- ~~(e) the number of classroom hours canceled due to the unavailability of a teacher or substitute.~~

- ~~(2) Data for the identified performance measures shall be included in MSDE's annual MFR performance measure submission beginning with the fiscal 2019 allowance submitted in January 2018.~~

~~Funds restricted pending performance indicators may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the performance indicators are not included with the Governor's budget books.~~

~~Further provided that \$100,000 for the~~

~~purposes of executive direction may not be expended unless the Department of Budget and Management, in Appendix A in the Maryland Budget Highlights for fiscal 2019, reflects no more than \$30,000,000 in general fund reversions for fiscal 2018. For appropriations approved in this Act that are determined to be in excess of the needs of any agency or program above the aggregate estimate of \$30,000,000 in reversions, the fiscal 2019 budget bill should include negative fiscal 2018 deficiencies. Funds restricted may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the estimate for general fund reversions for fiscal 2018 listed in Appendix A of the Budget Highlights at the 2018 session exceed \$30,000,000~~

2,234,595

Funds are appropriated in other agency budgets and funds will be transferred from the Employees’ and Retirees’ Health Insurance Non-Budgeted Fund Accounts to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F10A01.02 Division of Finance and Administration
 General Fund Appropriation 1,166,478

F10A01.03 Central Collection Unit
 Special Fund Appropriation 16,014,892

F10A01.04 Division of Procurement Policy and
 Administration
 General Fund Appropriation 2,134,685

SUMMARY

Total General Fund Appropriation 5,535,758
 Total Special Fund Appropriation 16,014,892

Total Appropriation 21,550,650

OFFICE OF PERSONNEL SERVICES AND BENEFITS

F10A02.01 Executive Direction

General Fund Appropriation, provided that \$50,000 of this appropriation may not be expended until the Department of Budget and Management submits a report on fiscal 2017 closeout of the Employee and Retiree Health Insurance Account. This report shall include:

- (1) the closing fiscal 2017 fund balance;
- (2) the actual provider payments due in the fiscal year;
- (3) the State employee and retiree contributions;
- (4) an accounting of rebates, recoveries, and other costs; and
- (5) any closeout transactions processed after the fiscal year ended.

The report shall be submitted to the budget committees by October 1, 2017. The budget committees shall have 45 days to review and comment following the receipt of the report. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Further provided that ~~\$100,000 of this appropriation made for the purpose of the Executive Direction program may not be expended until~~ the Department of Budget and Management ~~shall submit~~ *submit* a report to the budget committees on employee churn. The report shall include the total number of resignations of employees with five years or less of State service for each State agency for each fiscal

~~year from fiscal 2007 to 2016. The report shall be submitted by July 1, 2017, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees~~

1,811,610

F10A02.02 Division of Employee Benefits

Funds will be transferred from the Employees’ and Retirees’ Health Insurance Non-Budgeted Fund Accounts to pay for administration services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F10A02.04 Division of Personnel Services

General Fund Appropriation

2,903,378

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F10A02.06 Division of Classification and Salary

General Fund Appropriation

2,271,596

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F10A02.07 Division of Recruitment and Examination

General Fund Appropriation

1,333,099

F10A02.08 Statewide Expenses

General Fund Appropriation, provided that funds appropriated for State Law Enforcement Officers Labor Alliance Bargaining agreement provisions may be

transferred to programs of other State agencies	3,000,000	
Special Fund Appropriation, provided that funds appropriated for State Law Enforcement Officers Labor Alliance Bargaining agreement provisions may be transferred to programs of other State agencies	516,438	
Federal Fund Appropriation, provided that funds appropriated may be transferred to programs of other State agencies	5,837	3,522,275
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SUMMARY

Total General Fund Appropriation		11,319,683
Total Special Fund Appropriation		516,438
Total Federal Fund Appropriation		5,837
		<hr/>
Total Appropriation		11,841,958
		<hr/> <hr/>

OFFICE OF BUDGET ANALYSIS

F10A05.01 Budget Analysis and Formulation		
General Fund Appropriation		2,914,961
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Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

OFFICE OF CAPITAL BUDGETING

F10A06.01 Capital Budget Analysis and Formulation		
General Fund Appropriation		1,323,928
		<hr/> <hr/>

DEPARTMENT OF INFORMATION TECHNOLOGY

MAJOR INFORMATION TECHNOLOGY DEVELOPMENT PROJECT FUND

F50A01.01 Major Information Technology

Development Project Fund
General Fund Appropriation, provided that funds appropriated herein for Major Information Technology Development projects may be transferred to programs of the respective financial agencies.

Further provided that \$500,000 of this appropriation made for the purpose of a major information technology project that supports video streaming floor sessions of the Maryland General Assembly may not be expended for that purpose but instead may only be transferred by budget amendment to the Maryland Public Broadcasting Commission (MPBC), program R15P00.03 Broadcasting, to be used only for filming the last two weeks of session, the State of the State and, if applicable, the State of the Judiciary. Funds not expended for that purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund. Further provided that \$500,000 made for the purpose of video streaming Maryland General Assembly floor sessions is contingent on the enactment of SB 1034 requiring video streaming of Maryland General Assembly floor sessions by the MPBC.

~~Further provided that \$1,200,000 of this appropriation made for the purpose of video streaming Maryland General Assembly floor sessions is contingent on the enactment of SB 253 or HB 438, authorizing video streaming of Maryland General Assembly floor sessions~~

~~28,302,775~~
~~25,862,775~~
25,162,775

Special Fund Appropriation, provided that funds appropriated herein for Major Information Technology Development projects may be transferred to programs of the respective financial agencies

3,500,000 ~~31,802,775~~

20,362,775

28,662,775

OFFICE OF INFORMATION TECHNOLOGY

F50B04.01 State Chief of Information Technology	
General Fund Appropriation	3,098,382

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program. Authorization to expend reimbursable funds is reduced by \$135,000.

F50B04.02 Security	
General Fund Appropriation	3,809,677

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F50B04.03 Application Systems Management	
General Fund Appropriation	11,312,994

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F50B04.04 Infrastructure		
General Fund Appropriation	10,381,933	
	<u>10,075,933</u>	
Special Fund Appropriation	1,894,000	12,275,933
	<u>1,885,000</u>	<u>11,960,933</u>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F50B04.05 Chief of Staff
 General Fund Appropriation 1,489,695

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F50B04.06 Major Information Technology
 Development Projects
 Special Fund Appropriation 1,606,008

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F50B04.07 Radio
 General Fund Appropriation 35,000

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

F50B04.09 Telecommunications Access of
 Maryland
 Special Fund Appropriation 4,096,625

SUMMARY

Total General Fund Appropriation 29,821,681
 Total Special Fund Appropriation 7,587,633

Total Appropriation 37,409,314

MARYLAND STATE RETIREMENT AND PENSION SYSTEMS

STATE RETIREMENT AGENCY

G20J01.01 State Retirement Agency

Special Fund Appropriation, provided that \$750,000 for Phase 3 of the Maryland Pension Administration System may not be expended until it is designated as a Major Information Technology Development Project by the Department of Information Technology. Notification shall be submitted to the budget committees

~~23,416,000~~
22,866,000

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

TEACHERS AND STATE EMPLOYEES SUPPLEMENTAL RETIREMENT PLANS

G50L00.01 Maryland Supplemental Retirement Plan Board and Staff
Special Fund Appropriation

1,773,790

DEPARTMENT OF GENERAL SERVICES

OFFICE OF THE SECRETARY

H00A01.01 Executive Direction		
General Fund Appropriation		1,561,481
H00A01.02 Administration		
General Fund Appropriation		2,275,523

SUMMARY

Total General Fund Appropriation		3,837,004
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OFFICE OF FACILITIES SECURITY

H00B01.01 Facilities Security		
General Fund Appropriation	9,096,177	
Special Fund Appropriation	59,224	
Federal Fund Appropriation	301,867	9,457,268

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

OFFICE OF FACILITIES OPERATION AND MAINTENANCE

H00C01.01 Facilities Operation and Maintenance		
General Fund Appropriation	32,148,316	
Special Fund Appropriation	396,701	
Federal Fund Appropriation	1,034,041	33,579,058

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

H00C01.04 Saratoga State Center

Funds are appropriated in other agency budgets to pay for services provided by this

program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

H00C01.05 Reimbursable Lease Management

General Fund Appropriation 1,540

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

H00C01.07 Parking Facilities

General Fund Appropriation 1,671,054

SUMMARY

Total General Fund Appropriation 33,820,910
Total Special Fund Appropriation 396,701
Total Federal Fund Appropriation 1,034,041

Total Appropriation 35,251,652

OFFICE OF PROCUREMENT AND LOGISTICS

H00D01.01 Procurement and Logistics

General Fund Appropriation 3,924,633
Special Fund Appropriation 2,150,041 6,074,674

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

OFFICE OF REAL ESTATE

H00E01.01 Real Estate Management

General Fund Appropriation 1,633,113
Special Fund Appropriation 350,320 1,983,433

Funds are appropriated in other agency

budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

OFFICE OF FACILITIES PLANNING, DESIGN AND CONSTRUCTION

H00G01.01 Facilities Planning, Design and Construction

General Fund Appropriation, provided that the amount appropriated herein for Maryland Environmental Service critical maintenance projects shall be transferred to the appropriate State facility effective July 1, 2017

15,198,183

Special Fund Appropriation

1,000,000

16,198,183

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Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

DEPARTMENT OF TRANSPORTATION

Provided that it is the intent of the General Assembly that projects and funding levels appropriated for capital projects, as well as total estimated project costs within the Consolidated Transportation Program, shall be expended in accordance with the plan approved during the legislative session. The department shall prepare a report to notify the budget committees of the proposed changes in the event that the department modifies the program to:

- (1) add a new project to the construction program or development and evaluation program meeting the definition of a "major project" under Section 2-103.1 of the Transportation Article that was not previously contained within a plan reviewed in a prior year by the General Assembly and will result in the need to expend funds in the current budget year; or
- (2) change the scope of a project in the construction program or development and evaluation program meeting the definition of a "major project" under Section 2-103.1 of the Transportation Article that will result in an increase of more than 10% or \$1,000,000, whichever is greater, in the total project costs as reviewed by the General Assembly during a prior session.

For each change, the report shall identify the project title, justification for adding the new project or modifying the scope of the existing project, current year funding levels, and the total project cost as approved by the General Assembly during the prior session compared with the

proposed current year funding and total project cost estimate resulting from the project addition or change in scope.

Further provided that notification of project additions, as outlined in paragraph (1) above; changes in the scope of a project, as outlined in paragraph (2) above; or moving projects from the development and evaluation program to the construction program, shall be made to the General Assembly 45 days prior to the expenditure of funds or the submission of any contract for approval to the Board of Public Works.

The Maryland Department of Transportation (MDOT) may not expend funds on any job or position of employment approved in this budget in excess of 9,057.5 positions and 122.2 contractual full-time equivalent (FTE) positions paid through special payments payroll (defined as the quotient of the sum of the hours worked by all such employees in the fiscal year divided by 2,080 hours) of the total authorized amount established in the budget for MDOT at any one time during fiscal 2018. The level of contractual FTE positions may be exceeded only if MDOT notifies the budget committees of the need and justification for additional contractual personnel due to:

- (1) business growth at the Helen Delich Bentley Port of Baltimore or Baltimore/Washington International Thurgood Marshall Airport, which demands additional personnel; or
- (2) emergency needs that must be met, such as transit security or highway maintenance.

The Secretary shall use the authority under Sections 2-101 and 2-102 of the Transportation Article to implement this provision. However, any authorized job or

position to be filled above the regular position ceiling approved by the Board of Public Works shall count against the Rule of 100 imposed by the General Assembly. The establishment of new jobs or positions of employment not authorized in the fiscal 2018 budget shall be subject to Section 7-236 of the State Finance and Procurement Article and the Rule of 100.

THE SECRETARY'S OFFICE

J00A01.01 Executive Direction		
Special Fund Appropriation		29,943,905

J00A01.02 Operating Grants-In-Aid
 Special Fund Appropriation, provided that no more than \$4,044,334 of this appropriation may be expended for operating grants-in-aid, except for:

- (1) any additional special funds necessary to match unanticipated federal fund attainments; or
- (2) any proposed increase either to provide funds for a new grantee or to expand funds for an existing grantee.

Further provided that no expenditures in excess of \$4,044,334 may occur unless the department provides notification to the budget committees to justify the need for additional expenditures due to either item (1) or (2) above, and the committees provide review and comment or 45 days elapse from the date such notification is provided to the committees

	4,044,334	
Federal Fund Appropriation	8,887,215	12,931,549
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J00A01.03 Facilities and Capital Equipment

Special Fund Appropriation, provided that these funds intended as transportation grants shall be allocated as follows:

Baltimore City	5,484,423
	3,656,282
	5,484,423
County Governments.....	27,422,115
	12,796,987
Municipal Governments.....	20,109,551

Further provided that ~~\$27,422,115~~ **\$12,796,987** of this appropriation to county governments and \$20,109,551 to municipal governments shall be allocated to eligible counties and municipalities as provided in Sections 8-404 and 8-405 of the Transportation Article and may be expended only in accordance with Section 8-408 of the Transportation Article.

Further provided that no funds may be expended by the Secretary’s Office for any system preservation or minor project with a total project cost in excess of \$500,000 that is not currently included in the fiscal 2017–2022 Consolidated Transportation Program except as outlined below:

- (1) the Secretary shall notify the budget committees of any proposed system preservation or minor project with a total project cost in excess of \$500,000, including the need and justification for the project and its total cost; and
- (2) the budget committees shall have 45 days to review and comment on the proposed system preservation or minor project

	83,366,089	
	66,012,820	
	68,740,961	
Federal Fund Appropriation	13,871,000	97,237,089
		80,783,820
		82,611,961

J00A01.04 Washington Metropolitan Area
 Transit – Operating
 Special Fund Appropriation 365,284,953

J00A01.05 Washington Metropolitan Area Transit – Capital Special Fund Appropriation, <u>provided that \$155,922,000 of this appropriation made for the purpose of providing a grant to the Washington Metropolitan Area Transit Authority to support its capital program may be expended only for that purpose. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled</u>	155,922,000
J00A01.07 Office of Transportation Technology Services Special Fund Appropriation	45,817,796
J00A01.08 Major Information Technology Development Projects Special Fund Appropriation	6,574,237

SUMMARY

Total Special Fund Appropriation	676,328,186
Total Federal Fund Appropriation	22,758,215
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Total Appropriation	699,086,401
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DEBT SERVICE REQUIREMENTS

Consolidated Transportation Bonds may be issued in any amount provided that the aggregate outstanding and unpaid balance of these bonds and bonds of prior issues may not exceed \$3,021,675,000 as of June 30, 2018. Further provided that the amount paid for debt service shall be reduced by any proceeds generated from net bond sale premiums, provided that those revenues are recognized by the department and reflected in the Transportation Trust Fund forecast. Further provided that the appropriation for debt service shall be reduced by any

proceeds generated from net bond sale premiums. To achieve this reduction, the Maryland Department of Transportation (MDOT) may either use the proceeds from the net premium to reduce the size of the bond issuance and/or apply the proceeds from the net premium to eligible debt service.

MDOT shall submit with its annual September and January financial forecasts information on:

- (1) anticipated and actual nontraditional debt outstanding as of June 30 of each year; and
- (2) anticipated and actual debt service payments for each outstanding nontraditional debt issuance from fiscal 2017 through 2027.

Nontraditional debt is defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond; such debt includes, but is not limited to, Certificates of Participation, debt backed by customer facility charges, passenger facility charges or other revenues, and debt issued by the Maryland Economic Development Corporation or any other third party on behalf of MDOT.

The total aggregate outstanding and unpaid principal balance of nontraditional debt, defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond issued by MDOT, may not exceed \$880,930,000 as of June 30, 2018. Provided, however, that in addition to the limit established under this provision, MDOT may increase the aggregate outstanding unpaid and principal balance of nontraditional debt so long as:

- (1) MDOT provides notice to the Senate Budget and Taxation Committee and the House Appropriations Committee stating the specific reason for the additional issuance and providing specific information regarding the proposed issuance, including information specifying the total amount of nontraditional debt that would be outstanding on June 30, 2018, and the total amount by which the fiscal 2018 debt service payment for all nontraditional debt would increase following the additional issuance; and

- (2) the Senate Budget and Taxation Committee and the House Appropriations Committee have 45 days to review and comment on the proposed additional issuance before the publication of a preliminary official statement. The Senate Budget and Taxation Committee and the House Appropriations Committee may hold a public hearing to discuss the proposed increase and shall signal their intent to hold a hearing within 45 days of receiving notice from MDOT.

J00A04.01 Debt Service Requirements		
Special Fund Appropriation		328,755,010
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STATE HIGHWAY ADMINISTRATION

J00B01.01 State System Construction and Equipment		
Special Fund Appropriation	879,416,000	
Federal Fund Appropriation	567,248,000	1,446,664,000
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J00B01.02 State System Maintenance		
Special Fund Appropriation	255,241,531	

Federal Fund Appropriation	11,971,503	267,213,034
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J00B01.03 County and Municipality Capital Funds		
Special Fund Appropriation	4,850,000	
Federal Fund Appropriation	72,350,000	77,200,000
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J00B01.04 Highway Safety Operating Program		
Special Fund Appropriation	7,858,944	
Federal Fund Appropriation	3,250,242	11,109,186
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J00B01.05 County and Municipality Funds		
Special Fund Appropriation		175,501,536
J00B01.08 Major Information Technology Development Projects		
Special Fund Appropriation	1,590,000	
Federal Fund Appropriation	3,484,000	5,074,000
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SUMMARY

Total Special Fund Appropriation		1,324,458,011
Total Federal Fund Appropriation		658,303,745
		<hr/>
Total Appropriation		1,982,761,756
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MARYLAND PORT ADMINISTRATION

J00D00.01 Port Operations		
Special Fund Appropriation	51,518,710	
Federal Fund Appropriation	119,430	51,638,140
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J00D00.02 Port Facilities and Capital Equipment		
Special Fund Appropriation	95,186,000	
Federal Fund Appropriation	3,394,000	98,580,000
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SUMMARY

Total Special Fund Appropriation		146,704,710
Total Federal Fund Appropriation		3,513,430

Total Appropriation		150,218,140
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MOTOR VEHICLE ADMINISTRATION

J00E00.01 Motor Vehicle Operations		
Special Fund Appropriation	191,398,166	
Federal Fund Appropriation	178,911	191,577,077

J00E00.03 Facilities and Capital Equipment		
Special Fund Appropriation		18,023,988

J00E00.04 Maryland Highway Safety Office		
Special Fund Appropriation	2,323,643	
Federal Fund Appropriation	12,999,536	15,323,179

J00E00.08 Major Information Technology Development Projects		
Special Fund Appropriation		4,389,000

SUMMARY

Total Special Fund Appropriation		216,134,797
Total Federal Fund Appropriation		13,178,447

Total Appropriation		229,313,244
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MARYLAND TRANSIT ADMINISTRATION

It is the intent of the General Assembly that the Maryland Transit Administration (MTA) be held harmless for any reduction in the reimbursement it receives for school children riding MTA buses.

J00H01.01 Transit Administration		
Special Fund Appropriation	87,471,758	
Federal Fund Appropriation	252,500	87,724,258

J00H01.02 Bus Operations		
Special Fund Appropriation	412,457,524	
Federal Fund Appropriation	16,865,835	429,323,359
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J00H01.04 Rail Operations		
Special Fund Appropriation	200,756,517	
Federal Fund Appropriation	21,838,067	222,594,584
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J00H01.05 Facilities and Capital Equipment		
Special Fund Appropriation	264,777,000	
Federal Fund Appropriation	356,051,000	620,828,000
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J00H01.06 Statewide Programs Operations		
Special Fund Appropriation	68,187,707	
Federal Fund Appropriation	20,544,262	88,731,969
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J00H01.08 Major Information Technology Development Projects		
Special Fund Appropriation		13,450,000
SUMMARY		
Total Special Fund Appropriation		1,047,100,506
Total Federal Fund Appropriation		415,551,664
		<hr/>
Total Appropriation		1,462,652,170
		<hr/> <hr/>

MARYLAND AVIATION ADMINISTRATION

J00I00.02 Airport Operations		
Special Fund Appropriation	193,870,949	
Federal Fund Appropriation	645,500	194,516,449
	<hr/>	
J00I00.03 Airport Facilities and Capital Equipment		
Special Fund Appropriation	101,087,000	
Federal Fund Appropriation	5,517,000	106,604,000
	<hr/>	

SUMMARY

Total Special Fund Appropriation	294,957,949
Total Federal Fund Appropriation	6,162,500
	<hr/>
Total Appropriation	301,120,449
	<hr/> <hr/>

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE SECRETARY

K00A01.01 Secretariat		
General Fund Appropriation	1,217,112	
Special Fund Appropriation	1,617,947	
Federal Fund Appropriation	100,600	2,935,659
		<hr/>
K00A01.02 Office of the Attorney General		
General Fund Appropriation	725,723	
Special Fund Appropriation	1,102,198	1,827,921
		<hr/>
K00A01.03 Finance and Administrative Services		
General Fund Appropriation	3,936,897	
Special Fund Appropriation	3,494,069	
Federal Fund Appropriation	151,507	7,582,473
		<hr/>
K00A01.04 Human Resource Service		
General Fund Appropriation	1,057,019	
Special Fund Appropriation	544,944	
Federal Fund Appropriation	41,400	1,643,363
		<hr/>
K00A01.05 Information Technology Service		
General Fund Appropriation	272,742	
Special Fund Appropriation	1,795,808	
Federal Fund Appropriation	114,600	2,183,150
		<hr/>
K00A01.06 Office of Communications		
General Fund Appropriation	582,836	
Special Fund Appropriation	508,816	1,091,652
		<hr/>

SUMMARY

Total General Fund Appropriation		7,792,329
Total Special Fund Appropriation		9,063,782
Total Federal Fund Appropriation		408,107
		<hr/>
Total Appropriation		17,264,218
		<hr/> <hr/>

FOREST SERVICE

K00A02.09 Forest Service		
General Fund Appropriation	1,983,218	
Special Fund Appropriation	7,760,089	
Federal Fund Appropriation	1,905,360	11,648,667
	<hr/>	<hr/> <hr/>

Funds are appropriated in other units of the Department of Natural Resources budget and other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

WILDLIFE AND HERITAGE SERVICE

K00A03.01 Wildlife and Heritage Service		
General Fund Appropriation	85,000	
Special Fund Appropriation	5,216,196	
Federal Fund Appropriation	5,883,631	11,184,827
	<hr/>	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

MARYLAND PARK SERVICE

K00A04.01 Statewide Operations
Special Fund Appropriation, provided that ~~\$500,000~~ \$100,000 of this appropriation for the Department of Natural Resources (DNR) Maryland Park Service – Statewide Operations made for the purpose of general operating expenses may not be expended until DNR submits quarterly reports on July 1, 2017; October 1, 2017; January 1, 2018; and April 1, 2018. The reports should discuss the status of developing a resource management planning team, the role of the proposed business development manager, the goals being developed for a formal

long-range plan, the five-year strategic plans being developed for individual State parks, and the actual development of a Comprehensive Long Range Strategic Plan as contemplated for achievement of the National Gold Medal Award from the National Recreation and Park Association. Funding restricted for this purpose may be released quarterly in ~~\$125,000~~ \$25,000 installments upon receipt of the required quarterly reports. The budget committees shall have 45 days to review and comment upon receipt of each report. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled if the reports are not submitted to the budget committees

	44,359,414	
Federal Fund Appropriation	258,000	44,617,414

Funds are appropriated in other units of the Department of Natural Resources budget and other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

K00A04.06 Revenue Operations		
Special Fund Appropriation		1,900,000

SUMMARY

Total Special Fund Appropriation		46,259,414
Total Federal Fund Appropriation		258,000
		<hr/>
Total Appropriation		46,517,414
		<hr/> <hr/>

LAND ACQUISITION AND PLANNING

K00A05.05 Land Acquisition and Planning		
General Fund Appropriation	200,166	
Special Fund Appropriation	5,026,340	5,226,506

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

K00A05.10 Outdoor Recreation Land Loan

Special Fund Appropriation, provided that of the Special Fund allowance, \$69,187,387 represents that share of Program Open Space revenues available for State projects and \$37,213,279 represents that share of Program Open Space revenues available for local programs. These amounts may be used for any State projects or local share authorized in Chapter 403, Laws of Maryland, 1969 as amended, or in Chapter 81, Laws of Maryland, 1984; Chapter 106, Laws of Maryland, 1985; Chapter 109, Laws of Maryland, 1986; Chapter 121, Laws of Maryland, 1987; Chapter 10, Laws of Maryland, 1988; Chapter 14, Laws of Maryland, 1989; Chapter 409, Laws of Maryland, 1990; Chapter 3, Laws of Maryland, 1991; Chapter 4, 1st Special Session, Laws of Maryland, 1992; Chapter 204, Laws of Maryland, 1993; Chapter 8, Laws of Maryland, 1994; Chapter 7, Laws of Maryland, 1995; Chapter 13, Laws of Maryland, 1996; Chapter 3, Laws of Maryland, 1997; Chapter 109, Laws of Maryland, 1998; Chapter 118, Laws of Maryland, 1999; Chapter 204, Laws of Maryland, 2000; Chapter 102, Laws of Maryland, 2001; Chapter 290, Laws of Maryland, 2002; Chapter 204, Laws of Maryland, 2003; Chapter 432, Laws of Maryland, 2004; Chapter 445, Laws of Maryland, 2005; Chapter 46, Laws of Maryland, 2006; Chapter 488, Laws of Maryland, 2007; Chapter 336, Laws of Maryland, 2008; Chapter 485, Laws of Maryland, 2009; Chapter 483, Laws of Maryland, 2010; Chapter 396, Laws of Maryland, 2011; Chapter 444, Laws of Maryland, 2012; Chapter 424, Laws of

Maryland, 2013; Chapter 463, Laws of Maryland, 2014; Chapter 495, Laws of Maryland, 2015; Chapter 27, Laws of Maryland, 2016; and for any of the following State and local projects..... 106,400,666

Allowance, Local Projects\$37,213,279
 Land Acquisitions, *provided that*

\$980,000 of this appropriation made for the purpose of State land acquisitions may be expended only for the purpose of providing a grant to the College of Southern Maryland to purchase the La Grange property located in La Plata, Charles County, Maryland, the home of Dr. James Craik and the birthplace of Josiah Henson, a leader of the Underground Railroad. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall be canceled. Further provided that the College of Southern Maryland shall convene a workgroup of stakeholders, including representatives of the Town of La Plata, St. Mary’s College, and the Charles County Chapter of the NAACP, to determine and report on the short-term and long-term plan for the property and historical structures. The report shall be submitted to the budget committees by December 1, 2017, and the budget committees shall have 45 days to review and comment\$27,415,962

Department of Natural Resources Capital Improvements:

Natural	Resource	
Development Fund	\$11,797,000
Ocean	City	Beach
Maintenance	\$1,000,000
Critical	Maintenance	
Program	\$6,000,000

Subtotal	<u>\$18,797,000</u>	
Heritage Conservation Fund	\$4,060,700	
Rural Legacy	\$18,913,725	
Allowance, State Projects	\$69,187,387	
Federal Fund Appropriation	3,000,000	109,400,666

SUMMARY

Total General Fund Appropriation		200,166
Total Special Fund Appropriation		111,427,006
Total Federal Fund Appropriation		3,000,000
		<hr/>
Total Appropriation		114,627,172

LICENSING AND REGISTRATION SERVICE

K00A06.01 Licensing and Registration Service		
Special Fund Appropriation		3,820,491

NATURAL RESOURCES POLICE

K00A07.01 General Direction		
General Fund Appropriation	9,101,890	
Special Fund Appropriation	868,719	
Federal Fund Appropriation	4,217,242	14,187,851

K00A07.04 Field Operations		
General Fund Appropriation	26,106,560	
	<u>25,550,718</u>	
Special Fund Appropriation	6,545,745	
Federal Fund Appropriation	2,025,879	34,678,184
		<u>34,122,342</u>

SUMMARY

Total General Fund Appropriation		34,652,608
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Total Special Fund Appropriation		7,414,464
Total Federal Fund Appropriation		6,243,121

Total Appropriation		48,310,193
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ENGINEERING AND CONSTRUCTION

K00A09.01 General Direction

General Fund Appropriation	1,137,892	
Special Fund Appropriation	3,969,758	5,107,650

Funds are appropriated in other units of the Department of Natural Resources budget and other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

K00A09.06 Ocean City Maintenance

Special Fund Appropriation		1,000,000
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SUMMARY

Total General Fund Appropriation	1,137,892	
Total Special Fund Appropriation	4,969,758	

Total Appropriation		6,107,650
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CRITICAL AREA COMMISSION

K00A10.01 Critical Area Commission

General Fund Appropriation		2,003,313
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RESOURCE ASSESSMENT SERVICE

K00A12.05 Power Plant Assessment Program

General Fund Appropriation	486,333	
Special Fund Appropriation	5,850,899	6,337,232

K00A12.06 Monitoring and Ecosystem Assessment		
General Fund Appropriation	2,623,523	
Special Fund Appropriation	2,640,554	
Federal Fund Appropriation	1,822,282	7,086,359
	<hr/>	

Funds are appropriated in other units of the Department of Natural Resources budget and in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

K00A12.07 Maryland Geological Survey		
General Fund Appropriation	1,404,742	
Special Fund Appropriation	398,131	
Federal Fund Appropriation	220,557	2,023,430
	<hr/>	

Funds are appropriated in other units of the Department of Natural Resources budget and in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SUMMARY

Total General Fund Appropriation		4,514,598
Total Special Fund Appropriation		8,889,584
Total Federal Fund Appropriation		2,042,839
		<hr/>
Total Appropriation		15,447,021
		<hr/> <hr/>

MARYLAND ENVIRONMENTAL TRUST

K00A13.01 Maryland Environmental Trust		
General Fund Appropriation		604,783

Funds are appropriated in other units of the Department of Natural Resources budget and in other agency budgets to pay for services provided by this program.

Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

CHESAPEAKE AND COASTAL SERVICE

K00A14.01 Waterway Capital		
Special Fund Appropriation.....	10,500,000	
Federal Fund Appropriation	900,000	11,400,000
	<hr/>	
K00A14.02 Chesapeake and Coastal Service		
General Fund Appropriation	1,870,045	
Special Fund Appropriation.....	56,561,518	
Federal Fund Appropriation	9,301,627	67,733,190
	<hr/>	<hr/>

Funds are appropriated in other units of the Department of Natural Resources budget and in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SUMMARY

Total General Fund Appropriation		1,870,045
Total Special Fund Appropriation		67,061,518
Total Federal Fund Appropriation		10,201,627
		<hr/>
Total Appropriation		79,133,190
		<hr/>

FISHING AND BOATING SERVICES

K00A17.01 Fishing and Boating Services		
General Fund Appropriation	6,441,283	
Special Fund Appropriation	15,306,923	
Federal Fund Appropriation	4,896,798	26,645,004
	<hr/>	<hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for

operating expenses in this program.

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

L00A11.01 Executive Direction		
General Fund Appropriation		1,709,806
L00A11.02 Administrative Services		
General Fund Appropriation		1,899,918
<p>Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.</p>		
L00A11.03 Central Services		
General Fund Appropriation	1,246,671	
Federal Fund Appropriation	280,000	1,526,671
<p>Funds are appropriated in other units of the Department of Agriculture budget to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.</p>		
L00A11.04 Maryland Agricultural Commission		
General Fund Appropriation		96,980
L00A11.05 Maryland Agricultural Land Preservation Foundation		
Special Fund Appropriation		1,573,648
L00A11.11 Capital Appropriation		
Special Fund Appropriation.....		32,923,775

SUMMARY

Total General Fund Appropriation		4,953,375
Total Special Fund Appropriation		34,497,423
Total Federal Fund Appropriation		280,000
		<hr/>
Total Appropriation		39,730,798
		<hr/> <hr/>

OFFICE OF MARKETING, ANIMAL INDUSTRIES, AND CONSUMER SERVICES

L00A12.01 Office of the Assistant Secretary			
General Fund Appropriation			212,215
L00A12.02 Weights and Measures			
General Fund Appropriation	362,740		
Special Fund Appropriation	1,713,250		2,075,990
		<hr/>	
L00A12.03 Food Quality Assurance			
General Fund Appropriation	168,138		
Special Fund Appropriation	1,784,527		
Federal Fund Appropriation	163,000		2,115,665
		<hr/>	
L00A12.04 Maryland Agricultural Statistics Services			
General Fund Appropriation			20,727
L00A12.05 Animal Health			
General Fund Appropriation	2,148,281		
Special Fund Appropriation	459,029		
Federal Fund Appropriation	440,557		3,047,867
		<hr/>	
L00A12.07 State Board of Veterinary Medical Examiners			
Special Fund Appropriation			709,763
L00A12.08 Maryland Horse Industry Board			
Special Fund Appropriation			309,113
L00A12.10 Marketing and Agriculture Development			
General Fund Appropriation	735,630		
Special Fund Appropriation	6,055,472		
Federal Fund Appropriation	1,368,895		8,159,997
		<hr/>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

L00A12.11 Maryland Agricultural Fair Board Special Fund Appropriation	1,460,000
L00A12.13 Tobacco Transition Program Special Fund Appropriation	1,000,000 <u>0</u> <u>1,000,000</u>
L00A12.18 Rural Maryland Council General Fund Appropriation	4,167,000 <u>3,167,000</u> <u>3,917,000</u> <u>3,667,000</u>
L00A12.19 Maryland Agricultural Education and Rural Development Assistance Fund General Fund Appropriation	167,000
L00A12.20 Maryland Agricultural and Resource-Based Industry Development Corporation General Fund Appropriation, provided that this appropriation shall be reduced by \$2,500,000 contingent upon the enactment of legislation providing funding over two years for the Next Generation Farmland Acquisition Program	7,875,000

SUMMARY

Total General Fund Appropriation	15,356,731
Total Special Fund Appropriation	13,491,154
Total Federal Fund Appropriation	1,972,452
<hr/>	
Total Appropriation	30,820,337
<hr/> <hr/>	

OFFICE OF PLANT INDUSTRIES AND PEST MANAGEMENT

L00A14.01 Office of the Assistant Secretary General Fund Appropriation			77,460
L00A14.02 Forest Pest Management General Fund Appropriation	962,664		
Special Fund Appropriation.....	101,114		
Federal Fund Appropriation	355,246	1,419,024	

L00A14.03 Mosquito Control		
General Fund Appropriation	1,007,061	
Special Fund Appropriation	1,698,241	2,705,302

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

L00A14.04 Pesticide Regulation		
Special Fund Appropriation	758,950	
Federal Fund Appropriation	363,181	1,122,131

L00A14.05 Plant Protection and Weed Management		
General Fund Appropriation	926,387	
Special Fund Appropriation	228,121	
Federal Fund Appropriation	236,029	1,390,537

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

L00A14.06 Turf and Seed		
General Fund Appropriation	830,624	
Special Fund Appropriation	275,689	1,106,313

L00A14.09 State Chemist		
Special Fund Appropriation	3,156,892	
Federal Fund Appropriation	98,611	3,255,503

SUMMARY

Total General Fund Appropriation		3,804,196
Total Special Fund Appropriation		6,219,007
Total Federal Fund Appropriation		1,053,067

Total Appropriation	11,076,270
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OFFICE OF RESOURCE CONSERVATION

L00A15.01 Office of the Assistant Secretary	
General Fund Appropriation	211,122

L00A15.02 Program Planning and Development	
General Fund Appropriation	450,230
Special Fund Appropriation	249,937
Federal Fund Appropriation	137,000
	837,167

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

L00A15.03 Resource Conservation Operations	
General Fund Appropriation	7,481,663

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

L00A15.04 Resource Conservation Grants	
General Fund Appropriation	751,843
Special Fund Appropriation	14,163,003
	14,914,846

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

L00A15.06 Nutrient Management	
General Fund Appropriation	1,453,651
Special Fund Appropriation	93,315
	1,546,966

Funds are appropriated in other agency

budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

L00A15.07 Watershed Implementation

General Fund Appropriation	385,295	
Federal Fund Appropriation	161,000	546,295
	<hr/>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SUMMARY

Total General Fund Appropriation		10,733,804
Total Special Fund Appropriation		14,506,255
Total Federal Fund Appropriation		298,000
		<hr/>
Total Appropriation		25,538,059
		<hr/> <hr/>

DEPARTMENT OF HEALTH AND MENTAL HYGIENE

Given the long standing and persistent nature of the heroin, opioid, and fentanyl overdose crisis, it is the intent of the General Assembly that the Governor assign an individual in the Executive Branch on a permanent basis who will be designated to administer the Governor’s authority to operationally address the heroin, opioid, and fentanyl overdose crisis, until such a time that the crisis can be satisfactorily controlled and eliminated.

OFFICE OF THE SECRETARY

M00A01.01 Executive Direction		
General Fund Appropriation	10,244,487	
Federal Fund Appropriation	2,255,610	12,500,097
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Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00A01.02 Operations		
General Fund Appropriation	13,359,659	
Federal Fund Appropriation	13,851,038	27,210,697
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Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00A01.08 Major Information Technology Development Projects		
Special Fund Appropriation		1,409,463

SUMMARY

Total General Fund Appropriation		23,604,146
Total Special Fund Appropriation		1,409,463
Total Federal Fund Appropriation		16,106,648

Total Appropriation		41,120,257
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REGULATORY SERVICES

Provided that \$100,000 of the general fund appropriation in program M00A01.01 Executive Direction made for the purpose of administration may not be expended until the Department of Health and Mental Hygiene (DHMH) submits a three-year plan to the budget committees outlining how DHMH will fully staff the Office of Health Care Quality. The report should include (1) an analysis of appropriate compensation for recruitment and retention of nurse surveyors; and (2) an assessment of strategies other than salary that the federal government and other states use to retain nurse surveyors. This report shall be submitted by October 1, 2017, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and will revert to the General Fund if the report is not submitted.

M00B01.03 Office of Health Care Quality		
General Fund Appropriation	12,777,607	
Special Fund Appropriation	535,871	
Federal Fund Appropriation	6,588,649	19,902,127

M00B01.04 Health Professionals Boards and Commissions		
General Fund Appropriation	499,166	
Special Fund Appropriation	19,738,350	20,237,516
	<u>18,518,350</u>	<u>19,017,516</u>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted

to use these receipts as special funds for operating expenses in this program.

M00B01.05 Board of Nursing Special Fund Appropriation	8,903,529
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Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00B01.06 Maryland Board of Physicians Special Fund Appropriation	10,091,088
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SUMMARY

Total General Fund Appropriation	13,276,773	
Total Special Fund Appropriation	38,048,838	
Total Federal Fund Appropriation	6,588,649	

Total Appropriation	57,914,260	=====

DEPUTY SECRETARY FOR PUBLIC HEALTH SERVICES

M00F01.01 Executive Direction		
General Fund Appropriation	6,968,966	
Special Fund Appropriation	364,820	
Federal Fund Appropriation	910,053	8,243,839
	_____	=====

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

OFFICE OF POPULATION HEALTH IMPROVEMENT

M00F02.01 Office of Population Health Improvement		
General Fund Appropriation	1,389,009	
Federal Fund Appropriation	1,564,521	2,953,530

M00F02.07 Core Public Health Services

General Fund Appropriation, provided that this appropriation shall be reduced by \$747,276 contingent upon the enactment of legislation reducing the required appropriation for Core Public Health Services to level fund aid at the fiscal 2017 level

	50,235,750	
Federal Fund Appropriation	4,493,000	54,728,750

SUMMARY

Total General Fund Appropriation		51,624,759
Total Federal Fund Appropriation		6,057,521

Total Appropriation		57,682,280
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PREVENTION AND HEALTH PROMOTION ADMINISTRATION

M00F03.01 Infectious Disease and Environmental Health Services

General Fund Appropriation	15,852,024	
Special Fund Appropriation	62,750,897	
Federal Fund Appropriation	63,947,368	142,550,289

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00F03.04 Family Health and Chronic Disease Services

General Fund Appropriation, provided that this appropriation shall be reduced by ~~\$15,000,000~~ \$2,000,000 contingent upon the enactment of legislation reducing the operating grant for the Prince George's County Regional Medical Center

	51,410,693	
Special Fund Appropriation	49,272,287	
Federal Fund Appropriation	151,358,529	252,041,509

SUMMARY

Total General Fund Appropriation	67,262,717
Total Special Fund Appropriation	112,023,184
Total Federal Fund Appropriation	215,305,897
	<hr/>
Total Appropriation	394,591,798
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OFFICE OF THE CHIEF MEDICAL EXAMINER

M00F05.01 Post Mortem Examining Services	
General Fund Appropriation	12,797,698
	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

OFFICE OF PREPAREDNESS AND RESPONSE

M00F06.01 Office of Preparedness and Response		
General Fund Appropriation	366,600	
Federal Fund Appropriation	16,358,096	16,724,696
	<hr/>	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

WESTERN MARYLAND CENTER

M00I03.01 Services and Institutional Operations
General Fund Appropriation, provided that \$275,000 of the general fund appropriation in program M00I03.01 Services and Institutional Operations made for the purpose of expanding the brain trauma unit may not be expended until the Department of Health and Mental Hygiene works with hospital management to submit a plan to the budget committees outlining

the best use of funds and how it will fund operations of any program. This report shall be submitted by July 1, 2017, and the committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and will revert to the General Fund if the report is not submitted

	23,411,432	
Special Fund Appropriation	301,168	23,712,600
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Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

DEER'S HEAD CENTER

M00I04.01 Services and Institutional Operations		
General Fund Appropriation	21,038,844	
Special Fund Appropriation	2,800,365	23,839,209
	<hr/>	<hr/> <hr/>

LABORATORIES ADMINISTRATION

M00J02.01 Laboratory Services		
General Fund Appropriation	35,307,657	
Special Fund Appropriation	7,133,257	
Federal Fund Appropriation	3,843,265	46,284,179
	<hr/>	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

DEPUTY SECRETARY FOR BEHAVIORAL HEALTH

M00K01.01 Executive Direction		
General Fund Appropriation		2,091,475
		<hr/> <hr/>

BEHAVIORAL HEALTH ADMINISTRATION

M00L01.01 Program Direction

General Fund Appropriation	15,674,260	
Special Fund Appropriation	308,894	
Federal Fund Appropriation	6,387,053	22,370,207

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00L01.02 Community Services

General Fund Appropriation, provided that this appropriation shall be reduced by ~~\$3,750,000~~ ~~\$2,000,000~~ \$3,000,000 contingent upon the enactment of legislation reducing the required special fund appropriation for the Maryland Community Health Resources Commission. Authorization is granted to process a special fund budget amendment of ~~\$3,750,000~~ ~~\$2,000,000~~ \$3,000,000 to replace the aforementioned General Fund amount.

Further provided that this appropriation shall be reduced by \$1,086,000 contingent upon legislative authorization to use Senior Prescription Drug Assistance Program revenue for the Community Services Program. Authorization is granted to process a special fund budget amendment of \$1,086,000 to replace the aforementioned General Fund amount.....

	166,355,401	
Special Fund Appropriation	28,803,926	
Federal Fund Appropriation	67,522,660	262,681,987

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00L01.03 Community Services for Medicaid State

Fund Recipients		
General Fund Appropriation		73,652,748

SUMMARY

Total General Fund Appropriation		255,682,409
Total Special Fund Appropriation		29,112,820
Total Federal Fund Appropriation		73,909,713

Total Appropriation		358,704,942
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THOMAS B. FINAN HOSPITAL CENTER

M00L04.01 Thomas B. Finan Hospital Center		
General Fund Appropriation	19,527,237	
Special Fund Appropriation	1,431,542	20,958,779

REGIONAL INSTITUTE FOR CHILDREN
AND ADOLESCENTS – BALTIMORE

M00L05.01 Regional Institute for Children and Adolescents – Baltimore		
General Fund Appropriation	12,270,113	
Special Fund Appropriation	2,227,364	
Federal Fund Appropriation	78,478	14,575,955

EASTERN SHORE HOSPITAL CENTER

M00L07.01 Eastern Shore Hospital Center		
General Fund Appropriation	20,105,202	
Special Fund Appropriation	8,576	20,113,778

SPRINGFIELD HOSPITAL CENTER

M00L08.01 Springfield Hospital Center		
General Fund Appropriation	74,232,729	
Special Fund Appropriation	134,336	74,367,065

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted

to use these receipts as special funds for operating expenses in this program.

SPRING GROVE HOSPITAL CENTER

M00L09.01 Spring Grove Hospital Center		
General Fund Appropriation	82,033,543	
Special Fund Appropriation	2,843,772	
Federal Fund Appropriation	20,332	84,897,647
	<hr/>	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

CLIFTON T. PERKINS HOSPITAL CENTER

M00L10.01 Clifton T. Perkins Hospital Center		
General Fund Appropriation	67,188,989	
Special Fund Appropriation	90,070	67,279,059
	<hr/>	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

JOHN L. GILDNER REGIONAL INSTITUTE FOR CHILDREN AND ADOLESCENTS

M00L11.01 John L. Gildner Regional Institute for Children and Adolescents		
General Fund Appropriation	11,370,394	
Special Fund Appropriation	133,248	
Federal Fund Appropriation	50,218	11,553,860
	<hr/>	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

BEHAVIORAL HEALTH ADMINISTRATION FACILITY MAINTENANCE

M00L15.01 Behavioral Health Administration		
Facility Maintenance		
General Fund Appropriation	795,204	
Special Fund Appropriation	533,281	1,328,485
	<hr/>	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

DEVELOPMENTAL DISABILITIES ADMINISTRATION

M00M01.01 Program Direction		
General Fund Appropriation	5,135,984	
Federal Fund Appropriation	3,606,659	8,742,643
	<hr/>	

M00M01.02 Community Services

General Fund Appropriation, ~~provided that this appropriation shall be reduced by \$8,444,522 contingent upon the enactment of legislation reducing the mandated provider rate increase from 3.5% to 2.0% for the Developmental Disabilities Administration, provided that if the funding for the proposed capped family supports waiver or community supports waivers cannot be utilized in fiscal 2018, the Developmental Disabilities Administration shall use the funding to provide services for individuals on the waitlist.~~

Further provided that \$400,000 of this appropriation intended for the transition from Community Supported Living Arrangements to Personal Supports may not be expended for that purpose and instead may be used only to provide funding for the PACT Helping Children program. Funds not spent for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and if not expended for this

<i>purpose shall revert to the General Fund ...</i>	604,746,036	
	602,961,036	
	604,746,036	
	<u>603,361,036</u>	
Special Fund Appropriation	5,695,718	
Federal Fund Appropriation, provided that this appropriation shall be reduced by \$7,011,659 contingent upon the enactment of legislation reducing the mandated provider rate increase from 3.5% to 2.0% for the Developmental Disabilities Administration	502,247,349	1,112,689,103
	501,032,349	1,109,689,103
	<u>502,247,349</u>	<u>1,111,304,103</u>

SUMMARY

Total General Fund Appropriation		608,497,020
Total Special Fund Appropriation		5,695,718
Total Federal Fund Appropriation		505,854,008
		<hr/>
Total Appropriation		1,120,046,746
		<hr/> <hr/>

HOLLY CENTER

M00M05.01 Holly Center		
General Fund Appropriation	17,383,696	
Special Fund Appropriation	84,003	17,467,699
	<hr/>	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

DEVELOPMENTAL DISABILITIES ADMINISTRATION COURT INVOLVED SERVICE DELIVERY SYSTEM

M00M06.01 Secure Evaluation and Therapeutic Treatment (Sett) Program		
General Fund Appropriation		9,177,810
		<hr/> <hr/>

POTOMAC CENTER

M00M07.01 Potomac Center			
General Fund Appropriation	13,667,916		
Special Fund Appropriation	5,000	13,672,916	
	<hr/>	<hr/> <hr/>	

DEVELOPMENTAL DISABILITIES ADMINISTRATION FACILITY MAINTENANCE

M00M15.01 Developmental Disabilities Administration Facility Maintenance			
General Fund Appropriation		1,258,864	
		<hr/> <hr/>	

MEDICAL CARE PROGRAMS ADMINISTRATION

M00Q01.01 Deputy Secretary for Health Care Financing			
General Fund Appropriation	1,508,463		
Federal Fund Appropriation	1,898,551	3,407,014	
	<hr/>		

M00Q01.02 Office of Systems, Operations and Pharmacy			
General Fund Appropriation	7,509,438		
Federal Fund Appropriation	16,212,234	23,721,672	
	<hr/>		

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00Q01.03 Medical Care Provider Reimbursements

All appropriations provided for program M00Q01.03 Medical Care Provider Reimbursements are to be used for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose.

General Fund Appropriation, provided that no part of this General Fund appropriation

may be paid to any physician or surgeon or any hospital, clinic, or other medical facility for or in connection with the performance of any abortion, except upon certification by a physician or surgeon, based upon his or her professional judgment that the procedure is necessary, provided one of the following conditions exists: where continuation of the pregnancy is likely to result in the death of the woman; or where the woman is a victim of rape, sexual offense, or incest that has been reported to a law enforcement agency or a public health or social agency; or where it can be ascertained by the physician with a reasonable degree of medical certainty that the fetus is affected by genetic defect or serious deformity or abnormality; or where it can be ascertained by the physician with a reasonable degree of medical certainty that termination of pregnancy is medically necessary because there is substantial risk that continuation of the pregnancy could have a serious and adverse effect on the woman's present or future physical health; or before an abortion can be performed on the grounds of mental health there must be certification in writing by the physician or surgeon that in his or her professional judgment there exists medical evidence that continuation of the pregnancy is creating a serious effect on the woman's present mental health and if carried to term there is a substantial risk of a serious or long lasting effect on the woman's future mental health.

Further provided that this appropriation shall be reduced by ~~\$25,000,000~~ ~~\$20,000,000~~ \$25,000,000 contingent upon the enactment of legislation suspending the reduction in the Medicaid Deficit Assessment for fiscal year 2018 only. Authorization is hereby provided to process a special fund budget amendment up to ~~\$25,000,000~~ ~~\$20,000,000~~ \$25,000,000 from Hospital Assessments to support Medicaid

provider reimbursements.

Further provided that \$375,000 of this appropriation made for the purpose of a managed care rate-setting study may not be used for that purpose and instead shall be expended only for provider reimbursements. Funding not used for this restricted purpose shall revert to the General Fund.

Further provided that ~~\$850,000~~ \$750,000 of this appropriation made for provider reimbursements may not be made for that purpose and instead shall be expended only to implement an opioid risk reduction pilot program. The purpose of the program is to improve Medicaid patient safety and clinical outcomes for individuals being prescribed for long-term opioid therapy for chronic pain. In implementing the program, the State shall contract with a company for urine drug monitoring that uses clinically driven health services including complex claims review and medication management. As part of the same contract, the State shall require the successful vendor to contract with a Maryland nonprofit statewide physician organization for physician outreach and education services. It is the intent of the General Assembly that the Department of Health and Mental Hygiene apply for any waiver necessary to use federal matching funds as part of the pilot. However, if the department is unable to receive a waiver to implement the pilot program, the department should proceed using State funds only. Funding not used for this restricted purpose may not be transferred or otherwise expended and shall revert to the General Fund and/or be canceled

~~2,733,883,238~~
~~2,728,080,142~~
~~2,733,883,238~~
2,732,533,238

Special Fund Appropriation, provided that authorization is hereby provided to process

a special fund budget amendment up to ~~\$5,794,096~~ **\$1,350,000** from the Cigarette Restitution Fund to support Medicaid provider reimbursements

	937,957,977	
Federal Fund Appropriation	5,796,260,110	9,468,101,325
		9,462,307,220
		9,468,101,325
		<u>9,466,751,325</u>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

M00Q01.04 Office of Health Services

General Fund Appropriation	11,989,660	
Special Fund Appropriation	1,900,000	
Federal Fund Appropriation	36,173,188	50,062,848

M00Q01.05 Office of Finance

General Fund Appropriation	1,487,033	
Federal Fund Appropriation	1,706,394	3,193,427

M00Q01.06 Kidney Disease Treatment Services

General Fund Appropriation	5,107,618	
Special Fund Appropriation	301,812	5,409,430

M00Q01.07 Maryland Children’s Health Program
 General Fund Appropriation, provided that no part of this General Fund appropriation may be paid to any physician or surgeon or any hospital, clinic, or other medical facility for or in connection with the performance of any abortion, except upon certification by a physician or surgeon, based upon his or her professional judgment that the procedure is necessary, provided one of the following conditions exists: where continuation of the pregnancy is likely to result in the death of the woman; or where the woman is a victim of rape, sexual offense, or incest that has

been reported to a law enforcement agency or a public health or social agency; or where it can be ascertained by the physician with a reasonable degree of medical certainty that the fetus is affected by genetic defect or serious deformity or abnormality; or where it can be ascertained by the physician with a reasonable degree of medical certainty that termination of pregnancy is medically necessary because there is substantial risk that continuation of the pregnancy could have a serious and adverse effect on the woman’s present or future physical health; or before an abortion can be performed on the grounds of mental health there must be certification in writing by the physician or surgeon that in his or her professional judgment there exists medical evidence that continuation of the pregnancy is creating a serious effect on the woman’s present mental health and if carried to term there is a substantial risk of a serious or long lasting effect on the woman’s future mental health

	32,878,231	
Special Fund Appropriation	1,524,556	
Federal Fund Appropriation	241,107,027	275,509,814

M00Q01.08 Major Information Technology Development Projects		
Federal Fund Appropriation		37,804,409

M00Q01.09 Office of Eligibility Services		
General Fund Appropriation	4,653,639	
Federal Fund Appropriation	8,545,529	13,199,168

M00Q01.10 Medicaid Behavioral Health Provider Reimbursements

All appropriations provided for program M00Q01.10 Medicaid Behavioral Health Provider Reimbursements are to be used for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose.

General Fund Appropriation	422,345,824	
Special Fund Appropriation	11,114,687	
Federal Fund Appropriation	881,762,550	1,315,223,061

M00Q01.11 Senior Prescription Drug Assistance Program		
Special Fund Appropriation		18,052,491

SUMMARY

Total General Fund Appropriation		3,220,013,144
Total Special Fund Appropriation		970,851,523
Total Federal Fund Appropriation		7,021,469,992

Total Appropriation		11,212,334,659
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HEALTH REGULATORY COMMISSIONS

M00R01.01 Maryland Health Care Commission		
Special Fund Appropriation		55,919,104

M00R01.02 Health Services Cost Review Commission		
Special Fund Appropriation		140,080,920

M00R01.03 Maryland Community Health Resources Commission		
Special Fund Appropriation, provided that this appropriation shall be reduced by \$3,750,000 \$2,000,000 \$3,000,000 contingent upon the enactment of legislation reducing the required appropriation for the Maryland Community Health Resources Commission		7,882,343

SUMMARY

Total Special Fund Appropriation		203,882,367
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Total Appropriation		203,882,367
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DEPARTMENT OF HUMAN RESOURCES

Provided that the spending in fiscal 2018 of the Temporary Assistance for Needy Families federal funds shall not exceed \$249,874,106.

OFFICE OF THE SECRETARY

N00A01.01 Office of the Secretary

General Fund Appropriation, provided that \$50,000 of the administrative appropriation may not be expended unless the Department of Human Resources includes Earned Income Tax Credit performance measures, goals, and objectives in the fiscal 2019 Managing for Results submission.

Further provided that since the Department of Human Resources (DHR) Office of the Secretary has had four or more repeat audit findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), and DHR failed to completely resolve, or make adequate progress toward resolving, those repeat audit findings, \$50,000 of this agency's administrative appropriation may not be expended unless:

- (1) DHR has reported the corrective action taken with respect to all repeat findings on or before November 1, 2017; and
- (2) a report is submitted to the budget committees by OLA listing each repeat finding along with an assessment of the corrective action taken by DHR for each repeat finding. The budget committees shall have 45 days to review and comment to allow funds to be released prior to the end of fiscal 2018

	7,769,756	
Federal Fund Appropriation	7,174,815	14,944,571

N00A01.02 Citizen’s Review Board for Children		
General Fund Appropriation	755,408	
Federal Fund Appropriation	64,964	820,372
<hr/>		
N00A01.03 Maryland Commission for Women		
General Fund Appropriation		136,018
N00A01.04 Maryland Legal Services Program		
General Fund Appropriation, <u>provided that</u>		
<u>\$13,087,212 of this appropriation made for</u>		
<u>the purpose of the Maryland Legal Services</u>		
<u>Program may be expended only for that</u>		
<u>purpose. Funds not used for this restricted</u>		
<u>purpose may not be transferred by budget</u>		
<u>amendment or otherwise to any other</u>		
<u>purpose and shall revert to the General</u>		
<u>Fund</u>		13,087,212

SUMMARY

Total General Fund Appropriation		21,748,394
Total Federal Fund Appropriation		7,239,779
		<hr/>
Total Appropriation		28,988,173
		<hr/> <hr/>

SOCIAL SERVICES ADMINISTRATION

N00B00.04 General Administration – State		
General Fund Appropriation	10,345,056	
Federal Fund Appropriation	17,522,721	27,867,777
		<hr/> <hr/>

OPERATIONS OFFICE

N00E01.01 Division of Budget, Finance, and Personnel		
General Fund Appropriation	10,693,916	
Federal Fund Appropriation	9,190,745	19,884,661
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N00E01.02 Division of Administrative Services		
General Fund Appropriation	4,520,740	

Federal Fund Appropriation	5,890,961	10,411,701
	<hr/>	

SUMMARY

Total General Fund Appropriation		15,214,656
Total Federal Fund Appropriation		15,081,706
		<hr/>
Total Appropriation		30,296,362
		<hr/> <hr/>

OFFICE OF TECHNOLOGY FOR HUMAN SERVICES

N00F00.02 Major Information Technology Development Projects Federal Fund Appropriation		65,927,799
N00F00.04 General Administration General Fund Appropriation	32,108,817	
Special Fund Appropriation	1,440,063	
Federal Fund Appropriation	36,118,630	69,667,510
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SUMMARY

Total General Fund Appropriation		32,108,817
Total Special Fund Appropriation		1,440,063
Total Federal Fund Appropriation		102,046,429
		<hr/>
Total Appropriation		135,595,309
		<hr/> <hr/>

LOCAL DEPARTMENT OPERATIONS

N00G00.01 Foster Care Maintenance Payments
 General Fund Appropriation, provided that funds appropriated herein may be used to develop a broad range of services to assist in returning children with special needs from out-of-state placements, to prevent unnecessary residential or institutional placements within Maryland, and to work with local jurisdictions in these regards. Policy decisions regarding the expenditures of such funds shall be made

jointly by the Executive Director of the Governor's Office for Children, the Secretaries of Health and Mental Hygiene, Human Resources, Juvenile Services, Budget and Management, and the State Superintendent of Education.

Further provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose. Funds not expended shall revert to the General Fund.

Further provided that \$200,000 of this appropriation made for the purpose of a new Foster Youth Savings Program shall be restricted pending the submission of two reports to the budget committees. The first report shall be submitted by July 1, 2017, and provide a detailed implementation plan for the Foster Youth Savings Program, including (1) the match terms; (2) limitations on withdrawals of matched funds; (3) type of accounts offered; (4) how children will be enrolled in the program; and (5) the types of education and financial literacy courses required as part of the program. The second report shall be submitted by December 1, 2017, and provide information on the number of youth participating, amount of matched savings provided, ~~and~~ implementation challenges, *and feasibility of opening a savings account for children receiving Social Security, Supplemental Security Income, and Veterans Administration benefits using the funds received from those benefits including describing the options for the types of accounts to be opened.* The budget committees shall have 45 days to review and comment. Funding shall be released in \$100,000 increments for the submission of each report. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise to any other purpose and shall

<u>revert to the General Fund if the reports are not submitted</u>	184,520,584	
	184,095,584	
	<u>184,195,584</u>	
Special Fund Appropriation	4,335,811	
Federal Fund Appropriation	73,841,478	262,607,873
		262,272,873
		<u>262,372,873</u>
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N00G00.02 Local Family Investment Program		
General Fund Appropriation	60,701,862	
	<u>51,401,862</u>	
Special Fund Appropriation	2,426,545	
Federal Fund Appropriation	99,820,448	162,048,855
		<u>153,648,855</u>
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N00G00.03 Child Welfare Services

General Fund Appropriation, provided that these funds are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to program N00G00.01 Foster Care Maintenance Payments. Funds not expended or transferred shall revert to the General Fund.

Further provided that \$100,000 of this appropriation made for the purpose of the Local Child Welfare Services Program may not be expended until the Department of Human Resources submits a report to the Senate Budget and Taxation Committee, the Senate Judicial Proceedings Committee, the House Appropriations Committee, and the House Judiciary Committee on the plans of each local department of social services (LDSS) for partnering to provide and promote affordable housing and employment opportunities for former foster youth. The submission shall include the plans for each LDSS. Each LDSS plan shall:

- (1) describe any existing efforts to

address the housing and employment needs of former foster youth (after their Child in Need of Assistance or Guardianship case has closed), including how the Family Unification Program vouchers are used to support youth aging out of foster care;

- (2) propose new strategies, including ways to partner with private and public sector employers and workforce development entities including the local workforce investment boards, to provide job opportunities for former foster youth;
- (3) provide and take into account projections of the number of youth expected to exit foster care at age 21 each year for the next four years; and
- (4) propose potential partnerships with the Department of Housing and Community Development, local public housing authorities, and community-based organizations to support the placement of former foster youth (once the child leaves the child welfare system) into safe, stable, and affordable housing.

The report shall be submitted by June 1, 2018, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted

	174,909,261	
	174,715,256	
Special Fund Appropriation	1,535,099	
	1,329,075	
Federal Fund Appropriation	59,913,060	236,357,420
	59,705,086	235,749,417

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N00G00.04 Adult Services		
General Fund Appropriation	10,174,986	
Special Fund Appropriation	1,262,594	
Federal Fund Appropriation	35,465,900	46,903,480
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N00G00.05 General Administration		
General Fund Appropriation	27,376,735	
Special Fund Appropriation	2,982,891	
Federal Fund Appropriation	14,408,786	44,768,412
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N00G00.06 Local Child Support Enforcement Administration		
General Fund Appropriation	16,795,284	
Special Fund Appropriation	589,169	
Federal Fund Appropriation	32,713,794	50,098,247
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N00G00.08 Assistance Payments		
General Fund Appropriation, <i>provided that</i> <i>\$4,000,000 \$2,000,000 of this</i> <i>appropriation made for the purpose of the</i> <i>Temporary Disability Assistance Program</i> <i>(TDAP) may be used only to increase the</i> <i>TDAP benefit by \$20 \$10 per month per</i> <i>recipient. Funds not expended for this</i> <i>restricted purpose may not be transferred by</i> <i>budget amendment or otherwise to any</i> <i>other purpose and shall revert to the</i> <i>General Fund</i>	67,312,926 61,312,926 65,312,926 63,312,926	
Special Fund Appropriation	12,494,062	
Federal Fund Appropriation	1,196,363,204	1,276,170,192 1,270,170,192 1,274,170,192 1,272,170,192
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N00G00.10 Work Opportunities		
Federal Fund Appropriation		31,650,929

SUMMARY

Total General Fund Appropriation		527,972,633
Total Special Fund Appropriation		25,420,147
Total Federal Fund Appropriation		1,543,969,625
		<hr/>
Total Appropriation		2,097,362,405
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CHILD SUPPORT ENFORCEMENT ADMINISTRATION

N00H00.08 Support Enforcement – State			
General Fund Appropriation	2,482,413		
Special Fund Appropriation	9,940,464		
Federal Fund Appropriation	29,653,542	42,076,419	
	<hr/>	<hr/>	<hr/>

FAMILY INVESTMENT ADMINISTRATION

N00I00.04 Director’s Office			
General Fund Appropriation	10,369,218		
Special Fund Appropriation	366,144		
Federal Fund Appropriation	25,830,725	36,566,087	
	<hr/>		
N00I00.05 Maryland Office for Refugees and Asylees			
Federal Fund Appropriation		14,643,916	
N00I00.06 Office of Home Energy Programs			
Special Fund Appropriation	73,217,314		
Federal Fund Appropriation	70,871,477	144,088,791	
	<hr/>		
N00I00.07 Office of Grants Management			
General Fund Appropriation	11,492,868		
Federal Fund Appropriation	1,129,085	12,621,953	
	<hr/>		

SUMMARY

Total General Fund Appropriation		21,862,086
Total Special Fund Appropriation		73,583,458
Total Federal Fund Appropriation		112,475,203
		<hr/>

Total Appropriation

207,920,747

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DEPARTMENT OF LABOR, LICENSING, AND REGULATION

OFFICE OF THE SECRETARY

P00A01.01 Executive Direction

General Fund Appropriation, provided that \$250,000 of this appropriation made for the purpose of the Employment Advancement Right Now program may not be expended until the Department of Labor, Licensing, and Regulation submits a report to the budget committees and the House Economic Matters Committee on the demographics and performance of each partnership. The report shall include how many students are enrolled with each partnership, their demographic information, county of residence, educational attainment, and if the participant has received employment or wage promotion in the partnership industry. The report shall be submitted by ~~September~~ **July** 1, 2017, and the committees shall have 45 days to review and comment. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the committees.

Further provided that \$500,000 of this appropriation made for the purpose of Executive Direction may not be expended until the Department of Labor, Licensing, and Regulation submits two reports to the budget committees on the work of the Employment Standards and Safety Inspection. The Employment Standards shall provide a report including (1) a current organizational chart outlining the current staff, vacant positions, the hierarchy of the department, and the Spanish-speaking employees; (2) the number of complaints received by the unit broken down by complaint type including, minimum wage, overtime violations, and

wage misclassification, the county they were filed in, and the language the complaint was filed in; (3) the time it takes to process a complaint from intake to complaint closure; (4) the number of complaints that result in investigations and enforcement actions against the company; (5) the number and percent of written complaints that, after filing, are resolved without investigation and any explanation for each decision not to investigate; (6) the criteria for initiating an investigation; (7) an explanation of requirement for complainants to provide a written letter to their employer for unpaid wages; and (8) the outreach activities of the unit including the number and location of outreach events for fiscal 2012 to 2017.

The Maryland Occupational Safety and Health Administration shall provide a report including (1) a current organizational chart outlining the current staff, vacant positions, the hierarchy of the department, and the Spanish-speaking employees; (2) the actions that have been or will be taken to attract new employees and improve retention; (3) the metric used to determine the optimum number of health and safety inspectors; (4) the total number of full-time equivalents dedicated to the Voluntary Protection Program and the number of Voluntary Protection Program site visits conducted; (5) a detailed explanation for the decrease in the number of inspections opened and investigated; (6) a detailed explanation for failing to meet the annual enforcement goals described in the Federal Annual Monitoring and Evaluation Reports and what actions the agency is taking or plans to take to improve performance in order to meet these goals; (7) a detailed explanation for the decline in annual inspections and what actions have been or will be taken to address known or foreseeable challenges to performing inspection and enforcement

responsibilities; (8) the procedures used to gather, review, and utilize enforcement data, including geographic location and demographic data, to plan enforcement activities for scheduling and prioritizing programmed inspections, including written documentation of the site-specific targeting program; and (9) the procedures for reviewing and adopting federal Occupational Safety and Health Act directives and standards notices and a list of all directives and standards notices received, noting the date received, the action taken, and, if rejected, a reason for the rejection for fiscal 2012 to 2017.

These reports shall be submitted by October 1, 2017, and annually thereafter; and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of these reports may be released in the amount of \$250,000 for each report received but may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted

Special Fund Appropriation	7,983,942	
Federal Fund Appropriation	1,493,672	
	1,190,461	10,668,075
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P00A01.02 Program Analysis and Audit		
General Fund Appropriation	58,722	
Special Fund Appropriation	73,910	
Federal Fund Appropriation	272,105	404,737
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P00A01.05 Legal Services		
General Fund Appropriation	1,494,682	
Special Fund Appropriation	1,546,984	
Federal Fund Appropriation	1,298,188	4,339,854
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P00A01.08 Office of Fair Practices		
General Fund Appropriation	55,443	
Special Fund Appropriation	62,569	
Federal Fund Appropriation	230,394	348,406

P00A01.09 Governor’s Workforce Development Board		
General Fund Appropriation, provided that this appropriation shall be reduced by \$250,000 contingent upon the enactment of legislation repealing the mandate that funding be provided for the Maryland Center for Construction Education and Innovation		309,238

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

P00A01.11 Board of Appeals		
Special Fund Appropriation	57,660	
Federal Fund Appropriation	1,308,856	1,366,516

P00A01.12 Lower Appeals		
Special Fund Appropriation	60,329	
Federal Fund Appropriation	6,061,836	6,122,165

SUMMARY

Total General Fund Appropriation		9,902,027
Total Special Fund Appropriation		3,295,124
Total Federal Fund Appropriation		10,361,840
		<hr/>
Total Appropriation		23,558,991
		<hr/> <hr/>

DIVISION OF ADMINISTRATION

P00B01.03 Office of Budget and Fiscal Services		
General Fund Appropriation	1,061,372	
Special Fund Appropriation	1,053,506	
Federal Fund Appropriation	3,337,865	5,452,743

P00B01.04 Office of General Services

General Fund Appropriation	776,025	
Special Fund Appropriation	952,462	
Federal Fund Appropriation	3,318,286	5,046,773
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Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

P00B01.05 Office of Information Technology

General Fund Appropriation	459,659	
Special Fund Appropriation	1,435,390	
Federal Fund Appropriation	3,875,270	5,770,319
	<hr/>	

P00B01.06 Office of Human Resources

General Fund Appropriation	304,018	
Special Fund Appropriation	353,264	
Federal Fund Appropriation	1,307,574	1,964,856
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SUMMARY

Total General Fund Appropriation		2,601,074
Total Special Fund Appropriation		3,794,622
Total Federal Fund Appropriation		11,838,995
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Total Appropriation		18,234,691
		<hr/> <hr/>

DIVISION OF FINANCIAL REGULATION

P00C01.02 Financial Regulation

General Fund Appropriation	1,321,367	
Special Fund Appropriation	9,454,200	10,775,567
	<hr/>	<hr/> <hr/>

DIVISION OF LABOR AND INDUSTRY

P00D01.01 General Administration

General Fund Appropriation	99,424	
Special Fund Appropriation	671,788	
Federal Fund Appropriation	331,069	1,102,281
	<hr/>	

P00D01.02 Employment Standards		
General Fund Appropriation	959,899	
Special Fund Appropriation	799,440	1,759,339
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P00D01.03 Railroad Safety and Health		
Special Fund Appropriation		393,000
P00D01.05 Safety Inspection		
Special Fund Appropriation		5,482,133
P00D01.07 Prevailing Wage		
General Fund Appropriation		873,121
P00D01.08 Occupational Safety and Health Administration		
Special Fund Appropriation	4,463,914	
Federal Fund Appropriation	4,984,600	9,448,514
	<hr/>	

SUMMARY

Total General Fund Appropriation		1,932,444
Total Special Fund Appropriation		11,810,275
Total Federal Fund Appropriation		5,315,669
		<hr/>
Total Appropriation		19,058,388
		<hr/> <hr/>

DIVISION OF RACING

P00E01.02 Maryland Racing Commission		
General Fund Appropriation, provided that this appropriation shall be reduced by \$475,221 contingent upon the enactment of legislation to authorize the use of Purse Dedication Account funds for administrative costs in the Maryland Racing Commission program. Authorization is granted to process a special fund budget amendment of \$475,221 to replace the aforementioned General Fund amount		475,221
Special Fund Appropriation, provided that this appropriation shall be reduced by \$1,000,000 contingent upon the enactment		

of legislation repealing the revenue transfer from the State Lottery Fund. Authorization is granted to process a special fund budget amendment of \$500,000	69,233,000	69,708,221
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P00E01.03 Racetrack Operation

General Fund Appropriation, provided that this appropriation shall be reduced by \$2,030,157 contingent upon the enactment of legislation to authorize the use of Purse Dedication Account funds for administrative costs in the Racetrack Operation program. Authorization is granted to process a special fund budget amendment of \$2,030,157 to replace the aforementioned General Fund amount	2,030,157	
Special Fund Appropriation	600,000	2,630,157

P00E01.05 Maryland Facility Redevelopment Program

Special Fund Appropriation		11,066,000
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P00E01.06 Share of Video Lottery Terminal Revenue for Local Impact Grants

Special Fund Appropriation.....		93,956,051
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SUMMARY

Total General Fund Appropriation		2,505,378
Total Special Fund Appropriation		174,855,051

Total Appropriation		177,360,429
		=====

DIVISION OF OCCUPATIONAL AND PROFESSIONAL LICENSING

P00F01.01 Occupational and Professional Licensing

General Fund Appropriation	3,064,517	
Special Fund Appropriation	6,449,603	9,514,120

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Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

DIVISION OF WORKFORCE DEVELOPMENT AND ADULT LEARNING

P00G01.07 Workforce Development

General Fund Appropriation	2,615,474	
Special Fund Appropriation	1,581,019	
Federal Fund Appropriation	65,039,352	69,235,845

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

P00G01.12 Adult Education and Literacy Program

General Fund Appropriation	946,562	
Special Fund Appropriation	28,127	
Federal Fund Appropriation	2,256,094	3,230,783

P00G01.13 Adult Corrections Program

General Fund Appropriation		15,135,280
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Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

P00G01.14 Aid to Education

General Fund Appropriation	8,011,986	
Federal Fund Appropriation	8,200,000	16,211,986

SUMMARY

Total General Fund Appropriation		26,709,302
Total Special Fund Appropriation		1,609,146
Total Federal Fund Appropriation		75,495,446

Total Appropriation		103,813,894
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DIVISION OF UNEMPLOYMENT INSURANCE

P00H01.01 Office of Unemployment Insurance

Special Fund Appropriation	14,042,507	
Federal Fund Appropriation	55,102,982	69,145,489

P00H01.02 Major Information Technology

Development Projects		
Special Fund Appropriation	750,000	
Federal Fund Appropriation	20,826,659	21,576,659

SUMMARY

Total Special Fund Appropriation		14,792,507
Total Federal Fund Appropriation		75,929,641

Total Appropriation		90,722,148
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DEPARTMENT OF PUBLIC SAFETY AND
CORRECTIONAL SERVICES

Provided that 400 vacant positions are abolished and general funds of \$16,900,000 are reduced in the Department of Public Safety and Correctional Services due to the downsizing of the Maryland Correctional Institution – Hagerstown.

OFFICE OF THE SECRETARY

Q00A01.01 General Administration			
General Fund Appropriation			35,996,554
Q00A01.02 Information Technology and Communications Division			
General Fund Appropriation	26,701,883		
Special Fund Appropriation	6,200,000		
Federal Fund Appropriation	1,300,000		34,201,883

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00A01.03 Intelligence and Investigative Division			
General Fund Appropriation			9,457,311

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00A01.04 9-1-1 Emergency Number Systems			
Special Fund Appropriation			56,896,133

Q00A01.06 Division of Capital Construction and Facilities Maintenance			
General Fund Appropriation			4,375,412

Q00A01.07 Major Information Technology Development Projects			
Special Fund Appropriation			1,000,000

SUMMARY

Total General Fund Appropriation		76,531,160
Total Special Fund Appropriation		64,096,133
Total Federal Fund Appropriation		1,300,000
		<hr/>
Total Appropriation		141,927,293
		<hr/> <hr/>

DEPUTY SECRETARY FOR OPERATIONS

Q00A02.01 Administrative Services		
General Fund Appropriation		10,048,974
Q00A02.03 Field Support Services		
General Fund Appropriation	5,020,437	
Special Fund Appropriation	25,000	5,045,437
		<hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00A02.04 Security Operations		
General Fund Appropriation		34,778,523
Q00A02.05 Central Home Detention Unit		
General Fund Appropriation	7,874,993	
Special Fund Appropriation	65,000	7,939,993
		<hr/>

SUMMARY

Total General Fund Appropriation		57,722,927
Total Special Fund Appropriation		90,000
		<hr/>
Total Appropriation		57,812,927
		<hr/> <hr/>

MARYLAND CORRECTIONAL ENTERPRISES

Q00A03.01 Maryland Correctional Enterprises

Special Fund Appropriation

59,258,838



DIVISION OF CORRECTION – HEADQUARTERS

Q00B01.01 General Administration

General Fund Appropriation, provided that \$100,000 of this appropriation may not be expended until the Department of Public Safety and Correctional Services (DPSCS), in consultation with the Department of Budget and Management, submits a report to the budget committees providing the following information:

- (1) fiscal 2015, 2016, and 2017 data on the number of employees, delineated by category (correctional officer, parole and probation agent, or administrative), leaving DPSCS employment within 6, 12, and 24 months of hire;
- (2) fiscal 2015, 2016, and 2017 data on the number of employees, delineated by category (correctional officer, parole and probation agent, or administrative), leaving DPSCS employment by reason for the separation;
- (3) the amount of nonvoluntary overtime hours worked by DPSCS employees between May 2017 and October 2017;
- (4) the distribution of overtime hours worked and amount earned among DPSCS correctional employees in fiscal 2015, 2016, and 2017; and
- (5) a detailed plan for reducing the number of vacancies throughout the department, particularly among correctional officer and administrative staff. The plan should include an evaluation and

fiscal estimate of solutions addressing compensation, improvements in employee wellness, the potential for utilizing part-time or retired staff, potential operating efficiencies designed to lessen staffing needs, using civilian positions in lieu of uniformed personnel, and relaxation of hiring standards.

The report shall be submitted by ~~November 1, 2017~~ January 1, 2018, and the budget committees shall have 45 days to review and comment. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees

15,287,002

MARYLAND PAROLE COMMISSION

Q00C01.01 General Administration and Hearings
 General Fund Appropriation

6,152,714

DIVISION OF PAROLE AND PROBATION

Q00C02.01 Division of Parole and Probation –
 Support Services
 General Fund Appropriation
 Special Fund Appropriation

17,564,902

60,000

17,624,902

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

PATUXENT INSTITUTION

Q00D00.01 Patuxent Institution
 General Fund Appropriation
 Special Fund Appropriation

52,240,006

70,700

52,310,706

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

INMATE GRIEVANCE OFFICE

Q00E00.01 General Administration	
Special Fund Appropriation	1,245,741

POLICE AND CORRECTIONAL TRAINING COMMISSIONS

Q00G00.01 General Administration
 General Fund Appropriation, provided that \$100,000 of this appropriation made for the purpose of departmental operations may not be expended until the Police and Correctional Training Commissions (PCTC) submits the following information to the budget committees:

- (1) PCTC’s plan to comply with the finalized U.S. Department of Justice consent decree with the Baltimore Police Department and with the consent decree’s specific mentions of PCTC involvement and/or oversight regarding regulations, notification, police training, and overall reform efforts;
- (2) PCTC’s policies or rules for making a determination as to whether Maryland police departments’ training programs or procedures are subject to approval;
- (3) PCTC’s specific plan regarding PCTC approval of the official Baltimore Police Department Training Plan mentioned in the consent decree;

- (4) all written policies regarding PCTC oversight of police firearms regulations and standards; and
- (5) PCTC’s policies or rules regarding when local jurisdictions’ police departments are required to notify PCTC in the event of officer misconduct and officer resignations while misconduct or disciplinary charges are pending.

The report shall be submitted to the budget committees no later than July 1, 2017, and the budget committees shall have 45 days from the date of receipt of the report to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees ...

	7,619,230	
Special Fund Appropriation	393,000	
Federal Fund Appropriation	99,920	8,112,150

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

CRIMINAL INJURIES COMPENSATION BOARD

Q00K00.01 Administration and Awards		
Special Fund Appropriation	3,271,991	
Federal Fund Appropriation	1,900,000	5,171,991

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

MARYLAND COMMISSION ON CORRECTIONAL STANDARDS

Q00N00.01 General Administration		
General Fund Appropriation		588,648
		<u><u>588,648</u></u>

DIVISION OF CORRECTION – WEST REGION

Q00R02.01 Maryland Correctional Institution – Hagerstown		
General Fund Appropriation	74,820,549	
Special Fund Appropriation	154,100	74,974,649
	<u>74,974,649</u>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00R02.02 Maryland Correctional Training Center		
General Fund Appropriation	76,400,359	
Special Fund Appropriation	406,600	76,806,959
	<u>76,806,959</u>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00R02.03 Roxbury Correctional Institution		
General Fund Appropriation	56,041,094	
Special Fund Appropriation	149,400	56,190,494
	<u>56,190,494</u>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00R02.04 Western Correctional Institution		
General Fund Appropriation	60,202,919	
Special Fund Appropriation	137,800	60,340,719
	<u>60,340,719</u>	

Funds are appropriated in other agency budgets to pay for services provided by this

program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00R02.05 North Branch Correctional Institution		
General Fund Appropriation	63,514,809	
Special Fund Appropriation	110,400	63,625,209
	<hr/>	

SUMMARY

Total General Fund Appropriation		330,979,730
Total Special Fund Appropriation		958,300
		<hr/>
Total Appropriation		331,938,030
		<hr/> <hr/>

DIVISION OF PAROLE AND PROBATION – WEST REGION

Q00R03.01 Division of Parole and Probation – West Region		
General Fund Appropriation	19,155,357	
Special Fund Appropriation	2,801,596	21,956,953
	<hr/>	<hr/> <hr/>

DIVISION OF CORRECTION – EAST REGION

Q00S02.01 Jessup Correctional Institution		
General Fund Appropriation	74,918,036	
Special Fund Appropriation	148,500	75,066,536
	<hr/>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.02 Maryland Correctional Institution – Jessup		
General Fund Appropriation	42,128,663	
Special Fund Appropriation	89,200	42,217,863
	<hr/>	

Funds are appropriated in other agency budgets to pay for services provided by this

program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.03 Maryland Correctional Institution for Women		
General Fund Appropriation	39,789,624	
Special Fund Appropriation	128,500	39,918,124
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Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.04 Brockbridge Correctional Facility		
General Fund Appropriation	25,585,161	
Special Fund Appropriation	53,500	25,638,661
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Q00S02.06 Southern Maryland Pre-Release Unit		
General Fund Appropriation	5,594,928	
Special Fund Appropriation	151,600	5,746,528
	<hr/>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.07 Eastern Pre-Release Unit		
General Fund Appropriation	5,722,402	
Special Fund Appropriation	129,600	5,852,002
	<hr/>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.08 Eastern Correctional Institution		
General Fund Appropriation	115,884,887	
Special Fund Appropriation	462,800	
Federal Fund Appropriation	1,240,000	117,587,687

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.09 Dorsey Run Correctional Facility		
General Fund Appropriation	33,780,588	
Special Fund Appropriation	141,400	33,921,988

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00S02.10 Central Maryland Correctional Facility		
General Fund Appropriation	16,172,211	
Special Fund Appropriation	42,000	16,214,211

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SUMMARY

Total General Fund Appropriation		359,576,500
Total Special Fund Appropriation		1,347,100
Total Federal Fund Appropriation		1,240,000

Total Appropriation		362,163,600
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DIVISION OF PAROLE AND PROBATION – EAST REGION

Q00S03.01 Division of Parole and Probation – East Region		
General Fund Appropriation	26,463,603	
Special Fund Appropriation	2,171,466	28,635,069

DIVISION OF PAROLE AND PROBATION – CENTRAL REGION

Q00T03.01 Division of Parole and Probation – Central Region		
General Fund Appropriation	40,047,649	
Special Fund Appropriation	1,624,819	41,672,468
	<hr/>	

Q00T03.02 Pretrial Release Services		
General Fund Appropriation		6,293,309

SUMMARY

Total General Fund Appropriation		46,340,958
Total Special Fund Appropriation		1,624,819
		<hr/>
Total Appropriation		47,965,777
		<hr/> <hr/>

DIVISION OF PRETRIAL DETENTION

Q00T04.01 Chesapeake Detention Facility		
Special Fund Appropriation	38,600	
Federal Fund Appropriation	25,893,537	25,932,137
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Q00T04.04 Baltimore Central Booking and Intake Center		
General Fund Appropriation	62,103,896	
Special Fund Appropriation	81,300	62,185,196
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Q00T04.05 Baltimore Pretrial Complex		
General Fund Appropriation	73,965,523	
Special Fund Appropriation	451,400	
Federal Fund Appropriation	5,000	74,421,923
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Q00T04.06 Maryland Reception, Diagnostic and Classification Center		
General Fund Appropriation	37,591,214	
Special Fund Appropriation	49,300	
Federal Fund Appropriation	5,000	37,645,514
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Q00T04.07 Baltimore City Correctional Center

General Fund Appropriation	14,585,249	
Special Fund Appropriation	102,000	14,687,249

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

Q00T04.08 Metropolitan Transition Center

General Fund Appropriation	39,639,861	
Special Fund Appropriation	321,796	39,961,657

Q00T04.09 General Administration

General Fund Appropriation, provided that \$100,000 of this appropriation shall be restricted until the Department of Public Safety and Correctional Services (DPSCS) conducts a new post-by-post security staffing analysis for each of its custodial facilities in order to identify the actual number of regular positions needed to safely and securely staff the State’s correctional institutions. DPSCS shall provide a written report to the budget committees no later than December 1, 2017, with biannual submissions thereafter, summarizing the results of the analysis and explaining the need for any staffing changes resulting from the staffing analysis or changes in policy that require the use of additional positions. To the extent possible, the analysis should discuss ways the department is generating operating efficiencies in lieu of the need for additional positions. The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise and shall revert to the General Fund if the report is not submitted to the budget committees

1,653,215

SUMMARY

Total General Fund Appropriation	229,538,958
Total Special Fund Appropriation	1,044,396
Total Federal Fund Appropriation	25,903,537
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Total Appropriation	256,486,891
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STATE DEPARTMENT OF EDUCATION

HEADQUARTERS

R00A01.01 Office of the State Superintendent		
General Fund Appropriation	9,062,212	
Special Fund Appropriation	1,340,927	
Federal Fund Appropriation	1,512,252	11,915,391
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R00A01.02 Division of Business Services		
General Fund Appropriation	847,067	
Special Fund Appropriation	240,812	
Federal Fund Appropriation	10,201,635	11,289,514
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R00A01.03 Division of Academic Policy and Innovation		
General Fund Appropriation	1,006,240	
Federal Fund Appropriation	74,760	1,081,000
	<hr/>	
R00A01.04 Division of Accountability and Assessment		
General Fund Appropriation	38,599,710	
Special Fund Appropriation	486,300	
Federal Fund Appropriation	9,774,329	48,860,339
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<p>Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.</p>		
R00A01.05 Office of Information Technology		
General Fund Appropriation	3,849,853	
Special Fund Appropriation	140,824	
Federal Fund Appropriation	3,222,685	7,213,362
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R00A01.07 Office of School and Community Nutrition Programs		
General Fund Appropriation	255,773	
Special Fund Appropriation	24,601	
Federal Fund Appropriation	11,839,652	12,120,026
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R00A01.10 Division of Early Childhood Development		
General Fund Appropriation	12,684,400	
Federal Fund Appropriation	44,358,676	57,043,076
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R00A01.11 Division of Curriculum, Assessment, and Accountability		
General Fund Appropriation	1,889,138	
Special Fund Appropriation	2,076,870	
Federal Fund Appropriation	2,558,466	6,524,474
	<hr/>	
<p>Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.</p>		
R00A01.12 Division of Student, Family and School Support		
General Fund Appropriation	1,681,942	
Federal Fund Appropriation	4,718,193	6,400,135
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R00A01.13 Division of Special Education/Early Intervention Services		
General Fund Appropriation	563,777	
Special Fund Appropriation	1,189,355	
Federal Fund Appropriation	12,266,693	14,019,825
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R00A01.14 Division of Career and College Readiness		
General Fund Appropriation	1,119,898	
Federal Fund Appropriation	2,671,668	3,791,566
	<hr/>	
R00A01.15 Juvenile Services Education Program		
General Fund Appropriation	16,655,465	
Federal Fund Appropriation	1,014,626	17,670,091
	<hr/>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted

to use these receipts as special funds for operating expenses in this program.

R00A01.17 Division of Library Development and Services		
General Fund Appropriation	3,098,913	
Federal Fund Appropriation	1,530,770	4,629,683
	<hr/>	
R00A01.18 Division of Certification and Accreditation		
General Fund Appropriation	2,380,880	
Special Fund Appropriation	313,979	
Federal Fund Appropriation	163,662	2,858,521
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R00A01.20 Division of Rehabilitation Services – Headquarters		
General Fund Appropriation	1,462,292	
Special Fund Appropriation	105,258	
Federal Fund Appropriation	9,893,471	11,461,021
	<hr/>	
R00A01.21 Division of Rehabilitation Services – Client Services		
General Fund Appropriation	10,602,433	
Federal Fund Appropriation	34,171,872	44,774,305
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R00A01.22 Division of Rehabilitation Services – Workforce and Technology Center		
General Fund Appropriation	1,606,504	
Federal Fund Appropriation	8,103,475	9,709,979
	<hr/>	
R00A01.23 Division of Rehabilitation Services – Disability Determination Services		
Federal Fund Appropriation		46,396,360
R00A01.24 Division of Rehabilitation Services – Blindness and Vision Services		
General Fund Appropriation	1,491,829	
Special Fund Appropriation	3,365,379	
Federal Fund Appropriation	4,676,451	9,533,659
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SUMMARY

Total General Fund Appropriation		108,858,326
Total Special Fund Appropriation		9,284,305
Total Federal Fund Appropriation		209,149,696
		<hr/>
Total Appropriation		327,292,327
		<hr/> <hr/>

AID TO EDUCATION

Provided that the Maryland State Department of Education shall notify the budget committees of any intent to transfer the funds from program R00A.02 Aid to Education to any other budgetary unit. The budget committees shall have 45 days to review and comment on the planned transfer prior to its effect.

R00A02.01 State Share of Foundation Program		
General Fund Appropriation	2,693,209,534	
Special Fund Appropriation	546,675,313	3,239,884,847
	<hr/>	
R00A02.02 Compensatory Education		
General Fund Appropriation		1,306,296,887
R00A02.03 Aid for Local Employee Fringe Benefits		
General Fund Appropriation		790,939,826
R00A02.04 Children at Risk		
General Fund Appropriation	10,372,414	
Special Fund Appropriation	4,896,000	
Federal Fund Appropriation	22,393,628	37,662,042
	<hr/>	
R00A02.05 Formula Programs for Specific Populations		
General Fund Appropriation		2,200,000
R00A02.06 Maryland Prekindergarten Expansion Program Financing Fund		
General Fund Appropriation	7,972,000	
Federal Fund Appropriation	16,000,000	23,972,000
	<hr/>	

R00A02.07 Students With Disabilities

General Fund Appropriation	445,543,707
	<u>440,543,707</u>

To provide funds as follows:

Formula	284,864,947
Non-Public Placement Program	123,617,896
Infants and Toddlers Program ...	10,389,104
Autism Waiver	21,671,760

Provided that funds appropriated for nonpublic placements may be used to develop a broad range of services to assist in returning children with special needs from out-of-state placements to Maryland; to prevent out-of-state placements of children with special needs; to prevent unnecessary separate day school, residential or institutional placements within Maryland; and to work with local jurisdictions in these regards. Policy decisions regarding the expenditures of such funds shall be made jointly by the Executive Director of the Governor’s Office for Children and the Secretaries of Health and Mental Hygiene, Human Resources, Juvenile Services, Budget and Management, and the State Superintendent of Education.

R00A02.08 Assistance to State for Educating Students With Disabilities

Federal Fund Appropriation	212,861,789
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R00A02.09 Gifted and Talented

Federal Fund Appropriation	800,000
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R00A02.12 Educationally Deprived Children

Federal Fund Appropriation	243,871,885
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R00A02.13 Innovative Programs

General Fund Appropriation, provided that this appropriation shall be reduced by ~~\$7,500,000~~ ~~\$2,500,000~~ ~~\$7,000,000~~ **\$5,000,000** contingent upon the enactment of legislation ~~repealing~~ **altering** the

mandate that funding be provided for the Public Schools Opportunities Enhancement Program.

~~Further provided that this appropriation shall be reduced by \$5,000,000 contingent upon the enactment of legislation repealing the mandate that funding be provided for the Next Generation Scholars Program.~~

~~Further provided that this appropriation shall be reduced by \$250,000 contingent upon the enactment of legislation repealing the mandate that funding be provided for the Robotics Program.~~

Further provided that funds for new Pathways in Technology Early College High (P-TECH) schools during the 2017-2018 school year may be used only for one P-TECH school for Allegany County Public Schools; one P-TECH school serving Queen Anne's County, Talbot County, and Caroline County Public Schools; and two P-TECH schools for Prince George's County Public Schools.

Further provided that \$300,000 of this appropriation made for the purpose of providing funding for the Next Generation Scholars Program may not be expended for that purpose but instead may be used only to support the Bard High School Early College Baltimore. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Further provided that \$250,000 of this appropriation made for the purpose of innovative schools may not be expended for that purpose, but instead may only be used, contingent on enactment of SB 908 and provided that no funding is included in a supplemental budget, for the Maryland Education Development Collaborative.

Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund

~~22,033,500~~
~~20,007,000~~
~~21,847,000~~
22,083,599

Federal Fund Appropriation 2,272,509 ~~25,206,108~~
~~23,269,500~~
~~24,119,500~~
24,356,108

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

R00A02.15 Language Assistance
 Federal Fund Appropriation 10,500,000

R00A02.18 Career and Technology Education
 Federal Fund Appropriation 13,677,310

R00A02.24 Limited English Proficient
 General Fund Appropriation 248,707,292

R00A02.25 Guaranteed Tax Base
 General Fund Appropriation 50,249,443

R00A02.27 Food Services Program
 General Fund Appropriation 11,236,664
 Federal Fund Appropriation 428,597,659 439,834,323

R00A02.31 Public Libraries
 General Fund Appropriation, ~~provided that this appropriation shall be reduced by \$3,000,000 contingent upon the enactment of legislation repealing the mandate that funding be provided to expand hours of operation at branches of the Enoch Pratt Free Library~~ 40,697,196
 Federal Fund Appropriation 1,050,000 41,747,196

R00A02.32 State Library Network General Fund Appropriation		17,707,258
R00A02.39 Transportation General Fund Appropriation		276,250,611
R00A02.52 Science and Mathematics Education Initiative Federal Fund Appropriation		1,543,100
R00A02.55 Teacher Development General Fund Appropriation, provided that this appropriation shall be reduced by \$5,000,000 <u>\$2,900,000</u> contingent upon the enactment of legislation repealing <i>altering</i> the mandate that funding be provided for the Teacher Induction, Retention, and Advancement Pilot Program.		
Further provided that this appropriation shall be reduced by \$1,000,000 <u>\$950,000</u> contingent upon the enactment of legislation repealing <i>altering</i> the stipend for specific Anne Arundel County Public School teachers.		
Further provided that this appropriation shall be reduced by \$1,100,000 contingent upon the enactment of legislation reducing the mandated stipend for teachers who hold a certificate issued by the National Board for Professional Teaching Standards.....	12,200,000	
Special Fund Appropriation	300,000	
Federal Fund Appropriation	31,499,522	43,999,522
<hr/>		
R00A02.57 Transitional Education Funding Program General Fund Appropriation	10,575,000	
Special Fund Appropriation	1,320,000	11,895,000
<hr/>		
R00A02.58 Head Start General Fund Appropriation		1,800,000

R00A02.59 Child Care Subsidy Program		
General Fund Appropriation	43,547,835	
Federal Fund Appropriation	57,216,238	100,764,073

SUMMARY

Total General Fund Appropriation		5,986,589,266
Total Special Fund Appropriation		553,191,313
Total Federal Fund Appropriation		1,042,283,640
		<hr/>
Total Appropriation		7,582,064,219
		<hr/> <hr/>

FUNDING FOR EDUCATIONAL ORGANIZATIONS

R00A03.01 Maryland School for the Blind		
General Fund Appropriation		23,018,459
R00A03.02 Blind Industries and Services of Maryland		
General Fund Appropriation		531,115
R00A03.03 Other Institutions		
General Fund Appropriation		6,266,446
Alice Ferguson Foundation	79,378	
Alliance of Southern Prince George's Communities, Inc.	31,752	
American Visionary Art Museum	15,040	
Arts Excel – Baltimore Symphony Orchestra	63,503	
B&O Railroad Museum	60,161	
Baltimore Museum of Industry	80,214	
Best Buddies International (MD Program)	158,756	
Calvert Marine Museum	50,000	
Chesapeake Bay Foundation	416,945	
Chesapeake Bay Maritime Museum	20,053	
Citizenship Law-Related Education	29,244	
College Bound	35,930	
The Dyslexia Tutoring Program, Inc.	35,930	

Echo Hill Outdoor School	53,476
Imagination Stage	238,136
Jewish Museum of Maryland	12,533
Junior Achievement of Central Maryland	40,106
Living Classrooms Foundation	304,145
Maryland Academy of Sciences	873,169
Maryland Historical Society	119,484
Maryland Humanities Council	41,777
Maryland Leadership Workshops	43,450
Maryland Mathematics, Engineering and Science Achievement	76,035
Maryland Zoo in Baltimore – Education Component	812,171
National Aquarium in Baltimore	474,601
National Great Blacks in Wax Museum	40,106
National Museum of Ceramic Art and Glass	20,053
Northbay Adventure	927,558
Olney Theatre	139,539
Outward Bound	127,006
Port Discovery	111,130
Salisbury Zoological Park	17,546
Sotterley Foundation	12,533
South Baltimore Learning Center	40,106
State Mentoring Resource Center	76,036
Sultana Projects	20,053
Super Kids Camp	391,043
The Village Learning Place, Inc.	43,450
Walters Art Museum	15,875
Ward Museum	33,423
Young Audiences of Maryland	85,000

R00A03.04 Aid to Non–Public Schools

Special Fund Appropriation, provided that this appropriation shall be for the purchase of textbooks or computer hardware and software and other electronically delivered learning materials as permitted under Title IID, Section 2416(b)(4), (6), and (7) of

the No Child Left Behind Act for loan to students in eligible nonpublic schools with a maximum distribution of \$65 per eligible nonpublic school student for participating schools, except that at schools where ~~at least 20%~~ from 20% to 40% of the students are eligible for the free or reduced-price lunch program there shall be a distribution of \$95 per student, and at schools where more than 40% of the students are eligible for the free or reduced-price lunch program there shall be a distribution of \$155 per student. To be eligible to participate, a nonpublic school shall:

- (1) Hold a certificate of approval from or be registered with the State Board of Education;
- (2) Not charge more tuition to a participating student than the statewide average per pupil expenditure by the local education agencies, as calculated by the department, with appropriate exceptions for special education students as determined by the department; and
- (3) Comply with Title VI of the Civil Rights Act of 1964, as amended.

The department shall establish a process to ensure that the local education agencies are effectively and promptly working with the nonpublic schools to assure that the nonpublic schools have appropriate access to federal funds for which they are eligible.

Further provided that the Maryland State Department of Education shall:

- (1) Assure that the process for textbook, computer hardware, and computer software acquisition uses a list of qualified textbook, computer hardware, and computer

software vendors and of qualified textbooks, computer hardware, and computer software; uses textbooks, computer hardware, and computer software that are secular in character and acceptable for use in any public elementary or secondary school in Maryland; and

- (2) Receive requisitions for textbooks, computer hardware, and computer software to be purchased from the eligible and participating schools, and forward the approved requisitions and payments to the qualified textbook, computer hardware, or computer software vendor who will send the textbooks, computer hardware, or computer software directly to the eligible school, which will:
 - (i) Report shipment receipt to the department;
 - (ii) Provide assurance that the savings on the cost of the textbooks, computer hardware, or computer software will be dedicated to reducing the cost of textbooks, computer hardware, or computer software for students; and
 - (iii) Since the textbooks, computer hardware, or computer software shall remain property of the State, maintain appropriate shipment receipt records for audit purposes.

Further provided that a nonpublic school participating in the Aid to Non-Public Schools Program R00A03.04 shall certify compliance with Title 20, Subtitle 6 of the

State Government Article. A nonpublic school participating in the program may not discriminate in student admissions on the basis of race, color, national origin, or sexual orientation. Nothing herein shall require any school or institution to adopt any rule, regulation, or policy that conflicts with its religious or moral teachings. However, all participating schools must agree that they will not discriminate in student admissions on the basis of race, color, national origin, or sexual orientation. The sole legal remedy for violation of these provisions is ineligibility for participating in the Aid to Non–Public Schools Program..

6,040,000

R00A03.05 Broadening Options and Opportunities for Students Today

Special Fund Appropriation, provided that this appropriation shall be for a Broadening Options and Opportunities for Students Today (BOOST) Program that provides scholarships for students who are eligible for the free or reduced–price lunch program to attend eligible nonpublic schools. The Maryland State Department of Education (MSDE) shall administer the grant program in accordance with the following guidelines:

- (1) To be eligible to participate in the BOOST Program, a nonpublic school must:
 - (a) participate in Program R00A03.04 Aid to Non–Public Schools Program for textbooks and computer hardware and software administered by MSDE;
 - (b) provide more than only prekindergarten and kindergarten programs;
 - (c) administer assessments to all students in accordance

with federal and State law;
and

- (d) comply with Title VI of the Civil Rights Act of 1964 as amended, Title 20, Subtitle 6 of the State Government Article, and not discriminate in student admissions on the basis of race, color, national origin, or sexual orientation. Nothing herein shall require any school or institution to adopt any rule, regulation, or policy that conflicts with its religious or moral teachings. However, all participating schools must agree that they will not discriminate in student admissions based on race, color, national origin, or sexual orientation. If a nonpublic school does not comply with these requirements, it shall reimburse MSDE all scholarship funds received under the BOOST Program and may not charge the student tuition and fees instead. The only other legal remedy for violation of this provision is ineligibility for participating in the BOOST Program.

- (2) MSDE shall establish procedures for the application and award process for scholarships for students who are eligible for the free or reduced-price lunch program. The procedures shall include consideration for award adjustments if an eligible student becomes ineligible during the course of the school year.

- (3) MSDE shall compile and certify a list of applicants that ranks eligible students by family income expressed as a percent of the most recent federal poverty levels.
- (4) MSDE shall submit the ranked list of applicants to the BOOST Advisory Board.
- (5) There is a BOOST Advisory Board that shall be appointed as follows: 2 members appointed by the Governor, 2 members appointed by the President of the Senate, 2 members appointed by the Speaker of the House of Delegates, and 1 member jointly appointed by the President and the Speaker to serve as the chair. A member of the BOOST Advisory Board may not be an elected official and may not have any financial interest in an eligible nonpublic school.
- (6) The BOOST Advisory Board shall review and certify the ranked list of applicants and shall determine the scholarship award amounts.
- (7) MSDE shall make scholarship awards to eligible students as determined by the BOOST Advisory Board.
- (8) The amount of a scholarship award may not exceed the lesser of:
 - (a) the statewide average per pupil expenditure by local education agencies, as calculated by MSDE; or
 - (b) the tuition of the nonpublic school.

(9) In order to meet its BOOST Program reporting requirements to the budget committees, MSDE shall specify a date by which participating nonpublic schools must submit information to MSDE so that it may complete its report. Any nonpublic schools that do not provide the necessary information by that specified date shall be ineligible to participate in the BOOST Program.

(10) Students who received a BOOST Program scholarship award in the prior year who still meet eligibility criteria for a scholarship shall receive a scholarship renewal award. For students who are receiving a BOOST Program scholarship for the first time, priority shall be given to students who attended public schools in the prior school year.

Further provided that no scholarship awards shall be made after March 8, 2017. Any unexpended funds not awarded to students for scholarships in the 2016–2017 school year shall be encumbered at the end of the fiscal year and available for scholarships in the 2017–2018 school year.

~~Further provided that up to \$150,000 of the appropriation may be used by MSDE to cover the reasonable costs of administering the BOOST Program.~~

Further provided that MSDE shall submit a report to the budget committees by December 15, 2017, that includes the following:

- (1) the number of students receiving BOOST Program scholarships;
- (2) the amount of the BOOST Program scholarships received;
- (3) the number of certified and noncertified teachers in core subject areas for each nonpublic school participating in the BOOST Program;
- (4) the _____ assessments _____ being administered in accordance with federal and State law by nonpublic schools participating in the BOOST Program, ~~as well as student performance on those assessments.~~ ***For nonpublic schools administering norm referenced assessments, the nonpublic schools shall provide to MSDE the results for all students receiving BOOST Program scholarships to whom assessments were administered. For those nonpublic schools _____ administering non-standardized assessments, the nonpublic schools shall provide to MSDE the results for all students receiving BOOST Program scholarships to whom assessments were administered and how students receiving BOOST Program scholarships performed in comparison to students who did not receive BOOST Program scholarships. MSDE shall report these assessment results reported by nonpublic schools to the budget committees in an aggregate manner that does not violate student data privacy;***
- (5) in the aggregate, for each BOOST

- Program scholarship awarded (1) the nonpublic school and grade level attended by the student; (2) the school attended in the 2016–2017 school year by the student; and (3) if the student attended the same nonpublic school in the 2016–2017 school year, whether, what type, and how much nonpublic scholarship aid the student received in the 2016–2017 school year and will receive in the 2017–2018 school year;
- (6) the average household income of students receiving BOOST Program scholarships;
- (7) the racial breakdown of students receiving BOOST Program scholarships;
- (8) the number of students designated as English language learners receiving BOOST Program scholarships;
- (9) the number of special education students receiving BOOST Program scholarships;
- (10) the county in which students receiving BOOST Program scholarships reside;
- (11) the number of students who were offered BOOST Program scholarships but declined them, as well as their reasons for declining the scholarships and the breakdown of students attending public and nonpublic schools for students who declined scholarships; and
- (12) the number of students who

<u>received BOOST Program</u>	
<u>scholarships for the</u>	
<u>2016–2017 school year who are</u>	
<u>attending public school for the</u>	
<u>2017–2018 school year, as well as</u>	
<u>their reasons for returning to public</u>	
<u>schools</u>	<u>6,850,000</u>
	<u>2,055,904</u>
	<u>6,850,000</u>
	<u>5,500,000</u>

SUMMARY

Total General Fund Appropriation	29,816,020
Total Special Fund Appropriation	11,540,000
	<hr/>
Total Appropriation	41,356,020
	<hr/> <hr/>

CHILDREN’S CABINET INTERAGENCY FUND

R00A04.01 Children’s Cabinet Interagency Fund	
General Fund Appropriation	18,655,376
	<u>18,555,376</u>
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MARYLAND LONGITUDINAL DATA SYSTEM CENTER

R00A05.01 Maryland Longitudinal Data System	
Center	
General Fund Appropriation	2,082,434
Federal Fund Appropriation	786,789
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MORGAN STATE UNIVERSITY

R13M00.00 Morgan State University	
Current Unrestricted Appropriation	195,178,820
Current Restricted Appropriation	53,518,625
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ST. MARY’S COLLEGE OF MARYLAND

R14D00.00 St. Mary’s College of Maryland	
Current Unrestricted Appropriation	67,384,673
Current Restricted Appropriation	5,300,000
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MARYLAND PUBLIC BROADCASTING COMMISSION

R15P00.01 Executive Direction and Control			
Special Fund Appropriation			843,960
R15P00.02 Administration and Support Services			
General Fund Appropriation	8,029,971		
Special Fund Appropriation	1,203,315		
Federal Fund Appropriation	3,000,000		12,233,286
R15P00.03 Broadcasting			
General Fund Appropriation	17,950		
Special Fund Appropriation	11,303,982		
Federal Fund Appropriation	350,000		11,671,932
R15P00.04 Content Enterprises			
Special Fund Appropriation	6,221,345		
Federal Fund Appropriation	496,284		6,717,629

SUMMARY

Total General Fund Appropriation			8,047,921
Total Special Fund Appropriation			19,572,602
Total Federal Fund Appropriation			3,846,284
Total Appropriation			31,466,807

UNIVERSITY SYSTEM OF MARYLAND

Provided that University System of Maryland institutions that have a positive State-supported fund balance shall not be required to transfer State-supported funds to the fund balance as determined by the University System of Maryland Office or the Board of Regents. Any transfers of State-supported funds to the fund balance shall be at the discretion of the institution's President. It shall be at the discretion of an institution's President whether to transfer

State-supported funds to the fund balance
or to use the funds to support other
institutional priorities.

UNIVERSITY OF MARYLAND, BALTIMORE CAMPUS

R30B21.00 University of Maryland, Baltimore Campus			
Current Unrestricted Appropriation	641,693,692		
Current Restricted Appropriation	483,411,770	1,125,105,462	
	<hr/>	<hr/> <hr/>	

UNIVERSITY OF MARYLAND, COLLEGE PARK CAMPUS

R30B22.00 University of Maryland, College Park Campus			
Current Unrestricted Appropriation	1,607,424,921		
Current Restricted Appropriation	484,020,330	2,091,445,251	
	<hr/>	<hr/> <hr/>	

BOWIE STATE UNIVERSITY

R30B23.00 Bowie State University			
Current Unrestricted Appropriation	103,182,388		
Current Restricted Appropriation	23,000,000	126,182,388	
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TOWSON UNIVERSITY

R30B24.00 Towson University			
Current Unrestricted Appropriation, provided that this appropriation shall be reduced by \$500,000 contingent upon the enactment of legislation repealing the requirement that additional funding be provided to increase funding guideline attainment.			
<u>Further provided that \$70,000 of this appropriation made for the purpose of maintaining Hidden Waters shall be reduced. It is the intent of the General Assembly that the University System of Maryland Foundation assume full responsibility for the costs of maintaining Hidden Waters</u>	450,375,135		
Current Restricted Appropriation	50,112,331	500,487,466	
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UNIVERSITY OF MARYLAND EASTERN SHORE

R30B25.00 University of Maryland Eastern Shore		
Current Unrestricted Appropriation, <u>provided that \$100,000 of this appropriation may not be expended until the University of Maryland Eastern Shore submits a report by November 10, 2017, to the budget committees on the actual fiscal 2017 revenues and expenditures by program areas and the fiscal 2018 revenues and expenditures by program areas based on the fall 2017 enrollment. The budget committees shall have 45 days to review and comment on the report. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees ...</u>	106,063,293	
Current Restricted Appropriation	33,390,279	139,453,572
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FROSTBURG STATE UNIVERSITY

R30B26.00 Frostburg State University		
Current Unrestricted Appropriation	108,253,035	
Current Restricted Appropriation	13,281,000	121,534,035
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COPPIN STATE UNIVERSITY

R30B27.00 Coppin State University		
Current Unrestricted Appropriation	75,113,213	
Current Restricted Appropriation	18,000,000	93,113,213
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UNIVERSITY OF BALTIMORE

R30B28.00 University of Baltimore		
Current Unrestricted Appropriation	115,350,740	
Current Restricted Appropriation	23,872,426	139,223,166
	<hr/>	<hr/> <hr/>

SALISBURY UNIVERSITY

R30B29.00 Salisbury University		
Current Unrestricted Appropriation	193,301,594	
Current Restricted Appropriation	13,000,000	206,301,594
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UNIVERSITY OF MARYLAND UNIVERSITY COLLEGE

R30B30.00 University of Maryland University College		
Current Unrestricted Appropriation	368,718,633	
Current Restricted Appropriation	42,274,732	410,993,365
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UNIVERSITY OF MARYLAND BALTIMORE COUNTY

R30B31.00 University of Maryland Baltimore County		
Current Unrestricted Appropriation, provided that this appropriation shall be reduced by \$3,500,000 contingent upon the enactment of legislation repealing the requirement that additional funding be provided to increase funding guideline attainment	355,908,128	
Current Restricted Appropriation	92,883,636	448,791,764
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UNIVERSITY OF MARYLAND CENTER FOR ENVIRONMENTAL SCIENCE

R30B34.00 University of Maryland Center for Environmental Science		
Current Unrestricted Appropriation	30,013,982	
Current Restricted Appropriation	18,203,113	48,217,095
	<hr/>	<hr/> <hr/>

UNIVERSITY SYSTEM OF MARYLAND OFFICE

Provided that State-supported positions at the University System of Maryland Office shall not exceed 87.66 full-time equivalent (FTE) positions. Further provided the number of executive management positions shall not exceed ~~12.80~~ 13.80 FTE positions.

R30B36.00 University System of Maryland Office		
Current Unrestricted Appropriation	32,480,032	
Current Restricted Appropriation	3,000,000	35,480,032
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MARYLAND HIGHER EDUCATION COMMISSION

It is the intent of the General Assembly that the Maryland Higher Education Commission use its Need-Based Student Financial Assistance Fund's fund balance to provide for an increase of at least 2% in initial awarding of State support for total need-based student financial assistance in fiscal 2018 so that State support matches the expected increase in tuition at public four-year institutions.

R62I00.01 General Administration			
General Fund Appropriation	5,572,435		
Special Fund Appropriation	978,974		
Federal Fund Appropriation	480,614		7,032,023
		<hr/>	

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

R62I00.02 College Prep/Intervention Program			
General Fund Appropriation			750,000

R62I00.03 Joseph A. Sellinger Formula for Aid to Non-Public Institutions of Higher Education			
General Fund Appropriation, provided that this appropriation shall be reduced by \$6,574,208 contingent upon the enactment of legislation to level fund the grant to private colleges and universities at the fiscal 2017 amount			53,391,542
			48,817,334
			<u>51,000,000</u>

R62I00.05 The Senator John A. Cade Funding Formula for the Distribution of Funds to Community Colleges			
General Fund Appropriation, <u>provided that the appropriation made herein for local community colleges be reduced by \$296,405.</u>			

~~Further provided that \$3,000,000 of this appropriation shall be distributed only in proportion to the number of resident credit seeking full time equivalent students enrolled at each eligible institution during fiscal 2016, as determined by the Maryland Higher Education Commission (MHEC). To be eligible for grant funding, institutions must not increase fall 2017 tuition by more than 2%.~~

~~Further provided that \$1,000,000 of this appropriation shall be distributed only in proportion to the number of resident credit seeking full time equivalent students enrolled at each eligible institution during fiscal 2016, as determined by MHEC. Eligible institutions shall include Carroll Community College, Cecil College, Chesapeake College, and Wor-Wic Community College.~~

~~Funds restricted for these specific purposes may not be transferred by budget amendment or otherwise to any other purpose and if not expended for these purposes shall revert to the General Fund.~~

Further provided that \$4,000,000 of this appropriation made herein for the one-time supplemental grant for community colleges shall be used only for that purpose. A community college is eligible to receive a portion of funding from this grant if it raises tuition by no more than 2% for the 2017-2018 academic year. Total grant funding is to be distributed among eligible institutions, as determined by the Maryland Higher Education Commission (MHEC), in proportion to each institution's share of ~~Cade~~ formula-eligible enrollments in fiscal 2016, also as determined by MHEC. If found eligible, Baltimore City Community College (BCCC) (R95C00) may receive funding from this grant through a

budget amendment. Funding from the one-time grant shall not be incorporated into the Cade formula or in BCCC's funding formula when calculating State support in fiscal 2019. Funds restricted for this specific purpose may not be transferred by budget amendment or otherwise to any other purpose and if not expended for this purpose shall revert to the General Fund....

256,061,611

R62I00.06 Aid to Community Colleges – Fringe Benefits
 General Fund Appropriation

63,491,619

R62I00.07 Educational Grants

General Fund Appropriation 13,316,547
 Federal Fund Appropriation 1,030,000

14,346,547

To provide Education Grants to various State, Local and Private Entities

Complete College Maryland 250,000
 Improving Teacher Quality 500,000
OCR Enhancement Fund, provided it is the intent of the General Assembly that the Office for Civil Rights Enhancement Fund be moved from the Maryland Higher Education Commission to the base budgets of the Historically Black Colleges and Universities beginning in fiscal 2019 4,900,000
 Regional Higher Education Centers 2,412,047
 College Access Challenge Grant Program 500,000
 Washington Center for Internships and Academic Seminars 175,000
 UMB–WellMobile 285,000
 John R. Justice Grant..... 30,000
 Colleges Savings Plan Match 5,000,000
 Colleges Savings Plan Match Administrative Grant..... 100,000
 Achieving a Better Life Experience Grant..... 194,500

R62I00.09 2 + 2 Transfer Scholarship Program Special Fund Appropriation	200,000
R62I00.10 Educational Excellence Awards	
<u>Provided that funds appropriated for Educational Excellence Awards may not be transferred to any other program or purpose.</u>	
General Fund Appropriation	82,764,420
R62I00.12 Senatorial Scholarships	
General Fund Appropriation	6,486,000
R62I00.14 Edward T. and Mary A. Conroy Memorial Scholarship Program	
General Fund Appropriation	570,474
R62I00.15 Delegate Scholarships	
General Fund Appropriation, <u>provided that \$303,620 \$282,135 of this appropriation made for the purpose of Delegate Scholarships may not be expended for that purpose and instead may only be transferred by budget amendment to Educational Excellence Awards (R62I00.10) to be used for need-based student financial aid. Funds not used for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund</u>	
	6,749,000
R62I00.16 Charles W. Riley Firefighter and Ambulance and Rescue Squad Member Scholarship Program	
Special Fund Appropriation	358,000
R62I00.17 Graduate and Professional Scholarship Program	
General Fund Appropriation	1,174,473
R62I00.21 Jack F. Tolbert Memorial Student Grant Program	
General Fund Appropriation	200,000

R62I00.26 Janet L. Hoffman Loan Assistance Repayment Program		
General Fund Appropriation	1,305,000	
Special Fund Appropriation	75,000	1,380,000
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R62I00.27 Maryland Loan Assistance Repayment Program for Foster Care Recipients		
General Fund Appropriation		100,000
R62I00.28 Maryland Loan Assistance Repayment Program for Physicians and Physician Assistants		
Special Fund Appropriation		1,032,282
<p>Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.</p>		
R62I00.33 Part-Time Grant Program		
General Fund Appropriation		5,087,780
R62I00.36 Workforce Shortage Student Assistance Grants		
General Fund Appropriation		1,229,853
R62I00.37 Veterans of the Afghanistan and Iraq Conflicts Scholarship		
General Fund Appropriation		750,000
R62I00.38 Nurse Support Program II		
General Fund Appropriation	75,220	
Special Fund Appropriation	20,086,045	
Federal Fund Appropriation	4,565	20,165,830
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Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

R62I00.39 Health Personnel Shortage Incentive Grant Program

Special Fund Appropriation	750,000
R62I00.43 Maryland Higher Education Outreach and College Access Pilot Program	
General Fund Appropriation	250,000

SUMMARY

Total General Fund Appropriation	496,934,432
Total Special Fund Appropriation	23,480,301
Total Federal Fund Appropriation	1,515,179
Total Appropriation	521,929,912

HIGHER EDUCATION

R75T00.01 Support for State Operated Institutions
of Higher Education

The following amounts constitute the General Fund appropriation for the State operated institutions of higher education. The State Comptroller is hereby authorized to transfer these amounts to the accounts of the programs indicated below in four equal allotments; said allotments to be made on July 1 and October 1 of 2017 and January 1 and April 1 of 2018. Neither this appropriation nor the amounts herein enumerated constitute a lump sum appropriation as contemplated by Sections 7-207 and 7-233 of the State Finance and Procurement Article of the Code.

Program	Title	
R30B21 University of Maryland, Baltimore Campus.....		224,723,409
R30B22 University of Maryland, College Park Campus		492,553,284
R30B23 Bowie State University ...		42,420,788
R30B24 Towson University		115,710,735
R30B25 University of Maryland Eastern Shore		38,975,934
R30B26 Frostburg State University		40,358,631

R30B27 Coppin	State	
University		44,825,372
R30B28 University of Baltimore ...		36,097,171
R30B29 Salisbury University		52,821,342
R30B30 University of Maryland		
University College		41,808,697
R30B31 University of Maryland		
Baltimore County		118,662,324
R30B34 University of Maryland		
Center for Environmental		
Science.....		21,837,603
R30B36 University System of		
Maryland Office		25,182,319
<hr/>		
Subtotal University System		
of Maryland.....		1,295,977,609

R95C00 Baltimore	City	
Community College.....		40,602,171
R14D00 St. Mary's College		
of Maryland.....		22,415,114
R13M00 Morgan	State	
University.....		91,601,482

General Fund Appropriation, ~~provided that this appropriation shall be reduced by \$4,000,000 contingent on enactment of legislation repealing the requirement that additional funding be provided to increase funding guideline attainment.~~

Further provided that \$100,000 of this appropriation may not be expended until the University of Maryland Eastern Shore submits a report by November 10, 2017, to the budget committees on the actual fiscal 2017 revenues and expenditures by program areas and the fiscal 2018 revenues and expenditures by program areas based on the fall 2017 enrollment. The budget committees shall have 45 days to review and comment on the report. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Further provided that \$70,000 of this appropriation made for the purpose of Towson University to maintain Hidden Waters shall be reduced. It is the intent of the General Assembly that the University System of Maryland Foundation assume full responsibility for the costs of maintaining Hidden Waters.

~~Further provided that this appropriation made for the purpose of Baltimore City Community College be reduced by \$750,000.~~

Further provided that, contingent on the enactment of HB 1595 or SB 1127, \$150,000 of this appropriation made for the purpose of Baltimore City Community College (BCCC) may be expended only on costs related to the implementation of HB 1595 or SB 1127.

Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Further provided that \$600,000 of this appropriation made for the purpose of BCCC may not be expended for that purpose but instead may only be transferred to the University System of Maryland Office (R30B36) for the following purposes:

- (1) \$450,000 to the Universities at Shady Grove to support new academic programming related to the new Biomedical Sciences and Engineering Education Facility; and
- (2) \$150,000 to the University System of Maryland at Hagerstown to support new academic programming.

Funds not expended for these restricted purposes may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Further provided that, ~~contingent upon the failure of enactment of HB 1595 and SB 1127,~~ \$1,000,000 of this appropriation made for the purpose of operations at Baltimore City Community College (BCCC) may not be expended until the Board of Trustees of BCCC submits a draft implementation plan to the budget committees on the institution's follow-up to the comprehensive report from the Schaefer Center. The Board of Trustees shall consult with the President in developing the implementation plan. The draft implementation plan is due by February 1, 2018, and the final implementation plan is due by June 30, 2018.

The implementation plan shall explain how BCCC is:

- (1) strategically focusing core offerings of BCCC on the needs of students at BCCC and the workforce of Baltimore City, including review and, if needed, elimination of programs;
- (2) making workforce development and job placement top educational priorities of BCCC;
- (3) improving student pathways to success, including remedial education, attainment of a degree or a postsecondary certificate, and transfer to a four-year institution of higher education;
- (4) improving student pathways to

- success with the Baltimore City Public School System, institutions of higher education, and employers;
- (5) aligning the budget of BCCC with realistic enrollment projections;
 - (6) engaging in a comprehensive review of all positions, faculty, and staff at BCCC;
 - (7) establishing strong relationships with key stakeholders, including:
 - (a) the Mayor of Baltimore City;
 - (b) the Mayor's Office of Employment Development;
 - (c) the Baltimore City Public School System;
 - (d) institutions of higher education located in Baltimore City;
 - (e) State agencies, including the Department of Labor, Licensing, and Regulation;
 - (f) private employers; and
 - (g) business and community organizations.
 - (8) rebuilding and marketing the brand of BCCC;
 - (9) addressing the information technology and infrastructure needs of BCCC, including whether oversight by the Department of Information Technology is advisable;
 - (10) developing or selling all unused or underutilized real estate holdings.

including the Inner Harbor site;
and

- (11) identifying any barriers in State or local laws or regulations that impede the ability of BCCC to operate efficiently and effectively, including procurement and capital construction projects.

The budget committees shall have 45 days to review and comment from the date of receipt of the draft implementation plan. Funds restricted pending receipt of the draft implementation plan may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the draft implementation plan is not submitted to the budget committees

1,450,596,376

The following amounts constitute an estimate of Special Fund revenues derived from the Higher Education Investment Fund and the Maryland Emergency Medical System Operations Fund. These revenues support the Special Fund appropriation for the State operated institutions of higher education. The State Comptroller is hereby authorized to transfer these amounts to the accounts of the programs indicated below in four allotments; said allotments to be made on July 1 and October 1 of 2017 and January 1 and April 1 of 2018. To the extent revenue attainment is lower than estimated, the State Comptroller shall adjust the transfers at year's end. Neither this appropriation nor the amounts herein enumerated constitute a lump sum appropriation as contemplated by Sections 7-207 and 7-233 of the State Finance and Procurement Article of the Code.

Program	Title	
R30B21 University	of Maryland,	
Baltimore Campus.....		9,938,814
R30B22 University	of Maryland,	

College Park Campus	30,971,631		
R30B23 Bowie State University	1,905,009		
R30B24 Towson University	5,138,140		
R30B25 University of Maryland Eastern Shore	1,754,837		
R30B26 Frostburg State University	1,802,558		
R30B27 Coppin State University	2,027,085		
R30B28 University of Baltimore	1,620,810		
R30B29 Salisbury University	2,344,443		
R30B30 University of Maryland University College	1,801,130		
R30B31 University of Maryland Baltimore County	5,290,000		
R30B34 University of Maryland Center for Environmental Science.....	993,260		
R30B36 University System of Maryland Office	1,143,817		
<hr/>			
Subtotal University System of Maryland.....	66,731,534		
R14D00 St. Mary's College of Maryland.....	2,549,840		
R13M00 Morgan State University.....	2,234,810		
<hr/>			
Special Fund Appropriation, provided that \$8,795,184 of this appropriation shall be used by the University of Maryland, College Park (R30B22) for no other purpose than to support the Maryland Fire and Rescue Institute as provided in Section 13-955 of the Transportation Article		71,516,184	1,522,112,560
		<hr/>	<hr/> <hr/>

BALTIMORE CITY COMMUNITY COLLEGE

R95C00.00 Baltimore City Community College
 Current Unrestricted Appropriation, ~~provided
 that this appropriation made for the
 purpose of Baltimore City Community
 College be reduced by \$750,000, provided
 that, contingent on the enactment of HB
 1595 or SB 1127, \$150,000 of this~~

appropriation made for the purpose of Baltimore City Community College (BCCC) may only be expended on costs related to the implementation of HB 1595 or SB 1127.

Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Further provided that \$600,000 of this appropriation made for the purpose of BCCC may not be expended for that purpose but instead may only be transferred to the University System of Maryland Office (R30B36) for the following purposes:

- (1) \$450,000 to the Universities at Shady Grove to support new academic programming related to the new Biomedical Sciences and Engineering Education Facility; and
- (2) \$150,000 to the University System of Maryland at Hagerstown to support new academic programming.

Funds not expended for these restricted purposes may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.

Further provided that, ~~contingent upon the failure of enactment of HB 1595 and SB 1127,~~ \$1,000,000 of this appropriation made for the purpose of operations at Baltimore City Community College (BCCC) may not be expended until the Board of Trustees of BCCC submits a draft implementation plan to the budget committees on the institution's follow-up to the comprehensive report from the Schaefer Center. The Board of Trustees

shall consult with the President in developing the implementation plan. The draft implementation plan is due by February 1, 2018, and the final implementation plan is due by June 30, 2018.

The implementation plan shall explain how BCCC is:

- (1) strategically focusing core offerings of BCCC on the needs of students at BCCC and the workforce of Baltimore City, including review and, if needed, elimination of programs;
- (2) making workforce development and job placement top educational priorities of BCCC;
- (3) improving student pathways to success, including remedial education, attainment of a degree or a postsecondary certificate, and transfer to a four-year institution of higher education;
- (4) improving student pathways to success with the Baltimore City Public School System, institutions of higher education, and employers;
- (5) aligning the budget of BCCC with realistic enrollment projections;
- (6) engaging in a comprehensive review of all positions, faculty, and staff at BCCC;
- (7) establishing strong relationships with key stakeholders, including:
 - (a) the Mayor of Baltimore City;
 - (b) the Mayor's Office of Employment Development;

- (c) the Baltimore City Public School System;
 - (d) institutions of higher education located in Baltimore City;
 - (e) State agencies, including the Department of Labor, Licensing, and Regulation;
 - (f) private employers; and
 - (g) business and community organizations.
- (8) rebuilding and marketing the brand of BCCC;
 - (9) addressing the information technology and infrastructure needs of BCCC, including whether oversight by the Department of Information Technology is advisable;
 - (10) developing or selling all unused or underutilized real estate holdings, including the Inner Harbor site; and
 - (11) identifying any barriers in State or local laws or regulations that impede the ability of BCCC to operate efficiently and effectively, including procurement and capital construction projects.

The budget committees shall have 45 days to review and comment from the date of receipt of the draft implementation plan. Funds restricted pending receipt of the draft implementation plan may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the draft

<u>implementation plan is not submitted to the budget committees</u>	65,411,070	
Current Restricted Appropriation	20,335,961	85,747,031
	<hr/>	<hr/> <hr/>

MARYLAND SCHOOL FOR THE DEAF

R99E01.00 Services and Institutional Operations		
General Fund Appropriation	31,567,621	
Special Fund Appropriation	304,143	
Federal Fund Appropriation	584,099	32,455,863
	<hr/>	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

OFFICE OF THE SECRETARY

S00A20.01 Office of the Secretary		
Special Fund Appropriation	2,958,849	
Federal Fund Appropriation	1,339,866	4,298,715
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S00A20.03 Office of Management Services		
Special Fund Appropriation	2,750,396	
Federal Fund Appropriation	1,572,815	4,323,211
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SUMMARY

Total Special Fund Appropriation		5,709,245
Total Federal Fund Appropriation		2,912,681
		<hr/>
Total Appropriation		8,621,926
		<hr/> <hr/>

DIVISION OF CREDIT ASSURANCE

S00A22.01 Maryland Housing Fund		
Special Fund Appropriation		488,591
S00A22.02 Asset Management		
Special Fund Appropriation		6,412,604
S00A22.03 Maryland Building Codes		
Special Fund Appropriation		822,831

SUMMARY

Total Special Fund Appropriation		7,724,026
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DIVISION OF NEIGHBORHOOD REVITALIZATION

S00A24.01 Neighborhood Revitalization		
General Fund Appropriation	4,546,000	
Special Fund Appropriation	11,951,070	
Federal Fund Appropriation	12,514,237	29,011,307
	<hr/>	

S00A24.02 Neighborhood Revitalization – Capital Appropriation

General Fund Appropriation, provided that this appropriation shall be reduced by \$25,625,000 contingent upon the enactment of legislation to authorize the use of General Obligation Bonds to fund Project C.O.R.E. (Creating Opportunities for Renewal and Enterprise).

Further provided that this appropriation shall be reduced by \$12,000,000 contingent upon the enactment of legislation altering the mandate for the Baltimore Regional Neighborhoods Initiative.

Further provided that this appropriation shall be reduced by \$5,000,000 contingent upon the enactment of legislation ~~repealing~~ altering the mandate for the Seed Community Development Anchor Institution Fund

Institution Fund	42,625,000	
Special Fund Appropriation	1,900,000	
Federal Fund Appropriation	9,000,000	53,525,000

SUMMARY

Total General Fund Appropriation		47,171,000
Total Special Fund Appropriation		13,851,070
Total Federal Fund Appropriation		21,514,237
Total Appropriation		82,536,307

DIVISION OF DEVELOPMENT FINANCE

S00A25.01 Administration

Special Fund Appropriation		4,350,165
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S00A25.02 Housing Development Program

Special Fund Appropriation	4,396,197	
Federal Fund Appropriation	300,000	4,696,197

S00A25.03 Single Family Housing

Special Fund Appropriation	6,216,086	
Federal Fund Appropriation	934,079	7,150,165
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S00A25.04 Housing and Building Energy Programs		
Special Fund Appropriation	22,863,561	
Federal Fund Appropriation	6,111,923	28,975,484
<hr/>		
<p>Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.</p>		
S00A25.05 Rental Services Programs		
Special Fund Appropriation	50,000	
Federal Fund Appropriation	254,138,260	254,188,260
<hr/>		
<p>Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.</p>		
S00A25.07 Rental Housing Programs – Capital Appropriation		
Special Fund Appropriation	15,500,000	
Federal Fund Appropriation	4,500,000	20,000,000
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S00A25.08 Homeownership Programs – Capital Appropriation		
Special Fund Appropriation		1,500,000
S00A25.09 Special Loans Program – Capital Appropriation		
Special Fund Appropriation	2,800,000	
Federal Fund Appropriation	2,000,000	4,800,000
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S00A25.13 Transitional Housing – Capital Appropriation		
<p>General Fund Appropriation, provided that this appropriation shall be reduced by \$3,000,000 contingent upon the enactment</p>		

of legislation to authorize the use of General Obligation Bonds for the Shelter and Transitional Housing Facilities Grant Program		3,000,000
S00A25.14 Maryland BRAC Preservation Loan Fund – Capital Appropriation Special Fund Appropriation		3,000,000
S00A25.15 Housing and Building Energy Programs – Capital Appropriation Special Fund Appropriation	9,850,000	
Federal Fund Appropriation	700,000	10,550,000

SUMMARY

Total General Fund Appropriation		3,000,000
Total Special Fund Appropriation		70,526,009
Total Federal Fund Appropriation		268,684,262
		342,210,271
		342,210,271

DIVISION OF INFORMATION TECHNOLOGY

S00A26.01 Information Technology Special Fund Appropriation	2,043,394	
Federal Fund Appropriation	1,579,394	3,622,788
		3,622,788
S00A26.02 Major Information Technology Development Projects Special Fund Appropriation		1,050,000

SUMMARY

Total Special Fund Appropriation		3,093,394
Total Federal Fund Appropriation		1,579,394
		4,672,788
		4,672,788

DIVISION OF FINANCE AND ADMINISTRATION

S00A27.01 Finance and Administration

Special Fund Appropriation	9,404,669	
Federal Fund Appropriation	1,176,878	10,581,547

MARYLAND AFRICAN AMERICAN MUSEUM CORPORATION

S50B01.01 General Administration

General Fund Appropriation		1,959,000
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DEPARTMENT OF COMMERCE

OFFICE OF THE SECRETARY

T00A00.01 Office of the Secretary			
General Fund Appropriation	1,442,446		
Special Fund Appropriation	120,387		
Federal Fund Appropriation	32,005		1,594,838
			<hr/>
T00A00.02 Office of Policy and Research			
General Fund Appropriation	1,337,315		
	<u>937,315</u>		
Special Fund Appropriation	261,590		
Federal Fund Appropriation	21,024		1,619,929
			<u>1,219,929</u>
			<hr/>
T00A00.03 Office of the Attorney General			
General Fund Appropriation	91,664		
Special Fund Appropriation	1,406,016		
Federal Fund Appropriation	8,564		1,506,244
			<hr/>
T00A00.06 Division of Marketing and Communications			
General Fund Appropriation	1,816,379		
Special Fund Appropriation	647,582		2,463,961
			<hr/>
T00A00.07 Office of International Investment and Trade			
General Fund Appropriation	2,580,256		
Special Fund Appropriation	100,000		
Federal Fund Appropriation	50,000		2,730,256
			<hr/>
T00A00.08 Division of Administration and Technology			
General Fund Appropriation	3,319,446		
Special Fund Appropriation	606,261		
Federal Fund Appropriation	120,096		4,045,803
			<hr/>
T00A00.09 Office of Military and Federal Affairs			
General Fund Appropriation	928,153		
Special Fund Appropriation	162,294		

Federal Fund Appropriation	815,001	1,905,448
	<hr/>	
T00A00.10 Maryland Marketing Partnership General Fund Appropriation		1,000,000
SUMMARY		
Total General Fund Appropriation		12,115,659
Total Special Fund Appropriation		3,304,130
Total Federal Fund Appropriation		1,046,690
		<hr/>
Total Appropriation		16,466,479
		<hr/> <hr/>

DIVISION OF BUSINESS AND INDUSTRY SECTOR DEVELOPMENT

T00F00.01 Managing Director of Business and Industry Sector Development General Fund Appropriation	323,017	
Special Fund Appropriation	123,916	446,933
	<hr/>	
T00F00.02 Office of BioHealth General Fund Appropriation		1,337,657
T00F00.03 Maryland Small Business Development Financing Authority Special Fund Appropriation		1,827,716
T00F00.04 Office of Business Development General Fund Appropriation	3,796,614	
Special Fund Appropriation	686,490	4,483,104
	<hr/>	
T00F00.05 Office of Strategic Industries and Entrepreneurship General Fund Appropriation	1,336,639	
Special Fund Appropriation	278,817	1,615,456
	<hr/>	
T00F00.06 Office of Cybersecurity and Aerospace General Fund Appropriation		1,468,616
T00F00.07 Partnership for Workforce Quality General Fund Appropriation	1,000,000	

Special Fund Appropriation	50,000	1,050,000
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T00F00.08 Office of Finance Programs Special Fund Appropriation		3,800,927
T00F00.09 Maryland Small Business Development Financing Authority – Business Assistance General Fund Appropriation	1,500,000	
Special Fund Appropriation	4,755,000	6,255,000
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T00F00.11 Maryland Not–For–Profit Development Fund Special Fund Appropriation		130,000
T00F00.12 Maryland Biotechnology Investment Tax Credit Reserve Fund General Fund Appropriation		12,000,000
T00F00.15 Small, Minority, and Women–Owned Business Investment Account Special Fund Appropriation		16,895,000 13,126,311 <u>0</u>
T00F00.16 Economic Development Opportunity Fund Special Fund Appropriation		5,000,000
T00F00.18 Military Personnel and Service–Disabled Veteran Loan Program General Fund Appropriation	300,000	
Special Fund Appropriation	200,000	500,000
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T00F00.19 Cybersecurity Investment Incentive Tax Credit Program General Fund Appropriation, <u>provided that this appropriation shall be contingent on the enactment of SB 318 or HB 378</u>		2,000,000
T00F00.20 Maryland E–Nnovation Initiative Special Fund Appropriation		8,500,000
T00F00.21 Maryland Economic Adjustment Fund Special Fund Appropriation		200,000

T00F00.23 Maryland Economic Development Assistance Authority and Fund
 General Fund Appropriation, provided that \$5,050,000 of this appropriation shall be contingent on the enactment of HB 161.

Further provided that \$2,000,000 of this appropriation may only be used to provide a retention incentive to a company that constructs and retains its headquarters in Maryland with capital investment of at least \$500,000,000 and retains 3,250 eligible full-time employees consistent with a Letter of Intent executed in October 2016. The Department of Commerce shall report to the budget committees by December 31 of each year on the compliance with the Letter of Intent throughout the term of the retention incentive. Funds not used for this purpose may not be expended or otherwise transferred and shall revert to the General Fund

	23,873,234	
	18,873,234	
Special Fund Appropriation	6,176,766	30,050,000
		<u>25,050,000</u>

SUMMARY

Total General Fund Appropriation	43,935,777
Total Special Fund Appropriation	31,729,632
	<hr/>
Total Appropriation	75,665,409
	<hr/> <hr/>

DIVISION OF TOURISM, FILM AND THE ARTS

T00G00.01 Office of the Assistant Secretary General Fund Appropriation	749,886
T00G00.02 Office of Tourism Development General Fund Appropriation	3,606,917

T00G00.03 Maryland Tourism Development Board		
General Fund Appropriation	8,250,000	
Special Fund Appropriation	300,000	8,550,000
		<hr/>
T00G00.05 Maryland State Arts Council		
General Fund Appropriation	18,088,564	
Special Fund Appropriation	2,300,000	
Federal Fund Appropriation	616,340	21,004,904
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T00G00.06 Film Production Rebate Program		
General Fund Appropriation		5,000,000

SUMMARY

Total General Fund Appropriation		35,695,367
Total Special Fund Appropriation		2,600,000
Total Federal Fund Appropriation		616,340

Total Appropriation		38,911,707
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MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION

T50T01.01 Technology Development, Transfer and Commercialization		
General Fund Appropriation		4,574,480
T50T01.03 Maryland Stem Cell Research Fund		
General Fund Appropriation		8,200,000
T50T01.04 Maryland Innovation Initiative		
General Fund Appropriation		4,800,000
T50T01.05 Cybersecurity Investment Fund		
General Fund Appropriation		900,000
T50T01.06 Enterprise Investment Fund Administration		
Special Fund Appropriation		1,347,580
T50T01.07 Capital – Enterprise Investment Fund		
Special Fund Appropriation		6,000,000

SUMMARY

Total General Fund Appropriation	18,474,480
Total Special Fund Appropriation	7,347,580
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Total Appropriation	25,822,060
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DEPARTMENT OF THE ENVIRONMENT

Provided that no funding for information technology (IT) development projects may be spent in the budget of the Maryland Department of the Environment (MDE) until notification is provided to the Department of Information Technology (DoIT) and the budget committees. Upon notification, DoIT will determine if an IT project is a Major IT Development Project (MITDP) consistent with Section 3A-301(f) of the State Finance and Procurement Article. If DoIT determines that a project is a MITDP, the project shall be consistent with MDE's Master Plan as required by Section 3A-307 of the State Finance and Procurement Article. For all major IT projects, MDE shall prepare an Information Technology Project Request (ITPR) consistent with Section 3A-308 of the State Finance and Procurement Article. The ITPR shall include a project description; business need or justification; the scope and complexity of the project; benefits; major risks; possible alternatives; and funding plan by year, fund source, and specific fund type.

OFFICE OF THE SECRETARY

U00A01.01 Office of the Secretary			
General Fund Appropriation	940,793		
Special Fund Appropriation	670,312		
Federal Fund Appropriation	770,342	2,381,447	
U00A01.03 Capital Appropriation – Water Quality Revolving Loan Fund			
Special Fund Appropriation	91,222,000		
Federal Fund Appropriation	32,315,000	123,537,000	

Funds are appropriated in other units of the Department of the Environment to pay for services provided by this program. Authorization is hereby granted to use

these receipts as special funds for operating expenses in this program.

U00A01.04 Capital Appropriation – Hazardous Substance Clean-Up Program		
General Fund Appropriation		500,000
U00A01.05 Capital Appropriation – Drinking Water Revolving Loan Fund		
Special Fund Appropriation	12,879,000	
Federal Fund Appropriation	10,299,000	23,178,000

Funds are appropriated in other units of the Department of the Environment to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

U00A01.11 Capital Appropriation – Bay Restoration Fund – Wastewater		
Special Fund Appropriation		60,000,000
U00A01.12 Capital Appropriation – Bay Restoration Fund – Septic Systems		
Special Fund Appropriation		15,000,000
U00A01.14 Capital Appropriation – Energy – Water Infrastructure Program		
Special Fund Appropriation		8,000,000

SUMMARY

Total General Fund Appropriation		1,440,793
Total Special Fund Appropriation		187,771,312
Total Federal Fund Appropriation		43,384,342
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Total Appropriation		232,596,447
<hr/> <hr/>		

OPERATIONAL SERVICES ADMINISTRATION

U00A02.02 Operational Services Administration		
General Fund Appropriation	5,152,229	
Special Fund Appropriation	2,824,179	

	<u>2,654,179</u>	
Federal Fund Appropriation	1,449,771	9,426,179
		<u>9,256,179</u>

WATER MANAGEMENT ADMINISTRATION

U00A04.01 Water Management Administration		
General Fund Appropriation	12,497,421	
Special Fund Appropriation	9,671,740	
Federal Fund Appropriation	7,783,042	29,952,203

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

SCIENCE SERVICES ADMINISTRATION

U00A05.01 Science Services Administration		
General Fund Appropriation	4,737,160	
Special Fund Appropriation	1,099,873	
Federal Fund Appropriation	6,491,163	12,328,196

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

LAND MANAGEMENT ADMINISTRATION

U00A06.01 Land Management Administration		
General Fund Appropriation	2,365,376	
Special Fund Appropriation	20,761,273	
Federal Fund Appropriation	9,274,219	32,400,868

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

AIR AND RADIATION MANAGEMENT ADMINISTRATION

U00A07.01 Air and Radiation Management Administration

It is the intent of the General Assembly that the Maryland Department of the Environment purchase, install, and maintain air quality monitoring equipment in close proximity to the Brandon Shores Electric Generation Station and the H. A. Wagner Electric Generation Station in Anne Arundel County.

General Fund Appropriation	1,201,044	
Special Fund Appropriation	13,212,179	
Federal Fund Appropriation	3,534,169	17,947,392
	<hr/>	<hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

COORDINATING OFFICES

U00A10.01 Coordinating Offices

General Fund Appropriation, provided that \$500,000 of this appropriation for the Maryland Department of the Environment (MDE) Coordinating Offices made for the purpose of general operating expenses may not be expended until MDE submits quarterly reports on July 1, 2017; October 1, 2017; January 1, 2018; and April 1, 2018. The reports should discuss all information technology (IT) project activities undertaken by MDE including a listing of all IT development projects, a description of the actions undertaken in that quarter, an assessment of timeliness of the project with respect to the project schedule, a description of costs incurred in that quarter, and an assessment of the cost of the project with respect to estimated project costs. Funding restricted for this

purpose may be released quarterly in \$125,000 installments upon receipt of the required quarterly reports. The budget committees shall have 45 days to review and comment upon receipt of each report. Funds restricted pending the receipt of the reports may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted to the budget committees

	2,650,159	
Special Fund Appropriation	17,531,019	
Federal Fund Appropriation	2,359,397	22,540,575

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

U00A10.03 Bay Restoration Fund Debt Service		
Special Fund Appropriation	38,000,000	
		<u>33,000,000</u>

SUMMARY

Total General Fund Appropriation	2,650,159	
Total Special Fund Appropriation	50,531,019	
Total Federal Fund Appropriation	2,359,397	

Total Appropriation	55,540,575	
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DEPARTMENT OF JUVENILE SERVICES

OFFICE OF THE SECRETARY

V00D01.01 Office of the Secretary		
General Fund Appropriation		4,103,726

DEPARTMENTAL SUPPORT

V00D02.01 Departmental Support		
General Fund Appropriation, <u>provided that because the Department of Juvenile Services (DJS) has had four or more repeat findings in the most recent fiscal compliance audit issued by the Office of Legislative Audits (OLA), \$50,000 of this agency's administrative appropriation may not be expended unless:</u>		
(1) <u>DJS has taken corrective action with respect to all repeat audit findings on or before November 1, 2017; and</u>		
(2) <u>a report is submitted to the budget committees by OLA listing each repeat audit finding along with a determination that each repeat finding was corrected. The budget committees shall have 45 days to review and comment to allow for funds to be released prior to the end of fiscal 2018</u>	25,097,401	
Federal Fund Appropriation	218,870	25,316,271
	<hr/>	<hr/> <hr/>

RESIDENTIAL AND COMMUNITY OPERATIONS

V00E01.01 Residential and Community Operations		
General Fund Appropriation	4,636,256	
Special Fund Appropriation	18,999	
Federal Fund Appropriation	582,765	5,238,020
	<hr/>	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this

program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

BALTIMORE CITY REGION

V00G01.01	Baltimore City Region Operations		
	General Fund Appropriation	56,686,347	
	Special Fund Appropriation	781,586	
	Federal Fund Appropriation	729,706	58,197,639
		<hr/>	<hr/> <hr/>

CENTRAL REGION

V00H01.01	Central Region Operations		
	General Fund Appropriation	35,639,568	
	Special Fund Appropriation	371,663	
	Federal Fund Appropriation	381,335	36,392,566
		<hr/>	<hr/> <hr/>

WESTERN REGION

V00I01.01	Western Region Operations		
	General Fund Appropriation	48,081,850	
	Special Fund Appropriation	933,780	
	Federal Fund Appropriation	1,386,204	50,401,834
		<hr/>	<hr/> <hr/>

EASTERN SHORE REGION

V00J01.01	Eastern Shore Region Operations		
	General Fund Appropriation	20,926,101	
	Special Fund Appropriation	241,160	
	Federal Fund Appropriation	336,684	21,503,945
		<hr/>	<hr/> <hr/>

SOUTHERN REGION

V00K01.01	Southern Region Operations		
	General Fund Appropriation	23,182,872	
	Special Fund Appropriation	264,726	
	Federal Fund Appropriation	362,447	23,810,045
		<hr/>	<hr/> <hr/>

METRO REGION

V00L01.01	Metro Region Operations		
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General Fund Appropriation	55,102,081	
Special Fund Appropriation	627,021	
Federal Fund Appropriation	830,907	56,560,009
	<hr/>	<hr/> <hr/>

DEPARTMENT OF STATE POLICE

MARYLAND STATE POLICE

W00A01.01 Office of the Superintendent

General Fund Appropriation 24,012,270

W00A01.02 Field Operations Bureau

General Fund Appropriation, ~~provided that \$1,000,000 of this appropriation made for the purpose of funding a new trooper class may not be expended for that purpose but instead may be used only to fund the civilianization of a minimum of 50 positions currently filled by troopers, as identified in the Office of Legislative Audits' December 2016 Workforce Civilianization report. Funds not expended for this restricted purpose may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund.~~

~~Further provided that \$400,000 of this appropriation made for the purpose of funding a new trooper class may not be expended until the Department of State Police (DSP) submits a report to the budget committees demonstrating that at least 50 positions currently filled by troopers have been reclassified as civilian positions by May 15, 2018. The report shall be submitted to the budget committees by May 25, 2018, and the budget committees shall have 35 days to review and comment. To the extent that positions are not successfully reclassified or the report is not submitted by the requested date, the restricted funds shall revert to the General Fund.~~

~~Further provided that the remaining \$1,000,000 of this appropriation made for the purpose of funding a new trooper class shall be deleted in recognition of anticipated personnel savings generated from filling the positions with less costly~~

civilian staff.

~~It is the intent of the budget committees, given that DSP is currently in the process of evaluating the appropriate size of its workforce, that the civilianization of the 50 positions be achieved via attrition. As sworn position vacancies occur, troopers in administrative positions eligible for civilianization should be transferred into those newly vacant sworn positions and the administrative positions should be reclassified as civilian. This provides the department with less costly administrative staff and deployment of experienced officers in the field, while delaying the determination of whether the department needs additional sworn personnel resources until its staffing study is complete~~

	124,812,544	
Special Fund Appropriation	65,463,936	190,276,480

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

W00A01.03 Criminal Investigation Bureau		
General Fund Appropriation	61,231,333	
Federal Fund Appropriation	1,426,450	62,657,783

W00A01.04 Support Services Bureau
 General Fund Appropriation, ***provided that \$100,000 of this appropriation made for the purpose of funding a new trooper class may not be expended until the Department of State Police (DSP) submits a plan for how it intends to implement the recommendations from the December 2016 Office of Legislative Audits Report on Workforce Civilianization to the budget committees by August 15, 2017. In addition, DSP shall submit***

quarterly data regarding how many of the 127 identified troopers have been redeployed to enforcement duties and whether any positions have been reclassified or reassigned to civilian employees. The first data submission shall be no later than October 15, 2017. The budget committees shall have 45 days prior to the close of the fiscal year to review and comment. Funds restricted pending receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees

	61,289,404	
	<u>60,289,404</u>	
Special Fund Appropriation	32,298,177	
Federal Fund Appropriation	5,500,000	99,087,581
		<u>98,087,581</u>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

W00A01.08 Vehicle Theft Prevention Council	
Special Fund Appropriation	1,983,140

SUMMARY

Total General Fund Appropriation	270,345,551
Total Special Fund Appropriation	99,745,253
Total Federal Fund Appropriation	6,926,450
	<hr/>
Total Appropriation	377,017,254
	<hr/> <hr/>

FIRE PREVENTION COMMISSION AND FIRE MARSHAL

W00A02.01 Fire Prevention Services	
General Fund Appropriation	9,297,449
	<hr/> <hr/>

Funds are appropriated in other agency budgets to pay for services provided by this program. Authorization is hereby granted to use these receipts as special funds for operating expenses in this program.

PUBLIC DEBT

X00A00.01 Redemption and Interest on State Bonds		
General Fund Appropriation	263,000,000	
	233,000,000	
	<u>263,000,000</u>	
Special Fund Appropriation	975,867,184	
Federal Fund Appropriation	11,539,169	1,250,406,353
		1,220,406,353
		<u>1,250,406,353</u>
	<hr/>	<hr/> <hr/>

STATE RESERVE FUND

Y01A01.01 Revenue Stabilization Account

General Fund Appropriation, provided that
this appropriation is reduced by
\$40,000,000 contingent upon the
enactment of legislation to maintain the
fund balance at 5% of projected fiscal 2018
General Fund revenues

50,000,000



PAYMENTS TO CIVIL DIVISIONS OF THE STATE

FY 2017 Deficiency Appropriation

PAYMENTS TO CIVIL DIVISIONS OF THE STATE

A15O00.04 Teacher Retirement Administrative Fee Assistance

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide local jurisdictions with assistance in paying their fiscal 2017 State Retirement Agency administrative fees.

General Fund Appropriation, provided that this appropriation may only be distributed in accordance with HB 1109 or SB 1001, contingent upon the enactment of HB 1109 or SB 1001

19,695,182

OFFICE OF THE PUBLIC DEFENDER

FY 2017 Deficiency Appropriation

C80B00.02 District Operations

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds to cover case-related and operating expenses incurred in fiscal 2016 that exceeded the fiscal 2016 appropriation.

General Fund Appropriation

5,324,448

OFFICE OF THE ATTORNEY GENERAL

FY 2017 Deficiency Appropriation

C81C00.01 Legal Counsel and Advice

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for additional legal support with the agency’s Tobacco Legal Services unit.

Special Fund Appropriation

600,000

DEPARTMENT OF DISABILITIES

FY 2017 Deficiency Appropriation

D12A02.01 General Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds to purchase temporary ramps that will be used by Marylanders to help access their homes.

Special Fund Appropriation 30,000

MARYLAND ENERGY ADMINISTRATION

FY 2017 Deficiency Appropriation

D13A13.03 State Agency Loan Program – Capital Appropriation

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for facilitating execution of new Energy Performance Contracts.

Special Fund Appropriation 1,000,000

EXECUTIVE DEPARTMENT – BOARDS, COMMISSIONS AND OFFICES

FY 2017 Deficiency Appropriation

D15A05.05 Governor’s Office of Community Initiatives

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for the Governor’s Office on Service and Volunteerism to host the Regional National Service Training Conference, as well as provide training and technical assistance to national service networks in Maryland.

Federal Fund Appropriation 292,174

D15A05.22 Governor’s Grants Office

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017

to provide funds to cover conference related expenses.

Special Fund Appropriation 20,000

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SECRETARY OF STATE

FY 2017 Deficiency Appropriation

D16A06.04 Charity Enforcement and Protection

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for increased contractual costs.

Special Fund Appropriation 113,662

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HISTORIC ST. MARY’S CITY COMMISSION

FY 2017 Deficiency Appropriation

D17B01.51 Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for covering expenses already incurred during the relocation of artifacts to Anne Arundel Hall.

General Fund Appropriation 48,142

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GOVERNOR’S OFFICE FOR CHILDREN

FY 2017 Deficiency Appropriation

D18A18.01 Governor’s Office for Children

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for increased personnel costs.

General Fund Appropriation ~~100,775~~

0

50,775

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DEPARTMENT OF AGING

FY 2017 Deficiency Appropriation

D26A07.01 General Administration

To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2017 for the Senior Community Service Employment Program.

General Fund Appropriation -132,312

MARYLAND COMMISSION ON CIVIL RIGHTS

FY 2017 Deficiency Appropriation

D27L00.01 General Administration

To be reduced immediately upon passage of this budget to reduce the fiscal 2017 appropriation to recognize salary savings.

General Fund Appropriation -52,000

STATE BOARD OF ELECTIONS

FY 2017 Deficiency Appropriation

D38I01.02 Help America Vote Act

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for the payment of legal fees approved by the Board of Public Works on September 7, 2016.

General Fund Appropriation 251,388

D38I01.02 Help America Vote Act

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for services provided for the 2016 Presidential election.

General Fund Appropriation 571,812

MILITARY DEPARTMENT

FY 2017 Deficiency Appropriation

D50H01.03 Army Operations and Maintenance

To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2017 to bring funds in line with fiscal 2016 actual expenditures for natural gas and propane.

General Fund Appropriation -75,000

CANAL PLACE PRESERVATION AND DEVELOPMENT AUTHORITY

FY 2017 Deficiency Appropriation

D90U00.01 General Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for obtaining a replacement heating and cooling system for the Western Maryland Railway Station Building.

General Fund Appropriation 257,024

STATE TREASURER'S OFFICE

FY 2017 Deficiency Appropriation

BOND SALE EXPENSES

E20B03.01 Bond Sale Expenses

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for obtaining advice regarding the State's refunding policies.

General Fund Appropriation 30,000

MARYLAND LOTTERY AND GAMING CONTROL AGENCY

FY 2017 Deficiency Appropriation

E75D00.02 Video Lottery Terminal and Gaming Operations

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017

to provide funds to accommodate increased gaming central system operator fees due to the opening of the MGM National Harbor casino.

General Fund Appropriation 120,000

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DEPARTMENT OF INFORMATION TECHNOLOGY

FY 2017 Deficiency Appropriation

OFFICE OF INFORMATION TECHNOLOGY

F50B04.01 State Chief of Information Technology

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for fiscal 2016 Enterprise Initiative expenses carried over to fiscal 2017.

General Fund Appropriation 1,285,785

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F50B04.03 Application Systems Management

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for Geographical Information Systems (GIS) license costs.

General Fund Appropriation 536,242

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F50B04.04 Infrastructure

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for software licenses for agencies supported through the Enterprise Initiative.

General Fund Appropriation 1,184,000

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DEPARTMENT OF GENERAL SERVICES

FY 2017 Deficiency Appropriation

OFFICE OF FACILITIES OPERATION AND MAINTENANCE

H00C01.01 Facilities Operation and Maintenance

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds to support maintenance and security services for the Crownsville Complex.

General Fund Appropriation 885,800

OFFICE OF PROCUREMENT AND LOGISTICS

H00D01.01 Office of Procurement and Logistics

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds to cover the loss of special fund revenue tied to a contract.

General Fund Appropriation 400,000

DEPARTMENT OF NATURAL RESOURCES

FY 2017 Deficiency Appropriation

FOREST SERVICE

K00A02.09 Forest Service

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for county payments for timber and nontimber sales, two replacement tractors, and replacement of a failing water well at Ayton Tree Nursery.

Special Fund Appropriation 441,000

NATURAL RESOURCES POLICE

K00A07.01 General Direction

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for Homeland Security operations. Funding will support purchases related to maritime law enforcement, tactical operators courses, and one patrol/response vessel.

Federal Fund Appropriation	520,450
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K00A07.04 Field Operations

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for equipment replacement funded by High Intensity Drug Trafficking (HIDTA) agreements with the Department of Justice, and collective bargaining agreement obligations.

General Fund Appropriation	246,977
Federal Fund Appropriation	526,000
	<hr/>
	772,977
	<hr/> <hr/>

CHESAPEAKE AND COASTAL SERVICE

K00A14.02 Chesapeake and Coastal Service

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for innovative economic development approaches to oyster restoration and to implement various federally funded projects related to the Chesapeake and Atlantic Coastal Bays.

Special Fund Appropriation	500,000
Federal Fund Appropriation	513,796
	<hr/>
	1,013,796
	<hr/> <hr/>

FISHING AND BOATING SERVICES

K00A17.01 Fishing and Boating Services

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for estuarine finfish ecological and habitat investigations and sport fish restoration activities.

Federal Fund Appropriation	355,000
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DEPARTMENT OF AGRICULTURE

FY 2017 Deficiency Appropriation

OFFICE OF PLANT INDUSTRIES AND PEST
MANAGEMENT

L00A14.01 Office of the Assistant Secretary

To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2017 to recognize fiscal 2017 salary savings.

General Fund Appropriation -70,000

OFFICE OF RESOURCE CONSERVATION

L00A15.04 Resource Conservation Grants

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds to implement the Maryland Agricultural Cost–Share program.

General Fund Appropriation 1,100,000

DEPARTMENT OF HEALTH AND MENTAL
HYGIENE

FY 2017 Deficiency Appropriation

~~PREVENTION AND HEALTH PROMOTION
ADMINISTRATION~~

~~M00F03.04 Family Health and Chronic Disease Services~~

~~To become available immediately upon passage of this budget to reduce the appropriation for fiscal 2017 to reflect the restructured grant payments for the proposed Prince George’s County Regional Medical Center.~~

~~General Fund Appropriation -7,500,000
0

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OFFICE OF THE CHIEF MEDICAL EXAMINER

M00F05.01 Post Mortem Examining Services

To become available immediately upon passage of this

budget to supplement the appropriation for fiscal 2017 to provide funds to upgrade salaries for State medical examiners in order to meet recruitment, retention and national accreditation requirements.

General Fund Appropriation 401,614

BEHAVIORAL HEALTH ADMINISTRATION

M00L01.02 Community Services

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds to augment the State’s effort to address the heroin and opioid epidemic.

General Fund Appropriation 2,000,000

M00L01.03 Community Services for Medicaid State Fund Recipients

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds to cover the cost of inpatient psychiatric services for the Medicaid–eligible population.

General Fund Appropriation 7,000,000

CLIFTON T. PERKINS HOSPITAL CENTER

M00L10.01 Clifton T. Perkins Hospital Center

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to establish a new 20–bed unit in the facility’s North Wing.

General Fund Appropriation 500,000

BEHAVIORAL HEALTH ADMINISTRATION FACILITY MAINTENANCE

M00L15.01 Behavioral Health Administration Facility Maintenance

To become available immediately upon passage of this

budget to supplement the appropriation for fiscal 2017 to provide funds for fuel, utilities, security services, and other operational costs at Crownsville Hospital Center.

General Fund Appropriation	471,397
Special Fund Appropriation	122,003
	<hr/>
	593,400
	<hr/> <hr/>

MEDICAL CARE PROGRAMS ADMINISTRATION

M00Q01.03 Medical Care Provider Reimbursements

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for medical provider reimbursements and contractual services.

General Fund Appropriation, provided that \$375,000 of this appropriation made for the purpose of a managed care rate setting study may not be used for that purpose and instead shall be expended only for provider reimbursements. Funding not used for this restricted purpose shall revert to the General Fund, provided that \$375,000 of this appropriation made for the purpose of a managed care rate-setting study shall be limited to a review of potential improvements of the current rate-setting system used in Maryland and a review of innovations from other states in managed care payment systems similar to that in Maryland. The review should include potential recommendations. Any recommendations should serve to strengthen the current system but not at the cost of diminution of quality or access to care. The review may not include any consideration of the implementation of a competitive bidding process. Further provided that the Medical Care Programs Administration shall submit a summary of the study and any recommendations to the budget committees by November 15, 2017. Funding not used for this restricted purpose shall revert to the General Fund ...	82,061,705
Special Fund Appropriation	37,900,000 27,900,000
Federal Fund Appropriation	681,538,295
	<hr/>
	801,500,000 <u>791,500,000</u>

M00Q01.10 Medicaid Behavioral Health Provider Reimbursements

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for medical provider reimbursements and contractual services.

General Fund Appropriation	8,000,000
Federal Fund Appropriation	155,600,000
	<hr/>
	163,600,000
	<hr/> <hr/>

DEPARTMENT OF HUMAN RESOURCES

FY 2017 Deficiency Appropriation

OFFICE OF THE SECRETARY

N00A01.01 Office of the Secretary

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for legal costs as approved by the Board of Public Works on January 4, 2017.

General Fund Appropriation	1,400,000
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LOCAL DEPARTMENT OPERATIONS

N00G00.02 Local Family Investment Program

To become available immediately upon passage of this budget to adjust the appropriation for fiscal 2017 to provide funds to correct federal fund attainment assumptions.

General Fund Appropriation	7,300,000
Federal Fund Appropriation	-7,300,000
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	0
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N00G00.03 Child Welfare Services

To become available immediately upon passage of this budget to adjust the appropriation for fiscal 2017 to

provide funds to correct federal fund attainment assumptions.

General Fund Appropriation	15,700,000
Federal Fund Appropriation	-15,700,000
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	0
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DEPARTMENT OF LABOR, LICENSING AND
REGULATION

FY 2017 Deficiency Appropriation

DIVISION OF WORKFORCE DEVELOPMENT AND
ADULT LEARNING

P00G01.07 Workforce Development

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for the Senior Community Service Employment Program.

General Fund Appropriation	132,312
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OFFICE OF UNEMPLOYMENT INSURANCE

P00H01.01 Office of Unemployment Insurance

To become available immediately upon passage of this budget to adjust the appropriation for fiscal 2017 to address a decrease in federal fund attainment.

Special Fund Appropriation	1,500,000
Federal Fund Appropriation	-1,500,000
	<hr/>
	0
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DEPARTMENT OF PUBLIC SAFETY AND
CORRECTIONAL SERVICES

FY 2017 Deficiency Appropriation

OFFICE OF THE SECRETARY

Q00A01.02 Information Technology and Communications

Division

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds to enhance the agency’s case management system in accordance with the Justice Reinvestment Act.

General Fund Appropriation 500,000

DIVISION OF CORRECTION – HEADQUARTERS

Q00B01.01 General Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for additional short-term contractual timekeeping positions and associated fringes.

General Fund Appropriation 918,464

DIVISION OF PRETRIAL DETENTION

Q00T04.05 Baltimore Pretrial Complex

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for additional food service equipment for Baltimore City facilities.

General Fund Appropriation 570,500

STATE DEPARTMENT OF EDUCATION

FY 2017 Deficiency Appropriation

AID TO EDUCATION

R00A02.01 State Share of Foundation Program

To become available immediately upon passage of this budget to adjust the appropriation for fiscal 2017 to replace general funds with Education Trust Fund revenues due to revised Video Lottery Terminal revenue projections.

General Fund Appropriation -23,692,167
Special Fund Appropriation 23,692,167

0

R00A02.03 Aid for Local Employee Fringe Benefits

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to fund anticipated expenditures for Montgomery County Optional Library Retirement.

General Fund Appropriation 230,000

R00A02.07 Students with Disabilities

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to fund a shortfall in the Autism Waiver program.

General Fund Appropriation 378,350

UNIVERSITY SYSTEM OF MARYLAND

FY 2017 Deficiency Appropriation

UNIVERSITY SYSTEM OF MARYLAND OFFICE

R30B36.06 Institutional Support

To become available immediately upon passage of this budget to adjust the appropriation for fiscal 2017 to recognize the revised corporate income tax revenue projections for fiscal 2017.

Current Unrestricted Fund Appropriation 4,054,000

MARYLAND HIGHER EDUCATION COMMISSION

FY 2017 Deficiency Appropriation

R62I00.01 General Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds to pay for legal services.

General Fund Appropriation 1,000,000

R62I00.10 Educational Excellence Awards

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to fund Educational Excellence Awards.

Special Fund Appropriation 3,100,000

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SUPPORT FOR STATE OPERATED INSTITUTIONS OF HIGHER EDUCATION

FY 2017 Deficiency Appropriation

R75T00.01 Support for State Operated Institutions of Higher Education

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 due to revised corporate income tax revenue projections for fiscal 2017.

General Fund Appropriation 4,683,437

Special Fund Appropriation -4,683,437

0

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R75T00.01 Support for State Operated Institutions of Higher Education

To become available immediately upon passage of this budget to adjust the appropriation for fiscal 2017 to restore the November 2, 2016 Board of Public Works general fund reduction due to revised corporate income tax revenue projections for fiscal 2017.

General Fund Appropriation 4,054,000

=====

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

FY 2017 Deficiency Appropriation

DIVISION OF DEVELOPMENT FINANCE

S00A25.05 Rental Services Programs

To become available immediately upon passage of this

budget to supplement the appropriation for fiscal 2017 to provide funds to assist residents of the Lynhill Condominiums through the Rental Assistance Programs (RAP).

General Fund Appropriation 585,000

DEPARTMENT OF COMMERCE

FY 2017 Deficiency Appropriation

DIVISION OF BUSINESS AND INDUSTRY SECTOR DEVELOPMENT

T00F00.16 Economic Development Opportunity Fund
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for payment under the agreement with Northrop Grumman Corporation.

Special Fund Appropriation 5,000,000

T00F00.18 Military Personnel and Service-Disabled Veteran Loan Program
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to spend available funds for no-interest loans.

Special Fund Appropriation 100,000

T00F00.20 Maryland E-Innovation Initiative
To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to spend available funds for grants.

Special Fund Appropriation 500,000

DEPARTMENT OF JUVENILE SERVICES

FY 2017 Deficiency Appropriation

DEPARTMENTAL SUPPORT

V00D02.01 Departmental Support

To become available immediately upon passage of this budget to reduce the fiscal 2017 appropriation to align with previous year expenditures and recognize salary savings.

General Fund Appropriation -44,806

BALTIMORE CITY REGION

V00G01.01 Baltimore City Region Operations

To become available immediately upon passage of this budget to reduce the fiscal 2017 appropriation to align with previous year expenditures and recognize salary savings.

General Fund Appropriation -470,355

CENTRAL REGION

V00H01.01 Central Region Operations

To become available immediately upon passage of this budget to reduce the fiscal 2017 appropriation to align with previous year expenditures and recognize salary savings.

General Fund Appropriation -313,031

WESTERN REGION

V00I01.01 Western Region Operations

To become available immediately upon passage of this budget to reduce the fiscal 2017 appropriation to align with previous year expenditures and recognize salary savings.

General Fund Appropriation -353,266

EASTERN SHORE REGION

V00J01.01 Eastern Shore Region Operations

To become available immediately upon passage of this budget to reduce the fiscal 2017 appropriation to align

with previous year expenditures and recognize salary savings.

General Fund Appropriation -232,244

=====

SOUTHERN REGION

V00K01.01 Southern Region Operations

To become available immediately upon passage of this budget to reduce the fiscal 2017 appropriation to align with previous year expenditures and recognize salary savings.

General Fund Appropriation -432,192

=====

METRO REGION

V00L01.01 Metro Region Operations

To become available immediately upon passage of this budget to reduce the fiscal 2017 appropriation to align with previous year expenditures and recognize salary savings.

General Fund Appropriation -957,320

=====

PUBLIC DEBT

FY 2017 Deficiency Appropriation

X00A00.01 Redemption and Interest on State Bonds

To become available immediately upon passage of this budget to supplement the appropriation for fiscal 2017 to provide funds for debt service payments.

Special Fund Appropriation 3,966,876

=====

STATE RESERVE FUND

FY 2017 Deficiency Appropriation

Y01A03.01 Economic Development Opportunities Program Account

To become available immediately upon passage of this

budget to supplement the appropriation for fiscal 2017 to provide funds for the agreement with Marriott International, Inc.

General Fund Appropriation	20,000,000
	<u>5,000,000</u>
	<hr/> <hr/>

SECTION 2. AND BE IT FURTHER ENACTED, That in order to carry out the provisions of these appropriations the Secretary of Budget and Management is authorized:

(a) To allot all or any portion of the funds herein appropriated to the various departments, boards, commissions, officers, schools and institutions by monthly, quarterly or seasonal periods and by objects of expense ~~and may place any funds appropriated but not allotted in contingency reserve available for subsequent allotment. Upon the Secretary's own initiative or upon the request of the head of any State agency, the Secretary may authorize a change in the amount of funds so allotted.~~

The Secretary shall, before the beginning of the fiscal year, file with the Comptroller of the Treasury a list limited to the appropriations restricted in this Act, to be placed in contingency reserve ~~a schedule of allotments, if any.~~ The Comptroller shall not authorize any expenditure or obligation in excess of the allotment made and any expenditure so made shall be illegal.

~~(b) To allot all or any portion of funds coming into the hands of any department, board, commission, officer, school and institution of the State, from sources not estimated or calculated upon in the budget.~~

~~(e)~~ (b) The Secretary is authorized to ~~To~~ fix the number and classes of positions, including temporary and permanent positions, or person years of authorized employment for each agency, unit, or program thereof, not inconsistent with the Public General Laws in regard to classification of positions. The Secretary shall make such determination before the beginning of the fiscal year and shall base them on the positions or person years of employment authorized in the budget as amended by approved budgetary position actions. No payment for salaries or wages nor any request for or certification of personnel shall be made except in accordance with the Secretary's determinations. At any time during the fiscal year the Secretary may amend the number and classes of positions or person years of employment previously fixed by the Secretary; the Secretary may delegate all or part of this authority. The governing boards of public institutions of higher education shall have the authority to transfer positions between programs and campuses under each institutional board's jurisdiction without the approval of the Secretary, as provided in Section 15-105 of the Education Article.

~~(d)~~ (c) To prescribe procedures and forms for carrying out the above provisions.

SECTION 3. AND BE IT FURTHER ENACTED, That in accordance with Section 7-109 of the State Finance and Procurement Article of the Annotated Code of Maryland, it is the intention of the General Assembly to include herein a listing of nonclassified flat rate or per diem positions by unit of State government, job classification, the number in each job classification and the amount proposed for each classification. The Chief Judge of the Court of Appeals may make adjustments to positions contained in the Judicial portion of this section (including judges) that are impacted by changes in salary plans or by salary actions in the executive agencies.

JUDICIARY

Chief Judge, Court of Appeals	1	195,433
Judge, Court of Appeals (@ 176,433)	6	1,058,598
Chief Judge, Court of Special Appeals	1	166,633
Judge, Court of Special Appeals (@ 163,633)	14	2,290,862
Judge, Circuit Court (@ 154,433)	173	26,716,909
Chief Judge, District Court of Maryland	1	163,633
Judge, District Court (@ 141,333)	117	16,535,961
Judiciary Clerk of Court A (@ 108,600)	7	760,200
Judiciary Clerk of Court B (@ 111,600)	6	669,600
Judiciary Clerk of Court C (@ 112,750)	6	676,500
Judiciary Clerk of Court D (@ 114,500)	5	572,500

OFFICE OF THE PUBLIC DEFENDER

Public Defender	1	154,433
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OFFICE OF THE ATTORNEY GENERAL

Attorney General	1	149,500
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OFFICE OF THE STATE PROSECUTOR

State Prosecutor	1	154,433
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MARYLAND TAX COURT

Chief Judge, Tax Court	1	43,413
Judge, Tax Court (@ 37,170)	4	148,680

PUBLIC SERVICE COMMISSION

Commissioner (@ 139,364)	4	557,456
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WORKERS' COMPENSATION COMMISSION

Chairman	1	143,033
Commissioner (@ 141,333)	9	1,271,997

EXECUTIVE DEPARTMENT – GOVERNOR

Governor	1	180,000
Lieutenant Governor	1	149,500

EXECUTIVE DEPARTMENT – BOARDS,
COMMISSIONS AND OFFICES

Chairman	1	124,811
Member (@ 112,572)	2	225,144

SECRETARY OF STATE

Secretary of State	1	105,500
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MARYLAND INSTITUTE FOR EMERGENCY
MEDICAL SERVICES SYSTEMS

EMS Executive Director	1	255,225
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OFFICE OF THE COMPTROLLER

Comptroller	1	149,500
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STATE TREASURER'S OFFICE

Treasurer	1	149,500
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STATE LOTTERY AND GAMING CONTROL AGENCY

Lottery and Gaming Commissioner (@ 18,000)	7	126,000
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DEPARTMENT OF BUDGET AND MANAGEMENT

Office of the Secretary

Director, Governmental Efficiency	1	156,574
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MARYLAND STATE RETIREMENT AND PENSION SYSTEMS

State Retirement Administrator	1	142,097
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MARYLAND DEPARTMENT OF TRANSPORTATION

State Highway Administration

State Highway Administrator	1	163,000
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Maryland Port Administration

Executive Director	1	289,221
Deputy Executive Director, Development and Administration	1	172,264
Director, Operations	1	157,295
Director, Marketing	1	143,457
CFO and Treasurer (MIT)	1	133,300
Director, Maritime Commercial Management	1	140,630
General Manager Intermodal Trade Development	1	116,255
Director, Security	1	100,303
Deputy Director, Harbor Development	1	125,676
BCO Trade Development Executive	1	98,940
General Manager, Cruise MD Marketing	1	98,982

Maryland Transit Administration

Maryland Transit Administrator	1	215,200
Senior Deputy Administrator, Transit Operations	1	163,200
Executive Director of Safety and Risk Management	1	139,265
Executive Project Director, New Starts	1	150,032
Executive Project Director, New Starts	1	124,454
MTA Police Chief	1	129,355

Maryland Aviation Administration

Executive Director	1	294,304
Chief Engineer	1	151,356
Chief Administrative Officer	1	148,250
Chief Financial Officer	1	165,565
Director, Planning and Environmental Services	1	134,486
Director, Commercial Management	1	135,000
Director, Marketing, Communications and Customer Service	1	130,570
Director, Regional Aviation Assistance	1	110,313
Chief Operating Officer	1	168,655
Director of Engineering and Construction	1	137,971
Director of Martin State Airport	1	117,176
Director of Maintenance and Utilities	1	127,500

DEPARTMENT OF HEALTH AND MENTAL HYGIENE

Office of the Chief Medical Examiner

Resident Forensic Pathologist (@ 57,115)	3	171,345
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DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES

Deputy Secretary for Operations

Coordinator, Correctional Education	1	109,954
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Maryland Parole Commission

Chairman	1	106,452
Member (@ 94,214)	9	847,926

PUBLIC EDUCATION

State Department of Education – Headquarters

State Superintendent of Schools	1	236,000
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MARYLAND SCHOOL FOR THE DEAF

MSD Non-Faculty Manager III	1	106,026
MSD Non-Faculty Manager I	1	89,126

SECTION 4. AND BE IT FURTHER ENACTED, That if any person holding an office of profit within the meaning of Article 35 of the Declaration of Rights, Constitution of Maryland, is appointed to or otherwise becomes the holder of a second office within the meaning of Article 35 of the Declaration of Rights, Constitution of Maryland, then no compensation or other emolument, except expenses incurred in connection with attendance at hearings, meetings, field trips, and working sessions, shall be paid from any funds appropriated by this bill to that person for any services in connection with the second office.

SECTION 5. AND BE IT FURTHER ENACTED, That amounts received pursuant to Sections 2–201 and 7–217 of the State Finance and Procurement Article may be expended by approved budget amendment.

SECTION 6. AND BE IT FURTHER ENACTED, That funds appropriated by this bill may be transferred among programs in accordance with the procedure provided in Sections 7–205 through 7–212, inclusive, of the State Finance and Procurement Article.

SECTION 7. AND BE IT FURTHER ENACTED, That, except as otherwise provided, amounts received from sources estimated or calculated upon in the budget in excess of the estimates for any special or federal fund appropriations listed in this bill may be made available by approved budget amendment.

SECTION 8. AND BE IT FURTHER ENACTED, That authorization is hereby granted to transfer by budget amendment General Fund amounts for the operations of State office buildings and facilities to the budgets of the various agencies and departments occupying the buildings.

SECTION 9. AND BE IT FURTHER ENACTED, That \$10,535,100 is appropriated in the various agency budgets for tort claims (including motor vehicles) under the provisions of the State Government Article, Title 12, Subtitle 1, the Maryland Tort Claims Act (MTCA). These funds are to be transferred to the State Insurance Trust Fund; these funds, together with funds appropriated in prior budgets for tort claims but unexpended, are the only funds available to make payments under the provisions of the MTCA.

(A) Tort claims for incidents or occurrences occurring after October 1, 1999, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer's regulations to payments of no more than \$200,000 to a single claimant for injuries arising from a single incident or occurrence.

(B) Tort claims for incidents or occurrences occurring after July 1, 1996, and before October 1, 1999, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer's regulations to payments of no more than \$100,000 to a single claimant for injuries arising from a single incident or occurrence.

(C) Tort claims for incidents or occurrences resulting in death on or after July 1, 1994, and before July 1, 1996, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer's regulations to payments of no more than \$75,000 to a single claimant. All other tort claims occurring on or after July 1, 1994, and before July 1, 1996, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer's regulations to payments of no more than \$50,000 to a single claimant for injuries arising from a single incident or occurrence.

(D) Tort claims for incidents or occurrences occurring prior to July 1, 1994, paid from the State Insurance Trust Fund, are limited hereby and by State Treasurer's regulations to payments of no more than \$50,000 to a single claimant for injuries arising from a single incident or occurrence.

SECTION 10. AND BE IT FURTHER ENACTED, That authorization is hereby granted to transfer by budget amendment General Fund amounts, budgeted to the various State agency programs and subprograms which comprise the indirect cost pools under the Statewide Indirect Cost Plan, from the State agencies providing such services to the State agencies receiving the services. It is further authorized that receipts by the State agencies providing such services from charges for the indirect services may be used as special funds for operating expenses of the indirect cost pools.

SECTION 11. AND BE IT FURTHER ENACTED, That certain funds appropriated to the various State agency programs and subprograms in Comptroller Object 0882 (In-State Services – Computer Usage – ADC Only) shall be utilized to pay for services provided by the Comptroller of the Treasury, Data Processing Division, Computer Center Operations (E00A10.01) consistent with the reimbursement schedule provided for in the supporting budget documents. The expenditure or transfer of these funds for other purposes requires the prior approval of the Secretary of Budget and Management. Notwithstanding any other provision of law, the Secretary of Budget and Management may transfer amounts

appropriated in Comptroller Object 0882 between State departments and agencies by approved budget amendment in fiscal 2018.

SECTION 12. AND BE IT FURTHER ENACTED, That, pursuant to Section 8–102 of the State Personnel and Pensions Article, the salary schedule for the executive pay plan during fiscal 2018 shall be as set forth below. Adjustments to the salary schedule may be made during the fiscal year in accordance with the provisions of Sections 8–108 and 8–109 of the State Personnel and Pensions Article. Notwithstanding the inclusion of salaries for positions which are determined by agencies with independent salary setting authority in the salary schedule set forth below, such salaries may be adjusted during the fiscal year in accordance with such salary setting authority.

Fiscal 2018
Executive Salary Schedule

	Scale	Minimum	Maximum
EPP 0001	9904	79,953	106,604
EPP 0002	9905	85,902	114,600
EPP 0003	9906	92,333	123,236
EPP 0004	9907	99,275	132,569
EPP 0005	9908	106,773	142,646
EPP 0006	9909	114,874	153,532
EPP 0007	9910	123,618	165,281
EPP 0008	9911	133,069	177,977
EPP 0009	9991	153,027	256,866

Classification Title Scale

OFFICE OF THE PUBLIC DEFENDER

Deputy Public Defender	9909
Executive VI	9906

OFFICE OF THE ATTORNEY GENERAL

Deputy Attorney General	9909
Deputy Attorney General	9909
Senior Executive Associate Attorney General	9908
Senior Executive Associate Attorney General	9908
Senior Executive Associate Attorney General	9908

PUBLIC SERVICE COMMISSION

Chair	9991
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OFFICE OF THE PEOPLE'S COUNSEL

People's Counsel 9906

SUBSEQUENT INJURY FUND

Executive Director 9906

UNINSURED EMPLOYERS' FUND

Executive Director 9906

EXECUTIVE DEPARTMENT – GOVERNOR

Executive Senior 9991

Executive Aide XI 9911

Executive Aide XI 9911

Executive Aide X 9910

Executive Aide X 9910

Executive Aide X 9910

Executive Aide X 9910

Executive Aide IX 9909

Executive Aide IX 9909

Executive Aide IX 9909

Executive Aide IX 9909

Executive Aide VIII 9908

Executive VIII 9908

DEPARTMENT OF DISABILITIES

Secretary 9909

Deputy Secretary 9906

MARYLAND ENERGY ADMINISTRATION

Executive Aide VIII 9908

EXECUTIVE DEPARTMENT – BOARDS, COMMISSIONS AND OFFICES

Executive Aide IX 9909

Executive Aide VIII 9908

Executive Aide VIII 9908

GOVERNOR'S OFFICE FOR CHILDREN

Executive Aide VIII 9908

INTERAGENCY COMMITTEE FOR SCHOOL CONSTRUCTION

Executive VII	9907
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DEPARTMENT OF AGING

Secretary	9909
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Deputy Secretary	9906
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MARYLAND COMMISSION ON CIVIL RIGHTS

Executive Director	9906
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Deputy Director	9904
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STATE BOARD OF ELECTIONS

State Administrator of Elections	9907
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DEPARTMENT OF PLANNING

Secretary	9909
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Deputy Director	9906
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Executive V	9905
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MILITARY DEPARTMENT

Military Department Operations and Maintenance

The Adjutant General	9909
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Executive IX	9909
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Executive VII	9907
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Executive VII	9907
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DEPARTMENT OF VETERANS AFFAIRS

Secretary	9905
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STATE ARCHIVES

State Archivist	9907
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MARYLAND HEALTH BENEFIT EXCHANGE

Executive Senior	9991
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Health Benefit Exchange Executive XI	9911
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Health Benefit Exchange Executive XI	9911
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Health Benefit Exchange Executive X	9910
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Executive Aide IX	9909
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Executive Aide VIII	9908
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MARYLAND INSURANCE ADMINISTRATION

Maryland Insurance Commissioner	9911
Maryland Deputy Insurance Commissioner	9908

OFFICE OF ADMINISTRATIVE HEARINGS

Chief Administrative Law Judge	9908
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COMPTROLLER OF MARYLAND

Office of the Comptroller

Chief Deputy Comptroller	9910
Executive Aide X	9910

General Accounting Division

Assistant State Comptroller VII	9907
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Bureau of Revenue Estimates

Assistant State Comptroller VII	9907
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Revenue Administration Division

Assistant State Comptroller VII	9907
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Compliance Division

Assistant State Comptroller VII	9907
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Field Enforcement Division

Assistant State Comptroller VI	9906
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Central Payroll Bureau

Assistant State Comptroller VI	9906
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Information Technology Division

Assistant State Comptroller VII	9907
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STATE TREASURER'S OFFICE

Chief Deputy Treasurer	9909
Executive VIII	9908
Executive VIII	9908
Executive VI	9906
Executive V	9905
Executive V	9905
Executive V	9905
Executive V	9905
Executive IV	9904

STATE DEPARTMENT OF ASSESSMENTS AND TAXATION

Director	9908
Deputy Director	9906
Executive V	9905

MARYLAND LOTTERY AND GAMING CONTROL AGENCY

Director	9911
Executive VIII	9908
Executive VII	9907
Executive VII	9907
Executive VII	9907
Executive VII	9907

DEPARTMENT OF BUDGET AND MANAGEMENT

Office of the Secretary

Secretary	9911
Deputy Secretary	9909

Office of Personnel Services and Benefits

Executive VIII	9908
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Office of Budget Analysis

Executive VIII	9908
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Office of Capital Budgeting

Executive VII	9907
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DEPARTMENT OF INFORMATION TECHNOLOGY

Secretary	9911
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Deputy Secretary	9909
Executive IX	9909
Executive VIII	9908

MARYLAND STATE RETIREMENT AND PENSION SYSTEMS

Executive Director	9909
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TEACHERS AND STATE EMPLOYEES SUPPLEMENTAL RETIREMENT PLANS

Executive VII	9907
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DEPARTMENT OF GENERAL SERVICES

Office of the Secretary

Secretary	9909
Executive VII	9907

Office of Facilities Operation and
Maintenance

Executive V	9905
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Office of Procurement and Logistics

Executive V	9905
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Office of Real Estate

Executive V	9905
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Office of Facilities Planning, Design
and Construction

Executive VI	9906
Executive VI	9906
Executive V	9905

DEPARTMENT OF NATURAL RESOURCES

Office of the Secretary

Secretary	9910
Deputy Secretary	9908
Executive VI	9906
Executive VI	9906

Critical Area Commission

Chairman	9906
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DEPARTMENT OF AGRICULTURE

Office of the Secretary

Secretary	9909
Deputy Secretary	9907
Executive V	9905

Office of Marketing, Animal Industries and Consumer Services

Executive V	9905
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Office of Plant Industries and Pest Management

Executive V	9905
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Office of Resource Conservation

Executive V	9905
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DEPARTMENT OF HEALTH AND MENTAL HYGIENE

Office of the Secretary

Secretary	9911
Deputy Secretary	9908
Executive VII	9907
Executive V	9905

Office of the Chief Medical Examiner

Chief Medical Examiner Post Mortem	9991
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Laboratories Administration

Executive VI	9906
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Deputy Secretary for Behavioral Health

Executive V	9905
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Behavioral Health Administration

Executive V 9905

Developmental Disabilities Administration

Executive VII 9907

Medical Care Programs Administration

Deputy Secretary 9910

Executive VI 9906

Executive VI 9906

Executive VI 9906

Health Regulatory Commissions

Executive VIII 9908

DEPARTMENT OF HUMAN RESOURCES

Office of the Secretary

Secretary 9911

Deputy Secretary 9908

Deputy Secretary 9908

Deputy Secretary 9908

Social Services Administration

Executive VI 9906

Child Support Enforcement Administration

Executive Director 9906

Family Investment Administration

Executive VI 9906

DEPARTMENT OF LABOR, LICENSING AND REGULATION

Office of the Secretary

Secretary 9910

Deputy Secretary 9908

Division of Labor and Industry

Executive VI 9906

Division of Occupational and Professional Licensing

Executive VI 9906

Division of Workforce Development and Adult Learning

Executive VII 9907

Division of Unemployment Insurance

Executive VI 9906

DEPARTMENT OF PUBLIC SAFETY AND
CORRECTIONAL SERVICES

Office of the Secretary

Secretary 9911

Deputy Secretary 9908

Executive VII 9907

Executive VII 9907

Deputy Secretary for Operations

Deputy Secretary 9908

Division of Correction – Headquarters

Commissioner of Correction 9907

Division of Parole and Probation

Director, Division of Parole and Probation 9907

Division of Pretrial Detention

Commissioner 9907

PUBLIC EDUCATION

State Department of Education – Headquarters

Deputy State Superintendent of Schools 9909

Deputy State Superintendent of Schools 9909

Deputy State Superintendent of Schools	9909
Executive VII	9907
Assistant State Superintendent	9906
Assistant State Superintendent	9906
Assistant State Superintendent	9906
Assistant State Superintendent	9906
Assistant State Superintendent	9906
Assistant State Superintendent	9906
Assistant State Superintendent	9906
Assistant State Superintendent	9906

Maryland Longitudinal Data System Center

Executive VI	9906
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Maryland Higher Education Commission

Secretary	9910
Assistant Secretary	9907

Maryland School for the Deaf

Superintendent	9907
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DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Office of the Secretary

Secretary	9910
Deputy Secretary	9908
Executive VIII	9908

Division of Credit Assurance

Executive VI	9906
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Division of Neighborhood Revitalization

Executive VI	9906
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Division of Development Finance

Executive VI	9906
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DEPARTMENT OF COMMERCE

Office of the Secretary

Secretary	9911
Deputy Secretary	9909

Division of Business and Industry Sector Development

Executive VIII	9908
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Division of Tourism, Film and the Arts

Executive VIII	9908
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DEPARTMENT OF THE ENVIRONMENT

Office of the Secretary

Secretary	9910
Deputy Secretary	9908
Executive VIII	9908

Water Management Administration

Executive VI	9906
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Land Management Administration

Executive VI	9906
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Air and Radiation Management Administration

Executive VI	9906
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DEPARTMENT OF JUVENILE SERVICES

Office of the Secretary

Secretary	9911
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Departmental Support

Deputy Secretary	9908
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Residential and Community Operations

Deputy Secretary	9908
Assistant Secretary	9905

DEPARTMENT OF STATE POLICE

Maryland State Police

Superintendent	9911
Executive VIII	9908
Deputy Secretary	9907

SECTION 13. AND BE IT FURTHER ENACTED, That pursuant to Section 2–103.4(h) of the Transportation Article of the Annotated Code of Maryland, the salary schedule for the Department of Transportation executive pay plan during fiscal 2018 shall be as set forth below. Adjustments to the salary schedule may be made during the fiscal year in accordance with the provisions of Section 2–103.4(h) of the Transportation Article. Notwithstanding the inclusion of salaries for positions that are determined by agencies with independent salary setting authority in the salary schedule set forth below, such salaries may be adjusted during the fiscal year in accordance with such salary setting authority.

Fiscal 2018
Executive Salary Schedule

	Scale	Minimum	Maximum
ES 4	9904	79,953	106,604
ES 5	9905	85,902	114,600
ES 6	9906	92,333	123,236
ES 7	9907	99,275	132,569
ES 8	9908	106,773	142,646
ES 9	9909	114,874	153,532
ES 10	9910	123,618	165,281
ES 11	9911	133,069	177,977
ES 91	9991	153,027	256,866

DEPARTMENT OF TRANSPORTATION

The Secretary's Office

Secretary	9911
Deputy Secretary	9909
Deputy Secretary	9909

Motor Vehicle Administration

Motor Vehicle Administrator	9909
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SECTION 14. AND BE IT FURTHER ENACTED, That if a person is placed by the Departments of Health and Mental Hygiene, Human Resources, or Juvenile Services or the

State Department of Education in a facility or program that becomes eligible for Medical Assistance Program (Medicaid) participation, and the Medical Assistance Program makes payment for such services, general funds equal to the general funds paid by the Medical Assistance Program to such a facility or program may be transferred from the previously mentioned departments to the Medical Assistance Program. Further, should the facility or program become eligible subsequent to payment to the facility or program by any of the previously mentioned departments, and the Medical Assistance Program makes subsequent additional payments to the facility or program for the same services, any recoveries of overpayment, whether paid in this or prior fiscal years, shall become available to the Medical Assistance Program for provider reimbursement purposes.

SECTION 15. AND BE IT FURTHER ENACTED, That all funds appropriated to the various State departments and agencies in Comptroller Object 0831 (Office of Administrative Hearings) to conduct administrative hearings by the Office of Administrative Hearings are to be transferred to the Office of Administrative Hearings (D99A11.01) on July 1, 2017, and may not be expended for any other purpose.

SECTION 16. AND BE IT FURTHER ENACTED, That funds budgeted in the State Department of Education and the Departments of Health and Mental Hygiene, Human Resources, and Juvenile Services may be transferred by budget amendment to the Children's Cabinet Interagency Fund (R00A04.01). Funds transferred would represent costs associated with local partnership agreements approved by the Children's Cabinet Interagency Fund.

SECTION 17. AND BE IT FURTHER ENACTED, That funds appropriated to the various State agency programs and subprograms in Comptroller Objects 0152 (Health Insurance), 0154 (Retirees Health Insurance Premiums), 0175 (Workers' Compensation), 0217 (Health Insurance), 0305 (DBM Paid Telecommunications), 0322 (Capital Lease Telecommunications), 0839 (HR Shared Services), 0874 (Office of Attorney General Administrative Fee), 0876 (DoIT IT Services Allocation), 0894 (State Personnel System Allocation), 0897 (Enterprise Budget System Allocation), and 1303 (rent paid to DGS) are to be utilized for their intended purposes only. ~~The expenditure or transfer of these funds for other purposes requires the prior approval of the Secretary of Budget and Management.~~ Notwithstanding any other provision of law, the Secretary of Budget and Management may transfer amounts appropriated in Comptroller Objects 0152, 0154, 0217, 0305, 0322, and 0876 between State departments and agencies by approved budget amendment in fiscal 2017 and fiscal 2018. All funds budgeted in or transferred to Comptroller Objects 0152 and 0154, and any funds restricted in this budget for use in the employee and retiree health insurance program that are unspent shall be credited to the fund as established in accordance with Section 2-516 of the State Personnel and Pensions Article of the Annotated Code of Maryland.

Further provided that each agency that receives funding in this budget in any of the restricted Comptroller Objects listed within this section shall establish within the State's accounting system a structure of accounts to separately identify for each restricted Comptroller Object, by fund source, the legislative appropriation, monthly transactions, and final expenditures. It is the intent of the General Assembly that an accounting detail

be established so that the Office of Legislative Audits may review the disposition of funds appropriated for each restricted Comptroller Object as part of each closeout audit to ensure that funds are used only for the purposes for which they are restricted and that unspent funds are reverted or canceled.

SECTION 18. AND BE IT FURTHER ENACTED, That all funds appropriated to the various State departments and agencies in Comptroller Object 0875 (Retirement Administrative Fee) to support the Maryland State Retirement agency operations are to be transferred to the Maryland State Retirement agency (G20J01.01) on July 1, 2017, and may not be expended for any other purpose.

SECTION 19. AND BE IT FURTHER ENACTED, That for fiscal 2018 funding for retirement shall be reduced by ~~\$54,527,621~~ \$55,769,368 in Executive Branch, Legislative Branch, and Judicial Branch agencies to reduce the retirement reinvestment contribution contingent upon the enactment of legislation reducing the amount of the retirement reinvestment contribution. Funding for this purpose shall be reduced in Comptroller Object 0161 (Employees' Retirement), Comptroller Object 0163 (Teachers' Retirement), Comptroller Object 0165 – (State Police Retirement), Comptroller Object 0166 (Judges' Retirement), and Comptroller Object 0169 (Law Enforcement Officers' Retirement) within Executive Branch, Legislative Branch, and Judicial Branch agencies in fiscal 2018 by the following amounts in accordance with a schedule determined by the Governor, ***Chief Judge, and the Presiding Officers:***

Agency	General Funds
<u>B75 General Assembly of Maryland</u>	<u>268,111</u>
<u>C00 Judiciary</u>	<u>918,366</u>
C80 Office of the Public Defender	324,895
C81 Office of the Attorney General	61,818
C82 State Prosecutor	4,372
C85 Maryland Tax Court	2,030
D05 Board of Public Works (BPW)	3,563
D10 Executive Department – Governor	34,357
D11 Office of the Deaf and Hard of Hearing	1,167
D12 Department of Disabilities	5,578
D15 Boards and Commissions	29,179
D16 Secretary of State	7,317
D17 Historic St. Mary's City Commission	7,031
D18 Governor's Office for Children	6,836
D25 BPW Interagency Committee for School Construction	7,225
D26 Department of Aging	7,073
D27 Maryland Commission on Civil Rights	8,598
D38 State Board of Elections	13,369
D40 Department of Planning	39,094
D50 Military Department	25,705
D55 Department of Veterans Affairs	14,214
D60 Maryland State Archives	15,819
E00 Comptroller of Maryland	242,629

E20	State Treasurer's Office	10,737
E50	Department of Assessments and Taxation	81,843
E75	State Lottery and Gaming Control Agency	35,199
E80	Property Tax Assessment Appeals Board	2,092
F10	Department of Budget and Management	61,362
F50	Department of Information Technology	66,566
H00	Department of General Services	137,150
K00	Department of Natural Resources	280,976
L00	Department of Agriculture	71,847
M00	Department of Health and Mental Hygiene	1,428,551
N00	Department of Human Resources	872,106
P00	Department of Labor, Licensing and Regulation	93,058
Q00	Department of Public Safety and Correctional Services	2,818,166
R00	State Department of Education – HQ	158,379
R00	State Department of Education – Aid	36,146,626
R15	Maryland Public Broadcasting Commission	21,074
R62	Maryland Higher Education Commission	11,684
R62	Maryland Higher Education Commission – Aid	1,546,848
R75	Support for State Operated Institutions of Higher Education	2,402,274
R99	Maryland School for the Deaf	92,625
T00	Department of Commerce	60,312
U00	Department of the Environment	91,096
V00	Department of Juvenile Services	549,480
W00	Department of State Police	911,603

Total General Funds

~~48,813,523~~50,000,000

	Agency	Special Funds
<u>C00</u>	<u>Judiciary</u>	<u>55,270</u>
C80	Office of the Public Defender	549
C81	Office of the Attorney General	22,229
C90	Public Service Commission	53,580
C91	Office of the People's Counsel	8,057
C94	Subsequent Injury Fund	7,125
C96	Uninsured Employers Fund	4,696
C98	Workers' Compensation Commission	30,760
D12	Department of Disabilities	345
D13	Maryland Energy Administration	9,693
D15	Boards and Commissions	212
D16	Secretary of State	1,264
D17	Historic St. Mary's City Commission	944
D26	Department of Aging	1,640
D38	State Board of Elections	1,348
D40	Department of Planning	2,405

D53	Maryland Institute for Emergency Medical Services Systems	34,565
D55	Department of Veterans Affairs	1,986
D60	Maryland State Archives	5,056
D78	Maryland Health Benefit Exchange	15,965
D80	Maryland Insurance Administration	91,776
D90	Canal Place Preservation and Development Authority	809
E00	Comptroller of Maryland	54,212
E20	State Treasurer's Office	1,300
E50	Department of Assessments and Taxation	82,654
E75	State Lottery and Gaming Control Agency	53,483
F10	Department of Budget and Management	31,536
F50	Department of Information Technology	1,949
G20	State Retirement Agency	48,359
G50	Teachers and State Employees Supplemental Retirement Plans	4,519
H00	Department of General Services	4,739
J00	Department of Transportation	1,952,439
K00	Department of Natural Resources	211,378
L00	Department of Agriculture	25,171
M00	Department of Health and Mental Hygiene	148,993
N00	Department of Human Resources	20,096
P00	Department of Labor, Licensing and Regulation	85,925
Q00	Department of Public Safety and Correctional Services	81,261
R00	State Department of Education	10,539
R15	Maryland Public Broadcasting Commission	29,013
R62	Maryland Higher Education Commission	1,511
S00	Department of Housing and Community Development	98,923
T00	Department of Commerce	19,530
U00	Department of the Environment	139,905
W00	Department of State Police	232,750

Total Special Funds

3,635,1803,690,459

Agency	Federal Funds	
C81	Office of the Attorney General	10,917
C90	Public Service Commission	1,721
D12	Department of Disabilities	3,702
D13	Maryland Energy Administration	1,977
D15	Boards and Commissions	6,943
D26	Department of Aging	4,137
D27	Maryland Commission on Civil Rights	1,747
D40	Department of Planning	2,957
D50	Military Department	57,541
D55	Department of Veterans Affairs	2,268

D78	Maryland Health Benefit Exchange	12,430
D80	Maryland Insurance Administration	506
H00	Department of General Services	2,222
J00	Department of Transportation	108,920
K00	Department of Natural Resources	30,523
L00	Department of Agriculture	3,312
M00	Department of Health and Mental Hygiene	286,443
N00	Department of Human Resources	803,409
P00	Department of Labor, Licensing and Regulation	283,526
Q00	Department of Public Safety and Correctional Services	57,525
R00	State Department of Education	280,369
R62	Maryland Higher Education Commission	740
R99	Maryland School for the Deaf	1,485
S00	Department of Housing and Community Development	27,455
T00	Department of Commerce	1,606
U00	Department of the Environment	76,730
V00	Department of Juvenile Services	7,798
	Total Federal Funds	2,078,909

		Current Unrestricted Funds
R13	Morgan State University	226,825
R30	University System of Maryland	2,175,449
	Total Current Unrestricted Funds	2,402,274
	Less: General Funds in Higher Education	2,402,274
	Net Current Unrestricted Funds	– 0 –

SECTION 20. AND BE IT FURTHER ENACTED, That the Governor's budget books shall include a forecast of the impact of the Executive budget proposal on the long-term fiscal condition of the General Fund, the Transportation Trust Fund, and higher education Current Unrestricted Fund accounts. This forecast shall estimate aggregate revenues, expenditures, and fund balances in each account for the fiscal year last completed, the current year, the budget year, and four years thereafter. Expenditures shall be reported at such agency, program or unit levels, or categories as may be determined appropriate after consultation with the Department of Legislative Services. A statement of major assumptions underlying the forecast shall also be provided, including but not limited to general salary increases, inflation, and growth of caseloads in significant program areas.

SECTION 21. AND BE IT FURTHER ENACTED, That all across-the-board reductions applied to the Executive Branch, unless otherwise stated, shall apply to current unrestricted and general funds in the University System of Maryland, St. Mary's College

of Maryland, Morgan State University, and Baltimore City Community College.

SECTION 22. AND BE IT FURTHER ENACTED, That the General Accounting Division of the Comptroller of Maryland shall establish a subsidiary ledger control account to debit all State agency funds budgeted under subobject 0175 (Workers' Compensation) and to credit all payments disbursed to the Chesapeake Employers' Insurance Company (CEIC) via transmittal. The control account shall also record all funds withdrawn from CEIC and returned to the State and subsequently transferred to the General Fund. CEIC shall submit monthly reports to the Department of Legislative Services concerning the status of the account.

SECTION 23. AND BE IT FURTHER ENACTED, That the Governor's budget books shall include a summary statement of federal revenues by major federal program sources supporting the federal appropriations made therein along with the major assumptions underpinning the federal fund estimates. The Department of Budget and Management (DBM) shall exercise due diligence in reporting this data and ensure that they are updated as appropriate to reflect ongoing congressional action on the federal budget. In addition, DBM shall provide to the Department of Legislative Services (DLS) data for the actual, current, and budget years listing the components of each federal fund appropriation by Catalog of Federal Domestic Assistance number or equivalent detail for programs not in the catalog. Data shall be provided in an electronic format subject to the concurrence of DLS.

SECTION 24. AND BE IT FURTHER ENACTED, That in the expenditure of federal funds appropriated in this budget or subsequent to the enactment of this budget by the budget amendment process:

(1) State agencies shall administer these federal funds in a manner that recognizes that federal funds are taxpayer dollars that require prudent fiscal management, careful application to the purposes for which they are directed, and strict attention to budgetary and accounting procedures established for the administration of all public funds.

(2) For fiscal 2018, except with respect to capital appropriations, to the extent consistent with federal requirements:

(a) when expenditures or encumbrances may be charged to either State or federal fund sources, federal funds shall be charged before State funds are charged except that this policy does not apply to the Department of Human Resources with respect to federal funds to be carried forward into future years for child welfare or welfare reform activities;

(b) when additional federal funds are sought or otherwise become available in the course of the fiscal year, agencies shall consider, in consultation with the Department of Budget and Management (DBM), whether opportunities exist to use these federal revenues to support existing operations rather than to expand programs or establish new ones; and

(c) DBM shall take appropriate actions to effectively establish the provisions of this section as policies of the State with respect to the administration of federal funds by executive agencies.

SECTION 25. AND BE IT FURTHER ENACTED, That the Department of Budget and Management (DBM) shall provide an annual report on indirect costs to the General Assembly in January 2018 as an appendix in the Governor's fiscal 2019 budget books. The report must detail by agency for the actual fiscal 2017 budget the amount of statewide indirect cost recovery received, the amount of statewide indirect cost recovery transferred to the General Fund, and the amount of indirect cost recovery retained for use by each agency. In addition, the report must list the most recently available federally approved statewide and internal agency cost-recovery rates. As part of the normal fiscal/compliance audit performed for each agency, the Office of Legislative Audits shall assess available information on the timeliness, completeness, and deposit history of indirect cost recoveries by State agencies. Further provided that for fiscal 2018, excluding the Maryland Department of Transportation, the amount of revenue received by each agency from any federal source for statewide cost recovery shall be transferred only to the General Fund and may not be retained in any clearing account or by any other means, nor may DBM or any other agency or entity approve exemptions to permit any agency to retain any portion of federal statewide cost recoveries.

SECTION 26. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that all State departments, agencies, bureaus, commissions, boards, and other organizational units included in the State budget, including the Judiciary, shall prepare and submit items for the fiscal 2019 budget detailed by Comptroller subobject classification in accordance with instructions promulgated by the Comptroller of Maryland. The presentation of budget data in the Governor's budget books shall include object, fund, and personnel data in the manner provided for in fiscal 2018 except as indicated elsewhere in this Act; however, this may not preclude the placement of additional information into the budget books. For actual fiscal 2017 spending, the fiscal 2018 working appropriation, and the fiscal 2019 allowance, the budget detail shall be available from the Department of Budget and Management (DBM) automated data system at the subobject level by subobject codes and classifications for all agencies. To the extent possible, except for public higher education institutions, subobject expenditures shall be designated by fund for actual fiscal 2017 spending, the fiscal 2018 working appropriation, and the fiscal 2019 allowance. The agencies shall exercise due diligence in reporting this data and ensuring correspondence between reported position and expenditure data for the actual, current, and budget fiscal years. This data shall be made available on request and in a format subject to the concurrence of the Department of Legislative Services (DLS). Further, the expenditure of appropriations shall be reported and accounted for by the subobject classification in accordance with the instructions promulgated by the Comptroller of Maryland.

Further provided that due diligence shall be taken to accurately report full-time equivalent counts of contractual full-time equivalents in the budget books. For the purpose of this count, contractual full-time equivalents are defined as those individuals having an employee-employer relationship with the State. This count shall include those individuals in higher education institutions who meet this definition but are paid with additional

assistance funds.

Further provided that DBM shall provide to DLS the allowance for each department, unit, agency, office, and institution, a one-page organizational chart in Microsoft Word or Adobe PDF format that depicts the allocation of personnel across operational and administrative activities of the entity.

Further provided that for each across-the-board reduction to appropriations or positions in the fiscal 2019 budget bill affecting fiscal 2018 or 2019, DBM shall allocate the reduction for each agency in a level of detail not less than the three-digit R*Stars financial agency code and by each fund type.

~~Further provided that, for the purposes of developing Appendix A in the Maryland Budget Highlights for fiscal 2019, the Governor may not reflect more than \$30,000,000 in general fund reversions for fiscal 2018. For appropriations approved in this Act that are determined to be in excess of the needs of any agency or program above the aggregate estimate of \$30,000,000 in reversions, the fiscal 2019 budget bill should include negative deficiencies.~~

SECTION 27. AND BE IT FURTHER ENACTED, That on or before August 1, 2017, each State agency and each public institution of higher education shall report to the Department of Budget and Management (DBM) any agreements in place for any part of fiscal 2017 between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 over the term of the agreement. Further provided that DBM shall provide direction and guidance to all State agencies and public institutions of higher education as to the procedures and specific elements of data to be reported with respect to these interagency agreements, to include at a minimum:

- (1) a common code for each interagency agreement that specifically identifies each agreement and the fiscal year in which the agreement began;
- (2) the starting date for each agreement;
- (3) the ending date for each agreement;
- (4) a total potential expenditure, or not-to-exceed dollar amount, for the services to be rendered over the term of the agreement by any public institution of higher education to any State agency;
- (5) a description of the nature of the goods and services to be provided;
- (6) the total number of personnel, both full-time and part-time, associated with the agreement;
- (7) contact information for the agency and the public institution of higher education for the person(s) having direct oversight or knowledge of the agreement;

(8) total indirect cost recovery or facilities and administrative (F&A) expenditures authorized for the agreement;

(9) the indirect cost recovery or F&A rate for the agreement and brief description of how the rate was determined;

(10) actual expenditures for the most recently closed fiscal year;

(11) actual base expenditures that the indirect cost recovery or F&A rate may be applied against the most recently closed fiscal year;

(12) actual expenditures for indirect cost recovery or F&A for the most recently closed fiscal year; and

(13) total authorized expenditure for any subaward(s) or subcontract(s) being used as part of the agreement and a brief description of the type of award or contract.

Further provided that DBM shall submit a consolidated report to the budget committees and the Department of Legislative Services by December 1, 2017, that contains information on all agreements between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 that were in effect at any time during fiscal 2017.

Further provided that no new higher education interagency agreement with State agencies with a projected value in excess of \$500,000 may be entered into during fiscal 2018 without prior approval of the Secretary of Budget and Management.

SECTION 28. AND BE IT FURTHER ENACTED, That any budget amendment to increase the total amount of special, federal, or higher education (current restricted and current unrestricted) fund appropriations, or to make reimbursable fund transfers from the Governor's Office of Crime Control and Prevention or the Maryland Emergency Management Agency, made in Section 1 of this Act shall be subject to the following restrictions:

(1) This section may not apply to budget amendments for the sole purpose of:

(a) appropriating funds available as a result of the award of federal disaster assistance; and

(b) transferring funds from the State Reserve Fund – Economic Development Opportunities Account for projects approved by the Legislative Policy Committee.

(2) Budget amendments increasing total appropriations in any fund account by \$100,000 or more may not be approved by the Governor until:

(a) that amendment has been submitted to the Department of Legislative Services (DLS); and

(b) the budget committees or the Legislative Policy Committee have considered the amendment or 45 days have elapsed from the date of submission of the amendment. Each amendment submitted to DLS shall include a statement of the amount, sources of funds and purposes of the amendment, and a summary of the impact on regular position or contractual full-time equivalent payroll requirements.

(3) Unless permitted by the budget bill or the accompanying supporting documentation or by any other authorizing legislation, and notwithstanding the provisions of Section 3-216 of the Transportation Article, a budget amendment may not:

(a) restore funds for items or purposes specifically denied by the General Assembly;

(b) fund a capital project not authorized by the General Assembly provided, however, that subject to provisions of the Transportation Article, projects of the Maryland Department of Transportation (MDOT) shall be restricted as provided in Section 1 of this Act;

(c) increase the scope of a capital project by an amount 7.5% or more over the approved estimate or 5.0% or more over the net square footage of the approved project until the amendment has been submitted to DLS, and the budget committees have considered and offered comment to the Governor or 45 days have elapsed from the date of submission of the amendment. This provision does not apply to MDOT; and

(d) provide for the additional appropriation of special, federal, or higher education funds of more than \$100,000 for the reclassification of a position or positions.

(4) A budget may not be amended to increase a federal fund appropriation by \$100,000 or more unless documentation evidencing the increase in funds is provided with the amendment and fund availability is certified by the Secretary of Budget and Management.

(5) No expenditure or contractual obligation of funds authorized by a proposed budget amendment may be made prior to approval of that amendment by the Governor.

(6) Notwithstanding the provisions of this section, any federal, special, or higher education fund appropriation may be increased by budget amendment upon a declaration by the Board of Public Works that the amendment is essential to maintaining public safety, health, or welfare, including protecting the environment or the economic welfare of the State.

(7) Budget amendments for new major information technology projects, as

defined by Sections 3A–301 and 3A–302 of the State Finance and Procurement Article, must include an Information Technology Project Request, as defined in Section 3A–308 of the State Finance and Procurement Article.

(8) Further provided that the fiscal 2018 appropriation detail as shown in the Governor’s budget books submitted to the General Assembly in January 2018 and the supporting electronic detail may not include appropriations for budget amendments that have not been signed by the Governor, exclusive of the MDOT pay-as-you-go capital program.

(9) Further provided that it is the policy of the State to recognize and appropriate additional special, higher education, and federal revenues in the budget bill as approved by the General Assembly. Further provided that for the fiscal 2019 allowance, the Department of Budget and Management shall continue policies and procedures to minimize reliance on budget amendments for appropriations that could be included in a deficiency appropriation.

SECTION 29. AND BE IT FURTHER ENACTED, That:

(1) The Secretary of Health and Mental Hygiene shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2017 in program M00Q01.03 Medical Care Provider Reimbursements have been disbursed for services provided in that fiscal year and shall prepare and submit the periodic reports required under this section for that program.

(2) The State Superintendent of Schools shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2017 to program R00A02.07 Students With Disabilities for nonpublic placements have been disbursed for services provided in that fiscal year and to prepare periodic reports as required under this section for that program.

(3) The Secretary of Human Resources shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2017 in program N00G00.01 Foster Care Maintenance Payments have been disbursed for services provided in that fiscal year, including detail on average monthly caseload, average monthly cost per case, and the total expended for each foster care program, and to prepare the periodic reports required under this section for that program.

(4) For the programs specified, reports must indicate total appropriations for fiscal 2017 and total disbursements for services provided during that fiscal year up through the last day of the second month preceding the date on which the report is to be submitted and a comparison to data applicable to those periods in the preceding fiscal year.

(5) Reports shall be submitted to the budget committees, the Department of Legislative Services, the Department of Budget and Management, and the Comptroller on November 1, 2017; March 1, 2018; and June 1, 2018.

(6) It is the intent of the General Assembly that general funds appropriated for fiscal 2017 to the programs specified that have not been disbursed within a reasonable period, not to exceed 12 months from the end of the fiscal year, shall revert.

SECTION 30. AND BE IT FURTHER ENACTED, That no funds in this budget may be expended to pay the salary of a Secretary or an Acting Secretary of any department whose nomination as Secretary has been rejected by the Senate or an Acting Secretary who was serving in that capacity prior to the 2017 session whose nomination for the Secretary position was not put forward and approved by the Senate during the 2017 session unless the Acting Secretary is appointed under Article II, Section 11 of the Maryland Constitution prior to July 1, 2017.

Further provided that no funds in this budget may be expended to pay the salary of a Secretary or Acting Secretary of any department who was a recess appointment in 2016 and whose nomination as Secretary was put forward and was not acted upon by the Executive Nominations Committee, or whose nomination was rejected by the Executive Nominations Committee and whose nomination was withdrawn before the full Senate acted.

Further provided that no funds in this budget may be expended to pay the salary of an Assistant Secretary or Deputy Secretary who was a recess appointment as Secretary in 2016 and whose nomination was rejected by the Executive Nominations Committee and was withdrawn before the full Senate acted or whose nomination was not acted upon by the Executive Nominations Committee.

Nothing in this language may be construed to prohibit employment in State Government not serving in a leadership capacity in the Agency or Department in which the Secretary or Acting Secretary's nomination as Secretary was put forward and was rejected by the Executive Nominations Committee or who was not acted upon by the Executive Nominations Committee.

SECTION 31. AND BE IT FURTHER ENACTED, That the Board of Public Works (BPW), in exercising its authority to create additional positions pursuant to Section 7-236 of the State Finance and Procurement Article, may authorize during the fiscal year no more than 100 positions in excess of the total number of authorized State positions on July 1, 2017, as determined by the Secretary of Budget and Management. Provided, however, that if the imposition of this ceiling causes undue hardship in any department, agency, board, or commission, additional positions may be created for that affected unit to the extent that an equal number of positions authorized by the General Assembly for the fiscal year are abolished in that unit or in other units of State government. It is further provided that the limit of 100 does not apply to any position that may be created in conformance with specific manpower statutes that may be enacted by the State or federal government nor to any positions created to implement block grant actions or to implement a program reflecting fundamental changes in federal/State relationships. Notwithstanding anything contained in this section, BPW may authorize additional positions to meet public emergencies resulting from an act of God and violent acts of man that are necessary to protect the health and safety of the people of Maryland.

BPW may authorize the creation of additional positions within the Executive Branch provided that 1.25 contractual full-time equivalents (FTEs) are abolished for each regular position authorized and that there be no increase in agency funds in the current budget and the next two subsequent budgets as the result of this action. It is the intent of the General Assembly that priority is given to converting individuals that have been in contractual FTEs for at least two years. Any position created by this method may not be counted within the limitation of 100 under this section.

The numerical limitation on the creation of positions by BPW established in this section may not apply to positions entirely supported by funds from federal or other non-State sources so long as both the appointing authority for the position and the Secretary of Budget and Management certify for each position created under this exception that:

(1) funds are available from non-State sources for each position established under this exception; and

(2) any positions created will be abolished in the event that non-State funds are no longer available.

The Secretary of Budget and Management shall certify and report to the General Assembly by June 30, 2018, the status of positions created with non-State funding sources during fiscal 2014 through 2018 under this provision as remaining, authorized, or abolished due to the discontinuation of funds.

SECTION 32. AND BE IT FURTHER ENACTED, That immediately following the close of fiscal 2017, the Secretary of Budget and Management shall determine the total number of full-time equivalent (FTE) positions that are authorized as of the last day of fiscal 2017 and on the first day of fiscal 2018. Authorized positions shall include all positions authorized by the General Assembly in the personnel detail of the budgets for fiscal 2017 and 2018, including nonbudgetary programs, the Maryland Transportation Authority, the University System of Maryland self-supported activities, and the Maryland Correctional Enterprises.

The Department of Budget and Management (DBM) shall also prepare a report during fiscal 2018 for the budget committees upon creation of regular FTE positions through Board of Public Works action and upon transfer or abolition of positions. This report shall also be provided as an appendix in the fiscal 2019 Governor's budget books. It shall note, at the program level:

(1) where regular FTE positions have been abolished;

(2) where regular FTE positions have been created;

(3) from where and to where regular FTE positions have been transferred;

and

- (4) where any other adjustments have been made.

Provision of contractual FTE information in the same fashion as reported in the appendices of the fiscal 2018 Governor's budget books shall also be provided.

SECTION 33. AND BE IT FURTHER ENACTED, That the Department of Budget and Management and the Maryland Department of Transportation are required to submit to the Department of Legislative Services (DLS) Office of Policy Analysis:

(1) a report in Excel format listing the grade, salary, title, and incumbent of each position in the Executive Pay Plan (EPP) as of July 15, 2017; October 15, 2017; January 15, 2018; and April 15, 2018; and

(2) detail on any lump-sum increases given to employees paid on the EPP subsequent to the previous quarterly report.

Flat-rate employees on the EPP shall be included in these reports. Each position in the report shall be assigned a unique identifier that describes the program to which the position is assigned for budget purposes and corresponds to the manner of identification of positions within the budget data provided annually to the DLS Office of Policy Analysis.

SECTION 34. AND BE IT FURTHER ENACTED, That no position identification number assigned to a position abolished in this budget may be reassigned to a job or function different from that to which it was assigned when the budget was submitted to the General Assembly. Incumbents in positions abolished may continue State employment in another position.

SECTION 35. AND BE IT FURTHER ENACTED, That the Secretary of Budget and Management shall include as an appendix in the fiscal 2019 Governor's budget books an accounting of the fiscal 2017 actual, fiscal 2018 working appropriation, and fiscal 2019 estimated revenues and expenditures associated with the employees' and retirees' health plan. The data in this report should be consistent with the budget data submitted to the Department of Legislative Services. This accounting shall include:

(1) any health plan receipts received from State agencies, employees, and retirees, as well as prescription rebates or recoveries, or audit recoveries, and other miscellaneous recoveries;

(2) any premium, capitated, or claims expenditures paid on behalf of State employees and retirees for any health, mental health, dental, or prescription plan, as well as any administrative costs not covered by these plans; and

(3) any balance remaining and held in reserve for future provider payments.

SECTION 36. AND BE IT FURTHER ENACTED, That it is the intent of the General

Assembly that the Maryland Department of Planning, the Department of Natural Resources, the Maryland Department of Agriculture, the Maryland Department of the Environment, and the Department of Budget and Management provide a report to the budget committees by December 1, 2017, on Chesapeake Bay restoration spending. The report shall be drafted subject to the concurrence of the Department of Legislative Services (DLS) in terms of both electronic format to be used and data to be included. The report should include:

(1) fiscal 2017 annual spending by fund, fund source, program, and State government agency; associated nutrient and sediment reduction; and the impact on living resources and ambient water quality criteria for dissolved oxygen, water clarity, and “chlorophyll a” for the Chesapeake Bay and its tidal tributaries to be submitted electronically in disaggregated form to DLS;

(2) projected fiscal 2018 to 2025 annual spending by fund, fund source, program, and State government agency; associated nutrient and sediment reductions; and the impact on living resources and ambient water quality criteria for dissolved oxygen, water clarity, and “chlorophyll a” for the Chesapeake Bay and its tidal tributaries to be submitted electronically in disaggregated form to DLS;

(3) an overall framework discussing the needed regulations, revenues, laws, and administrative actions and their impacts on individuals, organizations, governments, and businesses by year from fiscal 2017 to 2025 in order to reach the calendar 2025 requirement of having all best management practices in place to meet water quality standards for restoring the Chesapeake Bay to be both written in narrative form and tabulated in spreadsheet form that is submitted electronically in disaggregated form to DLS;

(4) an analysis of the various options for financing Chesapeake Bay restoration including public–private partnerships, a regional financing authority, nutrient trading, technological developments, and any other policy innovations that would improve the effectiveness of Maryland and other states’ efforts toward Chesapeake Bay restoration; and

(5) an analysis by the University of Maryland Environmental Finance Center on how cost–effective the existing State funding sources – such as the Bay Restoration Fund, Chesapeake and Atlantic Coastal Bays 2010 Trust Fund, and Water Quality Revolving Loan Fund among others – are being used for Chesapeake Bay restoration purposes.

SECTION 37. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Department of Budget and Management, the Department of Natural Resources, and the Maryland Department of the Environment provide a report on Chesapeake Bay restoration spending. The report shall be drafted subject to the concurrence of the Department of Legislative Services (DLS) in terms of both electronic format to be used and data to be included. The scope of the report is as follows: Chesapeake Bay restoration operating and capital expenditures by agency, fund type, and particular

fund source based on programs that have over 50% of their activities directly related to Chesapeake Bay restoration for the fiscal 2017 actual, fiscal 2018 working appropriation, and fiscal 2019 allowance to be included as an appendix in the fiscal 2019 budget volumes and submitted electronically in disaggregated form to DLS.

SECTION 38. AND BE IT FURTHER ENACTED, That the Department of Budget and Management shall provide an annual report on the revenue from the Regional Greenhouse Gas Initiative (RGGI) carbon dioxide emission allowance auctions and set-aside allowances to the General Assembly in conjunction with the submission of the fiscal 2019 budget and annually thereafter as an appendix to the Governor's budget books. This report shall include information for the actual fiscal 2017 budget, fiscal 2018 working appropriation, and fiscal 2019 allowance. The report shall detail revenue assumptions used to calculate the available Strategic Energy Investment Fund (SEIF) from RGGI auctions for each fiscal year including:

- (1) the number of auctions;
- (2) the number of allowances sold;
- (3) the allowance price for both current and future (if offered) control period allowances sold in each auction; and
- (4) anticipated revenue from set-aside allowances.

The report shall also include detail on the amount of the SEIF from RGGI auction revenue available to each agency that receives funding through each required allocation:

- (1) energy assistance;
- (2) energy efficiency and conservation programs, low- and moderate-income sector;
- (3) energy efficiency and conservation programs, all other sectors;
- (4) renewable and clean energy programs and initiatives, education, climate change, and resiliency programs;
- (5) administrative expenditures;
- (6) dues owed to the RGGI, Inc.; and
- (7) transfers or diversions of revenue made to other funds.

The report should also provide detail on the fund balance for each SEIF subaccount for the fiscal 2017 actual, fiscal 2018 working appropriation, and fiscal 2019 allowance.

SECTION 39. AND BE IT FURTHER ENACTED, That \$1,000,000 of the general

fund appropriation within the Department of State Police (DSP) may not be expended until DSP submits the Crime in Maryland, 2016 Uniform Crime Report (UCR) to the budget committees. The budget committees shall have 45 days to review and comment following receipt of the report. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Further, provided that, if DSP encounters difficulty obtaining necessary crime data on a timely basis from local jurisdictions who provide the data for inclusion in the UCR, DSP shall notify the Governor's Office of Crime Control and Prevention (GOCCP). GOCCP shall withhold a portion, totaling at least 15%, but no more than 50%, of that jurisdiction's State Aid for Police Protection (SAPP) grant for fiscal 2018 upon receipt of notification from DSP. GOCCP shall withhold SAPP funds until such a time that the jurisdiction submits its crime data to DSP. DSP and GOCCP shall submit a report to the budget committees indicating any jurisdiction from which crime data was not received on a timely basis and the amount of SAPP funding withheld from each jurisdiction.

SECTION 40. AND BE IT FURTHER ENACTED, That the reimbursable fund appropriation in the Department of Information Technology, Infrastructure (F50B04.04) shall be reduced by \$135,000. The Governor shall develop a schedule for allocating this reimbursable fund reduction across State agencies. The reduction under this section shall equal at least the amount indicated for the funds listed:

<u>Fund</u>	<u>Amount</u>
<u>General</u>	<u>\$81,000</u>
<u>Special</u>	<u>\$27,000</u>
<u>Federal</u>	<u>\$27,000</u>

SECTION 41. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for the Department of Budget and Management (DBM) Executive Direction program F10A01.01 and \$100,000 for the special fund appropriation for the Department of Housing and Community Development (DHCD) Office of the Secretary program S00A20.01 made for the purpose of operations may not be expended until DBM, in consultation with DHCD, submits a report to the budget committees on the balance of outstanding loans and current and proposed repayment for loans made by the DHCD's Neighborhood BusinessWorks program for the purposes of Ellicott City flood recovery efforts. It is the intent of the budget committees that DHCD repay the Catastrophic Event Account for \$2,500,000 transferred from the account to DHCD, and that DHCD repay the Small, Minority, and Women-Owned Business Account for \$2,312,500 transferred from the account to DHCD. The report shall be submitted by January 1, 2018, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund or be canceled if the report is not submitted to the budget committees.

SECTION 42. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation within the Department of Human Resources (DHR), \$100,000 of the general

fund appropriation within the Department of Health and Mental Hygiene (DHMH), and \$100,000 of the general fund appropriation within the Maryland State Department of Education (MSDE) may not be expended until DHR, DHMH, and MSDE submit a report to the Senate Budget and Taxation Committee, the Senate Finance Committee, the House Appropriations Committee, and the House Health and Government Operations Committee detailing:

(1) The processes in place to ensure coordination between DHMH, MSDE, DHR, and the hospitals serving children in Maryland to find appropriate community placements for children and adolescents with mental illness, developmental disabilities, or complex medical needs.

(2) The processes in place to ensure coordination between DHMH, MSDE, DHR, and the hospitals serving children in Maryland to find out-of-home placements for children and adolescents with mental illness, developmental disabilities, or complex medical needs.

(3) The availability by jurisdiction of the following resources for children and adolescents with mental illness, developmental disabilities, or complex medical needs:

(a) dedicated child and adolescent inpatient psychiatric beds in acute general and specialty hospitals;

(b) therapeutic foster care;

(c) residential treatment center services;

(d) transportation assistance; and

(e) any other community-based treatment service designed to meet the needs of children and adolescents with severe mental illness, developmental disabilities, or complex medical needs.

(4) Recommendations, based on an analysis of the data, to improve community placement processes for children and adolescents with severe mental illness, developmental disabilities, or complex medical needs including availability of treatment options based on the payer, that will facilitate increased community-based care and decrease inpatient lengths of stay beyond what is medically necessary.

The report shall be submitted by November 15, 2017, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

SECTION 43. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation within the Department of Human Resources (DHR), and \$100,000 of the general fund appropriation within the Maryland State Department of Education (MSDE),

and \$100,000 of the general fund appropriation within the Governor's Office for Children (GOC) may not be expended until DHR, ~~and~~ MSDE, and GOC submit a report to the budget committees detailing:

(1) the processes in place to determine whether to place children in out-of-state placements when in-state resources cannot meet the needs of the child;

(2) the processes in place to determine in which out-of-state facilities children are placed;

(3) the frequency of the review of the out-of-state placement to determine whether or not the needs of the child can be met through an in-state provider;

(4) the current processes in place between DHR and MSDE to ensure that the out-of-state facilities in which children are placed are compliant with the Individuals with Disabilities Education Act;

(5) the current processes for monitoring children in out-of-state placements and any plans to alter these monitoring practices to ensure the safety of children in out-of-state placements; and

(6) the resources that would be necessary (both funding and number and type of placements) to move all children in out-of-state placements to in-state placements.

The report shall be submitted by August 15, 2017, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted.

SECTION 44. AND BE IT FURTHER ENACTED, That \$200,000 of the general fund appropriation in the Maryland Department of the Environment (MDE) and \$200,000 of the general fund appropriation in the Maryland Department of Agriculture (MDA) made for the purpose of general operating expenses may be expended only for the purpose of filling vacant compliance and enforcement positions, provided, however, that no funds may be expended until MDE and MDA jointly prepare and submit quarterly reports on July 1, 2017; October 1, 2017; January 1, 2018; and April 1, 2018; which shall include:

(1) an evaluation of the adequacy of Maryland's current authorized compliance and enforcement positions in the departments. In completing the assessment, the departments should:

(a) provide information on the delegation of authority to other entities; and

(b) assess the impact of the role that technology has played on compliance and enforcement responsibilities;

(2) a comparison of the size, roles, and responsibilities of the departments' compliance and enforcement positions to neighboring or similar states;

(3) a list of all inspection activities conducted by MDE's Water Management Administration, Land Management Administration, Air and Radiation Management Administration, and MDA's Office of Resource Conservation; and

(4) the number of:

(a) regular positions and contractual full-time equivalents associated with the inspections, including the number of vacancies for the fiscal 2011 through 2017 actuals; and

(b) the fiscal 2018 current and fiscal 2019 estimated appropriations.

Further provided that funding restricted for this purpose may be released quarterly in \$50,000 installments for each agency upon receipt of the required quarterly reports. The budget committees shall have 45 days to review and comment on the submitted quarterly reports. Funds restricted may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the reports are not submitted to the budget committees, and the released funding is not used to fill vacant compliance and enforcement positions.

SECTION 45. AND BE IT FURTHER ENACTED, That the General Assembly is concerned about potential reductions in federal fund grants appropriated to State agencies in the fiscal 2018 budget. The General Assembly requests the Department of Budget and Management to submit a report in conjunction with the fiscal 2019 budget, which identifies reductions in federal grants which are 10% or more below what the State expected to receive in fiscal 2018. The report should identify the specific federal grant program by Catalog of Federal Domestic Assistance number and title, the State agency and program(s) affected by the federal reduction, the impact of the loss of federal grant aid, and whether State funds will be used to replace the lost federal grant aid.

~~SECTION 46. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation in the Maryland Department of Veterans Affairs (MDVA) and \$100,000 of the general fund appropriation in the Governor's Office of Minority Affairs (GOMA) may not be expended until:~~

~~(1) MDVA and GOMA jointly submit a report to the budget committees including:~~

~~(a) methods to increase veteran-owned small business enterprise participation in State procurement and ensure compliance with the State's 1% purchasing goal;~~

~~(b) barriers to veteran-owned small business enterprise participation that hinder compliance with the State's 1% purchasing goal, including the~~

~~requirement in Section 14-601 of the State Finance and Procurement Article for verification by the Center for Veterans Enterprise of the United States Department of Veterans Affairs;~~

~~(e) a comparison of the current Veteran-owned Small Business Enterprise Participation Program to similar programs in the federal government and other state governments, focusing on ease of access by interested firms, and methods of verification, certification, and fraud protection;~~

~~(d) a comparison of the current Veteran-owned Small Business Enterprise Participation Program to similar programs in Maryland, such as the Small Business Reserve Program and the Minority Business Enterprise Participation Program, focusing on ease of access by interested firms, and methods of verification, certification, and fraud prevention; and~~

~~(e) specific recommendations for legislative and regulatory changes to increase compliance with the State's 1% purchasing goal for veteran-owned small business enterprise participation in State procurement.~~

~~The budget committees shall have 45 days to review and comment following the receipt of the report. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any purpose and shall revert to the General Fund if the report is not submitted to the committees.~~

SECTION 47. AND BE IT FURTHER ENACTED, That no funding in this budget may be expended to move State employees from 201 and 301 West Preston Street (State Center) to any other location until the Department of General Services (DGS) has submitted to the budget committees:

(1) a qualitative and quantitative analysis of the need and the intended benefits of any relocation plan, including a budgetary impact statement; and

(2) any lease agreement that would go to the Board of Public Works for approval that would result in relocating State employees from 201 and 301 West Preston Street (State Center) that outlines the terms and conditions of the lease.

The budget committees shall have 45 days to review and comment on any report submitted by DGS in compliance with this section.

SECTION ~~20 48~~ 49. AND BE IT FURTHER ENACTED, That numerals of this bill showing subtotals and totals are informative only and are not actual appropriations. The actual appropriations are in the numerals for individual items of appropriation. It is the legislative intent that in subsequent printings of the bill the numerals in subtotals and totals shall be administratively corrected or adjusted for continuing purposes of information, in order to be in arithmetic accord with the numerals in the individual items.

SECTION ~~24 49~~ 50. AND BE IT FURTHER ENACTED, That pursuant to the

provisions of Article III, Section 52(5a) of the Maryland Constitution, the following total of all proposed appropriations and the total of all estimated revenues available to pay the appropriations for the 2018 fiscal year are submitted.

BUDGET SUMMARY (\$)**Fiscal Year 2017**

General Fund Balance, June 30, 2016 available for 2017 Operations		384,503,037
2017 Estimated Revenues (all funds)		42,558,758,469
Reimbursement from reserve for Tax Credits		29,475,000
Transfer from Revenue Stabilization Account		170,000,000
2017 Appropriations as amended (all funds)	42,181,670,666	
2017 Deficiencies (all funds)	1,048,401,647	
Specific Reversions	(125,788,821)	
Estimated Agency General Fund Reversions	(30,000,000)	
		<hr/>
Subtotal Appropriations (all funds)		43,074,283,492
		<hr/>
2017 General Funds Reserved for 2018 Operations		68,453,014

Fiscal Year 2018

2017 General Funds Reserved for 2018 Operations		68,453,014
2018 Estimated Revenues (all funds)		43,589,320,427
Reimbursement from reserve for Tax Credits		25,423,014
Transfer from other funds		2,500,000
2018 Appropriations (all funds)	43,842,001,303	
Budget Bill Reductions	(269,293,063)	
Specific Reversions	(1,186,477)	
Estimated Agency General Fund Reversions	(30,000,000)	
		<hr/>
Subtotal Appropriations (all funds)		43,541,521,763
		<hr/>
2018 General Fund Unappropriated Balance		144,174,692

SUPPLEMENTAL BUDGET NO. 1 – FISCAL YEAR 2018

March 24, 2017

Mr. President, Mr. Speaker,
Ladies and Gentlemen of the General Assembly:

Pursuant to the authority conferred on me by Article III, Section 52, Subsection (5) of the Constitution of Maryland, and in accordance with the consent of the (State Senate) – (House of Delegates), duly granted, I hereby submit a supplement to House Bill 150 and/or Senate Bill 170 in the form of an amendment to the original budget for the Fiscal Year ending June 30, 2018.

Supplemental Budget No. 1 will affect previously estimated funds available for budget operations as shown on the following summary statement.

SUPPLEMENTAL BUDGET SUMMARY

Sources:

Estimated general fund unappropriated balance July 1, 2018 (per Original Budget)	144,174,692
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Adjustment to revenue:

General Funds

Fiscal Year 2017 Revenues

Board of Revenue Estimates – March 2017	–35,319,546
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Moody’s Settlement	5,000,000
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Debt Settlement Services Company Settlement	200,000
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Questcor Pharmaceuticals Settlement	470,000
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USM Fund Balance Transfer	30,000,000
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Fiscal Year 2018 Revenues

Board of Revenue Estimates – March 2017	2,278,991	2,629,445
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Special Funds

D16302 Charitable Enforcement & Protection Fund	85,000
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D55305 Bed Lease Fund	–663,344
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H00326 Renewable Energy Credits	1,557,761
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J00301 Transportation Trust Fund	1,619,928
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J00301 Transportation Trust Fund	9,885,663
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J00301 Transportation Trust Fund	9,406,940
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J00301 Transportation Trust Fund	3,602,203
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J00301 Transportation Trust Fund	1,700,000
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SWF318 Maryland Education Trust Fund	–7,934,832
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SWF318 Maryland Education Trust Fund	–24,560,102
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R62304 Health Care Professional License Fees	–750,000
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U00321 Lead Poisoning Prevention Fund	550,000	
X00301 Annuity Bond Fund	23,186,871	17,686,088
Federal Funds		
64.015 Veterans State Nursing Home Care	663,344	
89.003 National Historical Publications and Records Grant	7,002	
VC.H00 Various Federal Contracts	15,837	
20.507 Federal Transit – Formula Grants	-3,092,871	
20.525 State of Good Repair Grants Program	3,092,871	
20.509 Formula Grants for Rural Areas	1,467,571	
93.777 State Survey and Certification of Health Care Providers and Suppliers	179,352	
93.778 Medical Assistance Program	53,573	
19.703 US Dept of State – International Training Program	330,000	
16.606 State Criminal Alien Assistance Program	133,912	2,850,591
Current Unrestricted Funds		
University of Maryland, College Park Campus	363,000	
Bowie State University	763,542	1,126,542
Adjustment to General Fund Appropriations Legislative Reductions	30,000,000	30,000,000
Total Available		164,490,225
Uses:		
General Funds	45,611,663	
Special Funds	17,686,088	
Federal Funds	2,850,591	
Current Unrestricted	1,126,542	67,274,884
Revised estimated general fund unappropriated Balance July 1, 2018		131,192,474

BOARD OF PUBLIC WORKS – CAPITAL APPROPRIATION

1. D06E02.01 Public Works Capital Appropriation

To add an appropriation on page 10 of the printed bill (first reading file bill), to support the construction of Shorebirds Stadium.

Object .14 Land and Structures	980,000
	<u>0</u>

General Fund Appropriation	980,000
	<u>0</u>

2. D06E02.01 Public Works Capital Appropriation

To add an appropriation on page 10 of the printed bill (first reading file bill), to support capital improvements at the Echo Hill Outdoor School.

Object .12 Grants, Subsidies and Contributions	150,000
	<u>0</u>

General Fund Appropriation	150,000
	<u>0</u>

EXECUTIVE DEPARTMENT – BOARDS, COMMISSIONS AND OFFICES

3. D15A05.16 Governor’s Office of Crime Control and Prevention

In addition to the appropriation shown on page 13 of the printed bill (first reading file bill), to provide funds for Baltimore City Police equipment to comply with the Department of Justice consent decree.

Object .12 Grants, Subsidies and Contributions	2,000,000
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General Fund Appropriation	2,000,000
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SECRETARY OF STATE

4. D16A06.01 Office of the Secretary of State

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to provide funds for salary expenses associated with charity enforcement activities.

Personnel Detail:

Turnover Expectancy	85,000	
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Object .01 Salaries, Wages and Fringe Benefits	85,000	
Special Fund Appropriation		85,000

MILITARY DEPARTMENT

5. D50H01.08 Opioid Crisis Fund

To add an appropriation on page 20 of the printed bill (first reading file bill), to provide funds to combat the heroin epidemic in the State.

Object .12 Grants, Subsidies and Contributions	10,000,000
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General Fund Appropriation, provided that funds appropriated herein may be used to develop a broad range of evidence-based strategies aimed at preventing and treating the Opioid crisis, provide grants to other state agencies and local governments, pursue enforcement strategies against drug traffickers, and prepare education and outreach efforts. Policy decisions regarding the expenditures of such funds shall be made by the Inter-Agency Heroin and Opioid Coordinating Council. Authority is hereby provided to transfer these funds amongst state agencies as appropriate

10,000,000

DEPARTMENT OF VETERANS AFFAIRS

6. D55P00.01 Service Program

In addition to the appropriation shown on page 21 of the printed bill (first reading file bill), to provide funds for the Maryland Veterans Service Animal Program.

Object .12 Grants, Subsidies and Contributions	100,000
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0

General Fund Appropriation, provided that this additional appropriation shall be contingent on the enactment of SB 441

~~100,000~~

0

7. D55P00.05 Veterans Home Program

To become available immediately upon passage of this budget to increase federal funds to replace underattainment of special funds due to delayed procurement of the management contract at the Charlotte Hall Veterans Home.

Object .01 Salaries, Wages and Fringe Benefits	0
Object .03 Communications	0
Object .04 Travel	0
Object .06 Fuel and Utilities	0
Object .07 Motor Vehicle Operations and Maintenance	0
Object .08 Contractual Services	0
Object .10 Equipment Replacement	0
Object .11 Equipment – Additional	0
Object .13 Fixed Charges	0
Object .14 Land and Structures	0
	<hr/>
	0

Special Fund Appropriation	-663,344
Federal Fund Appropriation	663,344

STATE ARCHIVES

8. D60A10.01 Archives

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to provide funds to be used for contractual work under the National Historical Publications and Records Grant.

Object .02 Technical and Special Fees	7,002
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Federal Fund Appropriation 7,002

DEPARTMENT OF BUDGET AND MANAGEMENT

9. F10A02.08 Statewide Expenses – Office of
Personnel Services and Benefits

In addition to the appropriation shown on page 31 of the printed bill (first reading file bill) to provide federal reimbursement for Maryland Correctional Enterprise balance transfers to the General Fund from FY 2012 through FY 2014.

Object .08 Contractual Services 245,183

General Fund Appropriation 245,183

DEPARTMENT OF INFORMATION TECHNOLOGY

10. F50A01.01 Major Information Technology
Development Project Fund

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to provide funds for the Department of Public Safety and Correctional Services pilot drone detection program.

Provided that \$1,000,000 of this appropriation made for the purpose of the pilot drone detection program may not be expended until the Department of Information Technology (DoIT) submits an Information Technology Project Request (ITPR) for the project consistent with Section 3A-308 of the State Finance and Procurement Article. The ITPR shall be posted on the Information Technology Advisory Council website. The report shall be submitted by July 1, 2017, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by

budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Object .08 Contractual Services 1,000,000

General Fund Appropriation 1,000,000

11. F50A01.01 Major Information Technology Development Project Fund

In addition to the appropriation shown on page 32 of the printed bill (first reading file bill), to provide funds for the Department of Public Safety and Correctional Services pilot drone detection program.

Object .08 Contractual Services..... 250,000

General Fund Appropriation 250,000

12. F50A01.01 Major Information Technology Development Project Fund

In addition to the appropriation shown on page 32 of the printed bill (first reading file bill), to provide funds for the Department of Public Safety and Correctional Services Electronic Medical Records System Project.

Provided that \$2,500,000 of this appropriation made for the purpose of the Electronic Medical Records System major information technology development project may not be expended until the Department of Information Technology (DoIT) submits an Information Technology Project Request (ITPR) for the project consistent with Section 3A-308 of the State Finance and Procurement Article. The ITPR shall be posted on the Information Technology Advisory Council website. The report shall be submitted by July 1, 2017, and the budget committees shall have 45 days

to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Object .08 Contractual Services ~~5,000,000~~
2,500,000

General Fund Appropriation ~~5,000,000~~
2,500,000

13. F50A01.01 Major Information Technology Development Project Fund

In addition to the appropriation shown on page 32 of the printed bill (first reading file bill), to provide funds to support the Lead Rental Certification and Accreditation project.

Provided that \$500,000 of this appropriation made for the purpose of the Lead Rental Certification and Accreditation major information technology development project may not be expended until the Department of Information Technology (DoIT) submits an Information Technology Project Request (ITPR) for the project consistent with Section 3A-308 of the State Finance and Procurement Article. The ITPR shall be posted on the Information Technology Advisory Council website. The report shall be submitted by July 1, 2017, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Object .08 Contractual Services 500,000

General Fund Appropriation 500,000

14. F50A01.01 Major Information Technology Development Project Fund

In addition to the appropriation shown on page 32 of the printed bill (first reading file bill), to provide funds to support the replacement of the Maryland Automated Fingerprint Identification System (MAFIS).

Provided that \$1,000,000 of this appropriation made for the purpose of the MAFIS major information technology development project may not be expended until the Department of Information Technology (DoIT) submits an Information Technology Project Request (ITPR) for the project consistent with Section 3A-308 of the State Finance and Procurement Article. The ITPR shall be posted on the Information Technology Advisory Council website. The report shall be submitted by July 1, 2017, and the budget committees shall have 45 days to review and comment. Funds restricted pending the receipt of the report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

Object .08 Contractual Services ~~2,000,000~~
1,000,000

General Fund Appropriation ~~2,000,000~~
1,000,000

DEPARTMENT OF GENERAL SERVICES

15. H00A01.02 Administration – Office of the Secretary

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to provide funds for State Center litigation costs.

Object .08 Contractual Services	900,000	
General Fund Appropriation		900,000

16. H00G01.01 Facilities Planning, Design and Construction

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to provide funds to be used for contractual energy initiatives and projected reimbursable income shortages in the Office of Energy Projects and Services.

Personnel Detail:

Turnover Expectancy		
Object .01 Salaries, Wages and Fringe Benefits	326,638	
Object .04 Travel	277	
Object .07 Motor Vehicle Operations and Maintenance	2,168	
Object .08 Contractual Services	1,244,515	
	1,573,598	

Special Fund Appropriation		1,557,761
Federal Fund Appropriation		15,837

MARYLAND DEPARTMENT OF TRANSPORTATION

17. J00H01.01 Transit Administration – Maryland Transit Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to provide funds to implement a collective bargaining agreement and for temporary help.

Personnel Detail:

Regular Earnings	261,809
Overtime	9,876
Fringe Benefits	20,592
	<hr/>
Object .01 Salaries, Wages and Fringe Benefits	292,277
Object .08 Contractual Services	1,327,651
	<hr/>
	1,619,928

Special Fund Appropriation 1,619,928

18. J00H01.02 Bus Operations – Maryland Transit Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to provide funds to implement a collective bargaining agreement and for various realignments.

Personnel Detail:

Regular Earnings	7,126,500
Overtime	653,062
Fringe Benefits	709,428
Turnover Expectancy	-51,967
	<hr/>
Object .01 Salaries, Wages and Fringe Benefits	8,437,023
Object .07 Motor Vehicle Operations and Maintenance	-4,077,807
Object .08 Contractual Services	2,401,917
Object .09 Supplies and Materials	31,659
	<hr/>
	6,792,792

Special Fund Appropriation 9,885,663
 Federal Fund Appropriation -3,092,871

19. J00H01.04 Rail Operations – Maryland Transit Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to

provide funds to implement a collective bargaining agreement, adjust contracts, and for various realignments.

Personnel Detail:

Regular Earnings	1,684,602
Overtime	284,452
Fringe Benefits	222,737
	<hr/>
Object .01 Salaries, Wages and Fringe Benefits	2,191,791
Object .07 Motor Vehicle Operations and Maintenance	-628,235
Object .08 Contractual Services	11,474,601
Object .09 Supplies and Materials	-538,346
	<hr/>
	12,499,811

Special Fund Appropriation	9,406,940
Federal Fund Appropriation	3,092,871

20. J00H01.06 Statewide Programs Operations – Maryland Transit Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to provide funds to be used for Takoma Park/Langley Park agreements, contract adjustments, and Greyhound and Bay Runner.

Object .08 Contractual Services	3,511,000
Object .12 Grants, Subsidies and Contributions	1,558,774
	<hr/>
	5,069,774

Special Fund Appropriation	3,602,203
Federal Fund Appropriation	1,467,571

21. J00I00.02 Airport Operations – Maryland Aviation Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to

provide funds to be used for increased security at Baltimore/Washington International Airport.

Object .08 Contractual Services	1,700,000	
Special Fund Appropriation		1,700,000

DEPARTMENT OF NATURAL RESOURCES

22. K00A04.01 Statewide Operations – Maryland Park Service

To add an appropriation on page 45 of the printed bill (first reading file bill), to provide funds for the State Forest, State Park, and Wildlife Management Area Revenue Equity Program.

Object .12 Grants, Subsidies and Contributions	3,700,000	<u>0</u>
General Fund Appropriation, provided that this additional appropriation shall be contingent on the enactment of SB 273		3,700,000 <u>0</u>

DEPARTMENT OF AGRICULTURE

23. L00A14.03 Mosquito Control – Office of Plant Industries and Pest Management

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to provide funds to support control of the midge infestation in Baltimore County.

Object .08 Contractual Services	330,000	<u>0</u>
General Fund Appropriation		330,000 <u>0</u>

24. L00A14.03 Mosquito Control – Office of Plant Industries and Pest Management

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to provide funds for black fly spraying in Washington County along the Potomac River.

Object .08 Contractual Services	190,000	
General Fund Appropriation		190,000

25. L00A15.04 Resource Conservation Grants – Office of Resource Conservation

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to provide funds for cover crop incentive payments.

Object .12 Grants, Subsidies and Contributions	2,500,000 <u>0</u>	
General Fund Appropriation		2,500,000 <u>0</u>

DEPARTMENT OF HEALTH AND MENTAL HYGIENE

26. M00B01.03 Office of Health Care Quality – Regulatory Services

In addition to the appropriation shown on page 58 of the printed bill (first reading file bill), to provide funds for the purpose of lowering the agency’s turnover rate to enable full staffing of nurse surveyors.

Personnel Detail:		
Turnover Expectancy	532,925	
Object .01 Salaries, Wages and Fringe Benefits	532,925	
General Fund Appropriation		300,000
Federal Fund Appropriation		232,925

DEPARTMENT OF HUMAN RESOURCES

27. N00G00.01 Foster Care Maintenance Payments
 – Local Department Operations

In addition to the appropriation shown on page 74 of the printed bill (first reading file bill), to provide funds for a 2% increase in the Family Foster Care Board rate.

Object .12 Grants, Subsidies and Contributions	256,713	
General Fund Appropriation		256,713

DEPARTMENT OF PUBLIC SAFETY AND CORRECTIONAL SERVICES

28. Q00G00.01 General Administration – Police and Correctional Training Commissions

To become available immediately upon passage of the budget to supplement the appropriation for fiscal year 2017 to provide funds for the International Training Program from the Department of State.

Personnel Detail:

Turnover Expectancy	43,000	
Object .01 Salaries, Wages and Fringe Benefits	43,000	
Object .02 Technical and Special Fees	14,000	
Object .04 Travel	8,000	
Object .08 Contractual Services	255,000	
Object .09 Supplies and Materials	10,000	
	<hr/>	
	330,000	
Federal Fund Appropriation		330,000

29. Q00R02.04 Western Correctional Institution – Division of Correction – West Region

To become available immediately upon passage of the budget to reduce the

appropriation for fiscal year 2017 to transfer funds associated with the pilot drone detection program from the Department of Public Safety and Correctional Services to the Department of Information Technology.

Object .11 Equipment Additional –500,000

General Fund Appropriation –500,000

30. Q00R02.04 Western Correctional Institution –
Division of Correction – West Region

To reduce the appropriation shown on page 88 of the printed bill (first reading file bill), to transfer funds associated with the pilot drone detection program from the Department of Public Safety and Correctional Services to the Department of Information Technology.

Object .08 Contractual Services –125,000

General Fund Appropriation –125,000

31. Q00S02.08 Eastern Correctional Institution –
Division of Correction – East Region

To become available immediately upon passage of the budget to supplement the appropriation for fiscal year 2017 to provide funds for the Eastern Correctional Institution due to greater available funding from the State Criminal Alien Assistance Program (SCAAP).

Personnel Detail:

Overtime 133,912

Object .01 Salaries, Wages and Fringe
Benefits 133,912

Federal Fund Appropriation 133,912

32. Q00S02.08 Eastern Correctional Institution –
Division of Correction – East Region

To become available immediately upon passage of the budget to reduce the appropriation for fiscal year 2017 to transfer funds associated with the pilot drone detection program from the Department of Public Safety and Correctional Services to the Department of Information Technology.

Object .11 Equipment Additional -500,000

General Fund Appropriation -500,000

33. Q00S02.08 Eastern Correctional Institution – Division of Correction – East Region

To reduce the appropriation shown on page 90 of the printed bill (first reading file bill), to transfer funds associated with the pilot drone detection program from the Department of Public Safety and Correctional Services to the Department of Information Technology.

Object .08 Contractual Services -125,000

General Fund Appropriation -125,000

34. Q00T04.04 Baltimore Central Booking and Intake Center – Division of Pretrial Detention

In addition to the appropriation shown on page 92 of the printed bill (first reading file bill), to fund maintenance projects required by the Duvall settlement agreement for the Baltimore Central Booking and Intake Center.

Object .08 Contractual Services 404,117

General Fund Appropriation 404,117

35. Q00T04.05 Baltimore Pretrial Complex – Division of Pretrial Detention

In addition to the appropriation shown on page

92 of the printed bill (first reading file bill),
to fund maintenance projects required by
the Duvall settlement agreement for the
Baltimore Pretrial Complex.

Object .08 Contractual Services 446,324

General Fund Appropriation 446,324

36. Q00T04.06 Maryland Reception, Diagnostic and
Classification Center – Division of Pretrial
Detention

In addition to the appropriation shown on page
92 of the printed bill (first reading file bill),
to fund maintenance projects required by
the Duvall settlement agreement for the
Maryland Reception, Diagnostic and
Classification Center.

Object .08 Contractual Services 465,034

General Fund Appropriation 465,034

37. Q00T04.07 Baltimore City Correctional Center –
Division of Pretrial Detention

In addition to the appropriation shown on page
92 of the printed bill (first reading file bill),
to fund maintenance projects required by
the Duvall settlement agreement for the
Baltimore City Correctional Center.

Object .08 Contractual Services 144,659

General Fund Appropriation 144,659

38. Q00T04.08 Metropolitan Transition Center –
Division of Pretrial Detention

In addition to the appropriation shown on page
92 of the printed bill (first reading file bill),
to fund maintenance projects required by
the Duvall settlement agreement for the
Metropolitan Transition Center.

Object .08 Contractual Services 481,919

General Fund Appropriation 481,919

STATE DEPARTMENT OF EDUCATION

39. R00A01.17 Division of Library Development and Services – Headquarters

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to realign excess funding from Formula Programs for Specific Populations to cover expenses for the Deaf Cultural Digital Library.

Object .12 Grants, Subsidies and Contributions 232,672

General Fund Appropriation 232,672

40. R00A02.01 State Share of Foundation Program – Aid to Education

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to reflect revised Education Trust Fund revenue projections.

Object .12 Grants, Subsidies and Contributions 0

General Fund Appropriation 7,934,832
Special Fund Appropriation -7,934,832

41. R00A02.01 State Share of Foundation Program – Aid to Education

In addition to the appropriation shown on page 97 of the printed bill (first reading file bill), to reflect revised Education Trust Fund revenue projections.

Object .12 Grants, Subsidies and Contributions 0

General Fund Appropriation 24,560,102

Special Fund Appropriation		-24,560,102
42. R00A02.01 State Share of Foundation Program – Aid to Education		
<p>In addition to the appropriation shown on page 97 of the printed bill (first reading file bill), to reflect updated enrollment and wealth numbers.</p>		
Object .12 Grants, Subsidies and Contributions	723,982	
General Fund Appropriation		723,982
43. R00A02.02 Compensatory Education – Aid to Education		
<p>To reduce the appropriation shown on page 97 of the printed bill (first reading file bill), to reflect updated enrollment numbers.</p>		
Object .12 Grants, Subsidies and Contributions	-751,865	
General Fund Appropriation		-751,865
44. R00A02.05 Formula Programs for Specific Populations – Aid to Education		
<p>To become available immediately upon passage of this budget to reduce the appropriation for fiscal year 2017 to realign excess funding from Formula Programs for Specific Populations to cover expenses for the Deaf Cultural Digital Library in the Division of Library Development and Services.</p>		
Object .12 Grants, Subsidies and Contributions	-232,672	
General Fund Appropriation		-232,672
45. R00A02.07 Students With Disabilities – Aid to Education		

In addition to the appropriation shown on page 97 of the printed bill (first reading file bill), to reflect updated enrollment numbers.

Object .12 Grants, Subsidies and Contributions 8,520

General Fund Appropriation 8,520

46. R00A02.24 Limited English Proficient – Aid to Education

To reduce the appropriation shown on page 99 of the printed bill (first reading file bill), to reflect updated enrollment numbers.

Object .12 Grants, Subsidies and Contributions -23,549

General Fund Appropriation -23,549

47. R00A02.25 Guaranteed Tax Base – Aid to Education

In addition to the appropriation shown on page 99 of the printed bill (first reading file bill), to reflect updated enrollment numbers.

Object .12 Grants, Subsidies and Contributions 54,836

General Fund Appropriation 54,836

48. R00A02.39 Transportation – Aid to Education

In addition to the appropriation shown on page 99 of the printed bill (first reading file bill), to reflect updated enrollment numbers.

Object .12 Grants, Subsidies and Contributions 90,749

General Fund Appropriation 90,749

UNIVERSITY OF MARYLAND, COLLEGE PARK CAMPUS

49. R30B22.00 University of Maryland, College Park

Campus

In addition to the appropriation shown on page 109 of the printed bill (first reading file bill), to provide funds to support the Judge Alexander Williams, Jr. Center for Education, Justice and Ethics.

Object .08 Contractual Services	363,000	
Current Unrestricted Appropriation		363,000

BOWIE STATE UNIVERSITY

50. R30B23.00 Bowie State University

In addition to the appropriation shown on page 109 of the printed bill (first reading file bill), to provide operating funds to Bowie State University for the Center for Natural Sciences, Mathematics and Nursing.

Object .12 Grants, Subsidies and Contributions	763,542 <u>0</u>	
Current Unrestricted Appropriation		763,542 <u>0</u>

MARYLAND HIGHER EDUCATION COMMISSION

51. R62I00.01 General Administration

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2017 to provide funds to pay for legal services.

Object .08 Contractual Services	3,012,000	
General Fund Appropriation		3,012,000

52. R62I00.05 The Senator John A. Cade Funding Formula for the Distribution of Funds to Community Colleges

In addition to the appropriation shown on page

111 of the printed bill (first reading file bill), to provide funds for small community colleges.

Object .12 Grants, Subsidies and Contributions	1,400,000
	<u>0</u>

General Fund Appropriation, provided that this additional appropriation shall be contingent on the enactment of HB 204	1,400,000
	<u>0</u>

53. R62I00.39 Health Personnel Shortage Incentive Grant Program

To reduce the appropriation shown on page 114 of the printed bill (first reading file bill), to adjust funds for loan assistance repayment for physicians and physician assistants per Chapter 178 of 2016.

Object .12 Grants, Subsidies and Contributions	-750,000
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Special Fund Appropriation	-750,000
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54. R62I00.44 Somerset Economic Impact Scholarship

To add an appropriation on page 114 of the printed bill (first reading file bill), to provide funds for the Somerset Economic Impact Scholarship at Wor-Wic Community College.

Object .12 Grants, Subsidies and Contributions	87,659
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General Fund Appropriation	87,659
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HIGHER EDUCATION

55. R75T00.01 Support for State Operated Institutions of Higher Education

In addition to the appropriation shown on page

115 of the printed bill (first reading file bill), to provide funds to University of Maryland, College Park Campus to support the Judge Alexander Williams, Jr. Center for Education, Justice and Ethics.

Object .12 Grants, Subsidies and Contributions	363,000
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General Fund Appropriation	363,000
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56. R75T00.01 Support for State Operated Institutions of Higher Education

In addition to the appropriation shown on page 115 of the printed bill (first reading file bill), to provide operating funds to Bowie State University for the Center for Natural Sciences, Mathematics and Nursing.

Object .12 Grants, Subsidies and Contributions	763,542 <u>0</u>
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General Fund Appropriation	763,542 <u>0</u>
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DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

57. S00A24.01 Neighborhood Revitalization – Division of Neighborhood Revitalization

In addition to the appropriation shown on page 118 of the printed bill (first reading file bill), to provide funds for the Main Street Program.

Object .12 Grants, Subsidies and Contributions	750,000 <u>0</u>
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General Fund Appropriation	750,000 <u>0</u>
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MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION

58. T50T01.08 Second Stage Business Incubator

To add an appropriation on page 127 of the printed bill (first reading file bill), to provide funding for the Second Stage Business Incubator program.

Object .12 Grants, Subsidies and Contributions	2,500,000
	<u>1,000,000</u>

General Fund Appropriation	2,500,000
	<u>1,000,000</u>

MARYLAND DEPARTMENT OF THE ENVIRONMENT

59. U00A10.02 Major Information Technology Development Projects – Coordinating Offices

To add an appropriation on page 131 of the printed bill (first reading file bill), to provide funds to support the Lead Rental Certification and Accreditation project.

Object .08 Contractual Services	550,000
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Special Fund Appropriation	550,000
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PUBLIC DEBT

60. X00A00.01 Redemption and Interest on State Bonds

To become available immediately upon passage of this budget to realign the appropriation for fiscal year 2017 to reflect bond premium revenue and reduced debt service obligations through refunding.

Object .13 Fixed Charges	-418,000
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General Fund Appropriation	-23,604,871
Special Fund Appropriation	23,186,871

61. X00A00.01 Redemption and Interest on State Bonds

To reduce the appropriation shown on page

136 of the printed bill (first reading file bill), to reflect reduced debt service obligations through refunding.

Object .13 Fixed Charges	-3,351,223	
General Fund Appropriation		-3,351,223

AMENDMENTS TO HOUSE BILL 150/ SENATE BILL 170
(First Reading File Bill)

Amendment No. 1:

On page 97, on line 32, strike “284,864,947” and substitute with “284,873,467”.

Updates the Special Education aid formula for enrollment revisions received since the Governor’s Allowance was submitted.

Amendment No. 2:

On page 114, on line 35, strike “492,553,284” and substitute with “492,916,284”, ~~on line 36, strike “42,420,788” and substitute with “43,184,330”~~, and on page 115, on line 18, strike “1,295,977,609” and substitute with “~~1,297,104,151~~ 1,296,340,609”.

Updates the appropriations for Bowie State University to provide operating funds for the Center for Natural Sciences, Mathematics and Nursing; and for University of Maryland, College Park Campus to provide funds for the Judge Alexander Williams, Jr. Center for Education, Justice and Ethics.

Amendment No. 3:

~~On page 159, on line 12, strike “255,225” and substitute with “280,225.”~~

~~*Technical correction to adjust the salary for the EMS Executive Director to the proposed salary for fiscal year 2018 within Section 3 of the budget bill.*~~

Amendment No. 4:

On page 161, strike lines 2 and 3 in their entirety.

~~*Technical correction to delete the Coordinator, Correctional Education position for the Department of Public Safety and Correctional Services as a flat rate position within Section 3 of the budget bill.*~~

Amendment No. 5:

On page 179, after line 24, insert “SECTION ~~50~~ 46. AND BE IT FURTHER ENACTED, That the Department of Public Safety and Correctional Services is hereby authorized to use general fund appropriation of \$151,462 to reimburse the Military Department, Maryland Emergency Management Agency, by approved budget amendment to rent office space located in Owings Mills for fiscal 2017 to meet the requirements of Section 7-209 (e)(2)(iv) of the State Finance and Procurement Article.”

Adds language to allow a reimbursable fund agreement between the Military Department and the Department of Public Safety to allow the Maryland Emergency Management Agency to utilize office space no longer needed by the Department of Public Safety.

Amendment No. 6:

On page 179, after line 24, insert “SECTION ~~51~~ 48. AND BE IT FURTHER ENACTED, That the Maryland Emergency Management Agency is hereby authorized to”

use receipts as special funds to support expenses associated with the Inter–Agency Heroin and Opioid Coordinating Council for fiscal 2017 to meet the requirements of Section 7–209 (e)(2)(iv) of the State Finance and Procurement Article.”

Adds language that allows reimbursable fund agreements between the Maryland Emergency Management Agency and other State agencies in support of the Inter–Agency Heroin and Opioid Coordinating Council.

SUMMARY

SUPPLEMENTAL APPROPRIATIONS

	General Funds	Special Funds	Federal Funds	Current Unrestricted Funds	Total Funds
Appropriation					
2017 FY	15,866,832	51,044,366	5,710,537	0	72,621,735
2018 FY	58,726,339	550,000	232,925	1,126,542	60,635,806
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Subtotal	<u>74,593,171</u>	<u>51,594,366</u>	<u>5,943,462</u>	<u>1,126,542</u>	<u>133,257,541</u>
Reduction in Appropriation					
2017 FY	-24,604,871	-8,598,176	-3,092,871	0	-36,295,918
2018 FY	-4,376,637	-25,310,102	0	0	-29,686,739
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Subtotal	<u>-28,981,508</u>	<u>-33,908,278</u>	<u>-3,092,871</u>	<u>0</u>	<u>-65,982,657</u>
Net Change in Appropriation	<u>45,611,663</u>	<u>17,686,088</u>	<u>2,850,591</u>	<u>1,126,542</u>	<u>67,274,884</u>

Sincerely,

Lawrence J. Hogan, Jr.
Governor

SUPPLEMENTAL BUDGET NO. 2– FISCAL YEAR 2018

March 27, 2017

Mr. President, Mr. Speaker,
Ladies and Gentlemen of the General Assembly:

Pursuant to the authority conferred on me by Article III, Section 52, Subsection (5) of the Constitution of Maryland, and in accordance with the consent of the (State Senate) – (House of Delegates), duly granted, I hereby submit a supplement to House Bill 150 and/or Senate Bill 170 in the form of an amendment to the original budget for the Fiscal Year ending June 30, 2018.

Supplemental Budget No. 2 will affect previously estimated funds available for budget operations as shown on the following summary statement.

SUPPLEMENTAL BUDGET SUMMARY

Sources:

Estimated general fund unappropriated balance July 1, 2018 (per Supplemental Budget #1)	131,192,474
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Total Available	131,192,474
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Uses:

General Funds	28,183,019	28,183,019
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Revised estimated general fund unappropriated Balance July 1, 2018	103,009,455
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DEPARTMENT OF HEALTH AND MENTAL HYGIENE

1. M00L01.04 Opioid Crisis Fund

To add an appropriation on page 63 of the printed bill (first reading file bill), to provide funds to combat the heroin epidemic in the State.

Object .12 Grants, Subsidies and Contributions	10,000,000
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General Fund Appropriation, provided that funds herein appropriated shall be used to develop a broad range of evidence-based strategies aimed at preventing and

treating the opioid crisis. Funds shall be used to provide grants to other state agencies, local governments, and private community based programs. These may include, but not be limited to, 24/7 crisis response services, expansion of alternatives to incarceration including drug court programs, day reporting centers, reentry programs, expansion of clinical services, identification of those in need of treatment, marketing the State’s existing behavioral health crisis hotline, enforcement activities to dismantle drug trafficking organizations, and education and outreach efforts. Funding decisions regarding the expenditure of such funds shall be made **as specified in HB 1329 or SB 967 and distributed by the Department of Health and Mental Hygiene. Contingent upon the failure of HB 1329 and SB 967, funding decisions shall be made** by the Inter-Agency Heroin and Opioid Coordinating Council and supported by data and evidence-based deliberations. The Council shall report by the end of each quarter of Fiscal Year 2018 to the Senate Finance Committee; Senate Education, Health, and Environmental Affairs Committee; Senate Budget and Taxation Committee; House Health and Government Operations Committee; and the House Appropriations Committee on how funds have been used. Authority is hereby provided to transfer these funds among state agencies as appropriate

10,000,000

STATE DEPARTMENT OF EDUCATION

2. R00A02.01 State Share of Foundation Program – Aid to Education

In addition to the appropriation shown on page 97 of the printed bill (first reading file bill), to provide grants to local school districts with declining enrollment.

Object .12 Grants, Subsidies and Contributions	17,236,916
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General Fund Appropriation, provided that this additional appropriation shall be contingent on the enactment of HB 684	17,236,916
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It is the intent of the General Assembly that the Baltimore City Board of School Commissioners shall disburse any additional revenue appropriated by Baltimore City and the State in fiscal years 2018 through 2020 to public charter schools in amounts that are commensurate with the amounts disbursed to public schools in the City.

3. R00A02.06 Maryland Prekindergarten Expansion Program Financing Fund – Aid to Education

In addition to the appropriation shown on page 97 of the printed bill (first reading file bill), to provide grants to local school districts that provide full day public prekindergarten.

Object .12 Grants, Subsidies and Contributions	10,946,103
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General Fund Appropriation, provided that this additional appropriation shall be contingent on the enactment of HB 684	10,946,103
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AMENDMENTS TO HOUSE BILL 150/ SENATE BILL 170
(Supplemental Budget #1)

Amendment No. 1:

On page 3, strike item #5 in its entirety.

Removes the appropriation for the Opioid Crisis Fund in the Military Department to allow for its inclusion in the budget of the Behavioral Health Administration of the Department of Health and Mental Hygiene

SUMMARY

SUPPLEMENTAL APPROPRIATIONS

	General Funds	Special Funds	Federal Funds	Current Unrestricted Funds	Total Funds
Appropriation					
2017 FY	0	0	0	0	0
2018 FY	28,183,019	0	0	0	28,183,019
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Subtotal	28,183,019	0	0	0	28,183,019
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Reduction in Appropriation					
2017 FY	0	0	0	0	0
2018 FY	0	0	0	0	0
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Subtotal	0	0	0	0	0
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Change in Appropriation	28,183,019	0	0	0	28,183,019
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Sincerely,

Lawrence J. Hogan, Jr.
Governor

Enacted under Article III, § 52(6) of the Maryland Constitution, April 18, 2017.

Chapter 151**(Senate Bill 308)**

AN ACT concerning

**Child Abuse – Sex Trafficking
(Protecting Victims of Sex Trafficking Act of 2017)**

FOR the purpose of altering the definition of “sexual abuse” in provisions of law relating to child abuse to include the sex trafficking of a child *by any individual*; defining the terms “sexual molestation or exploitation” and “sex trafficking” in provisions of law relating to child abuse; making this Act an emergency measure; and generally relating to child abuse and sex trafficking.

BY adding to

Article – Family Law

Section 5–701(x)

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Family Law

Section 5–701(x) and (y)

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

Article – Family Law

5–701.

(X) “SEX TRAFFICKING” MEANS THE RECRUITMENT, HARBORING, TRANSPORTATION, PROVISION, OBTAINING, PATRONIZING, OR SOLICITING OF A CHILD FOR THE PURPOSE OF A COMMERCIAL SEX ACT.

[(x) (1)] (Y) “Sexual abuse” means any act that involves [sexual molestation or exploitation of a child by]:

(1) SEXUAL MOLESTATION OR EXPLOITATION OF A CHILD BY a parent or other person who has permanent or temporary care or custody or responsibility for supervision of a child, or by any household or family member; **OR**

(2) SEX TRAFFICKING OF A CHILD BY ANY INDIVIDUAL.

[(2)] (Z) [“Sexual abuse”] “SEXUAL MOLESTATION OR EXPLOITATION”
includes:

[(i)] (1) allowing or encouraging a child to engage in:

[1.] (I) obscene photography, films, poses, or similar activity;

[2.] (II) pornographic photography, films, poses, or similar activity; or

[3.] (III) prostitution;

[(ii)] human trafficking;

[(iii)] (2) incest;

[(iv)] (3) rape;

[(v)] (4) sexual offense in any degree;

[(vi)] (5) sodomy; and

[(vii)] (6) unnatural or perverted sexual practices.

[(y)] (AA) “Unsubstantiated” means a finding that there is an insufficient amount of evidence to support a finding of indicated or ruled out.

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.

Approved by the Governor, April 18, 2017.

Chapter 152

(House Bill 632)

AN ACT concerning

Child Abuse – Sex Trafficking (Protecting Victims of Sex Trafficking Act of 2017)

FOR the purpose of altering the definition of “sexual abuse” in provisions of law relating to child abuse to include the sex trafficking of a child by any individual; defining the terms “sexual molestation or exploitation” and “sex trafficking” in provisions of law relating to child abuse; making this Act an emergency measure; and generally relating to child abuse and sex trafficking.

BY adding to

Article – Family Law
 Section 5–701(x)
 Annotated Code of Maryland
 (2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
 Article – Family Law
 Section 5–701(x) and (y)
 Annotated Code of Maryland
 (2012 Replacement Volume and 2016 Supplement)

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

Article – Family Law

5–701.

(X) “SEX TRAFFICKING” MEANS THE RECRUITMENT, HARBORING, TRANSPORTATION, PROVISION, OBTAINING, PATRONIZING, OR SOLICITING OF A CHILD FOR THE PURPOSE OF A COMMERCIAL SEX ACT.

[(x) (1)] **(Y)** “Sexual abuse” means any act that involves [sexual molestation or exploitation of a child by]:

(1) SEXUAL MOLESTATION OR EXPLOITATION OF A CHILD BY a parent or other person who has permanent or temporary care or custody or responsibility for supervision of a child, or by any household or family member; **OR**

(2) SEX TRAFFICKING OF A CHILD BY ANY INDIVIDUAL.

[(2)] **(Z)** [“Sexual abuse”] **“SEXUAL MOLESTATION OR EXPLOITATION”**
 includes:

[(i)] (1) allowing or encouraging a child to engage in:

[1.] (I) obscene photography, films, poses, or similar activity;

[2.] (II) pornographic photography, films, poses, or similar activity; or

[3.] (III) prostitution;

[(ii)] human trafficking;

- (iii) (2) incest;
- [(iv)] (3) rape;
- [(v)] (4) sexual offense in any degree;
- [(vi)] (5) sodomy; and
- [(vii)] (6) unnatural or perverted sexual practices.

[(y)] (AA) “Unsubstantiated” means a finding that there is an insufficient amount of evidence to support a finding of indicated or ruled out.

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.

Approved by the Governor, April 18, 2017.

Chapter 153

(Senate Bill 597)

AN ACT concerning

Income Tax Subtraction Modification – Retirement Income of Law Enforcement, Fire, Rescue, and Emergency Services Personnel

FOR the purpose of providing a subtraction modification under the Maryland income tax under certain circumstances for certain retirement income attributable to a resident’s employment as a law enforcement officer or the individual’s service as fire, rescue, or emergency services personnel; defining a certain term; providing for the application of this Act; and generally relating to a subtraction modification under the Maryland income tax for certain retirement income attributable to a resident’s employment as a law enforcement officer or the individual’s service as fire, rescue, or emergency services personnel.

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 10–209
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Tax – General

10–209.

(a) **(1)** In this section: THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “EMERGENCY SERVICES PERSONNEL” MEANS EMERGENCY MEDICAL TECHNICIANS OR PARAMEDICS.

~~(1)~~ **(3)** ~~(I)~~ ~~“employee~~ **“EMPLOYEE** retirement system” means a plan:
~~(i)~~ **1.** established and maintained by an employer for the benefit of its employees; and

~~(ii)~~ **2.** qualified under § 401(a), § 403, or § 457(b) of the Internal Revenue Code; ~~and.~~

~~(2)~~ **(II)** ~~“employee~~ **“EMPLOYEE** retirement system” does not include:
~~(i)~~ **1.** an individual retirement account or annuity under § 408 of the Internal Revenue Code;

~~(ii)~~ **2.** a Roth individual retirement account under § 408A of the Internal Revenue Code;

~~(iii)~~ **3.** a rollover individual retirement account;

~~(iv)~~ **4.** a simplified employee pension under Internal Revenue Code § 408(k); or

~~(v)~~ **5.** an ineligible deferred compensation plan under § 457(f) of the Internal Revenue Code.

(b) Subject to [subsection (d)] **SUBSECTIONS (D) AND (E)** of this section, to determine Maryland adjusted gross income, if, on the last day of the taxable year, a resident is at least 65 years old or is totally disabled or the resident’s spouse is totally disabled, **OR THE RESIDENT IS AT LEAST 55 60 55 YEARS OLD AND IS A RETIRED LAW ENFORCEMENT OFFICER OR FIRE, RESCUE, OR EMERGENCY SERVICES PERSONNEL OF THE UNITED STATES, THE STATE, OR A POLITICAL SUBDIVISION OF THE STATE,** an amount is subtracted from federal adjusted gross income equal to the lesser of:

(1) the cumulative or total annuity, pension, or endowment income from an employee retirement system included in federal adjusted gross income; or

(2) the maximum annual benefit under the Social Security Act computed under subsection (c) of this section, less any payment received as old age, survivors, or disability benefits under the Social Security Act, the Railroad Retirement Act, or both.

(c) For purposes of subsection (b)(2) of this section, the Comptroller:

(1) shall determine the maximum annual benefit under the Social Security Act allowed for an individual who retired at age 65 for the prior calendar year; and

(2) may allow the subtraction to the nearest \$100.

(d) Military retirement income that is included in the subtraction under § 10–207(q) of this subtitle may not be taken into account for purposes of the subtraction under this section.

(E) IN THE CASE OF A RETIRED LAW ENFORCEMENT OFFICER OR FIRE, RESCUE, OR EMERGENCY SERVICES PERSONNEL OF THE UNITED STATES, THE STATE, OR A POLITICAL SUBDIVISION OF THE STATE, THE AMOUNT INCLUDED UNDER SUBSECTION (B)(1) OF THIS SECTION IS LIMITED TO THE FIRST \$15,000 OF RETIREMENT INCOME THAT IS ATTRIBUTABLE TO THE RESIDENT’S EMPLOYMENT AS A LAW ENFORCEMENT OFFICER OR FIRE, RESCUE, OR EMERGENCY SERVICES PERSONNEL OF THE UNITED STATES, THE STATE, OR A POLITICAL SUBDIVISION OF THE STATE UNLESS:

(1) THE RESIDENT IS AT LEAST 65 YEARS OLD OR IS TOTALLY DISABLED; OR

(2) THE RESIDENT’S SPOUSE IS TOTALLY DISABLED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017, and shall be applicable to all taxable years beginning after December 31, 2016.

Approved by the Governor, April 18, 2017.

Chapter 154

(House Bill 100)

AN ACT concerning

Income Tax Subtraction Modification – Retirement Income of Law Enforcement, Fire, Rescue, and Emergency Services Personnel

FOR the purpose of providing a subtraction modification under the Maryland income tax under certain circumstances for certain retirement income attributable to a resident's employment as a law enforcement officer or the individual's service as fire, rescue, or emergency services personnel; defining a certain term; providing for the application of this Act; and generally relating to a subtraction modification under the Maryland income tax for certain retirement income attributable to a resident's employment as a law enforcement officer or the individual's service as fire, rescue, or emergency services personnel.

BY repealing and reenacting, with amendments,

Article – Tax – General
Section 10–209
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Tax – General

10–209.

(a) **(1)** In this section: THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “EMERGENCY SERVICES PERSONNEL” MEANS EMERGENCY MEDICAL TECHNICIANS OR PARAMEDICS.

~~(1)~~ **(3)** ~~(I)~~ ~~“employee~~ **“EMPLOYEE** retirement system” means a plan:
~~(i)~~ **1.** established and maintained by an employer for the benefit of its employees; and

~~(ii)~~ **2.** qualified under § 401(a), § 403, or § 457(b) of the Internal Revenue Code; ~~and.~~

~~(2)~~ **(II)** ~~“employee~~ **“EMPLOYEE** retirement system” does not include:

~~(i)~~ **1.** an individual retirement account or annuity under § 408 of the Internal Revenue Code;

~~(ii)~~ **2.** a Roth individual retirement account under § 408A of the Internal Revenue Code;

- ~~(iii)~~ **3.** a rollover individual retirement account;
- ~~(iv)~~ **4.** a simplified employee pension under Internal Revenue Code § 408(k); or
- ~~(v)~~ **5.** an ineligible deferred compensation plan under § 457(f) of the Internal Revenue Code.

(b) Subject to [subsection (d)] **SUBSECTIONS (D) AND (E)** of this section, to determine Maryland adjusted gross income, if, on the last day of the taxable year, a resident is at least 65 years old or is totally disabled or the resident's spouse is totally disabled, **OR THE RESIDENT IS AT LEAST 55 YEARS OLD AND IS A RETIRED LAW ENFORCEMENT OFFICER OR FIRE, RESCUE, OR EMERGENCY SERVICES PERSONNEL OF THE UNITED STATES, THE STATE, OR A POLITICAL SUBDIVISION OF THE STATE**, an amount is subtracted from federal adjusted gross income equal to the lesser of:

- (1) the cumulative or total annuity, pension, or endowment income from an employee retirement system included in federal adjusted gross income; or
- (2) the maximum annual benefit under the Social Security Act computed under subsection (c) of this section, less any payment received as old age, survivors, or disability benefits under the Social Security Act, the Railroad Retirement Act, or both.

(c) For purposes of subsection (b)(2) of this section, the Comptroller:

- (1) shall determine the maximum annual benefit under the Social Security Act allowed for an individual who retired at age 65 for the prior calendar year; and
- (2) may allow the subtraction to the nearest \$100.

(d) Military retirement income that is included in the subtraction under § 10–207(q) of this subtitle may not be taken into account for purposes of the subtraction under this section.

(E) IN THE CASE OF A RETIRED LAW ENFORCEMENT OFFICER OR FIRE, RESCUE, OR EMERGENCY SERVICES PERSONNEL OF THE UNITED STATES, THE STATE, OR A POLITICAL SUBDIVISION OF THE STATE, THE AMOUNT INCLUDED UNDER SUBSECTION (B)(1) OF THIS SECTION IS LIMITED TO THE FIRST \$15,000 OF RETIREMENT INCOME THAT IS ATTRIBUTABLE TO THE RESIDENT'S EMPLOYMENT AS A LAW ENFORCEMENT OFFICER OR FIRE, RESCUE, OR EMERGENCY SERVICES PERSONNEL OF THE UNITED STATES, THE STATE, OR A POLITICAL SUBDIVISION OF THE STATE UNLESS:

(1) THE RESIDENT IS AT LEAST 65 YEARS OLD OR IS TOTALLY DISABLED; OR

(2) THE RESIDENT'S SPOUSE IS TOTALLY DISABLED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017, and shall be applicable to all taxable years beginning after December 31, 2016.

Approved by the Governor, April 18, 2017.

Chapter 155

(House Bill 822)

AN ACT concerning

Income Tax – Subtraction Modification – Police Auxiliaries and Reserve Volunteers

FOR the purpose of altering eligibility for and the amount of a subtraction modification under the State income tax for certain qualifying police auxiliaries and reserve volunteers; and generally relating to a subtraction modification under the State income tax for police auxiliaries and reserve volunteers.

BY repealing and reenacting, without amendments,

Article – Tax – General
Section 10–208(a)
Annotated Code of Maryland
(2016 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Tax – General
Section 10–208(l)
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Tax – General

10–208.

(a) In addition to the modification under § 10–207 of this subtitle, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(1) (1) The subtraction under subsection (a) of this section includes an amount equal to **[\$3,500] THE AMOUNT SPECIFIED IN PARAGRAPH (3) OF THIS SUBSECTION** if an individual is a qualifying police auxiliary or reserve volunteer for the taxable year, as determined under paragraph (2) of this subsection.

(2) An individual is a qualifying police auxiliary or reserve volunteer for the taxable year eligible for the subtraction modification under this subsection if the individual:

(i) is an active member of a bona fide Maryland police agency;

(ii) serves the organization in a volunteer capacity without compensation, except nominal expenses or meals;

(iii) 1. qualifies for active status during the taxable year under a police auxiliary or reserve volunteer program approved by the Police Training Commission in conjunction with the Maryland Association of Counties and the Maryland Municipal League, that includes uniform systems for qualification and record keeping, if the program is incorporated into the police agency's rules and regulations;

2. has maintained active status for at least 25 years under the police auxiliary or reserve volunteer program;

3. is a member of the National Guard or other reserve component of the United States armed forces who has been ordered into active military service and who serves on active duty in the armed forces of the United States during the taxable year; or

4. is a civilian or a member of the Merchant Marine on assignment in support of the armed forces of the United States during the taxable year in an area designated as a combat zone by executive order of the President; and

(iv) will have been an active member of a bona fide police agency for at least **[72] 36** months during the last 10 calendar years by December 31 of the taxable year.

(3) THE AMOUNT OF THE SUBTRACTION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS EQUAL TO:

(I) \$4,500 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2016, BUT BEFORE JANUARY 1, 2018;

(II) **\$4,750 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2017, BUT BEFORE JANUARY 1, 2019; AND**

(III) **\$5,000 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2018.**

~~[(3)]~~ (4) Each police agency shall:

(i) maintain a record of the activities of each police auxiliary or reserve volunteer during the calendar year;

(ii) provide each member a report by February 15 of the following year indicating that the member qualified during the preceding calendar year; and

(iii) provide a report that includes the names, Social Security numbers, and a certification that the individual qualified for the subtraction modification under this section.

~~[(4)]~~ (5) To qualify for the subtraction modification under this subsection, an individual shall attach to the individual's income tax return a copy of the report provided by the police agency under paragraph ~~[(3)]~~ (4) of this subsection.

~~[(5)]~~ (6) On or before October 1 of each year, the police agency shall submit to the Department of Public Safety and Correctional Services and the Office of the Comptroller a report listing the names and Social Security numbers of individuals who qualified for the subtraction modification under this subsection for the preceding taxable year.

~~[(6)]~~ (7) (i) A person may not knowingly make or cause any false statement or report to be made in any application or in any document required under this subsection.

(ii) Any person who violates or attempts to violate any provision of subparagraph (i) of this paragraph shall be subject to a fine of \$1,000.

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

Approved by the Governor, April 18, 2017.

Chapter 156

(Senate Bill 912)

AN ACT concerning

Children in Need of Assistance – Sex Trafficking

FOR the purpose of altering the definition of “sexual abuse” in provisions of law relating to children in need of assistance to include an act that involves the sex trafficking of a child by any individual; defining the terms “sexual molestation or exploitation” and “sex trafficking” in provisions of law relating to children in need of assistance; making certain conforming changes; and generally relating to children in need of assistance and sex trafficking.

BY repealing and reenacting, without amendments,
Article – Courts and Judicial Proceedings
Section 3–801(a) and (f)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

BY adding to
Article – Courts and Judicial Proceedings
Section 3–801(x)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 3–801(x), (y), (z), (aa), (bb), and (cc)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

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

Article – Courts and Judicial Proceedings

3–801.

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

(f) “Child in need of assistance” means a child who requires court intervention because:

(1) The child has been abused, has been neglected, has a developmental disability, or has a mental disorder; and

(2) The child’s parents, guardian, or custodian are unable or unwilling to give proper care and attention to the child and the child’s needs.

(X) “SEX TRAFFICKING” MEANS THE RECRUITMENT, HARBORING, TRANSPORTATION, PROVISION, OBTAINING, PATRONIZING, OR SOLICITING OF A CHILD FOR THE PURPOSE OF A COMMERCIAL SEX ACT.

[(x) (1) (Y) “Sexual abuse” means an act that involves [sexual]:

(1) SEXUAL molestation or [sexual] exploitation of a child by:

(i) A parent or other individual who has permanent or temporary care or custody or responsibility for supervision of the child; or

(ii) A household or family member; **OR**

(2) SEX TRAFFICKING OF A CHILD BY ANY INDIVIDUAL.

[(2) (Z) [“Sexual abuse”] “SEXUAL MOLESTATION OR EXPLOITATION”
includes:

[(i) (1) Allowing or encouraging a child to engage in:

[1.] (I) Obscene photography, films, poses, or similar activity;

[2.] (II) Pornographic photography, films, poses, or similar activity; or

[3.] (III) Prostitution;

[(ii) Human trafficking;]

[(iii) (2) Incest;

[(iv) (3) Rape;

[(v) (4) Sexual offense in any degree;

[(vi) (5) Sodomy; and

[(vii) (6) Unnatural or perverted sexual practices.

[(y) (AA) “Shelter care” means a temporary placement of a child outside of the home at any time before disposition.

[(z) (BB) “Shelter care hearing” means a hearing held before disposition to determine whether the temporary placement of the child outside of the home is warranted.

[(aa)] (CC) “TPR proceeding” means a proceeding to terminate parental rights.

[(bb)] (DD) “Voluntary placement” means a placement in accordance with § 5–525(b)(1)(i) or (iii) or (3) of the Family Law Article.

[(cc)] (EE) “Voluntary placement hearing” means a hearing to obtain a judicial determination as to whether continuing a voluntary placement is in the best interests of the child.

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

Approved by the Governor, April 18, 2017.

Chapter 157

(House Bill 1219)

AN ACT concerning

Children in Need of Assistance – Sex Trafficking

FOR the purpose of altering the definition of “sexual abuse” in provisions of law relating to children in need of assistance to include an act that involves the sex trafficking of a child by any individual; defining the terms “sexual molestation or exploitation” and “sex trafficking” in provisions of law relating to children in need of assistance; making certain conforming changes; and generally relating to children in need of assistance and sex trafficking.

BY repealing and reenacting, without amendments,
Article – Courts and Judicial Proceedings
Section 3–801(a) and (f)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

BY adding to
Article – Courts and Judicial Proceedings
Section 3–801(x)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 3–801(x), (y), (z), (aa), (bb), and (cc)

Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

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

Article – Courts and Judicial Proceedings

3–801.

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

(f) “Child in need of assistance” means a child who requires court intervention because:

(1) The child has been abused, has been neglected, has a developmental disability, or has a mental disorder; and

(2) The child’s parents, guardian, or custodian are unable or unwilling to give proper care and attention to the child and the child’s needs.

(X) “SEX TRAFFICKING” MEANS THE RECRUITMENT, HARBORING, TRANSPORTATION, PROVISION, OBTAINING, PATRONIZING, OR SOLICITING OF A CHILD FOR THE PURPOSE OF A COMMERCIAL SEX ACT.

[(x) (1)] (Y) “Sexual abuse” means an act that involves [sexual]:

(1) SEXUAL molestation or [sexual] exploitation of a child by:

(i) A parent or other individual who has permanent or temporary care or custody or responsibility for supervision of the child; or

(ii) A household or family member; **OR**

(2) SEX TRAFFICKING OF A CHILD BY ANY INDIVIDUAL.

[(2)] (Z) [“Sexual abuse”] “SEXUAL MOLESTATION OR EXPLOITATION”
includes:

[(i)] (1) Allowing or encouraging a child to engage in:

[1.] (I) Obscene photography, films, poses, or similar activity;

[2.] (II) Pornographic photography, films, poses, or similar activity; or

[3.] **(III)** Prostitution;

[(ii)] Human trafficking;]

[(iii)] **(2)** Incest;

[(iv)] **(3)** Rape;

[(v)] **(4)** Sexual offense in any degree;

[(vi)] **(5)** Sodomy; and

[(vii)] **(6)** Unnatural or perverted sexual practices.

[(y)] **(AA)** “Shelter care” means a temporary placement of a child outside of the home at any time before disposition.

[(z)] **(BB)** “Shelter care hearing” means a hearing held before disposition to determine whether the temporary placement of the child outside of the home is warranted.

[(aa)] **(CC)** “TPR proceeding” means a proceeding to terminate parental rights.

[(bb)] **(DD)** “Voluntary placement” means a placement in accordance with § 5–525(b)(1)(i) or (iii) or (3) of the Family Law Article.

[(cc)] **(EE)** “Voluntary placement hearing” means a hearing to obtain a judicial determination as to whether continuing a voluntary placement is in the best interests of the child.

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

Approved by the Governor, April 18, 2017.

Chapter 158

(Senate Bill 349)

AN ACT concerning

**Criminal Procedure – Sexual Assault Victims’ Rights – Disposal of Rape Kit
Evidence and Notification**

FOR the purpose of requiring a certain health care provider to provide a certain victim with written information describing the laws and policies governing the testing, preservation, and disposal of a certain sexual assault evidence collection kit; requiring a hospital or child advocacy center to transfer a sexual assault evidence collection kit to a law enforcement agency within a certain amount of time; requiring a government agency to transfer a sexual assault evidence collection kit to a law enforcement agency, except under certain circumstances; prohibiting a law enforcement agency, ~~government agency, or health care provider~~ from destroying or disposing of a sexual assault evidence collection kit or certain other evidence relating to a sexual assault within a certain amount of time after the occurrence of the sexual assault, except under certain circumstances; requiring a certain law enforcement agency, ~~government agency, or health care provider,~~ on written request by a certain victim, to notify the victim within a certain amount of time before the date of intended destruction or disposal of certain evidence or retain the evidence longer than a certain time period; requiring the Attorney General to adopt certain regulations; defining certain terms; and generally relating to sexual assault victims' rights.

BY repealing and reenacting, with amendments,
 Article – Criminal Procedure
 Section 11–926
 Annotated Code of Maryland
 (2008 Replacement Volume and 2016 Supplement)

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

Article – Criminal Procedure

11–926.

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

(2) “CHILD ADVOCACY CENTER” HAS THE MEANING STATED IN § 13–2201 OF THE HEALTH – GENERAL ARTICLE.

(3) “HOSPITAL” HAS THE MEANING STATED IN § 19–301 OF THE HEALTH – GENERAL ARTICLE.

~~(A)~~ **(B)** A health care provider that performs a sexual assault evidence collection kit exam on a victim of sexual assault shall provide the victim with:

(1) contact information for the investigating law enforcement agency that the victim may contact about the status and results of the kit analysis; **AND**

(2) WRITTEN INFORMATION DESCRIBING THE LAWS AND POLICIES GOVERNING THE TESTING, PRESERVATION, AND DISPOSAL OF A SEXUAL ASSAULT EVIDENCE COLLECTION KIT.

~~(b)~~ **(C)** An investigating law enforcement agency that receives a sexual assault evidence collection kit, within 30 days after a request by the victim from whom the evidence was collected, shall provide the victim with:

- (1) information about the status of the kit analysis; and
- (2) all available results of the kit analysis except results that would impede or compromise an ongoing investigation.

~~**(C) (1) A LAW ENFORCEMENT AGENCY, GOVERNMENT AGENCY, OR HEALTH CARE PROVIDER MAY NOT DESTROY OR DISPOSE OF A SEXUAL ASSAULT EVIDENCE COLLECTION KIT OR OTHER CRIME SCENE EVIDENCE RELATING TO A SEXUAL ASSAULT WITHIN 20 YEARS AFTER THE EVIDENCE IS COLLECTED.**~~

(D) (1) A SEXUAL ASSAULT EVIDENCE COLLECTION KIT SHALL BE TRANSFERRED TO A LAW ENFORCEMENT AGENCY:

(I) BY A HOSPITAL OR A CHILD ADVOCACY CENTER WITHIN 30 DAYS AFTER THE EXAM IS PERFORMED; OR

(II) BY A GOVERNMENT AGENCY IN POSSESSION OF A KIT, UNLESS THE AGENCY IS OTHERWISE REQUIRED TO RETAIN THE KIT BY LAW OR COURT RULE.

(2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, WITHIN 20 YEARS AFTER THE EVIDENCE IS COLLECTED, A LAW ENFORCEMENT AGENCY MAY NOT DESTROY OR DISPOSE OF:

(I) A SEXUAL ASSAULT EVIDENCE COLLECTION KIT; OR

(II) OTHER CRIME SCENE EVIDENCE RELATING TO A SEXUAL ASSAULT THAT HAS BEEN IDENTIFIED BY THE STATE'S ATTORNEY AS RELEVANT TO PROSECUTION.

(3) A LAW ENFORCEMENT AGENCY IS NOT REQUIRED TO COMPLY WITH THE REQUIREMENTS IN PARAGRAPH (2) OF THIS SUBSECTION IF:

(I) THE CASE FOR WHICH THE EVIDENCE WAS COLLECTED RESULTED IN A CONVICTION AND THE SENTENCE HAS BEEN COMPLETED; OR

(II) ALL SUSPECTS IDENTIFIED BY TESTING A SEXUAL ASSAULT EVIDENCE COLLECTION KIT ARE DECEASED.

~~(2)~~ **(4) ON WRITTEN REQUEST BY THE VICTIM FROM WHOM THE EVIDENCE WAS COLLECTED, A LAW ENFORCEMENT AGENCY, ~~GOVERNMENT AGENCY,~~ OR ~~HEALTH CARE PROVIDER~~ WITH CUSTODY OF A SEXUAL ASSAULT EVIDENCE COLLECTION KIT OR OTHER CRIME SCENE EVIDENCE RELATING TO A SEXUAL ASSAULT SHALL:**

(I) NOTIFY THE VICTIM NO LATER THAN 60 DAYS BEFORE THE DATE OF INTENDED DESTRUCTION OR DISPOSAL OF THE EVIDENCE; OR

(II) RETAIN THE EVIDENCE FOR 12 MONTHS LONGER THAN THE TIME PERIOD SPECIFIED IN PARAGRAPH ~~(1)~~ (2) OF THIS SUBSECTION OR FOR A TIME PERIOD AGREED TO BY THE VICTIM AND THE LAW ENFORCEMENT AGENCY.

~~(D)~~ **(E) THE ATTORNEY GENERAL SHALL ADOPT REGULATIONS FOR UNIFORM STATEWIDE IMPLEMENTATION OF THIS SECTION.**

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

Approved by the Governor, April 18, 2017.

Chapter 159

(House Bill 255)

AN ACT concerning

Criminal Procedure – Sexual Assault Victims’ Rights – Disposal of Rape Kit Evidence and Notification

FOR the purpose of requiring a certain health care provider to provide a certain victim with written information describing the laws and policies governing the testing, preservation, and disposal of a certain sexual assault evidence collection kit; requiring a hospital or child advocacy center to transfer a sexual assault evidence collection kit to a law enforcement agency within a certain amount of time; requiring a government agency to transfer a sexual assault evidence collection kit to a law enforcement agency, except under certain circumstances; prohibiting a law enforcement agency, ~~government agency, or health care provider~~ from destroying or disposing of a sexual assault evidence collection kit or certain other evidence relating to a sexual assault within a certain amount of time after the occurrence of the sexual assault except under certain circumstances; requiring a certain law enforcement

agency, ~~government agency, or health care provider~~, on written request by a certain victim, to notify the victim within a certain amount of time before the date of intended destruction or disposal of certain evidence or retain the evidence longer than a certain time period; requiring the Attorney General to adopt certain regulations; defining certain terms; and generally relating to sexual assault victims' rights.

BY repealing and reenacting, with amendments,
Article – Criminal Procedure
Section 11–926
Annotated Code of Maryland
(2008 Replacement Volume and 2016 Supplement)

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

Article – Criminal Procedure

11–926.

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

(2) “CHILD ADVOCACY CENTER” HAS THE MEANING STATED IN § 13–2201 OF THE HEALTH – GENERAL ARTICLE.

(3) “HOSPITAL” HAS THE MEANING STATED IN § 19–301 OF THE HEALTH – GENERAL ARTICLE.

~~(a)~~ **(B)** A health care provider that performs a sexual assault evidence collection kit exam on a victim of sexual assault shall provide the victim with:

(1) contact information for the investigating law enforcement agency that the victim may contact about the status and results of the kit analysis; AND

(2) WRITTEN INFORMATION DESCRIBING THE LAWS AND POLICIES GOVERNING THE TESTING, PRESERVATION, AND DISPOSAL OF A SEXUAL ASSAULT EVIDENCE COLLECTION KIT.

~~(b)~~ **(C)** An investigating law enforcement agency that receives a sexual assault evidence collection kit, within 30 days after a request by the victim from whom the evidence was collected, shall provide the victim with:

(1) information about the status of the kit analysis; and

(2) all available results of the kit analysis except results that would impede or compromise an ongoing investigation.

~~(c) (1) A LAW ENFORCEMENT AGENCY, GOVERNMENT AGENCY, OR HEALTH CARE PROVIDER MAY NOT DESTROY OR DISPOSE OF A SEXUAL ASSAULT EVIDENCE COLLECTION KIT OR OTHER CRIME SCENE EVIDENCE RELATING TO A SEXUAL ASSAULT WITHIN 20 YEARS AFTER THE EVIDENCE IS COLLECTED.~~

(D) (1) A SEXUAL ASSAULT EVIDENCE COLLECTION KIT SHALL BE TRANSFERRED TO A LAW ENFORCEMENT AGENCY:

(I) BY A HOSPITAL OR A CHILD ADVOCACY CENTER WITHIN 30 DAYS AFTER THE EXAM IS PERFORMED; OR

(II) BY A GOVERNMENT AGENCY IN POSSESSION OF A KIT, UNLESS THE AGENCY IS OTHERWISE REQUIRED TO RETAIN THE KIT BY LAW OR COURT RULE.

(2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, WITHIN 20 YEARS AFTER THE EVIDENCE IS COLLECTED, A LAW ENFORCEMENT AGENCY MAY NOT DESTROY OR DISPOSE OF:

(I) A SEXUAL ASSAULT EVIDENCE COLLECTION KIT; OR

(II) OTHER CRIME SCENE EVIDENCE RELATING TO A SEXUAL ASSAULT THAT HAS BEEN IDENTIFIED BY THE STATE'S ATTORNEY AS RELEVANT TO PROSECUTION.

(3) A LAW ENFORCEMENT AGENCY IS NOT REQUIRED TO COMPLY WITH THE REQUIREMENTS IN PARAGRAPH (2) OF THIS SUBSECTION IF:

(I) THE CASE FOR WHICH THE EVIDENCE WAS COLLECTED RESULTED IN A CONVICTION AND THE SENTENCE HAS BEEN COMPLETED; OR

(II) ALL SUSPECTS IDENTIFIED BY TESTING A SEXUAL ASSAULT EVIDENCE COLLECTION KIT ARE DECEASED.

~~(2) (4)~~ (4) ON WRITTEN REQUEST BY THE VICTIM FROM WHOM THE EVIDENCE WAS COLLECTED, A LAW ENFORCEMENT AGENCY, GOVERNMENT AGENCY, OR HEALTH CARE PROVIDER WITH CUSTODY OF A SEXUAL ASSAULT EVIDENCE COLLECTION KIT OR OTHER CRIME SCENE EVIDENCE RELATING TO A SEXUAL ASSAULT SHALL:

(I) NOTIFY THE VICTIM NO LATER THAN 60 DAYS BEFORE THE DATE OF INTENDED DESTRUCTION OR DISPOSAL OF THE EVIDENCE; OR

(II) RETAIN THE EVIDENCE FOR 12 MONTHS LONGER THAN THE TIME PERIOD SPECIFIED IN PARAGRAPH ~~(1)~~ (2) OF THIS SUBSECTION OR FOR A TIME PERIOD AGREED TO BY THE VICTIM AND THE LAW ENFORCEMENT AGENCY.

~~(D)~~ (E) THE ATTORNEY GENERAL SHALL ADOPT REGULATIONS FOR UNIFORM STATEWIDE IMPLEMENTATION OF THIS SECTION.

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

Approved by the Governor, April 18, 2017.

Chapter 160

(Senate Bill 217)

AN ACT concerning

Criminal Law – Sexual Offenses – Physical Resistance

FOR the purpose of establishing that evidence of physical resistance by a certain victim is not required to prove that a certain sexual crime was committed; establishing that a certain provision of this Act may not be construed to affect the admissibility of evidence of actual physical resistance by a certain victim; ~~altering certain definitions;~~ and generally relating to sexual offenses.

~~BY repealing and reenacting, with amendments,
Article – Criminal Law
Section 3–301
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)~~

BY adding to
Article – Criminal Law
Section 3–319.1
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Criminal Law

~~§ 301.~~

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

~~(b) “Mentally incapacitated individual” means an individual who, because of the influence of a drug, narcotic, or intoxicating substance, or because of an act committed on the individual without the individual’s consent or awareness, is rendered substantially incapable of:~~

~~(1) appraising the nature of the individual’s conduct; or~~

~~(2) [resisting] COMMUNICATING ABOUT vaginal intercourse, a sexual act, or sexual contact.~~

~~(c) “Physically helpless individual” means an individual who:~~

~~(1) is unconscious; or~~

~~(2) (i) does not consent to vaginal intercourse, a sexual act, or sexual contact; and~~

~~(ii) is physically unable to [resist, or communicate unwillingness to submit to,] COMMUNICATE ABOUT vaginal intercourse, a sexual act, or sexual contact.~~

~~(d) (1) “Sexual act” means any of the following acts, regardless of whether semen is emitted:~~

~~(i) analingus;~~

~~(ii) cunnilingus;~~

~~(iii) fellatio;~~

~~(iv) anal intercourse, including penetration, however slight, of the anus; or~~

~~(v) an act:~~

~~1. in which an object or part of an individual’s body penetrates, however slightly, into another individual’s genital opening or anus; and~~

~~2. that can reasonably be construed to be for sexual arousal or gratification, or for the abuse of either party.~~

~~(2) “Sexual act” does not include:~~

~~(i) vaginal intercourse; or~~

~~(ii) an act in which an object or part of an individual's body penetrates an individual's genital opening or anus for an accepted medical purpose.~~

~~(e) (1) "Sexual contact", as used in §§ 3-307, 3-308, and 3-314 of this subtitle, means an intentional touching of the victim's or actor's genital, anal, or other intimate area for sexual arousal or gratification, or for the abuse of either party.~~

~~(2) "Sexual contact" does not include:~~

~~(i) a common expression of familial or friendly affection; or~~

~~(ii) an act for an accepted medical purpose.~~

~~(f) "Substantially cognitively impaired individual" means an individual who suffers from an intellectual disability or a mental disorder, either of which temporarily or permanently renders the individual substantially incapable of:~~

~~(1) appraising the nature of the individual's conduct; OR~~

~~(2) [resisting vaginal intercourse, a sexual act, or sexual contact; or~~

~~(3) communicating unwillingness to submit to] COMMUNICATING ABOUT vaginal intercourse, a sexual act, or sexual contact.~~

~~(g) (1) "Vaginal intercourse" means genital copulation, whether or not semen is emitted.~~

~~(2) "Vaginal intercourse" includes penetration, however slight, of the vagina.~~

3-319.1.

(A) EVIDENCE OF PHYSICAL RESISTANCE BY THE VICTIM IS NOT REQUIRED TO PROVE THAT A CRIME UNDER THIS SUBTITLE WAS COMMITTED.

(B) THE PROVISIONS OF SUBSECTION (A) OF THIS SECTION MAY NOT BE CONSTRUED TO AFFECT THE ADMISSIBILITY OF EVIDENCE OF ACTUAL PHYSICAL RESISTANCE BY THE VICTIM.

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

Approved by the Governor, April 18, 2017.

Chapter 161**(Senate Bill 944)**

AN ACT concerning

Criminal Law – Sexual Offenses – Classification

FOR the purpose of reclassifying criminal conduct currently classified as sexual offense in the first degree and sexual offense in the second degree as rape in the first degree and rape in the second degree, respectively; repealing the crimes of sexual offense in the first degree, sexual offense in the second degree, attempted sexual offense in the first degree, and attempted sexual offense in the second degree; making conforming changes; and generally relating to sexual offenses.

BY repealing and reenacting, with amendments,
Article – Correctional Services
Section 3–702, 9–201, and 11–502
Annotated Code of Maryland
(2008 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Criminal Law
Section 3–303, 3–304, 3–308(d), 3–313, 3–314(f), 3–315 through 3–317, and 3–320
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY repealing
Article – Criminal Law
Section 3–305, 3–306, 3–311, and 3–312
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Criminal Procedure
Section 6–220(d)(3), 6–222(a), 11–304(b), 11–701(j) and (q), 11–704(c), 11–704.1,
11–723(a), and 11–922
Annotated Code of Maryland
(2008 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,
Article – Criminal Procedure
Section 11–701(a)
Annotated Code of Maryland
(2008 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Family Law
Section 4–506(k)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Correctional Services

3–702.

(a) Subject to subsections (b) and (c) of this section, § 3–711 of this subtitle, and Title 7, Subtitle 5 of this article, an inmate committed to the custody of the Commissioner is entitled to a diminution of the inmate’s term of confinement as provided under this subtitle.

(b) An inmate who is serving a sentence for a violation of § 3–303[,] **OR § 3–304 OF THE CRIMINAL LAW ARTICLE INVOLVING A VICTIM WHO IS A CHILD UNDER THE AGE OF 16 YEARS, OR AN INMATE WHO IS SERVING A SENTENCE FOR A VIOLATION OF § 3–305[,] or § 3–306 of the Criminal Law Article, AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017,** involving a victim who is a child under the age of 16 years, is not entitled to a diminution of the inmate’s term of confinement as provided under this subtitle.

(c) An inmate who is serving a sentence for a violation of § 3–307 of the Criminal Law Article involving a victim who is a child under the age of 16 years is not entitled to a diminution of the inmate’s term of confinement as provided under this subtitle, if the inmate was previously convicted of a violation of § 3–307 of the Criminal Law Article involving a victim who is a child under the age of 16 years.

9–201.

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

(2) “Sexual offense” means:

(i) a violation of:

1. § 3–305[,] OR § 3–306[,] OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017; OR

2. § 3–307, § 3–308, § 3–309, § 3–310, § 3–311, or § 3–312 of the Criminal Law Article; or

(ii) an attempt to violate:

1. § 3–305[,] OR § 3–306[,] OF THE CRIMINAL LAW ARTICLE, AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017, AS A PRINCIPAL OR AN AIDER OR ABETTOR; OR

2. § 3–307[,] or § 3–308 of the Criminal Law Article as a principal or an aider or abettor.

(3) “State correctional facility” does not include:

(i) the Patuxent Institution; or

(ii) the Baltimore City Detention Center.

(b) If an inmate is convicted of and sentenced to a term of imprisonment for a sexual offense that was committed while the inmate was serving a sentence in a State or local correctional facility, the sentence for the sexual offense shall run consecutive to the sentence that the inmate was serving at the time of the sexual offense.

(c) (1) If an inmate is convicted of and sentenced to a term of imprisonment for a sexual offense that was committed while the inmate was being held for a bail hearing, arraignment, trial, or sentencing on another charge in a State or local correctional facility and, before the imposition of the sentence for the sexual offense, the inmate was sentenced to a term of imprisonment for the charge for which the inmate was being held at the time of the sexual offense, the sentence imposed for the sexual offense shall run consecutive to the sentence imposed for the charge for which the inmate was being held at the time of the sexual offense.

(2) If an inmate is convicted of and sentenced to a term of imprisonment for a sexual offense that was committed while the inmate was being held for a bail hearing, arraignment, trial, or sentencing on another charge in a State or local correctional facility and, at the time that the sentence for the sexual offense is imposed, the inmate has not been sentenced on the other charge, any sentence of imprisonment eventually imposed for the other charge shall run consecutive to the sentence imposed for the sexual offense.

11–502.

(a) Except as provided in subsections (b) and (c) of this section, an inmate who has been sentenced to a term of imprisonment shall be allowed deductions from the inmate’s term of confinement as provided under this subtitle for any period of presentence or postsentence confinement in a local correctional facility.

(b) (1) An inmate who is serving a sentence for a violation of **§ 3–303[,] OR § 3–304 OF THE CRIMINAL LAW ARTICLE INVOLVING A VICTIM WHO IS A CHILD UNDER THE AGE OF 16, OR AN INMATE WHO IS SERVING A SENTENCE FOR A VIOLATION OF § 3–305[,] or § 3–306 of the Criminal Law Article, AS THE SECTIONS EXISTED BEFORE**

OCTOBER 1, 2017, involving a victim who is a child under the age of 16 years, may not be allowed deductions from the inmate's term of confinement as provided under this subtitle for any period of presentence or postsentence confinement in a local correctional facility.

(2) This subsection may not be construed to require an inmate to serve a longer sentence of confinement than is authorized by the statute under which the inmate was convicted.

(c) (1) An inmate who is serving a sentence for a violation of § 3–307 of the Criminal Law Article involving a victim who is a child under the age of 16 years, who has previously been convicted of violating § 3–307 of the Criminal Law Article involving a victim who is a child under the age of 16 years, may not be allowed deductions from the inmate's term of confinement as provided under this subtitle for any period of presentence or postsentence confinement in a local correctional facility.

(2) This subsection may not be construed to require an inmate to serve a longer sentence of confinement than is authorized by the statute under which the inmate was convicted.

Article – Criminal Law

3–303.

(a) A person may not:

(1) **(I)** engage in vaginal intercourse with another by force, or the threat of force, without the consent of the other; **OR**

(II) ENGAGE IN A SEXUAL ACT WITH ANOTHER BY FORCE, OR THE THREAT OF FORCE, WITHOUT THE CONSENT OF THE OTHER; and

(2) (i) employ or display a dangerous weapon, or a physical object that the victim reasonably believes is a dangerous weapon;

(ii) suffocate, strangle, disfigure, or inflict serious physical injury on the victim or another in the course of committing the crime;

(iii) threaten, or place the victim in fear, that the victim, or an individual known to the victim, imminently will be subject to death, suffocation, strangulation, disfigurement, serious physical injury, or kidnapping;

(iv) commit the crime while aided and abetted by another; or

(v) commit the crime in connection with a burglary in the first, second, or third degree.

(b) A person may not violate subsection (a) of this section while also violating § 3–503(a)(2) of this title involving a victim who is a child under the age of 16 years.

(c) A person 18 years of age or older may not violate subsection (a) of this section involving a victim who is a child under the age of 13 years.

(d) (1) Except as provided in paragraphs (2), (3), and (4) of this subsection, a person who violates subsection (a) of this section is guilty of the felony of rape in the first degree and on conviction is subject to imprisonment not exceeding life.

(2) A person who violates subsection (b) of this section is guilty of the felony of rape in the first degree and on conviction is subject to imprisonment not exceeding life without the possibility of parole.

(3) A person who violates subsection (a) or (b) of this section is guilty of the felony of rape in the first degree and on conviction is subject to imprisonment not exceeding life without the possibility of parole if the defendant was previously convicted of violating this section, or § 3–305 of this subtitle **AS IT EXISTED BEFORE OCTOBER 1, 2017**.

(4) (i) Subject to subparagraph (iv) of this paragraph, a person 18 years of age or older who violates subsection (c) of this section is guilty of the felony of rape in the first degree and on conviction is subject to imprisonment for not less than 25 years and not exceeding life without the possibility of parole.

(ii) A court may not suspend any part of the mandatory minimum sentence of 25 years.

(iii) The person is not eligible for parole during the mandatory minimum sentence.

(iv) If the State fails to comply with subsection (e) of this section, the mandatory minimum sentence shall not apply.

(e) If the State intends to seek a sentence of imprisonment for life without the possibility of parole under subsection (d)(2), (3), or (4) of this section, or imprisonment for not less than 25 years under subsection (d)(4) of this section, the State shall notify the person in writing of the State's intention at least 30 days before trial.

3–304.

(a) A person may not engage in vaginal intercourse **OR A SEXUAL ACT** with another:

(1) by force, or the threat of force, without the consent of the other;

(2) if the victim is a substantially cognitively impaired individual, a mentally incapacitated individual, or a physically helpless individual, and the person

performing the act knows or reasonably should know that the victim is a substantially cognitively impaired individual, a mentally incapacitated individual, or a physically helpless individual; or

(3) if the victim is under the age of 14 years, and the person performing the act is at least 4 years older than the victim.

(b) A person 18 years of age or older may not violate subsection (a)(1) or (2) of this section involving a child under the age of 13 years.

(c) (1) Except as provided in paragraph (2) of this subsection, a person who violates subsection (a) of this section is guilty of the felony of rape in the second degree and on conviction is subject to imprisonment not exceeding 20 years.

(2) (i) Subject to subparagraph (iv) of this paragraph, a person 18 years of age or older who violates subsection (b) of this section is guilty of the felony of rape in the second degree and on conviction is subject to imprisonment for not less than 15 years and not exceeding life.

(ii) A court may not suspend any part of the mandatory minimum sentence of 15 years.

(iii) The person is not eligible for parole during the mandatory minimum sentence.

(iv) If the State fails to comply with subsection (d) of this section, the mandatory minimum sentence shall not apply.

(d) If the State intends to seek a sentence of imprisonment for not less than 15 years under subsection (c)(2) of this section, the State shall notify the person in writing of the State's intention at least 30 days before trial.

[3–305.

(a) A person may not:

(1) engage in a sexual act with another by force, or the threat of force, without the consent of the other; and

(2) (i) employ or display a dangerous weapon, or a physical object that the victim reasonably believes is a dangerous weapon;

(ii) suffocate, strangle, disfigure, or inflict serious physical injury on the victim or another in the course of committing the crime;

(iii) threaten, or place the victim in fear, that the victim, or an individual known to the victim, imminently will be subject to death, suffocation, strangulation, disfigurement, serious physical injury, or kidnapping;

(iv) commit the crime while aided and abetted by another; or

(v) commit the crime in connection with a burglary in the first, second, or third degree.

(b) A person may not violate subsection (a) of this section while also violating § 3–503(a)(2) of this title involving a victim who is a child under the age of 16 years.

(c) A person 18 years of age or older may not violate subsection (a) of this section involving a victim who is a child under the age of 13 years.

(d) (1) Except as provided in paragraphs (2), (3), and (4) of this subsection, a person who violates subsection (a) of this section is guilty of the felony of sexual offense in the first degree and on conviction is subject to imprisonment not exceeding life.

(2) A person who violates subsection (b) of this section is guilty of the felony of sexual offense in the first degree and on conviction is subject to imprisonment not exceeding life without the possibility of parole.

(3) A person who violates subsection (a) or (b) of this section is guilty of the felony of sexual offense in the first degree and on conviction is subject to imprisonment not exceeding life without the possibility of parole if the defendant was previously convicted of violating this section or § 3–303 of this subtitle.

(4) (i) Subject to subparagraph (iv) of this paragraph, a person 18 years of age or older who violates subsection (c) of this section is guilty of the felony of sexual offense in the first degree and on conviction is subject to imprisonment for not less than 25 years and not exceeding life without the possibility of parole.

(ii) A court may not suspend any part of the mandatory minimum sentence of 25 years.

(iii) The person is not eligible for parole during the mandatory minimum sentence.

(iv) If the State fails to comply with subsection (e) of this section, the mandatory minimum sentence shall not apply.

(e) If the State intends to seek a sentence of imprisonment for life without the possibility of parole under subsection (d)(2), (3), or (4) of this section, or imprisonment for not less than 25 years under subsection (d)(4) of this section, the State shall notify the person in writing of the State's intention at least 30 days before trial.]

[3–306.

(a) A person may not engage in a sexual act with another:

(1) by force, or the threat of force, without the consent of the other;

(2) if the victim is a substantially cognitively impaired individual, a mentally incapacitated individual, or a physically helpless individual, and the person performing the sexual act knows or reasonably should know that the victim is a substantially cognitively impaired individual, a mentally incapacitated individual, or a physically helpless individual; or

(3) if the victim is under the age of 14 years, and the person performing the sexual act is at least 4 years older than the victim.

(b) A person 18 years of age or older may not violate subsection (a)(1) or (2) of this section involving a child under the age of 13 years.

(c) (1) Except as provided in paragraph (2) of this subsection, a person who violates this section is guilty of the felony of sexual offense in the second degree and on conviction is subject to imprisonment not exceeding 20 years.

(2) (i) Subject to subparagraph (iv) of this paragraph, a person 18 years of age or older who violates subsection (b) of this section is guilty of the felony of sexual offense in the second degree and on conviction is subject to imprisonment for not less than 15 years and not exceeding life.

(ii) A court may not suspend any part of the mandatory minimum sentence of 15 years.

(iii) The person is not eligible for parole during the mandatory minimum sentence.

(iv) If the State fails to comply with subsection (d) of this section, the mandatory minimum sentence shall not apply.

(d) If the State intends to seek a sentence of imprisonment for not less than 15 years under subsection (c)(2) of this section, the State shall notify the person in writing of the State's intention at least 30 days before trial.]

3–308.

(d) (1) Except as provided in paragraph (2) of this subsection, a person who violates this section is guilty of the misdemeanor of sexual offense in the fourth degree and on conviction is subject to imprisonment not exceeding 1 year or a fine not exceeding \$1,000 or both.

(2) (i) On conviction of a violation of this section, a person who has been convicted on a prior occasion not arising from the same incident of a violation of §§ 3–303 through **3–310 OF THIS SUBTITLE, § 3–311 OR § 3–312 OF THIS SUBTITLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017,** [or] § 3–315 of this subtitle, or § 3–602 of this title is subject to imprisonment not exceeding 3 years or a fine not exceeding \$1,000 or both.

(ii) If the State intends to proceed against a person under subparagraph (i) of this paragraph, it shall comply with the procedures set forth in the Maryland Rules for the indictment and trial of a subsequent offender.

[3–311.

(a) A person may not attempt to commit a sexual offense in the first degree.

(b) A person who violates this section is guilty of a felony and on conviction is subject to imprisonment not exceeding life.]

[3–312.

(a) A person may not attempt to commit a sexual offense in the second degree.

(b) A person who violates this section is guilty of a felony and on conviction is subject to imprisonment not exceeding 20 years.]

3–313.

(a) On conviction of a violation of § 3–304, [§ 3–306,] § 3–307, **OR § 3–310**, or § 3–312] of this subtitle, a person who has been convicted on a prior occasion not arising from the same incident of any violation of [§]§ 3–303 [through 3–306] **OR § 3–304 OF THIS SUBTITLE, OR § 3–305 OR § 3–306** of this subtitle **AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017,** is subject to imprisonment not exceeding life.

(b) If the State intends to proceed against a person under this section, it shall comply with the procedures set forth in the Maryland Rules for the indictment and trial of a subsequent offender.

3–314.

(f) A sentence imposed for violation of this section may be separate from and consecutive to or concurrent with a sentence for another crime under §§ 3–303 through [3–312] **3–310 OF THIS SUBTITLE, OR § 3–305, § 3–306, § 3–311, OR § 3–312** of this subtitle **AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017.**

3–315.

(a) A person may not engage in a continuing course of conduct which includes three or more acts that would constitute violations of § 3–303, § 3–304, [§ 3–305, § 3–306,] or § 3–307 of this subtitle, **OR VIOLATIONS OF § 3–305 OR § 3–306 OF THIS SUBTITLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017**, over a period of 90 days or more, with a victim who is under the age of 14 years at any time during the course of conduct.

(b) (1) A person who violates this section is guilty of a felony and on conviction is subject to imprisonment not exceeding 30 years.

(2) A sentence imposed under this section may be separate from and consecutive to or concurrent with a sentence under § 3–602 of this title.

(c) In determining whether the required number of acts occurred in violation of this section, the trier of fact:

(1) must determine only that the required number of acts occurred; and

(2) need not determine which acts constitute the required number of acts.

(d) (1) A person may not be charged with a violation of § 3–303, § 3–304, [§ 3–305, § 3–306,] or § 3–307 of this subtitle involving the same victim in the same proceeding as a violation of this section unless the other violation charged occurred outside the time period charged under this section.

(2) A person may not be charged with a violation of § 3–303, § 3–304, [§ 3–305, § 3–306,] or § 3–307 of this subtitle involving the same victim unless the violation charged occurred outside the time period charged under this section.

3–316.

If a person is transported with the intent to violate a provision of §§ 3–303 through [3–312] **3–310**, § 3–314, or § 3–315 of this subtitle, and the intent is followed by actual violation of a provision of §§ 3–303 through [3–312] **3–310**, § 3–314, or § 3–315 of this subtitle, the defendant may be tried in the appropriate court in a county where the transportation was offered, solicited, begun, continued, or ended.

3–317.

(a) An indictment, information, or warrant for a crime under §§ 3–303 through [3–312] **3–310** or § 3–314 of this subtitle is sufficient if it substantially states:

“(name of defendant) on (date) in (county) committed a rape or sexual offense on (name of victim) in violation of (section violated) against the peace, government, and dignity of the State.”.

(b) In a case in which the general form of indictment, information, or warrant described in subsection (a) of this section is used, the defendant is entitled to a bill of particulars specifically setting forth the allegations against the defendant.

3–320.

In a criminal prosecution under §§ 3–303 through [3–312] **3–310**, § 3–314, or § 3–315 of this subtitle, a judge may not instruct the jury:

(1) to examine the testimony of the prosecuting witness with caution, solely because of the nature of the charge;

(2) that the charge is easily made or difficult to disprove, solely because of the nature of the charge; or

(3) to follow another similar instruction, solely because of the nature of the charge.

Article – Criminal Procedure

6–220.

(d) Notwithstanding subsections (b) and (c) of this section, a court may not stay the entering of judgment and place a defendant on probation for:

(3) a violation of any of the provisions of §§ 3–303 through 3–307, §§ 3–309 through [3–312] **3–310**, § 3–315, or § 3–602 of the Criminal Law Article for a crime involving a person under the age of 16 years; or

6–222.

(a) A circuit court or the District Court may:

(1) impose a sentence for a specified time and provide that a lesser time be served in confinement;

(2) suspend the remainder of the sentence; and

(3) (i) order probation for a time longer than the sentence but, subject to subsections (b) and (c) of this section, not longer than:

1. 5 years if the probation is ordered by a circuit court; or

2. 3 years if the probation is ordered by the District Court; or

(ii) if a defendant convicted of sexual abuse of a minor under § 3–602 of the Criminal Law Article [or], a crime involving a minor under § 3–303, § 3–304, [§

3–305, § 3–306,] or § 3–307 of the Criminal Law Article, **OR A CRIME INVOLVING A MINOR UNDER § 3–305 OR § 3–306 OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017**, consents in writing, order probation for a time longer than the sentence that was imposed on the defendant, but not longer than:

1. 10 years if the probation is ordered by a circuit court; or
2. 6 years if the probation is ordered by the District Court.

11–304.

(b) Subject to subsections (c), (d), and (e) of this section, the court may admit into evidence in a juvenile court proceeding or in a criminal proceeding an out of court statement to prove the truth of the matter asserted in the statement made by a child victim who:

(1) is under the age of 13 years; and

(2) is the alleged victim or the child alleged to need assistance in the case before the court concerning:

(i) child abuse under § 3–601 or § 3–602 of the Criminal Law Article;

(ii) rape or sexual offense under §§ 3–303 through 3–307 of the Criminal Law Article;

(iii) attempted rape [or attempted sexual offense] in the first degree or in the second degree under §§ 3–309 [through 3–312] **AND 3–310** of the Criminal Law Article; or

(iv) in a juvenile court proceeding, abuse or neglect as defined in § 5–701 of the Family Law Article.

11–701.

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

(j) “Sexually violent offense” means:

(1) a violation of [§]§ 3–303 [through 3–307 or §§ 3–309 through 3–312], **§ 3–304, § 3–309, OR § 3–310** of the Criminal Law Article, **OR § 3–305, § 3–306, § 3–311, OR § 3–312 OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017**;

(2) assault with intent to commit rape in the first or second degree or a sexual offense in the first or second degree as prohibited on or before September 30, 1996, under former Article 27, § 12 of the Code; or

(3) a crime committed in another jurisdiction, federal or military court, or foreign country that, if committed in this State, would constitute one of the crimes listed in item (1) or (2) of this subsection.

(q) “Tier III sex offender” means a person who has been convicted of:

(1) conspiring to commit, attempting to commit, or committing a violation of:

(i) § 2–201(a)(4)(viii), (x), or (xi) of the Criminal Law Article;

(ii) § 3–303, § 3–304, [§ 3–305, § 3–306,] § 3–307(a)(1) or (2), § 3–309, § 3–310, § 3–311, § 3–312, § 3–315, § 3–323, or § 3–602 of the Criminal Law Article;

(iii) § 3–502 of the Criminal Law Article, if the victim is a minor;

(iv) § 3–502 of the Criminal Law Article, if the victim is an adult, and the person has been ordered by the court to register under this subtitle; [or]

(v) the common law offense of sodomy or § 3–322 of the Criminal Law Article if the offense was committed with force or threat of force; **OR**

(VI) § 3–305 OR § 3–306 OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017;

(2) conspiring to commit, attempting to commit, or committing a violation of § 3–307(a)(3), § 3–314, § 3–503, or § 3–603 of the Criminal Law Article, if the victim is under the age of 14 years;

(3) conspiring to commit, attempting to commit, or committing the common law offense of false imprisonment, if the victim is a minor;

(4) conspiring to commit, attempting to commit, or committing an offense that would require the person to register as a tier I or tier II sex offender after the person was already registered as a tier II sex offender;

(5) a crime committed in a federal, military, tribal, or other jurisdiction that, if committed in this State, would constitute one of the crimes listed in items (1) through (3) of this subsection; or

(6) a crime in a court of Canada, Great Britain, Australia, New Zealand, or any other foreign country where the United States Department of State has determined in its Country Reports on Human Rights Practices that an independent judiciary generally or vigorously enforced the right to a fair trial during the year in which the conviction occurred

that, if the crime were committed in this State, would constitute one of the crimes listed in items (1) through (3) of this subsection.

11–704.

(c) (1) A person who has been adjudicated delinquent for an act that, if committed by an adult, would constitute a violation of § 3–303[,] OR § 3–304[, § 3–305, or § 3–306] of the Criminal Law Article, **§ 3–305 OR § 3–306 OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017**, or § 3–307(a)(1) or (2) or § 3–308(b)(1) of the Criminal Law Article involving conduct described in § 3–301(e)(2) of the Criminal Law Article, shall register with the person’s supervising authority if:

(i) the person was a minor who was at least 13 years old at the time the delinquent act was committed;

(ii) the State’s Attorney or the Department of Juvenile Services requests that the person be required to register;

(iii) 90 days prior to the time the juvenile court’s jurisdiction over the person terminates under § 3–8A–07 of the Courts Article, the court, after a hearing, determines under a clear and convincing evidence standard that the person is at significant risk of committing a sexually violent offense or an offense for which registration as a tier II sex offender or tier III sex offender is required; and

(iv) the person is at least 18 years old.

(2) If the person has committed a delinquent act that would cause the court to make a determination regarding registration under paragraph (1) of this subsection:

(i) the State’s Attorney shall serve written notice to the person or the person’s counsel at least 30 days before a hearing to determine if the person is required to register under this section; and

(ii) the Department of Juvenile Services shall:

1. provide the court with any information necessary to make the determination; and

2. conduct any follow-up the court requires.

(3) The form of petitions and all other pleadings under this subsection and, except as otherwise provided under Title 3 of the Courts and Judicial Proceedings Article, the procedures to be followed by the court under this subsection shall be specified in the Maryland Rules.

(4) The court may order an evaluation of the person in making the determination under paragraph (1) of this subsection.

11-704.1.

(a) In this section, “juvenile registrant” means a person who is required to be included in the registry of juvenile sex offenders under subsection (b) of this section.

(b) A person shall be included in a registry of juvenile sex offenders that is maintained by the Department separately from the sex offender registry if:

(1) the person has been adjudicated delinquent for an act that, if committed by an adult[,]:

(I) would constitute a violation of § 3-303, § 3-304, [§ 3-305, § 3-306(a)(1) or (2),] or § 3-307(a)(1) or (2) of the Criminal Law Article; OR

(II) WOULD CONSTITUTE A VIOLATION OF § 3-305 OR § 3-306(A)(1) OR (2) OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017; and

(2) the person was a minor who was at least 14 years old at the time the delinquent act was committed.

(c) The registry of juvenile sex offenders shall be accessible only by law enforcement personnel for law enforcement purposes.

(d) When the juvenile court’s jurisdiction over a juvenile registrant terminates under § 3-8A-07 of the Courts Article, the juvenile registrant shall be removed from the registry.

(e) A juvenile registrant shall appear in person at a location designated by the Department of Juvenile Services every 3 months to:

(1) update and verify with the Department of Juvenile Services the information included in the registry of juvenile sex offenders under this section; and

(2) allow the Department of Juvenile Services to take a digital image of the juvenile registrant.

11-723.

(a) Except where a term of natural life without the possibility of parole is imposed, a sentence for the following persons shall include a term of lifetime sexual offender supervision:

(1) a person who is a sexually violent predator;

(2) a person who has been convicted of a violation of:

(I) § 3–303[,] OR § 3–304[, § 3–305, or § 3–306(a)(1) or (2)] of the Criminal Law Article; OR

(II) § 3–305 OR § 3–306(A)(1) OR (2) OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017;

(3) a person who has been convicted of a violation of § 3–309[,] OR § 3–310 OF THE CRIMINAL LAW ARTICLE, [or] § 3–311 of the Criminal Law Article AS THE SECTION EXISTED BEFORE OCTOBER 1, 2017, or an attempt to commit a violation of § 3–306(a)(1) or (2) of the Criminal Law Article AS THE SECTION EXISTED BEFORE OCTOBER 1, 2017;

(4) a person who has been convicted of a violation of § 3–602 of the Criminal Law Article involving a child under the age of 12 years;

(5) a person who is required to register under § 11–704(c) of this subtitle; and

(6) a person who has been convicted more than once arising out of separate incidents of a crime that requires registration under this subtitle.

11–922.

In this part, “sexual assault” means rape or a sexual offense in any degree that is specified in §§ 3–303 through [3–312] **3–310**, § 3–314, or § 3–315 of the Criminal Law Article.

Article – Family Law

4–506.

(k) (1) Notwithstanding any other provision of this section, the court shall issue a new final protective order against an individual if:

(i) the individual was previously a respondent under this subtitle against whom a final protective order was issued;

(ii) for the act of abuse that led to the issuance of the final protective order, the individual was convicted and sentenced to serve a term of imprisonment of at least 5 years under § 2–205, § 2–206, § 3–202, § 3–203, § 3–303, § 3–304, [§ 3–305, § 3–306,] § 3–309, OR § 3–310[, § 3–311, or § 3–312] of the Criminal Law Article, **§ 3–305, § 3–306, § 3–311, OR § 3–312 OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS**

EXISTED BEFORE OCTOBER 1, 2017, or for conspiracy or solicitation to commit murder and the individual has served at least 12 months of the sentence; and

(iii) the victim of the abuse who was the person eligible for relief in the original final protective order requests the issuance of a new final protective order.

(2) In a final protective order issued under this subsection, the court may grant only the relief that was granted in the original protective order under subsection (d)(1) or (2) of this section.

(3) Unless terminated at the request of the victim, a final protective order issued under this subsection shall be permanent.

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

Approved by the Governor, April 18, 2017.

Chapter 162

(House Bill 647)

AN ACT concerning

Criminal Law – Sexual Offenses – Classification

FOR the purpose of reclassifying criminal conduct currently classified as sexual offense in the first degree and sexual offense in the second degree as rape in the first degree and rape in the second degree, respectively; repealing the crimes of sexual offense in the first degree, sexual offense in the second degree, attempted sexual offense in the first degree, and attempted sexual offense in the second degree; making conforming changes; and generally relating to sexual offenses.

BY repealing and reenacting, with amendments,
 Article – Correctional Services
 Section 3–702, 9–201, and 11–502
 Annotated Code of Maryland
 (2008 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
 Article – Criminal Law
 Section 3–303, 3–304, 3–308(d), 3–313, 3–314(f), 3–315 through 3–317, and 3–320
 Annotated Code of Maryland
 (2012 Replacement Volume and 2016 Supplement)

BY repealing

Article – Criminal Law

Section 3–305, 3–306, 3–311, and 3–312

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Criminal Procedure

Section 6–220(d)(3), 6–222(a), 11–304(b), 11–701(j) and (q), 11–704(c), 11–704.1, 11–723(a), and 11–922

Annotated Code of Maryland

(2008 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article – Criminal Procedure

Section 11–701(a)

Annotated Code of Maryland

(2008 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Family Law

Section 4–506(k)

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

Article – Correctional Services

3–702.

(a) Subject to subsections (b) and (c) of this section, § 3–711 of this subtitle, and Title 7, Subtitle 5 of this article, an inmate committed to the custody of the Commissioner is entitled to a diminution of the inmate’s term of confinement as provided under this subtitle.

(b) An inmate who is serving a sentence for a violation of § 3–303[,] OR § 3–304 OF THE CRIMINAL LAW ARTICLE INVOLVING A VICTIM WHO IS A CHILD UNDER THE AGE OF 16 YEARS, OR AN INMATE WHO IS SERVING A SENTENCE FOR A VIOLATION OF § 3–305[,] or § 3–306 of the Criminal Law Article, AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017, involving a victim who is a child under the age of 16 years, is not entitled to a diminution of the inmate’s term of confinement as provided under this subtitle.

(c) An inmate who is serving a sentence for a violation of § 3–307 of the Criminal Law Article involving a victim who is a child under the age of 16 years is not entitled to a

diminution of the inmate's term of confinement as provided under this subtitle, if the inmate was previously convicted of a violation of § 3–307 of the Criminal Law Article involving a victim who is a child under the age of 16 years.

9–201.

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

(2) “Sexual offense” means:

(i) a violation of:

1. § 3–305[,] OR § 3–306[,] OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017; OR

2. § 3–307, § 3–308, § 3–309, § 3–310, § 3–311, or § 3–312 of the Criminal Law Article; or

(ii) an attempt to violate:

1. § 3–305[,] OR § 3–306[,] OF THE CRIMINAL LAW ARTICLE, AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017, AS A PRINCIPAL OR AN AIDER OR ABETTOR; OR

2. § 3–307[,] or § 3–308 of the Criminal Law Article as a principal or an aider or abettor.

(3) “State correctional facility” does not include:

(i) the Patuxent Institution; or

(ii) the Baltimore City Detention Center.

(b) If an inmate is convicted of and sentenced to a term of imprisonment for a sexual offense that was committed while the inmate was serving a sentence in a State or local correctional facility, the sentence for the sexual offense shall run consecutive to the sentence that the inmate was serving at the time of the sexual offense.

(c) (1) If an inmate is convicted of and sentenced to a term of imprisonment for a sexual offense that was committed while the inmate was being held for a bail hearing, arraignment, trial, or sentencing on another charge in a State or local correctional facility and, before the imposition of the sentence for the sexual offense, the inmate was sentenced to a term of imprisonment for the charge for which the inmate was being held at the time of the sexual offense, the sentence imposed for the sexual offense shall run consecutive to the sentence imposed for the charge for which the inmate was being held at the time of the sexual offense.

(2) If an inmate is convicted of and sentenced to a term of imprisonment for a sexual offense that was committed while the inmate was being held for a bail hearing, arraignment, trial, or sentencing on another charge in a State or local correctional facility and, at the time that the sentence for the sexual offense is imposed, the inmate has not been sentenced on the other charge, any sentence of imprisonment eventually imposed for the other charge shall run consecutive to the sentence imposed for the sexual offense.

11–502.

(a) Except as provided in subsections (b) and (c) of this section, an inmate who has been sentenced to a term of imprisonment shall be allowed deductions from the inmate's term of confinement as provided under this subtitle for any period of presentence or postsentence confinement in a local correctional facility.

(b) (1) An inmate who is serving a sentence for a violation of § 3–303[,] OR § 3–304 OF THE CRIMINAL LAW ARTICLE INVOLVING A VICTIM WHO IS A CHILD UNDER THE AGE OF 16, OR AN INMATE WHO IS SERVING A SENTENCE FOR A VIOLATION OF § 3–305[,] or § 3–306 of the Criminal Law Article, AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017, involving a victim who is a child under the age of 16 years, may not be allowed deductions from the inmate's term of confinement as provided under this subtitle for any period of presentence or postsentence confinement in a local correctional facility.

(2) This subsection may not be construed to require an inmate to serve a longer sentence of confinement than is authorized by the statute under which the inmate was convicted.

(c) (1) An inmate who is serving a sentence for a violation of § 3–307 of the Criminal Law Article involving a victim who is a child under the age of 16 years, who has previously been convicted of violating § 3–307 of the Criminal Law Article involving a victim who is a child under the age of 16 years, may not be allowed deductions from the inmate's term of confinement as provided under this subtitle for any period of presentence or postsentence confinement in a local correctional facility.

(2) This subsection may not be construed to require an inmate to serve a longer sentence of confinement than is authorized by the statute under which the inmate was convicted.

Article – Criminal Law

3–303.

(a) A person may not:

(1) **(I)** engage in vaginal intercourse with another by force, or the threat of force, without the consent of the other; **OR**

(II) ENGAGE IN A SEXUAL ACT WITH ANOTHER BY FORCE, OR THE THREAT OF FORCE, WITHOUT THE CONSENT OF THE OTHER; and

(2) (i) employ or display a dangerous weapon, or a physical object that the victim reasonably believes is a dangerous weapon;

(ii) suffocate, strangle, disfigure, or inflict serious physical injury on the victim or another in the course of committing the crime;

(iii) threaten, or place the victim in fear, that the victim, or an individual known to the victim, imminently will be subject to death, suffocation, strangulation, disfigurement, serious physical injury, or kidnapping;

(iv) commit the crime while aided and abetted by another; or

(v) commit the crime in connection with a burglary in the first, second, or third degree.

(b) A person may not violate subsection (a) of this section while also violating § 3-503(a)(2) of this title involving a victim who is a child under the age of 16 years.

(c) A person 18 years of age or older may not violate subsection (a) of this section involving a victim who is a child under the age of 13 years.

(d) (1) Except as provided in paragraphs (2), (3), and (4) of this subsection, a person who violates subsection (a) of this section is guilty of the felony of rape in the first degree and on conviction is subject to imprisonment not exceeding life.

(2) A person who violates subsection (b) of this section is guilty of the felony of rape in the first degree and on conviction is subject to imprisonment not exceeding life without the possibility of parole.

(3) A person who violates subsection (a) or (b) of this section is guilty of the felony of rape in the first degree and on conviction is subject to imprisonment not exceeding life without the possibility of parole if the defendant was previously convicted of violating this section, or § 3-305 of this subtitle **AS IT EXISTED BEFORE OCTOBER 1, 2017**.

(4) (i) Subject to subparagraph (iv) of this paragraph, a person 18 years of age or older who violates subsection (c) of this section is guilty of the felony of rape in the first degree and on conviction is subject to imprisonment for not less than 25 years and not exceeding life without the possibility of parole.

(ii) A court may not suspend any part of the mandatory minimum sentence of 25 years.

(iii) The person is not eligible for parole during the mandatory minimum sentence.

(iv) If the State fails to comply with subsection (e) of this section, the mandatory minimum sentence shall not apply.

(e) If the State intends to seek a sentence of imprisonment for life without the possibility of parole under subsection (d)(2), (3), or (4) of this section, or imprisonment for not less than 25 years under subsection (d)(4) of this section, the State shall notify the person in writing of the State's intention at least 30 days before trial.

3–304.

(a) A person may not engage in vaginal intercourse **OR A SEXUAL ACT** with another:

(1) by force, or the threat of force, without the consent of the other;

(2) if the victim is a substantially cognitively impaired individual, a mentally incapacitated individual, or a physically helpless individual, and the person performing the act knows or reasonably should know that the victim is a substantially cognitively impaired individual, a mentally incapacitated individual, or a physically helpless individual; or

(3) if the victim is under the age of 14 years, and the person performing the act is at least 4 years older than the victim.

(b) A person 18 years of age or older may not violate subsection (a)(1) or (2) of this section involving a child under the age of 13 years.

(c) (1) Except as provided in paragraph (2) of this subsection, a person who violates subsection (a) of this section is guilty of the felony of rape in the second degree and on conviction is subject to imprisonment not exceeding 20 years.

(2) (i) Subject to subparagraph (iv) of this paragraph, a person 18 years of age or older who violates subsection (b) of this section is guilty of the felony of rape in the second degree and on conviction is subject to imprisonment for not less than 15 years and not exceeding life.

(ii) A court may not suspend any part of the mandatory minimum sentence of 15 years.

(iii) The person is not eligible for parole during the mandatory minimum sentence.

(iv) If the State fails to comply with subsection (d) of this section, the mandatory minimum sentence shall not apply.

(d) If the State intends to seek a sentence of imprisonment for not less than 15 years under subsection (c)(2) of this section, the State shall notify the person in writing of the State's intention at least 30 days before trial.

[3-305.

(a) A person may not:

(1) engage in a sexual act with another by force, or the threat of force, without the consent of the other; and

(2) (i) employ or display a dangerous weapon, or a physical object that the victim reasonably believes is a dangerous weapon;

(ii) suffocate, strangle, disfigure, or inflict serious physical injury on the victim or another in the course of committing the crime;

(iii) threaten, or place the victim in fear, that the victim, or an individual known to the victim, imminently will be subject to death, suffocation, strangulation, disfigurement, serious physical injury, or kidnapping;

(iv) commit the crime while aided and abetted by another; or

(v) commit the crime in connection with a burglary in the first, second, or third degree.

(b) A person may not violate subsection (a) of this section while also violating § 3-503(a)(2) of this title involving a victim who is a child under the age of 16 years.

(c) A person 18 years of age or older may not violate subsection (a) of this section involving a victim who is a child under the age of 13 years.

(d) (1) Except as provided in paragraphs (2), (3), and (4) of this subsection, a person who violates subsection (a) of this section is guilty of the felony of sexual offense in the first degree and on conviction is subject to imprisonment not exceeding life.

(2) A person who violates subsection (b) of this section is guilty of the felony of sexual offense in the first degree and on conviction is subject to imprisonment not exceeding life without the possibility of parole.

(3) A person who violates subsection (a) or (b) of this section is guilty of the felony of sexual offense in the first degree and on conviction is subject to imprisonment not exceeding life without the possibility of parole if the defendant was previously convicted of violating this section or § 3-303 of this subtitle.

(4) (i) Subject to subparagraph (iv) of this paragraph, a person 18 years of age or older who violates subsection (c) of this section is guilty of the felony of sexual offense in the first degree and on conviction is subject to imprisonment for not less than 25 years and not exceeding life without the possibility of parole.

(ii) A court may not suspend any part of the mandatory minimum sentence of 25 years.

(iii) The person is not eligible for parole during the mandatory minimum sentence.

(iv) If the State fails to comply with subsection (e) of this section, the mandatory minimum sentence shall not apply.

(e) If the State intends to seek a sentence of imprisonment for life without the possibility of parole under subsection (d)(2), (3), or (4) of this section, or imprisonment for not less than 25 years under subsection (d)(4) of this section, the State shall notify the person in writing of the State's intention at least 30 days before trial.]

[3–306.

(a) A person may not engage in a sexual act with another:

(1) by force, or the threat of force, without the consent of the other;

(2) if the victim is a substantially cognitively impaired individual, a mentally incapacitated individual, or a physically helpless individual, and the person performing the sexual act knows or reasonably should know that the victim is a substantially cognitively impaired individual, a mentally incapacitated individual, or a physically helpless individual; or

(3) if the victim is under the age of 14 years, and the person performing the sexual act is at least 4 years older than the victim.

(b) A person 18 years of age or older may not violate subsection (a)(1) or (2) of this section involving a child under the age of 13 years.

(c) (1) Except as provided in paragraph (2) of this subsection, a person who violates this section is guilty of the felony of sexual offense in the second degree and on conviction is subject to imprisonment not exceeding 20 years.

(2) (i) Subject to subparagraph (iv) of this paragraph, a person 18 years of age or older who violates subsection (b) of this section is guilty of the felony of sexual offense in the second degree and on conviction is subject to imprisonment for not less than 15 years and not exceeding life.

(ii) A court may not suspend any part of the mandatory minimum sentence of 15 years.

(iii) The person is not eligible for parole during the mandatory minimum sentence.

(iv) If the State fails to comply with subsection (d) of this section, the mandatory minimum sentence shall not apply.

(d) If the State intends to seek a sentence of imprisonment for not less than 15 years under subsection (c)(2) of this section, the State shall notify the person in writing of the State's intention at least 30 days before trial.]

3-308.

(d) (1) Except as provided in paragraph (2) of this subsection, a person who violates this section is guilty of the misdemeanor of sexual offense in the fourth degree and on conviction is subject to imprisonment not exceeding 1 year or a fine not exceeding \$1,000 or both.

(2) (i) On conviction of a violation of this section, a person who has been convicted on a prior occasion not arising from the same incident of a violation of §§ 3-303 through **3-310 OF THIS SUBTITLE, § 3-311 OR § 3-312 OF THIS SUBTITLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017, [or] § 3-315** of this subtitle, or § 3-602 of this title is subject to imprisonment not exceeding 3 years or a fine not exceeding \$1,000 or both.

(ii) If the State intends to proceed against a person under subparagraph (i) of this paragraph, it shall comply with the procedures set forth in the Maryland Rules for the indictment and trial of a subsequent offender.

[3-311.

(a) A person may not attempt to commit a sexual offense in the first degree.

(b) A person who violates this section is guilty of a felony and on conviction is subject to imprisonment not exceeding life.]

[3-312.

(a) A person may not attempt to commit a sexual offense in the second degree.

(b) A person who violates this section is guilty of a felony and on conviction is subject to imprisonment not exceeding 20 years.]

3-313.

(a) On conviction of a violation of § 3–304, [~~§ 3–306,~~] § 3–307, **OR** § 3–310[, or § 3–312] of this subtitle, a person who has been convicted on a prior occasion not arising from the same incident of any violation of [~~§§ 3–303 [through 3–306]~~ **OR § 3–304 OF THIS SUBTITLE, OR § 3–305 OR § 3–306** of this subtitle **AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017**, is subject to imprisonment not exceeding life.

(b) If the State intends to proceed against a person under this section, it shall comply with the procedures set forth in the Maryland Rules for the indictment and trial of a subsequent offender.

3–314.

(f) A sentence imposed for violation of this section may be separate from and consecutive to or concurrent with a sentence for another crime under §§ 3–303 through [~~3–312]~~ **3–310 OF THIS SUBTITLE, OR § 3–305, § 3–306, § 3–311, OR § 3–312** of this subtitle **AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017**.

3–315.

(a) A person may not engage in a continuing course of conduct which includes three or more acts that would constitute violations of § 3–303, § 3–304, [~~§ 3–305, § 3–306,~~] or § 3–307 of this subtitle, **OR VIOLATIONS OF § 3–305 OR § 3–306 OF THIS SUBTITLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017**, over a period of 90 days or more, with a victim who is under the age of 14 years at any time during the course of conduct.

(b) (1) A person who violates this section is guilty of a felony and on conviction is subject to imprisonment not exceeding 30 years.

(2) A sentence imposed under this section may be separate from and consecutive to or concurrent with a sentence under § 3–602 of this title.

(c) In determining whether the required number of acts occurred in violation of this section, the trier of fact:

- (1) must determine only that the required number of acts occurred; and
- (2) need not determine which acts constitute the required number of acts.

(d) (1) A person may not be charged with a violation of § 3–303, § 3–304, [~~§ 3–305, § 3–306,~~] or § 3–307 of this subtitle involving the same victim in the same proceeding as a violation of this section unless the other violation charged occurred outside the time period charged under this section.

(2) A person may not be charged with a violation of § 3–303, § 3–304, [§ 3–305, § 3–306,] or § 3–307 of this subtitle involving the same victim unless the violation charged occurred outside the time period charged under this section.

3–316.

If a person is transported with the intent to violate a provision of §§ 3–303 through [3–312] **3–310**, § 3–314, or § 3–315 of this subtitle, and the intent is followed by actual violation of a provision of §§ 3–303 through [3–312] **3–310**, § 3–314, or § 3–315 of this subtitle, the defendant may be tried in the appropriate court in a county where the transportation was offered, solicited, begun, continued, or ended.

3–317.

(a) An indictment, information, or warrant for a crime under §§ 3–303 through [3–312] **3–310** or § 3–314 of this subtitle is sufficient if it substantially states:

“(name of defendant) on (date) in (county) committed a rape or sexual offense on (name of victim) in violation of (section violated) against the peace, government, and dignity of the State.”.

(b) In a case in which the general form of indictment, information, or warrant described in subsection (a) of this section is used, the defendant is entitled to a bill of particulars specifically setting forth the allegations against the defendant.

3–320.

In a criminal prosecution under §§ 3–303 through [3–312] **3–310**, § 3–314, or § 3–315 of this subtitle, a judge may not instruct the jury:

(1) to examine the testimony of the prosecuting witness with caution, solely because of the nature of the charge;

(2) that the charge is easily made or difficult to disprove, solely because of the nature of the charge; or

(3) to follow another similar instruction, solely because of the nature of the charge.

Article – Criminal Procedure

6–220.

(d) Notwithstanding subsections (b) and (c) of this section, a court may not stay the entering of judgment and place a defendant on probation for:

(3) a violation of any of the provisions of §§ 3–303 through 3–307, §§ 3–309 through [3–312] **3–310**, § 3–315, or § 3–602 of the Criminal Law Article for a crime involving a person under the age of 16 years; or

6–222.

(a) A circuit court or the District Court may:

(1) impose a sentence for a specified time and provide that a lesser time be served in confinement;

(2) suspend the remainder of the sentence; and

(3) (i) order probation for a time longer than the sentence but, subject to subsections (b) and (c) of this section, not longer than:

1. 5 years if the probation is ordered by a circuit court; or

2. 3 years if the probation is ordered by the District Court; or

(ii) if a defendant convicted of sexual abuse of a minor under § 3–602 of the Criminal Law Article [or], a crime involving a minor under § 3–303, § 3–304, [§ 3–305, § 3–306,] or § 3–307 of the Criminal Law Article, **OR A CRIME INVOLVING A MINOR UNDER § 3–305 OR § 3–306 OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017**, consents in writing, order probation for a time longer than the sentence that was imposed on the defendant, but not longer than:

1. 10 years if the probation is ordered by a circuit court; or

2. 6 years if the probation is ordered by the District Court.

11–304.

(b) Subject to subsections (c), (d), and (e) of this section, the court may admit into evidence in a juvenile court proceeding or in a criminal proceeding an out of court statement to prove the truth of the matter asserted in the statement made by a child victim who:

(1) is under the age of 13 years; and

(2) is the alleged victim or the child alleged to need assistance in the case before the court concerning:

(i) child abuse under § 3–601 or § 3–602 of the Criminal Law Article;

(ii) rape or sexual offense under §§ 3–303 through 3–307 of the Criminal Law Article;

(iii) attempted rape [or attempted sexual offense] in the first degree or in the second degree under §§ 3–309 [through 3–312] **AND 3–310** of the Criminal Law Article; or

(iv) in a juvenile court proceeding, abuse or neglect as defined in § 5–701 of the Family Law Article.

11–701.

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

(j) “Sexually violent offense” means:

(1) a violation of [§]§ 3–303 [through 3–307 or §§ 3–309 through 3–312], **§ 3–304, § 3–309, OR § 3–310** of the Criminal Law Article, **OR § 3–305, § 3–306, § 3–311, OR § 3–312 OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017;**

(2) assault with intent to commit rape in the first or second degree or a sexual offense in the first or second degree as prohibited on or before September 30, 1996, under former Article 27, § 12 of the Code; or

(3) a crime committed in another jurisdiction, federal or military court, or foreign country that, if committed in this State, would constitute one of the crimes listed in item (1) or (2) of this subsection.

(q) “Tier III sex offender” means a person who has been convicted of:

(1) conspiring to commit, attempting to commit, or committing a violation of:

(i) § 2–201(a)(4)(viii), (x), or (xi) of the Criminal Law Article;

(ii) § 3–303, § 3–304, [§ 3–305, § 3–306,] § 3–307(a)(1) or (2), § 3–309, § 3–310, § 3–311, § 3–312, § 3–315, § 3–323, or § 3–602 of the Criminal Law Article;

(iii) § 3–502 of the Criminal Law Article, if the victim is a minor;

(iv) § 3–502 of the Criminal Law Article, if the victim is an adult, and the person has been ordered by the court to register under this subtitle; [or]

(v) the common law offense of sodomy or § 3–322 of the Criminal Law Article if the offense was committed with force or threat of force; **OR**

(VI) § 3–305 OR § 3–306 OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017;

(2) conspiring to commit, attempting to commit, or committing a violation of § 3–307(a)(3), § 3–314, § 3–503, or § 3–603 of the Criminal Law Article, if the victim is under the age of 14 years;

(3) conspiring to commit, attempting to commit, or committing the common law offense of false imprisonment, if the victim is a minor;

(4) conspiring to commit, attempting to commit, or committing an offense that would require the person to register as a tier I or tier II sex offender after the person was already registered as a tier II sex offender;

(5) a crime committed in a federal, military, tribal, or other jurisdiction that, if committed in this State, would constitute one of the crimes listed in items (1) through (3) of this subsection; or

(6) a crime in a court of Canada, Great Britain, Australia, New Zealand, or any other foreign country where the United States Department of State has determined in its Country Reports on Human Rights Practices that an independent judiciary generally or vigorously enforced the right to a fair trial during the year in which the conviction occurred that, if the crime were committed in this State, would constitute one of the crimes listed in items (1) through (3) of this subsection.

11–704.

(c) (1) A person who has been adjudicated delinquent for an act that, if committed by an adult, would constitute a violation of § 3–303[,] OR § 3–304[, § 3–305, or § 3–306] of the Criminal Law Article, **§ 3–305 OR § 3–306 OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017**, or § 3–307(a)(1) or (2) or § 3–308(b)(1) of the Criminal Law Article involving conduct described in § 3–301(e)(2) of the Criminal Law Article, shall register with the person’s supervising authority if:

(i) the person was a minor who was at least 13 years old at the time the delinquent act was committed;

(ii) the State’s Attorney or the Department of Juvenile Services requests that the person be required to register;

(iii) 90 days prior to the time the juvenile court’s jurisdiction over the person terminates under § 3–8A–07 of the Courts Article, the court, after a hearing, determines under a clear and convincing evidence standard that the person is at significant risk of committing a sexually violent offense or an offense for which registration as a tier II sex offender or tier III sex offender is required; and

(iv) the person is at least 18 years old.

(2) If the person has committed a delinquent act that would cause the court to make a determination regarding registration under paragraph (1) of this subsection:

(i) the State's Attorney shall serve written notice to the person or the person's counsel at least 30 days before a hearing to determine if the person is required to register under this section; and

(ii) the Department of Juvenile Services shall:

1. provide the court with any information necessary to make the determination; and

2. conduct any follow-up the court requires.

(3) The form of petitions and all other pleadings under this subsection and, except as otherwise provided under Title 3 of the Courts and Judicial Proceedings Article, the procedures to be followed by the court under this subsection shall be specified in the Maryland Rules.

(4) The court may order an evaluation of the person in making the determination under paragraph (1) of this subsection.

11-704.1.

(a) In this section, "juvenile registrant" means a person who is required to be included in the registry of juvenile sex offenders under subsection (b) of this section.

(b) A person shall be included in a registry of juvenile sex offenders that is maintained by the Department separately from the sex offender registry if:

(1) the person has been adjudicated delinquent for an act that, if committed by an adult[,]:

(I) would constitute a violation of § 3-303, § 3-304, [§ 3-305, § 3-306(a)(1) or (2),] or § 3-307(a)(1) or (2) of the Criminal Law Article; OR

(II) WOULD CONSTITUTE A VIOLATION OF § 3-305 OR § 3-306(A)(1) OR (2) OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017; and

(2) the person was a minor who was at least 14 years old at the time the delinquent act was committed.

(c) The registry of juvenile sex offenders shall be accessible only by law enforcement personnel for law enforcement purposes.

(d) When the juvenile court's jurisdiction over a juvenile registrant terminates under § 3–8A–07 of the Courts Article, the juvenile registrant shall be removed from the registry.

(e) A juvenile registrant shall appear in person at a location designated by the Department of Juvenile Services every 3 months to:

(1) update and verify with the Department of Juvenile Services the information included in the registry of juvenile sex offenders under this section; and

(2) allow the Department of Juvenile Services to take a digital image of the juvenile registrant.

11–723.

(a) Except where a term of natural life without the possibility of parole is imposed, a sentence for the following persons shall include a term of lifetime sexual offender supervision:

(1) a person who is a sexually violent predator;

(2) a person who has been convicted of a violation of:

(I) § 3–303[,] OR § 3–304[, § 3–305, or § 3–306(a)(1) or (2)] of the Criminal Law Article; OR

(II) § 3–305 OR § 3–306(A)(1) OR (2) OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017;

(3) a person who has been convicted of a violation of § 3–309[,] OR § 3–310 OF THE CRIMINAL LAW ARTICLE, [or] § 3–311 of the Criminal Law Article AS THE SECTION EXISTED BEFORE OCTOBER 1, 2017, or an attempt to commit a violation of § 3–306(a)(1) or (2) of the Criminal Law Article AS THE SECTION EXISTED BEFORE OCTOBER 1, 2017;

(4) a person who has been convicted of a violation of § 3–602 of the Criminal Law Article involving a child under the age of 12 years;

(5) a person who is required to register under § 11–704(c) of this subtitle;
and

(6) a person who has been convicted more than once arising out of separate incidents of a crime that requires registration under this subtitle.

11-922.

In this part, “sexual assault” means rape or a sexual offense in any degree that is specified in §§ 3-303 through [3-312] **3-310**, § 3-314, or § 3-315 of the Criminal Law Article.

Article – Family Law

4-506.

(k) (1) Notwithstanding any other provision of this section, the court shall issue a new final protective order against an individual if:

(i) the individual was previously a respondent under this subtitle against whom a final protective order was issued;

(ii) for the act of abuse that led to the issuance of the final protective order, the individual was convicted and sentenced to serve a term of imprisonment of at least 5 years under § 2-205, § 2-206, § 3-202, § 3-203, § 3-303, § 3-304, [~~§ 3-305, § 3-306,~~] § 3-309, **OR** § 3-310[, § 3-311, or § 3-312] of the Criminal Law Article, **§ 3-305, § 3-306, § 3-311, OR § 3-312 OF THE CRIMINAL LAW ARTICLE AS THE SECTIONS EXISTED BEFORE OCTOBER 1, 2017**, or for conspiracy or solicitation to commit murder and the individual has served at least 12 months of the sentence; and

(iii) the victim of the abuse who was the person eligible for relief in the original final protective order requests the issuance of a new final protective order.

(2) In a final protective order issued under this subsection, the court may grant only the relief that was granted in the original protective order under subsection (d)(1) or (2) of this section.

(3) Unless terminated at the request of the victim, a final protective order issued under this subsection shall be permanent.

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

Approved by the Governor, April 18, 2017.

Chapter 163

(House Bill 429)

AN ACT concerning

Criminal Law – Sexual Offenses – Physical Resistance

FOR the purpose of establishing that evidence of physical resistance by a certain victim is not required to prove that a certain sexual crime was committed; establishing that a certain provision of this Act may not be construed to affect the admissibility of evidence of actual physical resistance by a certain victim; ~~altering certain definitions;~~ and generally relating to sexual offenses.

~~BY repealing and reenacting, with amendments,
Article – Criminal Law
Section 3–301
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)~~

BY adding to
Article – Criminal Law
Section 3–319.1
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Criminal Law

~~3–301.~~

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

~~(b) “Mentally incapacitated individual” means an individual who, because of the influence of a drug, narcotic, or intoxicating substance, or because of an act committed on the individual without the individual’s consent or awareness, is rendered substantially incapable of:~~

~~(1) appraising the nature of the individual’s conduct; or~~

~~(2) [resisting] COMMUNICATING ABOUT vaginal intercourse, a sexual act, or sexual contact.~~

~~(c) “Physically helpless individual” means an individual who:~~

~~(1) is unconscious; or~~

~~(2) (i) does not consent to vaginal intercourse, a sexual act, or sexual contact; and~~

~~(ii) is physically unable to [resist, or communicate unwillingness to submit to,] COMMUNICATE ABOUT vaginal intercourse, a sexual act, or sexual contact.~~

~~(d) (1) "Sexual act" means any of the following acts, regardless of whether semen is emitted:~~

~~(i) analingus;~~

~~(ii) cunnilingus;~~

~~(iii) fellatio;~~

~~(iv) anal intercourse, including penetration, however slight, of the anus; or~~

~~(v) an act:~~

~~1. in which an object or part of an individual's body penetrates, however slightly, into another individual's genital opening or anus; and~~

~~2. that can reasonably be construed to be for sexual arousal or gratification, or for the abuse of either party.~~

~~(2) "Sexual act" does not include:~~

~~(i) vaginal intercourse; or~~

~~(ii) an act in which an object or part of an individual's body penetrates an individual's genital opening or anus for an accepted medical purpose.~~

~~(e) (1) "Sexual contact", as used in §§ 3-307, 3-308, and 3-314 of this subtitle, means an intentional touching of the victim's or actor's genital, anal, or other intimate area for sexual arousal or gratification, or for the abuse of either party.~~

~~(2) "Sexual contact" does not include:~~

~~(i) a common expression of familial or friendly affection; or~~

~~(ii) an act for an accepted medical purpose.~~

~~(f) "Substantially cognitively impaired individual" means an individual who suffers from an intellectual disability or a mental disorder, either of which temporarily or permanently renders the individual substantially incapable of:~~

~~(1) appraising the nature of the individual's conduct; OR~~

- (2) ~~[resisting vaginal intercourse, a sexual act, or sexual contact; or~~
- (3) ~~communicating unwillingness to submit to]~~ **COMMUNICATING ABOUT vaginal intercourse, a sexual act, or sexual contact.**
- (g) (1) ~~“Vaginal intercourse” means genital copulation, whether or not semen is emitted.~~
- (2) ~~“Vaginal intercourse” includes penetration, however slight, of the vagina.~~

3-319.1.

(A) **EVIDENCE OF PHYSICAL RESISTANCE BY THE VICTIM IS NOT REQUIRED TO PROVE THAT A CRIME UNDER THIS SUBTITLE WAS COMMITTED.**

(B) **THE PROVISIONS OF SUBSECTION (A) OF THIS SECTION MAY NOT BE CONSTRUED TO AFFECT THE ADMISSIBILITY OF EVIDENCE OF ACTUAL PHYSICAL RESISTANCE BY THE VICTIM.**

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

Approved by the Governor, April 18, 2017.

Chapter 164

(Senate Bill 1017)

AN ACT concerning

State Government – Human Trafficking Advisory Council – Establishment Workgroup to Study Safe Harbor Policy for Youth Victims of Human Trafficking – Sunset Extension

FOR the purpose of ~~establishing the Maryland Human Trafficking Advisory Council to serve as a nongovernmental advisory body to certain bodies regarding human trafficking in the State and outside the State; providing for the duties of the Council; providing for the composition, chair, staffing, and terms of the membership on the Council; requiring the Council to meet at certain times; requiring the Council to submit a certain report on or before certain dates; prohibiting a member of the Council from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Governor to appoint the initial members of the Council within a certain time period; providing for the termination of this Act; and~~

~~generally relating to the Human Trafficking Advisory Council extending the termination date for the Workgroup to Study Safe Harbor Policy for Youth Victims of Human Trafficking; requiring the Workgroup to submit certain supplemental reports on or before certain dates; and generally relating to the Workgroup to Study Safe Harbor Policy for Youth Victims of Human Trafficking.~~

~~BY adding to~~

~~Article — State Government
Section 9-3213
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)~~

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

~~Chapter 91 of the Acts of the General Assembly of 2015, as amended by Chapter 80
of the Acts of the General Assembly of 2016
Section 1 and 2~~

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

~~Article — State Government~~

~~9-3213.~~

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

~~(2) “COUNCIL” MEANS THE MARYLAND HUMAN TRAFFICKING ADVISORY COUNCIL.~~

~~(3) “GOCCP” MEANS THE GOVERNOR’S OFFICE OF CRIME CONTROL AND PREVENTION.~~

~~(4) “TASK FORCE” MEANS THE MARYLAND HUMAN TRAFFICKING TASK FORCE.~~

~~(B) (1) THERE IS A MARYLAND HUMAN TRAFFICKING ADVISORY COUNCIL.~~

~~(2) THE COUNCIL SHALL PROVIDE ADVICE AND RECOMMENDATIONS TO THE GOCCP, THE TASK FORCE, AND THE GENERAL ASSEMBLY.~~

~~(C) (1) THE COUNCIL CONSISTS OF BETWEEN 8 AND 14 SURVIVORS OF HUMAN TRAFFICKING.~~

~~(2) (i) TO THE EXTENT PRACTICABLE, MEMBERS APPOINTED TO THE COUNCIL SHALL HAVE DIRECT EXPERIENCE WITH ISSUES OF TRAFFICKING IN THE STATE EITHER THROUGH PERSONAL EXPERIENCE OR THROUGH WORKING WITH SURVIVORS IN THE STATE.~~

~~(ii) MEMBERS APPOINTED TO THE COUNCIL SHALL REFLECT THE GEOGRAPHIC, RACIAL, ETHNIC, CULTURAL, AND GENDER DIVERSITY OF SURVIVORS OF TRAFFICKING IN THE STATE.~~

~~(iii) MEMBERS OF THE COUNCIL SHALL INCLUDE:~~

~~1. SURVIVORS OF SEX TRAFFICKING;~~

~~2. SURVIVORS OF LABOR TRAFFICKING;~~

~~3. SURVIVORS WHO WERE TRAFFICKED AS CHILDREN;~~

~~AND~~

~~4. SURVIVORS WHO WERE TRAFFICKED AS ADULTS.~~

~~(3) THE CHAIR OF THE VICTIM SERVICES COMMITTEE OF THE TASK FORCE, OR THE CHAIR'S DESIGNEE, SHALL CHAIR THE COUNCIL.~~

~~(d) COUNCIL MEMBERS SHALL SERVE FOR TERMS OF 2 YEARS AND MAY BE REAPPOINTED BY THE GOVERNOR TO SERVE ADDITIONAL 2-YEAR TERMS.~~

~~(e) THE COUNCIL SHALL:~~

~~(1) SERVE AS A NONGOVERNMENTAL ADVISORY BODY TO THE GOCCP, THE TASK FORCE, THE GENERAL ASSEMBLY, AND OTHER STATE, COUNTY, OR LOCAL BODIES AS NEEDED;~~

~~(2) MEET AT LEAST ONCE ANNUALLY TO REVIEW STATE GOVERNMENT POLICY AND PROGRAMS INTENDED TO COMBAT HUMAN TRAFFICKING, INCLUDING PROGRAMS RELATED TO THE PROVISIONS OF SERVICES FOR VICTIMS, AS WELL AS TO SERVE AS A POINT OF CONTACT FOR STATE AND LOCAL AGENCIES REACHING OUT TO HUMAN TRAFFICKING EXPERTS FOR INPUT ON PROGRAMMING AND POLICIES RELATING TO HUMAN TRAFFICKING IN THE STATE AND OUTSIDE THE STATE;~~

~~(3) MEET NO LATER THAN 45 DAYS BEFORE THE LAST MEETING OF THE YEAR OF THE TASK FORCE STEERING COMMITTEE TO PREPARE FORMAL PRESENTATION OF COUNCIL RECOMMENDATIONS TO THE TASK FORCE;~~

~~(4) SERVE AS A RESOURCE TO STATE, COUNTY, AND LOCAL ENTITIES FOR VETTING AND PROVIDING INSIGHT ON POLICY OR PROGRAMS RELATED TO HUMAN TRAFFICKING; AND~~

~~(5) FORMULATE ASSESSMENTS AND RECOMMENDATIONS TO ENSURE THAT STATE POLICY AND PROGRAMMING EFFORTS CONFORM, TO THE EXTENT PRACTICABLE, TO BEST PRACTICES IN THE FIELD OF HUMAN TRAFFICKING PREVENTION.~~

~~(F) ON OR BEFORE NOVEMBER 1, 2017, AND EVERY ODD-NUMBERED YEAR THEREAFTER, THE COUNCIL SHALL SUBMIT A REPORT THAT CONTAINS THE FINDINGS DERIVED FROM ANY REVIEWS CONDUCTED UNDER SUBSECTION (E) OF THIS SECTION TO THE GOCCP, THE CHAIR OF THE TASK FORCE, AND, IN ACCORDANCE WITH § 2-1246 OF THIS ARTICLE, THE GENERAL ASSEMBLY.~~

~~(G) A MEMBER OF THE COUNCIL:~~

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

~~(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.~~

~~(H) (1) THE CHILD SEX TRAFFICKING VICTIMS INITIATIVE AT THE UNIVERSITY OF MARYLAND SCHOOL OF SOCIAL WORK SHALL PROVIDE STAFF SUPPORT FOR THE COUNCIL.~~

~~(2) THE CHILD SEX TRAFFICKING VICTIMS INITIATIVE MAY REQUEST STAFFING ASSISTANCE FROM THE GOCCP.~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That, on or before 180 days after the enactment of this Act, the Governor shall appoint the initial members of the Council.~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017. It shall remain effective for a period of 6 years and 1 month and, at the end of June 30, 2023, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.~~

Chapter 91 of the Acts of 2015, as amended by Chapter 80 of the Acts of 2016

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

That:

(a) There is a Workgroup to Study Safe Harbor Policy for Youth Victims of Human Trafficking.

(b) The purpose of the Workgroup is to study:

- (1) legal protections for youth victims of human trafficking; and
- (2) the provision of services for youth victims of human trafficking.

(c) 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 Human Resources, or the Secretary's designee;
- (4) the Secretary of Juvenile Services, or the Secretary's designee;
- (5) the Secretary of Health and Mental Hygiene, or the Secretary's designee;
- (6) the State Superintendent of Schools, or the Superintendent's designee;
- (7) the Secretary of State Police, or the Secretary's designee;
- (8) the Secretary of State, or the Secretary's designee;
- (9) one representative from the Office of the Public Defender, Juvenile Division, appointed by the Public Defender; and
- (10) the following members, appointed by the Governor:
 - (i) one representative of the Maryland Coalition Against Sexual Assault;
 - (ii) one representative of the Governor's Office for Children;
 - (iii) one representative of the Governor's Office of Crime Control and Prevention;
 - (iv) one representative of the Maryland State's Attorneys' Association;
 - (v) one representative of a local law enforcement agency;

(vi) one representative of the National Center for Missing and Exploited Children;

(vii) one representative of Turnaround, Inc.;

(viii) one educator who works in a student service capacity and who is nominated by the Maryland State Education Association;

(ix) two representatives of the Maryland Human Trafficking Task Force;

(x) two representatives of national organizations that support victims of human trafficking; and

(xi) two survivors of human trafficking.

(d) The Governor shall designate the chair of the Workgroup.

(e) The Governor's Office of Crime Control and Prevention 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) compile existing information on and identify the needs of youth victims of human trafficking and identify the public and private sector programs and resources currently available to meet those needs;

(2) identify gaps in public and private sector programs and resources currently available to meet the needs of youth victims of human trafficking;

(3) collect and compile data on the number of youth victims of human trafficking in the State, including the number of youth victims in each jurisdiction of the State;

(4) evaluate current State safe harbor policies and legal protections for youth victims of human trafficking; and

(5) make recommendations regarding:

(i) legislation and policy initiatives to address the provision of services and legal protections for youth victims of human trafficking in the State;

(ii) the collection of data to identify youth victims of human trafficking in the State;

(iii) funding requirements and budgetary priorities to address the needs of youth victims of human trafficking in the State; and

(iv) any other relevant issues or considerations identified by the Workgroup.

(h) (1) On or before December 1, 2015, 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.

(2) On or before December 1, 2016, the Workgroup shall submit a supplemental report on its findings and recommendations to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.

(3) ON OR BEFORE DECEMBER 1, 2017, THE WORKGROUP SHALL SUBMIT A SUPPLEMENTAL REPORT ON ITS FINDINGS AND RECOMMENDATIONS TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

(4) ON OR BEFORE DECEMBER 1, 2018, THE WORKGROUP SHALL SUBMIT A SUPPLEMENTAL REPORT ON 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, 2015. It shall remain effective for a period of [2 years] 4 YEARS and 1 month and, at the end of June 30, [2017] 2019, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

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

Approved by the Governor, April 18, 2017.

AN ACT concerning

**Disclosure of Medical Records – Guardian Ad Litem – Victims of Crime or
Delinquent Acts**

FOR the purpose of requiring a health care provider to disclose a medical record without certain authorization to a guardian ad litem appointed by a court to protect certain interests of a minor or a disabled or elderly individual who is a victim of a crime or certain act, for a certain purpose and use; authorizing a certain guardian ad litem to redisclose a certain record under certain circumstances; prohibiting a health care provider from charging a certain fee to a certain guardian ad litem; and generally relating to the disclosure and redisclosure of medical records.

BY repealing and reenacting, with amendments,
Article – Health – General
Section 4–302(d), 4–304(c)(5), and 4–306(b)(10) and (11)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY adding to
Article – Health – General
Section 4–306(b)(12)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – Health – General

4–302.

(d) A person to whom a medical record is disclosed may not redisclose the medical record to any other person unless [the]:

(1) THE redisclosure is:

[(1)] **(I)** Authorized by the person in interest;

[(2)] **(II)** Otherwise permitted by this subtitle;

[(3)] **(III)** Permitted under § 1–202(b) or (c) of the Human Services Article;

or

[(4)] **(IV)** Directory information; **OR**

(2) (I) THE PERSON TO WHOM THE MEDICAL RECORD WAS DISCLOSED IS A GUARDIAN AD LITEM WHO RECEIVED THE MEDICAL RECORD IN ACCORDANCE WITH § 4–306(B)(12) OF THIS SUBTITLE;

(II) A REASONABLE EFFORT TO SECURE A QUALIFIED PROTECTIVE ORDER HAS BEEN MADE IN ACCORDANCE WITH 42 C.F.R. § 164.512(E)(1)(V); AND

(III) THE GUARDIAN AD LITEM DETERMINES THAT IT IS NECESSARY TO REDISCLOSE THE MEDICAL RECORD TO CARRY OUT THE GUARDIAN AD LITEM’S OFFICIAL FUNCTION TO PROTECT THE BEST INTERESTS OF A MINOR OR A DISABLED OR ELDERLY INDIVIDUAL IN A CRIMINAL OR JUVENILE DELINQUENCY COURT PROCEEDING.

4–304.

(c) (5) (i) Except as provided in subparagraph (ii) of this paragraph, a health care provider may charge a fee, as authorized under paragraphs (3) and (4) of this subsection, for the retrieval, copying, preparation, mailing, and actual cost of postage and handling of a medical record disclosed under § 4–306 of this subtitle.

(ii) If a government unit or agency **OR COURT-APPOINTED GUARDIAN AD LITEM IN A CRIMINAL OR JUVENILE DELINQUENCY COURT PROCEEDING** makes a request for the disclosure of a medical record under § 4–306 of this subtitle, a health care provider may not charge the government unit or agency **OR COURT-APPOINTED GUARDIAN AD LITEM** a fee for the retrieval, copying, preparation, mailing, and actual cost of postage and handling of the medical record.

4–306.

(b) A health care provider shall disclose a medical record without the authorization of a person in interest:

(10) To a local domestic violence fatality review team established under Title 4, Subtitle 7 of the Family Law Article as necessary to carry out its official functions; **[or]**

(11) To a local drug overdose fatality review team established under Title 5, Subtitle 9 of this article as necessary to carry out its official functions, subject to:

(i) The additional limitations under § 4–307 of this subtitle for disclosure of a medical record developed primarily in connection with the provision of mental health services; and

(ii) Any additional limitations for disclosure or redisclosure of a medical record developed in connection with the provision of substance abuse treatment services under State law or 42 U.S.C. § 290DD–2 and 42 C.F.R. Part 2; **OR**

(12) TO A GUARDIAN AD LITEM APPOINTED BY A COURT TO PROTECT THE BEST INTERESTS OF A MINOR OR A DISABLED OR ELDERLY INDIVIDUAL WHO IS A VICTIM OF A CRIME OR A DELINQUENT ACT, FOR THE SOLE PURPOSE AND USE OF THE GUARDIAN AD LITEM IN CARRYING OUT THE GUARDIAN AD LITEM’S OFFICIAL FUNCTION TO PROTECT THE BEST INTERESTS OF THE MINOR OR THE DISABLED OR ELDERLY INDIVIDUAL IN A CRIMINAL OR JUVENILE DELINQUENCY COURT PROCEEDING AS PERMITTED UNDER 42 C.F.R. § 164.512(E).

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

Approved by the Governor, April 18, 2017.

Chapter 166

(House Bill 233)

AN ACT concerning

Disclosure of Medical Records – Guardian Ad Litem – Victims of Crime or Delinquent Acts

FOR the purpose of requiring a health care provider to disclose a medical record without certain authorization to a guardian ad litem appointed by a court to protect certain interests of a minor or a disabled or elderly individual who is a victim of a crime or certain act, for a certain purpose and use; authorizing a certain guardian ad litem to redisclose a certain record under certain circumstances; prohibiting a health care provider from charging a certain fee to a certain guardian ad litem; and generally relating to the disclosure and redisclosure of medical records.

BY repealing and reenacting, with amendments,

Article – Health – General

Section 4–302(d), 4–304(c)(5), and 4–306(b)(10) and (11)

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY adding to

Article – Health – General

Section 4–306(b)(12)

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

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

Article – Health – General

4–302.

(d) A person to whom a medical record is disclosed may not redisclose the medical record to any other person unless [the]:

(1) THE redisclosure is:

[(1)] (I) Authorized by the person in interest;

[(2)] (II) Otherwise permitted by this subtitle;

[(3)] (III) Permitted under § 1–202(b) or (c) of the Human Services Article;

or

[(4)] (IV) Directory information; **OR**

(2) (I) THE PERSON TO WHOM THE MEDICAL RECORD WAS DISCLOSED IS A GUARDIAN AD LITEM WHO RECEIVED THE MEDICAL RECORD IN ACCORDANCE WITH § 4–306(B)(12) OF THIS SUBTITLE;

(II) A REASONABLE EFFORT TO SECURE A QUALIFIED PROTECTIVE ORDER HAS BEEN MADE IN ACCORDANCE WITH 42 C.F.R. § 164.512(E)(1)(V); AND

(III) THE GUARDIAN AD LITEM DETERMINES THAT IT IS NECESSARY TO REDISCLOSE THE MEDICAL RECORD TO CARRY OUT THE GUARDIAN AD LITEM’S OFFICIAL FUNCTION TO PROTECT THE BEST INTERESTS OF A MINOR OR A DISABLED OR ELDERLY INDIVIDUAL IN A CRIMINAL OR JUVENILE DELINQUENCY COURT PROCEEDING.

4–304.

(c) (5) (i) Except as provided in subparagraph (ii) of this paragraph, a health care provider may charge a fee, as authorized under paragraphs (3) and (4) of this subsection, for the retrieval, copying, preparation, mailing, and actual cost of postage and handling of a medical record disclosed under § 4–306 of this subtitle.

(ii) If a government unit or agency **OR COURT-APPOINTED GUARDIAN AD LITEM IN A CRIMINAL OR JUVENILE DELINQUENCY COURT PROCEEDING** makes a request for the disclosure of a medical record under § 4-306 of this subtitle, a health care provider may not charge the government unit or agency **OR COURT-APPOINTED GUARDIAN AD LITEM** a fee for the retrieval, copying, preparation, mailing, and actual cost of postage and handling of the medical record.

4-306.

(b) A health care provider shall disclose a medical record without the authorization of a person in interest:

(10) To a local domestic violence fatality review team established under Title 4, Subtitle 7 of the Family Law Article as necessary to carry out its official functions; [or]

(11) To a local drug overdose fatality review team established under Title 5, Subtitle 9 of this article as necessary to carry out its official functions, subject to:

(i) The additional limitations under § 4-307 of this subtitle for disclosure of a medical record developed primarily in connection with the provision of mental health services; and

(ii) Any additional limitations for disclosure or redisclosure of a medical record developed in connection with the provision of substance abuse treatment services under State law or 42 U.S.C. § 290DD-2 and 42 C.F.R. Part 2; **OR**

(12) TO A GUARDIAN AD LITEM APPOINTED BY A COURT TO PROTECT THE BEST INTERESTS OF A MINOR OR A DISABLED OR ELDERLY INDIVIDUAL WHO IS A VICTIM OF A CRIME OR A DELINQUENT ACT, FOR THE SOLE PURPOSE AND USE OF THE GUARDIAN AD LITEM IN CARRYING OUT THE GUARDIAN AD LITEM'S OFFICIAL FUNCTION TO PROTECT THE BEST INTERESTS OF THE MINOR OR THE DISABLED OR ELDERLY INDIVIDUAL IN A CRIMINAL OR JUVENILE DELINQUENCY COURT PROCEEDING AS PERMITTED UNDER 42 C.F.R. § 164.512(E).

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

Approved by the Governor, April 18, 2017.

Chapter 167

(Senate Bill 229)

AN ACT concerning

**Criminal Law – Homicide by Motor Vehicle or Vessel While Impaired by
Controlled Dangerous Substance – Penalties**

FOR the purpose of altering penalties for the crime of homicide by motor vehicle or vessel while impaired by a controlled dangerous substance; and generally relating to homicide.

BY repealing and reenacting, with amendments,
Article – Criminal Law
Section 2–506
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Criminal Law

2–506.

(a) A person may not cause the death of another as a result of the person's negligently driving, operating, or controlling a motor vehicle or vessel while the person is impaired by a controlled dangerous substance, as defined in § 5–101 of this article.

(b) A violation of this section is homicide by motor vehicle or vessel while impaired by a controlled dangerous substance.

(c) (1) Except as provided in paragraph (2) of this subsection, a person who violates this section is guilty of a felony and on conviction is subject to imprisonment not exceeding [3] 5 years or a fine not exceeding \$5,000 or both.

(2) (i) A person who violates this section, having previously been convicted under this section, § 2–209, § 2–210, § 2–503, § 2–504, § 2–505, or § 3–211 of this article, or § 21–902 of the Transportation Article, is guilty of a felony and on conviction is subject to imprisonment not exceeding [5] 10 years or a fine not exceeding \$10,000 or both.

(ii) For the purposes of application of subsequent offender penalties under subparagraph (i) of this paragraph, a conviction for a crime committed in another state or federal jurisdiction that, if committed in this State would constitute a violation of this section, § 2–209, § 2–210, § 2–503, § 2–504, § 2–505, or § 3–211 of this article, or § 21–902 of the Transportation Article, shall be considered a violation of this section.

(d) This section does not apply to a person who is entitled to use the controlled dangerous substance under the laws of this State.

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

Approved by the Governor, April 18, 2017.

Chapter 168

(House Bill 635)

AN ACT concerning

Criminal Law – Homicide by Motor Vehicle or Vessel While Impaired by a Controlled Dangerous Substance – Penalties

FOR the purpose of altering penalties for the crime of homicide by motor vehicle or vessel while impaired by a controlled dangerous substance; and generally relating to homicide.

BY repealing and reenacting, with amendments,
Article – Criminal Law
Section 2–506
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Criminal Law

2–506.

(a) A person may not cause the death of another as a result of the person's negligently driving, operating, or controlling a motor vehicle or vessel while the person is impaired by a controlled dangerous substance, as defined in § 5–101 of this article.

(b) A violation of this section is homicide by motor vehicle or vessel while impaired by a controlled dangerous substance.

(c) (1) Except as provided in paragraph (2) of this subsection, a person who violates this section is guilty of a felony and on conviction is subject to imprisonment not exceeding [3] 5 years or a fine not exceeding \$5,000 or both.

(2) (i) A person who violates this section, having previously been convicted under this section, § 2–209, § 2–210, § 2–503, § 2–504, § 2–505, or § 3–211 of this

article, or § 21–902 of the Transportation Article, is guilty of a felony and on conviction is subject to imprisonment not exceeding [5] 10 years or a fine not exceeding \$10,000 or both.

(ii) For the purposes of application of subsequent offender penalties under subparagraph (i) of this paragraph, a conviction for a crime committed in another state or federal jurisdiction that, if committed in this State would constitute a violation of this section, § 2–209, § 2–210, § 2–503, § 2–504, § 2–505, or § 3–211 of this article, or § 21–902 of the Transportation Article, shall be considered a violation of this section.

(d) This section does not apply to a person who is entitled to use the controlled dangerous substance under the laws of this State.

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

Approved by the Governor, April 18, 2017.

Chapter 169

(Senate Bill 207)

AN ACT concerning

Criminal Procedure – Charges Against Correctional Officer – Review by State’s Attorney

FOR the purpose of altering a certain definition to make certain provisions of law requiring State’s Attorney review of an application for a statement of charges against a law enforcement officer applicable to an application for a statement of charges against ~~a correctional officer~~ certain other law enforcement officers; and generally relating to charging documents against law enforcement officers.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 2–608
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

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

Article – Courts and Judicial Proceedings

2–608.

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

(2) “Charging document” means a written accusation alleging that a defendant has committed an offense.

(3) “Citation” means a charging document, other than an indictment, an information, or a statement of charges, issued to a defendant by a peace officer or other person authorized by law to do so.

(4) “Educator” means a principal, vice–principal, teacher, or teacher’s aide at a public or private preschool, elementary, or secondary school.

(5) “Emergency services personnel” means:

(i) A career firefighter of a county or municipal corporation;

(ii) An emergency medical services provider as defined in § 13–516 of the Education Article of a county or municipal corporation;

(iii) A rescue squad employee of a county or municipal corporation;
and

(iv) A volunteer firefighter, rescue squad member, or advanced life support unit member of a county or municipal corporation.

(6) “Indictment” means a charging document returned by a grand jury and filed in circuit court.

(7) “Information” means a charging document filed in court by a State’s Attorney.

(8) “Offense” means a violation of the criminal laws of the State or any political subdivision of the State.

(9) “Statement of charges” means a charging document, other than a citation, filed in District Court by a peace officer, a District Court Judge, or a District Court Commissioner.

(10) “Law enforcement officer” means ~~a~~:

(I) A law enforcement officer as defined in § 3–101 of the Public Safety Article, ~~A~~;

(II) THE POLICE COMMISSIONER OF BALTIMORE CITY;

(III) AN INDIVIDUAL WHO SERVES AT THE PLEASURE OF THE POLICE COMMISSIONER OF BALTIMORE CITY;

(IV) THE POLICE CHIEF OF A COUNTY LAW ENFORCEMENT AGENCY;

(V) THE POLICE CHIEF OF A MUNICIPAL CORPORATION;

(VI) THE POLICE CHIEF OR SUPERINTENDENT OF A STATE LAW ENFORCEMENT AGENCY;

(VII) THE SHERIFF OF A COUNTY;

(VIII) AN OFFICER WHO IS ON PROBATIONARY STATUS ON INITIAL ENTRY INTO A LAW ENFORCEMENT AGENCY;

(IX) A CORRECTIONAL OFFICER AS DEFINED IN § 8-201 OF THE CORRECTIONAL SERVICES ARTICLE, ~~or any;~~ OR

(X) ANY federal law enforcement officer who exercises the powers set forth in § 2-104 of the Criminal Procedure Article.

(b) An application filed in the District Court that requests that a statement of charges be filed against a law enforcement officer, emergency services personnel, or an educator for an offense allegedly committed in the course of executing the duties of the law enforcement officer, emergency services personnel, or educator shall immediately be forwarded to the State's Attorney.

(c) (1) Upon receiving an application filed in District Court requesting that a statement of charges be filed against a law enforcement officer, emergency services personnel, or an educator, the State's Attorney shall:

(i) Investigate the circumstances of the matter; and

(ii) Make a recommendation to the District Court Commissioner as to whether a statement of charges should be filed against the law enforcement officer, emergency services personnel, or the educator.

(2) If the State's Attorney recommends to a District Court Commissioner that a statement of charges be filed against a law enforcement officer, emergency services personnel, or an educator, the State's Attorney shall also make a recommendation as to whether a summons or warrant should issue.

(d) Notwithstanding any other provision of the Code or the Maryland Rules, a statement of charges for an offense allegedly committed in the course of executing the duties of the law enforcement officer, emergency services personnel, or the educator may

not be filed against a law enforcement officer, emergency services personnel, or educator until the State's Attorney has investigated the circumstances of the matter and made recommendations to the District Court Commissioner in accordance with subsection (c) of this section.

(e) This section may not be construed to preclude the State's Attorney from making a determination that an information should be filed against a law enforcement officer, emergency services personnel, or an educator or that a grand jury should be convened to determine whether an indictment should be filed.

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

Approved by the Governor, April 18, 2017.

Chapter 170

(House Bill 166)

AN ACT concerning

Criminal Procedure – Charges Against Correctional Officer – Review by State's Attorney

FOR the purpose of altering a certain definition to make certain provisions of law requiring State's Attorney review of an application for a statement of charges against a law enforcement officer applicable to an application for a statement of charges against ~~a correctional officer~~ *certain other law enforcement officers*; and generally relating to charging documents against law enforcement officers.

BY repealing and reenacting, with amendments,
 Article – Courts and Judicial Proceedings
 Section 2–608
 Annotated Code of Maryland
 (2013 Replacement Volume and 2016 Supplement)

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

Article – Courts and Judicial Proceedings

2–608.

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

(2) “Charging document” means a written accusation alleging that a defendant has committed an offense.

(3) “Citation” means a charging document, other than an indictment, an information, or a statement of charges, issued to a defendant by a peace officer or other person authorized by law to do so.

(4) “Educator” means a principal, vice–principal, teacher, or teacher’s aide at a public or private preschool, elementary, or secondary school.

(5) “Emergency services personnel” means:

(i) A career firefighter of a county or municipal corporation;

(ii) An emergency medical services provider as defined in § 13–516 of the Education Article of a county or municipal corporation;

(iii) A rescue squad employee of a county or municipal corporation;
and

(iv) A volunteer firefighter, rescue squad member, or advanced life support unit member of a county or municipal corporation.

(6) “Indictment” means a charging document returned by a grand jury and filed in circuit court.

(7) “Information” means a charging document filed in court by a State’s Attorney.

(8) “Offense” means a violation of the criminal laws of the State or any political subdivision of the State.

(9) “Statement of charges” means a charging document, other than a citation, filed in District Court by a peace officer, a District Court Judge, or a District Court Commissioner.

(10) “Law enforcement officer” means ~~⌘~~:

(I) **A** law enforcement officer as defined in § 3–101 of the Public Safety Article, ~~**A**~~;

(II) **THE POLICE COMMISSIONER OF BALTIMORE CITY;**

(III) **AN INDIVIDUAL WHO SERVES AT THE PLEASURE OF THE POLICE COMMISSIONER OF BALTIMORE CITY;**

(IV) THE POLICE CHIEF OF A COUNTY LAW ENFORCEMENT AGENCY;

(V) THE POLICE CHIEF OF A MUNICIPAL CORPORATION;

(VI) THE POLICE CHIEF OR SUPERINTENDENT OF A STATE LAW ENFORCEMENT AGENCY;

(VII) THE SHERIFF OF A COUNTY;

(VIII) AN OFFICER WHO IS ON PROBATIONARY STATUS ON INITIAL ENTRY INTO A LAW ENFORCEMENT AGENCY;

(IX) A CORRECTIONAL OFFICER AS DEFINED IN § 8-201 OF THE CORRECTIONAL SERVICES ARTICLE, ~~or any;~~ OR

(X) ANY federal law enforcement officer who exercises the powers set forth in § 2-104 of the Criminal Procedure Article.

(b) An application filed in the District Court that requests that a statement of charges be filed against a law enforcement officer, emergency services personnel, or an educator for an offense allegedly committed in the course of executing the duties of the law enforcement officer, emergency services personnel, or educator shall immediately be forwarded to the State's Attorney.

(c) (1) Upon receiving an application filed in District Court requesting that a statement of charges be filed against a law enforcement officer, emergency services personnel, or an educator, the State's Attorney shall:

(i) Investigate the circumstances of the matter; and

(ii) Make a recommendation to the District Court Commissioner as to whether a statement of charges should be filed against the law enforcement officer, emergency services personnel, or the educator.

(2) If the State's Attorney recommends to a District Court Commissioner that a statement of charges be filed against a law enforcement officer, emergency services personnel, or an educator, the State's Attorney shall also make a recommendation as to whether a summons or warrant should issue.

(d) Notwithstanding any other provision of the Code or the Maryland Rules, a statement of charges for an offense allegedly committed in the course of executing the duties of the law enforcement officer, emergency services personnel, or the educator may not be filed against a law enforcement officer, emergency services personnel, or educator until the State's Attorney has investigated the circumstances of the matter and made

recommendations to the District Court Commissioner in accordance with subsection (c) of this section.

(e) This section may not be construed to preclude the State's Attorney from making a determination that an information should be filed against a law enforcement officer, emergency services personnel, or an educator or that a grand jury should be convened to determine whether an indictment should be filed.

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

Approved by the Governor, April 18, 2017.

Chapter 171

(House Bill 1110)

AN ACT concerning

Law Enforcement Officers' Pension System – Membership

FOR the purpose of ~~authorizing certain individuals to transfer~~ transferring certain individuals into the Law Enforcement Officers' Pension System; ~~requiring an individual who transfers into the Law Enforcement Officers' Pension System to submit a certain application to the State Retirement Agency; requiring the State Retirement Agency to provide a certain application form;~~ requiring an individual who ~~transfers~~ is transferred into the Law Enforcement Officers' Pension System to make certain deposits in the annuity savings fund of the Law Enforcement Officers' Pension System; requiring the Board of Trustees for the State Retirement and Pension System to make certain transfers to the accumulation fund and annuity savings fund of the Law Enforcement Officers' Pension System; providing for the termination of this Act; and generally relating to membership in the Law Enforcement Officers' Pension System.

BY repealing and reenacting, without amendments,

Article – State Personnel and Pensions

Section 26–201(a)(22), 26–202(b)(1)(xix), (2), and (3), and 26–203.4

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

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

Article – State Personnel and Pensions

26–201.

(a) Except as provided in subsection (b) of this section, this subtitle applies only to:

(22) an employee of the Warrant Apprehension Unit of the Division of Parole and Probation in the Department of Public Safety and Correctional Services who has the powers granted to a peace officer or police officer under § 6–106 of the Correctional Services Article.

26–202.

(b) (1) Subject to paragraph (2) of this subsection, membership in the Law Enforcement Officers' Pension System is optional for an individual described in § 26–201 of this subtitle:

(ix) who was an employee of the Warrant Apprehension Unit of the Division of Parole and Probation in the Department of Public Safety and Correctional Services who has powers granted to a peace officer or police officer under § 6–106 of the Correctional Services Article on June 30, 2015, and who elects membership on or before December 31, 2015.

(2) To elect to be a member of the Law Enforcement Officers' Pension System, an individual shall file a written application with the State Retirement Agency.

(3) If an individual does not elect membership during the applicable period specified under paragraph (1) of this subsection, the individual may not become a member of the Law Enforcement Officers' Pension System.

26–203.4.

(a) This section applies to an employee of the Warrant Apprehension Unit of the Division of Parole and Probation in the Department of Public Safety and Correctional Services who:

(1) has the powers granted to a peace officer or police officer under § 6–106 of the Correctional Services Article; and

(2) transfers to the Law Enforcement Officers' Pension System on or before December 31, 2015.

(b) A member shall deposit in the annuity savings fund of the Law Enforcement Officers' Pension System:

(1) contributions at the rates specified under § 26–204 of this subtitle; and

(2) regular interest on the contributions required under item (1) of this subsection at the rate of 5% per year compounded annually.

(c) (1) The Board of Trustees shall transfer a member's accumulated contributions from the annuity savings fund of the Employees' Pension System to the annuity savings fund of the Law Enforcement Officers' Pension System.

(2) The amount a member is required to deposit under subsection (b) of this section shall be reduced by the amount of accumulated contributions transferred under this subsection.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) This section applies to an individual who:

(1) is a member of the Employees' Pension System;

(2) began employment in the Warrant Apprehension Unit of the Division of Parole and Probation in the Department of Public Safety and Correctional Services who has powers granted to a peace officer or police officer under § 6–106 of the Correctional Services Article on or before June 30, 2015;

(3) did not submit an application to become a member of the Law Enforcement Officers' Pension System before January 1, 2016, in accordance with Chapter 268 of the Acts of 2015; and

(4) is a current employee of the Warrant Apprehension Unit of the Division of Parole and Probation in the Department of Public Safety and Correctional Services who has powers granted to a peace officer or police officer under § 6–106 of the Correctional Services Article.

(b) ~~(1)~~ Notwithstanding § 26–202(b)(3) of the State Personnel and Pensions Article, an individual described under subsection (a) of this section ~~may transfer~~ shall be transferred to the Law Enforcement Officers' Pension System ~~by submitting an application to the State Retirement Agency.~~

~~(2) The State Retirement Agency shall provide the application form to be filed under paragraph (1) of this subsection.~~

(c) An individual who ~~transfers~~ is transferred into the Law Enforcement Officers' Pension System under this Act shall deposit in the annuity savings fund of the Law Enforcement Officers' Pension System:

(1) contributions at the rates specified under § 26–204 of the State Personnel and Pensions Article; and

(2) regular interest on the contributions required under item (1) of this subsection at the rate of 5% per year compounded annually.

(d) The Board of Trustees for the State Retirement and Pension System shall transfer to the accumulation fund of the Law Enforcement Officers' Pension System the employer contributions made to the Employees' Pension System on behalf of a member who ~~transfers~~ is transferred into the Law Enforcement Officers' Pension System under this Act, plus the interest earned on those contributions through the date of transfer.

(e) (1) The Board of Trustees of the State Retirement and Pension System shall transfer the member's accumulated contributions from the annuity savings fund of the Employees' Pension System to the annuity savings fund of the Law Enforcement Officers' Pension System for a member who is transferred into the Law Enforcement Officers' Pension System under this Act.

(2) The amount a member is required to deposit under subsection (c) of this section shall be reduced by the amount of accumulated contributions transferred under this subsection.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017. It shall remain effective for a period of 6 months and, at the end of December 31, 2017, 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, April 18, 2017.

Chapter 172

(Senate Bill 754)

AN ACT concerning

Law Enforcement Officers' Pension System – Membership

FOR the purpose of ~~authorizing certain individuals to transfer~~ transferring certain individuals into the Law Enforcement Officers' Pension System; ~~requiring an individual who transfers into the Law Enforcement Officers' Pension System to submit a certain application to the State Retirement Agency; requiring the State Retirement Agency to provide a certain application form;~~ requiring an individual who ~~transfers~~ is transferred into the Law Enforcement Officers' Pension System to make certain deposits in the annuity savings fund of the Law Enforcement Officers' Pension System; requiring the Board of Trustees for the State Retirement and Pension System to make certain transfers to the accumulation fund and annuity savings fund of the Law Enforcement Officers' Pension System; providing for the

termination of this Act; and generally relating to membership in the Law Enforcement Officers' Pension System.

BY repealing and reenacting, without amendments,

Article – State Personnel and Pensions

Section 26–201(a)(22), 26–202(b)(1)(xix), (2), and (3), and 26–203.4

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

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

Article – State Personnel and Pensions

26–201.

(a) Except as provided in subsection (b) of this section, this subtitle applies only to:

(22) an employee of the Warrant Apprehension Unit of the Division of Parole and Probation in the Department of Public Safety and Correctional Services who has the powers granted to a peace officer or police officer under § 6–106 of the Correctional Services Article.

26–202.

(b) (1) Subject to paragraph (2) of this subsection, membership in the Law Enforcement Officers' Pension System is optional for an individual described in § 26–201 of this subtitle:

(xix) who was an employee of the Warrant Apprehension Unit of the Division of Parole and Probation in the Department of Public Safety and Correctional Services who has powers granted to a peace officer or police officer under § 6–106 of the Correctional Services Article on June 30, 2015, and who elects membership on or before December 31, 2015.

(2) To elect to be a member of the Law Enforcement Officers' Pension System, an individual shall file a written application with the State Retirement Agency.

(3) If an individual does not elect membership during the applicable period specified under paragraph (1) of this subsection, the individual may not become a member of the Law Enforcement Officers' Pension System.

26–203.4.

(a) This section applies to an employee of the Warrant Apprehension Unit of the Division of Parole and Probation in the Department of Public Safety and Correctional Services who:

(1) has the powers granted to a peace officer or police officer under § 6–106 of the Correctional Services Article; and

(2) transfers to the Law Enforcement Officers' Pension System on or before December 31, 2015.

(b) A member shall deposit in the annuity savings fund of the Law Enforcement Officers' Pension System:

(1) contributions at the rates specified under § 26–204 of this subtitle; and

(2) regular interest on the contributions required under item (1) of this subsection at the rate of 5% per year compounded annually.

(c) (1) The Board of Trustees shall transfer a member's accumulated contributions from the annuity savings fund of the Employees' Pension System to the annuity savings fund of the Law Enforcement Officers' Pension System.

(2) The amount a member is required to deposit under subsection (b) of this section shall be reduced by the amount of accumulated contributions transferred under this subsection.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) This section applies to an individual who:

(1) is a member of the Employees' Pension System;

(2) began employment in the Warrant Apprehension Unit of the Division of Parole and Probation in the Department of Public Safety and Correctional Services who has powers granted to a peace officer or police officer under § 6–106 of the Correctional Services Article on or before June 30, 2015;

(3) did not submit an application to become a member of the Law Enforcement Officers' Pension System before January 1, 2016, in accordance with Chapter 268 of the Acts of 2015; and

(4) is a current employee of the Warrant Apprehension Unit of the Division of Parole and Probation in the Department of Public Safety and Correctional Services who has powers granted to a peace officer or police officer under § 6–106 of the Correctional Services Article.

(b) ~~(1)~~ Notwithstanding § 26–202(b)(3) of the State Personnel and Pensions Article, an individual described under subsection (a) of this section ~~may transfer~~ shall be transferred to the Law Enforcement Officers’ Pension System ~~by submitting an application to the State Retirement Agency.~~

~~(2) The State Retirement Agency shall provide the application form to be filed under paragraph (1) of this subsection.~~

(c) An individual who ~~transfers~~ is transferred into the Law Enforcement Officers’ Pension System under this Act shall deposit in the annuity savings fund of the Law Enforcement Officers’ Pension System:

(1) contributions at the rates specified under § 26–204 of the State Personnel and Pensions Article; and

(2) regular interest on the contributions required under item (1) of this subsection at the rate of 5% per year compounded annually.

(d) The Board of Trustees for the State Retirement and Pension System shall transfer to the accumulation fund of the Law Enforcement Officers’ Pension System the employer contributions made to the Employees’ Pension System on behalf of a member who ~~transfers~~ is transferred into the Law Enforcement Officers’ Pension System under this Act, plus the interest earned on those contributions through the date of transfer.

(e) (1) The Board of Trustees of the State Retirement and Pension System shall transfer the member’s accumulated contributions from the annuity savings fund of the Employees’ Pension System to the annuity savings fund of the Law Enforcement Officers’ Pension System for a member who is transferred into the Law Enforcement Officers’ Pension System under this Act.

(2) The amount a member is required to deposit under subsection (c) of this section shall be reduced by the amount of accumulated contributions transferred under this subsection.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017. It shall remain effective for a period of 6 months and, at the end of December 31, 2017, 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, April 18, 2017.

AN ACT concerning

Property Tax Credit – Disabled or Fallen Law Enforcement Officers and Rescue Workers – ~~Acquisition of Dwelling Alterations~~

FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation to grant a certain property tax credit for certain residential real property owned by certain surviving spouses or certain cohabitants of certain fallen law enforcement officers and rescue workers; increasing the number of years within which a disabled law enforcement officer or rescue worker or the surviving spouse or certain cohabitants of a fallen law enforcement officer or rescue worker must have acquired certain residential property in order to qualify for a certain property tax credit against the county or municipal corporation property tax imposed on the property; making conforming changes; providing for the application of this Act; and generally relating to a property tax credit for certain residential property in the State.

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 9–210

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

Article – Tax – Property

9–210.

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

(2) “Cohabitant” means an individual who for a period of at least 180 days in the year before the death of a fallen law enforcement officer or rescue worker:

(i) had a relationship of mutual interdependence with the fallen law enforcement officer or rescue worker; and

(ii) resided with the fallen law enforcement officer or rescue worker in the dwelling.

(3) “Disabled law enforcement officer or rescue worker” means an individual who:

(i) has been found to be permanently and totally disabled by an administrative body or court of competent jurisdiction authorized to make such a determination; and

(ii) became disabled:

1. as a result of or in the course of employment as a law enforcement officer or a correctional officer; or

2. while in the active service of a fire, rescue, or emergency medical service, unless the disability was the result of the individual's own willful misconduct or abuse of alcohol or drugs.

(4) (i) "Dwelling" means real property that:

1. is the legal residence of a disabled law enforcement officer or rescue worker, a surviving spouse, or a cohabitant; and

2. is occupied by not more than two families.

(ii) "Dwelling" includes the lot or curtilage and structures necessary to use the real property as a residence.

(5) "Fallen law enforcement officer or rescue worker" means an individual who dies:

(i) as a result of or in the course of employment as a law enforcement officer or a correctional officer; or

(ii) while in the active service of a fire, rescue, or emergency medical service, unless the death was the result of the individual's own willful misconduct or abuse of alcohol or drugs.

(6) "Surviving spouse" means a surviving spouse, who has not remarried, of a fallen law enforcement officer or rescue worker.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on a dwelling that is owned by a disabled law enforcement officer or rescue worker, a surviving spouse of a fallen law enforcement officer or rescue worker, or a cohabitant:

(1) if the dwelling was owned by the disabled law enforcement officer or rescue worker at the time the law enforcement officer or rescue worker was adjudged to be permanently and totally disabled or by the fallen law enforcement officer or rescue worker at the time of the fallen law enforcement officer's or rescue worker's death;

(2) ~~(i)~~ if the disabled law enforcement officer or rescue worker was domiciled in the State as of the date the disabled law enforcement officer or rescue worker was adjudged to be permanently and totally disabled or the fallen law enforcement officer

or rescue worker, ~~or~~ the surviving spouse, **OR THE COHABITANT** was domiciled in the State as of the date of the fallen law enforcement officer's or rescue worker's death and the dwelling was acquired by the disabled law enforcement officer or rescue worker within [2] 10 years of the date the disabled law enforcement officer or rescue worker was adjudged to be permanently and totally disabled or by the surviving spouse **OR COHABITANT** within [2] 10 years of the fallen law enforcement officer's or rescue worker's death; ~~or~~

~~(ii) in Harford County, if the disabled law enforcement officer or rescue worker was domiciled in the State as of the date the disabled law enforcement officer or rescue worker was adjudged to be permanently and totally disabled or the fallen law enforcement officer or rescue worker, the surviving spouse, or cohabitant was domiciled in the State as of the date of the fallen law enforcement officer's or rescue worker's death and the dwelling was acquired by the disabled law enforcement officer or rescue worker within 2 years of the date the disabled law enforcement officer or rescue worker was adjudged to be permanently and totally disabled or by the surviving spouse or cohabitant within 2 years of the fallen law enforcement officer's or rescue worker's death;~~

(3) ~~in Harford County,~~ if the dwelling was owned by the surviving spouse or cohabitant at the time of the fallen law enforcement officer's or rescue worker's death; or

(4) if the dwelling was acquired after the disabled law enforcement officer or rescue worker, the surviving spouse, or the cohabitant qualified for a credit for a former dwelling under item (1), (2), or (3) of this subsection, to the extent of the previous credit.

(c) A county or municipal corporation may provide, by law, for:

(1) the amount and duration of a property tax credit allowed under this section; ~~and~~

(2) ANY ADDITIONAL LIMITATION TO THE NUMBER OF YEARS THE DWELLING WAS ACQUIRED WITHIN THE DATE OF BEING ADJUDGED TO BE DISABLED OR OF DEATH; AND

~~(2)~~ **(3)** any other provision necessary to carry out the provisions of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017, and shall be applicable to all taxable years beginning after June 30, 2017.

Approved by the Governor, April 18, 2017.

Chapter 174

(House Bill 231)

AN ACT concerning

Property Tax Credit – Disabled or Fallen Law Enforcement Officers and Rescue Workers – ~~Alteration~~ Alterations

FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the governing body of a county or of a municipal corporation to grant a certain property tax credit for certain residential real property owned by certain surviving spouses or certain cohabitants of certain fallen law enforcement officers and rescue workers; increasing the number of years within which a disabled law enforcement officer or rescue worker or the surviving spouse or certain cohabitants of a fallen law enforcement officer or rescue worker must have acquired certain residential property in order to qualify for a certain property tax credit against the county or municipal corporation property tax imposed on the property; making conforming changes; providing for the application of this Act; and generally relating to a property tax credit for certain residential ~~real property owned by certain disabled law enforcement officers and rescue workers or the surviving spouses or cohabitants of certain fallen law enforcement officers and rescue workers~~ property in the State.

BY repealing and reenacting, with amendments,
 Article – Tax – Property
 Section 9–210
 Annotated Code of Maryland
 (2012 Replacement Volume and 2016 Supplement)

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

Article – Tax – Property

9–210.

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

(2) “Cohabitant” means an individual who for a period of at least 180 days in the year before the death of a fallen law enforcement officer or rescue worker:

(i) had a relationship of mutual interdependence with the fallen law enforcement officer or rescue worker; and

(ii) resided with the fallen law enforcement officer or rescue worker in the dwelling.

(3) “Disabled law enforcement officer or rescue worker” means an individual who:

(i) has been found to be permanently and totally disabled by an administrative body or court of competent jurisdiction authorized to make such a determination; and

(ii) became disabled:

1. as a result of or in the course of employment as a law enforcement officer or a correctional officer; or

2. while in the active service of a fire, rescue, or emergency medical service, unless the disability was the result of the individual’s own willful misconduct or abuse of alcohol or drugs.

(4) (i) “Dwelling” means real property that:

1. is the legal residence of a disabled law enforcement officer or rescue worker, a surviving spouse, or a cohabitant; and

2. is occupied by not more than two families.

(ii) “Dwelling” includes the lot or curtilage and structures necessary to use the real property as a residence.

(5) “Fallen law enforcement officer or rescue worker” means an individual who dies:

(i) as a result of or in the course of employment as a law enforcement officer or a correctional officer; or

(ii) while in the active service of a fire, rescue, or emergency medical service, unless the death was the result of the individual’s own willful misconduct or abuse of alcohol or drugs.

(6) “Surviving spouse” means a surviving spouse, who has not remarried, of a fallen law enforcement officer or rescue worker.

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on a dwelling that is owned by a disabled law enforcement officer or rescue worker, a surviving spouse of a fallen law enforcement officer or rescue worker, or a cohabitant:

(1) if the dwelling was owned by the disabled law enforcement officer or rescue worker at the time the law enforcement officer or rescue worker was adjudged to be

permanently and totally disabled or by the fallen law enforcement officer or rescue worker at the time of the fallen law enforcement officer's or rescue worker's death;

(2) [(i)] if the disabled law enforcement officer or rescue worker was domiciled in the State as of the date the disabled law enforcement officer or rescue worker was adjudged to be permanently and totally disabled or the fallen law enforcement officer or rescue worker, [or] the surviving spouse, **OR THE COHABITANT** was domiciled in the State as of the date of the fallen law enforcement officer's or rescue worker's death and the dwelling was acquired by the disabled law enforcement officer or rescue worker within 2 **10** years of the date the disabled law enforcement officer or rescue worker was adjudged to be permanently and totally disabled or by the surviving spouse **OR COHABITANT** within 2 **10** years of the fallen law enforcement officer's or rescue worker's death; [or

(ii) in Harford County, if the disabled law enforcement officer or rescue worker was domiciled in the State as of the date the disabled law enforcement officer or rescue worker was adjudged to be permanently and totally disabled or the fallen law enforcement officer or rescue worker, the surviving spouse, or cohabitant was domiciled in the State as of the date of the fallen law enforcement officer's or rescue worker's death and the dwelling was acquired by the disabled law enforcement officer or rescue worker within 2 years of the date the disabled law enforcement officer or rescue worker was adjudged to be permanently and totally disabled or by the surviving spouse or cohabitant within 2 years of the fallen law enforcement officer's or rescue worker's death;]

(3) [in Harford County,] if the dwelling was owned by the surviving spouse or cohabitant at the time of the fallen law enforcement officer's or rescue worker's death; or

(4) if the dwelling was acquired after the disabled law enforcement officer or rescue worker, the surviving spouse, or the cohabitant qualified for a credit for a former dwelling under item (1), (2), or (3) of this subsection, to the extent of the previous credit.

(c) A county or municipal corporation may provide, by law, for:

(1) the amount and duration of a property tax credit allowed under this section; ~~and~~

(2) ANY ADDITIONAL LIMITATION TO THE NUMBER OF YEARS THE DWELLING WAS ACQUIRED WITHIN THE DATE OF BEING ADJUDGED TO BE DISABLED OR OF DEATH; AND

(3) any other provision necessary to carry out the provisions of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017, and shall be applicable to all taxable years beginning after June 30, 2017.

Approved by the Governor, April 18, 2017.

Chapter 175

(Senate Bill 201)

AN ACT concerning

Education – Fire Drill Requirements – State Fire Prevention Code

FOR the purpose of requiring the State Superintendent of Schools to require certain county superintendents of schools to hold fire drills in each public school in accordance with the State Fire Prevention Code; and generally relating to fire drills in public schools.

BY repealing and reenacting, with amendments,

Article – Education

Section 7–408

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article – Public Safety

Section 6–206(a)(1) and (d)

Annotated Code of Maryland

(2011 Replacement Volume and 2016 Supplement)

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

Article – Education

7–408.

(a) The State Superintendent shall require each county superintendent to hold a fire drill in each public school [at least 10 times each school year and at least once every 60 days] **IN ACCORDANCE WITH THE STATE FIRE PREVENTION CODE ESTABLISHED UNDER § 6–206 OF THE PUBLIC SAFETY ARTICLE.**

(b) Each public school shall:

- (1) Keep records of these fire drills; and
- (2) Send a copy to the county superintendent.

Article – Public Safety

6–206.

(a) (1) (i) To protect life and property from the hazards of fire and explosion, the Commission shall adopt comprehensive regulations as a State Fire Prevention Code.

(ii) The State Fire Prevention Code shall comply with standard safe practice as embodied in widely recognized standards of good practice for fire prevention and fire protection.

(iii) The State Fire Prevention Code has the force and effect of law in the political subdivisions of the State.

(d) (1) The State Fire Prevention Code establishes the minimum requirements to protect life and property from the hazards of fire and explosion.

(2) If a State or local law or regulation is more stringent than the State Fire Prevention Code, the more stringent law or regulation governs if the more stringent law or regulation is:

(i) not inconsistent with the State Fire Prevention Code; and

(ii) not contrary to recognized standards and good engineering practices.

(3) If there is a question whether a State or local law or regulation governs, the decision of the Commission determines:

(i) which law or regulation governs; and

(ii) whether State and local officials have complied with the State Fire Prevention Code.

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

Approved by the Governor, April 18, 2017.

Chapter 176

(House Bill 1066)

AN ACT concerning

Education – Fire Drill Requirements – State Fire Prevention Code

FOR the purpose of requiring the State Superintendent of Schools to require certain county superintendents of schools to hold fire drills in each public school in accordance with the State Fire Prevention Code; and generally relating to fire drills in public schools.

BY repealing and reenacting, with amendments,

Article – Education

Section 7–408

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article – Public Safety

Section 6–206(a)(1) and (d)

Annotated Code of Maryland

(2011 Replacement Volume and 2016 Supplement)

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

Article – Education

7–408.

(a) The State Superintendent shall require each county superintendent to hold a fire drill in each public school [at least 10 times each school year and at least once every 60 days] **IN ACCORDANCE WITH THE STATE FIRE PREVENTION CODE ESTABLISHED UNDER § 6–206 OF THE PUBLIC SAFETY ARTICLE.**

(b) Each public school shall:

- (1) Keep records of these fire drills; and
- (2) Send a copy to the county superintendent.

Article – Public Safety

6–206.

(a) (1) (i) To protect life and property from the hazards of fire and explosion, the Commission shall adopt comprehensive regulations as a State Fire Prevention Code.

(ii) The State Fire Prevention Code shall comply with standard safe practice as embodied in widely recognized standards of good practice for fire prevention and fire protection.

(iii) The State Fire Prevention Code has the force and effect of law in the political subdivisions of the State.

(d) (1) The State Fire Prevention Code establishes the minimum requirements to protect life and property from the hazards of fire and explosion.

(2) If a State or local law or regulation is more stringent than the State Fire Prevention Code, the more stringent law or regulation governs if the more stringent law or regulation is:

(i) not inconsistent with the State Fire Prevention Code; and

(ii) not contrary to recognized standards and good engineering practices.

(3) If there is a question whether a State or local law or regulation governs, the decision of the Commission determines:

(i) which law or regulation governs; and

(ii) whether State and local officials have complied with the State Fire Prevention Code.

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

Approved by the Governor, April 18, 2017.

Chapter 177

(Senate Bill 909)

AN ACT concerning

Charles County – Collective Bargaining for Public Safety Officials

FOR the purpose of altering the definition of “employer” to include Charles County for the purpose of certain provisions of law; authorizing certain fire, emergency medical service, paramedic, and rescue employees of Charles County to collectively bargain with the County Commissioners of Charles County with respect to certain matters certain counties and municipal corporations; altering a certain provision of law to provide that, with respect to Charles County, a certain memorandum of understanding between Charles County and a certain exclusive representative is subject to provisions concerning budgetary and fiscal procedures contained in local law, regulation, or policy; providing that certain employees who are not a member of

~~the exclusive representative's organization may be required to pay a certain fee to the exclusive representative for certain purposes; prohibiting the County Commissioners from recognizing an exclusive representative except under certain circumstances; providing for the selection and decertification of an exclusive representative; specifying the maximum number of individuals that the County Commissioners and the exclusive representative may designate to represent the County Commissioners and the exclusive representative in collective bargaining; providing for meetings of parties to a collective bargaining agreement; requiring negotiations for the collective bargaining agreement to begin on or before a certain date; specifying the time period during which an exclusive bargaining agreement may be valid; requiring an agreement, or a modification of that agreement, to be signed and ratified by the County Commissioners and a majority of the votes cast by the employees in the bargaining unit in order to be effective or valid; providing that certain provisions of this Act do not authorize an eligible employee to engage in a certain strike; authorizing any party to collective bargaining to seek mediation under certain circumstances; requiring the party seeking mediation to provide certain notice to certain persons; authorizing any party to a collective bargaining agreement to declare a bargaining impasse under certain circumstances; establishing procedures and timelines for the mediation and arbitration of collective bargaining disputes; providing that certain recommendations of the arbitrator are not binding; authorizing the County Commissioners to adopt or reject certain recommendations under certain circumstances; authorizing the parties to reach a voluntary settlement on unresolved issues at any time; providing for the construction of certain provisions of this Act; altering a certain definition; making a conforming change; providing for the application of certain provisions of this Act; and generally relating to collective bargaining between the County Commissioners of Charles County and fire, emergency medical service, paramedic, and rescue employees.~~

BY repealing and reenacting, with amendments,
 Article – Labor and Employment
 Section 4–501, 4–504, and 4–505
 Annotated Code of Maryland
 (2016 Replacement Volume)

BY repealing and reenacting, without amendments,
Article – Labor and Employment
Section 4–502 and 4–503
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Labor and Employment

4–501.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Employee” means a fire, EMS, paramedic, or rescue employee hired or compensated by the employer.
- (c) “Employee organization” means any organization of employees that, as one of its primary purposes, represents fire, EMS, paramedic, or rescue personnel.
- (d) “Employer” means:
- (1) a charter county;
 - (2) **CHARLES COUNTY**; or
 - (3) a municipal corporation.
- (e) “EMS” means emergency medical services.
- (f) “Exclusive representative” means an employee organization that has been certified through an election of eligible employees to represent and bargain for those employees over any terms and conditions of employment.

4-502.

Each employer covered by this subtitle shall have the authority to enact a local law or ordinance to permit voluntary collective bargaining between the employer and any employee organization that the employer has recognized as an exclusive representative of its employees.

4-503.

Once authorized by a local law or ordinance, collective bargaining between an employer covered by this subtitle and an exclusive representative may include in a memorandum of understanding between the employer and the employee organization specific terms and conditions of employment.

4-504.

~~(A)~~ Subject to provisions concerning budgetary and fiscal procedures contained in the employer’s charter **OR, WITH RESPECT TO CHARLES COUNTY, LOCAL LAW, REGULATION, OR POLICY**, if ratified or approved by a legislative enactment of the employer, and if signed by the chief executive officer of the employer, a memorandum of understanding between the employer and an exclusive representative shall bind the employer for the period of time which is provided in the agreement.

~~(B) (1) THIS SUBSECTION APPLIES ONLY TO ALL FULL-TIME MERIT SYSTEM EMPLOYEES WHOSE PRIMARY DUTIES INCLUDE PROVIDING EMERGENCY MEDICAL SERVICES, FIRE OPERATIONS, OR RESCUE OPERATIONS FOR THE CHARLES COUNTY DEPARTMENT OF EMERGENCY SERVICES.~~

~~(2) THIS SUBSECTION DOES NOT APPLY TO AN EMPLOYEE OF THE CHARLES COUNTY DEPARTMENT OF EMERGENCY SERVICES WHO IS:~~

~~(I) AN EMPLOYEE IN THE CHARLES COUNTY DEPARTMENT OF EMERGENCY SERVICES AT THE RANK OF CAPTAIN OR ABOVE;~~

~~(II) AN EMPLOYEE IN AN APPOINTED POSITION;~~

~~(III) A PART-TIME EMPLOYEE;~~

~~(IV) A CONTRACTUAL EMPLOYEE;~~

~~(V) A TEMPORARY EMPLOYEE;~~

~~(VI) AN EMERGENCY EMPLOYEE; OR~~

~~(VII) AN EMPLOYEE WHOSE EMPLOYMENT IS ADMINISTRATIVE UNDER THE CHARLES COUNTY POLICY AND PROCEDURE MANUAL.~~

~~(3) (I) AN EMPLOYEE SUBJECT TO THIS SUBSECTION HAS THE RIGHT TO:~~

~~1. TAKE PART IN OR REFRAIN FROM TAKING PART IN FORMING, JOINING, SUPPORTING, OR PARTICIPATING IN AN EMPLOYEE ORGANIZATION OR THE ORGANIZATION'S LAWFUL ACTIVITIES;~~

~~2. BE REPRESENTED BY AN EXCLUSIVE REPRESENTATIVE, IF ANY, IN COLLECTIVE BARGAINING; AND~~

~~3. ENGAGE IN OTHER CONCERTED ACTIVITIES FOR THE PURPOSE OF COLLECTIVE BARGAINING.~~

~~(II) AN EMPLOYEE SUBJECT TO THIS SUBSECTION MAY SEEK RECOGNITION IN ORDER TO ORGANIZE AND BARGAIN IN GOOD FAITH WITH THE COUNTY COMMISSIONERS OF CHARLES COUNTY OR THE COMMISSIONERS' DESIGNEE CONCERNING THE TERMS AND CONDITIONS OF EMPLOYMENT DETERMINED, OFFERED, ADMINISTERED, CONTROLLED, OR MANAGED BY THE COUNTY COMMISSIONERS OF CHARLES COUNTY.~~

~~(III) AN EMPLOYEE SUBJECT TO THIS SUBSECTION WHO IS A MEMBER OF A BARGAINING UNIT THAT IS REPRESENTED BY A RECOGNIZED EXCLUSIVE REPRESENTATIVE BUT WHO IS NOT A MEMBER OF THE REPRESENTATIVE'S ORGANIZATION MAY BE REQUIRED TO PAY A PROPORTIONAL SERVICE FEE FOR THE COSTS ASSOCIATED WITH THE ADMINISTRATION AND ENFORCEMENT OF ANY AGREEMENT THAT BENEFITS THE AFFECTED EMPLOYEES.~~

~~(4) (I) AN EXCLUSIVE REPRESENTATIVE MAY NOT BE RECOGNIZED BY THE COUNTY COMMISSIONERS OF CHARLES COUNTY UNLESS THE REPRESENTATIVE IS SELECTED AND CERTIFIED BY THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION.~~

~~(II) ANY PETITION TO BE RECOGNIZED THAT IS SUBMITTED ON BEHALF OF THE ELIGIBLE EMPLOYEES SHALL BE ACCOMPANIED BY A SHOWING OF INTEREST SUPPORTED BY AT LEAST 51% OF THE ELIGIBLE EMPLOYEES INDICATING THE EMPLOYEES' DESIRE TO BE EXCLUSIVELY REPRESENTED BY THE PETITIONER FOR THE PURPOSE OF COLLECTIVE BARGAINING.~~

~~(5) (I) A LABOR ORGANIZATION SHALL BE DEEMED DECERTIFIED IF A PETITION IS SUBMITTED TO THE COUNTY COMMISSIONERS OF CHARLES COUNTY THAT IS SIGNED BY AT LEAST 51% OF THE ELIGIBLE EMPLOYEES INDICATING THE DESIRE TO DECERTIFY THE LABOR ORGANIZATION AS THE EXCLUSIVE REPRESENTATIVE.~~

~~(II) IF THE EXCLUSIVE REPRESENTATIVE WISHES TO CHALLENGE THE VALIDITY OF THE DECERTIFICATION PETITION SUBMITTED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE EXCLUSIVE REPRESENTATIVE MAY, WITHIN 20 DAYS AFTER RECEIVING THE PETITION, REQUEST THAT A SECRET BALLOT ELECTION BE HELD.~~

~~(III) THE SECRET BALLOT ELECTION REQUESTED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH SHALL BE CONDUCTED BY AN IMPARTIAL UMPIRE SELECTED JOINTLY BY THE PARTICIPATING PARTIES FROM A LIST OF UMPIRES PROVIDED BY THE AMERICAN ARBITRATION ASSOCIATION.~~

~~(IV) IN ORDER TO BE DECERTIFIED, AT LEAST 51% OF THE EMPLOYEES IN THE BARGAINING UNIT MUST VOTE IN FAVOR OF DECERTIFICATION.~~

~~(V) THE COSTS ASSOCIATED WITH THE APPOINTMENT OF AN IMPARTIAL UMPIRE IN ACCORDANCE WITH SUBPARAGRAPH (III) OF THIS PARAGRAPH SHALL BE EQUALLY SHARED BY THE EXCLUSIVE REPRESENTATIVE AND CHARLES COUNTY.~~

~~(6) (i) 1. THE COUNTY COMMISSIONERS OF CHARLES COUNTY MAY DESIGNATE AT LEAST ONE, BUT NOT MORE THAN FOUR, INDIVIDUALS TO REPRESENT THE COUNTY IN COLLECTIVE BARGAINING WITH THE EXCLUSIVE REPRESENTATIVE.~~

~~2. THE EXCLUSIVE REPRESENTATIVE MAY DESIGNATE AT LEAST ONE, BUT NOT MORE THAN FOUR, INDIVIDUALS TO REPRESENT THE EXCLUSIVE REPRESENTATIVE IN COLLECTIVE BARGAINING WITH THE COUNTY.~~

~~(ii) THE PARTIES SHALL MEET AT REASONABLE TIMES AND ENGAGE IN COLLECTIVE BARGAINING IN GOOD FAITH.~~

~~(iii) NEGOTIATIONS OR MATTERS RELATING TO NEGOTIATIONS SHALL BE CONSIDERED CLOSED SESSIONS UNDER § 3 805 OF THE GENERAL PROVISIONS ARTICLE.~~

~~(iv) NEGOTIATIONS FOR AN AGREEMENT SHALL BEGIN ON OR BEFORE SEPTEMBER 1 OF THE YEAR BEFORE THE EXPIRATION OF ANY EXISTING AGREEMENT.~~

~~(7) AN AGREEMENT IS NOT VALID IF THE AGREEMENT EXTENDS FOR LESS THAN 1 YEAR OR MORE THAN 3 YEARS.~~

~~(8) (i) AN AGREEMENT SHALL CONTAIN ALL MATTERS OF AGREEMENT REACHED IN THE COLLECTIVE BARGAINING PROCESS.~~

~~(ii) AN AGREEMENT MAY CONTAIN A GRIEVANCE PROCEDURE FOR BINDING ARBITRATION FOR THE INTERPRETATION OF CONTRACT TERMS AND CLAUSES.~~

~~(iii) AN AGREEMENT REACHED IN ACCORDANCE WITH THIS SUBSECTION SHALL BE IN WRITING AND SIGNED BY THE COUNTY COMMISSIONERS OF CHARLES COUNTY AND THE EXCLUSIVE REPRESENTATIVE INVOLVED IN THE COLLECTIVE BARGAINING NEGOTIATIONS.~~

~~(iv) AN AGREEMENT IS NOT EFFECTIVE UNTIL THE AGREEMENT IS RATIFIED BY:~~

~~1. THE COUNTY COMMISSIONERS OF CHARLES COUNTY; AND~~

~~2. A MAJORITY OF THE VOTES CAST BY THE EMPLOYEES IN THE BARGAINING UNIT.~~

~~(v) A MODIFICATION OF AN EXISTING AGREEMENT IS NOT VALID UNLESS THE MODIFICATION IS IN WRITING AND RATIFIED BY:~~

~~1. THE COUNTY COMMISSIONERS OF CHARLES COUNTY; AND~~

~~2. A MAJORITY OF THE VOTES CAST BY THE EMPLOYEES IN THE BARGAINING UNIT.~~

~~(9) THIS SUBSECTION DOES NOT AUTHORIZE AN ELIGIBLE EMPLOYEE TO ENGAGE IN A STRIKE AS DEFINED IN § 3-303 OF THE STATE PERSONNEL AND PENSIONS ARTICLE.~~

~~(10) (i) IF THE EXCLUSIVE REPRESENTATIVE AND THE COUNTY COMMISSIONERS OF CHARLES COUNTY ARE UNABLE TO REACH AN AGREEMENT BEFORE JANUARY 15, EITHER THE EXCLUSIVE REPRESENTATIVE OR THE COUNTY COMMISSIONERS OF CHARLES COUNTY MAY SEEK MEDIATION THROUGH THE FEDERAL MEDIATION AND CONCILIATION SERVICE.~~

~~(ii) A PARTY SEEKING MEDIATION UNDER SUBPARAGRAPH (i) OF THIS PARAGRAPH SHALL GIVE WRITTEN NOTICE TO THE OTHER PARTIES AND TO THE FEDERAL MEDIATION AND CONCILIATION SERVICE AT LEAST 15 DAYS BEFORE THE ANTICIPATED FIRST MEDIATION MEETING.~~

~~(iii) THE COSTS ASSOCIATED WITH THE MEDIATOR OR MEDIATION PROCESS SHALL BE SHARED EQUALLY BY THE PARTIES.~~

~~(iv) COSTS INCURRED BY A PARTY TO PREPARE, APPEAR, OR SECURE REPRESENTATION, EXPERT WITNESSES, OR EVIDENCE OF ANY KIND SHALL BE BORNE EXCLUSIVELY BY THAT PARTY.~~

~~(v) THE PARTIES SHALL ENGAGE IN MEDIATION FOR AT LEAST 30 DAYS UNLESS THE PARTIES MUTUALLY AGREE IN WRITING TO THE TERMINATION OR EXTENSION OF THE MEDIATION OR REACH AN AGREEMENT.~~

~~(vi) THE CONTENTS OF A MEDIATION PROCEEDING UNDER THIS SUBPARAGRAPH MAY NOT BE DISCLOSED BY THE PARTIES OR THE MEDIATOR.~~

~~(11) (i) IF THE EXCLUSIVE REPRESENTATIVE AND THE COUNTY COMMISSIONERS OF CHARLES COUNTY HAVE NOT REACHED AN AGREEMENT ON OR BEFORE MARCH 1, OR A LATER DATE DETERMINED BY MUTUAL AGREEMENT OF THE PARTIES, ON A COLLECTIVE BARGAINING AGREEMENT THAT WOULD SUCCEED THE EXISTING AGREEMENT:~~

~~1. EITHER PARTY MAY DECLARE A BARGAINING IMPASSE;~~

~~2. THE PARTY DECLARING A BARGAINING IMPASSE UNDER ITEM 1 OF THIS SUBPARAGRAPH SHALL REQUEST A LIST OF ARBITRATORS TO BE PROVIDED TO THE PARTIES BY THE FEDERAL MEDIATION AND CONCILIATION SERVICE OR UNDER THE LABOR ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION; AND~~

~~3. WITHIN 3 DAYS AFTER THE PARTIES' RECEIPT OF THE LIST PROVIDED UNDER ITEM 2 OF THIS SUBPARAGRAPH, THE PARTIES SHALL SELECT AN ARBITRATOR BY ALTERNATE STRIKING OF NAMES FROM THE LIST.~~

~~(II) ON OR BEFORE MARCH 15, OR ANY LATER DATE DETERMINED BY MUTUAL AGREEMENT OF THE PARTIES, THE PARTIES SHALL SUBMIT TO THE ARBITRATOR:~~

~~1. A JOINT MEMORANDUM LISTING ALL ITEMS TO WHICH THE PARTIES PREVIOUSLY AGREED; AND~~

~~2. A SEPARATE PROPOSED MEMORANDUM OF EACH PARTY'S FINAL OFFER PRESENTED IN NEGOTIATIONS ON ALL ITEMS TO WHICH THE PARTIES PREVIOUSLY DID NOT AGREE.~~

~~(III) 1. ON OR BEFORE MARCH 30, OR ANY LATER DATE DETERMINED BY MUTUAL AGREEMENT OF THE PARTIES, THE ARBITRATOR SHALL HOLD A CLOSED HEARING ON THE PARTIES' PROPOSALS AT A TIME, DATE, AND PLACE WITHIN CHARLES COUNTY SELECTED BY THE ARBITRATOR AND CONSENTED TO BY THE PARTIES IN GOOD FAITH.~~

~~2. AT THE HEARING, EACH PARTY MAY SUBMIT EVIDENCE AND MAKE ORAL AND WRITTEN ARGUMENTS IN SUPPORT OF THE PARTY'S LAST FINAL OFFER.~~

~~(IV) THE ARBITRATOR MAY:~~

~~1. GIVE NOTICE AND HOLD HEARINGS IN ACCORDANCE WITH THE MARYLAND ADMINISTRATIVE PROCEDURE ACT;~~

~~2. ADMINISTER OATHS AND TAKE TESTIMONY AND OTHER EVIDENCE; AND~~

~~3. ISSUE SUBPOENAS.~~

~~(v) ON OR BEFORE APRIL 15, OR ANY LATER DATE DETERMINED BY MUTUAL AGREEMENT OF THE PARTIES, THE ARBITRATOR SHALL ISSUE A REPORT:~~

~~1. SELECTING THE FINAL OFFER SUBMITTED BY THE PARTIES THAT THE ARBITRATOR DETERMINES TO BE MORE REASONABLE WHEN VIEWED AS A WHOLE; AND~~

~~2. STATING THE REASONS THAT THE ARBITRATOR FOUND THE FINAL OFFER TO BE MORE REASONABLE.~~

~~(vi) IN DETERMINING WHICH FINAL OFFER IS MORE REASONABLE UNDER SUBPARAGRAPH (v) OF THIS PARAGRAPH, THE ARBITRATOR MAY CONSIDER ONLY:~~

~~1. PAST COLLECTIVE BARGAINING AGREEMENTS BETWEEN THE PARTIES, INCLUDING THE BARGAINING HISTORY THAT LED TO THE COLLECTIVE BARGAINING AGREEMENT AND THE PRECOLLECTIVE BARGAINING HISTORY OF EMPLOYEE WAGES, HOURS, BENEFITS, AND OTHER WORKING CONDITIONS;~~

~~2. A COMPARISON OF WAGES, HOURS, BENEFITS, AND OTHER CONDITIONS OF EMPLOYMENT IN OTHER JURISDICTIONS IN THE STATE;~~

~~3. A COMPARISON OF WAGES, HOURS, BENEFITS, AND OTHER CONDITIONS OF EMPLOYMENT IN ALL COUNTIES IN THE STATE;~~

~~4. A COMPARISON OF WAGES, HOURS, BENEFITS, AND OTHER CONDITIONS OF EMPLOYMENT OF EMPLOYEES WORKING FOR CHARLES COUNTY;~~

~~5. THE COSTS OF THE RESPECTIVE PROPOSALS OF THE PARTIES;~~

~~6. THE CONDITION OF THE GENERAL OPERATING FUND OF CHARLES COUNTY, THE ABILITY OF CHARLES COUNTY TO FINANCE ANY ECONOMIC ADJUSTMENTS REQUIRED UNDER THE PROPOSED COLLECTIVE BARGAINING AGREEMENT, AND THE POTENTIAL IMPACT OF THE PARTIES' FINAL OFFERS ON THE BOND RATING OF CHARLES COUNTY;~~

~~7. THE ANNUAL INCREASE OR DECREASE IN CONSUMER PRICES FOR GOODS AND SERVICES AS REFLECTED IN THE MOST RECENT CONSUMER PRICE INDEX FOR THE WASHINGTON ARLINGTON ALEXANDRIA, DC VA MD WV~~

~~METROPOLITAN STATISTICAL AREA PUBLISHED BY THE FEDERAL BUREAU OF LABOR STATISTICS;~~

~~8. THE ANNUAL INCREASE OR DECREASE IN THE COST OF LIVING IN THE STATISTICAL AREAS DESCRIBED IN ITEM 7 OF THIS SUBPARAGRAPH AS COMPARED TO THE NATIONAL AVERAGE AND TO OTHER COMPARABLE METROPOLITAN AREAS;~~

~~9. THE ANNUAL INCREASE OR DECREASE IN THE COST OF LIVING IN CHARLES COUNTY;~~

~~10. RECRUITMENT AND RETENTION DATA;~~

~~11. THE SPECIAL NATURE OF THE WORK PERFORMED BY THE EMPLOYEES IN THE BARGAINING UNIT, INCLUDING HAZARDS OF EMPLOYMENT, PHYSICAL REQUIREMENTS, EDUCATIONAL QUALIFICATIONS, JOB TRAINING AND SKILLS, SHIFT ASSIGNMENTS, AND THE DEMANDS PLACED ON THOSE EMPLOYEES AS COMPARED TO OTHER EMPLOYEES OF CHARLES COUNTY;~~

~~12. THE INTEREST AND WELFARE OF THE PUBLIC AND THE EMPLOYEES IN THE BARGAINING UNIT; AND~~

~~13. STIPULATIONS OF THE PARTIES REGARDING ANY OF THE ITEMS UNDER THIS SUBPARAGRAPH.~~

~~(VII) THE ARBITRATOR MAY NOT:~~

~~1. RECEIVE OR CONSIDER THE HISTORY OF COLLECTIVE BARGAINING RELATED TO THE IMMEDIATE DISPUTE, INCLUDING ANY OFFERS OF SETTLEMENT NOT CONTAINED IN THE FINAL OFFER SUBMITTED TO THE ARBITRATOR, UNLESS THE PARTIES MUTUALLY AGREE OTHERWISE;~~

~~2. COMBINE FINAL OFFERS OR ALTER THE FINAL OFFER THAT THE ARBITRATOR SELECTS, UNLESS THE PARTIES MUTUALLY AGREE OTHERWISE; OR~~

~~3. SELECT AN OFFER IN WHICH THE CONDITIONS OF EMPLOYMENT OR THE COMPENSATION, SALARIES, FEES, OR WAGES TO BE PAID ARE UNREASONABLE.~~

~~(VIII) 1. THE ARBITRATOR SHALL SUBMIT THE REPORT ISSUED UNDER SUBPARAGRAPH (V) OF THIS PARAGRAPH TO THE COUNTY COMMISSIONERS OF CHARLES COUNTY AND THE EXCLUSIVE REPRESENTATIVE.~~

~~2. THE RECOMMENDATIONS OF THE ARBITRATOR ARE NOT BINDING ON THE COUNTY COMMISSIONERS OF CHARLES COUNTY OR THE EXCLUSIVE REPRESENTATIVE.~~

~~3. THE COUNTY COMMISSIONERS OF CHARLES COUNTY MAY ADOPT OR REJECT A RECOMMENDATION OF THE ARBITRATOR.~~

~~(IX) 1. THE COSTS ASSOCIATED WITH THE SERVICES OF THE ARBITRATOR SHALL BE SHARED EQUALLY BY THE PARTIES.~~

~~2. COSTS INCURRED BY A PARTY TO PREPARE, APPEAR, OR SECURE REPRESENTATION, EXPERT WITNESSES, OR EVIDENCE OF ANY KIND SHALL BE BORNE EXCLUSIVELY BY THAT PARTY.~~

~~(X) NOTHING IN THIS PARAGRAPH SHALL BE CONSTRUED TO PROHIBIT THE PARTIES FROM REACHING A VOLUNTARY SETTLEMENT ON ANY UNRESOLVED ISSUES AT ANY TIME BEFORE OR AFTER THE ISSUANCE OF THE RECOMMENDATIONS BY THE ARBITRATOR.~~

4-505.

(a) Subject to subsection (b) of this section, this subtitle only applies to:

(1) each charter county that engaged in collective bargaining with an employee organization prior to October 1, 1994; [and]

(2) **CHARLES COUNTY ON OR AFTER OCTOBER 1, 2017; AND**

(3) each municipal corporation that engages in collective bargaining with an employee organization prior to October 1, 1995.

(b) This subtitle may not be construed to repeal or limit any local charter provision that extends collective bargaining rights to employees of employers and, if a local charter authorizes or grants collective bargaining rights to any employees, the provisions of this subtitle do not apply.

(c) This subtitle may not be construed to:

(1) require any form of collective bargaining;

(2) require any method, means, or scope of bargaining between an employer and an exclusive representative; or

(3) authorize binding interest arbitration.

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

Approved by the Governor, April 18, 2017.

Chapter 178

(House Bill 446)

AN ACT concerning

Charles County – Collective Bargaining for Public Safety Officials

FOR the purpose of ~~altering the definition of “employer” to include Charles County for the purpose of certain provisions of law; authorizing certain fire, emergency medical service, paramedic, and rescue employees of Charles County to collectively bargain with the County Commissioners of Charles County with respect to certain matters~~ certain counties and municipal corporations; altering a certain provision of law to provide that, with respect to Charles County, a certain memorandum of understanding between Charles County and a certain exclusive representative is subject to provisions concerning budgetary and fiscal procedures contained in local law, regulation, or policy; providing that certain employees who are not a member of the exclusive representative’s organization may be required to pay a certain fee to the exclusive representative for certain purposes; prohibiting the County Commissioners from recognizing an exclusive representative except under certain circumstances; providing for the selection and decertification of an exclusive representative; specifying the maximum number of individuals that the County Commissioners and the exclusive representative may designate to represent the County Commissioners and the exclusive representative in collective bargaining; providing for meetings of parties to a collective bargaining agreement; requiring negotiations for the collective bargaining agreement to begin on or before a certain date; specifying the time period during which an exclusive bargaining agreement may be valid; requiring an agreement, or a modification of that agreement, to be signed and ratified by the County Commissioners and a majority of the votes cast by the employees in the bargaining unit in order to be effective or valid; providing that certain provisions of this Act do not authorize an eligible employee to engage in a certain strike; authorizing any party to collective bargaining to seek mediation under certain circumstances; requiring the party seeking mediation to provide certain notice to certain persons; authorizing any party to a collective bargaining agreement to declare a bargaining impasse under certain circumstances; establishing procedures and timelines for the mediation and arbitration of collective bargaining disputes; providing that certain recommendations of the arbitrator are not binding; authorizing the County Commissioners to adopt or reject certain recommendations under certain circumstances; authorizing the parties to reach a voluntary settlement on unresolved issues at any time; providing for the construction of certain provisions

~~of this Act; altering a certain definition; making a conforming change; providing for the application of certain provisions of this Act; and generally relating to collective bargaining between the County Commissioners of Charles County and fire, emergency medical service, paramedic, and rescue employees.~~

BY repealing and reenacting, with amendments,
Article – Labor and Employment
Section 4–501, 4–504, and 4–505
Annotated Code of Maryland
(2016 Replacement Volume)

BY repealing and reenacting, without amendments,
Article – Labor and Employment
Section 4–502 and 4–503
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Labor and Employment

4–501.

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

(b) “Employee” means a fire, EMS, paramedic, or rescue employee hired or compensated by the employer.

(c) “Employee organization” means any organization of employees that, as one of its primary purposes, represents fire, EMS, paramedic, or rescue personnel.

(d) “Employer” means:

(1) a charter county;

(2) **CHARLES COUNTY**; or

(3) a municipal corporation.

(e) “EMS” means emergency medical services.

(f) “Exclusive representative” means an employee organization that has been certified through an election of eligible employees to represent and bargain for those employees over any terms and conditions of employment.

4–502.

Each employer covered by this subtitle shall have the authority to enact a local law or ordinance to permit voluntary collective bargaining between the employer and any employee organization that the employer has recognized as an exclusive representative of its employees.

4-503.

Once authorized by a local law or ordinance, collective bargaining between an employer covered by this subtitle and an exclusive representative may include in a memorandum of understanding between the employer and the employee organization specific terms and conditions of employment.

4-504.

~~(A)~~ Subject to provisions concerning budgetary and fiscal procedures contained in the employer's charter OR, WITH RESPECT TO CHARLES COUNTY, LOCAL LAW, REGULATION, OR POLICY, if ratified or approved by a legislative enactment of the employer, and if signed by the chief executive officer of the employer, a memorandum of understanding between the employer and an exclusive representative shall bind the employer for the period of time which is provided in the agreement.

~~(B) (1) THIS SUBSECTION APPLIES ONLY TO ALL FULL-TIME MERIT SYSTEM EMPLOYEES WHOSE PRIMARY DUTIES INCLUDE PROVIDING EMERGENCY MEDICAL SERVICES, FIRE OPERATIONS, OR RESCUE OPERATIONS FOR THE CHARLES COUNTY DEPARTMENT OF EMERGENCY SERVICES.~~

~~(2) THIS SUBSECTION DOES NOT APPLY TO AN EMPLOYEE OF THE CHARLES COUNTY DEPARTMENT OF EMERGENCY SERVICES WHO IS:~~

~~(I) AN EMPLOYEE IN THE CHARLES COUNTY DEPARTMENT OF EMERGENCY SERVICES AT THE RANK OF CAPTAIN OR ABOVE;~~

~~(II) AN EMPLOYEE IN AN APPOINTED POSITION;~~

~~(III) A PART-TIME EMPLOYEE;~~

~~(IV) A CONTRACTUAL EMPLOYEE;~~

~~(V) A TEMPORARY EMPLOYEE;~~

~~(VI) AN EMERGENCY EMPLOYEE; OR~~

~~(VII) AN EMPLOYEE WHOSE EMPLOYMENT IS ADMINISTRATIVE UNDER THE CHARLES COUNTY POLICY AND PROCEDURE MANUAL.~~

~~(3) (i) AN EMPLOYEE SUBJECT TO THIS SUBSECTION HAS THE RIGHT TO:~~

~~1. TAKE PART IN OR REFRAIN FROM TAKING PART IN FORMING, JOINING, SUPPORTING, OR PARTICIPATING IN AN EMPLOYEE ORGANIZATION OR THE ORGANIZATION'S LAWFUL ACTIVITIES;~~

~~2. BE REPRESENTED BY AN EXCLUSIVE REPRESENTATIVE, IF ANY, IN COLLECTIVE BARGAINING; AND~~

~~3. ENGAGE IN OTHER CONCERTED ACTIVITIES FOR THE PURPOSE OF COLLECTIVE BARGAINING.~~

~~(H) AN EMPLOYEE SUBJECT TO THIS SUBSECTION MAY SEEK RECOGNITION IN ORDER TO ORGANIZE AND BARGAIN IN GOOD FAITH WITH THE COUNTY COMMISSIONERS OF CHARLES COUNTY OR THE COMMISSIONERS' DESIGNEE CONCERNING THE TERMS AND CONDITIONS OF EMPLOYMENT DETERMINED, OFFERED, ADMINISTERED, CONTROLLED, OR MANAGED BY THE COUNTY COMMISSIONERS OF CHARLES COUNTY.~~

~~(HH) AN EMPLOYEE SUBJECT TO THIS SUBSECTION WHO IS A MEMBER OF A BARGAINING UNIT THAT IS REPRESENTED BY A RECOGNIZED EXCLUSIVE REPRESENTATIVE BUT WHO IS NOT A MEMBER OF THE REPRESENTATIVE'S ORGANIZATION MAY BE REQUIRED TO PAY A PROPORTIONAL SERVICE FEE FOR THE COSTS ASSOCIATED WITH THE ADMINISTRATION AND ENFORCEMENT OF ANY AGREEMENT THAT BENEFITS THE AFFECTED EMPLOYEES.~~

~~(4) (i) AN EXCLUSIVE REPRESENTATIVE MAY NOT BE RECOGNIZED BY THE COUNTY COMMISSIONERS OF CHARLES COUNTY UNLESS THE REPRESENTATIVE IS SELECTED AND CERTIFIED BY THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION.~~

~~(H) ANY PETITION TO BE RECOGNIZED THAT IS SUBMITTED ON BEHALF OF THE ELIGIBLE EMPLOYEES SHALL BE ACCOMPANIED BY A SHOWING OF INTEREST SUPPORTED BY AT LEAST 51% OF THE ELIGIBLE EMPLOYEES INDICATING THE EMPLOYEES' DESIRE TO BE EXCLUSIVELY REPRESENTED BY THE PETITIONER FOR THE PURPOSE OF COLLECTIVE BARGAINING.~~

~~(5) (i) A LABOR ORGANIZATION SHALL BE DEEMED DECERTIFIED IF A PETITION IS SUBMITTED TO THE COUNTY COMMISSIONERS OF CHARLES COUNTY THAT IS SIGNED BY AT LEAST 51% OF THE ELIGIBLE EMPLOYEES INDICATING THE DESIRE TO DECERTIFY THE LABOR ORGANIZATION AS THE EXCLUSIVE REPRESENTATIVE.~~

~~(H) IF THE EXCLUSIVE REPRESENTATIVE WISHES TO CHALLENGE THE VALIDITY OF THE DECERTIFICATION PETITION SUBMITTED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE EXCLUSIVE REPRESENTATIVE MAY, WITHIN 20 DAYS AFTER RECEIVING THE PETITION, REQUEST THAT A SECRET BALLOT ELECTION BE HELD.~~

~~(HH) THE SECRET BALLOT ELECTION REQUESTED UNDER SUBPARAGRAPH (H) OF THIS PARAGRAPH SHALL BE CONDUCTED BY AN IMPARTIAL UMPIRE SELECTED JOINTLY BY THE PARTICIPATING PARTIES FROM A LIST OF UMPIRES PROVIDED BY THE AMERICAN ARBITRATION ASSOCIATION.~~

~~(IV) IN ORDER TO BE DECERTIFIED, AT LEAST 51% OF THE EMPLOYEES IN THE BARGAINING UNIT MUST VOTE IN FAVOR OF DECERTIFICATION.~~

~~(V) THE COSTS ASSOCIATED WITH THE APPOINTMENT OF AN IMPARTIAL UMPIRE IN ACCORDANCE WITH SUBPARAGRAPH (HH) OF THIS PARAGRAPH SHALL BE EQUALLY SHARED BY THE EXCLUSIVE REPRESENTATIVE AND CHARLES COUNTY.~~

~~(6) (I) 1. THE COUNTY COMMISSIONERS OF CHARLES COUNTY MAY DESIGNATE AT LEAST ONE, BUT NOT MORE THAN FOUR, INDIVIDUALS TO REPRESENT THE COUNTY IN COLLECTIVE BARGAINING WITH THE EXCLUSIVE REPRESENTATIVE.~~

~~2. THE EXCLUSIVE REPRESENTATIVE MAY DESIGNATE AT LEAST ONE, BUT NOT MORE THAN FOUR, INDIVIDUALS TO REPRESENT THE EXCLUSIVE REPRESENTATIVE IN COLLECTIVE BARGAINING WITH THE COUNTY.~~

~~(II) THE PARTIES SHALL MEET AT REASONABLE TIMES AND ENGAGE IN COLLECTIVE BARGAINING IN GOOD FAITH.~~

~~(III) NEGOTIATIONS OR MATTERS RELATING TO NEGOTIATIONS SHALL BE CONSIDERED CLOSED SESSIONS UNDER § 3-805 OF THE GENERAL PROVISIONS ARTICLE.~~

~~(IV) NEGOTIATIONS FOR AN AGREEMENT SHALL BEGIN ON OR BEFORE SEPTEMBER 1 OF THE YEAR BEFORE THE EXPIRATION OF ANY EXISTING AGREEMENT.~~

~~(7) AN AGREEMENT IS NOT VALID IF THE AGREEMENT EXTENDS FOR LESS THAN 1 YEAR OR MORE THAN 3 YEARS.~~

~~(8) (I) AN AGREEMENT SHALL CONTAIN ALL MATTERS OF AGREEMENT REACHED IN THE COLLECTIVE BARGAINING PROCESS.~~

~~(II) AN AGREEMENT MAY CONTAIN A GRIEVANCE PROCEDURE FOR BINDING ARBITRATION FOR THE INTERPRETATION OF CONTRACT TERMS AND CLAUSES.~~

~~(III) AN AGREEMENT REACHED IN ACCORDANCE WITH THIS SUBSECTION SHALL BE IN WRITING AND SIGNED BY THE COUNTY COMMISSIONERS OF CHARLES COUNTY AND THE EXCLUSIVE REPRESENTATIVE INVOLVED IN THE COLLECTIVE BARGAINING NEGOTIATIONS.~~

~~(IV) AN AGREEMENT IS NOT EFFECTIVE UNTIL THE AGREEMENT IS RATIFIED BY:~~

~~1. THE COUNTY COMMISSIONERS OF CHARLES COUNTY; AND~~

~~2. A MAJORITY OF THE VOTES CAST BY THE EMPLOYEES IN THE BARGAINING UNIT.~~

~~(V) A MODIFICATION OF AN EXISTING AGREEMENT IS NOT VALID UNLESS THE MODIFICATION IS IN WRITING AND RATIFIED BY:~~

~~1. THE COUNTY COMMISSIONERS OF CHARLES COUNTY; AND~~

~~2. A MAJORITY OF THE VOTES CAST BY THE EMPLOYEES IN THE BARGAINING UNIT.~~

~~(9) THIS SUBSECTION DOES NOT AUTHORIZE AN ELIGIBLE EMPLOYEE TO ENGAGE IN A STRIKE AS DEFINED IN § 3-303 OF THE STATE PERSONNEL AND PENSIONS ARTICLE.~~

~~(10) (I) IF THE EXCLUSIVE REPRESENTATIVE AND THE COUNTY COMMISSIONERS OF CHARLES COUNTY ARE UNABLE TO REACH AN AGREEMENT BEFORE JANUARY 15, EITHER THE EXCLUSIVE REPRESENTATIVE OR THE COUNTY COMMISSIONERS OF CHARLES COUNTY MAY SEEK MEDIATION THROUGH THE FEDERAL MEDIATION AND CONCILIATION SERVICE.~~

~~(II) A PARTY SEEKING MEDIATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL GIVE WRITTEN NOTICE TO THE OTHER PARTIES AND TO THE FEDERAL MEDIATION AND CONCILIATION SERVICE AT LEAST 15 DAYS BEFORE THE ANTICIPATED FIRST MEDIATION MEETING.~~

~~(III) THE COSTS ASSOCIATED WITH THE MEDIATOR OR MEDIATION PROCESS SHALL BE SHARED EQUALLY BY THE PARTIES.~~

~~(IV) COSTS INCURRED BY A PARTY TO PREPARE, APPEAR, OR SECURE REPRESENTATION, EXPERT WITNESSES, OR EVIDENCE OF ANY KIND SHALL BE BORNE EXCLUSIVELY BY THAT PARTY.~~

~~(V) THE PARTIES SHALL ENGAGE IN MEDIATION FOR AT LEAST 30 DAYS UNLESS THE PARTIES MUTUALLY AGREE IN WRITING TO THE TERMINATION OR EXTENSION OF THE MEDIATION OR REACH AN AGREEMENT.~~

~~(VI) THE CONTENTS OF A MEDIATION PROCEEDING UNDER THIS SUBPARAGRAPH MAY NOT BE DISCLOSED BY THE PARTIES OR THE MEDIATOR.~~

~~(11) (I) IF THE EXCLUSIVE REPRESENTATIVE AND THE COUNTY COMMISSIONERS OF CHARLES COUNTY HAVE NOT REACHED AN AGREEMENT ON OR BEFORE MARCH 1, OR A LATER DATE DETERMINED BY MUTUAL AGREEMENT OF THE PARTIES, ON A COLLECTIVE BARGAINING AGREEMENT THAT WOULD SUCCEED THE EXISTING AGREEMENT:~~

~~1. EITHER PARTY MAY DECLARE A BARGAINING IMPASSE;~~

~~2. THE PARTY DECLARING A BARGAINING IMPASSE UNDER ITEM 1 OF THIS SUBPARAGRAPH SHALL REQUEST A LIST OF ARBITRATORS TO BE PROVIDED TO THE PARTIES BY THE FEDERAL MEDIATION AND CONCILIATION SERVICE OR UNDER THE LABOR ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION; AND~~

~~3. WITHIN 3 DAYS AFTER THE PARTIES' RECEIPT OF THE LIST PROVIDED UNDER ITEM 2 OF THIS SUBPARAGRAPH, THE PARTIES SHALL SELECT AN ARBITRATOR BY ALTERNATE STRIKING OF NAMES FROM THE LIST.~~

~~(II) ON OR BEFORE MARCH 15, OR ANY LATER DATE DETERMINED BY MUTUAL AGREEMENT OF THE PARTIES, THE PARTIES SHALL SUBMIT TO THE ARBITRATOR:~~

~~1. A JOINT MEMORANDUM LISTING ALL ITEMS TO WHICH THE PARTIES PREVIOUSLY AGREED; AND~~

~~2. A SEPARATE PROPOSED MEMORANDUM OF EACH PARTY'S FINAL OFFER PRESENTED IN NEGOTIATIONS ON ALL ITEMS TO WHICH THE PARTIES PREVIOUSLY DID NOT AGREE.~~

~~(III) 1. ON OR BEFORE MARCH 30, OR ANY LATER DATE DETERMINED BY MUTUAL AGREEMENT OF THE PARTIES, THE ARBITRATOR SHALL HOLD A CLOSED HEARING ON THE PARTIES' PROPOSALS AT A TIME, DATE, AND PLACE WITHIN CHARLES COUNTY SELECTED BY THE ARBITRATOR AND CONSENTED TO BY THE PARTIES IN GOOD FAITH.~~

~~2. AT THE HEARING, EACH PARTY MAY SUBMIT EVIDENCE AND MAKE ORAL AND WRITTEN ARGUMENTS IN SUPPORT OF THE PARTY'S LAST FINAL OFFER.~~

~~(IV) THE ARBITRATOR MAY:~~

~~1. GIVE NOTICE AND HOLD HEARINGS IN ACCORDANCE WITH THE MARYLAND ADMINISTRATIVE PROCEDURE ACT;~~

~~2. ADMINISTER OATHS AND TAKE TESTIMONY AND OTHER EVIDENCE; AND~~

~~3. ISSUE SUBPOENAS.~~

~~(V) ON OR BEFORE APRIL 15, OR ANY LATER DATE DETERMINED BY MUTUAL AGREEMENT OF THE PARTIES, THE ARBITRATOR SHALL ISSUE A REPORT:~~

~~1. SELECTING THE FINAL OFFER SUBMITTED BY THE PARTIES THAT THE ARBITRATOR DETERMINES TO BE MORE REASONABLE WHEN VIEWED AS A WHOLE; AND~~

~~2. STATING THE REASONS THAT THE ARBITRATOR FOUND THE FINAL OFFER TO BE MORE REASONABLE.~~

~~(VI) IN DETERMINING WHICH FINAL OFFER IS MORE REASONABLE UNDER SUBPARAGRAPH (V) OF THIS PARAGRAPH, THE ARBITRATOR MAY CONSIDER ONLY:~~

~~1. PAST COLLECTIVE BARGAINING AGREEMENTS BETWEEN THE PARTIES, INCLUDING THE BARGAINING HISTORY THAT LED TO THE COLLECTIVE BARGAINING AGREEMENT AND THE PRECOLLECTIVE BARGAINING HISTORY OF EMPLOYEE WAGES, HOURS, BENEFITS, AND OTHER WORKING CONDITIONS;~~

~~2. A COMPARISON OF WAGES, HOURS, BENEFITS, AND OTHER CONDITIONS OF EMPLOYMENT IN OTHER JURISDICTIONS IN THE STATE;~~

~~3. A COMPARISON OF WAGES, HOURS, BENEFITS, AND OTHER CONDITIONS OF EMPLOYMENT IN ALL COUNTIES IN THE STATE;~~

~~4. A COMPARISON OF WAGES, HOURS, BENEFITS, AND OTHER CONDITIONS OF EMPLOYMENT OF EMPLOYEES WORKING FOR CHARLES COUNTY;~~

~~5. THE COSTS OF THE RESPECTIVE PROPOSALS OF THE PARTIES;~~

~~6. THE CONDITION OF THE GENERAL OPERATING FUND OF CHARLES COUNTY, THE ABILITY OF CHARLES COUNTY TO FINANCE ANY ECONOMIC ADJUSTMENTS REQUIRED UNDER THE PROPOSED COLLECTIVE BARGAINING AGREEMENT, AND THE POTENTIAL IMPACT OF THE PARTIES' FINAL OFFERS ON THE BOND RATING OF CHARLES COUNTY;~~

~~7. THE ANNUAL INCREASE OR DECREASE IN CONSUMER PRICES FOR GOODS AND SERVICES AS REFLECTED IN THE MOST RECENT CONSUMER PRICE INDEX FOR THE WASHINGTON ARLINGTON ALEXANDRIA, DC VA MD WV METROPOLITAN STATISTICAL AREA PUBLISHED BY THE FEDERAL BUREAU OF LABOR STATISTICS;~~

~~8. THE ANNUAL INCREASE OR DECREASE IN THE COST OF LIVING IN THE STATISTICAL AREAS DESCRIBED IN ITEM 7 OF THIS SUBPARAGRAPH AS COMPARED TO THE NATIONAL AVERAGE AND TO OTHER COMPARABLE METROPOLITAN AREAS;~~

~~9. THE ANNUAL INCREASE OR DECREASE IN THE COST OF LIVING IN CHARLES COUNTY;~~

~~10. RECRUITMENT AND RETENTION DATA;~~

~~11. THE SPECIAL NATURE OF THE WORK PERFORMED BY THE EMPLOYEES IN THE BARGAINING UNIT, INCLUDING HAZARDS OF EMPLOYMENT, PHYSICAL REQUIREMENTS, EDUCATIONAL QUALIFICATIONS, JOB TRAINING AND SKILLS, SHIFT ASSIGNMENTS, AND THE DEMANDS PLACED ON THOSE EMPLOYEES AS COMPARED TO OTHER EMPLOYEES OF CHARLES COUNTY;~~

~~12. THE INTEREST AND WELFARE OF THE PUBLIC AND THE EMPLOYEES IN THE BARGAINING UNIT; AND~~

~~13. STIPULATIONS OF THE PARTIES REGARDING ANY OF THE ITEMS UNDER THIS SUBPARAGRAPH.~~

~~(VII) THE ARBITRATOR MAY NOT:~~

~~1. RECEIVE OR CONSIDER THE HISTORY OF COLLECTIVE BARGAINING RELATED TO THE IMMEDIATE DISPUTE, INCLUDING ANY OFFERS OF SETTLEMENT NOT CONTAINED IN THE FINAL OFFER SUBMITTED TO THE ARBITRATOR, UNLESS THE PARTIES MUTUALLY AGREE OTHERWISE;~~

~~2. COMBINE FINAL OFFERS OR ALTER THE FINAL OFFER THAT THE ARBITRATOR SELECTS, UNLESS THE PARTIES MUTUALLY AGREE OTHERWISE; OR~~

~~3. SELECT AN OFFER IN WHICH THE CONDITIONS OF EMPLOYMENT OR THE COMPENSATION, SALARIES, FEES, OR WAGES TO BE PAID ARE UNREASONABLE.~~

~~(VIII) 1. THE ARBITRATOR SHALL SUBMIT THE REPORT ISSUED UNDER SUBPARAGRAPH (V) OF THIS PARAGRAPH TO THE COUNTY COMMISSIONERS OF CHARLES COUNTY AND THE EXCLUSIVE REPRESENTATIVE.~~

~~2. THE RECOMMENDATIONS OF THE ARBITRATOR ARE NOT BINDING ON THE COUNTY COMMISSIONERS OF CHARLES COUNTY OR THE EXCLUSIVE REPRESENTATIVE.~~

~~3. THE COUNTY COMMISSIONERS OF CHARLES COUNTY MAY ADOPT OR REJECT A RECOMMENDATION OF THE ARBITRATOR.~~

~~(IX) 1. THE COSTS ASSOCIATED WITH THE SERVICES OF THE ARBITRATOR SHALL BE SHARED EQUALLY BY THE PARTIES.~~

~~2. COSTS INCURRED BY A PARTY TO PREPARE, APPEAR, OR SECURE REPRESENTATION, EXPERT WITNESSES, OR EVIDENCE OF ANY KIND SHALL BE BORNE EXCLUSIVELY BY THAT PARTY.~~

~~(X) NOTHING IN THIS PARAGRAPH SHALL BE CONSTRUED TO PROHIBIT THE PARTIES FROM REACHING A VOLUNTARY SETTLEMENT ON ANY UNRESOLVED ISSUES AT ANY TIME BEFORE OR AFTER THE ISSUANCE OF THE RECOMMENDATIONS BY THE ARBITRATOR.~~

4-505.

- (a) Subject to subsection (b) of this section, this subtitle only applies to:

(1) each charter county that engaged in collective bargaining with an employee organization prior to October 1, 1994; [and]

(2) **CHARLES COUNTY ON OR AFTER OCTOBER 1, 2017; AND**

(3) each municipal corporation that engages in collective bargaining with an employee organization prior to October 1, 1995.

(b) This subtitle may not be construed to repeal or limit any local charter provision that extends collective bargaining rights to employees of employers and, if a local charter authorizes or grants collective bargaining rights to any employees, the provisions of this subtitle do not apply.

(c) This subtitle may not be construed to:

(1) require any form of collective bargaining;

(2) require any method, means, or scope of bargaining between an employer and an exclusive representative; or

(3) authorize binding interest arbitration.

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

Approved by the Governor, April 18, 2017.

Chapter 179

(House Bill 1466)

AN ACT concerning

State Personnel – Disabled Veterans – Noncompetitive Appointment

FOR the purpose of authorizing an appointing authority to select certain disabled veterans for certain positions in the State Personnel Management System using a certain selection process; requiring an appointing authority for a certain position in a unit in the Executive Branch of State government with an independent personnel system to develop a certain selection process for certain disabled veterans; providing that certain provisions of law relating to appointments to certain positions in the State Personnel Management System do not apply to the selection of certain disabled veterans under certain provisions of this Act; requiring a certain appointing authority to interview certain disabled veterans under certain circumstances; providing that an appointing authority is not required to interview certain

applicants under certain circumstances; providing for the effect of certain provisions of this Act; making a conforming change; and generally relating to the appointment of disabled veterans to positions in State government.

BY adding to

Article – State Personnel and Pensions
Section 2–205
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions
Section 7–203
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – State Personnel and Pensions

2–205.

(A) THIS SECTION APPLIES TO AN APPOINTING AUTHORITY FOR A POSITION THAT IS:

(1) IN A UNIT IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT WITH AN INDEPENDENT PERSONNEL SYSTEM; AND

(2) COMPARABLE TO A POSITION IN THE SKILLED SERVICE OR THE PROFESSIONAL SERVICE IN THE STATE PERSONNEL MANAGEMENT SYSTEM.

(B) AN APPOINTING AUTHORITY SUBJECT TO THIS SECTION SHALL DEVELOP A SELECTION PROCESS FOR DISABLED VETERANS DESCRIBED IN § 7–203(B)(1) OF THIS ARTICLE THAT IS COMPARABLE TO THE SELECTION PROCESS FOR DISABLED VETERANS ESTABLISHED UNDER § 7–203(B) OF THIS ARTICLE.

7–203.

(A) An appointing authority may select candidates for a position:

(1) from an existing list of eligible candidates;

(2) if the appointing authority decides to recruit for the position, by recruitment;

(3) from a special list of eligible candidates whom the Division of Rehabilitation Services of the Department of Education certifies as being physically capable and adequately trained to qualify for the position; [or]

(4) from a list of contractual employees performing the same or similar duties of the position; **OR**

(5) AS PROVIDED IN SUBSECTION (B) OF THIS SECTION.

(B) (1) AN APPOINTING AUTHORITY MAY SELECT A DISABLED VETERAN FOR A POSITION IF:

(I) THE DISABLED VETERAN:

1. SERVED IN ANY BRANCH OF THE ARMED FORCES OF THE UNITED STATES; AND

2. A. IS INCLUDED ON A UNITED STATES ARMED FORCES PERMANENT DISABILITY LIST WITH A DISABILITY RATING OF AT LEAST 30%; OR

B. HAS BEEN RATED BY THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS AS HAVING A COMPENSABLE SERVICE-CONNECTED DISABILITY OF AT LEAST 30%;

(II) THE DISABLED VETERAN PRESENTS TO THE APPOINTING AUTHORITY WRITTEN DOCUMENTATION:

1. ISSUED BY AN APPROPRIATE DEPARTMENT OF THE FEDERAL GOVERNMENT WITHIN THE YEAR PRECEDING SELECTION; AND

2. CERTIFYING THE EXISTENCE AND EXTENT OF THE VETERAN'S DISABILITY;

(III) THE APPOINTING AUTHORITY DETERMINES THAT THE DISABLED VETERAN IS QUALIFIED TO PERFORM THE DUTIES AND RESPONSIBILITIES OF THE POSITION;

(IV) THE APPOINTING AUTHORITY NOTIFIES THE SECRETARY IN WRITING THAT THE POSITION IS TO BE FILLED BY A DISABLED VETERAN ON A NONCOMPETITIVE BASIS IN ACCORDANCE WITH THIS SUBSECTION; AND

(V) THE DISABLED VETERAN DOES NOT HOLD A PERMANENT APPOINTMENT OR HAVE MANDATORY REINSTATEMENT RIGHTS TO A PERMANENT APPOINTMENT.

(2) THE REQUIREMENTS OF § 7-209 OF THIS SUBTITLE DO NOT APPLY TO A DISABLED VETERAN SELECTED FOR A VACANT POSITION UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(3) IF AN APPOINTING AUTHORITY ELECTS TO SELECT A DISABLED VETERAN FOR A VACANT POSITION UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE APPOINTING AUTHORITY SHALL INTERVIEW ANY DISABLED VETERAN WHO:

(I) HAS EXPRESSED AN INTEREST TO THE APPOINTING AUTHORITY IN APPLYING FOR THE POSITION; AND

(II) SATISFIES THE REQUIREMENTS UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(4) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, IF AN APPOINTING AUTHORITY ELECTS TO SELECT A DISABLED VETERAN FOR A VACANT POSITION UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE APPOINTING AUTHORITY IS NOT REQUIRED TO INTERVIEW ANY OTHER QUALIFIED APPLICANTS FOR APPOINTMENT TO THE POSITION.

(5) THIS SUBSECTION DOES NOT REQUIRE AN APPOINTING AUTHORITY TO SELECT A DISABLED VETERAN FOR A VACANT POSITION OR PROHIBIT AN APPOINTING AUTHORITY FROM FILLING A VACANT POSITION IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SUBTITLE.

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

Approved by the Governor, April 18, 2017.

Chapter 180

(Senate Bill 807)

AN ACT concerning

**Income Tax Credit – Wages Paid to Qualified Veteran Employees
(Hire Our Veterans Act of 2017)**

FOR the purpose of allowing a credit against the State income tax for certain wages paid by certain small businesses to certain qualified veteran employees; providing for the calculation of the credit; prohibiting a small business from claiming the credit under certain circumstances; ~~requiring the small business to submit certain documentation to qualify for the credit;~~ requiring the Department of Commerce, on application of a small business, to issue a tax credit certificate under certain circumstances; requiring the application to contain certain information; requiring the Department to approve applications on a first-come, first-served basis and notify applicants of approval or denial of an application within a certain number of days after receipt of the application; providing that the total amount of tax credit certificates issued by the Department may not exceed a certain amount for each taxable year; requiring the Department to report certain information to the Comptroller on or before a certain date each year; requiring the Department to adopt certain regulations; requiring the Secretary of Commerce to report to the General Assembly on or before a certain date; defining certain terms; providing for the application of this Act; and generally relating to a State income tax credit for wages paid to qualified veteran employees.

BY adding to

Article – Tax – General
 Section 10–741
 Annotated Code of Maryland
 (2016 Replacement Volume)

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

Article – Tax – General

10–741.

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

(2) “DEPARTMENT” MEANS THE DEPARTMENT OF COMMERCE.

~~(2)~~ (3) “QUALIFIED VETERAN EMPLOYEE” MEANS AN INDIVIDUAL WHO:

(I) IS HONORABLY DISCHARGED OR RELEASED UNDER HONORABLE CIRCUMSTANCES FROM ACTIVE MILITARY, NAVAL, OR AIR SERVICE AS DEFINED IN 38 U.S.C. § 101; AND

(II) IS A QUALIFIED VETERAN AS DEFINED UNDER 26 U.S.C. § 51(D)(3)(A) FOR PURPOSES OF THE FEDERAL WORK OPPORTUNITY TAX CREDIT.

~~(3)~~ (4) “SMALL BUSINESS” MEANS AN INDIVIDUAL, A PARTNERSHIP, A LIMITED PARTNERSHIP, A LIMITED LIABILITY PARTNERSHIP, A LIMITED LIABILITY COMPANY, OR A CORPORATION THAT EMPLOYS 50 OR FEWER FULL-TIME EMPLOYEES.

(B) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A SMALL BUSINESS THAT HIRES A QUALIFIED VETERAN EMPLOYEE MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX ~~IN THE AMOUNTS DETERMINED UNDER SUBSECTION (C) OF THIS SECTION~~ IN THE AMOUNT STATED ON THE TAX CREDIT CERTIFICATE ISSUED UNDER SUBSECTION (E) OF THIS SECTION FOR WAGES PAID TO THE QUALIFIED VETERAN EMPLOYEE.

(C) FOR EACH TAXABLE YEAR, FOR THE WAGES PAID TO EACH QUALIFIED VETERAN EMPLOYEE, A CREDIT ~~IS ALLOWED IN AN AMOUNT EQUAL TO:~~

~~(1) MAY NOT EXCEED 30% OF UP TO THE FIRST \$6,000 OF WAGES PAID TO THE QUALIFIED VETERAN EMPLOYEE DURING THE FIRST YEAR OF EMPLOYMENT; AND~~

~~(2) 20% OF UP TO THE FIRST \$6,000 OF WAGES PAID TO THE QUALIFIED VETERAN EMPLOYEE DURING THE SECOND YEAR OF EMPLOYMENT.~~

(D) A SMALL BUSINESS MAY NOT CLAIM THE CREDIT UNDER THIS SECTION:

(1) FOR MORE THAN FIVE QUALIFIED VETERAN EMPLOYEES IN A TAXABLE YEAR; OR

(2) FOR A QUALIFIED VETERAN EMPLOYEE WHO IS HIRED TO REPLACE A LAID-OFF EMPLOYEE OR AN EMPLOYEE WHO IS ON STRIKE.

(E) (1) ON APPLICATION BY A SMALL BUSINESS, THE DEPARTMENT SHALL ISSUE A TAX CREDIT CERTIFICATE IN THE AMOUNT ALLOWABLE UNDER SUBSECTION (C) OF THIS SECTION FOR EACH QUALIFIED VETERAN EMPLOYEE EMPLOYED BY THE SMALL BUSINESS IN A TAXABLE YEAR, SUBJECT TO SUBSECTION (D)(1) OF THIS SECTION.

(2) THE APPLICATION SHALL INCLUDE:

(I) THE NAME OF THE SMALL BUSINESS;

(II) INFORMATION IDENTIFYING THE NAME AND DATE OF HIRE OF THE QUALIFIED VETERAN EMPLOYEE;

(III) PROOF OF THE WAGES PAID TO THE QUALIFIED VETERAN EMPLOYEE; AND

(IV) ANY OTHER INFORMATION THAT THE DEPARTMENT REQUIRES.

(3) THE DEPARTMENT SHALL:

(I) APPROVE ALL APPLICATIONS THAT QUALIFY FOR A TAX CREDIT CERTIFICATE UNDER THIS SUBSECTION ON A FIRST-COME, FIRST-SERVED BASIS; AND

(II) NOTIFY THE SMALL BUSINESS WITHIN 45 DAYS AFTER THE RECEIPT OF THE APPLICATION OF THE DEPARTMENT'S APPROVAL OR DENIAL.

(4) FOR EACH TAXABLE YEAR, THE TOTAL AMOUNT OF THE CREDIT CERTIFICATES THAT MAY BE ISSUED BY THE DEPARTMENT UNDER THIS SECTION MAY NOT EXCEED \$500,000.

(F) ON OR BEFORE JANUARY 31 EACH TAXABLE YEAR, THE DEPARTMENT SHALL REPORT TO THE COMPTROLLER ON THE TAX CREDIT CERTIFICATES ISSUED UNDER THIS SECTION DURING THE PRIOR TAXABLE YEAR.

(G) THE DEPARTMENT 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.

~~(E) TO QUALIFY FOR THE CREDIT PROVIDED UNDER THIS SECTION, FOR EACH QUALIFIED VETERAN EMPLOYEE FOR WHOM THE SMALL BUSINESS IS CLAIMING THE CREDIT, THE SMALL BUSINESS SHALL ATTACH TO THE SMALL BUSINESS'S INCOME TAX RETURN OR OTHERWISE FILE WITH THE COMPTROLLER:~~

~~(1) INFORMATION IDENTIFYING THE NAME AND DATE OF HIRE OF THE QUALIFIED VETERAN EMPLOYEE; AND~~

~~(2) PROOF OF THE WAGES PAID TO THE QUALIFIED VETERAN EMPLOYEE.~~

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before June 30, 2020, the Secretary of Commerce shall report to the General Assembly, in accordance with §

2–1246 of the State Government Article, on the effectiveness of the tax credit established under this Act.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017, and shall be applicable to all taxable years beginning after December 31, 2016.

Approved by the Governor, April 18, 2017.

Chapter 181

(House Bill 349)

AN ACT concerning

Income Tax Credit – Wages Paid to Qualified Veteran Employees (Hire Our Veterans Act of 2017)

FOR the purpose of allowing a credit against the State income tax for certain wages paid by certain small businesses to certain qualified veteran employees; providing for the calculation of the credit; prohibiting a small business from claiming the credit under certain circumstances; ~~requiring the small business to submit certain documentation to qualify for the credit; requiring the Department of Veterans Affairs~~ Commerce, on application of a small business, to issue a tax credit certificate under certain circumstances; requiring the application to contain certain information; requiring the Department to approve applications on a first-come, first-served basis and notify applicants of approval or denial of an application within a certain number of days after receipt of the application; providing that the total amount of tax credit certificates issued by the Department may not exceed a certain amount for each taxable year; requiring the Department to report certain information to the Comptroller on or before a certain date each year; requiring the Department to adopt certain regulations; requiring the Secretary of Veterans Affairs Commerce to report to the General Assembly on or before a certain date; defining certain terms; providing for the application of this Act; and generally relating to a State income tax credit for wages paid to qualified veteran employees.

BY adding to

Article – Tax – General

Section 10–741

Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Tax – General

10-741.

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

(2) “DEPARTMENT” MEANS THE DEPARTMENT OF ~~VETERANS AFFAIRS~~ COMMERCE.

~~(2)~~ (3) “QUALIFIED VETERAN EMPLOYEE” MEANS AN INDIVIDUAL WHO:

(I) IS HONORABLY DISCHARGED OR RELEASED UNDER HONORABLE CIRCUMSTANCES FROM ACTIVE MILITARY, NAVAL, OR AIR SERVICE AS DEFINED IN 38 U.S.C. § 101; AND

(II) IS A QUALIFIED VETERAN AS DEFINED UNDER 26 U.S.C. § 51(D)(3)(A) FOR PURPOSES OF THE FEDERAL WORK OPPORTUNITY TAX CREDIT.

~~(3)~~ (4) “SMALL BUSINESS” MEANS AN INDIVIDUAL, A PARTNERSHIP, A LIMITED PARTNERSHIP, A LIMITED LIABILITY PARTNERSHIP, A LIMITED LIABILITY COMPANY, OR A CORPORATION THAT EMPLOYS 50 OR FEWER FULL-TIME EMPLOYEES.

(B) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A SMALL BUSINESS THAT HIRES A QUALIFIED VETERAN EMPLOYEE MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX ~~IN THE AMOUNTS DETERMINED UNDER SUBSECTION (C) OF THIS SECTION~~ IN THE AMOUNT STATED ON THE TAX CREDIT CERTIFICATE ISSUED UNDER SUBSECTION (E) OF THIS SECTION FOR WAGES PAID TO THE QUALIFIED VETERAN EMPLOYEE.

(C) FOR EACH TAXABLE YEAR, FOR THE WAGES PAID TO EACH QUALIFIED VETERAN EMPLOYEE, A CREDIT ~~IS ALLOWED IN AN AMOUNT EQUAL TO:~~

~~(1)~~ MAY NOT EXCEED 30% OF UP TO THE FIRST \$6,000 OF WAGES PAID TO THE QUALIFIED VETERAN EMPLOYEE DURING THE FIRST YEAR OF EMPLOYMENT; AND

~~(2) 20% OF UP TO THE FIRST \$6,000 OF WAGES PAID TO THE QUALIFIED VETERAN EMPLOYEE DURING THE SECOND YEAR OF EMPLOYMENT.~~

(D) A SMALL BUSINESS MAY NOT CLAIM THE CREDIT UNDER THIS SECTION;

(1) FOR MORE THAN FIVE QUALIFIED VETERAN EMPLOYEES IN A TAXABLE YEAR; OR

(2) FOR A QUALIFIED VETERAN EMPLOYEE WHO IS HIRED TO REPLACE A LAID-OFF EMPLOYEE OR AN EMPLOYEE WHO IS ON STRIKE.

(E) (1) ON APPLICATION BY A SMALL BUSINESS, THE DEPARTMENT SHALL ISSUE A TAX CREDIT CERTIFICATE IN THE AMOUNT ALLOWABLE UNDER SUBSECTION (C) OF THIS SECTION FOR EACH QUALIFIED VETERAN EMPLOYEE EMPLOYED BY THE SMALL BUSINESS IN A TAXABLE YEAR, SUBJECT TO SUBSECTION (D)(1) OF THIS SECTION.

(2) THE APPLICATION SHALL INCLUDE:

(I) THE NAME OF THE SMALL BUSINESS;

(II) INFORMATION IDENTIFYING THE NAME AND DATE OF HIRE OF THE QUALIFIED VETERAN EMPLOYEE;

(III) PROOF OF THE WAGES PAID TO THE QUALIFIED VETERAN EMPLOYEE; AND

(IV) ANY OTHER INFORMATION THAT THE DEPARTMENT REQUIRES.

(3) THE DEPARTMENT SHALL:

(I) APPROVE ALL APPLICATIONS THAT QUALIFY FOR A TAX CREDIT CERTIFICATE UNDER THIS SUBSECTION ON A FIRST-COME, FIRST-SERVED BASIS; AND

(II) NOTIFY THE SMALL BUSINESS WITHIN 45 DAYS AFTER THE RECEIPT OF THE APPLICATION OF THE DEPARTMENT'S APPROVAL OR DENIAL.

(4) FOR EACH TAXABLE YEAR, THE TOTAL AMOUNT OF THE CREDIT CERTIFICATES THAT MAY BE ISSUED BY THE DEPARTMENT UNDER THIS SECTION MAY NOT EXCEED \$500,000.

(F) ON OR BEFORE JANUARY 31 OF EACH TAXABLE YEAR, THE DEPARTMENT SHALL REPORT TO THE COMPTROLLER ON THE TAX CREDIT CERTIFICATES ISSUED UNDER THIS SECTION DURING THE PRIOR TAXABLE YEAR.

(G) THE DEPARTMENT 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.

~~(E) TO QUALIFY FOR THE CREDIT PROVIDED UNDER THIS SECTION, FOR EACH QUALIFIED VETERAN EMPLOYEE FOR WHOM THE SMALL BUSINESS IS CLAIMING THE CREDIT, THE SMALL BUSINESS SHALL ATTACH TO THE SMALL BUSINESS'S INCOME TAX RETURN OR OTHERWISE FILE WITH THE COMPTROLLER:~~

~~(1) INFORMATION IDENTIFYING THE NAME AND DATE OF HIRE OF THE QUALIFIED VETERAN EMPLOYEE; AND~~

~~(2) PROOF OF THE WAGES PAID TO THE QUALIFIED VETERAN EMPLOYEE.~~

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before June 30, 2020, the Secretary of ~~Veterans Affairs~~ *Commerce* shall report to the General Assembly, in accordance with § 2-1246 of the State Government Article, on the effectiveness of the tax credit established under this Act.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017, and shall be applicable to all taxable years beginning after December 31, 2016.

Approved by the Governor, April 18, 2017.

Chapter 182

(Senate Bill 515)

AN ACT concerning

Collective Bargaining – Firefighters – Martin State Airport

FOR the purpose of making certain provisions of law that relate to collective bargaining for State employees apply to certain firefighters for the Martin State Airport who are employed by the Military Department; altering certain provisions of law that relate to collective bargaining for certain firefighters for the Martin State Airport; and generally relating to collective bargaining rights for firefighters for the Martin State Airport.

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions

Section ~~3–102(a)~~ 3–101(b), 3–102, and 3–205(a) and (c)
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – State Personnel and Pensions

3–101.

(b) “Board” means:

(1) with regard to any matter relating to employees of any of the units of State government described in § 3–102(a)(1)(i) through (iv) and (vi) through [(ix)] (X) of this subtitle and employees described in § 3–102(a)(2) of this subtitle, the State Labor Relations Board; and

(2) with regard to any matter relating to employees of any State institution of higher education described in § 3–102(a)(1)(v) of this subtitle, the State Higher Education Labor Relations Board.

3–102.

(a) Except as provided in this title or as otherwise provided by law, this title applies to:

- (1) all employees of:
 - (i) the principal departments within the Executive Branch of State government;
 - (ii) the Maryland Insurance Administration;
 - (iii) the State Department of Assessments and Taxation;
 - (iv) the State Lottery and Gaming Control Agency;
 - (v) the University System of Maryland, Morgan State University, St. Mary’s College of Maryland, and Baltimore City Community College;
 - (vi) the Comptroller;
 - (vii) the Maryland Transportation Authority who are not police officers;
 - (viii) the State Retirement Agency; ~~and~~

(ix) the State Department of Education; ~~and~~

(X) FIREFIGHTERS FOR THE MARTIN STATE AIRPORT AT THE RANK OF CAPTAIN OR BELOW WHO ARE EMPLOYED BY THE MILITARY DEPARTMENT; AND

(2) all full-time Maryland Transportation Authority police officers at the rank of first sergeant and below; ~~AND~~

~~**(3) FIREFIGHTERS FOR THE MARTIN STATE AIRPORT AT THE RANK OF CAPTAIN OR BELOW WHO ARE EMPLOYED BY THE MILITARY DEPARTMENT.**~~

(b) This title does not apply to:

(1) employees of the Maryland Transit Administration, as that term is defined in § 7-601(a)(2) of the Transportation Article;

(2) an employee who is elected to the position by popular vote;

(3) an employee in a position by election or appointment that is provided for by the Maryland Constitution;

(4) an employee who is:

(i) a special appointment in the State Personnel Management System; or

(ii) 1. directly appointed by the Governor by an appointment that is not provided for by the Maryland Constitution;

2. appointed by or on the staff of the Governor or Lieutenant Governor; or

3. assigned to the Government House or the Governor's Office;

(5) an employee assigned to the Board or with access to records of the Board;

(6) an employee in:

(i) the executive service of the State Personnel Management System; or

(ii) a unit of the Executive Branch with an independent personnel system who is:

1. the chief administrator of the unit or a comparable position that is not excluded under item (3) of this subsection as a constitutional or elected office; or

2. a deputy or assistant administrator of the unit or a comparable position;

(7) (i) a temporary or contractual employee in the State Personnel Management System; or

(ii) a contractual, temporary, or emergency employee in a unit of the Executive Branch with an independent personnel system;

(8) an employee who is entitled to participate in collective bargaining under another law;

(9) an employee of the University System of Maryland, Morgan State University, St. Mary's College of Maryland, or Baltimore City Community College who is:

(i) a chief administrator or in a comparable position;

(ii) a deputy, associate, or assistant administrator or in a comparable position;

(iii) a member of the faculty, including a faculty librarian;

(iv) a student employee, including a teaching assistant or a comparable position, fellow, or post doctoral intern;

(v) a contingent, contractual, temporary, or emergency employee;

(vi) a contingent, contractual, or temporary employee whose position is funded through a research or service grant or contract, or through clinical revenues; or

(vii) an employee whose regular place of employment is outside the State of Maryland;

(10) an employee whose participation in a labor organization would be contrary to the State's ethics laws;

(11) any supervisory, managerial, or confidential employee of a unit of State government listed in subsection (a)(1)(i) through (iv) and (vi) through [(ix)] (X) of this section, as defined in regulations adopted by the Secretary;

(12) any supervisory, managerial, or confidential employee of a State institution of higher education listed in subsection (a)(1)(v) of this section, as defined in regulations adopted by the governing board of the institution; or

(13) any employee described in subsection (a)(2) of this section who is a supervisory, managerial, or confidential employee, as defined in regulations adopted by the Secretary.

3-205.

(a) The Board is responsible for administering and enforcing provisions of this title relating to employees described in § 3-102(a)(1)(i) through (iv) and (vi) through [(ix)] (X) and (2) of this title.

(c) (1) The Board may not designate a unique bargaining unit for each of the units of government identified in § 3-102(a)(1)(vi) through [(ix)] (X) of this title.

(2) At the request of the exclusive representative, the Board shall:

(i) determine the appropriate existing bargaining unit into which to assign each employee in the units of government identified in § 3-102(a)(1)(vi) through [(ix)] (X) of this title; and

(ii) accrete all positions to appropriate existing bargaining units.

(3) (i) Notwithstanding Subtitle 4 of this title, at the request of the exclusive representative, the Board shall conduct a self-determination election for each bargaining unit representative for the accreted employees in units of government identified in § 3-102(a)(1)(vi) through [(ix)] (X) of this title.

(ii) All elections shall be conducted by secret ballot.

(iii) For each election, the Board shall place the following choices on the ballot:

1. the name of the incumbent exclusive representative; and

2. a provision for “no exclusive representative”.

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

Approved by the Governor, April 18, 2017.

Chapter 183**(House Bill 275)**

AN ACT concerning

Department of Health and Mental Hygiene – Recommended Courses in Military Culture

FOR the purpose of requiring the Department of Health and Mental Hygiene, in consultation with the Department of Veterans Affairs, to provide to certain health occupations boards a list of recommended courses in military culture; and generally relating to courses in military culture recommended by the Department of Health and Mental Hygiene.

BY repealing and reenacting, without amendments,
Article – Health Occupations
Section 1–801
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 1–802
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Health Occupations

1–801.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Applicant” means an individual who applies for licensure to practice as a health care professional.
- (c) “Board” means:
 - (1) The State Board of Dental Examiners;
 - (2) The State Board of Nursing;
 - (3) The State Board of Examiners in Optometry;

- (4) The State Board of Pharmacy;
- (5) The State Board of Physicians;
- (6) The State Board of Podiatric Medical Examiners;
- (7) The State Board of Professional Counselors and Therapists;
- (8) The State Board of Examiners of Psychologists; and
- (9) The State Board of Social Work Examiners.

(d) “Health care professional” means:

- (1) A dentist licensed by the State Board of Dental Examiners;
- (2) A registered nurse or licensed practical nurse licensed by the State Board of Nursing;
- (3) An optometrist licensed by the State Board of Examiners in Optometry;
- (4) A pharmacist licensed by the State Board of Pharmacy;
- (5) A physician licensed by the State Board of Physicians;
- (6) A podiatrist licensed by the State Board of Podiatric Medical Examiners;
- (7) An individual licensed by the State Board of Professional Counselors and Therapists;
- (8) A psychologist licensed by the State Board of Examiners of Psychologists; and
- (9) An associate social worker, a graduate social worker, a certified social worker, or a certified social worker–clinical licensed by the State Board of Social Work Examiners.

1–802.

(a) **(1)** The Office of Minority Health and Health Disparities shall provide to each board a list of recommended courses in cultural and linguistic competency, health disparities, and health literacy.

(2) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF VETERANS AFFAIRS, SHALL PROVIDE TO EACH BOARD A LIST OF RECOMMENDED COURSES IN MILITARY CULTURE.

(b) Each board shall:

(1) Post the list of recommended courses provided to the board under subsection (a) of this section prominently on the board's Web site;

(2) Provide information about the recommended courses to health care professionals at the time of renewal of licensure; and

(3) Advertise the availability of the recommended courses in newsletters and any other media published by the board.

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

Approved by the Governor, April 18, 2017.

Chapter 184

(House Bill 1234)

AN ACT concerning

Property Tax – Credit for Retired Military Service Members – Eligibility

FOR the purpose of expanding eligibility for a credit authorized against the county or municipal corporation property tax for retired military service members to include certain members of the uniformed services of the United States, the military reserves, and the National Guard; providing for the application of this Act; and generally relating to a property tax credit for retired military service members.

BY repealing and reenacting, with amendments,

Article – Tax – Property

Section 9–258

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

Article – Tax – Property

9–258.

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

(2) “Dwelling” has the meaning stated in § 9–105 of this title;

(3) “Eligible individual” means:

(i) an individual who is at least 65 years old and has lived in the same dwelling for at least the preceding 40 years; or

(ii) an individual who is at least 65 years old and is a retired member of the [armed forces] **UNIFORMED SERVICES** of the United States **AS DEFINED IN 10 U.S.C. § 101, THE MILITARY RESERVES, OR THE NATIONAL GUARD.**

(b) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may grant, by law, a property tax credit under this section against the county or municipal corporation property tax imposed on the dwelling of an eligible individual.

(c) The property tax credit allowed under this section may:

(1) not exceed 20% of the county or municipal corporation property tax imposed on the property; and

(2) be granted for a period of up to 5 years.

(d) The Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation may provide, by law, for:

(1) the maximum assessed value of a dwelling that is eligible for 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 tax credit under this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017, and shall be applicable to all taxable years beginning after June 30, 2017.

Approved by the Governor, April 18, 2017.

Chapter 185**(Senate Bill 375)**

AN ACT concerning

Insurance – Bail Bondsmen – Continuing Education Requirements

FOR the purpose of requiring certain insurance producers who sell, solicit, or negotiate bail bonds to receive continuing education that directly relates to bail bond insurance; and generally relating to continuing education for insurance producers.

BY repealing and reenacting, with amendments,
Article – Insurance
Section 10–116
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)

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

Article – Insurance

10–116.

(a) (1) Subject to subsections (b) and (c) of this section, the Commissioner shall require an insurance producer to receive continuing education as a condition of renewing the license of the insurance producer.

(2) (i) The Commissioner may not require an individual who holds a license to receive more than 24 hours of continuing education per renewal period.

(ii) If the individual holds a title insurance producer license, the Commissioner may not require the insurance producer to receive more than 16 hours of continuing education per renewal period.

(iii) If an insurance producer has held a license for 25 or more consecutive years as of October 1, 2008, the Commissioner may not require the insurance producer to receive more than 8 hours of continuing education per renewal period.

(iv) The Commissioner may not require an insurance producer to receive more than 16 hours of continuing education in a renewal period if the insurance producer is also a licensed funeral director or licensed mortician who:

1. sells only life insurance policies or annuity contracts that fund a pre-need contract as defined in § 7–101 of the Health Occupations Article; and

2. is not a viatical settlement broker as defined in § 8–601 of this article.

(v) Of the required hours of continuing education per renewal period required under subparagraphs (i), (ii), (iii), and (iv) of this paragraph, at least 3 hours shall relate directly to ethics.

(3) Subject to paragraph (4) of this subsection, an insurance producer may satisfy the continuing education requirements of this subsection by submitting to the Commissioner or Commissioner's designee:

(i) proof that the insurance producer has completed the required hours of continuing education for the applicable renewal period; or

(ii) proof that the insurance producer has completed at least 8 hours of continuing education for the applicable renewal period and an affidavit that, over the previous 25 consecutive years, the insurance producer continually:

1. has held a license in the State; and

2. has been employed in the selling of insurance in the State.

(4) (i) To increase the level of education of insurance producers, an insurance producer shall obtain continuing education in the kind or subdivision of insurance for which the insurance producer has received a license.

(ii) Each insurance producer who possesses a license to sell health insurance and who sells long-term care insurance shall receive continuing education that directly relates to long-term care insurance.

(iii) Each insurance producer who possesses a license to sell property and casualty insurance and who sells flood insurance shall receive continuing education that directly relates to flood insurance.

(IV) EACH INSURANCE PRODUCER WHO POSSESSES A LICENSE TO SELL PROPERTY AND CASUALTY INSURANCE AND WHO SELLS, SOLICITS, OR NEGOTIATES BAIL BONDS SHALL RECEIVE CONTINUING EDUCATION THAT DIRECTLY RELATES TO BAIL BOND INSURANCE.

[(iv)] (V) Each insurance producer who possesses a license to sell health insurance and who markets the Senior Prescription Drug Assistance Program or assists a Medicare beneficiary to enroll in the Senior Prescription Drug Assistance Program shall receive continuing education that directly relates to the Senior Prescription Drug Assistance Program.

(5) If continuing education is required, the Commissioner may grant a waiver to an insurance producer who has requested a waiver for reasons that the Commissioner determines warrant the waiver.

(6) An insurer may not prohibit one of its insurance producers from obtaining continuing education credits from any course approved by the Commissioner.

(b) The following individuals are exempt from the continuing education requirements under this section:

(1) employees of a health maintenance organization who are employed solely to solicit membership in the health maintenance organization under a contract between the health maintenance organization and the Department of Health and Mental Hygiene;

(2) attorneys at law of the State who are qualified as title insurance producers and who do not hold a license in any other kind or subdivision of insurance;

(3) individuals who hold only a limited lines license to act as an insurance producer for limited line credit insurance; and

(4) insurance producers who hold only a limited lines license in any type of insurance designated by the Commissioner.

(c) A nonresident licensee shall be deemed to have met the continuing education requirements of this section if:

(1) the nonresident licensee satisfies the continuing education requirements of the home state of the nonresident licensee; and

(2) the home state of the nonresident licensee allows an insurance producer who is a resident of this State to satisfy the continuing education requirements of the home state on the same basis by meeting the continuing education requirements of this State.

(d) (1) The Commissioner may review all continuing education courses submitted and approve or disapprove courses.

(2) The Commissioner may not disapprove a continuing education course solely on the basis of the methodology or technology used to deliver instruction to individuals taking the course.

(d-1) (1) An insurance producer may obtain all or part of the credit hours of continuing education required for renewal of a license under this section from correspondence courses or online courses approved by the Commissioner.

(2) This subsection applies to all insurance producers who are required to receive continuing education as a condition of license renewal under this section, regardless

of the kind or subdivision of insurance for which the insurance producer has received a license.

(e) The Commissioner may adopt regulations to carry out this section.

(f) This section does not limit the authority of the Commissioner to review, approve, or disapprove continuing education courses, examinations, and other matters relating to the education and qualification of insurance producers.

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

Approved by the Governor, April 18, 2017.

Chapter 186

(House Bill 451)

AN ACT concerning

Insurance – Bail Bondsmen – Continuing Education Requirements

FOR the purpose of requiring certain insurance producers who sell, solicit, or negotiate bail bonds to receive continuing education that directly relates to bail bond insurance; and generally relating to continuing education for insurance producers.

BY repealing and reenacting, with amendments,
Article – Insurance
Section 10–116
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)

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

Article – Insurance

10–116.

(a) (1) Subject to subsections (b) and (c) of this section, the Commissioner shall require an insurance producer to receive continuing education as a condition of renewing the license of the insurance producer.

(2) (i) The Commissioner may not require an individual who holds a license to receive more than 24 hours of continuing education per renewal period.

(ii) If the individual holds a title insurance producer license, the Commissioner may not require the insurance producer to receive more than 16 hours of continuing education per renewal period.

(iii) If an insurance producer has held a license for 25 or more consecutive years as of October 1, 2008, the Commissioner may not require the insurance producer to receive more than 8 hours of continuing education per renewal period.

(iv) The Commissioner may not require an insurance producer to receive more than 16 hours of continuing education in a renewal period if the insurance producer is also a licensed funeral director or licensed mortician who:

1. sells only life insurance policies or annuity contracts that fund a pre-need contract as defined in § 7-101 of the Health Occupations Article; and
2. is not a viatical settlement broker as defined in § 8-601 of this article.

(v) Of the required hours of continuing education per renewal period required under subparagraphs (i), (ii), (iii), and (iv) of this paragraph, at least 3 hours shall relate directly to ethics.

(3) Subject to paragraph (4) of this subsection, an insurance producer may satisfy the continuing education requirements of this subsection by submitting to the Commissioner or Commissioner's designee:

(i) proof that the insurance producer has completed the required hours of continuing education for the applicable renewal period; or

(ii) proof that the insurance producer has completed at least 8 hours of continuing education for the applicable renewal period and an affidavit that, over the previous 25 consecutive years, the insurance producer continually:

1. has held a license in the State; and
2. has been employed in the selling of insurance in the State.

(4) (i) To increase the level of education of insurance producers, an insurance producer shall obtain continuing education in the kind or subdivision of insurance for which the insurance producer has received a license.

(ii) Each insurance producer who possesses a license to sell health insurance and who sells long-term care insurance shall receive continuing education that directly relates to long-term care insurance.

(iii) Each insurance producer who possesses a license to sell property and casualty insurance and who sells flood insurance shall receive continuing education that directly relates to flood insurance.

(IV) EACH INSURANCE PRODUCER WHO POSSESSES A LICENSE TO SELL PROPERTY AND CASUALTY INSURANCE AND WHO SELLS, SOLICITS, OR NEGOTIATES BAIL BONDS SHALL RECEIVE CONTINUING EDUCATION THAT DIRECTLY RELATES TO BAIL BOND INSURANCE.

~~[(iv)]~~ **(V)** Each insurance producer who possesses a license to sell health insurance and who markets the Senior Prescription Drug Assistance Program or assists a Medicare beneficiary to enroll in the Senior Prescription Drug Assistance Program shall receive continuing education that directly relates to the Senior Prescription Drug Assistance Program.

(5) If continuing education is required, the Commissioner may grant a waiver to an insurance producer who has requested a waiver for reasons that the Commissioner determines warrant the waiver.

(6) An insurer may not prohibit one of its insurance producers from obtaining continuing education credits from any course approved by the Commissioner.

(b) The following individuals are exempt from the continuing education requirements under this section:

(1) employees of a health maintenance organization who are employed solely to solicit membership in the health maintenance organization under a contract between the health maintenance organization and the Department of Health and Mental Hygiene;

(2) attorneys at law of the State who are qualified as title insurance producers and who do not hold a license in any other kind or subdivision of insurance;

(3) individuals who hold only a limited lines license to act as an insurance producer for limited line credit insurance; and

(4) insurance producers who hold only a limited lines license in any type of insurance designated by the Commissioner.

(c) A nonresident licensee shall be deemed to have met the continuing education requirements of this section if:

(1) the nonresident licensee satisfies the continuing education requirements of the home state of the nonresident licensee; and

(2) the home state of the nonresident licensee allows an insurance producer who is a resident of this State to satisfy the continuing education requirements of the home state on the same basis by meeting the continuing education requirements of this State.

(d) (1) The Commissioner may review all continuing education courses submitted and approve or disapprove courses.

(2) The Commissioner may not disapprove a continuing education course solely on the basis of the methodology or technology used to deliver instruction to individuals taking the course.

(d-1) (1) An insurance producer may obtain all or part of the credit hours of continuing education required for renewal of a license under this section from correspondence courses or online courses approved by the Commissioner.

(2) This subsection applies to all insurance producers who are required to receive continuing education as a condition of license renewal under this section, regardless of the kind or subdivision of insurance for which the insurance producer has received a license.

(e) The Commissioner may adopt regulations to carry out this section.

(f) This section does not limit the authority of the Commissioner to review, approve, or disapprove continuing education courses, examinations, and other matters relating to the education and qualification of insurance producers.

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

Approved by the Governor, April 18, 2017.

Chapter 187

(Senate Bill 790)

AN ACT concerning

Criminal Law – Animal Cruelty – Applicability

FOR the purpose of clarifying that a person who has charge or custody of an animal and who unnecessarily fails to provide the animal with proper air, proper space, proper shelter, or proper protection from the weather is guilty of violating a certain prohibition against abuse or neglect of an animal; clarifying that a person who intentionally mutilates, intentionally tortures, intentionally cruelly beats, or

intentionally cruelly kills an animal is guilty of violating a certain prohibition against aggravated cruelty to animals; and generally relating to animal cruelty.

BY repealing and reenacting, with amendments,
Article – Criminal Law
Section 10–604 and 10–606
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Criminal Law

10–604.

(a) A person may not:

- (1) overdrive or overload an animal;
- (2) deprive an animal of necessary sustenance;
- (3) inflict unnecessary suffering or pain on an animal;

(4) cause, procure, or authorize an act prohibited under item (1), (2), or (3) of this subsection; or

(5) if the person has charge or custody of an animal, as owner or otherwise, unnecessarily fail to provide the animal with:

- (I) nutritious food in sufficient quantity[.];
- (II) necessary veterinary care[.];
- (III) proper drink[.];
- (IV) **PROPER** air[.];
- (V) **PROPER** space[.];
- (VI) **PROPER** shelter[.]; or
- (VII) **PROPER** protection from the weather.

(b) (1) A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 90 days or a fine not exceeding \$1,000 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.

(3) As a condition of probation, the court may prohibit a defendant from owning, possessing, or residing with an animal.

10–606.

(a) A person may not:

(1) intentionally:

(I) mutilate[.];

(II) torture[.];

(III) cruelly beat[.]; or

(IV) cruelly kill an animal;

(2) cause, procure, or authorize an act prohibited under item (1) of this subsection; or

(3) except in the case of self–defense, intentionally inflict bodily harm, permanent disability, or death on an animal owned or used by a law enforcement unit.

(b) (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.

(3) As a condition of probation, the court may prohibit a defendant from owning, possessing, or residing with an animal.

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

Approved by the Governor, April 18, 2017.

Chapter 188**(House Bill 455)**

AN ACT concerning

Criminal Law – Animal Cruelty – Applicability

FOR the purpose of clarifying that a person who has charge or custody of an animal and who unnecessarily fails to provide the animal with proper air, proper space, proper shelter, or proper protection from the weather is guilty of violating a certain prohibition against abuse or neglect of an animal; clarifying that a person who intentionally mutilates, intentionally tortures, intentionally cruelly beats, or intentionally cruelly kills an animal is guilty of violating a certain prohibition against aggravated cruelty to animals; and generally relating to animal cruelty.

BY repealing and reenacting, with amendments,

Article – Criminal Law

Section 10–604 and 10–606

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

Article – Criminal Law

10–604.

(a) A person may not:

(1) overdrive or overload an animal;

(2) deprive an animal of necessary sustenance;

(3) inflict unnecessary suffering or pain on an animal;

(4) cause, procure, or authorize an act prohibited under item (1), (2), or (3) of this subsection; or

(5) if the person has charge or custody of an animal, as owner or otherwise, unnecessarily fail to provide the animal with:

(I) nutritious food in sufficient quantity[.];

(II) necessary veterinary care[.];

- (III) proper drink[.];
- (IV) **PROPER** air[.];
- (V) **PROPER** space[.];
- (VI) **PROPER** shelter[.]; or
- (VII) **PROPER** protection from the weather.

(b) (1) A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 90 days or a fine not exceeding \$1,000 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.

(3) As a condition of probation, the court may prohibit a defendant from owning, possessing, or residing with an animal.

10–606.

(a) A person may not:

(1) intentionally:

- (I) mutilate[.];
- (II) torture[.];
- (III) cruelly beat[.]; or
- (IV) cruelly kill an animal;

(2) cause, procure, or authorize an act prohibited under item (1) of this subsection; or

(3) except in the case of self–defense, intentionally inflict bodily harm, permanent disability, or death on an animal owned or used by a law enforcement unit.

(b) (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.

(3) As a condition of probation, the court may prohibit a defendant from owning, possessing, or residing with an animal.

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

Approved by the Governor, April 18, 2017.

Chapter 189

(House Bill 162)

AN ACT concerning

Public Safety – Firearm Application

FOR the purpose of repealing a requirement that a certain firearm application contain a copy of the applicant's handgun qualification license; requiring that a firearm application contain the applicant's handgun qualification license number, with a certain exception; and generally relating to firearm applications.

BY repealing and reenacting, with amendments,
Article – Public Safety
Section 5–118(b)
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)

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

Article – Public Safety

5–118.

(b) A firearm application shall contain:

(1) the firearm applicant's name, address, Social Security number, place and date of birth, height, weight, race, eye and hair color, signature, driver's or photographic identification soundex number, occupation, and regulated firearm information for each regulated firearm to be purchased, rented, or transferred;

(2) the date and time that the firearm applicant delivered the completed firearm application to the prospective seller or transferor;

(3) a statement by the firearm applicant under the penalty of perjury that the firearm applicant:

(i) is at least 21 years old;

(ii) has never been convicted of a disqualifying crime;

(iii) has never been convicted of a violation classified as a common law crime and received a term of imprisonment of more than 2 years;

(iv) is not a fugitive from justice;

(v) is not a habitual drunkard;

(vi) is not addicted to a controlled dangerous substance or is not a habitual user;

(vii) does not suffer from a mental disorder as defined in § 10–101(i)(2) of the Health – General Article and have a history of violent behavior against the firearm applicant or another;

(viii) has never been found incompetent to stand trial under § 3–106 of the Criminal Procedure Article;

(ix) has never been found not criminally responsible under § 3–110 of the Criminal Procedure Article;

(x) has never been voluntarily admitted for more than 30 consecutive days to a facility as defined in § 10–101 of the Health – General Article;

(xi) has never been involuntarily committed to a facility as defined in § 10–101 of the Health – General Article;

(xii) is not under the protection of a guardian appointed by a court under § 13–201(c) or § 13–705 of the Estates and Trusts Article, except for cases in which the appointment of a guardian is solely a result of a physical disability;

(xiii) is not a respondent against whom:

1. a current non ex parte civil protective order has been entered under § 4–506 of the Family Law Article; or

2. an order for protection, as defined in § 4–508.1 of the Family Law Article, has been issued by a court of another state or a Native American tribe and is in effect; and

(xiv) if under the age of 30 years at the time of application, has not been adjudicated delinquent by a juvenile court for an act that would be a disqualifying crime if committed by an adult; and

(4) [a copy of] **UNLESS THE APPLICANT IS EXCLUDED UNDER § 5–117.1(A) OF THIS SUBTITLE**, the applicant’s handgun qualification license **NUMBER**.

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

Approved by the Governor, April 18, 2017.

Chapter 190

(Senate Bill 23)

AN ACT concerning

Handgun Permits – Alternative Expiration Date – Private Detectives, Security Guards, and Special Police Officers

FOR the purpose of authorizing the Secretary of State Police to establish an alternative expiration date for a permit to carry, wear, or transport a handgun that coincides with the expiration of a certain license, certification, or commission that the holder has been issued; and generally relating to handgun permits.

BY repealing and reenacting, with amendments,
 Article – Public Safety
 Section 5–309(a)
 Annotated Code of Maryland
 (2011 Replacement Volume and 2016 Supplement)

BY adding to
 Article – Public Safety
 Section 5–309(d)
 Annotated Code of Maryland
 (2011 Replacement Volume and 2016 Supplement)

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

Article – Public Safety

5–309.

(a) **[A] EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION,** A permit expires on the last day of the holder's birth month following 2 years after the date the permit is issued.

(D) THE SECRETARY MAY ESTABLISH AN ALTERNATIVE EXPIRATION DATE FOR A PERMIT TO COINCIDE WITH THE EXPIRATION OF A LICENSE, CERTIFICATION, OR COMMISSION FOR:

(1) A PRIVATE DETECTIVE UNDER TITLE 13 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE;

(2) A SECURITY GUARD UNDER TITLE 19 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE; OR

(3) A SPECIAL POLICE OFFICER UNDER § 3–306 OF THIS ARTICLE.

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

Approved by the Governor, April 18, 2017.

Chapter 191**(House Bill 877)**

AN ACT concerning

Handgun Permits – Alternative Expiration Date – Private Detectives, Security Guards, and Special Police Officers

FOR the purpose of authorizing the Secretary of State Police to establish an alternative expiration date for a permit to carry, wear, or transport a handgun that coincides with the expiration of a certain license, certification, or commission that the holder has been issued; and generally relating to handgun permits.

BY repealing and reenacting, with amendments,

Article – Public Safety

Section 5–309(a)

Annotated Code of Maryland

(2011 Replacement Volume and 2016 Supplement)

BY adding to

Article – Public Safety

Section 5–309(d)

Annotated Code of Maryland

(2011 Replacement Volume and 2016 Supplement)

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

Article – Public Safety

5–309.

(a) **[A] EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION,** A permit expires on the last day of the holder’s birth month following 2 years after the date the permit is issued.

(D) THE SECRETARY MAY ESTABLISH AN ALTERNATIVE EXPIRATION DATE FOR A PERMIT TO COINCIDE WITH THE EXPIRATION OF A LICENSE, CERTIFICATION, OR COMMISSION FOR:

(1) A PRIVATE DETECTIVE UNDER TITLE 13 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE;

(2) A SECURITY GUARD UNDER TITLE 19 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE; OR

(3) A SPECIAL POLICE OFFICER UNDER § 3–306 OF THIS ARTICLE.

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

Approved by the Governor, April 18, 2017.

Chapter 192

(Senate Bill 16)

AN ACT concerning

Public Safety – Firearm Application

FOR the purpose of repealing a requirement that a certain firearm application contain a copy of the applicant's handgun qualification license; requiring that a firearm application contain the applicant's handgun qualification license number, with a certain exception; and generally relating to firearm applications.

BY repealing and reenacting, with amendments,
Article – Public Safety
Section 5–118(b)
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)

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

Article – Public Safety

5–118.

(b) A firearm application shall contain:

(1) the firearm applicant's name, address, Social Security number, place and date of birth, height, weight, race, eye and hair color, signature, driver's or photographic identification soundex number, occupation, and regulated firearm information for each regulated firearm to be purchased, rented, or transferred;

(2) the date and time that the firearm applicant delivered the completed firearm application to the prospective seller or transferor;

(3) a statement by the firearm applicant under the penalty of perjury that the firearm applicant:

(i) is at least 21 years old;

(ii) has never been convicted of a disqualifying crime;

(iii) has never been convicted of a violation classified as a common law crime and received a term of imprisonment of more than 2 years;

(iv) is not a fugitive from justice;

(v) is not a habitual drunkard;

(vi) is not addicted to a controlled dangerous substance or is not a habitual user;

(vii) does not suffer from a mental disorder as defined in § 10–101(i)(2) of the Health – General Article and have a history of violent behavior against the firearm applicant or another;

(viii) has never been found incompetent to stand trial under § 3–106 of the Criminal Procedure Article;

(ix) has never been found not criminally responsible under § 3–110 of the Criminal Procedure Article;

(x) has never been voluntarily admitted for more than 30 consecutive days to a facility as defined in § 10–101 of the Health – General Article;

(xi) has never been involuntarily committed to a facility as defined in § 10–101 of the Health – General Article;

(xii) is not under the protection of a guardian appointed by a court under § 13–201(c) or § 13–705 of the Estates and Trusts Article, except for cases in which the appointment of a guardian is solely a result of a physical disability;

(xiii) is not a respondent against whom:

1. a current non ex parte civil protective order has been entered under § 4–506 of the Family Law Article; or

2. an order for protection, as defined in § 4–508.1 of the Family Law Article, has been issued by a court of another state or a Native American tribe and is in effect; and

(xiv) if under the age of 30 years at the time of application, has not been adjudicated delinquent by a juvenile court for an act that would be a disqualifying crime if committed by an adult; and

(4) [a copy of] **UNLESS THE APPLICANT IS EXCLUDED UNDER § 5–117.1(A) OF THIS SUBTITLE**, the applicant’s handgun qualification license **NUMBER**.

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

Approved by the Governor, April 18, 2017.

Chapter 193

(Senate Bill 43)

AN ACT concerning

Juvenile Court Records – Disclosure

FOR the purpose of establishing that certain provisions regarding the confidentiality of juvenile court records do not prohibit access to and confidential use of a juvenile court record by the Department of Human Resources for the purpose of claiming certain federal funds; and generally relating to juvenile court records.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 3–8A–27(b)
Annotated Code of Maryland
(2013 Replacement Volume and 2016 Supplement)

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

Article – Courts and Judicial Proceedings

3–8A–27.

(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 the court record of a child by an agency in the District of Columbia or a state agency in Delaware, Pennsylvania, Virginia, or West 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; and

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.

(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–B AND** 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's Office of Youth Violence Prevention:

(i) If the Baltimore City Health 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.

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

Approved by the Governor, April 18, 2017.

Chapter 194

(Senate Bill 35)

AN ACT concerning

Juvenile Law – Informal Adjustment – Mental Health Program

FOR the purpose of establishing that a juvenile informal adjustment process may exceed a certain length of time if a juvenile intake officer determines that additional time is necessary for a child to ~~complete~~ participate in a certain substance-related disorder treatment program or a certain mental health program; making a technical change; and generally relating to juvenile law.

BY repealing and reenacting, with amendments,
 Article – Courts and Judicial Proceedings
 Section 3–8A–10(f)
 Annotated Code of Maryland
 (2013 Replacement Volume and 2016 Supplement)

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

Article – Courts and Judicial Proceedings

3–8A–10.

(f) (1) During the informal adjustment process, the child shall be subject to such supervision as the intake officer deems appropriate and if the intake officer decides to have an intake conference, the child and the child’s parent or guardian shall appear at the intake conference.

(2) The informal adjustment process may not exceed 90 days unless:

(i) That time is extended by the court; or

(ii) The intake officer determines that additional time is necessary for the child to ~~complete a substance abuse treatment~~ **PARTICIPATE IN A SUBSTANCE-RELATED DISORDER TREATMENT PROGRAM OR A MENTAL HEALTH** program that is part of the informal adjustment process.

(3) If the victim, the child, and the child’s parent or guardian do not consent to an informal adjustment, the intake officer shall authorize the filing of a petition or a peace order request or both or deny authorization to file a petition or a peace order request or both under subsection (g) of this section.

(4) If at any time before the completion of an agreed upon informal adjustment the intake officer believes that the informal adjustment cannot be completed successfully, the intake officer shall authorize the filing of a petition or a peace order request or both or deny authorization to file a petition or a peace order request or both under subsection (g) of this section.

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

Approved by the Governor, April 18, 2017.

Chapter 195

(Senate Bill 45)

AN ACT concerning

Motor Vehicle Administration – Driving Instructors – Criminal History Records Checks

FOR the purpose of requiring the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services to provide to the Motor Vehicle Administration certain revised criminal history record information under certain circumstances; altering the application process for a criminal history records check for driving instructors; making a certain technical correction; making a stylistic change; and generally relating to criminal history records checks for driving instructors.

BY repealing and reenacting, with amendments,
Article – Transportation
Section 15–804(b)
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

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

Article – Transportation

15–804.

(b) (1) In this subsection, “Central Repository” means the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services.

(2) The Administration shall apply to the Central Repository for a State and national criminal history records check for each applicant.

(3) As part of the application for a criminal history records check, the Administration shall submit to the Central Repository:

(i) [Two complete sets] **ONE COMPLETE SET** of the applicant’s legible fingerprints taken [on forms] **IN A MANNER** approved by the Director of the Central Repository and the Director of the Federal Bureau of Investigation;

(ii) The fee authorized under § 10–221(b)(7) of the Criminal Procedure Article for access to Maryland criminal history records; and

(iii) The mandatory processing fee required by the Federal Bureau of Investigation for a national criminal history records check.

(4) In accordance with §§ 10–201 through [10–234] **10–229** of the Criminal Procedure Article, the Central Repository shall forward to the applicant and the Administration the applicant’s criminal history [records] **RECORD** information.

(5) IF CRIMINAL HISTORY RECORD INFORMATION IS REPORTED TO THE CENTRAL REPOSITORY AFTER THE DATE OF THE CRIMINAL HISTORY RECORDS CHECK, THE CENTRAL REPOSITORY SHALL PROVIDE TO THE ADMINISTRATION A REVISED PRINTED STATEMENT OF THE INDIVIDUAL’S CRIMINAL HISTORY RECORD INFORMATION.

[(5)] (6) Information obtained from the Central Repository under this subsection:

(i) Is confidential and may not be disseminated; and

(ii) Shall be used only for the licensing purpose authorized by this subsection.

[(6)] (7) The subject of a criminal history records check under this subsection may contest the contents of the printed statement issued by the Central Repository as provided in § 10–223 of the Criminal Procedure Article.

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

Approved by the Governor, April 18, 2017.

Chapter 196

(Senate Bill 77)

AN ACT concerning

Anne Arundel County and Harford County – Courthouse Dog and Child Witness Pilot Program

FOR the purpose of expanding the application of the Courthouse Dog and Child Witness Pilot Program to civil court proceedings by altering the definition of “child witness”; and generally relating to the Courthouse Dog and Child Witness Pilot Program.

BY repealing and reenacting, with amendments,
Chapter 467 of the Acts of the General Assembly of 2016
Section 1

BY repealing and reenacting, without amendments,
Chapter 467 of the Acts of the General Assembly of 2016
Section 2

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

Chapter 467 of the Acts of 2016

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

- (a) (1) In this section the following words have the meanings indicated.
 - (2) “Child witness” means a witness who is a minor when the witness testifies in a [criminal] COURT proceeding.
 - (3) “Facility dog” means a dog that has:
 - (i) graduated from a program of an assistance dog organization that trains dogs for the purpose of reducing stress in a child witness;
 - (ii) received 2 years of training;
 - (iii) passed the same public access test as a service dog; and
 - (iv) been teamed with a facility dog handler.
 - (4) “Facility dog handler” means a person who has received training on:
 - (i) offering the person’s animal for assistance purposes from an organization accredited by Assistance Dogs International or an equivalent organization; and
 - (ii) court protocol and policies, including the expected role of an animal assistance team and how not to interfere with evidence collection or the effective administration of justice.
 - (5) “Therapy dog” means a dog that has:

(i) received training to provide affection and comfort to children who need emotional support; and

(ii) been teamed with a therapy dog handler.

(6) “Therapy dog handler” means a person who has received training on:

(i) offering the person’s animal for assistance purposes from an organization that insures, registers, or certifies therapy dogs and their handlers; and

(ii) court protocol and policies, including the expected role of an animal assistance team and how not to interfere with evidence collection or the effective administration of justice.

(b) There is a Courthouse Dog and Child Witness Pilot Program in the circuit courts for Anne Arundel County and Harford County.

(c) The purpose of the pilot program is to determine whether to establish a structured, defined, and systematic approach for providing a courthouse dog to a child witness in any circuit court proceeding in the State.

(d) To accomplish the purpose of the pilot program, the Administrative Office of the Courts shall:

(1) develop a plan to implement the pilot program;

(2) establish the procedures that a party in a court proceeding must follow to request that a therapy dog and therapy dog handler or facility dog and facility dog handler assist a child witness; and

(3) ensure that the details of the pilot program are publicly available.

(e) On or before September 30, 2019, the Administrative Office of the Courts shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly on the operation and results of the pilot program.

(f) The Administrative Office of the Courts may adopt rules to implement this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016. It shall remain effective for a period of 3 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.

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

Approved by the Governor, April 18, 2017.

Chapter 197

(House Bill 669)

AN ACT concerning

Public Schools – Boards of Education – Anonymous Two-Way ~~Text Messaging~~ Electronic Tip Programs

FOR the purpose of ~~requiring each~~ authorizing a county board of education to establish an anonymous two-way ~~text messaging~~ electronic tip program; establishing the purpose of the program; requiring each county board of education that establishes an anonymous two-way electronic tip program to publicize the program in certain locations and venues; requiring the completion of a victim of bullying, harassment, or intimidation report form and the provision of a certain transcript to a certain person on receipt of a report of any act of bullying, harassment, or intimidation from an anonymous two-way ~~text messaging~~ electronic tip; authorizing the Governor to include funding in the State budget to provide grants to county boards to establish a certain program; establishing that information received from an anonymous two-way ~~text messaging~~ electronic tip is confidential and may not be made a part of a student's permanent educational record; requiring a certain model policy to include information regarding the availability and use of the program; and generally relating to the establishment of anonymous two-way ~~text messaging~~ electronic tip programs.

BY repealing and reenacting, with amendments,
Article – Education
Section 7-424 and 7-424.1(b)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

7-424.

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

(2) “Bullying, harassment, or intimidation” means intentional conduct, including verbal, physical, or written conduct, or an intentional electronic communication, that:

(i) Creates a hostile educational environment by substantially interfering with a student's educational benefits, opportunities, or performance, or with a student's physical or psychological well-being and is:

1. Motivated by an actual or a perceived personal characteristic including race, national origin, marital status, sex, sexual orientation, gender identity, religion, ancestry, physical attributes, socioeconomic status, familial status, or physical or mental ability or disability; or

2. Threatening or seriously intimidating; and

(ii) 1. Occurs on school property, at a school activity or event, or on a school bus; or

2. Substantially disrupts the orderly operation of a school.

(3) "Electronic communication" means a communication transmitted by means of an electronic device, including a telephone, cellular phone, computer, or pager.

(b) (1) The Department shall require a county board to report incidents of bullying, harassment, or intimidation against students attending a public school under the jurisdiction of the county board.

(2) An incident of bullying, harassment, or intimidation may be reported by:

(i) A student;

(ii) The parent, guardian, or close adult relative of a student; or

(iii) A school staff member.

(c) (1) The Department shall create a standard victim of bullying, harassment, or intimidation report form.

(2) Each victim of bullying, harassment, or intimidation report form shall:

(i) Identify the victim and the alleged perpetrator, if known;

(ii) Indicate the age of the victim and alleged perpetrator;

(iii) Describe the incident, including alleged statements made by the alleged perpetrator;

(iv) Indicate the location of the incident;

(v) Identify any physical injury suffered by the victim and describe the seriousness and any permanent effects of the injury;

(vi) Indicate the number of days a student is absent from school, if any, as a result of the incident;

(vii) Identify any request for psychological services initiated by the victim or the victim's family due to psychological injuries suffered; and

(viii) Include instructions on how to fill out the form and the mailing address to where the form shall be sent.

(3) A county board shall distribute copies of the victim of bullying, harassment, or intimidation report form to each public school under the county board's jurisdiction.

(D) (1) ~~EACH A COUNTY BOARD SHALL~~ MAY ESTABLISH AN ANONYMOUS TWO-WAY ~~TEXT-MESSAGING~~ ELECTRONIC TIP PROGRAM TO ALLOW THE REPORTING OF AN ACT OF BULLYING, HARASSMENT, OR INTIMIDATION OF A STUDENT.

(2) THE PURPOSE OF THE ANONYMOUS TWO-WAY ~~TEXT-MESSAGING~~ ELECTRONIC TIP PROGRAM IS FOR A STUDENT, A PARENT, GUARDIAN, OR CLOSE ADULT RELATIVE OF A STUDENT, OR A SCHOOL STAFF MEMBER TO REPORT ACTS OF BULLYING, HARASSMENT, OR INTIMIDATION.

(3) EACH COUNTY BOARD THAT ESTABLISHES AN ANONYMOUS TWO-WAY ELECTRONIC TIP PROGRAM SHALL PUBLICIZE THE ANONYMOUS TWO-WAY ~~TEXT-MESSAGING~~ ELECTRONIC TIP PROGRAM IN STUDENT HANDBOOKS, SCHOOL SYSTEM WEB SITES, AND OTHER LOCATIONS THAT THE COUNTY BOARD DETERMINES ARE NECESSARY OR APPROPRIATE.

(4) ON RECEIPT OF A REPORT OF AN ACT OF BULLYING, HARASSMENT, OR INTIMIDATION FROM AN ANONYMOUS TWO-WAY ~~TEXT-MESSAGING~~ ELECTRONIC TIP, THE RECIPIENT OF THE REPORT OR THE RECIPIENT'S DESIGNEE SHALL:

(I) COMPLETE A VICTIM OF BULLYING, HARASSMENT, OR INTIMIDATION REPORT FORM IN ACCORDANCE WITH SUBSECTION (C) OF THIS SECTION; AND

(II) PROVIDE A TRANSCRIPT OF THE CONVERSATION TO A DESIGNATED PERSON IN THE SCHOOL.

(5) THE GOVERNOR MAY INCLUDE FUNDING IN THE STATE BUDGET TO PROVIDE GRANTS TO COUNTY BOARDS TO ESTABLISH AN ANONYMOUS TWO-WAY ELECTRONIC TIP PROGRAM.

[(d)] (E) (1) Each county board shall submit summaries of report forms filed with the county board to the State Board on or before January 31 each year.

(2) A county board shall delete any information that identifies an individual.

[(e)] (F) The information contained in a victim of bullying, harassment, or intimidation report form in accordance with subsection (c) of this section **OR RECEIVED FROM AN ANONYMOUS TWO-WAY ~~TEXT MESSAGING~~ ELECTRONIC TIP IN ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION:**

(1) Is confidential and may not be redisclosed except as otherwise provided under the Family Educational Rights and Privacy Act or this section; and

(2) May not be made a part of a student's permanent educational record.

[(f)] (G) (1) The Department shall submit a report on or before March 31 each year to the Senate Education, Health, and Environmental Affairs Committee and the House Ways and Means Committee, in accordance with § 2-1246 of the State Government Article, consisting of a summary of the information included in the victim of bullying, harassment, or intimidation report forms filed with the county boards the previous year.

(2) The report submitted by the Department shall include, to the extent feasible:

(i) A description of the act constituting the bullying, harassment, or intimidation;

(ii) The age of the victim and alleged perpetrator;

(iii) The allegation of the alleged perpetrator's motive;

(iv) A description of the investigation of the complaint and any corrective action taken by the appropriate school authorities;

(v) The number of days a student is absent from school, if any, as a result of the incident; and

(vi) The number of false allegations reported.

(b) (1) By March 31, 2009, the State Board, after consultation with and input from local school systems, shall develop a model policy prohibiting bullying, harassment, or intimidation in schools.

(2) The model policy developed under paragraph (1) of this subsection shall include:

(i) A statement prohibiting bullying, harassment, and intimidation in schools;

(ii) A statement prohibiting reprisal or retaliation against individuals who report acts of bullying, harassment, or intimidation;

(iii) A definition of bullying, harassment, or intimidation that is either the same as set forth in subsection (a)(2) of this section or a definition that is not less inclusive than that definition;

(iv) Standard consequences and remedial actions for persons committing acts of bullying, harassment, or intimidation and for persons engaged in reprisal or retaliation;

(v) Standard consequences and remedial actions for persons found to have made false accusations;

(vi) Model procedures for reporting acts of bullying, harassment, and intimidation;

(vii) Model procedures for the prompt investigation of acts of bullying, harassment, and intimidation;

(viii) Information about the types of support services available to the student bully, victim, and any bystanders; [and]

(ix) Information regarding the availability and use of the bullying, harassment, or intimidation form under § 7-424 of this subtitle; AND

(X) INFORMATION REGARDING THE AVAILABILITY AND USE OF AN ANONYMOUS TWO-WAY ~~TEXT MESSAGING~~ ELECTRONIC TIP PROGRAM ESTABLISHED UNDER § 7-424 OF THIS SUBTITLE.

(3) By September 1, 2016, and every 5 years thereafter, the State Board, after consultation with local school systems, shall update the model policy required under paragraph (1) of this subsection.

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

Approved by the Governor, April 18, 2017.

Chapter 198

(House Bill 1261)

AN ACT concerning

Barbers – Criminal Penalties for Violations of Barbering Law – Repeal

FOR the purpose of repealing certain criminal penalties for violations of the barbering law; making stylistic changes; and generally relating to practicing barbering.

BY repealing and reenacting, without amendments,
Article – Business Occupations and Professions
Section 4–601
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Business Occupations and Professions
Section 4–607
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

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

Article – Business Occupations and Professions

4–601.

(a) Except as otherwise provided in this title, a person may not practice, attempt to practice, or offer to practice barbering in the State unless licensed by the Board to practice barbering.

(b) Except as otherwise provided in this title, a person may not provide, attempt to provide, or offer to provide barber–stylist services in the State unless licensed by the Board to provide barber–stylist services.

4–607.

(a) [A person who violates any provision of this title is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$100 or imprisonment not exceeding 30 days or both.

(b) (1) Except as otherwise provided by this title, the Board may impose on a person who violates any provision of this title a penalty not exceeding \$1,000 for all violations cited on a single day.

[(2)] (B) In setting the amount of the penalty, the Board shall consider:

[(i)] (1) the seriousness of the violation;

[(ii)] (2) the harm caused by the violation;

[(iii)] (3) the good faith of the violator;

[(iv)] (4) any history of previous violations by the violator; and

[(v)] (5) any other relevant factors.

[(3)] (C) The Board shall pay any penalty collected under this [subsection] SECTION into the General Fund of the State.

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

Approved by the Governor, April 18, 2017.

Chapter 199

(House Bill 221)

AN ACT concerning

Maryland Council on Advancement of School-Based Health Centers

FOR the purpose of transferring the Maryland Council on Advancement of School-Based Health Centers from the State Department of Education to the Department of Health and Mental Hygiene; requiring the Maryland Community Health Resources Commission to provide staff support for the Council; authorizing the Commission to seek certain assistance to provide additional staffing resources to the Commission and the Council; requiring the Council to report certain findings and recommendations to the Commission on or before a certain date each year; defining

a certain term; making conforming changes; and generally relating to the Maryland Council on Advancement of School–Based Health Centers.

BY transferring

Article – Education

Section 7–4A–01 through 7–4A–05, respectively, and the subtitle “Subtitle 4A. Maryland Council on Advancement of School–Based Health Centers”, respectively

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

to be

Article – Health – General

Section 19–22A–01 through 19–22A–05, respectively, and the subtitle “Subtitle 22A. Maryland Council on Advancement of School–Based Health Centers”, respectively

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Health – General

Section 19–22A–01, 19–22A–02, 19–22A–03(a), and 19–22A–05

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

(As enacted by Section 1 of this Act)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 7–4A–01 through 7–4A–05, respectively, and the subtitle “Subtitle 4A. Maryland Council on Advancement of School–Based Health Centers” of Article – Education of the Annotated Code of Maryland be transferred to be Section(s) 19–22A–01 through 19–22A–05, respectively, and the subtitle “Subtitle 22A. Maryland Council on Advancement of School–Based Health Centers” of Article – Health – General of the Annotated Code of Maryland.

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

Article – Health – General

19–22A–01.

(A) In this subtitle[,] THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “COMMISSION” MEANS THE MARYLAND COMMUNITY HEALTH RESOURCES COMMISSION.

(C) “Council” means the Maryland Council on Advancement of School–Based Health Centers.

19–22A–02.

(a) There is a Maryland Council on Advancement of School–Based Health Centers in the Department.

(b) The purpose of the Council is to improve the health and educational outcomes of students who receive services from school–based health centers by advancing the integration of school–based health centers into:

- (1) The health care system at the State and local levels; and
- (2) The educational system at the State and local levels.

(c) (1) Staff support for the Council shall be provided by the [Department] COMMISSION.

(2) The [Department] COMMISSION may seek the assistance of organizations with expertise in school–based health care or other matters within the duties of the Council provided in [§ 7–4A–05] § 19–22A–05 of this subtitle to provide additional staffing resources to the [Department] COMMISSION and the Council.

19–22A–03.

(a) The Council consists of the following 15 voting members and 6 ex officio members:

(1) One member of the Senate of Maryland, appointed by the President of the Senate, as an ex officio member;

(2) One member of the House of Delegates, appointed by the Speaker of the House, as an ex officio member;

(3) The Secretary of Health and Mental Hygiene, or a designee of the Secretary, as an ex officio member;

(4) The State Superintendent of Schools as an ex officio member;

(5) The Executive Director of the Maryland Health Benefit Exchange as an ex officio member;

(6) The Chairman of the [Maryland Community Health Resources] Commission, or a designee of the Chairman, as an ex officio member; and

(7) The following 15 members, appointed by the Governor:

(i) The President of the Maryland Assembly on School-Based Health Care, or a designee of the President;

(ii) Three representatives of school-based health centers, nominated by the Maryland Assembly on School-Based Health Care:

1. From a diverse array of sponsoring organizations; and

2. For at least one of the representatives, from a nursing background;

(iii) One representative of the Public Schools Superintendents Association of Maryland;

(iv) One representative of the Maryland Association of Boards of Education;

(v) One elementary school principal of a school that has a school-based health center;

(vi) One secondary school principal of a school that has a school-based health center;

(vii) One representative of the Maryland Hospital Association;

(viii) One representative of the Maryland Association of County Health Officers;

(ix) One representative of a federally qualified health center, nominated by the Mid-Atlantic Association of Community Health Centers;

(x) One representative of a managed care organization;

(xi) One representative of a commercial health insurance carrier;

(xii) One pediatrician, nominated by the Maryland Chapter of the American Academy of Pediatrics; and

(xiii) One parent or guardian of a student who utilizes services at a school-based health center.

19-22A-05.

(a) The Council shall develop policy recommendations to improve the health and educational outcomes of students who receive services from school-based health centers by:

- (1) Supporting local community efforts to establish or expand school-based health center capacity in primary care, behavioral health, and oral health;
- (2) Integrating school-based health centers into existing and emerging patient-centered models of care;
- (3) Promoting the inclusion of school-based health centers in networks of managed care organizations and commercial health insurance carriers;
- (4) Advancing the public health goals of State and local health officials;
- (5) Promoting the inclusion of school-based health centers into networks of school health services and coordinated student service models for the range of services offered in school settings;
- (6) Supporting State and local initiatives to promote student success;
- (7) Reviewing and revising best practice guidelines; and
- (8) Supporting the long-term sustainability of school-based health centers.

(b) The Council shall review the collection and analysis of school-based health center data collected by the **STATE** Department **OF EDUCATION** to:

- (1) Make recommendations on best practices for the collection and analysis of the data; and
- (2) Provide guidance on the development of findings and recommendations based on the data.

(c) The Council shall conduct other activities the Council considers appropriate to meet the purpose of the Council.

(d) On or before December 31 of each year, the Council shall report the findings and recommendations of the Council to the Department of Health and Mental Hygiene, the State Department of Education, **THE COMMISSION**, and, in accordance with § 2-1246 of the State Government Article, the General Assembly on improving the health and educational outcomes of students who receive services from school-based health centers.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Approved by the Governor, April 18, 2017.

Chapter 200**(Senate Bill 185)**

AN ACT concerning

Public Health – Repeal of AIDS Education Program for Persons Convicted of Drug- or Sex-Related Crimes

FOR the purpose of repealing a certain educational program on acquired immune deficiency syndrome (AIDS) for persons who plead guilty or nolo contendere to or are found guilty of certain drug- or sex-related crimes; and generally relating to AIDS education for drug and sex offenders.

BY repealing

Article – Health – General

Section 18–339

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

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

Article – Health – General

[18–339.

(a) The Secretary shall establish and conduct an educational program on acquired immune deficiency syndrome (AIDS) for persons who plead guilty or nolo contendere to, or who are found guilty of, violating:

(1) Title 11, Subtitle 3 of the Criminal Law Article; or

(2) Any provision of the Maryland Controlled Dangerous Substances Act, Title 5 of the Criminal Law Article.

(b) The educational program established under subsection (a) of this section shall:

(1) Consist of at least 4 hours of instruction; and

(2) Include information on measures available to prevent the spread of acquired immune deficiency syndrome and the human immunodeficiency virus.

(c) (1) The individual who attends a program under this section shall pay in advance a fee as provided under this subsection.

(2) The Department shall set a reasonable fee based on the costs of operating the program authorized by this section.]

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

Approved by the Governor, April 18, 2017.

Chapter 201

(House Bill 445)

AN ACT concerning

Public Health – Repeal of AIDS Education Program for Persons Convicted of Drug- or Sex-Related Crimes

FOR the purpose of repealing a certain educational program on acquired immune deficiency syndrome (AIDS) for persons who plead guilty or nolo contendere to or are found guilty of certain drug- or sex-related crimes; and generally relating to AIDS education for drug and sex offenders.

BY repealing

Article – Health – General

Section 18–339

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

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

Article – Health – General

[18–339.

(a) The Secretary shall establish and conduct an educational program on acquired immune deficiency syndrome (AIDS) for persons who plead guilty or nolo contendere to, or who are found guilty of, violating:

(1) Title 11, Subtitle 3 of the Criminal Law Article; or

(2) Any provision of the Maryland Controlled Dangerous Substances Act, Title 5 of the Criminal Law Article.

(b) The educational program established under subsection (a) of this section shall:

(1) Consist of at least 4 hours of instruction; and

(2) Include information on measures available to prevent the spread of acquired immune deficiency syndrome and the human immunodeficiency virus.

(c) (1) The individual who attends a program under this section shall pay in advance a fee as provided under this subsection.

(2) The Department shall set a reasonable fee based on the costs of operating the program authorized by this section.]

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

Approved by the Governor, April 18, 2017.

Chapter 202

(Senate Bill 671)

AN ACT concerning

Department of Human Resources – Public Assistance Eligibility – Financial Records

FOR the purpose of requiring the Department of Human Resources, on a showing by an applicant that the applicant has been unable to obtain from a certain fiduciary institution financial records necessary to establish the applicant's eligibility or ineligibility for ~~public assistance~~ Medicaid benefits, to request and obtain the records; requiring the Department to adopt certain regulations; and generally relating to obtaining financial records to establish an individual's eligibility for public assistance.

BY repealing and reenacting, with amendments,

Article – Human Services

Section 5–604

Annotated Code of Maryland

(2007 Volume and 2016 Supplement)

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

Article – Human Services

5-604.

(a) The Department may request and obtain from a fiduciary institution doing business in the State any financial records that the Department determines are necessary to verify or confirm an individual's eligibility or ineligibility for public assistance.

(B) ON A SHOWING BY AN APPLICANT FOR LONG-TERM CARE MEDICAID BENEFITS THAT THE APPLICANT HAS BEEN UNABLE TO OBTAIN FROM A FIDUCIARY INSTITUTION DOING BUSINESS IN THE STATE FINANCIAL RECORDS RELATED TO FINANCIAL AND REAL PROPERTY ASSETS NECESSARY TO ESTABLISH THE APPLICANT'S ELIGIBILITY OR INELIGIBILITY FOR ~~PUBLIC ASSISTANCE~~ MEDICAID BENEFITS, THE DEPARTMENT SHALL REQUEST ~~AND OBTAIN~~ THE RECORDS.

[(b)] (C) (1) (i) The Department shall adopt regulations governing procedures for requesting, obtaining, and examining financial records that the Department determines are necessary to verify or confirm an individual's eligibility or ineligibility for public assistance.

(ii) The regulations shall:

1. include reimbursement schedules necessary to compensate fiduciary institutions for complying with this section; **AND**

2. STATE THE REQUIREMENTS THAT AN APPLICANT MUST SATISFY IN ORDER FOR THE DEPARTMENT TO REQUEST FINANCIAL RECORDS UNDER SUBSECTION (B) OF THIS SECTION.

(2) The Secretary shall notify a fiduciary institution of the officers or employees of the Department who are authorized to request and receive financial records from the fiduciary institution.

(3) An individual authorized to receive information under this section may not disclose any personally identifiable information obtained or maintained under this section.

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

Approved by the Governor, April 18, 2017.

Chapter 203

(House Bill 752)

AN ACT concerning

Department of Human Resources – Public Assistance Eligibility – Financial Records

FOR the purpose of requiring the Department of Human Resources, on a showing by an applicant that the applicant has been unable to obtain from a certain fiduciary institution financial records necessary to establish the applicant's eligibility or ineligibility for ~~public assistance~~ Medicaid benefits, to request and obtain the records; requiring the Department to adopt certain regulations; and generally relating to obtaining financial records to establish an individual's eligibility for public assistance.

BY repealing and reenacting, with amendments,
 Article – Human Services
 Section 5–604
 Annotated Code of Maryland
 (2007 Volume and 2016 Supplement)

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

Article – Human Services

5–604.

(a) The Department may request and obtain from a fiduciary institution doing business in the State any financial records that the Department determines are necessary to verify or confirm an individual's eligibility or ineligibility for public assistance.

(B) ON A SHOWING BY AN APPLICANT FOR LONG-TERM CARE MEDICAID BENEFITS THAT THE APPLICANT HAS BEEN UNABLE TO OBTAIN FROM A FIDUCIARY INSTITUTION DOING BUSINESS IN THE STATE FINANCIAL RECORDS RELATED TO FINANCIAL AND REAL PROPERTY ASSETS NECESSARY TO ESTABLISH THE APPLICANT'S ELIGIBILITY OR INELIGIBILITY FOR ~~PUBLIC ASSISTANCE~~ MEDICAID BENEFITS, THE DEPARTMENT SHALL REQUEST ~~AND OBTAIN~~ THE RECORDS.

~~[(b)]~~ **(C)** (1) (i) The Department shall adopt regulations governing procedures for requesting, obtaining, and examining financial records that the Department determines are necessary to verify or confirm an individual's eligibility or ineligibility for public assistance.

(ii) The regulations shall:

1. include reimbursement schedules necessary to compensate fiduciary institutions for complying with this section; **AND**

2. STATE THE REQUIREMENTS THAT AN APPLICANT MUST SATISFY IN ORDER FOR THE DEPARTMENT TO REQUEST FINANCIAL RECORDS UNDER SUBSECTION (B) OF THIS SECTION.

(2) The Secretary shall notify a fiduciary institution of the officers or employees of the Department who are authorized to request and receive financial records from the fiduciary institution.

(3) An individual authorized to receive information under this section may not disclose any personally identifiable information obtained or maintained under this section.

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

Approved by the Governor, April 18, 2017.

Chapter 204

(Senate Bill 906)

AN ACT concerning

~~**Child Support – Suspension of Employment-Related License for Arrears –
Hardship Exception and Reinstatement**~~
Child Support – Noncompliance With Court Order – License Suspension

FOR the purpose of extending the period of time that an individual with a commercial driver's license may be out of compliance with the most recent order of the court in making child support payments before the Child Support Enforcement Administration may notify the Motor Vehicle Administration to suspend the individual's driver's license; altering the circumstances under which the Child Support Enforcement Administration may request that a certain licensing authority suspend or deny a certain license under certain circumstances; requiring that a notice of a certain proposed action to suspend or deny a business, occupational, or professional license for failure to pay child support contain certain information on grounds for requesting a certain investigation; ~~authorizing the Child Support Enforcement Administration to choose temporarily not to request a suspension of a certain license under certain circumstances~~ altering the circumstances under which the Child Support Enforcement Administration may not send a notification about an individual to a certain licensing authority; providing certain additional circumstances under which a certain license suspended for failure to pay child support may be reinstated; making a certain stylistic change; and generally relating to the suspension of ~~employment-related~~ licenses for the failure to pay child support.

BY repealing and reenacting, without amendments,
 Article – Family Law
 Section 10–119(a) and 10–119.3(a)(1) and (2)
 Annotated Code of Maryland
 (2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
 Article – Family Law
 Section ~~10–119.3(f)~~ 10–119(b)(1) and 10–119.3(e)(1)(i), (f), and (j)
 Annotated Code of Maryland
 (2012 Replacement Volume and 2016 Supplement)

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

Article – Family Law

10–119.

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

(2) “License” has the meaning stated in § 11–128 of the Transportation Article.

(3) “Motor Vehicle Administration” means the Motor Vehicle Administration of the Department of Transportation.

(b) (1) Subject to the provisions of subsection (c) of this section, the Administration may notify the Motor Vehicle Administration of [any] AN obligor WITH A NONCOMMERCIAL LICENSE who is 60 days or more out of compliance, OR AN OBLIGOR WITH A COMMERCIAL LICENSE WHO IS 120 DAYS OR MORE OUT OF COMPLIANCE, with the most recent order of the court in making child support payments if:

(i) the Administration has accepted an assignment of support under § 5–312(b)(2) of the Human Services Article; or

(ii) the recipient of support payments has filed an application for support enforcement services with the Administration.

10–119.3.

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

(2) “License” means any license, certificate, registration, permit, or other authorization that:

- (i) is issued by a licensing authority;
- (ii) is subject to suspension, revocation, forfeiture, or termination by a licensing authority; and
- (iii) is necessary for an individual to practice or engage in:
 - 1. a particular business, occupation, or profession; or
 - 2. recreational hunting or fishing.

(e) (1) Except as provided in paragraph (3) of this subsection and subject to the provisions of subsection (f) of this section, the Administration may request a licensing authority to suspend or deny an individual's license if:

(i) 1. the individual is [in arrears amounting to more than] 120 days [under] **OR MORE OUT OF COMPLIANCE WITH** the most recent order; and

2. A. the Administration has accepted an assignment of support under § 5–312(b)(2) of the Human Services Article; or

B. the recipient of support payments has filed an application for support enforcement services with the Administration; or

(f) (1) At least 30 days before requesting a licensing authority to suspend or deny a license or at least 30 days before making a referral under subsection (e)(3) of this section, the Administration shall:

(i) send written notice of the proposed action to the individual whose license is subject to suspension under this section, including notice of the individual's right to request an investigation; and

(ii) give the individual a reasonable opportunity to contest the accuracy of the information.

(2) ~~(1)~~ **FOR A LICENSE NECESSARY TO PRACTICE OR ENGAGE IN A PARTICULAR BUSINESS, OCCUPATION, OR PROFESSION, THE NOTICE SHALL INCLUDE A STATEMENT THAT THE OBLIGOR HAS THE RIGHT TO REQUEST AN INVESTIGATION ON THE FOLLOWING GROUNDS:**

~~1. (I)~~ **THE REPORTED ARREARAGE IS INACCURATE;**

~~2. (II) A.~~ **1. THE SUSPENSION OF THE LICENSE WOULD BE AN IMPEDIMENT TO CURRENT OR POTENTIAL EMPLOYMENT BECAUSE THE LICENSE IS NECESSARY FOR THE PRIMARY SOURCE OF INCOME FOR THE OBLIGOR; AND**

~~B. 2.~~ THE OBLIGOR HAS MADE GOOD FAITH PAYMENTS TOWARD THE CHILD SUPPORT OBLIGATION; OR

~~3. (III)~~ THE SUSPENSION OF THE LICENSE WOULD RESULT IN AN UNDUE HARDSHIP BECAUSE:

~~A. 1.~~ THE OBLIGOR HAS A DOCUMENTED DISABILITY RESULTING IN A VERIFIED INABILITY TO WORK; OR

~~B. 2.~~ THE SUSPENSION OF THE LICENSE WOULD RESULT IN THE INABILITY OF THE OBLIGOR TO COMPLY WITH THE COURT ORDER.

~~(H) THE ADMINISTRATION MAY CHOOSE TEMPORARILY NOT TO REQUEST A LICENSING AUTHORITY TO SUSPEND A LICENSE UNDER THIS SECTION IF THE ADMINISTRATION DETERMINES, AFTER AN INVESTIGATION, THAT SUSPENSION OF THE LICENSE WOULD RESULT IN AN UNDUE HARDSHIP OR WOULD OTHERWISE BE INAPPROPRIATE.~~

(3) (i) Upon receipt of a request for investigation from an individual whose license is subject to suspension, the Administration shall conduct an investigation.

(ii) Upon completion of the investigation, the Administration shall notify the individual of the result of the investigation and the individual's right to appeal to the Office of Administrative Hearings.

[(3)] (4) (i) An appeal under this section shall be conducted in accordance with Title 10, Subtitle 2 of the State Government Article.

(ii) An appeal shall be made in writing and shall be received by the Office of Administrative Hearings within 30 days after the notice to the individual whose license is subject to suspension of the results of the investigation.

[(4)] (5) If, after the investigation or appeal to the Office of Administrative Hearings, the Administration finds that it erred in making a decision OR THAT ONE OF THE GROUNDS UNDER PARAGRAPH (2) OF THIS SUBSECTION EXISTS, the Administration may not send a notification about an individual to a licensing authority or make a referral under subsection (e)(3) of this section.

(j) The Administration shall notify the licensing authority to reinstate any license suspended or denied under this section within 10 days after the occurrence of any of the following events:

(1) the Administration receives a court order to reinstate the suspended license;

(2) with respect to an individual with a child support arrearage, the individual has:

(i) paid the support arrearage in full;

(ii) demonstrated good faith by paying the ordered amount of support for 4 consecutive months; [or]

(III) PAID A LUMP SUM EQUAL TO FOUR TIMES THE ORDERED AMOUNT OF MONTHLY SUPPORT;

(IV) COOPERATED WITH THE ADMINISTRATION IN ENTERING INTO AN ENFORCEABLE WAGE WITHHOLDING ORDER WITH THE MAXIMUM DEDUCTION PERMITTED UNDER FEDERAL LAW; OR

[(iii)] **(V)** fully complied with the Noncustodial Parent Employment Assistance Pilot Program established under § 10–112.2 of this title; or

(3) with respect to an individual whose license was suspended or denied because of a failure to comply with a subpoena issued under § 10–108.5 of this subtitle, the individual has complied with the subpoena.

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

Approved by the Governor, April 18, 2017.

Chapter 205

(House Bill 103)

AN ACT concerning

Department of Human Resources and Child Support Enforcement Administration – Renaming

FOR the purpose of renaming the Department of Human Resources to be the Department of Human Services; renaming the Secretary of Human Resources to be the Secretary of Human Services; providing that the Department of Human Services is the successor of the Department of Human Resources; renaming the Child Support Enforcement Administration to be the Child Support Administration; providing that the Child Support Administration is the successor of the Child Support Enforcement Administration; providing that certain names and titles of a certain unit and officials

in laws and other documents mean the names and titles of the successor unit and officials; providing for the continuity of certain matters and persons; providing that letterhead, business cards, and other documents reflecting the renaming of the Department and the Administration may not be used until all letterhead, business cards, and other documents already in print and reflecting the name of the Department and the Administration before the effective date of this Act are used; requiring the publisher of the Annotated Code, in consultation with the Department of Legislative Services, to correct cross-references and terminology in the Code that are rendered incorrect by this Act; and generally relating to the renaming of the Department of Human Resources, the Secretary of Human Resources, and the Child Support Enforcement Administration.

BY repealing and reenacting, with amendments,

Article – Family Law

Section 10–106 to be under the amended part “Part II. Child Support Administration”

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Human Services

Section 2–101, 2–201, and 2–202(a)(1) to be under the amended title “Title 2. Department of Human Services”

Annotated Code of Maryland

(2007 Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article – State Government

Section 8–201(a)

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government

Section 8–201(b)(10)

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

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

Article – Family Law

Part II. Child Support [Enforcement] Administration.

10–106.

There is a Child Support [Enforcement] Administration in the Department of Human [Resources] **SERVICES**.

Article – Human Services

Title 2. Department of Human [Resources] SERVICES.

2–101.

- (a) In this title the following words have the meanings indicated.
- (b) “Department” means the Department of Human [Resources] **SERVICES**.
- (c) “Secretary” means the Secretary of Human [Resources] **SERVICES**.

2–201.

There is a Department of Human [Resources] **SERVICES** established as a principal department of the State government.

2–202.

(a) (1) With the advice and consent of the Senate, the Governor shall appoint the Secretary of Human [Resources] **SERVICES**.

Article – State Government

8–201.

(a) The Executive Branch of the State government shall have not more than 21 principal departments, each of which shall embrace a broad, functional area of that Branch.

(b) The principal departments of the Executive Branch of the State government are:

- (10) Human [Resources] **SERVICES**;

SECTION 2. AND BE IT FURTHER ENACTED, That, as provided in this Act:

(a) (1) The Department of Human Services is the successor of the Department of Human Resources.

(2) The Child Support Administration is the successor of the Child Support Enforcement Administration.

(b) In every law, executive order, rule, regulation, policy, or document created by an official, an employee, or a unit of this State, the names and titles of those agencies and officials mean the names and titles of the successor agency or official.

SECTION 3. AND BE IT FURTHER ENACTED, That nothing in this Act affects the term of office of an appointed or elected member of any commission, office, department, agency, or other unit. An individual who is a member of a unit on the effective date of this Act shall remain for the balance of the term to which appointed or elected, unless the member sooner dies, resigns, or is removed under provisions of law.

SECTION 4. AND BE IT FURTHER ENACTED, That any transaction or employment status affected by or flowing from any change of nomenclature or any statute amended by this Act and validly entered into or existing before the effective date of this Act and every right, duty, or interest flowing from a statute amended by this Act remains valid after the effective date of this Act and may be terminated, completed, consummated, or enforced as required or allowed by any statute amended by this Act as though the amendment had not occurred. If a change in nomenclature involves a change in name or designation of any State unit, the successor unit shall be considered in all respects as having the powers and obligations granted the former unit.

SECTION 5. AND BE IT FURTHER ENACTED, That:

(1) the continuity of every commission, office, department, agency, or other unit is retained; and

(2) the personnel, records, files, furniture, fixtures, and other properties and all appropriations, credits, assets, liabilities, and obligations of each retained unit are continued as the personnel, records, files, furniture, fixtures, properties, appropriations, credits, assets, liabilities, and obligations of the unit under the laws enacted by this Act.

SECTION 6. AND BE IT FURTHER ENACTED, That letterhead, business cards, and other documents reflecting the renaming of the Department of Human Resources to be the Department of Human Services and reflecting the renaming of the Child Support Enforcement Administration to be the Child Support Administration may not be used until all letterhead, business cards, and other documents already in print and reflecting the name of the Department and the Administration before the effective date of this Act have been used.

SECTION 7. AND BE IT FURTHER ENACTED, That the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct, with no further action required by the General Assembly, cross-references and terminology rendered incorrect by this Act. The publisher shall adequately describe any such correction in an editor's note following the section affected.

SECTION 8. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

Approved by the Governor, April 18, 2017.

Chapter 206

(House Bill 147)

AN ACT concerning

Healthy Aging Program

FOR the purpose of authorizing the Department of Aging to accept and use grant funds to benefit Maryland's older adults under certain circumstances; establishing the Healthy Aging Program in the Department of Aging; specifying the purposes of the Program; providing for funding for the Program; authorizing the Secretary of Aging to adopt certain regulations; and generally relating to the Healthy Aging Program.

BY repealing and reenacting, with amendments,

Article – Human Services

Section 10–205

Annotated Code of Maryland

(2007 Volume and 2016 Supplement)

BY adding to

Article – Human Services

Section 10–1101 and 10–1102 to be under the new subtitle “Subtitle 11. Healthy Aging Program”

Annotated Code of Maryland

(2007 Volume and 2016 Supplement)

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

Article – Human Services

10–205.

(a) The Secretary shall prepare and submit a budget for the Department.

(b) The Secretary may accept and use any State or federal funds for the purposes specified in this title.

(C) THE SECRETARY MAY ACCEPT AND USE ANY FEDERAL OR PRIVATE GRANT FUNDS IF:

(1) THE GRANT IS FOR PURPOSES THAT WILL BENEFIT MARYLAND'S OLDER ADULTS; AND

(2) THE GRANT FUNDS ARE ACCEPTED AND ACCOUNTED FOR IN ACCORDANCE WITH THE STATE FINANCE AND PROCUREMENT ARTICLE.

SUBTITLE 11. HEALTHY AGING PROGRAM.

10-1101.

(A) THERE IS A HEALTHY AGING PROGRAM IN THE DEPARTMENT.

(B) THE PURPOSES OF THE PROGRAM ARE TO:

(1) PROMOTE HEALTHY AGING AND HEALTHY LIVING BY OLDER ADULTS AT BOTH THE STATE AND LOCAL LEVELS;

(2) ENCOURAGE AGING SAFELY AT HOME AND IN THE COMMUNITY;

(3) RAISE PUBLIC AWARENESS ABOUT THE IMPORTANCE OF HEALTHY AGING AND AGING SAFELY FOR BOTH INDIVIDUALS AND THE PUBLIC AT LARGE;

(4) EVALUATE THE NEED FOR IMPROVING THE QUALITY AND ACCESSIBILITY OF EXISTING HEALTHY AGING OPPORTUNITIES AND SERVICES;

(5) IMPROVE THE QUALITY OF LIFE AND CONTAIN HEALTH CARE COSTS OF OLDER ADULTS;

(6) PROVIDE COMPETITIVE FUNDING GRANTS TO DESIGN AND TEST PROGRAMS AND SERVICES THAT HELP OLDER ADULTS ACHIEVE HEALTHY AND SAFE AGING AND HEALTHY LIVING; AND

(7) PUBLICLY DISSEMINATE THE OUTCOMES OF THE GRANTS AWARDED UNDER THE PROGRAM.

10-1102.

(A) FUNDING FOR THE HEALTHY AGING PROGRAM SHALL BE AS PROVIDED IN THE STATE BUDGET.

(B) THE SECRETARY MAY ACCEPT MONEY PROVIDED BY OTHER PUBLIC AND PRIVATE SOURCES, INCLUDING FEDERAL FUNDS, TO PROVIDE GRANTS UNDER THE PROGRAM.

(C) THE SECRETARY MAY ADOPT REGULATIONS TO IMPLEMENT THE PROGRAM.

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

Approved by the Governor, April 18, 2017.

Chapter 207

(Senate Bill 47)

AN ACT concerning

Reporting Abuse to the Long-Term Care Ombudsman Program and the Office of Health Care Quality

FOR the purpose of establishing a certain exception to certain provisions of law requiring reporting of suspected abuse, neglect, self-neglect, or exploitation of an alleged vulnerable adult; clarifying the entities to which a person is required to report suspected abuse of a resident of a certain related institution; requiring a report to each entity; requiring the Office of Health Care Quality to notify promptly the Long-Term Care Ombudsman Program if the Office receives a certain report; ~~repealing~~ altering a requirement that a recipient of a certain report promptly notify certain other persons; ~~establishing that the Long-Term Care Ombudsman Program may notify certain entities of certain alleged abuse only under certain circumstances;~~ clarifying the entities to which a law enforcement agency is required to submit a report of the findings of a certain investigation; clarifying the entities to which the Secretary of Health and Mental Hygiene is required to submit a report of the findings of a certain investigation; and generally relating to certain abuse reporting requirements.

BY repealing and reenacting, with amendments,
Article – Family Law
Section 14-302
Annotated Code of Maryland
(2012 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Health – General
Section 19-347
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – Family Law

14–302.

(a) **(1)** [Notwithstanding] **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, NOTWITHSTANDING** any law on privileged communications, each health practitioner, police officer, or human service worker who contacts, examines, attends, or treats an alleged vulnerable adult, and who has reason to believe that the alleged vulnerable adult has been subjected to abuse, neglect, self–neglect, or exploitation shall:

[(1)] (I) notify the local department; and

[(2)] (II) if acting as a staff member of a hospital or public health agency, immediately notify and give all the information required by this section to the head of the institution or the designee of the head.

(2) AN OMBUDSMAN, AS DEFINED IN § 10–901 OF THE HUMAN SERVICES ARTICLE, SHALL COMPLY WITH 42 U.S.C. § 3058G(D)(2) AND MAY NOT DISCLOSE THE IDENTITY OF A RESIDENT OR COMPLAINANT EXCEPT AS AUTHORIZED UNDER 42 U.S.C. § 3058G(D)(2).

(b) An individual who is required to make a report under subsection (a) of this section shall make the report by telephone, direct communication, or in writing to the local department as soon as possible.

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

(d) Insofar as is reasonably possible, an individual who makes a report under this section shall include in the report the following information:

(1) the name, age, and home address of the alleged vulnerable adult;

(2) the name and home address of the person responsible for the care of the alleged vulnerable adult;

(3) the whereabouts of the alleged vulnerable adult;

(4) the nature of the alleged vulnerable adult’s incapacity;

(5) the nature and extent of the abuse, neglect, self–neglect, or exploitation of the alleged vulnerable adult, including evidence or information available to the reporter concerning previous injury possibly resulting from abuse, neglect, self–neglect, or exploitation; and

(6) any other information that would help to determine:

(i) the cause of the suspected abuse, neglect, self–neglect, or exploitation; and

(ii) the identity of any individual responsible for the abuse, neglect, self–neglect, or exploitation.

Article – Health – General

19–347.

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

(2) (i) “Abuse” means the non–therapeutic infliction of physical pain or injury, or any persistent course of conduct intended to produce or resulting in mental or emotional distress.

(ii) “Abuse” does not include the performance of an accepted medical procedure that a physician orders.

(3) “Law enforcement agency” means the Department of State Police or a police agency of a county or municipal corporation.

(b) (1) A person who believes that a resident of a related institution has been abused shall report promptly the alleged abuse to an appropriate law enforcement agency, AND the [Secretary] **OFFICE OF HEALTH CARE QUALITY IN THE DEPARTMENT**, ~~and~~ ~~AND~~ the ~~[Department of Aging] LONG TERM CARE OMBUDSMAN PROGRAM ESTABLISHED UNDER § 10-902 OF THE HUMAN SERVICES ARTICLE.~~

(2) A report:

(i) May be oral or written; and

(ii) Shall contain as much information as the reporter is able to provide.

(3) [The recipient of the report promptly shall notify:

(i) The other parties referred to in paragraph (1) of this subsection; and

(ii) ~~(I)~~ Unless the administrator is the alleged abuser, A RECIPIENT OF A REPORT PROMPTLY SHALL NOTIFY, TO THE EXTENT ALLOWED BY FEDERAL AND STATE LAW, the administrator of the related institution. ~~THE LONG-TERM CARE OMBUDSMAN PROGRAM MAY NOTIFY THE OFFICE OF HEALTH CARE QUALITY OR A LAW ENFORCEMENT AGENCY OF AN ALLEGED ABUSE ONLY IF THE RESIDENT OR THE RESIDENT'S LEGAL REPRESENTATIVE CONSENTS TO THE NOTIFICATION.~~

(II) IF THE OFFICE OF HEALTH CARE QUALITY RECEIVES A REPORT UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE OFFICE PROMPTLY SHALL NOTIFY THE LONG-TERM CARE OMBUDSMAN PROGRAM ESTABLISHED UNDER § 10-902 OF THE HUMAN SERVICES ARTICLE.

(c) Any employee of a related institution who is required to report alleged abuse under subsection (b) of this section, and who fails to report the alleged abuse within 3 days after learning of the alleged abuse, is liable for a civil penalty of not more than \$1,000.

(d) (1) Unless otherwise provided, the law enforcement agency, with the assistance of the Secretary, shall:

- (i) Investigate thoroughly each report of an alleged abuse; and
- (ii) Attempt to insure the protection of the alleged victim.

(2) The investigation shall include:

- (i) A determination of the nature, extent, and cause of the abuse;
- (ii) The identity of the alleged abuser; and
- (iii) Any other pertinent fact or matter.

(3) Within 10 working days after the completion of the investigation, the law enforcement agency shall submit a written report of its findings to:

- (i) The State's Attorney;
- (ii) The Secretary;

(iii) The local [ombudsman as designated by the Secretary of Aging] LONG-TERM CARE OMBUDSMAN ENTITY, AS DEFINED IN § 10-901 OF THE HUMAN SERVICES ARTICLE;

(iv) Unless the administrator is the alleged abuser, the administrator of the related institution; and

(v) The [Division of Licensing and Certification] **OFFICE OF HEALTH CARE QUALITY** of the Department of Health and Mental Hygiene.

(e) The law enforcement agency:

(1) Shall refer to the Secretary for investigation reported instances of abuse involving any persistent course of conduct intended to produce or resulting in mental or emotional distress; and

(2) May refer to the Secretary for investigation reported instances of patient-to-patient abuse.

(f) Within 10 working days after the completion of an investigation under subsection (d) of this section, the Secretary shall submit a written report of its findings to:

(1) The State's Attorney;

(2) The local [ombudsman as designated by the Secretary of Aging] **LONG-TERM CARE OMBUDSMAN ENTITY, AS DEFINED IN § 10-901 OF THE HUMAN SERVICES ARTICLE**; and

(3) Unless the administrator is the alleged abuser, the administrator of the related institution.

(g) A person shall have the immunity from liability described under § 5-631 of the Courts and Judicial Proceedings Article for:

(1) Making a report under this section;

(2) Participating in an investigation arising out of a report under this section;

(3) Participating in a judicial proceeding arising out of a report under this section; or

(4) Participating in transferring, suspending, or terminating the employment of any individual who is believed to have abused or aided in abusing a resident under this section.

(h) (1) The Department shall provide each related institution with signs that set forth the reporting requirements under this section.

(2) The related institution shall post the signs conspicuously in the employee and public areas of the related institution.

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

Approved by the Governor, April 18, 2017.

Chapter 208

(House Bill 132)

AN ACT concerning

Long-Term Care Ombudsman Program – Regulations

FOR the purpose of requiring the Secretary of Aging to consult with the State Long-Term Care Ombudsman when adopting certain regulations that relate to the Long-Term Care Ombudsman Program, including certain annual reviews, resident councils and family councils in long-term care facilities, training and designating ombudsmen, conflicts of interest, and confidentiality of certain information and documents; and generally relating to the Long-Term Care Ombudsman Program.

BY repealing and reenacting, with amendments,
Article – Human Services
Section 10-902, 10-904, and 10-906
Annotated Code of Maryland
(2007 Volume and 2016 Supplement)

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

Article – Human Services

10-902.

- (a) There is a Long-Term Care Ombudsman Program in the Department.
- (b) The purpose of the Program is to fulfill the requirements of:
 - (1) the Program under this subtitle; and
 - (2) the federal Older Americans Act, including the requirements of 42 U.S.C. § 3058G.
- (c) (1) The Secretary, **IN CONSULTATION WITH THE STATE LONG-TERM CARE OMBUDSMAN**, shall adopt regulations necessary to carry out this subtitle.

(2) The regulations adopted under paragraph (1) of this subsection shall establish:

(i) the requirements for an annual review by the Department of all ombudsman activities; and

(ii) the process for assisting individuals with organizing and operating a resident council and a family council in a long-term care facility.

10-904.

(a) Entities eligible to be designated as local long-term care ombudsman entities shall:

(1) have demonstrated capability to carry out the responsibilities of the Office;

(2) be public or nonprofit entities;

(3) be free of conflicts of interest; and

(4) meet any additional requirements that the Secretary and the State Long-Term Care Ombudsman specify.

(b) (1) The Secretary, in consultation with **THE STATE LONG-TERM CARE OMBUDSMAN AND** area agencies on aging, shall adopt regulations to establish requirements for training and designating ombudsmen, including in-service training.

(2) The regulations shall prohibit the State Long-Term Care Ombudsman from designating an individual as an ombudsman unless the individual has successfully completed the required training and satisfied the requirements for designation.

10-906.

(a) The Secretary, in consultation with **THE STATE LONG-TERM CARE OMBUDSMAN AND** area agencies on aging, shall adopt regulations to govern conflicts of interest to ensure that:

(1) no individual, or member of the immediate family of an individual, involved in the designation of the State Long-Term Care Ombudsman or a local long-term care ombudsman entity, is subject to a conflict of interest; and

(2) no ombudsman or immediate family member of an ombudsman is subject to a conflict of interest.

(b) The Secretary, in consultation with **THE STATE LONG-TERM CARE OMBUDSMAN AND** area agencies on aging, shall adopt regulations governing the confidentiality of information and documents, including resident records, facility records, and complainant identification.

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

Approved by the Governor, April 18, 2017.

Chapter 209

(House Bill 418)

AN ACT concerning

Child Care Subsidy Program – Reimbursement Rate Adjustments

FOR the purpose of requiring the State Department of Education to conduct a certain analysis regarding the Child Care Subsidy Program beginning in a certain year and at a certain interval thereafter; requiring the Department to consult with certain entities before conducting a certain analysis; requiring the Department to report to certain committees of the General Assembly on or before certain dates; defining certain terms; and generally relating to the Child Care Subsidy Program.

BY adding to

Article – Education

Section 9.5–111

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

9.5–111.

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

(1) “ANALYSIS” MEANS THE MARKET RATE SURVEY OR AN ALTERNATIVE METHOD ALLOWABLE UNDER FEDERAL LAW.

(2) “PROGRAM” MEANS THE CHILD CARE SUBSIDY PROGRAM.

(B) (1) BEGINNING IN 2017, AND EVERY 2 YEARS THEREAFTER, THE DEPARTMENT SHALL CONDUCT AN ANALYSIS IN ORDER TO FORMULATE APPROPRIATE REIMBURSEMENT RATES FOR THE PROGRAM.

(2) THE DEPARTMENT, BEFORE CONDUCTING THE ANALYSIS, SHALL CONSULT WITH:

(I) THE OFFICE OF CHILD CARE ADVISORY COUNCIL;

(II) CHILD CARE RESOURCE AND REFERRAL AGENCIES;

(III) CHILD CARE WORKER ORGANIZATIONS; AND

(IV) ANY OTHER APPROPRIATE ENTITIES.

(C) ON OR BEFORE SEPTEMBER 1, 2017, AND BY SEPTEMBER 1 EVERY 2 YEARS THEREAFTER, THE DEPARTMENT SHALL REPORT TO THE JOINT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES, THE SENATE BUDGET AND TAXATION COMMITTEE, AND THE HOUSE APPROPRIATIONS COMMITTEE, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, ON:

(1) THE METHODOLOGY OF THE ANALYSIS REQUIRED UNDER SUBSECTION (B) OF THIS SECTION;

(2) COST ESTIMATES FOR RAISING THE PROGRAM’S REIMBURSEMENT RATES TO THE 45TH, 55TH, 65TH, AND 75TH PERCENTILE OF CHILD CARE PROVIDERS IN EACH OF THE STATE’S MARKET REGIONS;

(3) THE MINIMUM BASE PAYMENT RATE THAT IS REQUIRED FOR CHILD CARE PROVIDERS TO MEET HEALTH, SAFETY, QUALITY, AND STAFFING REQUIREMENTS IN ACCORDANCE WITH FEDERAL LAW AND THE FACTORS USED TO DETERMINE THAT RATE;

(4) THE RATE ADJUSTMENT THAT THE DEPARTMENT WILL IMPLEMENT BASED ON THE ANALYSIS;

(5) ANY ADJUSTMENTS TO PROGRAM ELIGIBILITY OR FAMILY COPAY AMOUNT THAT WILL BE IMPLEMENTED; AND

(6) ANY POTENTIAL IMPACTS ON FAMILIES AND PROVIDERS DUE TO ANY ADJUSTMENTS MADE TO THE PROGRAM.

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

Approved by the Governor, April 18, 2017.

Chapter 210

(Senate Bill 294)

AN ACT concerning

Child Care Subsidy Program – Reimbursement Rate Adjustments

FOR the purpose of requiring the State Department of Education to conduct a certain analysis regarding the Child Care Subsidy Program beginning in a certain year and at a certain interval thereafter; requiring the Department to consult with certain entities before conducting a certain analysis; requiring the Department to report to certain committees of the General Assembly on or before certain dates; defining certain terms; and generally relating to the Child Care Subsidy Program.

BY adding to

Article – Education

Section 9.5–111

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

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

Article – Education

9.5–111.

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

(1) “ANALYSIS” MEANS THE MARKET RATE SURVEY OR AN ALTERNATIVE METHOD ALLOWABLE UNDER FEDERAL LAW.

(2) “PROGRAM” MEANS THE CHILD CARE SUBSIDY PROGRAM.

(B) (1) BEGINNING IN 2017, AND EVERY 2 YEARS THEREAFTER, THE DEPARTMENT SHALL CONDUCT AN ANALYSIS IN ORDER TO FORMULATE APPROPRIATE REIMBURSEMENT RATES FOR THE PROGRAM.

(2) THE DEPARTMENT, BEFORE CONDUCTING THE ANALYSIS, SHALL CONSULT WITH:

(I) THE OFFICE OF CHILD CARE ADVISORY COUNCIL;

(II) CHILD CARE RESOURCE AND REFERRAL AGENCIES;

(III) CHILD CARE WORKER ORGANIZATIONS; AND

(IV) ANY OTHER APPROPRIATE ENTITIES.

(C) ON OR BEFORE SEPTEMBER 1, 2017, AND BY SEPTEMBER 1 EVERY 2 YEARS THEREAFTER, THE DEPARTMENT SHALL REPORT TO THE JOINT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES, THE SENATE BUDGET AND TAXATION COMMITTEE, AND THE HOUSE APPROPRIATIONS COMMITTEE, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, ON:

(1) THE METHODOLOGY OF THE ANALYSIS REQUIRED UNDER SUBSECTION (B) OF THIS SECTION;

(2) COST ESTIMATES FOR RAISING THE PROGRAM'S REIMBURSEMENT RATES TO THE 45TH, 55TH, 65TH, AND 75TH PERCENTILE OF CHILD CARE PROVIDERS IN EACH OF THE STATE'S MARKET REGIONS;

(3) THE MINIMUM BASE PAYMENT RATE THAT IS REQUIRED FOR CHILD CARE PROVIDERS TO MEET HEALTH, SAFETY, QUALITY, AND STAFFING REQUIREMENTS IN ACCORDANCE WITH FEDERAL LAW AND THE FACTORS USED TO DETERMINE THAT RATE;

(4) THE RATE ADJUSTMENT THAT THE DEPARTMENT WILL IMPLEMENT BASED ON THE ANALYSIS;

(5) ANY ADJUSTMENTS TO PROGRAM ELIGIBILITY OR FAMILY COPAY AMOUNT THAT WILL BE IMPLEMENTED; AND

(6) ANY POTENTIAL IMPACTS ON FAMILIES AND PROVIDERS DUE TO ANY ADJUSTMENTS MADE TO THE PROGRAM.

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

Approved by the Governor, April 18, 2017.

Chapter 211

(House Bill 128)

AN ACT concerning

State Disabilities Plan and Interagency Disabilities Board – Revisions

FOR the purpose of altering the date by which the Secretary of Disabilities must submit an annual analysis of the State's progress in implementing the State Disabilities Plan and related performance objectives to the Governor and the General Assembly; altering the membership of the Interagency Disabilities Board; altering the required elements of the State Disabilities Plan; and generally relating to the State Disabilities Plan and the Interagency Disabilities Board.

BY repealing and reenacting, with amendments,
Article – Human Services
Section 7–113(f), 7–128, and 7–132
Annotated Code of Maryland
(2007 Volume and 2016 Supplement)

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

Article – Human Services

7–113.

(f) The Secretary shall submit an annual analysis of the State's progress in implementing the State Disabilities Plan and related performance objectives to the Governor and, in accordance with § 2–1246 of the State Government Article, to the General Assembly on or before [October 1] **DECEMBER 1** of each year.

7–128.

The Board consists of the following members:

- (1) the Secretary of Disabilities;
- (2) the Secretary of Aging, or the Secretary's designee;

- (3) the Secretary of Commerce, or the Secretary's designee;
 - (4) the Secretary of Budget and Management, or the Secretary's designee;
 - (5) the Secretary of Health and Mental Hygiene, or the Secretary's designee;
 - (6) the Secretary of Housing and Community Development, or the Secretary's designee;
 - (7) the Secretary of Human Resources, or the Secretary's designee;
 - (8) the Secretary of Labor, Licensing, and Regulation, or the Secretary's designee;
 - (9) the Secretary of Planning, or the Secretary's designee;
 - (10) the State Superintendent of Schools, or the Superintendent's designee;
 - (11) the Secretary of Transportation, or the Secretary's designee;
 - (12) the Executive Director of the Governor's Office for Children, or the Executive Director's designee;
 - (13) the Director of the Governor's Office of the Deaf and Hard of Hearing, or the Director's designee; [and]
 - (14) THE SECRETARY OF JUVENILE SERVICES, OR THE SECRETARY'S DESIGNEE;**
 - (15) THE SECRETARY OF PUBLIC SAFETY AND CORRECTIONAL SERVICES, OR THE SECRETARY'S DESIGNEE;**
 - (16) THE EXECUTIVE DIRECTOR OF THE GOVERNOR'S OFFICE OF CRIME CONTROL AND PREVENTION, OR THE EXECUTIVE DIRECTOR'S DESIGNEE; AND**
- [(14)] **(17)** representatives from any other unit of State government that the Governor designates.

7-132.

- (a) The State Disabilities Plan shall provide for the coordination of support services that:

(1) ensure compliance with the federal Americans with Disabilities Act and other relevant federal and State provisions intended to protect the civil rights of individuals with disabilities;

(2) are necessary for individuals with disabilities to achieve maximum participation in the mainstream of the community in the most integrated setting possible; and

(3) address, on a statewide basis, the improvement of:

(i) the capacity of communities to support individuals with disabilities with personal attendant care and other long-term care options that are self-directed;

(ii) the availability of accessible, integrated, and affordable housing options;

(iii) reliable transportation options;

(iv) employment and training options, including self-employment and noncongregant competitive opportunities available in an integrated environment in which there are individuals with and without disabilities;

(v) somatic and [mental] **BEHAVIORAL** health options;

(vi) accessible and universally designed technology;

(vii) support services for children, youth, and their families to enable them to achieve successful learning; [and]

(viii) family support services, including respite care; **AND**

(IX) CRIME CONTROL, PUBLIC SAFETY, AND CORRECTIONAL SERVICES THAT APPROPRIATELY TAKE INTO ACCOUNT THE NEEDS AND RIGHTS OF INDIVIDUALS WITH DISABILITIES.

(b) The State Disabilities Plan shall assess the provision of and resources for support services for individuals with disabilities.

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

Approved by the Governor, April 18, 2017.

Chapter 212**(Senate Bill 696)**

AN ACT concerning

Task Force on Long-Term Care Education and Planning

FOR the purpose of establishing the Task Force on Long-Term Care Education and Planning; 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 on Long-Term Care Education and Planning.

Preamble

WHEREAS, Baby boomers represent 15% of the U.S. population and Maryland is home to 1.5 million baby boomers; and

WHEREAS, About one-quarter of the 1.5 million baby boomers in the State will require long-term care that will cost at least \$100,000 over the course of their lifetimes, with nearly two-thirds of this population having to pay for this care out of pocket; and

WHEREAS, A number of Maryland residents may not understand that they may not be able to rely on the State and federal government to pay for their long-term care needs; and

WHEREAS, Many Maryland residents may be under a misconception that the Maryland Medical Assistance Program and other State programs will sufficiently cover the cost of their long-term care; and

WHEREAS, Maryland residents are in need of education regarding the cost of and need for planning for long-term care; now, therefore,

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

- (a) There is a Task Force on Long-Term Care Education and Planning.
- (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)~~ (1) the Secretary of Aging, or the Secretary's designee;

~~(4)~~ (2) the Secretary of Health and Mental Hygiene, or the Secretary's designee;

~~(5)~~ (3) the Maryland Insurance Commissioner, or the Commissioner's designee; and

~~(6)~~ (4) the following members, appointed by the Governor:

(i) one representative of the Maryland Association of Certified Public Accountants;

(ii) one representative of the Maryland Bar Association;

(iii) one representative of the Financial Planning Association of Maryland;

(iv) one representative of the Maryland Association of Health Underwriters;

(v) one representative of the National Association of Insurance and Financial Advisors of Maryland; ~~and~~

(vi) one representative of the Maryland Association of Private Colleges and Career Schools;

(vii) one representative of the Health Facilities Association of Maryland; and

(viii) one representative of a long-term care insurer or a trade association that includes long-term care insurers.

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

(d) ~~The Department of Aging shall~~ United Seniors of Maryland may 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) examine the status of long-term care education in the State;

(2) consider options for improving efforts to educate residents of the State about planning for long-term care; and

(3) make recommendations regarding long-term care education, including recommendations regarding education methods that will:

(i) ensure that no Maryland resident reaches the age of 50 without having received complete information about the risk of needing long-term care and the private options available to pay for long-term care; and

(ii) include information about the Maryland Medical Assistance Program, how the Program is funded, and whom the Program is intended to serve.

(g) On or before December 1, 2017, the Task Force shall report its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017. It shall remain effective for a period of 1 year and 1 month 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, April 18, 2017.

Chapter 213

(House Bill 953)

AN ACT concerning

Task Force on Long-Term Care Education and Planning

FOR the purpose of establishing the Task Force on Long-Term Care Education and Planning; 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 on Long-Term Care Education and Planning.

Preamble

WHEREAS, Baby boomers represent 15% of the U.S. population and Maryland is home to 1.5 million baby boomers; and

WHEREAS, About one-quarter of the 1.5 million baby boomers in the State will require long-term care that will cost at least \$100,000 over the course of their lifetimes, with nearly two-thirds of this population having to pay for this care out of pocket; and

WHEREAS, A number of Maryland residents may not understand that they may not be able to rely on the State and federal government to pay for their long-term care needs; and

WHEREAS, Many Maryland residents may be under a misconception that the Maryland Medical Assistance Program and other State programs will sufficiently cover the cost of their long-term care; and

WHEREAS, Maryland residents are in need of education regarding the cost of and need for planning for long-term care; now, therefore,

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

(a) There is a Task Force on Long-Term Care Education and Planning.

(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)~~ (1) the Secretary of Aging, or the Secretary's designee;

~~(4)~~ (2) the Secretary of Health and Mental Hygiene, or the Secretary's designee;

~~(5)~~ (3) the Maryland Insurance Commissioner, or the Commissioner's designee; and

~~(6)~~ (4) the following members, appointed by the Governor:

(i) one representative of the Maryland Association of Certified Public Accountants;

- (ii) one representative of the Maryland Bar Association;
- (iii) one representative of the Financial Planning Association of Maryland;
- (iv) one representative of the Maryland Association of Health Underwriters;
- (v) one representative of the National Association of Insurance and Financial Advisors of Maryland; ~~and~~
- (vi) one representative of the Maryland Association of Private Colleges and Career Schools; ~~and~~
- (vii) one representative of the Health Facilities Association of Maryland; and
- (viii) one representative of a long-term care insurer or a trade association that includes long-term care insurers.

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

(d) ~~The Department of Aging~~ United Seniors of Maryland 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) examine the status of long-term care education in the State;
- (2) consider options for improving efforts to educate residents of the State about planning for long-term care; and
- (3) make recommendations regarding long-term care education, including recommendations regarding education methods that will:
 - (i) ensure that no Maryland resident reaches the age of 50 without having received complete information about the risk of needing long-term care and the private options available to pay for long-term care; and

(ii) include information about the Maryland Medical Assistance Program, how the Program is funded, and whom the Program is intended to serve.

(g) On or before December 1, 2017, the Task Force shall report its findings and recommendations to the Governor and, in accordance with § 2–1246 of the State Government Article, the General Assembly.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017. It shall remain effective for a period of 1 year and 1 month 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, April 18, 2017.

Chapter 214

(Senate Bill 82)

AN ACT concerning

Department of Health and Mental Hygiene – Renaming

FOR the purpose of renaming the Department of Health and Mental Hygiene to be the Maryland Department of Health; renaming the Secretary of Health and Mental Hygiene to be the Secretary of Health; providing that the Maryland Department of Health is the successor of the Department of Health and Mental Hygiene; providing that certain names and titles of a certain unit and officials in laws and other documents mean the names and titles of the successor unit and officials; providing for the continuity of certain matters and persons; providing that letterhead, business cards, and other documents reflecting the renaming of the Department may not be used until all letterhead, business cards, and other documents already in print and reflecting the name of the Department before the effective date of this Act are used; requiring the publisher of the Annotated Code, in consultation with the Department of Legislative Services, to correct cross–references and terminology in the Code that are rendered incorrect by this Act; and generally relating to the renaming of the Department of Health and Mental Hygiene and the Secretary of Health and Mental Hygiene.

BY repealing and reenacting, without amendments,
 Article – Health – General
 Section 1–101(a)
 Annotated Code of Maryland
 (2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Health – General

Section 1–101(c) and (k); and 2–101 and 2–102(a) to be under the amended title “Title 2. Maryland Department of Health”

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article – State Government

Section 8–201(a)

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government

Section 8–201(b)(8)

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

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

Article – Health – General

1–101.

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

(c) “Department” means the **MARYLAND** Department of Health [and Mental Hygiene].

(k) “Secretary” means the Secretary of Health [and Mental Hygiene].

Title 2. **MARYLAND** Department of Health [and Mental Hygiene].

2–101.

There is a **MARYLAND** Department of Health [and Mental Hygiene], established as a principal department of the State government.

2–102.

(a) The head of the Department is the Secretary of Health [and Mental Hygiene], who shall be appointed by the Governor with the advice and consent of the Senate.

Article – State Government

8-201.

(a) The Executive Branch of the State government shall have not more than 21 principal departments, each of which shall embrace a broad, functional area of that Branch.

(b) The principal departments of the Executive Branch of the State government are:

(8) Health [and Mental Hygiene];

SECTION 2. AND BE IT FURTHER ENACTED, That, as provided in this Act:

(a) The Maryland Department of Health is the successor of the Department of Health and Mental Hygiene.

(b) In every law, executive order, rule, regulation, policy, or document created by an official, an employee, or a unit of this State, the names and titles of those agencies and officials mean the names and titles of the successor agency or official.

SECTION 3. AND BE IT FURTHER ENACTED, That nothing in this Act affects the term of office of an appointed or elected member of any commission, office, department, agency, or other unit. An individual who is a member of a unit on the effective date of this Act shall remain for the balance of the term to which appointed or elected, unless the member sooner dies, resigns, or is removed under provisions of law.

SECTION 4. AND BE IT FURTHER ENACTED, That any transaction or employment status affected by or flowing from any change of nomenclature or any statute amended by this Act and validly entered into or existing before the effective date of this Act and every right, duty, or interest flowing from a statute amended by this Act remains valid after the effective date of this Act and may be terminated, completed, consummated, or enforced as required or allowed by any statute amended by this Act as though the amendment had not occurred. If a change in nomenclature involves a change in name or designation of any State unit, the successor unit shall be considered in all respects as having the powers and obligations granted the former unit.

SECTION 5. AND BE IT FURTHER ENACTED, That:

(1) the continuity of every commission, office, department, agency or other unit is retained; and

(2) the personnel, records, files, furniture, fixtures, and other properties and all appropriations, credits, assets, liabilities, and obligations of each retained unit are continued as the personnel, records, files, furniture, fixtures, properties, appropriations, credits, assets, liabilities, and obligations of the unit under the laws enacted by this Act.

SECTION 6. AND BE IT FURTHER ENACTED, That letterhead, business cards, and other documents reflecting the renaming of the Department of Health and Mental

Hygiene to be the Maryland Department of Health may not be used until all letterhead, business cards, and other documents already in print and reflecting the name of the Department before the effective date of this Act have been used.

SECTION 7. AND BE IT FURTHER ENACTED, That the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct, with no further action required by the General Assembly, cross–references and terminology rendered incorrect by this Act. The publisher shall adequately describe any correction made in an editor’s note following the section affected.

SECTION 8. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

Approved by the Governor, April 18, 2017.

Chapter 215

(Senate Bill 262)

AN ACT concerning

Public Health – Mobile Food Service Facilities – Licensing and Inspection by County Health Departments

FOR the purpose of requiring a county health department to issue a mobile reciprocity license to a certain mobile food service facility; authorizing a county health department to charge a certain fee for a mobile reciprocity license; providing that a mobile reciprocity license is valid for a certain period of time; prohibiting a county, under certain circumstances, from requiring that a mobile food service facility be inspected before a county health department issues a mobile reciprocity license; authorizing a county health department that issued a mobile reciprocity license to inspect the mobile food service facility while the mobile food service facility is operating in the county; requiring a mobile food service facility that is issued a mobile reciprocity license to comply with all applicable State and local laws and regulations; authorizing a county health department to take certain enforcement action against a certain mobile food service facility; requiring a county health department, under certain circumstances, to notify the county of origin of certain action taken; providing for the application of this Act; defining certain terms; making this Act an emergency measure; and generally relating to the licensing and inspection of mobile food service facilities by county health departments.

BY adding to

Article – Health – General
Section 21–304(f)

Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – Health – General

21–304.

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

(II) “BASE OF OPERATIONS” MEANS A LOCATION USED BY THE OWNER OR OPERATOR OF A MOBILE FOOD SERVICE FACILITY THAT PROVIDES:

1. A SOURCE OF POTABLE WATER, POTABLE WATER HOSES, AND CLEAN CONNECTIONS;

2. A METHOD FOR THE DISPOSAL OF SEWAGE;

3. CLEAN, ADEQUATE, AND COVERED TRASH RECEPTACLES;

4. IF NECESSARY, REFRIGERATED AND DRY FOOD STORAGE AREAS;

5. A STORAGE AREA FOR SINGLE-SERVE FOOD ITEMS;
AND

6. IF NECESSARY, A UTENSIL WASHING FACILITY.

(III) “COUNTY OF ORIGIN” MEANS THE COUNTY IN WHICH THE BASE OF OPERATIONS OF A MOBILE FOOD SERVICE FACILITY IS LOCATED.

(IV) “MOBILE FOOD SERVICE FACILITY” MEANS A FOOD SERVICE FACILITY THAT:

1. IS A VEHICLE MECHANICALLY, ELECTRICALLY, MANUALLY, OR OTHERWISE PROPELLED;

2. OPERATES ON LAND OR WATER; AND

3. CHANGES ITS LOCATION AS PART OF ITS ROUTINE SALES OPERATION.

(v) “MOBILE RECIPROCITY LICENSE” MEANS A LICENSE ISSUED UNDER PARAGRAPH (3) OF THIS SUBSECTION.

(2) THIS SUBSECTION DOES NOT APPLY TO A MOBILE FOOD SERVICE FACILITY THAT OPERATES SOLELY UNDER A TEMPORARY FOOD SERVICE LICENSE IN CONJUNCTION WITH FAIRS, CARNIVALS, OR SIMILAR EVENTS.

(3) A COUNTY HEALTH DEPARTMENT SHALL ISSUE A MOBILE RECIPROCITY LICENSE TO A MOBILE FOOD SERVICE FACILITY THAT:

(i) IS OPERATING IN THE COUNTY;

(ii) IS OPERATING WITHIN 90 MILES OF ITS BASE OF OPERATIONS; AND

(iii) HOLDS A VALID LICENSE FROM THE COUNTY OF ORIGIN.

(4) A COUNTY HEALTH DEPARTMENT MAY CHARGE A FEE FOR A MOBILE RECIPROCITY LICENSE IN AN AMOUNT NOT EXCEEDING \$300.

(5) A MOBILE RECIPROCITY LICENSE IS VALID FOR A PERIOD OF 1 YEAR.

(6) IF A MOBILE FOOD SERVICE FACILITY HAS BEEN INSPECTED BY THE COUNTY OF ORIGIN, A COUNTY MAY NOT REQUIRE THAT THE MOBILE FOOD SERVICE FACILITY BE INSPECTED BEFORE A COUNTY HEALTH DEPARTMENT ISSUES A MOBILE RECIPROCITY LICENSE.

(7) A COUNTY HEALTH DEPARTMENT THAT ISSUED A MOBILE RECIPROCITY LICENSE MAY INSPECT THE MOBILE FOOD SERVICE FACILITY WHILE THE MOBILE FOOD SERVICE FACILITY IS OPERATING IN THE COUNTY.

(8) A MOBILE FOOD SERVICE FACILITY THAT IS ISSUED A MOBILE RECIPROCITY LICENSE SHALL COMPLY WITH ALL APPLICABLE STATE AND LOCAL LAWS AND REGULATIONS.

(9) (i) A COUNTY HEALTH DEPARTMENT MAY TAKE ENFORCEMENT ACTION, INCLUDING THE LEVY OF FINES, AGAINST A MOBILE FOOD SERVICE FACILITY THAT VIOLATES THIS SUBTITLE OR ANY REGULATION ADOPTED UNDER THIS SUBTITLE OR ANY APPLICABLE LOCAL LAWS OR REGULATIONS.

(II) IF A COUNTY HEALTH DEPARTMENT TAKES ENFORCEMENT ACTION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COUNTY HEALTH DEPARTMENT SHALL NOTIFY THE COUNTY OF ORIGIN OF THE ACTION TAKEN.

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.

Approved by the Governor, April 18, 2017.

Chapter 216

(House Bill 771)

AN ACT concerning

**Public Health – Mobile Food Service Facilities – Licensing and Inspection by
County Health Departments**

FOR the purpose of requiring a county health department to issue a mobile reciprocity license to a certain mobile food service facility; authorizing a county health department to charge a certain fee for a mobile reciprocity license; providing that a mobile reciprocity license is valid for a certain period of time; prohibiting a county, under certain circumstances, from requiring that a mobile food service facility be inspected before a county health department issues a mobile reciprocity license; authorizing a county health department that issued a mobile reciprocity license to inspect the mobile food service facility while the mobile food service facility is operating in the county; requiring a mobile food service facility that is issued a mobile reciprocity license to comply with all applicable State and local laws and regulations; authorizing a county health department to take certain enforcement action against a certain mobile food service facility; requiring a county health department, under certain circumstances, to notify the county of origin of certain action taken; providing for the application of this Act; defining certain terms; making this Act an emergency measure; and generally relating to the licensing and inspection of mobile food service facilities by county health departments.

BY adding to

Article – Health – General

Section 21–304(f)

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

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

Article – Health – General

21–304.

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

(II) “BASE OF OPERATIONS” MEANS A LOCATION USED BY THE OWNER OR OPERATOR OF A MOBILE FOOD SERVICE FACILITY THAT PROVIDES:

1. A SOURCE OF POTABLE WATER, POTABLE WATER HOSES, AND CLEAN CONNECTIONS;

2. A METHOD FOR THE DISPOSAL OF SEWAGE;

3. CLEAN, ADEQUATE, AND COVERED TRASH RECEPTACLES;

4. IF NECESSARY, REFRIGERATED AND DRY FOOD STORAGE AREAS;

5. A STORAGE AREA FOR SINGLE-SERVE FOOD ITEMS;
AND

6. IF NECESSARY, A UTENSIL WASHING FACILITY.

(III) “COUNTY OF ORIGIN” MEANS THE COUNTY IN WHICH THE BASE OF OPERATIONS OF A MOBILE FOOD SERVICE FACILITY IS LOCATED.

(IV) “MOBILE FOOD SERVICE FACILITY” MEANS A FOOD SERVICE FACILITY THAT:

1. IS A VEHICLE MECHANICALLY, ELECTRICALLY, MANUALLY, OR OTHERWISE PROPELLED;

2. OPERATES ON LAND OR WATER; AND

3. CHANGES ITS LOCATION AS PART OF ITS ROUTINE SALES OPERATION.

(V) “MOBILE RECIPROCITY LICENSE” MEANS A LICENSE ISSUED UNDER PARAGRAPH (3) OF THIS SUBSECTION.

(2) THIS SUBSECTION DOES NOT APPLY TO A MOBILE FOOD SERVICE FACILITY THAT OPERATES SOLELY UNDER A TEMPORARY FOOD SERVICE LICENSE IN CONJUNCTION WITH FAIRS, CARNIVALS, OR SIMILAR EVENTS.

(3) A COUNTY HEALTH DEPARTMENT SHALL ISSUE A MOBILE RECIPROcity LICENSE TO A MOBILE FOOD SERVICE FACILITY THAT:

(I) IS OPERATING IN THE COUNTY;

(II) IS OPERATING WITHIN 90 MILES OF ITS BASE OF OPERATIONS; AND

(III) HOLDS A VALID LICENSE FROM THE COUNTY OF ORIGIN.

(4) A COUNTY HEALTH DEPARTMENT MAY CHARGE A FEE FOR A MOBILE RECIPROcity LICENSE IN AN AMOUNT NOT EXCEEDING \$300.

(5) A MOBILE RECIPROcity LICENSE IS VALID FOR A PERIOD OF 1 YEAR.

(6) IF A MOBILE FOOD SERVICE FACILITY HAS BEEN INSPECTED BY THE COUNTY OF ORIGIN, A COUNTY MAY NOT REQUIRE THAT THE MOBILE FOOD SERVICE FACILITY BE INSPECTED BEFORE A COUNTY HEALTH DEPARTMENT ISSUES A MOBILE RECIPROcity LICENSE.

(7) A COUNTY HEALTH DEPARTMENT THAT ISSUED A MOBILE RECIPROcity LICENSE MAY INSPECT THE MOBILE FOOD SERVICE FACILITY WHILE THE MOBILE FOOD SERVICE FACILITY IS OPERATING IN THE COUNTY.

(8) A MOBILE FOOD SERVICE FACILITY THAT IS ISSUED A MOBILE RECIPROcity LICENSE SHALL COMPLY WITH ALL APPLICABLE STATE AND LOCAL LAWS AND REGULATIONS.

(9) (I) A COUNTY HEALTH DEPARTMENT MAY TAKE ENFORCEMENT ACTION, INCLUDING THE LEVY OF FINES, AGAINST A MOBILE FOOD SERVICE FACILITY THAT VIOLATES THIS SUBTITLE OR ANY REGULATION ADOPTED UNDER THIS SUBTITLE OR ANY APPLICABLE LOCAL LAWS OR REGULATIONS.

(II) IF A COUNTY HEALTH DEPARTMENT TAKES ENFORCEMENT ACTION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COUNTY HEALTH DEPARTMENT SHALL NOTIFY THE COUNTY OF ORIGIN OF THE ACTION TAKEN.

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.

Approved by the Governor, April 18, 2017.

Chapter 217

(Senate Bill 549)

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 the related 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 statutory and regulatory authority of the State Board of Physicians and the committees; altering the content of a certain statistical report regarding complaints of sexual misconduct; authorizing certain health occupations boards to enter into a certain agreement regarding prescriber–pharmacist agreements with the State Board of Pharmacy; altering the definition of “allied health professional” to include naturopathic doctors; authorizing a disciplinary panel, rather than the State Board of Physicians and subject to the Administrative Procedure Act and certain hearing provisions, to deny a license to an applicant or under certain circumstances to refuse to renew or reinstate an applicant’s license for certain reasons; requiring the State Board of Physicians to submit an annual report on or before a certain date each year to the Governor, the Secretary of Health and Mental Hygiene, and the General Assembly that includes certain data ~~related to criminal history records checks~~ on a fiscal year basis; ~~codifying the requirement that~~ requiring the State Board of Physicians to provide certain training on a certain basis rather than at least annually at certain intervals to the Office of Administrative Hearings; ~~authorizing the State Board of Physicians to discipline individuals exempt from licensure under a certain provision of this Act in a certain manner and for certain grounds;~~ altering the circumstances under which certain individuals may practice medicine without a license; authorizing a disciplinary panel, instead of the State Board of Physicians, to issue a cease and desist order or obtain injunctive relief against an individual for practicing medicine without a license or taking a certain action for which a disciplinary panel, instead of the State Board of Physicians, determines there is certain evidence and that poses a serious risk; requiring the State Board of Physicians to consider certain factors in determining whether to take disciplinary action based on criminal history record information against certain

physicians or allied health professionals, rather than in determining whether to renew or reinstate the license; altering the circumstances under which the State Board of Physicians may renew or reinstate a license to practice medicine; altering the circumstances under which a disciplinary panel is required to refer an allegation to peer review; clarifying the application of the requirement that the State Board of Physicians or a disciplinary panel give certain individuals an opportunity for a certain hearing before taking certain action; requiring a disciplinary panel to give an individual against whom certain action is contemplated an opportunity for a hearing before a hearing officer; repealing certain provisions of law rendered obsolete by certain provisions of this Act; repealing the requirement that hospitals, related institutions, and alternative health systems report certain information to the State Board of Physicians at certain intervals; authorizing a disciplinary panel, instead of the State Board of Physicians, on a certain vote of a disciplinary panel, instead of the State Board of Physicians, to deny a license to an applicant; authorizing a disciplinary panel, instead of the State Board of Physicians, to levy certain fines; requiring certain licensees to notify the State Board of Physicians in writing of a change in name or address within a certain time period; establishing a certain penalty; altering a certain penalty provision; requiring the State Board of Physicians to pay certain penalties into the Board of Physicians Fund; altering the circumstances under which certain provisions of law related to penalties for the unlicensed practice of medicine do not apply to certain licensees; making conforming and technical changes ~~requiring the State Board of Physicians, under certain circumstances, to submit a certain proposal to certain committees of the General Assembly regarding moving certain cases from the jurisdiction of the full State Board of Physicians to the jurisdiction of the disciplinary panels~~; requiring that the State Board of Physicians include certain information in certain reports; limiting the scope of a certain full evaluation to certain matters; making this Act an emergency measure; and generally relating to the State Board of Physicians and the related allied health advisory committees.

BY repealing and reenacting, with amendments,

Article – Health Occupations

Section 1–212(e), 12–6A–03(b), 14–101(a–1), 14–205(b), 14–206(e), 14–302(a), 14–302.1, 14–316(g), 14–401.1(a)(5)(i), (c)(2), (k), and (l), 14–405(a), 14–411.1(b)(6)(iv), 14–413(a)(1) and (2), 14–414(a)(1) and (2), 14–5A–13(g), 14–5A–17(a), 14–5A–23(b), 14–5A–25, 14–5B–12(g), 14–5B–14(a), 14–5B–21, 14–5C–14(g), 14–5C–17(a), 14–5C–25, 14–5D–12(h), 14–5D–14(a), 14–5D–18(b), 14–5D–20, 14–5E–13(g), 14–5E–16(a), 14–5E–23(b), 14–5E–25, 14–5F–15(d), 14–5F–18(a), 14–5F–25, 14–5F–29, 14–5F–32, ~~14–602(e)~~, ~~14–606(a)(5)~~ 14–606(a)(4) and (5), 14–702, 15–307(g), 15–311, 15–313, 15–315(a)(1), and 15–502

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

BY adding to

Article – Health Occupations

Section 14–205.1, 14–205.2, ~~and 14–302.2~~ 14–5C–14.1, and 14–5F–15.1

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

BY repealing and reenacting, without amendments,
Article – Health Occupations
Section 14–401.1(c)(1) ~~and 14–606(a)(4)~~
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing
Article – Health Occupations
Section 14–401.1(j)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

~~BY repealing and reenacting, without amendments,
Article – Insurance
Section 24–201(a)
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)~~

~~BY repealing and reenacting, with amendments,
Article – Insurance
Section 24–201(d)
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)~~

BY repealing and reenacting, without amendments,
Article – State Government
Section 8–405(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 8–405(b)(5)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing
Chapter 539 of the Acts of the General Assembly of 2007
Section 4 and 5

BY repealing
Chapter 109 of the Acts of the General Assembly of 1988, as amended by Chapter
271 of the Acts of the General Assembly of 1992 and Chapter 662 of the Acts
of the General Assembly of 1994

Section 5

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

Article – Health Occupations

1–212.

(e) (1) (i) Each year, each health occupations board shall submit a statistical report to the Secretary, indicating [the]:

1. **THE** number of complaints of sexual misconduct received [and the resolution of each complaint];

2. **THE NUMBER OF LICENSEES, CERTIFICATE HOLDERS, AND COMPLAINANTS INVOLVED IN THE COMPLAINTS OF SEXUAL MISCONDUCT LISTED SEPARATELY BY CATEGORY;**

3. **THE NUMBER OF COMPLAINTS OF SEXUAL MISCONDUCT STILL UNDER INVESTIGATION;**

4. **THE NUMBER OF COMPLAINTS OF SEXUAL MISCONDUCT THAT WERE CLOSED WITH NO DISCIPLINARY ACTION;**

5. **THE NUMBER OF COMPLAINTS OF SEXUAL MISCONDUCT THAT RESULTED IN INFORMAL OR NONPUBLIC ACTION;**

6. **THE NUMBER OF COMPLAINTS OF SEXUAL MISCONDUCT THAT WERE REFERRED TO THE OFFICE OF THE ATTORNEY GENERAL FOR PROSECUTORIAL ACTION;**

7. **THE NUMBER OF COMPLAINTS OF SEXUAL MISCONDUCT THAT RESULTED IN EACH OF THE FOLLOWING:**

A. **LICENSE REVOCATION;**

B. **SUSPENSION;**

C. **PROBATION;**

D. **REPRIMAND; AND**

E. **DENIAL OF LICENSURE;**

8. THE NUMBER OF COMPLAINTS OF SEXUAL MISCONDUCT THAT WERE FORWARDED TO LAW ENFORCEMENT FOR POSSIBLE CRIMINAL PROSECUTION; AND

9. FOR ANY OTHER ACTIONS TAKEN REGARDING COMPLAINTS OF SEXUAL MISCONDUCT, A DETAILED BREAKDOWN OF THE TYPES OF ACTIONS TAKEN.

(ii) The report shall cover the period beginning October 1 and ending the following September 30 and shall be submitted by the board not later than the November 15 following the reporting period.

(2) The Secretary shall compile the information received from the health occupations boards and submit an annual report to the General Assembly, in accordance with § 2-1246 of the State Government Article, not later than December 31 of each year.

12-6A-03.

(b) (1) **(I) [An] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AN** authorized prescriber who has entered into a prescriber–pharmacist agreement shall submit to the health occupations board that regulates the authorized prescriber a copy of the prescriber–pharmacist agreement and any subsequent modifications made to the prescriber–pharmacist agreement or the protocols specified in the prescriber–pharmacist agreement.

(II) A HEALTH OCCUPATIONS BOARD MAY ENTER INTO AN AGREEMENT WITH THE BOARD OF PHARMACY THAT REQUIRES AUTHORIZED PRESCRIBERS REGULATED BY THE HEALTH OCCUPATIONS BOARD TO SUBMIT TO THE BOARD OF PHARMACY DOCUMENTATION THAT OTHERWISE WOULD BE REQUIRED TO BE SUBMITTED TO THE HEALTH OCCUPATIONS BOARD UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

(2) A licensed pharmacist who has entered into a prescriber–pharmacist agreement shall submit to the Board of Pharmacy a copy of the prescriber–pharmacist agreement and any subsequent modifications made to the prescriber–pharmacist agreement or the protocols specified in the prescriber–pharmacist agreement.

14-101.

(a-1) “Allied health professional” means an individual licensed by the Board under Subtitle 5A, 5B, 5C, 5D, [or] 5E, **OR 5F** of this title or Title 15 of this article.

14-205.

(b) (1) In addition to the powers set forth elsewhere in this title, the Board may:

(i) Adopt regulations to regulate the performance of acupuncture, but only to the extent authorized by § 14–504 of this title;

(ii) After consulting with the State Board of Pharmacy, adopt rules and regulations regarding the dispensing of prescription drugs by a licensed physician;

[(iii) Subject to the Administrative Procedure Act, deny a license to an applicant or, if an applicant has failed to renew the applicant's license, refuse to renew or reinstate an applicant's license for:

1. Any of the reasons that are grounds for action under § 14–404 of this title; or

2. Failure to submit to a criminal history records check in accordance with § 14–308.1 of this title;]

[(iv)] (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 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)] (IV) 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.

(3) SUBJECT TO THE ADMINISTRATIVE PROCEDURE ACT AND THE HEARING PROVISIONS OF § 14–405 OF THIS TITLE, A DISCIPLINARY PANEL MAY 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:

(I) ANY OF THE REASONS THAT ARE GROUNDS FOR ACTION UNDER § 14–404 OF THIS TITLE; OR

(II) FAILURE TO SUBMIT TO A CRIMINAL HISTORY RECORDS CHECK IN ACCORDANCE WITH § 14–308.1 OF THIS TITLE.

14–205.1.

ON OR BEFORE ~~DECEMBER~~ OCTOBER 1 EACH YEAR, THE BOARD SHALL SUBMIT TO THE GOVERNOR, THE SECRETARY, AND, IN ACCORDANCE WITH § 2–1246

OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY AN ANNUAL REPORT THAT INCLUDES THE FOLLOWING DATA ~~FOR BOTH PHYSICIANS AND ALLIED HEALTH PROFESSIONALS~~ CALCULATED ON A FISCAL YEAR BASIS:

(1) RELEVANT DISCIPLINARY INDICATORS, INCLUDING:

(I) THE NUMBER OF PHYSICIANS INVESTIGATED UNDER EACH OF THE DISCIPLINARY GROUNDS ENUMERATED UNDER § 14-404 OF THIS ARTICLE;

(II) THE NUMBER OF PHYSICIANS WHO WERE REPRIMANDED OR PLACED ON PROBATION OR WHO HAD THEIR LICENSES SUSPENDED OR REVOKED;

(III) THE NUMBER OF CASES PROSECUTED AND DISMISSED AND ON WHAT GROUNDS;

(IV) THE CRITERIA USED TO ACCEPT AND REJECT CASES FOR PROSECUTION; AND

(V) THE NUMBER OF UNRESOLVED ALLEGATIONS PENDING BEFORE THE BOARD;

(2) THE AVERAGE LENGTH OF THE TIME SPENT INVESTIGATING ALLEGATIONS BROUGHT AGAINST PHYSICIANS UNDER EACH OF THE DISCIPLINARY GROUNDS ENUMERATED UNDER § 14-404 OF THIS ARTICLE;

(3) THE NUMBER OF CASES NOT COMPLETED WITHIN 18 MONTHS AND THE REASONS FOR THE FAILURE TO COMPLETE THE CASES IN 18 MONTHS;

(4) FOR BOTH PHYSICIANS AND ALLIED HEALTH PROFESSIONALS:

~~(1)~~ **(I) THE NUMBER OF INITIAL AND RENEWAL LICENSES ISSUED;**

~~(2)~~ **(II) THE NUMBER OF POSITIVE AND NEGATIVE CRIMINAL HISTORY RECORDS CHECKS RESULTS RECEIVED;**

~~(3)~~ **(III) THE NUMBER OF INDIVIDUALS DENIED INITIAL OR RENEWAL LICENSURE DUE TO POSITIVE CRIMINAL HISTORY RECORDS CHECKS RESULTS; AND**

~~(4)~~ **(IV) THE NUMBER OF INDIVIDUALS DENIED INITIAL OR RENEWAL LICENSURE DUE TO REASONS OTHER THAN A POSITIVE CRIMINAL HISTORY RECORDS CHECK; AND**

(5) THE ADEQUACY OF CURRENT BOARD STAFFING IN MEETING THE WORKLOAD OF THE BOARD.

14-205.2.

~~(A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE~~ **THE BOARD SHALL PROVIDE TRAINING AT LEAST ANNUALLY ON AN AS-NEEDED BASIS TO THE PERSONNEL OF THE OFFICE OF ADMINISTRATIVE HEARINGS IN ORDER TO IMPROVE THE QUALITY AND EFFICIENCY OF THE HEARINGS IN PHYSICIAN DISCIPLINE CASES.**

~~(B) THE TRAINING PROVIDED UNDER SUBSECTION (A) OF THIS SECTION SHALL INCLUDE MEDICAL TERMINOLOGY, MEDICAL ETHICS, AND, TO THE EXTENT POSSIBLE, DESCRIPTIONS OF BASIC MEDICAL AND SURGICAL PROCEDURES CURRENTLY IN USE.~~

14-206.

(e) **[The Board] A DISCIPLINARY PANEL may issue a cease and desist order or obtain injunctive relief against an individual for:**

(1) **Practicing medicine without a license; or**

(2) **Taking any action:**

(i) **For which [the Board] A DISCIPLINARY PANEL determines there is a preponderance of evidence of grounds for discipline under § 14-404 of this title; and**

(ii) **That poses a serious risk to the health, safety, and welfare of a patient.**

14-302.

(a) Subject to the rules, regulations, and orders of the Board, the following individuals may practice medicine without a license ~~if the individuals submit to a criminal history records check in accordance with § 14-308.1 of this subtitle:~~

~~(1)~~ **(1)** A medical student or an individual in a postgraduate medical training program that is approved by the Board, while doing the assigned duties at any office of a licensed physician, hospital, clinic, or similar facility; ~~;~~

~~(2)~~ **(4)** A physician licensed by and residing in another jurisdiction, if the physician:

(i) Is engaged in consultation with a physician licensed in the State about a particular patient and does not direct patient care; or

(ii) Meets the requirements of § 14–302.1 of this subtitle;

~~¶(3)~~ ~~(2)~~ A physician employed in the service of the federal government while performing the duties incident to that employment;

~~¶(4)~~ ~~(3)~~ A physician who resides in and is authorized to practice medicine by any state adjoining this State and whose practice extends into this State, if:

(i) The physician does not have an office or other regularly appointed place in this State to meet patients; and

(ii) The same privileges are extended to licensed physicians of this State by the adjoining state; and

~~¶(5)~~ ~~(4)~~ An individual while under the supervision of a licensed physician who has specialty training in psychiatry, and whose specialty training in psychiatry has been approved by the Board, if the individual submits an application to the Board on or before October 1, 1993, and either:

(i) 1. Has a master's degree from an accredited college or university; and

2. Has completed a graduate program accepted by the Board in a behavioral science that includes 1,000 hours of supervised clinical psychotherapy experience; or

(ii) 1. Has a baccalaureate degree from an accredited college or university; and

2. Has 4,000 hours of supervised clinical experience that is approved by the Board.

14–302.1.

[(a) Subject to subsection (b) of this section, a] A physician who is licensed and resides in another jurisdiction may practice medicine without a license while engaged in clinical training with a licensed physician if:

(1) The Board finds, on application by a hospital in the State, that:

(i) The physician possesses a skill or uses a procedure that:

1. Is advanced beyond those skills or procedures normally taught or exercised in the hospital and in standard medical education or training;

2. Could not be otherwise conveniently taught or demonstrated in standard medical education or training in that hospital; and

3. Is likely to benefit Maryland patients in this instance;

(ii) The demonstration of the skill or procedure would take no more than 14 consecutive days within a calendar year;

(iii) A licensed physician who practices at a hospital in the State has certified to the Board that the licensed physician will be responsible for the medical care provided by that visiting physician to patients in the State;

(iv) The visiting physician has no history of any medical disciplinary action in any other state, territory, nation, or any branch of the United States uniformed services or the Veterans Administration, and has no significant detrimental malpractice history in the judgment of the Board;

(v) The physician is covered by malpractice insurance in the jurisdiction in which the physician practices; and

(vi) The hospital assures the Board that the patients will be protected by adequate malpractice insurance; or

(2) The Board finds, on application by a Maryland hospital, that:

(i) The hospital provides training in a skill or uses a procedure that:

1. Is advanced beyond those skills or procedures normally taught or exercised in standard medical education or training;

2. Could not be otherwise conveniently taught or demonstrated in the visiting physician's practice; and

3. Is likely to benefit Maryland patients in this instance;

(ii) The demonstration or exercise of the skill or procedure will take no more than 14 consecutive days within a calendar year;

(iii) A hospital physician licensed in the State has certified to the Board that the physician will be responsible for the medical care provided by that visiting physician to patients in the State;

(iv) The visiting physician has no history of any medical disciplinary action in any other state, territory, nation, or any branch of the United States uniformed services or the Veterans Administration, and has no significant detrimental malpractice history in the judgment of the Board;

(v) The physician is covered by malpractice insurance in the jurisdiction where the physician practices; and

(vi) The hospital assures the Board that the patients will be protected by adequate malpractice insurance.

[(b) A physician who is licensed and resides in another jurisdiction may practice medicine without a license under subsection (a) of this section if the physician submits to a criminal history records check in accordance with § 14-308.1 of this subtitle.]

~~14-302.2.~~

~~(A) SUBJECT TO THE RULES, REGULATIONS, AND ORDERS OF THE BOARD, A MEDICAL STUDENT OR AN INDIVIDUAL IN A POSTGRADUATE MEDICAL TRAINING PROGRAM THAT IS APPROVED BY THE BOARD, WHILE DOING ASSIGNED DUTIES AT ANY OFFICE OF A LICENSED PHYSICIAN, HOSPITAL, CLINIC, OR SIMILAR FACILITY, MAY PRACTICE MEDICINE WITHOUT A LICENSE IF THE INDIVIDUAL SUBMITS TO A CRIMINAL HISTORY RECORDS CHECK IN ACCORDANCE WITH § 14-308.1 OF THIS SUBTITLE.~~

~~(B) THE BOARD MAY DISCIPLINE AN INDIVIDUAL WHO IS EXEMPT FROM LICENSURE UNDER SUBSECTION (A) OF THIS SECTION IN THE SAME MANNER AND BASED ON THE SAME GROUNDS AS IF THE INDIVIDUAL WERE A LICENSED PHYSICIAN.~~

14-316.

(g) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14-308.1 of this subtitle for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under § 14-317 of this subtitle ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14-308.1 of this subtitle, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON THE CRIMINAL RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE**, the Board shall consider:

(i) The age at which the crime was committed;

(ii) The nature of the crime;

(iii) The circumstances surrounding the crime;

- (iv) The length of time that has passed since the crime;
- (v) Subsequent work history;
- (vi) Employment and character references; and

(vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license **ONLY** if the **LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A criminal history record RECORDS CHECK information required** under § 14-308.1 of this subtitle ~~has not been received~~.

14-401.1.

(a) (5) (i) If a complaint proceeds to a hearing under § 14-405 of this subtitle, § 14-5A-17, § 14-5B-14, § 14-5C-17, § 14-5D-15, [or] § 14-5E-16, **OR § 14-5F-21** 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.

(c) (1) Except as otherwise provided in this subsection, after being assigned a complaint under subsection (a) of this section, the disciplinary panel may:

- (i) Refer 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] **IF, AFTER** being assigned a complaint **AND COMPLETING THE PRELIMINARY INVESTIGATION**, the disciplinary panel **FINDS THAT THE LICENSEE MAY HAVE VIOLATED § 14-404(A)(22) OF THIS SUBTITLE, THE DISCIPLINARY PANEL** shall refer [any] **THE** 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.

[(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) (J) (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 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) (K) 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.

14–405.

(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 § 14–205(B)(3), § 14–5A–17(a), § 14–5B–14(A), § 14–5C–17(A), § 14–5D–14(A), § 14–5E–16(A), OR § 14–5F–18 of this title, it shall give the individual against whom the action is contemplated an opportunity for a hearing before a hearing officer.

14–411.1.

(b) The Board shall create and maintain a public individual profile on each licensee that includes the following information:

(6) Medical education and practice information about the licensee including:

(iv) The name of any hospital where the licensee has medical privileges [as reported], **IF KNOWN** to the Board [under § 14–413 of this subtitle];

14–413.

(a) (1) [Every 6 months, each] **EACH** hospital and related institution shall [file with] **SUBMIT TO** 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] **WITHIN 10 DAYS AFTER:**

[1.] **(I)** 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.] **(II)** 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.] **(III)** 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.] ~~**(IV)**~~ **(III)** 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.] ~~**(V)**~~ **(IV)** The hospital or related institution placed any other restrictions or conditions on any of the licensed physicians ~~OR INDIVIDUALS IN A POSTGRADUATE TRAINING PROGRAM~~ as listed in items [1 through 4 of this item] **(I) THROUGH ~~(IV)~~ (III) OF THIS PARAGRAPH** for any reasons that might be grounds for disciplinary action under § 14-404 of this subtitle.

(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] **STATE** in the report the reasons for its action or the nature of the formal accusation pending when the physician resigned.

14–414.

(a) (1) [Every 6 months, each] **EACH** alternative health system as defined in § 1–401 of this article shall [file with] **SUBMIT TO** 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] **WITHIN 10 DAYS AFTER:**

[1.] **(I)** 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.] **(II)** 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.

(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] **STATE** in the report the reasons for its action or the nature of the formal accusation pending when the physician resigned.

14–5A–13.

(g) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14–308.1 of this title for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under subsection (f) of this section ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14-308.1 of this title, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON THE CRIMINAL HISTORY RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE**, the Board shall consider:

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

(vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license **ONLY** if the **LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A criminal history record RECORDS CHECK information required** under § 14-308.1 of this title ~~has not been received.~~

14-5A-17.

(a) Subject to the hearing provisions of § 14-405 of this title, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of a quorum of the [Board] DISCIPLINARY PANEL, 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) 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;

(27) Fails to practice under the supervision of a physician or violates a supervisory order of a supervising physician; or

(28) Fails to submit to a criminal history records check under § 14-308.1 of this title.

(b) Any person who violates a provision of this subtitle is subject to a civil fine of not more than \$5,000 to be levied by [the Board] A DISCIPLINARY PANEL.

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, [2018] **2023**.

14-5B-12.

(g) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14-308.1 of this title for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under subsection (f) of this section ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14-308.1 of this title, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON THE CRIMINAL HISTORY RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE**, the Board shall consider:

(i) The age at which the crime was committed;

(ii) The nature of the crime;

(iii) The circumstances surrounding the crime;

(iv) The length of time that has passed since the crime;

(v) Subsequent work history;

(vi) Employment and character references; and

(vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license **ONLY** if the **LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A criminal history ~~record~~ RECORDS CHECK ~~information required~~ under § 14-308.1 of this title ~~has not been received~~.**

14-5B-14.

(a) Subject to the hearing provisions of § 14-405 of this title, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of the quorum of the [Board] DISCIPLINARY PANEL, 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, licensed individual, or for another;

(2) Fraudulently or deceptively uses a 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) 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 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 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;

(27) Fails to practice under the supervision of a physician or violates a supervisory order of a supervising physician; or

(28) Fails to submit to a criminal history records check under § 14–308.1 of this title.

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, [2018] **2023**.

14–5C–14.

(g) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14–308.1 of this title for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under subsection (f) of this section ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14–308.1 of this title, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON THE CRIMINAL HISTORY RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE**, the Board shall consider:

(i) The age at which the crime was committed;

- (ii) The nature of the crime;
- (iii) The circumstances surrounding the crime;
- (iv) The length of time that has passed since the crime;
- (v) Subsequent work history;
- (vi) Employment and character references; and
- (vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license ONLY if the LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A criminal history record RECORDS CHECK information required under § 14–308.1 of this title has not been received.

14-5C-14.1.

(A) A LICENSEE SHALL NOTIFY THE BOARD IN WRITING OF A CHANGE IN NAME OR ADDRESS WITHIN 60 DAYS AFTER THE CHANGE.

(B) A LICENSEE WHO FAILS TO COMPLY WITH SUBSECTION (A) OF THIS SECTION IS SUBJECT TO AN ADMINISTRATIVE PENALTY OF \$100.

14-5C-17.

(a) Subject to the hearing provisions of § 14–405 of this title, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of a quorum of the [Board] DISCIPLINARY PANEL, 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;

(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;

(28) Fails to cooperate with a lawful investigation conducted by the Board;
or

(29) Fails to submit to a criminal history records check under § 14–308.1 of this title.

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, [2018] **2023**.

14–5D–12.

(h) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14–308.1 of this title for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under subsection (f) of this section ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14–308.1 of this title, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON THE CRIMINAL HISTORY RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE**, the Board shall consider:

(i) The age at which the crime was committed;

(ii) The nature of the crime;

(iii) The circumstances surrounding the crime;

(iv) The length of time that has passed since the crime;

(v) Subsequent work history;

(vi) Employment and character references; and

(vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license **ONLY** if the **LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A criminal history ~~record~~ RECORDS CHECK information required** under § 14–308.1 of this title ~~has not been received~~.

14–5D–14.

(a) Subject to the hearing provisions of § 14–405 of this title, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of a quorum of the [Board] DISCIPLINARY PANEL, 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) 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;

(28) Violates an order of the Board or a disciplinary panel, including any condition of probation; or

(29) Fails to submit to a criminal history records check under § 14–308.1 of this title.

14–5D–18.

(b) Any person who violates any provision of this subtitle is subject to a civil fine of not more than \$5,000 to be levied by [the Board] A DISCIPLINARY PANEL.

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, [2018] **2023**.

14–5E–13.

(g) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14–308.1 of this title for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under subsection (f) of this section ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14–308.1 of this title, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON**

THE CRIMINAL HISTORY RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE, the Board shall consider:

- (i) The age at which the crime was committed;
- (ii) The nature of the crime;
- (iii) The circumstances surrounding the crime;
- (iv) The length of time that has passed since the crime;
- (v) Subsequent work history;
- (vi) Employment and character references; and
- (vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license ONLY if the LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A criminal history ~~record~~ RECORDS CHECK ~~information required~~ under § 14-308.1 of this title ~~has not been received~~.

14-5E-16.

(a) Subject to the hearing provisions of § 14-405 of this title, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of the quorum of the [Board] DISCIPLINARY PANEL, 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;

(28) Fails to cooperate with a lawful investigation of the Board or a disciplinary panel; or

(29) Fails to submit to a criminal history records check under § 14-308.1 of this title.

14-5E-23.

(b) A person who violates any provision of this subtitle is subject to a civil fine of not more than \$5,000 to be levied by [the Board] A DISCIPLINARY PANEL.

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, [2018] **2023**.

14-5F-15.

(d) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14-308.1 of this title for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under § 14-5F-16(b) of this subtitle ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14-308.1 of this title, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON THE CRIMINAL HISTORY RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE**, the Board shall consider:

(i) The age at which the crime was committed;

(ii) The nature of the crime;

(iii) The circumstances surrounding the crime;

(iv) The length of time that has passed since the crime;

(v) Subsequent work history;

(vi) Employment and character references; and

(vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license **ONLY** if the **LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A criminal history ~~record~~ RECORDS CHECK information required** under § 14-308.1 of this title ~~has not been received~~.

14-5F-15.1.

(A) A LICENSEE SHALL NOTIFY THE BOARD IN WRITING OF A CHANGE IN NAME OR ADDRESS WITHIN 60 DAYS AFTER THE CHANGE.

(B) A LICENSEE WHO FAILS TO COMPLY WITH SUBSECTION (A) OF THIS SECTION IS SUBJECT TO AN ADMINISTRATIVE PENALTY OF \$100.

14-5F-18.

(a) Subject to the hearing provisions of § 14-405 of this title, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of a quorum of the [Board] DISCIPLINARY PANEL, 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 of any licensee if the applicant or licensee:

(1) Is habitually intoxicated, or is addicted to or habitually abuses any narcotic or controlled dangerous substance, as defined in § 5-101 of the Criminal Law Article, or any drug without a valid prescription or indication, or provides professional services while under the influence of alcohol or using any narcotic or controlled dangerous substance, as defined in § 5-101 of the Criminal Law Article;

(2) Has been found to be mentally incompetent by a physician if the mental incompetence impairs the ability of the applicant or licensee to undertake the practice of naturopathic medicine in a manner consistent with the safety of the public;

(3) Has entered into a consent agreement with or has been assessed an administrative penalty by a licensing authority in another state;

(4) Fraudulently or deceptively obtains, attempts to obtain, or uses a license for the applicant, the licensee, or another;

(5) Has a license revoked or suspended, or was otherwise acted against, including the denial of licensure, by the licensing authority of another state;

(6) Uses false, deceptive, or misleading advertising;

(7) Advertises, practices, or attempts to practice under a name other than the applicant's or licensee's own name;

(8) Aids, assists, employs, or advises any unlicensed individual to practice naturopathic medicine in violation of this subtitle;

(9) Willfully makes or files a false report or record in the practice of naturopathic medicine;

(10) Willfully or negligently fails to file a report or record as required by law, willfully impedes or obstructs the filing or recording of a report, or induces another to fail to file or record a report;

(11) Pays or receives any commission, bonus, kickback, or rebate, or engages in any split-fee arrangement in any form with a licensed physician, organization, agency, or other person, either directly or indirectly, for patients referred to health care providers;

(12) Exercises influence within a patient-doctor relationship for purposes of engaging a patient in sexual activity;

(13) Engages in sexual misconduct with a patient;

(14) Fails to keep written medical records justifying the course of treatment of a patient;

(15) Engages in an act or omission that does not meet generally accepted standards of practice of naturopathic medicine or of safe care of patients, whether or not actual injury to a patient is established;

(16) Delegates professional responsibilities to an individual when the licensee delegating the responsibilities knows or has reason to know that the individual is not qualified by training, experience, or licensure to perform the responsibilities;

(17) Promotes the sale of services, drugs, devices, appliances, or goods to a patient so as to exploit the patient for financial gain;

(18) Breaches patient confidentiality;

(19) Is guilty of unprofessional or immoral conduct in the practice of naturopathic medicine;

(20) Offers, undertakes, or agrees to cure or treat a disease by a secret method, treatment, or medicine;

(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 purposes;

(23) 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;

(24) Fails to cooperate with a lawful investigation of the Board;

(25) Abandons a patient;

(26) Violates any provision of this title or any regulation adopted by the Board; or

(27) Fails to submit to a criminal history records check under § 14–308.1 of this title.

14–5F–25.

[The Board] A DISCIPLINARY PANEL may issue a cease and desist order for:

(1) Practicing naturopathic medicine without a license or with an unauthorized person; or

(2) Supervising or aiding an unauthorized person in the practice of naturopathic medicine.

14–5F–29.

(a) Except as otherwise provided in this subtitle, an individual may not practice, attempt to practice, or offer to practice naturopathic medicine in this State without a license.

(b) An individual who violates [this section] ANY PROVISION OF THIS SUBTITLE is guilty of a felony and on conviction is subject to[

(1) A] A fine not exceeding \$10,000 or imprisonment not exceeding 5 years or both[; and

(2) A civil fine of no more than \$50,000 to be levied by the Board].

(C) ANY INDIVIDUAL WHO VIOLATES A PROVISION OF THIS SUBTITLE IS SUBJECT TO A CIVIL FINE OF NOT MORE THAN \$50,000 TO BE LEVIED BY A DISCIPLINARY PANEL.

(D) THE BOARD SHALL PAY ANY PENALTY COLLECTED UNDER THIS SECTION INTO THE BOARD OF PHYSICIANS FUND.

14–5F–32.

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

~~14–602.~~

~~(e) An unlicensed individual who acts under § 14-302, § 14-302.2, or § 14-306 of this title may use the word “physician” together with another word to describe the occupation of the individual as in phrases such as “physician’s assistant” or “physician’s aide.”~~

14-606.

(a) (4) Except as provided in paragraph (5) of this subsection, a person who violates § 14-601 or § 14-602 of this subtitle is:

(i) Guilty of a felony and on conviction is subject to a fine not exceeding \$10,000 or imprisonment not exceeding 5 years or both; and

(ii) Subject to a civil fine of not more than \$50,000 to be levied by ~~the Board~~ **A DISCIPLINARY PANEL**.

(5) The provisions of paragraph (4) of this subsection do not apply to a **FORMER** licensee who has failed to renew a license under § 14-316 of this title if:

(i) Less than 60 days have elapsed since the expiration of the license; and

(ii) The **FORMER** licensee has applied for license [renewal] **REINSTATEMENT**, including payment of the [renewal] **REINSTATEMENT** fee.

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, [2018] **2023**.

15-307.

(g) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14-308.1 of this article for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under this title ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14-308.1 of this article, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN**,

BASED ON THE CRIMINAL HISTORY RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE, the Board shall consider:

- (i) The age at which the crime was committed;
- (ii) The nature of the crime;
- (iii) The circumstances surrounding the crime;
- (iv) The length of time that has passed since the crime;
- (v) Subsequent work history;
- (vi) Employment and character references; and
- (vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license ONLY if the LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A CRIMINAL HISTORY RECORD RECORDS CHECK INFORMATION REQUIRED under § 14-308.1 of this article ~~has not been received~~.

15-311.

Subject to the hearing provisions of ~~§ 15-313 § 15-315~~ § 15-315 of this subtitle, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of a quorum, may deny a license to any applicant for:

(1) Any of the reasons that are grounds for disciplinary action under § 15-314 of this subtitle; and

(2) Failure to submit to a criminal history records check in accordance with § 14-308.1 of this article.

15-313.

(a) (1) Except as otherwise provided under § 10-226 of the State Government Article, before the Board takes any action [to deny a license or] to reject or modify a delegation agreement or advanced duty ~~OR A DISCIPLINARY PANEL TAKES ANY ACTION TO DENY A LICENSE, the Board OR THE DISCIPLINARY PANEL shall give the applicant or licensee the opportunity for a hearing before the Board OR THE DISCIPLINARY PANEL,~~ THE BOARD SHALL GIVE THE LICENSEE THE OPPORTUNITY FOR A HEARING BEFORE THE BOARD.

(2) The Board ~~OR DISCIPLINARY PANEL~~ shall give notice and hold the hearing under Title 10, Subtitle 2 of the State Government Article.

(3) The Board ~~OR DISCIPLINARY PANEL~~ may administer oaths in connection with any proceeding under this section.

(4) At least 14 days before the hearing, the hearing notice shall be sent to the last known address of the applicant or licensee.

(b) Any ~~applicant~~ LICENSEE aggrieved under this subtitle by a final decision of the Board [denying a license or] rejecting or modifying a delegation agreement or advanced duty ~~OR A DISCIPLINARY PANEL DENYING A LICENSE~~ may petition for judicial review as allowed by the Administrative Procedure Act.

15-315.

(a) (1) Except as otherwise provided under § 10-226 of the State Government Article, before a disciplinary panel takes any action under § 15-311 OR § 15-314(a) of this subtitle, the disciplinary panel shall give the individual against whom the action is contemplated an opportunity for a hearing before a hearing officer.

15-502.

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, [2018] **2023**.

~~Article – Insurance~~

~~24-201.~~

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

~~(d) “Physician” means an individual who:~~

~~(1) is licensed to practice medicine in the State; or~~

~~(2) lawfully practices medicine without a license under [§ 14-302(1) through (4)] § 14-302(1) THROUGH (3) OR § 14-302.2 of the Health Occupations Article.~~

Article – State Government

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:

(5) Physicians, State Board of (§ 14–201 of the Health Occupations Article: [2016] **2021**), including:

(i) Athletic Training Advisory Committee (§ 14–5D–04 of the Health Occupations Article: [2016] **2021**);

(ii) Naturopathic Medicine Advisory Committee (§ 14–5F–04 of the Health Occupations Article: [2016] **2021**);

(iii) Perfusion Advisory Committee (§ 14–5E–05 of the Health Occupations Article: [2016] **2021**);

(iv) Physician Assistant Advisory Committee (§ 15–201 of the Health Occupations Article: [2016] **2021**);

(v) Polysomnography Professional Standards Committee (§ 14–5C–05 of the Health Occupations Article: [2016] **2021**);

(vi) Radiation Therapy, Radiography, Nuclear Medicine Technology Advisory, and Radiology Assistance Committee (§ 14–5B–05 of the Health Occupations Article: [2016] **2021**); and

(vii) Respiratory Care Professional Standards Committee (§ 14–5A–05 of the Health Occupations Article: [2016] **2021**).

Chapter 539 of the Acts of 2007

[SECTION 4. AND BE IT FURTHER ENACTED, That the Chief Administrative Law Judge shall designate a pool of administrative law judges in the Office of Administrative Hearings to hear cases referred to it by the State Board of Physicians.]

[SECTION 5. AND BE IT FURTHER ENACTED, That the State Board of Physicians shall provide training at least annually to the personnel of the Office of Administrative Hearings in order to improve the quality and efficiency of the hearings in physician discipline cases. The training shall include medical terminology, medical ethics, and, to the extent practicable, descriptions of basic medical and surgical procedures currently in use.]

**Chapter 109 of the Acts of 1988, as amended by Chapter 271 of the Acts of 1992
and Chapter 662 of the Acts of 1994**

[SECTION 5. AND BE IT FURTHER ENACTED, That the Department, on or before October 1 of each year, shall report to the Legislative Policy Committee for the previous fiscal year regarding:

- (1) Relevant disciplinary indicators, which may include:
 - (i) The number of physicians investigated under each of the disciplinary grounds enumerated under § 14–404 of the Health Occupations Article;
 - (ii) The number of physicians who were reprimanded or placed on probation or who had their licenses suspended or revoked;
 - (iii) The number of cases prosecuted and dismissed and on what grounds;
 - (iv) The criteria used to accept and reject cases for prosecution; and
 - (v) The number of unresolved allegations pending before the Board;
- (2) The average length of the time spent investigating allegations brought against physicians under each of the disciplinary grounds enumerated under § 14–404 of the Health Occupations Article;
- (3) The number of cases not completed within 18 months and the reasons for the failure to complete the cases in 18 months;
- (4) The number and nature of allegations filed with the Board concerning cardiac rescue technicians, aviation trauma technicians, emergency medical technicians, medical radiation technicians, and physician assistants; and
- (5) The adequacy of current Board staffing in meeting the workload of the Board.]

SECTION 2. AND BE IT FURTHER ENACTED, That, in the annual report the State Board of Physicians is required to submit under ~~Section 2 of Chapter 401 of the Acts of the General Assembly of 2013~~ § 14–205.1 of the Health Occupations Article, as enacted by Section 1 of this Act, on or before October 1, 2017, the Board shall include:

- (1) a description of the efforts the Board has taken to meet the goal of issuing licenses within 10 days after the receipt of the last qualifying document, especially for the allied health professionals; and

~~(2) the findings and recommendations of the Board and the Physician Assistant Advisory Committee regarding ways to expedite the process for physician assistants to assume the duties under a delegation agreement; and~~

~~(3)~~ (2) whether it is feasible to describe any underlying sexual misconduct in order summaries and, if it is not feasible, a description of other steps that the Board can take to make it easier for the public to determine whether a case involved sexual misconduct.

SECTION 3. AND BE IT FURTHER ENACTED, That, in the annual report the State Board of Physicians is required to submit under ~~Section 2 of Chapter 401 of the Acts of the General Assembly of 2013~~ § 14-205.1 of the Health Occupations Article, as enacted by Section 1 of this Act, on or before October 1, ~~2018~~ 2019, the Board shall include:

(1) the results of the internal fiscal analysis and reassessment of fees that was recommended by the Department of Legislative Services in the December 2016 publication “Sunset Review: Evaluation of the State Board of Physicians and the Related Allied Health Advisory Committees”, including any possible changes to the fee schedules for physicians and allied health professionals;

(2) comments on the Board’s fund balance in light of the additional retained revenue that resulted from Chapter 178 of the Acts of the General Assembly of 2016; and

(3) steps the Board has taken to address ongoing issues with filling staff vacancies and the impact that filling vacancies will have on Board expenditures and the Board’s fund balance.

SECTION 4. AND BE IT FURTHER ENACTED, That, in the annual report the State Board of Physicians is required to submit under § 14-205.1 of the Health Occupations Article, *as enacted by Section 1 of this Act*, on or before ~~December~~ October 1, 2019, ~~as enacted by Section 1 of this Act~~, the Board shall report:

(1) whether criminal history records checks are causing delays in licensure;

(2) whether existing Board staff are able to manage the criminal history records checks workload; and

(3) any other concerns the Board has regarding the criminal history records checks requirement.

~~SECTION 5. AND BE IT FURTHER ENACTED, That, if the State Board of Physicians determines it is practicable to move certain cases that are under the jurisdiction of the full Board to the jurisdiction of the disciplinary panels, the Board shall submit 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, a proposal that includes the following:~~

- ~~(1) a list of the types of cases that should be moved;~~
- ~~(2) the reasons that justify moving the cases; and~~
- ~~(3) any necessary draft legislation.~~

SECTION ~~6~~ 5. AND BE IT FURTHER ENACTED, That, notwithstanding § 8–405(e) of the State Government Article, the full evaluation required to be conducted by the Department of Legislative Services on or before December 1, 2021, shall be limited to evaluating:

- (1) the implementation of recommendations made by the Department in the December 2016 publication “Sunset Review: Evaluation of the State Board of Physicians and the Related Allied Health Advisory Committees”;
- (2) the efficacy of the two-panel disciplinary system; and
- (3) ~~if a proposal is not submitted under Section 5 of this Act by April 1, 2021, whether certain cases should be moved from the jurisdiction of the full State Board of Physicians to the jurisdiction of the disciplining panels; and~~
- (4) the impact of the criminal history records checks on the State Board of Physicians and its licensees.

~~SECTION 7. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017.~~

SECTION 6. 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.

Approved by the Governor, April 18, 2017.

Chapter 218

(House Bill 1265)

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 the related 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 statutory and regulatory authority of the State Board of Physicians and the committees; altering the content of a certain statistical report regarding complaints of sexual misconduct; authorizing certain health occupations boards to enter into a certain agreement regarding prescriber–pharmacist agreements with the State Board of Pharmacy; altering the definition of “allied health professional” to include naturopathic doctors; authorizing a disciplinary panel, rather than the State Board of Physicians and subject to the Administrative Procedure Act and certain hearing provisions, to deny a license to an applicant or under certain circumstances to refuse to renew or reinstate an applicant’s license for certain reasons; requiring the State Board of Physicians to submit an annual report on or before a certain date each year to the Governor, the Secretary of Health and Mental Hygiene, and the General Assembly that includes certain data on a fiscal year basis; ~~codifying the requirement that~~ requiring the State Board of Physicians to provide certain training on a certain basis rather than at least at certain intervals to the Office of Administrative Hearings; ~~authorizing the State Board of Physicians to discipline individuals exempt from licensure under a certain provision of this Act in a certain manner and for certain grounds;~~ altering the circumstances under which certain individuals may practice medicine without a license; authorizing a disciplinary panel, instead of the State Board of Physicians, to issue a cease and desist order or obtain injunctive relief against an individual for practicing medicine without a license or taking a certain action for which a disciplinary panel, instead of the State Board of Physicians, determines there is certain evidence and that poses a serious risk; requiring the State Board of Physicians to consider certain factors in determining whether to take disciplinary action based on criminal history record information against certain physicians or allied health professionals, rather than in determining whether to renew or reinstate the license; altering the circumstances under which the State Board of Physicians may renew or reinstate a license to practice medicine; altering the circumstances under which a disciplinary panel is required to refer an allegation to peer review; clarifying the application of the requirement that the State Board of Physicians or a disciplinary panel give certain individuals an opportunity for a certain hearing before taking certain action; *requiring a disciplinary panel to give an individual against whom certain action is contemplated an opportunity for a hearing before a hearing officer;* repealing certain provisions of law rendered obsolete by certain provisions of this Act; repealing the requirement that hospitals, related institutions, and alternative health systems report certain information to the State Board of Physicians at certain intervals; authorizing a disciplinary panel, instead of the State Board of Physicians, on a certain vote of a disciplinary panel, instead of the State Board of Physicians, to deny a license to an applicant; authorizing a disciplinary panel, instead of the State Board of Physicians, to levy certain fines; requiring certain licensees to notify the State Board of Physicians in writing of a change in name or address within a certain time period; establishing a certain penalty; altering a certain penalty provision; requiring the State Board of Physicians to pay certain penalties into the Board of Physicians Fund; altering the circumstances under which certain provisions of law related to

penalties for the unlicensed practice of medicine do not apply to certain licensees; making conforming and technical changes; ~~requiring the State Board of Physicians, under certain circumstances, to submit a certain proposal to certain committees of the General Assembly regarding moving certain cases from the jurisdiction of the full State Board of Physicians to the jurisdiction of the disciplinary panels;~~ requiring that the State Board of Physicians include certain information in certain reports; limiting the scope of a certain full evaluation to certain matters; *making this Act an emergency measure*; and generally relating to the State Board of Physicians and the related allied health advisory committees.

BY repealing and reenacting, with amendments,

Article – Health Occupations

Section ~~1–212(e)~~, ~~12–6A–03(b)~~, ~~14–101(a–1)~~, ~~14–205(b)~~, ~~14–206(e)~~, ~~14–302(a)~~, ~~14–302.1~~, ~~14–316(g)~~, ~~14–401.1(a)(5)(i)~~, (c)(2), (k), and (l), ~~14–405(a)~~, ~~14–411.1(b)(6)(iv)~~, ~~14–413(a)(1) and (2)~~, ~~14–414(a)(1) and (2)~~, ~~14–5A–13(g)~~, ~~14–5A–17(a)~~, ~~14–5A–23(b)~~, ~~14–5A–25~~, ~~14–5B–12(g)~~, ~~14–5B–14(a)~~, ~~14–5B–21~~, ~~14–5C–14(g)~~, ~~14–5C–17(a)~~, ~~14–5C–25~~, ~~14–5D–12(h)~~, ~~14–5D–14(a)~~, ~~14–5D–18(b)~~, ~~14–5D–20~~, ~~14–5E–13(g)~~, ~~14–5E–16(a)~~, ~~14–5E–23(b)~~, ~~14–5E–25~~, ~~14–5F–15(d)~~, ~~14–5F–18(a)~~, ~~14–5F–25~~, ~~14–5F–29~~, ~~14–5F–32~~, ~~14–602(e)~~, ~~14–606(a)(5)~~, ~~14–606(a)(4) and (5)~~, ~~14–702~~, ~~15–307(g)~~, ~~15–311~~, ~~15–313~~, ~~15–315(a)(1)~~, and 15–502

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

BY adding to

Article – Health Occupations

Section 14–205.1, 14–205.2, ~~and 14–302.2~~ ~~14–5C–14.1~~, and ~~14–5F–15.1~~

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article – Health Occupations

Section ~~14–401.1(c)(1) and 14–606(a)(4)~~

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

BY repealing

Article – Health Occupations

Section 14–401.1(j)

Annotated Code of Maryland

(2014 Replacement Volume and 2016 Supplement)

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

~~Article – Insurance~~

~~Section 24–201(a)~~

~~Annotated Code of Maryland~~

~~(2011 Replacement Volume and 2016 Supplement)~~

~~BY repealing and reenacting, with amendments,
 Article – Insurance
 Section 24–201(d)
 Annotated Code of Maryland
 (2011 Replacement Volume and 2016 Supplement)~~

BY repealing and reenacting, without amendments,
 Article – State Government
 Section 8–405(a)
 Annotated Code of Maryland
 (2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
 Article – State Government
 Section 8–405(b)(5)
 Annotated Code of Maryland
 (2014 Replacement Volume and 2016 Supplement)

BY repealing
 Chapter 539 of the Acts of the General Assembly of 2007
 Section 4 and 5

BY repealing
 Chapter 109 of the Acts of the General Assembly of 1988, as amended by Chapter
 271 of the Acts of the General Assembly of 1992 and Chapter 662 of the Acts
of the General Assembly of 1994
 Section 5

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

Article – Health Occupations

1–212.

(e) (1) (i) Each year, each health occupations board shall submit a statistical report to the Secretary, indicating [the]:

1. THE number of complaints of sexual misconduct received [and the resolution of each complaint];

2. THE NUMBER OF LICENSEES, CERTIFICATE HOLDERS, AND COMPLAINANTS INVOLVED IN THE COMPLAINTS OF SEXUAL MISCONDUCT LISTED SEPARATELY BY CATEGORY;

3. THE NUMBER OF COMPLAINTS OF SEXUAL MISCONDUCT STILL UNDER INVESTIGATION;

4. THE NUMBER OF COMPLAINTS OF SEXUAL MISCONDUCT THAT WERE CLOSED WITH NO DISCIPLINARY ACTION;

5. THE NUMBER OF COMPLAINTS OF SEXUAL MISCONDUCT THAT RESULTED IN INFORMAL OR NONPUBLIC ACTION;

6. THE NUMBER OF COMPLAINTS OF SEXUAL MISCONDUCT THAT WERE REFERRED TO THE OFFICE OF THE ATTORNEY GENERAL FOR PROSECUTORIAL ACTION;

7. THE NUMBER OF COMPLAINTS OF SEXUAL MISCONDUCT THAT RESULTED IN EACH OF THE FOLLOWING:

A. LICENSE REVOCATION;

B. SUSPENSION;

C. PROBATION;

D. REPRIMAND; AND

E. DENIAL OF LICENSURE;

8. THE NUMBER OF COMPLAINTS OF SEXUAL MISCONDUCT THAT WERE FORWARDED TO LAW ENFORCEMENT FOR POSSIBLE CRIMINAL PROSECUTION; AND

9. FOR ANY OTHER ACTIONS TAKEN REGARDING COMPLAINTS OF SEXUAL MISCONDUCT, A DETAILED BREAKDOWN OF THE TYPES OF ACTIONS TAKEN.

(ii) The report shall cover the period beginning October 1 and ending the following September 30 and shall be submitted by the board not later than the November 15 following the reporting period.

(2) The Secretary shall compile the information received from the health occupations boards and submit an annual report to the General Assembly, in accordance with § 2–1246 of the State Government Article, not later than December 31 of each year.

(b) (1) (I) [An] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AN authorized prescriber who has entered into a prescriber–pharmacist agreement shall submit to the health occupations board that regulates the authorized prescriber a copy of the prescriber–pharmacist agreement and any subsequent modifications made to the prescriber–pharmacist agreement or the protocols specified in the prescriber–pharmacist agreement.

(II) A HEALTH OCCUPATIONS BOARD MAY ENTER INTO AN AGREEMENT WITH THE BOARD OF PHARMACY THAT REQUIRES AUTHORIZED PRESCRIBERS REGULATED BY THE HEALTH OCCUPATIONS BOARD TO SUBMIT TO THE BOARD OF PHARMACY DOCUMENTATION THAT OTHERWISE WOULD BE REQUIRED TO BE SUBMITTED TO THE HEALTH OCCUPATIONS BOARD UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

(2) A licensed pharmacist who has entered into a prescriber–pharmacist agreement shall submit to the Board of Pharmacy a copy of the prescriber–pharmacist agreement and any subsequent modifications made to the prescriber–pharmacist agreement or the protocols specified in the prescriber–pharmacist agreement.

14–101.

(a–1) “Allied health professional” means an individual licensed by the Board under Subtitle 5A, 5B, 5C, 5D, [or] 5E, OR 5F of this title or Title 15 of this article.

14–205.

(b) (1) In addition to the powers set forth elsewhere in this title, the Board may:

(i) Adopt regulations to regulate the performance of acupuncture, but only to the extent authorized by § 14–504 of this title;

(ii) After consulting with the State Board of Pharmacy, adopt rules and regulations regarding the dispensing of prescription drugs by a licensed physician;

[(iii) Subject to the Administrative Procedure Act, deny a license to an applicant or, if an applicant has failed to renew the applicant’s license, refuse to renew or reinstate an applicant’s license for:

1. Any of the reasons that are grounds for action under § 14–404 of this title; or

2. Failure to submit to a criminal history records check in accordance with § 14–308.1 of this title;

~~(iv)]~~ **(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 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)]~~ **(IV)** 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.

(3) SUBJECT TO THE ADMINISTRATIVE PROCEDURE ACT AND THE HEARING PROVISIONS OF § 14-405 OF THIS TITLE, A DISCIPLINARY PANEL MAY 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:

(I) ANY OF THE REASONS THAT ARE GROUNDS FOR ACTION UNDER § 14-404 OF THIS TITLE; OR

(II) FAILURE TO SUBMIT TO A CRIMINAL HISTORY RECORDS CHECK IN ACCORDANCE WITH § 14-308.1 OF THIS TITLE.

14-205.1.

ON OR BEFORE OCTOBER 1 EACH YEAR, THE BOARD SHALL SUBMIT TO THE GOVERNOR, THE SECRETARY, AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY AN ANNUAL REPORT THAT INCLUDES THE FOLLOWING DATA CALCULATED ON A FISCAL YEAR BASIS:

(1) RELEVANT DISCIPLINARY INDICATORS, INCLUDING:

(I) THE NUMBER OF PHYSICIANS INVESTIGATED UNDER EACH OF THE DISCIPLINARY GROUNDS ENUMERATED UNDER § 14-404 OF ~~THE HEALTH OCCUPATIONS ARTICLE~~ THIS ARTICLE;

(II) THE NUMBER OF PHYSICIANS WHO WERE REPRIMANDED OR PLACED ON PROBATION OR WHO HAD THEIR LICENSES SUSPENDED OR REVOKED;

(III) THE NUMBER OF CASES PROSECUTED AND DISMISSED AND ON WHAT GROUNDS;

(IV) THE CRITERIA USED TO ACCEPT AND REJECT CASES FOR PROSECUTION; AND

(V) THE NUMBER OF UNRESOLVED ALLEGATIONS PENDING BEFORE THE BOARD;

(2) THE AVERAGE LENGTH OF THE TIME SPENT INVESTIGATING ALLEGATIONS BROUGHT AGAINST PHYSICIANS UNDER EACH OF THE DISCIPLINARY GROUNDS ENUMERATED UNDER § 14-404 OF ~~THE HEALTH OCCUPATIONS ARTICLE~~ THIS ARTICLE;

(3) THE NUMBER OF CASES NOT COMPLETED WITHIN 18 MONTHS AND THE REASONS FOR THE FAILURE TO COMPLETE THE CASES IN 18 MONTHS;

(4) FOR BOTH PHYSICIANS AND ALLIED HEALTH PROFESSIONALS:

(I) THE NUMBER OF INITIAL AND RENEWAL LICENSES ISSUED;

(II) THE NUMBER OF POSITIVE AND NEGATIVE CRIMINAL HISTORY RECORDS CHECKS RESULTS RECEIVED;

(III) THE NUMBER OF INDIVIDUALS DENIED INITIAL OR RENEWAL LICENSURE DUE TO POSITIVE CRIMINAL HISTORY RECORDS CHECKS RESULTS; AND

(IV) THE NUMBER OF INDIVIDUALS DENIED INITIAL OR RENEWAL LICENSURE DUE TO REASONS OTHER THAN A POSITIVE CRIMINAL HISTORY RECORDS CHECK; AND

(5) THE ADEQUACY OF CURRENT BOARD STAFFING IN MEETING THE WORKLOAD OF THE BOARD.

14-205.2.

~~(A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE~~ THE BOARD SHALL PROVIDE TRAINING ~~AT LEAST ONCE EVERY 3 YEARS~~ ON AN AS-NEEDED BASIS TO THE PERSONNEL OF THE OFFICE OF ADMINISTRATIVE HEARINGS IN ORDER TO IMPROVE THE QUALITY AND EFFICIENCY OF THE HEARINGS IN PHYSICIAN DISCIPLINE CASES.

~~(B) THE TRAINING PROVIDED UNDER SUBSECTION (A) OF THIS SECTION SHALL INCLUDE MEDICAL TERMINOLOGY, MEDICAL ETHICS, AND, TO THE EXTENT POSSIBLE, DESCRIPTIONS OF BASIC MEDICAL AND SURGICAL PROCEDURES CURRENTLY IN USE.~~

14-206.

(e) [The Board] A DISCIPLINARY PANEL may issue a cease and desist order or obtain injunctive relief against an individual for:

(1) Practicing medicine without a license; or

(2) Taking any action:

(i) For which [the Board] A DISCIPLINARY PANEL determines there is a preponderance of evidence of grounds for discipline under § 14-404 of this title; and

(ii) That poses a serious risk to the health, safety, and welfare of a patient.

14-302.

(a) Subject to the rules, regulations, and orders of the Board, the following individuals may practice medicine without a license ~~if the individuals submit to a criminal history records check in accordance with § 14-308.1 of this subtitle:~~

~~¶(1)~~ (1) A medical student or an individual in a postgraduate medical training program that is approved by the Board, while doing the assigned duties at any office of a licensed physician, hospital, clinic, or similar facility; ~~¶~~

~~¶(2) ¶(1)~~ (2) A physician licensed by and residing in another jurisdiction, if the physician:

(i) Is engaged in consultation with a physician licensed in the State about a particular patient and does not direct patient care; or

(ii) Meets the requirements of § 14-302.1 of this subtitle;

~~¶(3) ¶(2)~~ (3) A physician employed in the service of the federal government while performing the duties incident to that employment;

~~¶(4) ¶(3)~~ (4) A physician who resides in and is authorized to practice medicine by any state adjoining this State and whose practice extends into this State, if:

(i) The physician does not have an office or other regularly appointed place in this State to meet patients; and

(ii) The same privileges are extended to licensed physicians of this State by the adjoining state; and

~~[(5)] (4)~~ An individual while under the supervision of a licensed physician who has specialty training in psychiatry, and whose specialty training in psychiatry has been approved by the Board, if the individual submits an application to the Board on or before October 1, 1993, and either:

- (i) 1. Has a master's degree from an accredited college or university; and
- 2. Has completed a graduate program accepted by the Board in a behavioral science that includes 1,000 hours of supervised clinical psychotherapy experience; or
- (ii) 1. Has a baccalaureate degree from an accredited college or university; and
- 2. Has 4,000 hours of supervised clinical experience that is approved by the Board.

14-302.1.

[(a) Subject to subsection (b) of this section, a] A physician who is licensed and resides in another jurisdiction may practice medicine without a license while engaged in clinical training with a licensed physician if:

- (1) The Board finds, on application by a hospital in the State, that:
 - (i) The physician possesses a skill or uses a procedure that:
 - 1. Is advanced beyond those skills or procedures normally taught or exercised in the hospital and in standard medical education or training;
 - 2. Could not be otherwise conveniently taught or demonstrated in standard medical education or training in that hospital; and
 - 3. Is likely to benefit Maryland patients in this instance;
 - (ii) The demonstration of the skill or procedure would take no more than 14 consecutive days within a calendar year;
 - (iii) A licensed physician who practices at a hospital in the State has certified to the Board that the licensed physician will be responsible for the medical care provided by that visiting physician to patients in the State;
 - (iv) The visiting physician has no history of any medical disciplinary action in any other state, territory, nation, or any branch of the United States uniformed services or the Veterans Administration, and has no significant detrimental malpractice history in the judgment of the Board;

(v) The physician is covered by malpractice insurance in the jurisdiction in which the physician practices; and

(vi) The hospital assures the Board that the patients will be protected by adequate malpractice insurance; or

(2) The Board finds, on application by a Maryland hospital, that:

(i) The hospital provides training in a skill or uses a procedure that:

1. Is advanced beyond those skills or procedures normally taught or exercised in standard medical education or training;

2. Could not be otherwise conveniently taught or demonstrated in the visiting physician's practice; and

3. Is likely to benefit Maryland patients in this instance;

(ii) The demonstration or exercise of the skill or procedure will take no more than 14 consecutive days within a calendar year;

(iii) A hospital physician licensed in the State has certified to the Board that the physician will be responsible for the medical care provided by that visiting physician to patients in the State;

(iv) The visiting physician has no history of any medical disciplinary action in any other state, territory, nation, or any branch of the United States uniformed services or the Veterans Administration, and has no significant detrimental malpractice history in the judgment of the Board;

(v) The physician is covered by malpractice insurance in the jurisdiction where the physician practices; and

(vi) The hospital assures the Board that the patients will be protected by adequate malpractice insurance.

[(b) A physician who is licensed and resides in another jurisdiction may practice medicine without a license under subsection (a) of this section if the physician submits to a criminal history records check in accordance with § 14-308.1 of this subtitle.]

~~14-302.2.~~

~~(A) SUBJECT TO THE RULES, REGULATIONS, AND ORDERS OF THE BOARD, A MEDICAL STUDENT OR AN INDIVIDUAL IN A POSTGRADUATE MEDICAL TRAINING PROGRAM THAT IS APPROVED BY THE BOARD, WHILE DOING ASSIGNED DUTIES AT~~

~~ANY OFFICE OF A LICENSED PHYSICIAN, HOSPITAL, CLINIC, OR SIMILAR FACILITY, MAY PRACTICE MEDICINE WITHOUT A LICENSE IF THE INDIVIDUAL SUBMITS TO A CRIMINAL HISTORY RECORDS CHECK IN ACCORDANCE WITH § 14-308.1 OF THIS SUBTITLE.~~

~~(B) THE BOARD MAY DISCIPLINE AN INDIVIDUAL WHO IS EXEMPT FROM LICENSURE UNDER SUBSECTION (A) OF THIS SECTION IN THE SAME MANNER AND BASED ON THE SAME GROUNDS AS IF THE INDIVIDUAL WERE A LICENSED PHYSICIAN.~~

14-316.

(g) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14-308.1 of this subtitle for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under § 14-317 of this subtitle ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14-308.1 of this subtitle, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON THE CRIMINAL RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE**, the Board shall consider:

(i) The age at which the crime was committed;

(ii) The nature of the crime;

(iii) The circumstances surrounding the crime;

(iv) The length of time that has passed since the crime;

(v) Subsequent work history;

(vi) Employment and character references; and

(vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license **ONLY** if the **LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A criminal history ~~record~~ RECORDS CHECK information required** under § 14-308.1 of this subtitle ~~has not been received.~~

14-401.1.

(a) (5) (i) If a complaint proceeds to a hearing under § 14-405 of this subtitle, § 14-5A-17, § 14-5B-14, § 14-5C-17, § 14-5D-15, [or] § 14-5E-16, **OR § 14-5F-21** 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.

(c) (1) Except as otherwise provided in this subsection, after being assigned a complaint under subsection (a) of this section, the disciplinary panel may:

(i) Refer 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] IF, AFTER** being assigned a complaint **AND COMPLETING THE PRELIMINARY INVESTIGATION**, the disciplinary panel **FINDS THAT THE LICENSEE MAY HAVE VIOLATED § 14-404(A)(22) OF THIS SUBTITLE, THE DISCIPLINARY PANEL** shall refer **[any] THE** 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.

[(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)] (J) (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 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)] (K) 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.

14-405.

(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 § 14-205(B)(3), § 14-5A-17(a), § 14-5B-14(A), § 14-5C-17(A), § 14-5D-14(A), § 14-5E-16(A), OR § 14-5F-18 of this title, it shall give the individual against whom the action is contemplated an opportunity for a hearing before a hearing officer.

14-411.1.

(b) The Board shall create and maintain a public individual profile on each licensee that includes the following information:

(6) Medical education and practice information about the licensee including:

(iv) The name of any hospital where the licensee has medical privileges [as reported], **IF KNOWN** to the Board [under § 14-413 of this subtitle];

14-413.

(a) (1) [Every 6 months, each] **EACH** hospital and related institution shall [file with] **SUBMIT TO** 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] **WITHIN 10 DAYS AFTER:**

[1.] **(I)** 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.] (II) 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.] (III)** 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.] (IV) (III) 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.] (V) (IV) The hospital or related institution placed any other restrictions or conditions on any of the licensed physicians ~~OR INDIVIDUALS IN A POSTGRADUATE TRAINING PROGRAM~~ as listed in items [1 through 4 of this item] **(I) THROUGH (IV) (III) OF THIS PARAGRAPH** for any reasons that might be grounds for disciplinary action under § 14–404 of this subtitle.

(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] **STATE** in the report the reasons for its action or the nature of the formal accusation pending when the physician resigned.

14–414.

(a) (1) [Every 6 months, each] **EACH** alternative health system as defined in § 1–401 of this article shall [file with] **SUBMIT TO** 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] **WITHIN 10 DAYS AFTER:**

[1.] (I) 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.] (II) 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.

(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] **STATE** in the report the reasons for its action or the nature of the formal accusation pending when the physician resigned.

14–5A–13.

(g) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14–308.1 of this title for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under subsection (f) of this section ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14–308.1 of this title, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON THE CRIMINAL HISTORY RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE**, the Board shall consider:

(i) The age at which the crime was committed;

(ii) The nature of the crime;

(iii) The circumstances surrounding the crime;

- (iv) The length of time that has passed since the crime;
- (v) Subsequent work history;
- (vi) Employment and character references; and
- (vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license ONLY if the LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A criminal history record RECORDS CHECK information required under § 14-308.1 of this title ~~has not been received~~.

14-5A-17.

(a) Subject to the hearing provisions of § 14-405 of this title, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of a quorum of the [Board] DISCIPLINARY PANEL, 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) 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;

(27) Fails to practice under the supervision of a physician or violates a supervisory order of a supervising physician; or

(28) Fails to submit to a criminal history records check under § 14–308.1 of this title.

14–5A–23.

(b) Any person who violates a provision of this subtitle is subject to a civil fine of not more than \$5,000 to be levied by [the Board] A DISCIPLINARY PANEL.

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, [2018] **2023**.

14–5B–12.

(g) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14–308.1 of this title for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under subsection (f) of this section ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14–308.1 of this title, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON THE CRIMINAL HISTORY RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE**, the Board shall consider:

(i) The age at which the crime was committed;

(ii) The nature of the crime;

(iii) The circumstances surrounding the crime;

(iv) The length of time that has passed since the crime;

(v) Subsequent work history;

(vi) Employment and character references; and

(vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license ***ONLY*** if the ***LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A*** criminal history ~~record~~ ***RECORDS CHECK*** ~~information required~~ under § 14–308.1 of this title ~~has not been received~~.

14–5B–14.

(a) Subject to the hearing provisions of § 14–405 of this title, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of the quorum of the [Board] DISCIPLINARY PANEL, 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, licensed individual, or for another;

- (2) Fraudulently or deceptively uses a 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) 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 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 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;

(27) Fails to practice under the supervision of a physician or violates a supervisory order of a supervising physician; or

(28) Fails to submit to a criminal history records check under § 14–308.1 of this title.

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, [2018] **2023**.

14–5C–14.

(g) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14–308.1 of this title for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under subsection (f) of this section ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14–308.1 of this title, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON THE CRIMINAL HISTORY RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE**, the Board shall consider:

(i) The age at which the crime was committed;

(ii) The nature of the crime;

(iii) The circumstances surrounding the crime;

(iv) The length of time that has passed since the crime;

(v) Subsequent work history;

(vi) Employment and character references; and

(vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license ***ONLY*** if the ***LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A*** criminal history ~~record~~ ***RECORDS CHECK*** ~~information required~~ under § 14-308.1 of this title ~~has not been received~~.

14-5C-14.1.

(A) A LICENSEE SHALL NOTIFY THE BOARD IN WRITING OF A CHANGE IN NAME OR ADDRESS WITHIN 60 DAYS AFTER THE CHANGE.

(B) A LICENSEE WHO FAILS TO COMPLY WITH SUBSECTION (A) OF THIS SECTION IS SUBJECT TO AN ADMINISTRATIVE PENALTY OF \$100.

14-5C-17.

(a) Subject to the hearing provisions of § 14-405 of this title, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of a quorum of the [Board] DISCIPLINARY PANEL, 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;

(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;

(28) Fails to cooperate with a lawful investigation conducted by the Board;
or

(29) Fails to submit to a criminal history records check under § 14-308.1 of this title.

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, [2018] **2023**.

14-5D-12.

(h) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14–308.1 of this title for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under subsection (f) of this section ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14–308.1 of this title, in determining whether **[to renew or reinstate a license] DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON THE CRIMINAL HISTORY RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE**, the Board shall consider:

(i) The age at which the crime was committed;

(ii) The nature of the crime;

(iii) The circumstances surrounding the crime;

(iv) The length of time that has passed since the crime;

(v) Subsequent work history;

(vi) Employment and character references; and

(vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license ***ONLY*** if the ***LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A*** criminal history ~~record~~ ***RECORDS CHECK*** ~~information required~~ under § 14–308.1 of this title ~~has not been received.~~

14–5D–14.

(a) Subject to the hearing provisions of § 14–405 of this title, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of a quorum of the [Board] DISCIPLINARY PANEL, 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) 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;

(28) Violates an order of the Board or a disciplinary panel, including any condition of probation; or

(29) Fails to submit to a criminal history records check under § 14–308.1 of this title.

14–5D–18.

(b) Any person who violates any provision of this subtitle is subject to a civil fine of not more than \$5,000 to be levied by [the Board] A DISCIPLINARY PANEL.

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, [2018] **2023**.

14–5E–13.

(g) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14–308.1 of this title for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under subsection (f) of this section ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14–308.1 of this title, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON THE CRIMINAL HISTORY RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE**, the Board shall consider:

(i) The age at which the crime was committed;

(ii) The nature of the crime;

(iii) The circumstances surrounding the crime;

(iv) The length of time that has passed since the crime;

- (v) Subsequent work history;
- (vi) Employment and character references; and
- (vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license ***ONLY*** if the ***LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A*** criminal history ~~record~~ ***RECORDS CHECK*** ~~information required~~ under § 14-308.1 of this title ~~has not been received~~.

14-5E-16.

(a) Subject to the hearing provisions of § 14-405 of this title, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of the quorum of the [Board] DISCIPLINARY PANEL, 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;

(28) Fails to cooperate with a lawful investigation of the Board or a disciplinary panel; or

(29) Fails to submit to a criminal history records check under § 14–308.1 of this title.

14–5E–23.

(b) A person who violates any provision of this subtitle is subject to a civil fine of not more than \$5,000 to be levied by [the Board] A DISCIPLINARY PANEL.

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, [2018] **2023**.

14–5F–15.

(d) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14–308.1 of this title for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under § 14-5F-16(b) of this subtitle ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14-308.1 of this title, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON THE CRIMINAL HISTORY RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE**, the Board shall consider:

(i) The age at which the crime was committed;

(ii) The nature of the crime;

(iii) The circumstances surrounding the crime;

(iv) The length of time that has passed since the crime;

(v) Subsequent work history;

(vi) Employment and character references; and

(vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license ***ONLY*** if the ***LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A criminal history record RECORDS CHECK information required*** under § 14-308.1 of this title ~~has not been received.~~

14-5F-15.1.

(A) A LICENSEE SHALL NOTIFY THE BOARD IN WRITING OF A CHANGE IN NAME OR ADDRESS WITHIN 60 DAYS AFTER THE CHANGE.

(B) A LICENSEE WHO FAILS TO COMPLY WITH SUBSECTION (A) OF THIS SECTION IS SUBJECT TO AN ADMINISTRATIVE PENALTY OF \$100.

14-5F-18.

(a) Subject to the hearing provisions of § 14-405 of this title, [the Board] A DISCIPLINARY PANEL, on the affirmative vote of a majority of a quorum of the [Board] DISCIPLINARY PANEL, 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 of any licensee if the applicant or licensee:

(1) Is habitually intoxicated, or is addicted to or habitually abuses any narcotic or controlled dangerous substance, as defined in § 5–101 of the Criminal Law Article, or any drug without a valid prescription or indication, or provides professional services while under the influence of alcohol or using any narcotic or controlled dangerous substance, as defined in § 5–101 of the Criminal Law Article;

(2) Has been found to be mentally incompetent by a physician if the mental incompetence impairs the ability of the applicant or licensee to undertake the practice of naturopathic medicine in a manner consistent with the safety of the public;

(3) Has entered into a consent agreement with or has been assessed an administrative penalty by a licensing authority in another state;

(4) Fraudulently or deceptively obtains, attempts to obtain, or uses a license for the applicant, the licensee, or another;

(5) Has a license revoked or suspended, or was otherwise acted against, including the denial of licensure, by the licensing authority of another state;

(6) Uses false, deceptive, or misleading advertising;

(7) Advertises, practices, or attempts to practice under a name other than the applicant's or licensee's own name;

(8) Aids, assists, employs, or advises any unlicensed individual to practice naturopathic medicine in violation of this subtitle;

(9) Willfully makes or files a false report or record in the practice of naturopathic medicine;

(10) Willfully or negligently fails to file a report or record as required by law, willfully impedes or obstructs the filing or recording of a report, or induces another to fail to file or record a report;

(11) Pays or receives any commission, bonus, kickback, or rebate, or engages in any split-fee arrangement in any form with a licensed physician, organization, agency, or other person, either directly or indirectly, for patients referred to health care providers;

(12) Exercises influence within a patient–doctor relationship for purposes of engaging a patient in sexual activity;

(13) Engages in sexual misconduct with a patient;

(14) Fails to keep written medical records justifying the course of treatment of a patient;

(15) Engages in an act or omission that does not meet generally accepted standards of practice of naturopathic medicine or of safe care of patients, whether or not actual injury to a patient is established;

(16) Delegates professional responsibilities to an individual when the licensee delegating the responsibilities knows or has reason to know that the individual is not qualified by training, experience, or licensure to perform the responsibilities;

(17) Promotes the sale of services, drugs, devices, appliances, or goods to a patient so as to exploit the patient for financial gain;

(18) Breaches patient confidentiality;

(19) Is guilty of unprofessional or immoral conduct in the practice of naturopathic medicine;

(20) Offers, undertakes, or agrees to cure or treat a disease by a secret method, treatment, or medicine;

(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 purposes;

(23) 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;

(24) Fails to cooperate with a lawful investigation of the Board;

(25) Abandons a patient;

(26) Violates any provision of this title or any regulation adopted by the Board; or

(27) Fails to submit to a criminal history records check under § 14-308.1 of this title.

14-5F-25.

[The Board] A DISCIPLINARY PANEL may issue a cease and desist order for:

(1) Practicing naturopathic medicine without a license or with an unauthorized person; or

(2) Supervising or aiding an unauthorized person in the practice of naturopathic medicine.

14-5F-29.

(a) Except as otherwise provided in this subtitle, an individual may not practice, attempt to practice, or offer to practice naturopathic medicine in this State without a license.

(b) An individual who violates [this section] ANY PROVISION OF THIS SUBTITLE is guilty of a felony and on conviction is subject to[

(1) A] A fine not exceeding \$10,000 or imprisonment not exceeding 5 years or both[; and

(2) A civil fine of no more than \$50,000 to be levied by the Board].

(C) ANY INDIVIDUAL WHO VIOLATES A PROVISION OF THIS SUBTITLE IS SUBJECT TO A CIVIL FINE OF NOT MORE THAN \$50,000 TO BE LEVIED BY A DISCIPLINARY PANEL.

(D) THE BOARD SHALL PAY ANY PENALTY COLLECTED UNDER THIS SECTION INTO THE BOARD OF PHYSICIANS FUND.

14-5F-32.

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

~~14-602.~~

~~(e) An unlicensed individual who acts under § 14-302, § 14-302.2, or § 14-306 of this title may use the word “physician” together with another word to describe the occupation of the individual as in phrases such as “physician’s assistant” or “physician’s aide”.~~

~~14-606.~~

(a) (4) Except as provided in paragraph (5) of this subsection, a person who violates § 14-601 or § 14-602 of this subtitle is:

(i) Guilty of a felony and on conviction is subject to a fine not exceeding \$10,000 or imprisonment not exceeding 5 years or both; and

(ii) Subject to a civil fine of not more than \$50,000 to be levied by ~~the Board~~ **A DISCIPLINARY PANEL**.

(5) The provisions of paragraph (4) of this subsection do not apply to a **FORMER** licensee who has failed to renew a license under § 14–316 of this title if:

(i) Less than 60 days have elapsed since the expiration of the license; and

(ii) The **FORMER** licensee has applied for license [renewal] **REINSTATEMENT**, including payment of the [renewal] **REINSTATEMENT** fee.

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, [2018] **2023**.

15–307.

(g) (1) Beginning October 1, 2016, the Board shall require a criminal history records check in accordance with § 14–308.1 of this article for:

(i) Annual renewal applicants as determined by regulations adopted by the Board; and

(ii) Each former licensee who files for reinstatement under this title ~~after failing to renew the license for a period of 1 year or more.~~

(2) On receipt of the criminal history record information of a licensee forwarded to the Board in accordance with § 14–308.1 of this article, in determining whether [to renew or reinstate a license] **DISCIPLINARY ACTION SHOULD BE TAKEN, BASED ON THE CRIMINAL HISTORY RECORD INFORMATION, AGAINST A LICENSEE WHO RENEWED OR REINSTATED A LICENSE**, the Board shall consider:

(i) The age at which the crime was committed;

(ii) The nature of the crime;

(iii) The circumstances surrounding the crime;

(iv) The length of time that has passed since the crime;

- (v) Subsequent work history;
- (vi) Employment and character references; and
- (vii) Other evidence that demonstrates whether the licensee poses a threat to the public health or safety.

(3) The Board may ~~not~~ renew or reinstate a license ***ONLY*** if the ***LICENSEE OR APPLICANT ATTESTS THAT THE LICENSEE OR APPLICANT HAS SUBMITTED TO A*** criminal history ~~record~~ ***RECORDS CHECK*** ~~information required~~ under § 14-308.1 of this article ~~has not been received~~.

15-311.

Subject to the hearing provisions of ~~§ 15-313~~ ***§ 15-315*** of this subtitle, ~~[the Board]~~ ***A DISCIPLINARY PANEL***, on the affirmative vote of a majority of a quorum, may deny a license to any applicant for:

(1) Any of the reasons that are grounds for disciplinary action under § 15-314 of this subtitle; and

(2) Failure to submit to a criminal history records check in accordance with § 14-308.1 of this article.

15-313.

(a) (1) Except as otherwise provided under § 10-226 of the State Government Article, before the Board takes any action [to deny a license or] to reject or modify a delegation agreement or advanced duty ~~OR A DISCIPLINARY PANEL TAKES ANY ACTION TO DENY A LICENSE~~, the Board ~~OR THE DISCIPLINARY PANEL~~ shall give the applicant or licensee the opportunity for a hearing before the Board ~~OR THE DISCIPLINARY PANEL~~, ***THE BOARD SHALL GIVE THE LICENSEE THE OPPORTUNITY FOR A HEARING BEFORE THE BOARD.***

(2) The Board ~~OR DISCIPLINARY PANEL~~ shall give notice and hold the hearing under Title 10, Subtitle 2 of the State Government Article.

(3) The Board ~~OR DISCIPLINARY PANEL~~ may administer oaths in connection with any proceeding under this section.

(4) At least 14 days before the hearing, the hearing notice shall be sent to the last known address of the applicant or licensee.

(b) Any ~~applicant~~ ***LICENSEE*** aggrieved under this subtitle by a final decision of the Board ~~[denying a license or] rejecting or modifying a delegation agreement or advanced~~

duty ~~OR A DISCIPLINARY PANEL DENYING A LICENSE~~ may petition for judicial review as allowed by the Administrative Procedure Act.

15-315.

*(a) (1) Except as otherwise provided under § 10-226 of the State Government Article, before a disciplinary panel takes any action under **§ 15-311 OR § 15-314(a)** of this subtitle, the disciplinary panel shall give the individual against whom the action is contemplated an opportunity for a hearing before a hearing officer.*

15-502.

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, [2018] **2023**.

~~Article – Insurance~~

~~24-201.~~

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

~~(d) “Physician” means an individual who:~~

~~(1) is licensed to practice medicine in the State; or~~

~~(2) lawfully practices medicine without a license under [§ 14-302(1) through (4)] **§ 14-302(1) THROUGH (3) OR § 14-302.2** of the Health Occupations Article.~~

Article – State Government

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:

(5) Physicians, State Board of (§ 14-201 of the Health Occupations Article: [2016] **2021**), including:

- (i) Athletic Training Advisory Committee (§ 14–5D–04 of the Health Occupations Article: [2016] **2021**);
- (ii) Naturopathic Medicine Advisory Committee (§ 14–5F–04 of the Health Occupations Article: [2016] **2021**);
- (iii) Perfusion Advisory Committee (§ 14–5E–05 of the Health Occupations Article: [2016] **2021**);
- (iv) Physician Assistant Advisory Committee (§ 15–201 of the Health Occupations Article: [2016] **2021**);
- (v) Polysomnography Professional Standards Committee (§ 14–5C–05 of the Health Occupations Article: [2016] **2021**);
- (vi) Radiation Therapy, Radiography, Nuclear Medicine Technology Advisory, and Radiology Assistance Committee (§ 14–5B–05 of the Health Occupations Article: [2016] **2021**); and
- (vii) Respiratory Care Professional Standards Committee (§ 14–5A–05 of the Health Occupations Article: [2016] **2021**).

Chapter 539 of the Acts of 2007

[SECTION 4. AND BE IT FURTHER ENACTED, That the Chief Administrative Law Judge shall designate a pool of administrative law judges in the Office of Administrative Hearings to hear cases referred to it by the State Board of Physicians.]

[SECTION 5. AND BE IT FURTHER ENACTED, That the State Board of Physicians shall provide training at least annually to the personnel of the Office of Administrative Hearings in order to improve the quality and efficiency of the hearings in physician discipline cases. The training shall include medical terminology, medical ethics, and, to the extent practicable, descriptions of basic medical and surgical procedures currently in use.]

Chapter 109 of the Acts of 1988, as amended by Chapter 271 of the Acts of 1992 and Chapter 662 of the Acts of 1994

[SECTION 5. AND BE IT FURTHER ENACTED, That the Department, on or before October 1st of each year, shall report to the Legislative Policy ~~committee~~ Committee for the previous fiscal year regarding:

- (1) Relevant disciplinary indicators, ~~including~~ including which may include:

- (i) The number of physicians investigated under each of the disciplinary grounds enumerated under § 14–404 of the Health Occupations Article;
 - (ii) The number of physicians who were reprimanded or placed on probation or who had their licenses suspended or revoked;
 - (iii) The number of cases prosecuted and dismissed and on what grounds;
 - (iv) The criteria used to accept and reject cases for prosecution; and
 - (v) The number of unresolved allegations pending before the Board;
- (2) The average length of the time spent investigating allegations brought against physicians under each of the disciplinary grounds enumerated under § 14–404 of the Health Occupations Article;
- (3) The number of cases not completed within 18 months and the reasons for the failure to complete the cases in 18 months;
- (4) The number and nature of allegations filed with the Board concerning cardiac rescue technicians, aviation trauma technicians, emergency medical technicians, medical radiation technicians, and physician assistants; and
- (5) The adequacy of current Board staffing in meeting the workload of the Board.]

SECTION 2. AND BE IT FURTHER ENACTED, That, in the annual report the State Board of Physicians is required to submit under § 14–205.1 of the Health Occupations Article, as enacted by Section 1 of this Act, on or before October 1, 2017, the Board shall include:

- (1) a description of the efforts the Board has taken to meet the goal of issuing licenses within 10 days after the receipt of the last qualifying document, especially for the allied health professionals;
- ~~(2) the findings and recommendations of the Board and the Physician Assistant Advisory Committee regarding ways to expedite the process for physician assistants to assume the duties under a delegation agreement; and~~
- ~~(3)~~ (2) whether it is feasible to describe any underlying sexual misconduct in order summaries and, if it is not feasible, a description of other steps that the Board can take to make it easier for the public to determine whether a case involved sexual misconduct.

SECTION 3. AND BE IT FURTHER ENACTED, That, in the annual report the State Board of Physicians is required to submit under § 14–205.1 of the Health Occupations

Article, as enacted by Section 1 of this Act, on or before October 1, ~~2018~~ 2019, the Board shall include:

(1) the results of the internal fiscal analysis and reassessment of fees that was recommended by the Department of Legislative Services in the December 2016 publication “Sunset Review: Evaluation of the State Board of Physicians and the Related Allied Health Advisory Committees”, including any possible changes to the fee schedules for physicians and allied health professionals;

(2) comments on the Board’s fund balance in light of the additional retained revenue that resulted from Chapter 178 of the Acts of the General Assembly of 2016; and

(3) steps the Board has taken to address ongoing issues with filling staff vacancies and the impact that filling vacancies will have on Board expenditures and the Board’s fund balance.

SECTION 4. AND BE IT FURTHER ENACTED, That, in the annual report the State Board of Physicians is required to submit under § 14–205.1 of the Health Occupations Article, as enacted by Section 1 of this Act, on or before ~~December~~ October 1, 2019, the Board shall report:

(1) whether criminal history records checks are causing delays in licensure;

(2) whether existing Board staff are able to manage the criminal history records checks workload; and

(3) any other concerns the Board has regarding the criminal history records checks requirement.

~~SECTION 5. AND BE IT FURTHER ENACTED, That, if the State Board of Physicians determines it is practicable to move certain cases that are under the jurisdiction of the full Board to the jurisdiction of the disciplinary panels, the Board shall submit 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, a proposal that includes the following:~~

~~(1) a list of the types of cases that should be moved;~~

~~(2) the reasons that justify moving the cases; and~~

~~(3) any necessary draft legislation.~~

SECTION ~~6~~ 5. AND BE IT FURTHER ENACTED, That, notwithstanding § 8–405(e) of the State Government Article, the full evaluation required to be conducted by the Department of Legislative Services on or before December 1, 2021, shall be limited to evaluating:

(1) the implementation of recommendations made by the Department in the December 2016 publication “Sunset Review: Evaluation of the State Board of Physicians and the Related Allied Health Advisory Committees”;

(2) the efficacy of the two-panel disciplinary system; *and*

~~(3) if a proposal is not submitted under Section 5 of this Act by April 1, 2021, whether certain cases should be moved from the jurisdiction of the full State Board of Physicians to the jurisdiction of the disciplining panels; and~~

~~(4) the impact of the criminal history records checks on the State Board of Physicians and its licensees.~~

~~SECTION 7. 6. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017.~~

SECTION 6. 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.

Approved by the Governor, April 18, 2017.

Chapter 219

(House Bill 298)

AN ACT concerning

Health Insurance – Licensed Clinical Professional Art Therapists – Reimbursement

FOR the purpose of adding a licensed clinical professional art therapist to the types of licensed clinical counselors and therapists whose services entitle an insured or certain other persons to reimbursement, under certain circumstances, under certain health insurance policies, contracts, or certificates; and generally relating to health insurance reimbursement for the services of licensed clinical professional art therapists.

BY repealing and reenacting, with amendments,

Article – Insurance

Section 15-704

Annotated Code of Maryland

(2011 Replacement Volume and 2016 Supplement)

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

Article – Insurance

15–704.

(a) This section applies to each individual, group, or blanket health insurance policy, contract, or certificate of an insurer or nonprofit health service plan that:

- (1) (i) is delivered or issued for delivery in the State;
- (ii) is issued to a group that is incorporated or has a main office in the State; or
- (iii) covers individuals who reside or work in the State; and
- (2) is issued, renewed, amended, or reissued on or after October 1, 2003.

(b) If a policy, contract, or certificate subject to this section provides for reimbursement for a service that is within the lawful scope of practice of a licensed clinical professional counselor, a licensed clinical marriage and family therapist, [or] a licensed clinical alcohol and drug counselor, **OR A LICENSED CLINICAL PROFESSIONAL ART THERAPIST**, the insured or any other person covered by the policy or certificate is entitled to reimbursement for the service.

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

Approved by the Governor, April 18, 2017.

Chapter 220

(House Bill 190)

AN ACT concerning

Mammography Centers – Dense Breast Tissue – Notification of Breast Cancer Screening Options

FOR the purpose of altering the notice that certain mammography centers are required to include in a certain screening results letter; ~~to specify examples of additional breast imaging tests that~~ requiring the notice to state that together, a patient and the

patient's physician can decide whether additional screening options might be right for the patient; and generally relating to notice of screening options for breast cancer.

BY repealing and reenacting, with amendments,
Article – Health – General
Section 20–115
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

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

Article – Health – General

20–115.

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

(2) (i) “Center” means any facility that produces, develops, or interprets:

1. Screening mammograms; or
2. Diagnostic mammograms.

(ii) “Center” includes a hospital, outpatient department, medical laboratory, clinic, radiology practice, office of a health care provider, or other testing facility conducting mammography testing.

(iii) “Center” does not include a facility of the federal Department of Veterans Affairs.

(3) “Dense breast tissue” means heterogeneously dense or extremely dense tissue as defined in nationally recognized guidelines or systems for breast imaging reporting of mammography screening, including the breast imaging reporting and data system of the American College of Radiology.

(4) “Mammogram” means a radiographic image produced through mammography.

(5) “Mammography testing” means the imaging of the breast with ionizing radiation.

(b) On or after July 1, 1992, a person may not perform mammography testing unless:

(1) The individual performing mammography testing is qualified under Title 14 of the Health Occupations Article; and

(2) The center where the mammography testing is performed:

(i) Is accredited or has applied for accreditation under the American College of Radiology Screening Mammography Accreditation Program; and

(ii) Has obtained a certificate of approval from the federal Food and Drug Administration as specified in the federal Mammography Quality Standards Act of 1992.

(c) (1) (i) This section does not apply if the federal Mammography Quality Standards Act of 1992, or regulations adopted under the Act, requires a notice regarding breast density to be included in the screening results letter that is sent to a patient.

(ii) This section may not be construed to:

1. Require a notice regarding breast density to be sent to a patient that is inconsistent with the provisions of the federal Mammography Quality Standards Act of 1992, or regulations adopted under the Act; or

2. Create a standard of care, obligation, or duty that provides a basis for a cause of action.

(2) Subject to paragraph (3) of this subsection, a center where mammography testing is performed shall include in a screening results letter that is sent to a patient, as required by federal law, the following notice: “This notice contains the results of your recent mammogram, including information about breast density.

If your mammogram shows that your breast tissue is dense, you should know that dense breast tissue is a common finding and is not abnormal, with about half of women having dense or highly dense breasts. However, dense breast tissue can make it harder to find cancer on a mammogram and may also be associated with an increased risk of cancer.

This information about the result of your mammogram is given to you to raise your awareness and to inform your conversations with your physician. Together, you can decide [which screening options] ~~WHETHER ADDITIONAL BREAST IMAGING TESTS, INCLUDING DIGITAL MAMMOGRAPHY, BREAST ULTRASOUND, MAGNETIC RESONANCE IMAGING, OR BREAST TOMOSYNTHESIS, SCREENING OPTIONS~~ are right for you based on your mammogram results, individual risk factors, or physical examination. A report of your results was sent to your physician.”

(3) If the Department finds significant differences between the content of the notice that is required to be provided under paragraph (2) of this subsection and current medical evidence on breast density, the Department may adopt regulations that change the content of the notice.

(d) Notwithstanding any other provision of this title, the penalty for a violation of subsection (b) of this section may not exceed \$1,000.

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

Approved by the Governor, April 18, 2017.

Chapter 221

(House Bill 775)

AN ACT concerning

Public Health – Maternal Mental Health

FOR the purpose of requiring the Department of Health and Mental Hygiene, in consultation with stakeholders, to identify certain information about perinatal mood and anxiety disorders; requiring the Department to make available certain information on the Department’s Web site and to provide certain information to certain health care facilities and certain health care providers; requiring the Department, in collaboration with certain professional associations and public health entities, to identify and develop certain training programs; requiring the Department to ~~identify methods~~ develop a plan to expand the Maryland Behavioral Health Integration in Pediatric Primary Care Program (BHIPP) program for a certain purpose; requiring the Department, in collaboration with certain affected stakeholders, to develop the plan; requiring the Department, in developing the plan, to identify and address certain issues; requiring the Department to submit the plan to certain committees of the General Assembly on or before a certain date; defining certain terms; and generally relating to maternal mental health.

BY adding to

Article – Health – General

Section 20–1801 ~~through 20–1803~~ and 20–1802 to be under the new subtitle
“Subtitle 18. Maternal Mental Health”

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

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

Article – Health – General

SUBTITLE 18. MATERNAL MENTAL HEALTH.

20-1801.

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

(2) (I) “HEALTH CARE FACILITY” MEANS A FACILITY OR AN OFFICE WHERE HEALTH OR MEDICAL CARE IS PROVIDED TO PATIENTS BY A HEALTH CARE PROVIDER.

(II) “HEALTH CARE FACILITY” INCLUDES A HOSPITAL AND A LIMITED SERVICE HOSPITAL.

(3) “HEALTH CARE PROVIDER” MEANS A PERSON WHO IS LICENSED, CERTIFIED, OR OTHERWISE AUTHORIZED UNDER THE HEALTH OCCUPATIONS ARTICLE TO PROVIDE HEALTH OR MEDICAL CARE IN THE ORDINARY COURSE OF BUSINESS OR PRACTICE OF A PROFESSION.

(4) “HOSPITAL” HAS THE MEANING STATED IN § 19-301 OF THIS ARTICLE.

(5) “LIMITED SERVICE HOSPITAL” HAS THE MEANING STATED IN § 19-301 OF THIS ARTICLE.

(B) THE DEPARTMENT, IN CONSULTATION WITH STAKEHOLDERS, SHALL IDENTIFY UP-TO-DATE, EVIDENCE-BASED, WRITTEN INFORMATION ABOUT PERINATAL MOOD AND ANXIETY DISORDERS THAT:

(1) HAS BEEN REVIEWED BY MEDICAL EXPERTS AND NATIONAL AND LOCAL ORGANIZATIONS SPECIALIZING IN MATERNAL MENTAL HEALTH;

(2) IS DESIGNED FOR USE BY HEALTH CARE PROVIDERS AND PREGNANT AND POSTPARTUM WOMEN AND THEIR FAMILIES;

(3) IS CULTURALLY AND LINGUISTICALLY APPROPRIATE FOR POTENTIAL RECIPIENTS OF THE INFORMATION; AND

(4) INCLUDES:

(I) INFORMATION ADDRESSING:

1. THE SIGNS AND SYMPTOMS OF PERINATAL MOOD AND ANXIETY DISORDERS;

2. PERINATAL MEDICATION USAGE;
 3. RISK FACTORS OF PERINATAL MOOD AND ANXIETY DISORDERS, INCLUDING PERINATAL LOSS AND HIGH-RISK PREGNANCY;
 4. HOW AND WHEN TO SCREEN FOR SYMPTOMS OF PERINATAL MOOD AND ANXIETY DISORDERS;
 5. BRIEF INTERVENTION STRATEGIES; AND
 6. EVIDENCE-BASED PSYCHOSOCIAL TREATMENTS; AND
- (II) CONTACT INFORMATION FOR NATIONAL AND LOCAL MATERNAL MENTAL HEALTH PROGRAMS AND SERVICES.

(C) THE DEPARTMENT SHALL:

- (1) PROVIDE THE INFORMATION IDENTIFIED BY THE DEPARTMENT UNDER SUBSECTION (B) OF THIS SECTION TO HEALTH CARE FACILITIES AND HEALTH CARE PROVIDERS THAT PROVIDE PRENATAL CARE, LABOR AND DELIVERY SERVICES, AND POSTNATAL CARE TO EXPECTANT PARENTS; AND
- (2) MAKE THE INFORMATION IDENTIFIED BY THE DEPARTMENT UNDER SUBSECTION (B) OF THIS SECTION AVAILABLE ON THE DEPARTMENT'S WEB SITE.

20-1802.

(A) THE DEPARTMENT, IN COLLABORATION WITH MEDCHI, THE MARYLAND STATE MEDICAL SOCIETY, THE MARYLAND NURSES ASSOCIATION, THE MARYLAND AFFILIATE OF THE AMERICAN COLLEGE OF NURSE MIDWIVES, THE MARYLAND PSYCHOLOGICAL ASSOCIATION, AND ANY OTHER HEALTH PROFESSIONAL ASSOCIATION OR PUBLIC HEALTH ENTITY IN THE STATE IDENTIFIED BY THE DEPARTMENT, SHALL IDENTIFY AND DEVELOP TRAINING PROGRAMS THAT IMPROVE EARLY IDENTIFICATION OF POSTPARTUM DEPRESSION AND PERINATAL MOOD AND ANXIETY DISORDERS.

(B) THE PROGRAMS DEVELOPED UNDER SUBSECTION (A) OF THIS SECTION SHALL INCLUDE CONTINUING MEDICAL EDUCATION PROGRAMS DEVELOPED BY ORGANIZATIONS THAT ARE ACCREDITED BY THE ACCREDITATION COUNCIL FOR CONTINUING MEDICAL EDUCATION.

~~20-1803.~~

~~THE DEPARTMENT SHALL IDENTIFY METHODS TO EXPAND THE BEHAVIORAL HEALTH INTEGRATION IN PEDIATRIC PRIMARY CARE PROGRAM TO ASSIST OBSTETRIC, PRIMARY CARE, PEDIATRIC, AND OTHER HEALTH CARE PROVIDERS IN ADDRESSING THE EMOTIONAL AND MENTAL HEALTH NEEDS OF PREGNANT AND POSTPARTUM WOMEN.~~

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The Department of Health and Mental Hygiene, in collaboration with affected stakeholders, shall develop a statewide plan to expand the Maryland Behavioral Health Integration in Pediatric Primary Care (BHIPP) program to assist obstetric, primary care, pediatric, and other health care providers in addressing the emotional and mental health needs of pregnant and postpartum women.

(b) The affected stakeholders with whom the Department collaborates under subsection (a) of this section shall include:

(1) the directors of the Maryland Behavioral Health Integration in Pediatric Primary Care (BHIPP) program; and

(2) any other public or private institution or organization with links to the targeted populations of providers and patients that the Department considers appropriate.

(c) In developing the plan required under subsection (a) of this section, the Department shall identify and address:

(1) the scope of emotional and mental health conditions to be included in the plan;

(2) methods to accomplish provider outreach and education;

(3) staffing requirements;

(4) consultation standards;

(5) clinical resources; and

(6) funding requirements and mechanisms.

(d) On or before December 1, 2017, the Department, in accordance with § 2-1246 of the State Government Article, shall submit the plan developed under this section to the Senate Finance Committee and the House Health and Government Operations Committee.

~~SECTION 2. 3.~~ AND BE IT FURTHER ENACTED, That this Act shall take effect October July 1, 2017.

Approved by the Governor, April 18, 2017.

Chapter 222

(Senate Bill 600)

AN ACT concerning

Public Health – Maternal Mental Health

FOR the purpose of requiring the Department of Health and Mental Hygiene, in consultation with stakeholders, to identify certain information about perinatal mood and anxiety disorders; requiring the Department to make available certain information on the Department’s Web site and to provide certain information to certain health care facilities and certain health care providers; requiring the Department, in collaboration with certain professional associations and public health entities, to identify and develop certain training programs; requiring the Department to ~~identify methods~~ develop a plan to expand the Maryland Behavioral Health Integration in Pediatric Primary Care Program (BHIPP) program for a certain purpose; requiring the Department, in collaboration with certain affected stakeholders, to develop the plan; requiring the Department, in developing the plan, to identify and address certain issues; requiring the Department to submit the plan to certain committees of the General Assembly on or before a certain date; defining certain terms; and generally relating to maternal mental health.

BY adding to

Article – Health – General

Section ~~20–1801 through 20–1803~~ and 20–1802 to be under the new subtitle
“Subtitle 18. Maternal Mental Health”

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

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

Article – Health – General

SUBTITLE 18. MATERNAL MENTAL HEALTH.

20–1801.

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

(2) (I) “HEALTH CARE FACILITY” MEANS A FACILITY OR AN OFFICE WHERE HEALTH OR MEDICAL CARE IS PROVIDED TO PATIENTS BY A HEALTH CARE PROVIDER.

(II) “HEALTH CARE FACILITY” INCLUDES A HOSPITAL AND A LIMITED SERVICE HOSPITAL.

(3) “HEALTH CARE PROVIDER” MEANS A PERSON WHO IS LICENSED, CERTIFIED, OR OTHERWISE AUTHORIZED UNDER THE HEALTH OCCUPATIONS ARTICLE TO PROVIDE HEALTH OR MEDICAL CARE IN THE ORDINARY COURSE OF BUSINESS OR PRACTICE OF A PROFESSION.

(4) “HOSPITAL” HAS THE MEANING STATED IN § 19-301 OF THIS ARTICLE.

(5) “LIMITED SERVICE HOSPITAL” HAS THE MEANING STATED IN § 19-301 OF THIS ARTICLE.

(B) THE DEPARTMENT, IN CONSULTATION WITH STAKEHOLDERS, SHALL IDENTIFY UP-TO-DATE, EVIDENCE-BASED, WRITTEN INFORMATION ABOUT PERINATAL MOOD AND ANXIETY DISORDERS THAT:

(1) HAS BEEN REVIEWED BY MEDICAL EXPERTS AND NATIONAL AND LOCAL ORGANIZATIONS SPECIALIZING IN MATERNAL MENTAL HEALTH;

(2) IS DESIGNED FOR USE BY HEALTH CARE PROVIDERS AND PREGNANT AND POSTPARTUM WOMEN AND THEIR FAMILIES;

(3) IS CULTURALLY AND LINGUISTICALLY APPROPRIATE FOR POTENTIAL RECIPIENTS OF THE INFORMATION; AND

(4) INCLUDES:

(I) INFORMATION ADDRESSING:

1. THE SIGNS AND SYMPTOMS OF PERINATAL MOOD AND ANXIETY DISORDERS;

2. PERINATAL MEDICATION USAGE;

3. RISK FACTORS OF PERINATAL MOOD AND ANXIETY DISORDERS, INCLUDING PERINATAL LOSS AND HIGH-RISK PREGNANCY;

4. HOW AND WHEN TO SCREEN FOR SYMPTOMS OF PERINATAL MOOD AND ANXIETY DISORDERS;

5. BRIEF INTERVENTION STRATEGIES; AND

6. EVIDENCE-BASED PSYCHOSOCIAL TREATMENTS; AND

(II) CONTACT INFORMATION FOR NATIONAL AND LOCAL MATERNAL MENTAL HEALTH PROGRAMS AND SERVICES.

(C) THE DEPARTMENT SHALL:

(1) PROVIDE THE INFORMATION IDENTIFIED BY THE DEPARTMENT UNDER SUBSECTION (B) OF THIS SECTION TO HEALTH CARE FACILITIES AND HEALTH CARE PROVIDERS THAT PROVIDE PRENATAL CARE, LABOR AND DELIVERY SERVICES, AND POSTNATAL CARE TO EXPECTANT PARENTS; AND

(2) MAKE THE INFORMATION IDENTIFIED BY THE DEPARTMENT UNDER SUBSECTION (B) OF THIS SECTION AVAILABLE ON THE DEPARTMENT'S WEB SITE.

20-1802.

(A) THE DEPARTMENT, IN COLLABORATION WITH MEDCHI, THE MARYLAND STATE MEDICAL SOCIETY, THE MARYLAND NURSES ASSOCIATION, THE MARYLAND AFFILIATE OF THE AMERICAN COLLEGE OF NURSE MIDWIVES, THE MARYLAND PSYCHOLOGICAL ASSOCIATION, AND ANY OTHER HEALTH PROFESSIONAL ASSOCIATION OR PUBLIC HEALTH ENTITY IN THE STATE IDENTIFIED BY THE DEPARTMENT, SHALL IDENTIFY AND DEVELOP TRAINING PROGRAMS THAT IMPROVE EARLY IDENTIFICATION OF POSTPARTUM DEPRESSION AND PERINATAL MOOD AND ANXIETY DISORDERS.

(B) THE PROGRAMS DEVELOPED UNDER SUBSECTION (A) OF THIS SECTION SHALL INCLUDE CONTINUING MEDICAL EDUCATION PROGRAMS DEVELOPED BY ORGANIZATIONS THAT ARE ACCREDITED BY THE ACCREDITATION COUNCIL FOR CONTINUING MEDICAL EDUCATION.

~~20-1803.~~

~~THE DEPARTMENT SHALL IDENTIFY METHODS TO EXPAND THE BEHAVIORAL HEALTH INTEGRATION IN PEDIATRIC PRIMARY CARE PROGRAM TO ASSIST OBSTETRIC, PRIMARY CARE, PEDIATRIC, AND OTHER HEALTH CARE PROVIDERS IN ADDRESSING THE EMOTIONAL AND MENTAL HEALTH NEEDS OF PREGNANT AND POSTPARTUM WOMEN.~~

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The Department of Health and Mental Hygiene, in collaboration with affected stakeholders, shall develop a statewide plan to expand the Maryland Behavioral Health Integration in Pediatric Primary Care (BHIPP) program to assist obstetric, primary care, pediatric, and other health care providers in addressing the emotional and mental health needs of pregnant and postpartum women.

(b) The affected stakeholders with whom the Department collaborates under subsection (a) of this section shall include:

(1) the directors of the Maryland Behavioral Health Integration in Pediatric Primary Care (BHIPP) program; and

(2) any other public or private institution or organization with links to the targeted populations of providers and patients that the Department considers appropriate.

(c) In developing the plan required under subsection (a) of this section, the Department shall identify and address:

(1) the scope of emotional and mental health conditions to be included in the plan;

(2) methods to accomplish provider outreach and education;

(3) staffing requirements;

(4) consultation standards;

(5) clinical resources; and

(6) funding requirements and mechanisms.

(d) On or before December 1, 2017, the Department, in accordance with § 2-1246 of the State Government Article, shall submit the plan developed under this section to the Senate Finance Committee and the House Health and Government Operations Committee.

~~SECTION 2.~~ SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October July 1, 2017.

Approved by the Governor, April 18, 2017.

Chapter 223

(House Bill 774)

AN ACT concerning

Insurance – ~~Surplus Lines~~ – Short-Term Medical Insurance – ~~Procurement~~ ~~From Nonadmitted Insurer Study~~

FOR the purpose of ~~altering the scope of certain provisions of law governing surplus lines insurance as the provisions relate to short-term medical insurance; altering the conditions under which short-term medical insurance may be procured from a nonadmitted insurer; providing for the application of this Act requiring the Maryland Insurance Administration to conduct a study to assess the need in the State for short-term medical insurance offered by nonadmitted insurers; establishing certain requirements for the study; requiring the Administration to solicit input from certain persons in conducting the study; requiring the Administration to submit a certain report to the Governor and certain legislative committees on or before a certain date; defining a certain term; and generally relating to surplus lines insurance and the procurement of a study of the need for short-term medical insurance from a~~ offered by nonadmitted insurer insurers.

~~BY repealing and reenacting, without amendments,
Article – Insurance
Section 3–301(a), (c), and (g)
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)~~

~~BY repealing and reenacting, with amendments,
Article – Insurance
Section 3–302(e) and 3–306.2(e)
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)~~

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

~~Article – Insurance~~

~~3–301.~~

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

~~(e) “Admitted insurer” means an insurer that is authorized to engage in the business of insurance in the State.~~

~~(g) (1) “Nonadmitted insurer” means an insurer that is not authorized to engage in the business of insurance in the State.~~

~~(2) “Nonadmitted insurer” does not include a risk retention group.~~

~~§ 302.~~

~~(e) Subject to § 3-306.2 of this subtitle, this subtitle applies to:~~

~~(1) disability insurance that:~~

~~(i) provides for lost income, revenue, or proceeds in the event that an illness, accident, or injury results in a disability that impairs an insured’s ability to work or otherwise generate income, revenue, or proceeds that the insurance is intended to replace; and~~

~~(ii) does not include payment for medical expenses, dismemberment, or accidental death; and~~

~~(2) short term medical insurance that provides limited health insurance benefits for a limited period of time to:~~

~~(i) residents of the United States who [travel to another country within 30 days after], AS OF the effective date of coverage, ARE NOT ELIGIBLE FOR COVERAGE UNDER THE AFFORDABLE CARE ACT; and~~

~~(ii) residents of another country who:~~

~~1. travel to the United States within 30 days after the effective date of coverage; and~~

~~2. are not traveling to the United States for the purpose of attending an institution of higher education, as defined in § 10-101 of the Education Article.~~

~~§ 306.2.~~

~~(e) Procurement of short term medical insurance under this section from a nonadmitted insurer is subject to:~~

~~(1) a policy term that:~~

~~(i) may not exceed 11 months; and~~

~~(ii) may not be extended or renewed] IS LESS THAN 3 MONTHS AFTER THE ORIGINAL DATE OF THE SHORT TERM MEDICAL INSURANCE POLICY;~~

~~(2) the provision of written notice to the applicant, on a form approved by the Commissioner;~~

~~(i) stating [that coverage may be available under the Affordable Care Act without medical underwriting] “THIS IS NOT QUALIFYING HEALTH COVERAGE (“MINIMUM ESSENTIAL COVERAGE”) THAT SATISFIES THE HEALTH COVERAGE REQUIREMENT OF THE AFFORDABLE CARE ACT. IF YOU DO NOT HAVE MINIMUM ESSENTIAL COVERAGE, YOU MAY OWE AN ADDITIONAL PAYMENT ON YOUR TAXES.”;~~

~~(ii) providing contact information for the Maryland Health Benefit Exchange;~~

~~(iii) stating that the short term medical insurance may be available from an admitted insurer; AND~~

~~(iv) stating that similar coverage may be available from an admitted insurer offering travel insurance, as defined in § 10-101 of this article; and~~

~~(v) stating that:~~

~~1. the short term medical insurance does not meet the requirements for minimum essential coverage under the Affordable Care Act; and~~

~~2. a purchaser of the short term medical insurance may be subject to tax penalties for not having minimum essential coverage];~~

~~(3) the diligent search requirements of §§ 3-306 and 3-306.1 of this subtitle; and~~

~~(4) all other requirements of this subtitle.~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies and contracts of surplus lines insurance for short term medical insurance issued, delivered, or renewed in the State on or after October 1, 2017.~~

(a) In this section, “short-term medical insurance” means medical insurance with a policy term that does not exceed 11 months.

(b) The Maryland Insurance Administration shall conduct a study to assess the need in the State for short-term medical insurance offered by nonadmitted insurers.

(c) The study required under subsection (b) of this section shall:

(1) seek to identify the circumstances in which individuals in the State are in need of short-term medical insurance;

(2) assess the availability of short-term medical insurance offered by admitted insurers in the State, including whether short-term medical insurance coverage offered by admitted insurers is unavailable to individuals in certain geographic regions of the State;

(3) determine whether short-term medical insurance policies are being offered online and, if so, whether the policies are being procured through licensed Maryland insurance producers;

(4) compare the coverages under and premiums for short-term medical insurance policies offered by admitted insurers and the underwriting practices of those insurers with the coverages under and premiums for short-term medical insurance policies offered by nonadmitted insurers as a surplus line and the underwriting practices of those insurers;

(5) assess the impact on the admitted health insurance market and consumers of authorizing nonadmitted insurers to offer short-term medical insurance as a surplus line to individuals in the State who:

(i) are unable to obtain health coverage under the Affordable Care Act, including individuals who are unable to obtain health coverage due to not enrolling during an open enrollment period; or

(ii) drop coverage obtained under the Affordable Care Act;

(6) review and provide information about consumer complaints and enforcement actions relating to short-term medical insurance policies; and

(7) recommend:

(i) whether limitations in current law on the offering of short-term medical insurance by a nonadmitted insurer as a surplus line should be altered to address any barriers to health coverage access encountered by individuals in the State; and

(ii) the adoption of any disclosures or consumer protections that may be needed:

1. for short-term medical insurance procured from admitted insurers; and

2. for short-term medical insurance procured from nonadmitted insurers as a surplus line if offering the insurance is authorized for circumstances in addition to those permitted under current law.

(d) In conducting the study required under subsection (b) of this section, the Administration shall solicit input from:

(1) admitted insurers, including insurers that offer short-term medical insurance policies and insurers that offer qualified health plans;

(2) nonadmitted insurers that offer short-term medical insurance policies as a surplus line;

(3) insurance producers and surplus lines brokers;

(4) Maryland consumers;

(5) members of the General Assembly; and

(6) other interested stakeholders.

(e) On or before December 31, 2017, the Administration shall submit a report on its findings and recommendations from the study required under subsection (b) of this section to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Finance Committee and the House Health and Government Operations Committee.

SECTION ~~3~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ June 1, 2017.

Approved by the Governor, April 18, 2017.

Chapter 224

(Senate Bill 380)

AN ACT concerning

**Insurance – ~~Surplus Lines~~ – Short-Term Medical Insurance – ~~Procurement~~
From Nonadmitted Insurer Study**

FOR the purpose of ~~altering the scope of certain provisions of law governing surplus lines insurance as the provisions relate to short-term medical insurance; altering the conditions under which short-term medical insurance may be procured from a nonadmitted insurer; providing for the application of this Act requiring the Maryland Insurance Administration to conduct a study to assess the need in the State for short-term medical insurance offered by nonadmitted insurers; establishing certain requirements for the study; requiring the Administration to solicit input from certain persons in conducting the study; requiring the Administration to submit a certain report to the Governor and certain legislative committees on or before a certain date; defining a certain term; and generally~~

relating to ~~surplus lines insurance and the procurement of a study of the need for short-term medical insurance from a~~ offered by nonadmitted insurer insurers.

~~BY repealing and reenacting, without amendments,
Article — Insurance
Section 3-301(a), (c), and (g)
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)~~

~~BY repealing and reenacting, with amendments,
Article — Insurance
Section 3-302(e) and 3-306.2(e)
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)~~

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

~~Article — Insurance~~

~~§ 301.~~

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

~~(c) “Admitted insurer” means an insurer that is authorized to engage in the business of insurance in the State.~~

~~(g) (1) “Nonadmitted insurer” means an insurer that is not authorized to engage in the business of insurance in the State.~~

~~(2) “Nonadmitted insurer” does not include a risk retention group.~~

~~§ 302.~~

~~(c) Subject to § 3-306.2 of this subtitle, this subtitle applies to:~~

~~(1) disability insurance that:~~

~~(i) provides for lost income, revenue, or proceeds in the event that an illness, accident, or injury results in a disability that impairs an insured’s ability to work or otherwise generate income, revenue, or proceeds that the insurance is intended to replace; and~~

~~(ii) does not include payment for medical expenses, dismemberment, or accidental death; and~~

~~(2) short term medical insurance that provides limited health insurance benefits for a limited period of time to:~~

~~(i) residents of the United States who [travel to another country within 30 days after], AS OF the effective date of coverage, ARE NOT ELIGIBLE FOR COVERAGE UNDER THE AFFORDABLE CARE ACT; and~~

~~(ii) residents of another country who:~~

~~1. travel to the United States within 30 days after the effective date of coverage; and~~

~~2. are not traveling to the United States for the purpose of attending an institution of higher education, as defined in § 10-101 of the Education Article.~~

~~§ 306.2.~~

~~(e) Procurement of short term medical insurance under this section from a nonadmitted insurer is subject to:~~

~~(1) a policy term that:~~

~~(i) may not exceed 11 months; and~~

~~(ii) may not be extended or renewed] IS LESS THAN 3 MONTHS AFTER THE ORIGINAL DATE OF THE SHORT TERM MEDICAL INSURANCE POLICY;~~

~~(2) the provision of written notice to the applicant, on a form approved by the Commissioner:~~

~~(i) stating [that coverage may be available under the Affordable Care Act without medical underwriting] “THIS IS NOT QUALIFYING HEALTH COVERAGE (“MINIMUM ESSENTIAL COVERAGE”) THAT SATISFIES THE HEALTH COVERAGE REQUIREMENT OF THE AFFORDABLE CARE ACT. IF YOU DO NOT HAVE MINIMUM ESSENTIAL COVERAGE, YOU MAY OWE AN ADDITIONAL PAYMENT ON YOUR TAXES.”;~~

~~(ii) providing contact information for the Maryland Health Benefit Exchange;~~

~~(iii) stating that the short term medical insurance may be available from an admitted insurer; AND~~

~~(iv) stating that similar coverage may be available from an admitted insurer offering travel insurance, as defined in § 10-101 of this article]; and~~

~~(v) stating that:~~

~~1. the short-term medical insurance does not meet the requirements for minimum essential coverage under the Affordable Care Act; and~~

~~2. a purchaser of the short-term medical insurance may be subject to tax penalties for not having minimum essential coverage];~~

~~(3) the diligent search requirements of §§ 3-306 and 3-306.1 of this subtitle; and~~

~~(4) all other requirements of this subtitle.~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies and contracts of surplus lines insurance for short-term medical insurance issued, delivered, or renewed in the State on or after October 1, 2017.~~

(a) In this section, “short-term medical insurance” means medical insurance with a policy term that does not exceed 11 months.

(b) The Maryland Insurance Administration shall conduct a study to assess the need in the State for short-term medical insurance offered by nonadmitted insurers.

(c) The study required under subsection (b) of this section shall:

(1) seek to identify the circumstances in which individuals in the State are in need of short-term medical insurance;

(2) assess the availability of short-term medical insurance offered by admitted insurers in the State, including whether short-term medical insurance coverage offered by admitted insurers is unavailable to individuals in certain geographic regions of the State;

(3) determine whether short-term medical insurance policies are being offered online and, if so, whether the policies are being procured through licensed Maryland insurance producers;

(4) compare the coverages under and premiums for short-term medical insurance policies offered by admitted insurers and the underwriting practices of those insurers with the coverages under and premiums for short-term medical insurance policies offered by nonadmitted insurers as a surplus line and the underwriting practices of those insurers;

(5) assess the impact on the admitted health insurance market and consumers of authorizing nonadmitted insurers to offer short-term medical insurance as a surplus line to individuals in the State who:

(i) are unable to obtain health coverage under the Affordable Care Act, including individuals who are unable to obtain health coverage due to not enrolling during an open enrollment period; or

(ii) drop coverage obtained under the Affordable Care Act;

(6) review and provide information about consumer complaints and enforcement actions relating to short-term medical insurance policies; and

(7) recommend:

(i) whether limitations in current law on the offering of short-term medical insurance by a nonadmitted insurer as a surplus line should be altered to address any barriers to health coverage access encountered by individuals in the State; and

(ii) the adoption of any disclosures or consumer protections that may be needed:

1. for short-term medical insurance procured from admitted insurers; and

2. for short-term medical insurance procured from nonadmitted insurers as a surplus line if offering the insurance is authorized for circumstances in addition to those permitted under current law.

(d) In conducting the study required under subsection (b) of this section, the Administration shall solicit input from:

(1) admitted insurers, including insurers that offer short-term medical insurance policies and insurers that offer qualified health plans;

(2) nonadmitted insurers that offer short-term medical insurance policies as a surplus line;

(3) insurance producers and surplus lines brokers;

(4) Maryland consumers;

(5) members of the General Assembly; and

(6) other interested stakeholders.

(e) On or before December 31, 2017, the Administration shall submit a report on its findings and recommendations from the study required under subsection (b) of this section to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Finance Committee and the House Health and Government Operations Committee.

SECTION ~~3~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ June 1, 2017.

Approved by the Governor, April 18, 2017.

Chapter 225

(House Bill 403)

AN ACT concerning

Maryland Patient Referral Law – Compensation Arrangements Under Federally Approved Programs and Models

FOR the purpose of exempting, under certain circumstances, a health care practitioner who has a certain compensation arrangement with a health care entity from a certain provision of law that prohibits a health care practitioner from referring a patient or directing certain persons to refer a patient to a certain health care entity; providing that the exemption is null and void if the Maryland Insurance Commissioner issues a certain order; providing that a certain provision of this Act may not be construed to permit certain actions, impose certain obligations, require the disclosure of certain information, authorize a certain payment, permit an arrangement that violates certain provisions of law, modify certain definitions or exceptions, or require a compensation agreement to comply with a certain provision of this Act; establishing a certain filing fee; requiring a certain participation agreement and other documents to be filed for approval with the Commissioner within a certain period of time before a certain exemption is implemented; providing for a certain exception; requiring the Commissioner to make a certain determination within a certain period of time; requiring the Commissioner to issue a certain order to a filer under certain circumstances; requiring the Commissioner to hold a hearing before issuing an order and to give written notice of the hearing to the filer within a certain period of time; requiring the notice to specify certain matters; requiring a filer to submit a revised filing under certain circumstances; requiring the Commissioner to make a new determination under certain circumstances; making a certain filing subject to a certain fee; ~~altering a certain definition~~; defining a certain ~~terms~~ term; and generally relating to patient referrals, compensation arrangements under federally approved programs and models, and the business of insurance.

~~BY repealing and reenacting, without amendments,
Article – Health Occupations
Section 1-301(a) and (g) through (i)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)~~

BY repealing and reenacting, with amendments,
 Article – Health Occupations
 Section ~~1–301(e), (k), and (l)~~ and 1–302
 Annotated Code of Maryland
 (2014 Replacement Volume and 2016 Supplement)

~~BY adding to~~
~~Article – Health Occupations~~
~~Section 1–301(k)~~
~~Annotated Code of Maryland~~
~~(2014 Replacement Volume and 2016 Supplement)~~

BY adding to
 Article – Insurance
 Section 2–112(a)(12) and 15–143
 Annotated Code of Maryland
 (2011 Replacement Volume and 2016 Supplement)

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

Article – Health Occupations

~~1–301.~~

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

~~(e) (1) “Compensation arrangement” means any agreement or system involving any remuneration, INCLUDING CASH OR IN KIND COMPENSATION, between a health care practitioner or the immediate family member of the health care practitioner and a health care entity.~~

~~(2) “Compensation arrangement” does not include:~~

~~(i) Compensation or shares under a faculty practice plan or a professional corporation affiliated with a teaching hospital and comprised of health care practitioners who are members of the faculty of a university;~~

~~(ii) Amounts paid under a bona fide employment agreement between a health care entity and a health care practitioner or an immediate family member of the health care practitioner;~~

~~(iii) An arrangement between a health care entity and a health care practitioner or the immediate family member of a health care practitioner for the provision of any services, as an independent contractor, if:~~

~~1. The arrangement is for identifiable services;~~

~~2. The amount of the remuneration under the arrangement is consistent with the fair market value of the service and is not determined in a manner that takes into account, directly or indirectly, the volume or value of any referrals by the referring health care practitioner; and~~

~~3. The compensation is provided in accordance with an agreement that would be commercially reasonable even if no referrals were made to the health care provider;~~

~~(iv) Compensation for health care services pursuant to a referral from a health care practitioner and rendered by a health care entity, that employs or contracts with an immediate family member of the health care practitioner, in which the immediate family member's compensation is not based on the referral;~~

~~(v) An arrangement for compensation which is provided by a health care entity to a health care practitioner or the immediate family member of the health care practitioner to induce the health care practitioner or the immediate family member of the health care practitioner to relocate to the geographic area served by the health care entity in order to be a member of the medical staff of a hospital, if:~~

~~1. The health care practitioner or the immediate family member of the health care practitioner is not required to refer patients to the health care entity;~~

~~2. The amount of the compensation under the arrangement is not determined in a manner that takes into account, directly or indirectly, the volume or value of any referrals by the referring health care practitioner; and~~

~~3. The health care entity needs the services of the practitioner to meet community health care needs and has had difficulty in recruiting a practitioner;~~

~~(vi) Payments made for the rental or lease of office space if the payments are:~~

~~1. At fair market value; and~~

~~2. In accordance with an arm's length transaction;~~

~~(vii) Payments made for the rental or lease of equipment if the payments are:~~

~~1. At fair market value; and~~

~~2. In accordance with an arm's length transaction; or~~

~~(viii) Payments made for the sale of property or a health care practice if the payments are:~~

- ~~1. At fair market value;~~
- ~~2. In accordance with an arm's length transaction; and~~
- ~~3. The remuneration is provided in accordance with an agreement that would be commercially reasonable even if no referrals were made.~~

~~(g) "Health care entity" means a business entity that provides health care services for the:~~

- ~~(1) Testing, diagnosis, or treatment of human disease or dysfunction; or~~
- ~~(2) Dispensing of drugs, medical devices, medical appliances, or medical goods for the treatment of human disease or dysfunction.~~

~~(h) "Health care practitioner" means a person who is licensed, certified, or otherwise authorized under this article to provide health care services in the ordinary course of business or practice of a profession.~~

~~(i) "Health care service" means medical procedures, tests and services provided to a patient by or through a health care entity.~~

~~**(K) "IN-KIND COMPENSATION" MEANS THE SHARING OF STAFF, RESOURCES, INFRASTRUCTURE, TECHNOLOGY, SOFTWARE, DATA, OR ANALYTICS.**~~

~~**[(k)] (L)** (1) "In-office ancillary services" means those basic health care services and tests routinely performed in the office of one or more health care practitioners.~~

~~(2) Except for a radiologist group practice or an office consisting solely of one or more radiologists, "in-office ancillary services" does not include:~~

- ~~(i) Magnetic resonance imaging services;~~
- ~~(ii) Radiation therapy services; or~~
- ~~(iii) Computer tomography scan services.~~

~~**[(l)] (M)** (1) "Referral" means any referral of a patient for health care services.~~

~~(2) "Referral" includes:~~

~~(i) The forwarding of a patient by one health care practitioner to another health care practitioner or to a health care entity outside the health care practitioner's office or group practice; or~~

~~(ii) The request or establishment by a health care practitioner of a plan of care for the provision of health care services outside the health care practitioner's office or group practice.~~

1-302.

(a) Except as provided in subsection (d) of this section, a health care practitioner may not refer a patient, or direct an employee of or person under contract with the health care practitioner to refer a patient to a health care entity:

(1) In which the health care practitioner or the practitioner in combination with the practitioner's immediate family owns a beneficial interest;

(2) In which the practitioner's immediate family owns a beneficial interest of 3 percent or greater; or

(3) With which the health care practitioner, the practitioner's immediate family, or the practitioner in combination with the practitioner's immediate family has a compensation arrangement.

(b) A health care entity or a referring health care practitioner may not present or cause to be presented to any individual, third party payor, or other person a claim, bill, or other demand for payment for health care services provided as a result of a referral prohibited by this subtitle.

(c) Subsection (a) of this section applies to any arrangement or scheme, including a cross-referral arrangement, which the health care practitioner knows or should know has a principal purpose of assuring indirect referrals that would be in violation of subsection (a) of this section if made directly.

(d) The provisions of this section do not apply to:

(1) A health care practitioner when treating a member of a health maintenance organization as defined in § 19-701 of the Health – General Article if the health care practitioner does not have a beneficial interest in the health care entity;

(2) A health care practitioner who refers a patient to another health care practitioner in the same group practice as the referring health care practitioner;

(3) A health care practitioner with a beneficial interest in a health care entity who refers a patient to that health care entity for health care services or tests, if the services or tests are personally performed by or under the direct supervision of the referring health care practitioner;

(4) A health care practitioner who refers in-office ancillary services or tests that are:

(i) Personally furnished by:

1. The referring health care practitioner;

2. A health care practitioner in the same group practice as the referring health care practitioner; or

3. An individual who is employed and personally supervised by the qualified referring health care practitioner or a health care practitioner in the same group practice as the referring health care practitioner;

(ii) Provided in the same building where the referring health care practitioner or a health care practitioner in the same group practice as the referring health care practitioner furnishes services; and

(iii) Billed by:

1. The health care practitioner performing or supervising the services; or

2. A group practice of which the health care practitioner performing or supervising the services is a member;

(5) A health care practitioner who has a beneficial interest in a health care entity if, in accordance with regulations adopted by the Secretary:

(i) The Secretary determines that the health care practitioner's beneficial interest is essential to finance and to provide the health care entity; and

(ii) The Secretary, in conjunction with the Maryland Health Care Commission, determines that the health care entity is needed to ensure appropriate access for the community to the services provided at the health care entity;

(6) A health care practitioner employed or affiliated with a hospital, who refers a patient to a health care entity that is owned or controlled by a hospital or under common ownership or control with a hospital if the health care practitioner does not have a direct beneficial interest in the health care entity;

(7) A health care practitioner or member of a single specialty group practice, including any person employed or affiliated with a hospital, who has a beneficial interest in a health care entity that is owned or controlled by a hospital or under common ownership or control with a hospital if:

(i) The health care practitioner or other member of that single specialty group practice provides the health care services to a patient pursuant to a referral or in accordance with a consultation requested by another health care practitioner who does not have a beneficial interest in the health care entity; or

(ii) The health care practitioner or other member of that single specialty group practice referring a patient to the facility, service, or entity personally performs or supervises the health care service or procedure;

(8) A health care practitioner with a beneficial interest in, or compensation arrangement with, a hospital or related institution as defined in § 19–301 of the Health – General Article or a facility, service, or other entity that is owned or controlled by a hospital or related institution or under common ownership or control with a hospital or related institution if:

(i) The beneficial interest was held or the compensation arrangement was in existence on January 1, 1993; and

(ii) Thereafter the beneficial interest or compensation arrangement of the health care practitioner does not increase;

(9) A health care practitioner when treating an enrollee of a provider–sponsored organization as defined in § 19–7A–01 of the Health – General Article if the health care practitioner is referring enrollees to an affiliated health care provider of the provider–sponsored organization;

(10) A health care practitioner who refers a patient to a dialysis facility, if the patient has been diagnosed with end stage renal disease as defined in the Medicare regulations pursuant to the Social Security Act; [or]

(11) A health care practitioner who refers a patient to a hospital in which the health care practitioner has a beneficial interest if:

(i) The health care practitioner is authorized to perform services at the hospital; and

(ii) The ownership or investment interest is in the hospital itself and not solely in a subdivision of the hospital; **OR**

(12) SUBJECT TO SUBSECTION (F) OF THIS SECTION, A HEALTH CARE PRACTITIONER WHO HAS A COMPENSATION ARRANGEMENT WITH A HEALTH CARE ENTITY, IF THE COMPENSATION ARRANGEMENT IS FUNDED BY OR PAID UNDER:

(I) A MEDICARE SHARED SAVINGS PROGRAM ACCOUNTABLE CARE ORGANIZATION AUTHORIZED UNDER 42 U.S.C. § 1395JJJ;

(II) AS AUTHORIZED UNDER 42 U.S.C. § 1315A:

1. AN ADVANCE PAYMENT ACCOUNTABLE CARE ORGANIZATION MODEL;
2. A PIONEER ACCOUNTABLE CARE ORGANIZATION MODEL; OR
3. A NEXT GENERATION ACCOUNTABLE CARE ORGANIZATION MODEL;

(III) AN ALTERNATIVE PAYMENT MODEL APPROVED BY THE FEDERAL CENTERS FOR MEDICARE AND MEDICAID SERVICES; OR

(IV) ANOTHER MODEL APPROVED BY THE FEDERAL CENTERS FOR MEDICARE AND MEDICAID SERVICES THAT MAY BE APPLIED TO HEALTH CARE SERVICES PROVIDED TO BOTH MEDICARE BENEFICIARIES AND INDIVIDUALS WHO ARE NOT MEDICARE BENEFICIARIES.

(e) A health care practitioner exempted from the provisions of this section in accordance with subsection (d) shall be subject to the disclosure provisions of § 1–303 of this subtitle.

(F) IF THE MARYLAND INSURANCE COMMISSIONER ISSUES AN ORDER UNDER § 15–143 OF THE INSURANCE ARTICLE THAT A COMPENSATION ARRANGEMENT FUNDED BY OR PAID UNDER A PAYMENT MODEL LISTED IN SUBSECTION (D)(12) OF THIS SECTION VIOLATES THE INSURANCE ARTICLE OR A REGULATION ADOPTED UNDER THE INSURANCE ARTICLE, THE EXEMPTION PROVIDED UNDER SUBSECTION (D)(12) OF THIS SECTION FOR A HEALTH CARE PRACTITIONER WHO HAS THE COMPENSATION ARRANGEMENT WITH A HEALTH CARE ENTITY IS NULL AND VOID.

(G) SUBSECTION (D)(12) OF THIS SECTION MAY NOT BE CONSTRUED TO:

(1) PERMIT AN INDIVIDUAL OR ENTITY TO ENGAGE IN THE INSURANCE BUSINESS, AS DEFINED IN § 1–101 OF THE INSURANCE ARTICLE, WITHOUT OBTAINING A CERTIFICATE OF AUTHORITY FROM THE MARYLAND INSURANCE COMMISSIONER AND SATISFYING ALL OTHER APPLICABLE REQUIREMENTS OF THE INSURANCE ARTICLE;

(2) (I) IMPOSE ADDITIONAL OBLIGATIONS ON A CARRIER PROVIDING INCENTIVE–BASED COMPENSATION TO A HEALTH CARE PRACTITIONER UNDER § 15–113 OF THE INSURANCE ARTICLE; OR

(II) REQUIRE THE DISCLOSURE OF INFORMATION REGARDING THE INCENTIVE-BASED COMPENSATION, EXCEPT AS REQUIRED UNDER § 15-113 OF THE INSURANCE ARTICLE;

(3) AUTHORIZE A HEALTH CARE ENTITY TO KNOWINGLY MAKE A DIRECT OR INDIRECT PAYMENT TO A HEALTH CARE PRACTITIONER AS AN INDUCEMENT TO REDUCE OR LIMIT MEDICALLY NECESSARY SERVICES TO INDIVIDUALS WHO ARE UNDER THE DIRECT CARE OF THE HEALTH CARE PRACTITIONER;

(4) PERMIT AN ARRANGEMENT THAT VIOLATES:

(I) § 14-404(A)(15) OF THIS ARTICLE; OR

(II) § 8-508, § 8-511, § 8-512, § 8-516, OR § 8-517 OF THE CRIMINAL LAW ARTICLE;

(5) NARROW, EXPAND, OR OTHERWISE MODIFY:

(I) ANY DEFINITION IN § 1-301 OF THIS SUBTITLE, INCLUDING THE DEFINITION OF “IN-OFFICE ANCILLARY SERVICES”; OR

(II) ANY EXCEPTION IN SUBSECTION (D)(4) OF THIS SECTION INCLUDING THE EXCEPTION FOR REFERRALS FOR IN-OFFICE ANCILLARY SERVICES OR TESTS; OR

(6) REQUIRE A COMPENSATION ARRANGEMENT TO COMPLY WITH THE PROVISIONS OF SUBSECTION (D)(12) OF THIS SECTION IF THE COMPENSATION ARRANGEMENT IS ~~DESCRIBED IN~~ EXEMPT UNDER ANY OTHER PROVISION OF SUBSECTION (D) OF THIS SECTION.

Article - Insurance

2-112.

(a) Fees for the following certificates, licenses, permits, and services shall be collected in advance by the Commissioner, and shall be paid by the appropriate persons, including health maintenance organizations, to the Commissioner:

(12) FEES FOR REQUIRED FILINGS UNDER § 15-143 OF THIS ARTICLE.....\$125

15-143.

(A) IN THIS SECTION, "PARTICIPATION AGREEMENT" MEANS A CONTRACT THAT:

(1) IS EXECUTED BY A PAYOR OR PROGRAM ADMINISTRATOR AND OTHER PARTICIPATING ENTITIES; AND

(2) DESCRIBES THE REQUIREMENTS FOR PARTICIPATION IN A PAYMENT MODEL SUBJECT TO THIS SECTION.

(B) THIS SECTION APPLIES ONLY TO A PAYMENT MODEL DESCRIBED IN § 1-302(D)(12) OF THE HEALTH OCCUPATIONS ARTICLE:

(1) THAT APPLIES TO INDIVIDUALS COVERED UNDER HEALTH INSURANCE; AND

(2) UNDER WHICH THERE IS CASH COMPENSATION.

(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AT LEAST 60 DAYS BEFORE AN EXEMPTION PROVIDED UNDER § 1-302(D)(12) OF THE HEALTH OCCUPATIONS ARTICLE FOR A PAYMENT MODEL SUBJECT TO THIS SECTION IS IMPLEMENTED, THE PARTICIPATION AGREEMENT AND OTHER DOCUMENTS RELEVANT TO THE PAYMENT MODEL UNDER WHICH A COMPENSATION ARRANGEMENT BETWEEN A HEALTH CARE PRACTITIONER AND A HEALTH CARE ENTITY IS FUNDED OR PAID SHALL BE FILED WITH THE COMMISSIONER.

(2) THE FILING UNDER PARAGRAPH (1) OF THIS SUBSECTION IS NOT REQUIRED IF THE COMPENSATION ARRANGEMENT IS FUNDED FULLY BY OR PAID FULLY UNDER THE MEDICARE OR MEDICAID PROGRAM.

(D) WITHIN 60 DAYS AFTER THE DOCUMENTS REQUIRED UNDER SUBSECTION (C)(1) OF THIS SECTION ARE FILED, THE COMMISSIONER SHALL DETERMINE IF ANY COMPENSATION ARRANGEMENT BETWEEN A HEALTH CARE PRACTITIONER AND A HEALTH CARE ENTITY FUNDED BY OR PAID UNDER THE PAYMENT MODEL:

(1) IS INSURANCE BUSINESS; AND

(2) VIOLATES THIS ARTICLE OR A REGULATION ADOPTED UNDER THIS ARTICLE.

(E) (1) IF THE COMMISSIONER DETERMINES THAT A COMPENSATION ARRANGEMENT IS INSURANCE BUSINESS AND VIOLATES THIS ARTICLE OR A REGULATION ADOPTED UNDER THIS ARTICLE, THE COMMISSIONER SHALL ISSUE AN ORDER TO THE FILER THAT SPECIFIES THE WAYS IN WHICH THE COMPENSATION

ARRANGEMENT VIOLATES THIS ARTICLE OR A REGULATION ADOPTED UNDER THIS ARTICLE.

(2) (I) THE COMMISSIONER SHALL HOLD A HEARING BEFORE ISSUING AN ORDER UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(II) THE COMMISSIONER SHALL GIVE WRITTEN NOTICE OF THE HEARING TO THE FILER AT LEAST 10 DAYS BEFORE THE HEARING.

(III) THE NOTICE SHALL SPECIFY THE MATTERS TO BE CONSIDERED AT THE HEARING.

(3) IF THE COMPENSATION ARRANGEMENT BETWEEN A HEALTH CARE PRACTITIONER AND A HEALTH CARE ENTITY CHANGES DURING ITS TERM:

(I) THE FILER SHALL SUBMIT A REVISED FILING TO THE COMMISSIONER FOR REVIEW OF THE CHANGES; AND

(II) THE COMMISSIONER SHALL MAKE A NEW DETERMINATION, AS PROVIDED UNDER SUBSECTION (D) OF THIS SECTION.

(F) A FILING UNDER SUBSECTION (C) OF THIS SECTION IS SUBJECT TO THE FEE REQUIRED UNDER § 2-112(A)(12) OF THIS ARTICLE.

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

Approved by the Governor, April 18, 2017.

Chapter 226

(Senate Bill 369)

AN ACT concerning

Maryland Patient Referral Law – Compensation Arrangements Under Federally Approved Programs and Models

FOR the purpose of exempting, under certain circumstances, a health care practitioner who has a certain compensation arrangement with a health care entity from a certain provision of law that prohibits a health care practitioner from referring a patient or directing certain persons to refer a patient to a certain health care entity; providing that the exemption is null and void if the Maryland Insurance Commissioner issues a certain order; providing that a certain provision of this Act may not be construed

to permit certain actions, impose certain obligations, require the disclosure of certain information, authorize a certain payment, permit an arrangement that violates certain provisions of law, modify certain definitions or exceptions, or require a compensation agreement to comply with a certain provision of this Act; establishing a certain filing fee; requiring a certain participation agreement and other documents to be filed for approval with the Commissioner within a certain period of time before a certain exemption is implemented; providing for a certain exception; requiring the Commissioner to make a certain determination within a certain period of time; requiring the Commissioner to issue a certain order to a filer under certain circumstances; requiring the Commissioner to hold a hearing before issuing an order and to give written notice of the hearing to the filer within a certain period of time; requiring the notice to specify certain matters; requiring a filer to submit a revised filing under certain circumstances; requiring the Commissioner to make a new determination under certain circumstances; making a certain filing subject to a certain fee; ~~altering a certain definition;~~ defining a certain ~~terms~~ term; and generally relating to patient referrals, compensation arrangements under federally approved programs and models, and the business of insurance.

~~BY repealing and reenacting, without amendments,
Article – Health Occupations
Section 1–301(a) and (g) through (i)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)~~

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section ~~1–301(e), (k), and (l)~~ and 1–302
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

~~BY adding to
Article – Health Occupations
Section 1–301(k)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)~~

BY adding to
Article – Insurance
Section 2–112(a)(12) and 15–143
Annotated Code of Maryland
(2011 Replacement Volume and 2016 Supplement)

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

Article – Health Occupations

~~1-301.~~

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

~~(e) (1) “Compensation arrangement” means any agreement or system involving any remuneration, INCLUDING CASH OR IN-KIND COMPENSATION, between a health care practitioner or the immediate family member of the health care practitioner and a health care entity.~~

~~(2) “Compensation arrangement” does not include:~~

~~(i) Compensation or shares under a faculty practice plan or a professional corporation affiliated with a teaching hospital and comprised of health care practitioners who are members of the faculty of a university;~~

~~(ii) Amounts paid under a bona fide employment agreement between a health care entity and a health care practitioner or an immediate family member of the health care practitioner;~~

~~(iii) An arrangement between a health care entity and a health care practitioner or the immediate family member of a health care practitioner for the provision of any services, as an independent contractor, if:~~

~~1. The arrangement is for identifiable services;~~

~~2. The amount of the remuneration under the arrangement is consistent with the fair market value of the service and is not determined in a manner that takes into account, directly or indirectly, the volume or value of any referrals by the referring health care practitioner; and~~

~~3. The compensation is provided in accordance with an agreement that would be commercially reasonable even if no referrals were made to the health care provider;~~

~~(iv) Compensation for health care services pursuant to a referral from a health care practitioner and rendered by a health care entity, that employs or contracts with an immediate family member of the health care practitioner, in which the immediate family member’s compensation is not based on the referral;~~

~~(v) An arrangement for compensation which is provided by a health care entity to a health care practitioner or the immediate family member of the health care practitioner to induce the health care practitioner or the immediate family member of the health care practitioner to relocate to the geographic area served by the health care entity in order to be a member of the medical staff of a hospital, if:~~

~~1. The health care practitioner or the immediate family member of the health care practitioner is not required to refer patients to the health care entity;~~

~~2. The amount of the compensation under the arrangement is not determined in a manner that takes into account, directly or indirectly, the volume or value of any referrals by the referring health care practitioner; and~~

~~3. The health care entity needs the services of the practitioner to meet community health care needs and has had difficulty in recruiting a practitioner;~~

~~(vi) Payments made for the rental or lease of office space if the payments are:~~

~~1. At fair market value; and~~

~~2. In accordance with an arm's length transaction;~~

~~(vii) Payments made for the rental or lease of equipment if the payments are:~~

~~1. At fair market value; and~~

~~2. In accordance with an arm's length transaction; or~~

~~(viii) Payments made for the sale of property or a health care practice if the payments are:~~

~~1. At fair market value;~~

~~2. In accordance with an arm's length transaction; and~~

~~3. The remuneration is provided in accordance with an agreement that would be commercially reasonable even if no referrals were made.~~

~~(g) "Health care entity" means a business entity that provides health care services for the:~~

~~(1) Testing, diagnosis, or treatment of human disease or dysfunction; or~~

~~(2) Dispensing of drugs, medical devices, medical appliances, or medical goods for the treatment of human disease or dysfunction.~~

~~(h) "Health care practitioner" means a person who is licensed, certified, or otherwise authorized under this article to provide health care services in the ordinary course of business or practice of a profession.~~

~~(i) “Health care service” means medical procedures, tests and services provided to a patient by or through a health care entity.~~

~~(K) “IN-KIND COMPENSATION” MEANS THE SHARING OF STAFF, RESOURCES, INFRASTRUCTURE, TECHNOLOGY, SOFTWARE, DATA, OR ANALYTICS.~~

~~[(K)](L) (1) “In-office ancillary services” means those basic health care services and tests routinely performed in the office of one or more health care practitioners.~~

~~(2) Except for a radiologist group practice or an office consisting solely of one or more radiologists, “in-office ancillary services” does not include:~~

~~(i) Magnetic resonance imaging services;~~

~~(ii) Radiation therapy services; or~~

~~(iii) Computer tomography scan services.~~

~~[(L)](M) (1) “Referral” means any referral of a patient for health care services.~~

~~(2) “Referral” includes:~~

~~(i) The forwarding of a patient by one health care practitioner to another health care practitioner or to a health care entity outside the health care practitioner’s office or group practice; or~~

~~(ii) The request or establishment by a health care practitioner of a plan of care for the provision of health care services outside the health care practitioner’s office or group practice.~~

1-302.

(a) Except as provided in subsection (d) of this section, a health care practitioner may not refer a patient, or direct an employee of or person under contract with the health care practitioner to refer a patient to a health care entity:

(1) In which the health care practitioner or the practitioner in combination with the practitioner’s immediate family owns a beneficial interest;

(2) In which the practitioner’s immediate family owns a beneficial interest of 3 percent or greater; or

(3) With which the health care practitioner, the practitioner’s immediate family, or the practitioner in combination with the practitioner’s immediate family has a compensation arrangement.

(b) A health care entity or a referring health care practitioner may not present or cause to be presented to any individual, third party payor, or other person a claim, bill, or other demand for payment for health care services provided as a result of a referral prohibited by this subtitle.

(c) Subsection (a) of this section applies to any arrangement or scheme, including a cross-referral arrangement, which the health care practitioner knows or should know has a principal purpose of assuring indirect referrals that would be in violation of subsection (a) of this section if made directly.

(d) The provisions of this section do not apply to:

(1) A health care practitioner when treating a member of a health maintenance organization as defined in § 19-701 of the Health – General Article if the health care practitioner does not have a beneficial interest in the health care entity;

(2) A health care practitioner who refers a patient to another health care practitioner in the same group practice as the referring health care practitioner;

(3) A health care practitioner with a beneficial interest in a health care entity who refers a patient to that health care entity for health care services or tests, if the services or tests are personally performed by or under the direct supervision of the referring health care practitioner;

(4) A health care practitioner who refers in-office ancillary services or tests that are:

(i) Personally furnished by:

1. The referring health care practitioner;

2. A health care practitioner in the same group practice as the referring health care practitioner; or

3. An individual who is employed and personally supervised by the qualified referring health care practitioner or a health care practitioner in the same group practice as the referring health care practitioner;

(ii) Provided in the same building where the referring health care practitioner or a health care practitioner in the same group practice as the referring health care practitioner furnishes services; and

(iii) Billed by:

1. The health care practitioner performing or supervising the services; or

2. A group practice of which the health care practitioner performing or supervising the services is a member;

(5) A health care practitioner who has a beneficial interest in a health care entity if, in accordance with regulations adopted by the Secretary:

(i) The Secretary determines that the health care practitioner's beneficial interest is essential to finance and to provide the health care entity; and

(ii) The Secretary, in conjunction with the Maryland Health Care Commission, determines that the health care entity is needed to ensure appropriate access for the community to the services provided at the health care entity;

(6) A health care practitioner employed or affiliated with a hospital, who refers a patient to a health care entity that is owned or controlled by a hospital or under common ownership or control with a hospital if the health care practitioner does not have a direct beneficial interest in the health care entity;

(7) A health care practitioner or member of a single specialty group practice, including any person employed or affiliated with a hospital, who has a beneficial interest in a health care entity that is owned or controlled by a hospital or under common ownership or control with a hospital if:

(i) The health care practitioner or other member of that single specialty group practice provides the health care services to a patient pursuant to a referral or in accordance with a consultation requested by another health care practitioner who does not have a beneficial interest in the health care entity; or

(ii) The health care practitioner or other member of that single specialty group practice referring a patient to the facility, service, or entity personally performs or supervises the health care service or procedure;

(8) A health care practitioner with a beneficial interest in, or compensation arrangement with, a hospital or related institution as defined in § 19–301 of the Health – General Article or a facility, service, or other entity that is owned or controlled by a hospital or related institution or under common ownership or control with a hospital or related institution if:

(i) The beneficial interest was held or the compensation arrangement was in existence on January 1, 1993; and

(ii) Thereafter the beneficial interest or compensation arrangement of the health care practitioner does not increase;

(9) A health care practitioner when treating an enrollee of a provider-sponsored organization as defined in § 19–7A–01 of the Health – General Article

if the health care practitioner is referring enrollees to an affiliated health care provider of the provider–sponsored organization;

(10) A health care practitioner who refers a patient to a dialysis facility, if the patient has been diagnosed with end stage renal disease as defined in the Medicare regulations pursuant to the Social Security Act; [or]

(11) A health care practitioner who refers a patient to a hospital in which the health care practitioner has a beneficial interest if:

(i) The health care practitioner is authorized to perform services at the hospital; and

(ii) The ownership or investment interest is in the hospital itself and not solely in a subdivision of the hospital; OR

(12) SUBJECT TO SUBSECTION (F) OF THIS SECTION, A HEALTH CARE PRACTITIONER WHO HAS A COMPENSATION ARRANGEMENT WITH A HEALTH CARE ENTITY, IF THE COMPENSATION ARRANGEMENT IS FUNDED BY OR PAID UNDER:

(I) A MEDICARE SHARED SAVINGS PROGRAM ACCOUNTABLE CARE ORGANIZATION AUTHORIZED UNDER 42 U.S.C. § 1395JJJ;

(II) AS AUTHORIZED UNDER 42 U.S.C. § 1315A:

1. AN ADVANCE PAYMENT ACCOUNTABLE CARE ORGANIZATION MODEL;

2. A PIONEER ACCOUNTABLE CARE ORGANIZATION MODEL; OR

3. A NEXT GENERATION ACCOUNTABLE CARE ORGANIZATION MODEL;

(III) AN ALTERNATIVE PAYMENT MODEL APPROVED BY THE FEDERAL CENTERS FOR MEDICARE AND MEDICAID SERVICES; OR

(IV) ANOTHER MODEL APPROVED BY THE FEDERAL CENTERS FOR MEDICARE AND MEDICAID SERVICES THAT MAY BE APPLIED TO HEALTH CARE SERVICES PROVIDED TO BOTH MEDICARE BENEFICIARIES AND INDIVIDUALS WHO ARE NOT MEDICARE BENEFICIARIES.

(e) A health care practitioner exempted from the provisions of this section in accordance with subsection (d) shall be subject to the disclosure provisions of § 1–303 of this subtitle.

(F) IF THE MARYLAND INSURANCE COMMISSIONER ISSUES AN ORDER UNDER § 15-143 OF THE INSURANCE ARTICLE THAT A COMPENSATION ARRANGEMENT FUNDED BY OR PAID UNDER A PAYMENT MODEL LISTED IN SUBSECTION (D)(12) OF THIS SECTION VIOLATES THE INSURANCE ARTICLE OR A REGULATION ADOPTED UNDER THE INSURANCE ARTICLE, THE EXEMPTION PROVIDED UNDER SUBSECTION (D)(12) OF THIS SECTION FOR A HEALTH CARE PRACTITIONER WHO HAS THE COMPENSATION ARRANGEMENT WITH A HEALTH CARE ENTITY IS NULL AND VOID.

(G) SUBSECTION (D)(12) OF THIS SECTION MAY NOT BE CONSTRUED TO:

(1) PERMIT AN INDIVIDUAL OR ENTITY TO ENGAGE IN THE INSURANCE BUSINESS, AS DEFINED IN § 1-101 OF THE INSURANCE ARTICLE, WITHOUT OBTAINING A CERTIFICATE OF AUTHORITY FROM THE MARYLAND INSURANCE COMMISSIONER AND SATISFYING ALL OTHER APPLICABLE REQUIREMENTS OF THE INSURANCE ARTICLE;

(2) (I) IMPOSE ADDITIONAL OBLIGATIONS ON A CARRIER PROVIDING INCENTIVE-BASED COMPENSATION TO A HEALTH CARE PRACTITIONER UNDER § 15-113 OF THE INSURANCE ARTICLE; OR

(II) REQUIRE THE DISCLOSURE OF INFORMATION REGARDING THE INCENTIVE-BASED COMPENSATION, EXCEPT AS REQUIRED UNDER § 15-113 OF THE INSURANCE ARTICLE;

(3) AUTHORIZE A HEALTH CARE ENTITY TO KNOWINGLY MAKE A DIRECT OR INDIRECT PAYMENT TO A HEALTH CARE PRACTITIONER AS AN INDUCEMENT TO REDUCE OR LIMIT MEDICALLY NECESSARY SERVICES TO INDIVIDUALS WHO ARE UNDER THE DIRECT CARE OF THE HEALTH CARE PRACTITIONER;

(4) PERMIT AN ARRANGEMENT THAT VIOLATES:

(I) § 14-404(A)(15) OF THIS ARTICLE; OR

(II) § 8-508, § 8-511, § 8-512, § 8-516, OR § 8-517 OF THE CRIMINAL LAW ARTICLE;

(5) NARROW, EXPAND, OR OTHERWISE MODIFY:

(I) ANY DEFINITION IN § 1-301 OF THIS SUBTITLE, INCLUDING THE DEFINITION OF “IN-OFFICE ANCILLARY SERVICES”; OR

(II) ANY EXCEPTION IN SUBSECTION (D)(4) OF THIS SECTION INCLUDING THE EXCEPTION FOR REFERRALS FOR IN-OFFICE ANCILLARY SERVICES OR TESTS; OR

(6) REQUIRE A COMPENSATION ARRANGEMENT TO COMPLY WITH THE PROVISIONS OF SUBSECTION (D)(12) OF THIS SECTION IF THE COMPENSATION ARRANGEMENT IS ~~DESCRIBED IN~~ EXEMPT UNDER ANY OTHER PROVISION OF SUBSECTION (D) OF THIS SECTION.

Article - Insurance

2-112.

(a) Fees for the following certificates, licenses, permits, and services shall be collected in advance by the Commissioner, and shall be paid by the appropriate persons, including health maintenance organizations, to the Commissioner:

(12) FEES FOR REQUIRED FILINGS UNDER § 15-143 OF THIS ARTICLE.....\$125

15-143.

(A) IN THIS SECTION, "PARTICIPATION AGREEMENT" MEANS A CONTRACT THAT:

(1) IS EXECUTED BY A PAYOR OR PROGRAM ADMINISTRATOR AND OTHER PARTICIPATING ENTITIES; AND

(2) DESCRIBES THE REQUIREMENTS FOR PARTICIPATION IN A PAYMENT MODEL SUBJECT TO THIS SECTION.

(B) THIS SECTION APPLIES ONLY TO A PAYMENT MODEL DESCRIBED IN § 1-302(D)(12) OF THE HEALTH OCCUPATIONS ARTICLE:

(1) THAT APPLIES TO INDIVIDUALS COVERED UNDER HEALTH INSURANCE; AND

(2) UNDER WHICH THERE IS CASH COMPENSATION.

(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AT LEAST 60 DAYS BEFORE AN EXEMPTION PROVIDED UNDER § 1-302(D)(12) OF THE HEALTH OCCUPATIONS ARTICLE FOR A PAYMENT MODEL SUBJECT TO THIS SECTION IS IMPLEMENTED, THE PARTICIPATION AGREEMENT AND OTHER DOCUMENTS RELEVANT TO THE PAYMENT MODEL UNDER WHICH A COMPENSATION

ARRANGEMENT BETWEEN A HEALTH CARE PRACTITIONER AND A HEALTH CARE ENTITY IS FUNDED OR PAID SHALL BE FILED WITH THE COMMISSIONER.

(2) THE FILING UNDER PARAGRAPH (1) OF THIS SUBSECTION IS NOT REQUIRED IF THE COMPENSATION ARRANGEMENT IS FUNDED FULLY BY OR PAID FULLY UNDER THE MEDICARE OR MEDICAID PROGRAM.

(D) WITHIN 60 DAYS AFTER THE DOCUMENTS REQUIRED UNDER SUBSECTION (C)(1) OF THIS SECTION ARE FILED, THE COMMISSIONER SHALL DETERMINE IF ANY COMPENSATION ARRANGEMENT BETWEEN A HEALTH CARE PRACTITIONER AND A HEALTH CARE ENTITY FUNDED BY OR PAID UNDER THE PAYMENT MODEL:

(1) IS INSURANCE BUSINESS; AND

(2) VIOLATES THIS ARTICLE OR A REGULATION ADOPTED UNDER THIS ARTICLE.

(E) (1) IF THE COMMISSIONER DETERMINES THAT A COMPENSATION ARRANGEMENT IS INSURANCE BUSINESS AND VIOLATES THIS ARTICLE OR A REGULATION ADOPTED UNDER THIS ARTICLE, THE COMMISSIONER SHALL ISSUE AN ORDER TO THE FILER THAT SPECIFIES THE WAYS IN WHICH THE COMPENSATION ARRANGEMENT VIOLATES THIS ARTICLE OR A REGULATION ADOPTED UNDER THIS ARTICLE.

(2) (I) THE COMMISSIONER SHALL HOLD A HEARING BEFORE ISSUING AN ORDER UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(II) THE COMMISSIONER SHALL GIVE WRITTEN NOTICE OF THE HEARING TO THE FILER AT LEAST 10 DAYS BEFORE THE HEARING.

(III) THE NOTICE SHALL SPECIFY THE MATTERS TO BE CONSIDERED AT THE HEARING.

(3) IF THE COMPENSATION ARRANGEMENT BETWEEN A HEALTH CARE PRACTITIONER AND A HEALTH CARE ENTITY CHANGES DURING ITS TERM:

(I) THE FILER SHALL SUBMIT A REVISED FILING TO THE COMMISSIONER FOR REVIEW OF THE CHANGES; AND

(II) THE COMMISSIONER SHALL MAKE A NEW DETERMINATION, AS PROVIDED UNDER SUBSECTION (D) OF THIS SECTION.

(F) A FILING UNDER SUBSECTION (C) OF THIS SECTION IS SUBJECT TO THE FEE REQUIRED UNDER § 2-112(A)(12) OF THIS ARTICLE.

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

Approved by the Governor, April 18, 2017.

Chapter 227

(House Bill 730)

AN ACT concerning

Health Insurance – Coverage for Diabetes Test Strips – Prohibition on Deductible, Copayment, and Coinsurance

FOR the purpose of prohibiting, except under certain circumstances, certain insurers, nonprofit health service plans, and health maintenance organizations from imposing a deductible, copayment, or coinsurance requirement on diabetes test strips; making conforming changes; providing for the application of this Act; providing for a delayed effective date; and generally relating to coverage of diabetes test strips under health insurance.

BY repealing and reenacting, with amendments,
 Article – Insurance
 Section 15–822
 Annotated Code of Maryland
 (2011 Replacement Volume and 2016 Supplement)

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

Article – Insurance

15–822.

(a) This section applies to:

(1) insurers and nonprofit health service plans that provide hospital, medical, or surgical benefits to individuals or groups on an expense–incurred basis under health insurance policies that are issued or delivered in the State; and

(2) health maintenance organizations that provide hospital, medical, or surgical benefits to individuals or groups under contracts that are issued or delivered in the State.

(b) An entity subject to this section shall provide coverage for all medically appropriate and necessary diabetes equipment, diabetes supplies, and diabetes outpatient self-management training and educational services, including medical nutrition therapy, that the insured's or enrollee's treating physician or other appropriately licensed health care provider, or a physician who specializes in the treatment of diabetes, certifies are necessary for the treatment of:

- (1) insulin-using diabetes;
- (2) noninsulin-using diabetes; or
- (3) elevated blood glucose levels induced by pregnancy.

(c) If certified as necessary under subsection (b) of this section, the diabetes outpatient self-management training and educational services, including medical nutrition therapy, to be provided to the insured or enrollee shall be provided through a program supervised by an appropriately licensed, registered, or certified health care provider whose scope of practice includes diabetes education or management.

(d) (1) Subject to paragraph (2) of this subsection, **AND EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION**, the coverage required under this section may be subject to the annual deductibles or coinsurance requirements imposed by an entity subject to this section for similar coverages under the same health insurance policy or contract.

(2) **[The] EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, THE** annual deductibles or coinsurance requirements imposed under paragraph (1) of this subsection for the coverage required under this section may not be greater than the annual deductibles or coinsurance requirements imposed by the entity for similar coverages.

(3) (I) ~~AN~~ EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, AN ENTITY SUBJECT TO THIS SECTION MAY NOT IMPOSE A DEDUCTIBLE, COPAYMENT, OR COINSURANCE REQUIREMENT ON DIABETES TEST STRIPS.

(II) IF AN INSURED OR ENROLLEE IS COVERED UNDER A HIGH-DEDUCTIBLE HEALTH PLAN, AS DEFINED IN 26 U.S.C. § 223, AN ENTITY SUBJECT TO THIS SECTION MAY SUBJECT DIABETES TEST STRIPS TO THE DEDUCTIBLE REQUIREMENT OF THE HIGH-DEDUCTIBLE HEALTH PLAN.

(e) An entity subject to this section may not reduce or eliminate coverages in its health insurance policies or contracts due to the requirements of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after ~~October 1, 2017~~ January 1, 2018.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October 1, 2017~~ January 1, 2018.

Approved by the Governor, April 18, 2017.

Chapter 228

(Senate Bill 108)

AN ACT concerning

**Property Tax Credit – Erosion Control Measures – Nonstructural and Structural
Shoreline Stabilization**

FOR the purpose of requiring that, ~~except under certain circumstances,~~ certain erosion control measures that qualify for a certain property tax credit authorized against the county or municipal corporation property tax meet certain shoreline stabilization standards; ~~repealing certain provisions of law rendered obsolete by this Act that relate to defining erosion control measures that qualify for the tax credit;~~ defining a certain term; providing for the application of this Act; and generally relating to a property tax credit for certain erosion control measures.

BY repealing and reenacting, with amendments,
 Article – Tax – Property
 Section 9–217
 Annotated Code of Maryland
 (2012 Replacement Volume and 2016 Supplement)

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

Article – Tax – Property

9–217.

(A) IN THIS SECTION:

(1) “NONSTRUCTURAL SHORELINE STABILIZATION MEASURE” MEANS AN EROSION CONTROL MEASURE THAT:

(I) IS DOMINATED BY TIDAL WETLAND VEGETATION; AND

(II) IS DESIGNED TO PRESERVE THE NATURAL SHORELINE, MINIMIZE EROSION, AND ESTABLISH AQUATIC HABITAT; AND

(2) “NONSTRUCTURAL SHORELINE STABILIZATION MEASURE” INCLUDES MARSH OR OTHER TIDAL WETLAND CREATION OR A LIVING SHORELINE.

[(a)] (B) (1) [The] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, 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 real property on which erosion control structures or devices have been installed or for which erosion control procedures have been implemented that halt or retard erosion of shorelines and deposit of eroded sediments in the waters of the State~~],~~ including:

~~(1)~~ (I) erection or placement of bulkheads, groins, or other erosion control devices;

~~(2)~~ (II) measures required to stabilize waterside, shorelines, and banks; and

~~(3)~~ (III) measures required to change drainage patterns~~].~~

(2) ~~To~~ EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, TO QUALIFY FOR THE TAX CREDIT UNDER THIS SECTION, THE EROSION CONTROL STRUCTURES, DEVICES, AND PROCEDURES SPECIFIED UNDER PARAGRAPH (1) OF THIS SUBSECTION ~~MUST~~ SHALL, WITH RESPECT TO EROSION CONTROL STRUCTURES, DEVICES, AND PROCEDURES IMPLEMENTED AFTER JUNE 30, 2017:

(I) MEET THE STANDARDS OF A NONSTRUCTURAL SHORELINE STABILIZATION MEASURE; OR

(II) MEET THE STANDARDS OF A STRUCTURAL SHORELINE STABILIZATION MEASURE IF:

1. THE EROSION CONTROL STRUCTURE OR DEVICE IS LOCATED IN AN AREA DESIGNATED BY THE MARYLAND DEPARTMENT OF THE ENVIRONMENT MAPPING AS APPROPRIATE FOR STRUCTURAL SHORELINE STABILIZATION MEASURES AND NOT SUITABLE FOR A LIVING SHORELINE; AND

2. THE MARYLAND DEPARTMENT OF THE ENVIRONMENT HAS GRANTED THE TAXPAYER A WAIVER FROM THE CONSTRUCTION OF A NONSTRUCTURAL SHORELINE STABILIZATION MEASURE.

(3) THE STANDARDS SPECIFIED IN PARAGRAPH (2) OF THIS SUBSECTION DO NOT APPLY TO THE IMPLEMENTATION OF A MEASURE REQUIRED TO CHANGE DRAINAGE PATTERNS.

[(b)] (C) A county or municipal corporation may provide, by law, for:

- (1) the amount of a property tax credit under this section;
- (2) the duration of a property tax credit under this section; ~~AND~~
- (3) ~~¶~~subject to subsection (a) of this section, the definition of erosion control structures, devices, and procedures qualifying for the credit; and
- (4)~~¶~~ any other provision necessary to carry out this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017, and shall be applicable to all taxable years beginning after June 30, 2017.

Approved by the Governor, April 18, 2017.

Chapter 229

(Senate Bill 180)

AN ACT concerning

Independent Living Tax Credit Act

FOR the purpose of allowing an individual ~~or a corporation~~ a credit against the State income tax for certain renovation ~~or construction~~ costs incurred during the taxable year; requiring the ~~Department of Housing and Community Development~~ ~~Department of Disabilities~~ Department of Housing and Community Development to administer the tax credit; providing that the credit may not exceed a certain amount; providing that the credit may not be carried forward to another taxable year; requiring an individual ~~or a corporation~~ to file a certain application before a certain date and to file an amended return; providing for the maximum amount of tax credits that may be issued by the Department each year; requiring the Department to certify certain credits in a certain manner by a certain date; requiring the Department to adopt certain regulations; defining certain terms; providing for the application of this

Act; and generally relating to an income tax credit for certain expenditures that provide accessibility and visitability features to or within a home.

BY adding to

Article – Tax – General

Section 10–741

Annotated Code of Maryland

~~(2010 Replacement Volume and 2016 Supplement)~~

(2016 Replacement Volume)

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

Article – Tax – General

10–741.

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

(2) “ACCESSIBILITY AND UNIVERSAL VISITABILITY FEATURES” MEANS COMPONENTS OF RENOVATION TO AN EXISTING HOME ~~OR CONSTRUCTION OF A NEW HOME~~ THAT IMPROVES ACCESS TO OR WITHIN THE HOME FOR INDIVIDUALS WITH DISABILITIES.

(3) “DEPARTMENT” MEANS THE ~~DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT~~ DEPARTMENT OF DISABILITIES DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT.

(4) “DISABILITY” HAS THE MEANING STATED IN § 7–101 OF THE HUMAN SERVICES ARTICLE.

(5) “QUALIFIED EXPENSES” MEANS COSTS INCURRED TO INSTALL ACCESSIBILITY AND UNIVERSAL VISITABILITY FEATURES TO OR WITHIN A HOME.

(B) ~~(1)~~ SUBJECT TO THE LIMITATIONS OF THIS SECTION, AN INDIVIDUAL ~~OR A CORPORATION~~ MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN AN AMOUNT EQUAL TO 50% OF THE QUALIFIED EXPENSES INCURRED DURING THE TAXABLE YEAR TO RENOVATE AN EXISTING HOME ~~OR CONSTRUCT A NEW HOME~~ WITH ACCESSIBILITY AND UNIVERSAL VISITABILITY FEATURES.

~~(2) AN ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OR (4) OF THE INTERNAL REVENUE CODE MAY APPLY THE CREDIT UNDER THIS SECTION AGAINST STATE INCOME TAX DUE ON UNRELATED BUSINESS TAXABLE INCOME AS PROVIDED UNDER §§ 10–304 AND 10–812 OF THIS TITLE.~~

(C) (1) FOR ANY TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED THE LESSER OF:

(I) \$5,000; OR

(II) THE STATE INCOME TAX IMPOSED FOR THE TAXABLE YEAR CALCULATED BEFORE THE APPLICATION OF THE CREDITS ALLOWED UNDER THIS SECTION AND UNDER §§ 10-701 AND 10-701.1 OF THIS SUBTITLE BUT AFTER THE APPLICATION OF ANY OTHER CREDIT ALLOWED UNDER THIS SUBTITLE.

(2) THE UNUSED AMOUNT OF THE CREDIT MAY NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.

(D) (1) BY JUNE 1 OF THE CALENDAR YEAR FOLLOWING THE END OF THE TAXABLE YEAR IN WHICH THE QUALIFIED EXPENSES WERE INCURRED, AN INDIVIDUAL ~~OR A CORPORATION~~ SHALL SUBMIT AN APPLICATION TO THE DEPARTMENT FOR THE CREDITS ALLOWED UNDER SUBSECTION (B) OF THIS SECTION.

(2) THE TOTAL AMOUNT OF CREDITS APPROVED BY THE DEPARTMENT UNDER SUBSECTION (B) OF THIS SECTION MAY NOT EXCEED ~~\$2,000,000~~ \$1,000,000 FOR ANY CALENDAR YEAR.

(3) IF THE TOTAL AMOUNT OF CREDITS APPLIED FOR BY ALL INDIVIDUALS ~~AND CORPORATIONS~~ UNDER SUBSECTION (B) OF THIS SECTION EXCEEDS THE MAXIMUM SPECIFIED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE DEPARTMENT SHALL APPROVE A CREDIT FOR EACH APPLICANT IN AN AMOUNT EQUAL TO THE PRODUCT OF MULTIPLYING THE CREDIT APPLIED FOR BY THE APPLICANT TIMES A FRACTION:

(I) THE NUMERATOR OF WHICH IS THE MAXIMUM SPECIFIED UNDER PARAGRAPH (2) OF THIS SUBSECTION; AND

(II) THE DENOMINATOR OF WHICH IS THE TOTAL OF ALL CREDITS APPLIED FOR BY ALL APPLICANTS UNDER SUBSECTION (B) OF THIS SECTION IN THE CALENDAR YEAR.

(4) BY AUGUST 1 OF THE CALENDAR YEAR FOLLOWING THE END OF THE TAXABLE YEAR IN WHICH THE QUALIFIED EXPENSES WERE INCURRED, THE DEPARTMENT SHALL CERTIFY TO THE INDIVIDUAL ~~OR CORPORATION~~ THE AMOUNT OF TAX CREDITS APPROVED BY THE DEPARTMENT FOR THE INDIVIDUAL ~~OR CORPORATION~~ UNDER SUBSECTION (B) OF THIS SECTION.

(5) TO CLAIM THE APPROVED CREDITS ALLOWED UNDER THIS SECTION, AN INDIVIDUAL ~~OR A CORPORATION~~ SHALL:

(I) FILE AN AMENDED INCOME TAX RETURN FOR THE TAXABLE YEAR IN WHICH THE QUALIFIED EXPENSES WERE INCURRED; AND

(II) ATTACH A COPY OF THE DEPARTMENT'S CERTIFICATION OF THE APPROVED CREDIT AMOUNT TO THE AMENDED INCOME TAX RETURN.

(E) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SECTION, INCLUDING THE CRITERIA AND PROCEDURES FOR APPLICATION FOR, APPROVAL OF, AND MONITORING ELIGIBILITY FOR THE TAX CREDIT AUTHORIZED UNDER THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017, and shall be applicable to all taxable years beginning after December 31, 2017.

Approved by the Governor, April 18, 2017.

Chapter 230

(Senate Bill 235)

AN ACT concerning

Sales and Use Tax – ~~Exemption – Service Performed by Person Practicing Engineering~~ Declaration of Legislative Intent – Services

FOR the purpose of ~~providing an exemption from the sales and use tax for certain services performed by certain persons practicing engineering;~~ clarifying that the sales tax applies to a security service by a detective who is authorized to provide private detective services under certain provisions of law; declaring the intent of the General Assembly regarding the application of the sales tax to taxable services; declaring the intent of the General Assembly that a certain service is subject to the sales tax only if it is provided by certain persons with certain authority; clarifying that the Comptroller is prohibited from imposing the sales tax on certain services; defining a certain term; providing for the application of this Act; and generally relating to the sales and use tax.

~~BY repealing and reenacting, without amendments,
Article – Business Occupations and Professions
Section 14-101(a) and (j)
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)~~

BY adding to

Article – Tax – General
Section 11-101(c-1)
Annotated Code of Maryland
(2016 Replacement Volume)

BY adding to repealing and reenacting, without amendments,

Article – Tax – General
Section ~~11-219(e)~~ 11-101(m)(10)
Annotated Code of Maryland
(2016 Replacement Volume)

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

~~**Article – Business Occupations and Professions**~~

~~11-101.~~

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

~~(i) (1) “Practice engineering” means to provide any service or creative work the performance of which requires education, training, and experience in the application of:~~

~~(i) special knowledge of the mathematical, physical, and engineering sciences; and~~

~~(ii) the principles and methods of engineering analysis and design.~~

~~(2) In regard to a building or other structure, machine, equipment, process, works, system, project, or public or private utility, “practice engineering” includes:~~

~~(i) consultation;~~

~~(ii) design;~~

~~(iii) evaluation;~~

~~(iv) inspection of construction to ensure compliance with specifications and drawings;~~

~~(v) investigation;~~

~~(vi) planning; and~~

~~(vii) design coordination.~~

~~(3) “Practice engineering” does not include the exclusive and sole performance of nontechnical management activities.~~

~~Article – Tax – General~~

~~11-210.~~

~~(E) (1) IN THIS SUBSECTION, “PRACTICE ENGINEERING” HAS THE MEANING STATED IN § 14-101 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE.~~

~~(2) THE SALES AND USE TAX DOES NOT APPLY TO THE SALE OF A SERVICE PERFORMED BY A PERSON PRACTICING ENGINEERING.~~

Article – Tax – General

11-101.

(C-1) “DETECTIVE” MEANS A PERSON WHO IS AUTHORIZED TO PROVIDE PRIVATE DETECTIVE SERVICES UNDER TITLE 13 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE.

(m) “Taxable service” means:

(10) a security service, including:

(i) a detective, guard, or armored car service; and

(ii) a security systems service;

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The General Assembly finds that the imposition of sales tax imposed on a service not explicitly stated to be a “taxable service” under § 11-101(m) of the Tax – General Article is inconsistent with the legislative intent of the law.

(b) The General Assembly finds that the sales tax imposed on security services by a “detective” under § 11-101(m) of the Tax – General Article is intended to apply only to security services provided by a person who is authorized to provide private detective services under Title 13 of the Business Occupations and Professions Article.

(c) The Comptroller may not apply § 11-101(m) of the Tax – General Article or COMAR 03.06.01.39B(2) to impose the sales tax on a detective service unless the service is

provided by a person who is authorized, or is required to be authorized, to provide private detective services under Title 13 of the Business Occupations and Professions Article.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply retroactively, in accordance with §§ 13–1102(a) and 13–1104(g) of the Tax – General Article, and shall be applied to and interpreted to affect any assessment of the sales tax under COMAR 03.06.01.39B(2) for a detective service unless the service is provided by a person who is authorized, or is required to be authorized, to provide private detective services under Title 13 of the Business Occupations and Professions Article.

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

Approved by the Governor, April 18, 2017.

Chapter 231

(Senate Bill 367)

AN ACT concerning

Income Tax – Subtraction Modification – Mortgage Forgiveness Debt Relief

FOR the purpose of allowing a subtraction modification under the Maryland income tax for certain taxable years for income from the discharge of certain indebtedness related to certain costs incurred with respect to a principal residence; providing that the amount of the subtraction may not exceed a certain amount for certain taxpayers; providing for the application of this Act; providing for the termination of certain provisions of this Act; correcting an obsolete reference; and generally relating to an income tax subtraction modification for income from the discharge of certain indebtedness.

BY repealing and reenacting, with amendments,

Article – Tax – General
Section 10–205(k)
Annotated Code of Maryland
(2016 Replacement Volume)

BY repealing and reenacting, without amendments,

Article – Tax – General
Section 10–207(a)
Annotated Code of Maryland
(2016 Replacement Volume)

BY adding to

Article – Tax – General
Section 10–207(ee)
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Tax – General

10–205.

(k) The addition under subsection (a) of this section includes, if a taxpayer sold or exchanged a property for which a subtraction modification [under § 10–207(y)] **ENACTED BY CHAPTERS 544 AND 545 OF THE ACTS OF THE GENERAL ASSEMBLY OF 2012, AS AMENDED, OR UNDER § 10–207(EE)** of this subtitle has been claimed, the difference between:

(1) the taxpayer’s federal adjusted gross income as reportable under the federal Mortgage Forgiveness Debt Relief Act of 2007, as amended, prior to its expiration on December 31, 2012, and without regard to the date limitation in § 108(a)(1)(e) of the Internal Revenue Code; and

(2) the taxpayer’s federal adjusted gross income as claimed in the taxable year.

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

Article – Tax – General

10–207.

(a) To the extent included in federal adjusted gross income, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(EE) (1) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT THAT WOULD HAVE BEEN ALLOWED FOR INDEBTEDNESS DISCHARGED FOR QUALIFIED PRINCIPAL RESIDENCE INDEBTEDNESS UNDER THE FEDERAL MORTGAGE FORGIVENESS DEBT RELIEF ACT OF 2007, AS AMENDED, PRIOR TO ITS EXPIRATION ON DECEMBER 31, 2012, AND WITHOUT REGARD TO THE DATE LIMITATION IN § 108(A)(1)(E) OF THE INTERNAL REVENUE CODE.

(2) THE SUBTRACTION UNDER PARAGRAPH (1) OF THIS SUBSECTION APPLIES ONLY TO AN OWNER–OCCUPIED PRINCIPAL RESIDENCE.

(3) THE SUBTRACTION UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY NOT EXCEED:

(I) \$100,000 FOR AN INDIVIDUAL; OR

(II) \$200,000 FOR A MARRIED COUPLE FILING A JOINT RETURN OR AN INDIVIDUAL DESCRIBED IN § 2 OF THE INTERNAL REVENUE CODE AS A HEAD OF HOUSEHOLD OR AS A SURVIVING SPOUSE.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, 2017, and shall be applicable to all taxable years beginning after December 31, 2016, but before January 1, 2019. It shall remain effective for a period of 2 years and, at the end of June 30, 2019, with no further action required by the General Assembly, Section 2 of this Act shall be abrogated and of no further force and effect.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017, and, except as provided in Section 3 of this Act, shall be applicable to all taxable years beginning after December 31, 2016.

Approved by the Governor, April 18, 2017.

Chapter 232

(Senate Bill 416)

AN ACT concerning

Income Tax Credit – Qualified Farms – Food Donation Pilot Program

FOR the purpose of allowing certain qualified farms a credit, up to a certain amount, against the State income tax equal to a certain percentage of the value of certain food donations; providing for the carry forward of the credit; providing for the calculation of the amount of the credit; requiring the Secretary of Agriculture to establish certain values on a weekly basis; requiring the Secretary, in consultation with the Comptroller, to establish a certain certification procedure for certain tax credit administrators; requiring a tax credit certificate administrator that receives a certain donation to issue a certain tax credit certificate; requiring that a tax credit certificate contain certain information; requiring the Secretary, in consultation with the Comptroller, to prepare certain tax credit certificate forms; requiring the Secretary to notify certain administrators to stop issuing certain certificates if a certain limit is reached; providing that the total amount of tax credit certificates issued may not exceed a certain amount for certain fiscal years; requiring the Secretary, in consultation with the Comptroller, to submit a certain report by a

certain date in certain years; requiring the Secretary, in consultation with the Comptroller, to adopt certain regulations; defining certain terms; and generally relating to a tax credit for certain food donations.

BY adding to

Article – Tax – General

Section 10–741

Annotated Code of Maryland

(2016 Replacement Volume)

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

Article – Tax – General

10–741.

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

(2) “CERTIFIED ORGANIC PRODUCE” MEANS AN ELIGIBLE FOOD DONATION THAT IS CERTIFIED UNDER TITLE 10, SUBTITLE 14 OF THE AGRICULTURE ARTICLE AS AN ORGANICALLY PRODUCED COMMODITY.

(3) “ELIGIBLE FOOD DONATION” MEANS FRESH FARM PRODUCTS FOR HUMAN CONSUMPTION.

(4) “QUALIFIED FARM” MEANS A FARM BUSINESS THAT IS LOCATED IN ANNE ARUNDEL COUNTY, CALVERT COUNTY, CHARLES COUNTY, MONTGOMERY COUNTY, PRINCE GEORGE’S COUNTY, OR ST. MARY’S COUNTY.

(5) “SECRETARY” MEANS THE SECRETARY OF AGRICULTURE OR THE SECRETARY’S DESIGNEE.

(6) “TAX CREDIT CERTIFICATE ADMINISTRATOR” MEANS A PERSON OR AN ORGANIZATION THAT IS AUTHORIZED BY THE STATE DEPARTMENT OF AGRICULTURE UNDER SUBSECTION (E) OF THIS SECTION TO RECEIVE ELIGIBLE FOOD DONATIONS.

(B) (1) SUBJECT TO THE LIMITATIONS OF THIS SECTION, FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2016, BUT BEFORE JANUARY 1, 2020, A QUALIFIED FARM MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN THE AMOUNT STATED ON ANY TAX CREDIT CERTIFICATES ISSUED TO THE QUALIFIED FARM DURING THE TAXABLE YEAR.

(2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, FOR ANY TAXABLE YEAR, THE AGGREGATE AMOUNT OF CREDITS AUTHORIZED UNDER THIS SUBSECTION FOR A QUALIFIED FARM MAY NOT EXCEED \$5,000.

(II) FOR ANY TAXABLE YEAR, THE SECRETARY MAY INCREASE THE CREDIT LIMITATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH FOR A QUALIFIED FARM BY AN AMOUNT NOT TO EXCEED \$5,000.

(3) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE STATE INCOME TAX, ANY UNUSED CREDIT MAY BE CARRIED FORWARD AND APPLIED FOR SUCCEEDING TAXABLE YEARS UNTIL THE EARLIER OF:

(I) THE DATE ON WHICH THE FULL AMOUNT OF THE CREDIT IS USED; OR

(II) THE DATE OF THE EXPIRATION OF THE 5TH YEAR AFTER THE TAXABLE YEAR FOR WHICH THE CREDIT WAS ALLOWED.

(C) (1) A QUALIFIED FARM THAT MAKES AN ELIGIBLE FOOD DONATION IS ELIGIBLE FOR A TAX CREDIT CERTIFICATE WITH A STATED TAX CREDIT AMOUNT EQUAL TO 50% OF THE VALUE OF THE ELIGIBLE FOOD DONATION.

(2) A QUALIFIED FARM THAT MAKES A DONATION OF CERTIFIED ORGANIC PRODUCE IS ELIGIBLE FOR A TAX CREDIT CERTIFICATE WITH A STATED TAX CREDIT AMOUNT EQUAL TO 75% OF THE VALUE OF THE DONATED CERTIFIED ORGANIC PRODUCE.

(D) (1) EACH WEEK THE SECRETARY SHALL ESTABLISH AND PUBLISH THE CATEGORIES AND VALUE OF CERTIFIED ORGANIC PRODUCE AND ELIGIBLE FOOD DONATIONS.

(2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, THE VALUE OF EACH CATEGORY OF CERTIFIED ORGANIC PRODUCE AND ELIGIBLE FOOD DONATIONS IS THE WHOLESALE VALUE OF THE CATEGORY ESTABLISHED BY THE STATE DEPARTMENT OF AGRICULTURE AND BASED ON UNITED STATES DEPARTMENT OF AGRICULTURE REPORTS ON MARYLAND PRODUCTS SOLD AT MARYLAND MARKETS.

(3) IF THE SECRETARY DETERMINES THAT THE VALUE ESTABLISHED UNDER PARAGRAPH (2) OF THIS SUBSECTION IS INSUFFICIENT TO PAY FOR THE COST OF HARVESTING A CATEGORY OF CERTIFIED ORGANIC PRODUCE OR ELIGIBLE FOOD DONATION, THE SECRETARY MAY ESTABLISH A VALUE IN EXCESS OF THE VALUE UNDER PARAGRAPH (2) OF THIS SUBSECTION.

(E) (1) THE SECRETARY, IN CONSULTATION WITH THE COMPTROLLER, SHALL ESTABLISH A PROCESS TO CERTIFY A PERSON OR AN ORGANIZATION TO ACT AS A TAX CREDIT CERTIFICATE ADMINISTRATOR.

(2) A TAX CREDIT CERTIFICATE ADMINISTRATOR THAT RECEIVES A DONATION OF CERTIFIED ORGANIC PRODUCE OR AN ELIGIBLE FOOD DONATION FROM A QUALIFIED FARM SHALL ISSUE THE QUALIFIED FARM A TAX CREDIT CERTIFICATE.

(3) THE TAX CREDIT CERTIFICATE SHALL:

(I) STATE THE DATE OF THE DONATION;

(II) IDENTIFY THE QUALIFIED FARM;

(III) DESCRIBE THE TYPE OF DONATION;

(IV) STATE THE WEIGHT OF THE DONATION;

(V) IDENTIFY THE VALUE OF THE DONATION;

(VI) STATE THE MAXIMUM AMOUNT OF THE TAX CREDIT FOR WHICH THE QUALIFIED FARM IS ELIGIBLE; AND

(VII) PROVIDE ANY OTHER INFORMATION THE STATE DEPARTMENT OF AGRICULTURE OR COMPTROLLER REQUIRES.

(4) THE SECRETARY, IN CONSULTATION WITH THE COMPTROLLER, SHALL PREPARE TAX CREDIT CERTIFICATE FORMS FOR THE USE OF THE TAX CREDIT CERTIFICATE ADMINISTRATORS.

(5) WITHIN 30 DAYS AFTER ISSUING A TAX CREDIT CERTIFICATE, THE TAX CREDIT CERTIFICATE ADMINISTRATOR SHALL PROVIDE A COPY OF THE TAX CREDIT CERTIFICATE TO THE SECRETARY AND THE COMPTROLLER.

(6) (I) THE SECRETARY SHALL NOTIFY EACH TAX CREDIT CERTIFICATE ADMINISTRATOR TO STOP ISSUING TAX CREDIT CERTIFICATES IF THE AMOUNT OF TAX CREDIT CERTIFICATES ISSUED DURING THE FISCAL YEAR EQUALS OR EXCEEDS THE AMOUNT OF TAX CREDIT CERTIFICATES AUTHORIZED TO BE ISSUED DURING THE FISCAL YEAR UNDER SUBSECTION (F) OF THIS SECTION LESS \$50,000.

(II) THE SECRETARY, IN CONSULTATION WITH THE COMPTROLLER, SHALL ADOPT REGULATIONS PROVIDING PROCEDURES TO ISSUE THE REMAINING \$50,000 OF TAX CREDIT CERTIFICATES UNDER THIS PARAGRAPH.

(F) (1) FOR EACH FISCAL YEAR, THE TOTAL AMOUNT OF TAX CREDIT CERTIFICATES ISSUED UNDER THIS SECTION MAY NOT EXCEED \$250,000.

(2) IF THE TOTAL AMOUNT OF TAX CREDIT CERTIFICATES ISSUED DURING ANY FISCAL YEAR TOTALS LESS THAN THE MAXIMUM AMOUNT PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION, ANY EXCESS AMOUNT MAY BE CARRIED FORWARD AND ISSUED UNDER TAX CREDIT CERTIFICATES IN A SUBSEQUENT FISCAL YEAR.

(3) A TAX CREDIT CERTIFICATE MAY NOT BE ISSUED AFTER DECEMBER 31, 2019.

(G) ON OR BEFORE JANUARY 1, 2018, AND JANUARY 1 EACH YEAR THEREAFTER UNTIL JANUARY 1, 2021, THE SECRETARY, IN CONSULTATION WITH THE COMPTROLLER, SHALL SUBMIT A REPORT TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE USE AND IMPACT OF THE TAX CREDIT ESTABLISHED UNDER THIS SECTION.

(H) THE SECRETARY, IN CONSULTATION WITH THE COMPTROLLER, SHALL ADOPT REGULATIONS TO ADMINISTER THIS SECTION.

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

Approved by the Governor, April 18, 2017.

Chapter 233

(House Bill 472)

AN ACT concerning

Income Tax Credit – Qualified Farms – Food Donation Pilot Program

FOR the purpose of allowing certain qualified farms a credit, up to a certain amount, against the State income tax equal to a certain percentage of the value of certain food donations; providing for the carry forward of the credit; providing for the calculation of the amount of the credit; requiring the Secretary of Agriculture to establish certain values on a weekly basis; requiring the Secretary, in consultation with the

Comptroller, to establish a certain certification procedure for certain tax credit administrators; requiring a tax credit certificate administrator that receives a certain donation to issue a certain tax credit certificate; requiring that a tax credit certificate contain certain information; requiring the Secretary, in consultation with the Comptroller, to prepare certain tax credit certificate forms; requiring the Secretary to notify certain administrators to stop issuing certain certificates if a certain limit is reached; providing that the total amount of tax credit certificates issued may not exceed a certain amount for certain fiscal years; requiring the Secretary, in consultation with the Comptroller, to submit a certain report by a certain date in certain years; requiring the Secretary, in consultation with the Comptroller, to adopt certain regulations; defining certain terms; and generally relating to a tax credit for certain food donations.

BY adding to

Article – Tax – General

Section 10–741

Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Tax – General

10–741.

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

(2) “CERTIFIED ORGANIC PRODUCE” MEANS AN ELIGIBLE FOOD DONATION THAT IS CERTIFIED UNDER TITLE 10, SUBTITLE 14 OF THE AGRICULTURE ARTICLE AS AN ORGANICALLY PRODUCED COMMODITY.

(3) “ELIGIBLE FOOD DONATION” MEANS FRESH FARM PRODUCTS FOR HUMAN CONSUMPTION.

(4) “QUALIFIED FARM” MEANS A FARM BUSINESS THAT IS LOCATED IN ANNE ARUNDEL COUNTY, CALVERT COUNTY, CHARLES COUNTY, MONTGOMERY COUNTY, PRINCE GEORGE’S COUNTY, OR ST. MARY’S COUNTY.

(5) “SECRETARY” MEANS THE SECRETARY OF AGRICULTURE OR THE SECRETARY’S DESIGNEE.

(6) “TAX CREDIT CERTIFICATE ADMINISTRATOR” MEANS A PERSON OR AN ORGANIZATION THAT IS AUTHORIZED BY THE STATE DEPARTMENT OF

AGRICULTURE UNDER SUBSECTION (E) OF THIS SECTION TO RECEIVE ELIGIBLE FOOD DONATIONS.

(B) (1) SUBJECT TO THE LIMITATIONS OF THIS SECTION, FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2016, BUT BEFORE JANUARY 1, 2020, A QUALIFIED FARM MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN THE AMOUNT STATED ON ANY TAX CREDIT CERTIFICATES ISSUED TO THE QUALIFIED FARM DURING THE TAXABLE YEAR.

(2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, FOR ANY TAXABLE YEAR, THE AGGREGATE AMOUNT OF CREDITS AUTHORIZED UNDER THIS SUBSECTION FOR A QUALIFIED FARM MAY NOT EXCEED \$5,000.

(II) FOR ANY TAXABLE YEAR, THE SECRETARY MAY INCREASE THE CREDIT LIMITATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH FOR A QUALIFIED FARM BY AN AMOUNT NOT TO EXCEED \$5,000.

(3) IF THE CREDIT ALLOWED UNDER THIS SECTION EXCEEDS THE STATE INCOME TAX, ANY UNUSED CREDIT MAY BE CARRIED FORWARD AND APPLIED FOR SUCCEEDING TAXABLE YEARS UNTIL THE EARLIER OF:

(I) THE DATE ON WHICH THE FULL AMOUNT OF THE CREDIT IS USED; OR

(II) THE DATE OF THE EXPIRATION OF THE 5TH YEAR AFTER THE TAXABLE YEAR FOR WHICH THE CREDIT WAS ALLOWED.

(C) (1) A QUALIFIED FARM THAT MAKES AN ELIGIBLE FOOD DONATION IS ELIGIBLE FOR A TAX CREDIT CERTIFICATE WITH A STATED TAX CREDIT AMOUNT EQUAL TO 50% OF THE VALUE OF THE ELIGIBLE FOOD DONATION.

(2) A QUALIFIED FARM THAT MAKES A DONATION OF CERTIFIED ORGANIC PRODUCE IS ELIGIBLE FOR A TAX CREDIT CERTIFICATE WITH A STATED TAX CREDIT AMOUNT EQUAL TO 75% OF THE VALUE OF THE DONATED CERTIFIED ORGANIC PRODUCE.

(D) (1) EACH WEEK THE SECRETARY SHALL ESTABLISH AND PUBLISH THE CATEGORIES AND VALUE OF CERTIFIED ORGANIC PRODUCE AND ELIGIBLE FOOD DONATIONS.

(2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, THE VALUE OF EACH CATEGORY OF CERTIFIED ORGANIC PRODUCE AND ELIGIBLE FOOD DONATIONS IS THE WHOLESALE VALUE OF THE CATEGORY ESTABLISHED BY

THE STATE DEPARTMENT OF AGRICULTURE AND BASED ON UNITED STATES DEPARTMENT OF AGRICULTURE REPORTS ON MARYLAND PRODUCTS SOLD AT MARYLAND MARKETS.

(3) IF THE SECRETARY DETERMINES THAT THE VALUE ESTABLISHED UNDER PARAGRAPH (2) OF THIS SUBSECTION IS INSUFFICIENT TO PAY FOR THE COST OF HARVESTING A CATEGORY OF CERTIFIED ORGANIC PRODUCE OR ELIGIBLE FOOD DONATION, THE SECRETARY MAY ESTABLISH A VALUE IN EXCESS OF THE VALUE UNDER PARAGRAPH (2) OF THIS SUBSECTION.

(E) (1) THE SECRETARY, IN CONSULTATION WITH THE COMPTROLLER, SHALL ESTABLISH A PROCESS TO CERTIFY A PERSON OR AN ORGANIZATION TO ACT AS A TAX CREDIT CERTIFICATE ADMINISTRATOR.

(2) A TAX CREDIT CERTIFICATE ADMINISTRATOR THAT RECEIVES A DONATION OF CERTIFIED ORGANIC PRODUCE OR AN ELIGIBLE FOOD DONATION FROM A QUALIFIED FARM SHALL ISSUE THE QUALIFIED FARM A TAX CREDIT CERTIFICATE.

(3) THE TAX CREDIT CERTIFICATE SHALL:

(I) STATE THE DATE OF THE DONATION;

(II) IDENTIFY THE QUALIFIED FARM;

(III) DESCRIBE THE TYPE OF DONATION;

(IV) STATE THE WEIGHT OF THE DONATION;

(V) IDENTIFY THE VALUE OF THE DONATION;

(VI) STATE THE MAXIMUM AMOUNT OF THE TAX CREDIT FOR WHICH THE QUALIFIED FARM IS ELIGIBLE; AND

(VII) PROVIDE ANY OTHER INFORMATION THE STATE DEPARTMENT OF AGRICULTURE OR COMPTROLLER REQUIRES.

(4) THE SECRETARY, IN CONSULTATION WITH THE COMPTROLLER, SHALL PREPARE TAX CREDIT CERTIFICATE FORMS FOR THE USE OF THE TAX CREDIT CERTIFICATE ADMINISTRATORS.

(5) WITHIN 30 DAYS AFTER ISSUING A TAX CREDIT CERTIFICATE, THE TAX CREDIT CERTIFICATE ADMINISTRATOR SHALL PROVIDE A COPY OF THE TAX CREDIT CERTIFICATE TO THE SECRETARY AND THE COMPTROLLER.

(6) (I) THE SECRETARY SHALL NOTIFY EACH TAX CREDIT CERTIFICATE ADMINISTRATOR TO STOP ISSUING TAX CREDIT CERTIFICATES IF THE AMOUNT OF TAX CREDIT CERTIFICATES ISSUED DURING THE FISCAL YEAR EQUALS OR EXCEEDS THE AMOUNT OF TAX CREDIT CERTIFICATES AUTHORIZED TO BE ISSUED DURING THE FISCAL YEAR UNDER SUBSECTION (F) OF THIS SECTION LESS \$50,000.

(II) THE SECRETARY, IN CONSULTATION WITH THE COMPTROLLER, SHALL ADOPT REGULATIONS PROVIDING PROCEDURES TO ISSUE THE REMAINING \$50,000 OF TAX CREDIT CERTIFICATES UNDER THIS PARAGRAPH.

(F) (1) FOR EACH FISCAL YEAR, THE TOTAL AMOUNT OF TAX CREDIT CERTIFICATES ISSUED UNDER THIS SECTION MAY NOT EXCEED \$250,000.

(2) IF THE TOTAL AMOUNT OF TAX CREDIT CERTIFICATES ISSUED DURING ANY FISCAL YEAR TOTALS LESS THAN THE MAXIMUM AMOUNT PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION, ANY EXCESS AMOUNT MAY BE CARRIED FORWARD AND ISSUED UNDER TAX CREDIT CERTIFICATES IN A SUBSEQUENT FISCAL YEAR.

(3) A TAX CREDIT CERTIFICATE MAY NOT BE ISSUED AFTER DECEMBER 31, 2019.

(G) ON OR BEFORE JANUARY 1, 2018, AND JANUARY 1 EACH YEAR THEREAFTER UNTIL JANUARY 1, 2021, THE SECRETARY, IN CONSULTATION WITH THE COMPTROLLER, SHALL SUBMIT A REPORT TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE USE AND IMPACT OF THE TAX CREDIT ESTABLISHED UNDER THIS SECTION.

(H) THE SECRETARY, IN CONSULTATION WITH THE COMPTROLLER, SHALL ADOPT REGULATIONS TO ADMINISTER THIS SECTION.

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

Approved by the Governor, April 18, 2017.

Chapter 234

(Senate Bill 436)

**Income Tax – Credit for Nurse Practitioner or Licensed Physician in
Preceptorship Program – Alterations**

FOR the purpose of altering a credit against the State income tax for certain individuals who, under certain circumstances, serve as preceptors in certain preceptorship programs and work in certain areas of the State with health care workforce shortages; altering the application of a certain fee assessed by the Board of Nursing for the renewal of a certain nurse practitioner; altering the number of hours a certain nurse practitioner or licensed physician must work in a certain preceptorship program in order to qualify for the tax credit; providing for the application of this Act; making this Act an emergency measure; and generally relating to a credit against the State income tax for certain preceptors in certain areas with health care workforce shortages.

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 8–206(b)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 10–739(b)(1)
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Health Occupations

8–206.

(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 produce funds to approximate the cost of maintaining the Board as provided in subsection (e) of this section.

(3) (i) In addition to the fee set by the Board under this title for the renewal of **A NURSE PRACTITIONER WHO HOLDS** an advanced practice registered nurse certification [of a nurse practitioner], the Board shall assess a separate \$15 fee for [a] **THE** renewal of the [certification] **NURSE PRACTITIONER, REGARDLESS OF THE NUMBER OF CERTIFICATIONS HELD BY THE NURSE PRACTITIONER.**

(ii) The Board shall pay the fee collected under subparagraph (i) of this paragraph to the Nurse Practitioner Preceptorship Tax Credit Fund established under § 10-739 of the Tax – General Article.

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

Article – Tax – General

10-739.

(b) (1) Subject to the limitations of this section, a nurse practitioner or licensed physician may claim a credit against the State income tax in the amount stated on the tax credit certificate issued under subsection (c) of this section for the taxable year in which the nurse practitioner or licensed physician served without compensation as a preceptor in a preceptorship program approved by the State Board of Nursing and worked:

(i) a minimum of three rotations, each consisting of [160] **AT LEAST** ~~120~~ **100** hours ~~OR THE REQUISITE NUMBER OF HOURS FOR A COMPLETED UNIT~~ of community-based clinical training; and

(ii) in an area of the State identified as having a health care workforce shortage by the Department, in consultation with the Governor's Workforce Development Board.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall be applicable to all taxable years beginning after December 31, 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.

Approved by the Governor, April 18, 2017.

Chapter 235

(House Bill 683)

AN ACT concerning

**Income Tax – Credit for Nurse Practitioner or Licensed Physician in
Preceptorship Program – Alterations**

FOR the purpose of altering a credit against the State income tax for certain individuals who, under certain circumstances, serve as preceptors in certain preceptorship programs and work in certain areas of the State with health care workforce shortages; altering the application of a certain fee assessed by the Board of Nursing for the renewal of a certain nurse practitioner; altering the number of hours a certain nurse practitioner or licensed physician must work in a certain preceptorship program in order to qualify for the tax credit; providing for the application of this Act; making this Act an emergency measure; and generally relating to a credit against the State income tax for certain preceptors in certain areas with health care workforce shortages.

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 8–206(b)
Annotated Code of Maryland
(2014 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 10–739(b)(1)
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Health Occupations

8–206.

(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 produce funds to approximate the cost of maintaining the Board as provided in subsection (e) of this section.

(3) (i) In addition to the fee set by the Board under this title for the renewal of **A NURSE PRACTITIONER WHO HOLDS** an advanced practice registered nurse certification [of a nurse practitioner], the Board shall assess a separate \$15 fee for [a] **THE** renewal of the [certification] **NURSE PRACTITIONER, REGARDLESS OF THE NUMBER OF CERTIFICATIONS HELD BY THE NURSE PRACTITIONER.**

(ii) The Board shall pay the fee collected under subparagraph (i) of this paragraph to the Nurse Practitioner Preceptorship Tax Credit Fund established under § 10–739 of the Tax – General Article.

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

Article – Tax – General

10–739.

(b) (1) Subject to the limitations of this section, a nurse practitioner or licensed physician may claim a credit against the State income tax in the amount stated on the tax credit certificate issued under subsection (c) of this section for the taxable year in which the nurse practitioner or licensed physician served without compensation as a preceptor in a preceptorship program approved by the State Board of Nursing and worked:

(i) a minimum of three rotations, each consisting of [160] **AT LEAST 120 100** hours ~~OR THE REQUISITE NUMBER OF HOURS FOR A COMPLETED UNIT~~ of community–based clinical training; and

(ii) in an area of the State identified as having a health care workforce shortage by the Department, in consultation with the Governor’s Workforce Development Board.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall be applicable to all taxable years beginning after December 31, 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.

Approved by the Governor, April 18, 2017.

Chapter 236

(Senate Bill 622)

AN ACT concerning

Sales and Use Tax – Tax–Free Period for Back–to–School Shopping – Sale of Backpacks and Bookbags

FOR the purpose of altering a certain sales and use tax exemption to include *a certain portion of the taxable price of* certain backpacks and bookbags, subject to certain limitations; and generally relating to the designation of a certain annual sales tax–free period in the State.

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 11–228

Annotated Code of Maryland

(2016 Replacement Volume)

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

Article – Tax – General

11–228.

(a) In this section, “accessory items” includes jewelry, watches, watchbands, handbags, handkerchiefs, umbrellas, scarves, ties, headbands, and belt buckles.

(b) (1) Beginning in calendar year 2010, the 7–day period from the second Sunday in August through the following Saturday shall be a tax–free period for back–to–school shopping in Maryland during which the exemption under paragraph (2) of this subsection shall apply.

(2) During the tax–free period for back–to–school shopping established under paragraph (1) of this subsection, the sales and use tax does not apply to ~~the sale of~~:

(I) **THE SALE OF** any item of clothing or footwear, excluding accessory items, if the taxable price of the item of clothing or footwear is \$100 or less; **OR**

(II) **THE FIRST \$50 \$40 OF THE TAXABLE PRICE OF ANY BACKPACK OR BOOKBAG, IF THE TAXABLE PRICE OF THE BACKPACK OR BOOKBAG IS \$100 \$30 OR LESS.**

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

Approved by the Governor, April 18, 2017.

Chapter 237

(House Bill 530)

AN ACT concerning

Sales and Use Tax – Tax-Free Period for Back-to-School Shopping – Sale of Backpacks and Bookbags

FOR the purpose of altering a certain sales and use tax exemption to include a certain portion of the taxable price of certain backpacks and bookbags, subject to certain limitations; and generally relating to the designation of a certain annual sales tax-free period in the State.

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 11-228

Annotated Code of Maryland

(2016 Replacement Volume)

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

Article – Tax – General

11-228.

(a) In this section, “accessory items” includes jewelry, watches, watchbands, handbags, handkerchiefs, umbrellas, scarves, ties, headbands, and belt buckles.

(b) (1) Beginning in calendar year 2010, the 7-day period from the second Sunday in August through the following Saturday shall be a tax-free period for back-to-school shopping in Maryland during which the exemption under paragraph (2) of this subsection shall apply.

(2) During the tax-free period for back-to-school shopping established under paragraph (1) of this subsection, the sales and use tax does not apply to ~~the sale of:~~

(I) THE SALE OF any item of clothing or footwear, excluding accessory items, if the taxable price of the item of clothing or footwear is \$100 or less; **OR**

(II) THE FIRST ~~\$50~~ \$40 OF THE TAXABLE PRICE OF ANY BACKPACK OR BOOKBAG, ~~IF THE TAXABLE PRICE OF THE BACKPACK OR BOOKBAG IS \$100 OR LESS.~~

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

Approved by the Governor, April 18, 2017.

Chapter 238**(House Bill 55)**

AN ACT concerning

Motor Fuel Tax – Aviation Gasoline – Definition

FOR the purpose of altering the definition of aviation gasoline for purposes of the motor fuel tax; and generally relating to the definition of aviation gasoline for purposes of the motor fuel tax.

BY repealing and reenacting, without amendments,

Article – Tax – General

Section 9–101(a) and (g)

Annotated Code of Maryland

~~(2010 Replacement Volume and 2016 Supplement)~~ *(2016 Replacement Volume)*

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 9–101(c)

Annotated Code of Maryland

~~(2010 Replacement Volume and 2016 Supplement)~~ *(2016 Replacement Volume)*

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

Article – Tax – General

9–101.

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

(c) **(1)** “Aviation gasoline” means gasoline that **IS USED TO PROPEL GASOLINE-POWERED AIRCRAFT AND:**

[**(1)** meets the aviation gasoline standards of specification D–910 of the American Society for Testing and Materials, as amended from time to time; and

(2) is used to propel gasoline-powered aircraft]

(I) IS INVOICED AS AVIATION GASOLINE; OR

(II) IS RECEIVED, SOLD, STORED, OR WITHDRAWN FROM STORAGE BY A PERSON FOR THE PURPOSE OF PROPELLING GASOLINE-POWERED AIRCRAFT.

(2) “AVIATION GASOLINE” DOES NOT INCLUDE GASOLINE USED TO PROPEL A MOTOR VEHICLE.

(g) “Motor vehicle” means a vehicle that:

- (1) is self-propelled;
- (2) is designed to be operated on a public highway; and
- (3) is not operated only on rails.

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

Approved by the Governor, April 18, 2017.

Chapter 239

(House Bill 351)

AN ACT concerning

**Property Tax – Homestead Property Tax Credit Percentage and Constant Yield
Tax Rate – Deadlines**

FOR the purpose of authorizing the Department of Assessments and Taxation to amend a constant yield tax rate when a county or municipal corporation alters the homestead tax credit percentage; altering the deadline by which the Mayor and City Council of Baltimore City and the governing body of a county or municipal corporation must set or alter the homestead property tax percentage in a taxable year and notify the Department of Assessments and Taxation; requiring a notice of assessment to include a certain statement; providing for the application of this Act; and generally relating to the homestead property tax credit and the constant yield tax rate.

BY repealing and reenacting, with amendments,
 Article – Tax – Property
 Section 2–205(c) and 9–105(e)
 Annotated Code of Maryland
 (2012 Replacement Volume and 2016 Supplement)

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

Article – Tax – Property

2–205.

(c) (1) The Department shall notify each taxing authority of the constant yield tax rate that will provide the same property tax revenue that is provided by the real property tax rate that is in effect for the current taxable year.

(2) In calculating a constant yield tax rate for a taxable year, the Department shall use an estimate of the total assessment of all real property for the next taxable year exclusive of real property that appears for the 1st time on the assessment records.

(3) (I) [On or before May 15 of each year, the] THE Department may amend a constant yield tax rate [but] only[:] AS PROVIDED IN THIS PARAGRAPH.

(II) ON OR BEFORE APRIL 15 EACH YEAR, THE DEPARTMENT MAY AMEND A CONSTANT YIELD TAX RATE WHEN A COUNTY OR MUNICIPAL CORPORATION ALTERS THE HOMESTEAD TAX CREDIT PERCENTAGE UNDER § 9–105 OF THIS ARTICLE.

[(i)] (III) ON OR BEFORE MAY 15 EACH YEAR, THE DEPARTMENT MAY AMEND A CONSTANT YIELD TAX RATE:

1. when directed to make a change by an enactment of the General Assembly;

[(ii)] 2. to correct an error in the calculation of the constant yield tax rate; or

[(iii)] 3. to reflect a significant loss of taxable base, as determined by the Director.

9–105.

(e) (1) For each taxable year, the property tax credit under this section is calculated by:

(i) multiplying the prior year's taxable assessment by the homestead credit percentage as provided under paragraph (2) of this subsection;

(ii) subtracting that amount from the current year's assessment; and

(iii) if the difference is a positive number, multiplying the difference by the applicable property tax rate for the current year.

(2) For each taxable year, the homestead credit percentage under paragraph (1)(i) of this subsection is:

(i) for the State property tax and for any property tax imposed for a bicounty commission, 110%;

(ii) for the county property tax:

1. the homestead credit percentage established by the county under paragraph (3) of this subsection; or

2. if the county has not set a percentage for the taxable year under paragraph (3) of this subsection or has not notified the Department as required under paragraph (6) of this subsection, the homestead credit percentage in effect for the county for the preceding taxable year; and

(iii) for the municipal corporation property tax:

1. the homestead credit percentage established by the municipal corporation under paragraph (4) of this subsection; or

2. if the municipal corporation has not set a percentage under paragraph (4) of this subsection or has not notified the Department as required under paragraph (7) of this subsection, the homestead credit percentage for the taxable year for the county in which the property is located.

(3) Subject to paragraph (5) of this subsection, the Mayor and City Council of Baltimore City and the governing body of a county on or before **[November 15] MARCH 15** of any year shall set, by law, the homestead credit percentage for the taxable year beginning the following July 1.

(4) Subject to paragraph (5) of this subsection, on or before **[November 25] MARCH 25** of any year, the governing body of a municipal corporation may set or alter, by law, a homestead credit percentage for the taxable year beginning the following July 1 and any subsequent taxable year.

(5) The homestead credit percentage for any county or municipal corporation property tax:

(i) may not be less than 100% or exceed 110% for any taxable year; and

(ii) shall be expressed in increments of 1 percentage point.

(6) The Mayor and City Council of Baltimore City and the governing body of a county shall notify the Department of any action taken under paragraph (3) of this subsection on or before [November 15] **MARCH 15** preceding the taxable year for which the action is taken.

(7) A municipal corporation shall notify the Department of any action taken under paragraph (4) of this subsection on or before [November 25] **MARCH 25** preceding the taxable year for which the action is taken.

SECTION 2. AND BE IT FURTHER ENACTED, That a notice of assessment issued under § 8-401 of the Tax – Property Article shall include a statement that:

(1) the taxable assessment is based on the homestead tax credit percentage currently in effect;

(2) if a county or municipal corporation changes the homestead tax credit percentage by the following March, the taxable assessment will change; and

(3) the final taxable assessment shall be stated in the next property tax bill.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017, and shall be applicable to all taxable years beginning after June 30, 2018.

Approved by the Governor, April 18, 2017.

Chapter 240

(House Bill 873)

AN ACT concerning

Income Tax Credit – Security Clearances – Employer Costs – Extension

FOR the purpose of extending the number of taxable years for which an individual or corporation may claim a credit against the State income tax for certain costs incurred to obtain federal security clearances, to rent certain spaces, and to construct or renovate certain sensitive compartmented information facilities in the State; making certain stylistic changes; and generally relating to a credit against the State income tax for costs related to federal security clearances.

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 10-732
Annotated Code of Maryland

(2016 Replacement Volume)

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

Article – Tax – General

10–732.

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

(2) “Costs” means the costs to an individual or corporation for:

(i) security clearance administrative expenses incurred with regard to an employee in the State including, but not limited to:

1. processing application requests for clearances for employees in the State;

2. maintaining, upgrading, or installing computer systems in the State required to obtain federal security clearances; and

3. training employees in the State to administer the application process; and

(ii) construction and equipment costs incurred to construct or renovate a sensitive compartmented information facility (“SCIF”) located in the State as required by the federal government.

(3) “Department” means the Department of Commerce.

(4) “Secretary” means the Secretary of Commerce.

(5) “Small business” has the meaning stated in § 7–218 of this article.

(b) (1) Subject to the limitations of this section, for a taxable year beginning after December 31, 2012, but before January 1, [2017] **2022**, an individual or a corporation may claim credits against the State income tax for:

[(1)] (I) security clearance administrative expenses, not to exceed \$200,000;

[(2)] (II) expenses incurred for rental payments owed during the first year of a rental agreement for spaces leased in the State if the individual or corporation is a small business that performs security–based contracting, not to exceed \$200,000; and

[(3) (i)] (III) [Subject to subparagraph (ii) of this paragraph] **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION**, construction and equipment costs incurred to construct or renovate a single SCIF in an amount equal to the lesser of 50% of the costs or \$200,000.

[(ii)] (2) The total amount of construction and equipment costs incurred to construct or renovate multiple SCIFs for which an individual or a corporation is eligible to claim as a credit against the State income tax is \$500,000.

(c) (1) By September 15 of the calendar year following the end of the taxable year in which the costs were incurred, an individual or a corporation shall submit an application to the Department for the credits allowed under subsection (b) of this section.

(2) (i) The total amount of credits approved by the Department under subsection (b) of this section may not exceed \$2,000,000 for any calendar year.

(ii) If the total amount of credits applied for by all individuals and corporations under subsection (b) of this section exceeds the maximum specified under subparagraph (i) of this paragraph, the Department shall approve a credit under subsection (b) of this section for each applicant in an amount equal to the product of multiplying the credit applied for by the applicant times a fraction:

1. the numerator of which is the maximum specified under subparagraph (i) of this paragraph; and

2. the denominator of which is the total of all credits applied for by all applicants under subsection (b) of this section in the calendar year.

(3) By December 15 of the calendar year following the end of the taxable year in which the costs were incurred, the Department shall certify to the individual or corporation the amount of tax credits approved by the Department for the individual or corporation under this section.

(4) To claim the approved credits allowed under this section, an individual or a corporation shall:

(i) file an amended income tax return for the taxable year in which the costs were incurred; and

(ii) attach a copy of the Department's certification of the approved credit amount to the amended income tax return.

(d) If the credit allowed for any taxable year under this section exceeds the total tax otherwise due, an individual or corporation may apply the excess as a credit against the State income tax for succeeding taxable years until the full amount of the excess is used.

(e) The Department, in consultation with the Comptroller, shall adopt regulations to carry out the provisions of this section.

(f) In accordance with § 2.5–109 of the Economic Development Article, the Department shall submit a report on the number of credits certified in the previous calendar year.

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

Approved by the Governor, April 18, 2017.

Chapter 241

(House Bill 1323)

AN ACT concerning

Property Tax – Credit for Revitalization Districts

FOR the purpose of authorizing the Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation to grant, by law, a property tax credit against the county or municipal corporation property tax imposed on a dwelling that is located in a certain revitalization district and is owned by a homeowner who, on or after a certain date, made certain substantial improvements to the dwelling that cause the dwelling to be reassessed at a higher value; requiring the credit to equal the amount of the county or municipal corporation property tax attributable to the improvements made to the property multiplied by a certain percentage; providing that if ownership of a dwelling is transferred the grantee is eligible to claim the property tax credit in the same manner as the grantor under certain circumstances; requiring the Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation to define revitalization districts for purposes of the tax credit; authorizing the Mayor and City Council of Baltimore City or the governing body of a county or municipal corporation to provide for certain matters relating to the tax credit; providing for the application of this Act; defining certain terms; and generally relating to a property tax credit for dwellings located in revitalization districts that have undergone substantial improvements.

BY adding to

Article – Tax – Property

Section 9–259

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

Article – Tax – Property

9–259.

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

(2) “DWELLING” HAS THE MEANING STATED IN § 9–105 OF THIS TITLE.

(3) “HOMEOWNER” HAS THE MEANING STATED IN § 9–105 OF THIS TITLE.

(B) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY GRANT, BY LAW, A PROPERTY TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON A DWELLING THAT IS:

(1) LOCATED IN A REVITALIZATION DISTRICT;

(2) OWNED BY A HOMEOWNER WHO, ON OR AFTER JUNE 1, 2017, MADE SUBSTANTIAL IMPROVEMENTS TO THE DWELLING IN COMPLIANCE WITH THE CODE AND LAWS APPLIED TO DWELLINGS; AND

(3) REASSESSED AT A HIGHER VALUE.

(C) THE TAX CREDIT UNDER THIS SECTION SHALL EQUAL THE AMOUNT OF COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON THE INCREASED VALUE OF THE DWELLING SINCE THE LAST REASSESSMENT THAT IS ATTRIBUTABLE TO THE IMPROVEMENTS MADE TO THE PROPERTY, MULTIPLIED BY:

(1) 100% FOR THE FIRST TAXABLE YEAR FOLLOWING THE FIRST REASSESSMENT AFTER THE IMPROVEMENTS ARE MADE;

(2) 80% FOR THE SECOND TAXABLE YEAR FOLLOWING THE FIRST REASSESSMENT AFTER THE IMPROVEMENTS ARE MADE;

(3) 60% FOR THE THIRD TAXABLE YEAR FOLLOWING THE FIRST REASSESSMENT AFTER THE IMPROVEMENTS ARE MADE;

(4) 40% FOR THE FOURTH TAXABLE YEAR FOLLOWING THE FIRST REASSESSMENT AFTER THE IMPROVEMENTS ARE MADE;

(5) 20% FOR THE FIFTH TAXABLE YEAR FOLLOWING THE FIRST REASSESSMENT AFTER THE IMPROVEMENTS ARE MADE; AND

(6) 0% FOR EACH TAXABLE YEAR THEREAFTER.

(D) IF OWNERSHIP OF A DWELLING THAT IS ELIGIBLE FOR A TAX CREDIT UNDER THIS SECTION IS TRANSFERRED, THE GRANTEE IS ELIGIBLE FOR THE BALANCE OF THE PROPERTY TAX CREDIT UNDER THIS SECTION IN THE SAME MANNER AND UNDER THE SAME CONDITIONS AS THE GRANTOR OF THE PROPERTY.

(E) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION SHALL DEFINE, BY LAW, REVITALIZATION DISTRICTS FOR PURPOSES OF THE TAX CREDIT UNDER THIS SECTION.

(F) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY PROVIDE, BY LAW, FOR:

(1) ADDITIONAL ELIGIBILITY CRITERIA FOR THE TAX CREDIT UNDER THIS SECTION;

(2) REGULATIONS AND PROCEDURES FOR THE APPLICATION AND UNIFORM PROCESSING OF REQUESTS FOR THE TAX CREDIT; AND

(3) ANY OTHER PROVISION NECESSARY TO CARRY OUT THE TAX CREDIT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2017, and shall be applicable to all taxable years beginning after June 30, 2017.

Approved by the Governor, April 18, 2017.

Chapter 242

(Senate Bill 753)

AN ACT concerning

Tax Sales – Foreclosure of Right of Redemption – Naming of Defendants

FOR the purpose of establishing requirements for naming of defendants in an action to foreclose the right of redemption on property sold at a tax sale; establishing requirements for filing a certain affidavit in an action to foreclose the right of redemption on property sold at a tax sale; and generally relating to tax sales of property.

BY repealing and reenacting, without amendments,

Article – Tax – Property

Section 14–836(a) and (b)(1)

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

BY adding to

Article – Tax – Property

Section 14–836(b)(8)

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

Article – Tax – Property

14–836.

(a) The plaintiff in any action to foreclose the right of redemption shall be the holder of the certificate of sale.

(b) (1) Except as otherwise provided in this subsection, the defendants in any action to foreclose the right of redemption shall be:

(i) the record title holder of the property as disclosed by a search performed in accordance with generally accepted standards of title examination of the land records of the county, of the records of the register of wills of the county, and of the records of the circuit court for the county;

(ii) if the property is subject to a ground rent, the record title holder of the fee–simple title and the owner of the leasehold title as disclosed by a search performed in accordance with generally accepted standards of title examination of the land records of the county, of the records of the register of wills of the county and of the records of the circuit court for the county;

(iii) any mortgagee of the property or any assignee of the mortgagee of record, named as such in any unreleased mortgage recorded in the land records of the county;

(iv) the trustee under any deed of trust recorded against the property or any holder of a beneficial interest in a deed of trust who files notice of the interest, which notice shall include identification of the deed of trust, the book and page where the deed of trust is recorded, and the address at which the holder may be served with a summons;

(v) the county where the property is located; and

(vi) if appropriate, the State.

(8) (I) IF AN INDIVIDUAL REQUIRED TO BE NAMED AS A DEFENDANT IS DECEASED AND THE PLAINTIFF KNOWS OF A PERSONAL REPRESENTATIVE, THE PLAINTIFF SHALL JOIN THE PERSONAL REPRESENTATIVE AS A DEFENDANT.

(II) IF AN INDIVIDUAL REQUIRED TO BE NAMED AS A DEFENDANT IS DECEASED, OR IS BELIEVED BY THE PLAINTIFF TO BE DECEASED, AND THE PLAINTIFF KNOWS OF NO PERSONAL REPRESENTATIVE, THE PLAINTIFF SHALL STATE THOSE FACTS IN AN AFFIDAVIT FILED WITH THE COMPLAINT.

(III) IF THE PLAINTIFF STATES IN AN AFFIDAVIT UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH THAT AN INDIVIDUAL IS DECEASED, THE PLAINTIFF MAY JOIN AS DEFENDANTS “THE TESTATE AND INTESTATE SUCCESSORS OF _____ (NAMING THE DECEASED INDIVIDUAL), DECEASED, AND ALL PERSONS CLAIMING BY, THROUGH, OR UNDER THE DECEDENT”.

(IV) IF THE PLAINTIFF STATES IN AN AFFIDAVIT UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH THAT AN INDIVIDUAL IS BELIEVED TO BE DECEASED, THE PLAINTIFF MAY JOIN THE INDIVIDUAL AS A DEFENDANT, AND MAY ALSO JOIN “THE TESTATE AND INTESTATE SUCCESSORS OF _____ (NAMING THE INDIVIDUAL), BELIEVED TO BE DECEASED, AND ALL PERSONS CLAIMING BY, THROUGH, OR UNDER THE INDIVIDUAL BELIEVED TO BE DECEASED”.

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

Approved by the Governor, April 18, 2017.

Chapter 243

(House Bill 861)

AN ACT concerning

Tax Sales – Foreclosure of Right of Redemption – Naming of Defendants

FOR the purpose of establishing requirements for naming of defendants in an action to foreclose the right of redemption on property sold at a tax sale; establishing requirements for filing a certain affidavit in an action to foreclose the right of redemption on property sold at a tax sale; and generally relating to tax sales of property.

BY repealing and reenacting, without amendments,

Article – Tax – Property

Section 14–836(a) and (b)(1)

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

BY adding to

Article – Tax – Property

Section 14–836(b)(8)

Annotated Code of Maryland

(2012 Replacement Volume and 2016 Supplement)

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

Article – Tax – Property

14–836.

(a) The plaintiff in any action to foreclose the right of redemption shall be the holder of the certificate of sale.

(b) (1) Except as otherwise provided in this subsection, the defendants in any action to foreclose the right of redemption shall be:

(i) the record title holder of the property as disclosed by a search performed in accordance with generally accepted standards of title examination of the land records of the county, of the records of the register of wills of the county, and of the records of the circuit court for the county;

(ii) if the property is subject to a ground rent, the record title holder of the fee–simple title and the owner of the leasehold title as disclosed by a search performed in accordance with generally accepted standards of title examination of the land records of the county, of the records of the register of wills of the county and of the records of the circuit court for the county;

(iii) any mortgagee of the property or any assignee of the mortgagee of record, named as such in any unreleased mortgage recorded in the land records of the county;

(iv) the trustee under any deed of trust recorded against the property or any holder of a beneficial interest in a deed of trust who files notice of the interest, which notice shall include identification of the deed of trust, the book and page where the deed of trust is recorded, and the address at which the holder may be served with a summons;

(v) the county where the property is located; and

(vi) if appropriate, the State.

(8) (I) IF AN INDIVIDUAL REQUIRED TO BE NAMED AS A DEFENDANT IS DECEASED AND THE PLAINTIFF KNOWS OF A PERSONAL REPRESENTATIVE, THE PLAINTIFF SHALL JOIN THE PERSONAL REPRESENTATIVE AS A DEFENDANT.

(II) IF AN INDIVIDUAL REQUIRED TO BE NAMED AS A DEFENDANT IS DECEASED, OR IS BELIEVED BY THE PLAINTIFF TO BE DECEASED, AND THE PLAINTIFF KNOWS OF NO PERSONAL REPRESENTATIVE, THE PLAINTIFF SHALL STATE THOSE FACTS IN AN AFFIDAVIT FILED WITH THE COMPLAINT.

(III) IF THE PLAINTIFF STATES IN AN AFFIDAVIT UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH THAT AN INDIVIDUAL IS DECEASED, THE PLAINTIFF MAY JOIN AS DEFENDANTS “THE TESTATE AND INTESTATE SUCCESSORS OF _____ (NAMING THE DECEASED INDIVIDUAL), DECEASED, AND ALL PERSONS CLAIMING BY, THROUGH, OR UNDER THE DECEDENT”.

(IV) IF THE PLAINTIFF STATES IN AN AFFIDAVIT UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH THAT AN INDIVIDUAL IS BELIEVED TO BE DECEASED, THE PLAINTIFF MAY JOIN THE INDIVIDUAL AS A DEFENDANT, AND MAY ALSO JOIN “THE TESTATE AND INTESTATE SUCCESSORS OF _____ (NAMING THE INDIVIDUAL), BELIEVED TO BE DECEASED, AND ALL PERSONS CLAIMING BY, THROUGH, OR UNDER THE INDIVIDUAL BELIEVED TO BE DECEASED”.

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

Approved by the Governor, April 18, 2017.

Chapter 244**(Senate Bill 21)**

AN ACT concerning

Unemployment Insurance – Recovery of Benefits – Collection by Assessment

FOR the purpose of authorizing the Secretary of Labor, Licensing, and Regulation to recover unemployment insurance benefits by assessment in the same manner as provided in a certain provision of law for the assessment of past due contributions; requiring the Secretary, if the Secretary seeks to recover certain unemployment benefits by assessment, to allow a claimant to elect within a certain period of time to have the amount collected by suit instead of by assessment; requiring the Secretary to adopt certain regulations; and generally relating to the recovery of unemployment insurance benefits by assessment.

BY repealing and reenacting, without amendments,

Article – Labor and Employment

Section 8–629 and 8–809(a)

Annotated Code of Maryland

(2016 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Labor and Employment

Section 8–809(d)

Annotated Code of Maryland

(2016 Replacement Volume)

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

Article – Labor and Employment

8–629.

(a) If an employing unit fails to submit a contribution and employment report under § 8–626 of this subtitle, the Secretary:

(1) may assess the penalty imposed under that section; and

(2) shall mail written notice of the assessment to the employer at the last known address of the employer or otherwise deliver the notice.

(b) If an employing unit fails to submit a separation notice under § 8–627 of this subtitle, the Secretary:

(1) may assess the penalty imposed under that section; and

(2) shall mail written notice of the assessment to the employer at the last known address of the employer or otherwise deliver the notice.

(c) (1) If an employing unit submits a report for determination of the amount of contributions due under this title but fails to pay the contributions or interest, the Secretary:

(i) may assess the amount of contributions or interest due on the basis of the information in the report;

(ii) shall mail written notice of the assessment to the employing unit at the last known address of the employing unit or otherwise deliver the notice; and

(iii) notwithstanding subsection (f) of this section, may make an additional assessment if the report subsequently is found to be incorrect.

(2) If an employing unit under an election fails to make a reimbursement payment or pay interest on the payment, the Secretary:

(i) may assess the amount of the payment or interest due; and

(ii) shall mail written notice of the assessment to the employing unit at the last known address of the employing unit or otherwise deliver the notice.

(3) Payments made by checks or other negotiable instruments returned for insufficient funds shall be considered a failure to pay contributions or reimbursements due under this subsection and are subject to an additional penalty of \$25.

(d) (1) If an employing unit fails to submit a report under an election or for determination of the amount of contributions due on or before the date required by regulation, or if the Secretary determines that a report submitted by an employing unit is incorrect or insufficient, the Secretary shall require by written notice that the employing unit submit a correct and sufficient report.

(2) An employing unit shall submit a correct and sufficient report within 10 days after the Secretary requires it.

(3) If an employing unit fails to comply with paragraph (2) of this subsection, the Secretary shall:

(i) make an assessment on the basis of any information that the Secretary is able to obtain; and

(ii) mail written notice of assessment to the employing unit at the last known address of the employing unit or otherwise deliver the notice.

(e) (1) Regardless of whether the time allowed under this title for submitting reports or contributions or making reimbursement payments has expired, if the Secretary believes that collection will be jeopardized by delay, the Secretary immediately may assess a contribution, reimbursement payment, or interest.

(2) The Secretary shall mail written notice to an employing unit of an assessment under paragraph (1) of this subsection at the last known address of the employing unit or otherwise deliver the notice.

(f) (1) An assessment under this section is final unless:

(i) within 15 days after the mailing of the assessment an employing unit applies to the Board of Appeals for a hearing; or

(ii) on its own motion, the Board of Appeals reduces the contribution or interest.

(2) After a hearing held under this subsection, the Board of Appeals shall:

(i) pass an order to affirm, modify, or set aside the assessment; and

(ii) promptly give an employing unit written notice of its decision.

(g) (1) If an employing unit fails to pay an assessment under this section, the Secretary may file with the clerk of the circuit court of the county where the employing unit's principal place of business is located and any other county a notice of lien that states:

(i) the name of the employing unit;

(ii) the address of the employing unit;

(iii) the amount of the assessment; and

(iv) that the time for filing an appeal for judicial review has expired without an appeal having been taken.

(2) On the filing of a notice of a lien under paragraph (1) of this subsection, the clerk of the court shall:

(i) record and index the lien; and

(ii) enter the lien in the judgment docket of the court.

(3) The docket entry shall include:

(i) the name of the person whose property is subject to the lien; and

(ii) the amount and date of the lien.

(h) (1) On entry in the judgment docket of the information under subsection (e) of this section, the amount of the assessment, court costs, recording costs, and interest that continues to accrue on the assessment are a lien on the real and personal property of the employer against whom the assessment is made in the same manner and having the same force and effect as a judgment lien.

(2) No property that an employer uses in connection with its business is exempt from the lien.

8-809.

(a) The Secretary may recover benefits paid to a claimant if the Secretary finds that the claimant was not entitled to the benefits because:

(1) the claimant was not unemployed;

(2) the claimant received or retroactively was awarded wages; or

(3) due to a redetermination of an original claim by the Secretary, the claimant is disqualified or otherwise ineligible for benefits.

(d) **(1)** The Secretary may recover an amount under subsection (a) of this section:

~~(1)~~ **(I)** by deduction from benefits payable to the claimant in the future;

~~(2)~~ **(II)** in the manner provided in § 8-630 of this title for the collection of past due contributions; [or]

~~(3)~~ **(III)** **BY ASSESSMENT IN THE SAME MANNER AS PROVIDED IN § 8-629 OF THIS TITLE FOR THE ASSESSMENT OF PAST DUE CONTRIBUTIONS; OR**

[~~(3)~~ ~~(4)~~ **(IV)** through other reasonable means of collection, including those permitted under:

~~(i)~~ **1.** State law for the collection of debts owed to the State; or

~~(ii)~~ **2.** federal law.

(2) (I) IF THE SECRETARY SEEKS TO RECOVER AN AMOUNT UNDER SUBSECTION (A) OF THIS SECTION BY ASSESSMENT, THE SECRETARY SHALL ALLOW A CLAIMANT TO ELECT, WITHIN 30 DAYS OF THE DATE OF THE NOTICE OF

ASSESSMENT, TO HAVE THE AMOUNT COLLECTED BY SUIT INSTEAD OF BY ASSESSMENT.

(II) THE SECRETARY SHALL ADOPT REGULATIONS TO PROVIDE GENERAL GUIDANCE ABOUT:

1. THE PROCESSES UNDER WHICH THE SECRETARY MAY RECOVER BENEFITS; AND

2. THE APPLICATION OF § 8-629 OF THIS TITLE TO THE RECOVERY OF BENEFITS BY ASSESSMENT UNDER THIS SECTION.

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

Approved by the Governor, April 18, 2017.

Chapter 245

(House Bill 137)

AN ACT concerning

Unemployment Insurance – Recovery of Benefits – Collection by Assessment

FOR the purpose of authorizing the Secretary of Labor, Licensing, and Regulation to recover unemployment insurance benefits by assessment in the same manner as provided in a certain provision of law for the assessment of past due contributions; requiring the Secretary, if the Secretary seeks to recover certain unemployment benefits by assessment, to allow a claimant to elect within a certain period of time to have the amount collected by suit instead of by assessment; requiring the Secretary to adopt certain regulations; and generally relating to the recovery of unemployment insurance benefits by assessment.

BY repealing and reenacting, without amendments,

Article – Labor and Employment

Section 8-629 and 8-809(a)

Annotated Code of Maryland

(2016 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Labor and Employment

Section 8-809(d)

Annotated Code of Maryland

(2016 Replacement Volume)

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

Article – Labor and Employment

8–629.

(a) If an employing unit fails to submit a contribution and employment report under § 8–626 of this subtitle, the Secretary:

(1) may assess the penalty imposed under that section; and

(2) shall mail written notice of the assessment to the employer at the last known address of the employer or otherwise deliver the notice.

(b) If an employing unit fails to submit a separation notice under § 8–627 of this subtitle, the Secretary:

(1) may assess the penalty imposed under that section; and

(2) shall mail written notice of the assessment to the employer at the last known address of the employer or otherwise deliver the notice.

(c) (1) If an employing unit submits a report for determination of the amount of contributions due under this title but fails to pay the contributions or interest, the Secretary:

(i) may assess the amount of contributions or interest due on the basis of the information in the report;

(ii) shall mail written notice of the assessment to the employing unit at the last known address of the employing unit or otherwise deliver the notice; and

(iii) notwithstanding subsection (f) of this section, may make an additional assessment if the report subsequently is found to be incorrect.

(2) If an employing unit under an election fails to make a reimbursement payment or pay interest on the payment, the Secretary:

(i) may assess the amount of the payment or interest due; and

(ii) shall mail written notice of the assessment to the employing unit at the last known address of the employing unit or otherwise deliver the notice.

(3) Payments made by checks or other negotiable instruments returned for insufficient funds shall be considered a failure to pay contributions or reimbursements due under this subsection and are subject to an additional penalty of \$25.

(d) (1) If an employing unit fails to submit a report under an election or for determination of the amount of contributions due on or before the date required by regulation, or if the Secretary determines that a report submitted by an employing unit is incorrect or insufficient, the Secretary shall require by written notice that the employing unit submit a correct and sufficient report.

(2) An employing unit shall submit a correct and sufficient report within 10 days after the Secretary requires it.

(3) If an employing unit fails to comply with paragraph (2) of this subsection, the Secretary shall:

(i) make an assessment on the basis of any information that the Secretary is able to obtain; and

(ii) mail written notice of assessment to the employing unit at the last known address of the employing unit or otherwise deliver the notice.

(e) (1) Regardless of whether the time allowed under this title for submitting reports or contributions or making reimbursement payments has expired, if the Secretary believes that collection will be jeopardized by delay, the Secretary immediately may assess a contribution, reimbursement payment, or interest.

(2) The Secretary shall mail written notice to an employing unit of an assessment under paragraph (1) of this subsection at the last known address of the employing unit or otherwise deliver the notice.

(f) (1) An assessment under this section is final unless:

(i) within 15 days after the mailing of the assessment an employing unit applies to the Board of Appeals for a hearing; or

(ii) on its own motion, the Board of Appeals reduces the contribution or interest.

(2) After a hearing held under this subsection, the Board of Appeals shall:

(i) pass an order to affirm, modify, or set aside the assessment; and

(ii) promptly give an employing unit written notice of its decision.

(g) (1) If an employing unit fails to pay an assessment under this section, the Secretary may file with the clerk of the circuit court of the county where the employing unit's principal place of business is located and any other county a notice of lien that states:

- (i) the name of the employing unit;
- (ii) the address of the employing unit;
- (iii) the amount of the assessment; and

(iv) that the time for filing an appeal for judicial review has expired without an appeal having been taken.

(2) On the filing of a notice of a lien under paragraph (1) of this subsection, the clerk of the court shall:

- (i) record and index the lien; and
- (ii) enter the lien in the judgment docket of the court.

(3) The docket entry shall include:

- (i) the name of the person whose property is subject to the lien; and
- (ii) the amount and date of the lien.

(h) (1) On entry in the judgment docket of the information under subsection (e) of this section, the amount of the assessment, court costs, recording costs, and interest that continues to accrue on the assessment are a lien on the real and personal property of the employer against whom the assessment is made in the same manner and having the same force and effect as a judgment lien.

(2) No property that an employer uses in connection with its business is exempt from the lien.

8-809.

(a) The Secretary may recover benefits paid to a claimant if the Secretary finds that the claimant was not entitled to the benefits because:

- (1) the claimant was not unemployed;
- (2) the claimant received or retroactively was awarded wages; or

(3) due to a redetermination of an original claim by the Secretary, the claimant is disqualified or otherwise ineligible for benefits.

(d) **(1)** The Secretary may recover an amount under subsection (a) of this section:

~~(1)~~ **(I)** by deduction from benefits payable to the claimant in the future;

~~(2)~~ **(II)** in the manner provided in § 8–630 of this title for the collection of past due contributions; [or]

~~(3)~~ **(III)** **BY ASSESSMENT IN THE SAME MANNER AS PROVIDED IN § 8–629 OF THIS TITLE FOR THE ASSESSMENT OF PAST DUE CONTRIBUTIONS; OR**

[(3)] ~~(4)~~ **(IV)** through other reasonable means of collection, including those permitted under:

~~(i)~~ **1.** State law for the collection of debts owed to the State; or

~~(ii)~~ **2.** federal law.

(2) (I) IF THE SECRETARY SEEKS TO RECOVER AN AMOUNT UNDER SUBSECTION (A) OF THIS SECTION BY ASSESSMENT, THE SECRETARY SHALL ALLOW A CLAIMANT TO ELECT, WITHIN 30 DAYS OF THE DATE OF THE NOTICE OF ASSESSMENT, TO HAVE THE AMOUNT COLLECTED BY SUIT INSTEAD OF BY ASSESSMENT.

(II) THE SECRETARY SHALL ADOPT REGULATIONS TO PROVIDE GENERAL GUIDANCE ABOUT:

1. THE PROCESSES UNDER WHICH THE SECRETARY MAY RECOVER BENEFITS; AND

2. THE APPLICATION OF § 8–629 OF THIS TITLE TO THE RECOVERY OF BENEFITS BY ASSESSMENT UNDER THIS SECTION.

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

Approved by the Governor, April 18, 2017.

Chapter 246

(Senate Bill 6)

Occupational and Professional Licensing Boards, Commissions, and Regulatory Entities – Notifications of Applicants, Licensees, Registrants, and Permit Holders

FOR the purpose of altering the methods by which certain occupational and professional licensing boards, commissions, and other regulatory entities are authorized to send certain notices to certain applicants and certain renewal notices to certain licensees, registrants, or permit holders subject to a certain condition; altering certain requirements for, and the contents of, certain notices; and generally relating to notifications of licensees, registrants, permit holders, and certificate holders regulated by occupational and professional licensing boards, commissions, and other regulatory entities.

BY repealing and reenacting, with amendments,

Article – Business Occupations and Professions

Section 2–305(f) and (g)(1), 2–309(a), 2–311(b), 2–313(c)(2), 2–405(a), 2–407(b), 3–309(b), 3–408(b), 4–304.1(c), 4–310(c), 4–405(c), 4–506(b), 5–307(e), 5–311(c), 5–405(c), 5–506(b), 6–306(g), 6–310(b), 6–311(d)(2), ~~6.5–312(b)(1)~~, 6.5–312(b), 7–306(a), 7–308(b), 8–307(b), 9–309(b), 9–408(b), 11–408(b), 12–308(b), 13–308(c), ~~14–314(b)(1)~~ 14–314(b), 14–407(b), ~~15–314(b)(1)~~ 15–314(b), 15–406(b), 16–308(b), 16–3A–07(b), ~~16–5A–04(b)(2)~~ 16–5A–04(b)(2) and (3), 17–314(d), 18–307(c), 19–308(c), 20–309(b), 21–306(a), and 21–308(b)

Annotated Code of Maryland

(2010 Replacement Volume and 2016 Supplement)

BY adding to

Article – Business Occupations and Professions

Section 16–15A–04(b)(3)

Annotated Code of Maryland

(2010 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Business Regulation

Section 5–307(b), 8–308(c), 9A–304(c), 12–207(b), and 12.5–209(d)

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Public Safety

Section 12–833(b)

Annotated Code of Maryland

(2011 Replacement Volume and 2016 Supplement)

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

Article – Business Occupations and Professions

2–305.

(f) (1) The Board shall mail **OR ELECTRONICALLY TRANSMIT** to each applicant notice of the applicant's examination score.

(2) Any applicant who requests an appointment within 60 days after the date on which the notice is mailed **OR ELECTRONICALLY TRANSMITTED** may review the applicant's answers to the examination.

(g) (1) If the Board uses the services of the American Institute of Certified Public Accountants to grade an examination, the Board may [send] **MAIL OR ELECTRONICALLY TRANSMIT** the examination answers to the Institute [by electronic transmission, by mail, or by a private delivery service].

2–309.

(a) If an applicant qualifies for a license under this subtitle, the Board shall [send] **MAIL OR ELECTRONICALLY TRANSMIT TO** the applicant a notice that states that:

(1) the applicant has qualified for a license; and

(2) on receipt of a license fee set by the Board, the Board will issue a license to the applicant.

2–311.

(b) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **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

~~(iii)]~~ the amount of the license fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE,

THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

2-313.

(c) (2) **(I)** At least 1 month before the inactive status of a licensee expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(i)~~ **1.** a renewal application form; and

~~(ii)~~ **2.** a notice that states:

~~1.~~ **A.** the date on which the inactive status expires; **AND**

~~2.~~ **B.** [the date by which the Board must receive the renewal application for the renewal to be mailed before the inactive status expires; and

3.] the amount of the inactive status fee.

(II) IF AN ELECTRONIC TRANSMISSION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

2-405.

(a) If an applicant qualifies for a permit under this subtitle, the Board shall [send] **MAIL OR ELECTRONICALLY TRANSMIT TO** the applicant a notice that states that:

(1) the applicant has qualified for a permit; and

(2) on receipt of a permit fee set by the Board, the Board will issue a permit to the applicant.

2-407.

(b) **(1)** At least 1 month before a permit expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the permit holder[, at the last known address of the holder]:

~~(i)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current permit expires; AND

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the permit expires; and

(iii)] the amount of the permit fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

3-309.

(b) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(i)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; AND

~~(ii)~~ **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

(iii)] the amount of the license fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

3-408.

(b) **(1)** At least 1 month before a permit expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the permit holder[, at the last known address of the permit holder]:

- ~~(1)~~ **(I)** a renewal application form; and
- ~~(2)~~ **(II)** a notice that states:
 - ~~(i)~~ **1.** the date on which the current permit expires; AND
 - ~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the permit expires; and
 - (iii)] the amount of the permit fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

4-304.1.

(c) The Board or the Board's designees shall mail **OR ELECTRONICALLY TRANSMIT** to each applicant notice of the applicant's examination results.

4-310.

(c) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

- ~~(1)~~ **(I)** a renewal application form; and
- ~~(2)~~ **(II)** a notice that states:
 - ~~(i)~~ **1.** the date on which the current license expires; AND
 - ~~(ii)~~ **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
 - (iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10

BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

4-405.

(c) **(1)** At least 1 month before registration as an apprentice barber expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the apprentice barber[, at the last known address of the apprentice barber]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current registration as an apprentice barber expires; **AND**

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be approved, issued, and mailed before the registration expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE APPRENTICE BARBER, AT THE LAST KNOWN ADDRESS OF THE APPRENTICE BARBER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

4-506.

(b) **(1)** At least 1 month before a barbershop permit expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the permit holder[, at the last known address of the holder]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current permit expires; **AND**

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the permit expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

5-307.

(e) The Board or the Board's designee shall mail **OR ELECTRONICALLY TRANSMIT** to each applicant notice of the applicant's examination result.

5-311.

(c) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **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

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

5-405.

(c) **(1)** At least 1 month before the registration of an individual expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the individual[, at the last known address of the individual]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

- ~~(i)~~ **1.** the date on which the current registration expires; AND
- ~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the registration expires; and
- (iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE INDIVIDUAL, AT THE LAST KNOWN ADDRESS OF THE INDIVIDUAL, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

5-506.

(b) **(1)** At least 1 month before a beauty salon permit expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the beauty salon permit holder[, at the last known address of the holder]:

- ~~(1)~~ **(I)** a renewal application form; and
- ~~(2)~~ **(II)** a notice that states:
 - ~~(i)~~ **1.** the date on which the current permit expires; AND
 - ~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the permit expires; and
 - (iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE BEAUTY SALON PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE BEAUTY SALON PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

6-306.

(g) Within 45 days after the examination, the State Board shall mail **OR ELECTRONICALLY TRANSMIT** to each applicant notice of the applicant's examination score.

6-310.

(b) **(1)** At least 1 month before a State license expires, the State Board shall mail **OR ELECTRONICALLY TRANSMIT** to the State licensee[, at the last known address of the State licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current State license expires; **AND**

~~(ii)~~ **2.** [the date by which the State Board must receive the renewal application for the renewal to be issued and mailed before the State license expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE STATE BOARD AS UNDELIVERABLE, THE STATE BOARD SHALL MAIL TO THE STATE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE STATE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE STATE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

6-311.

(d) (2) **(I)** At least 1 month before the inactive status of an individual expires, the State Board shall mail **OR ELECTRONICALLY TRANSMIT** to the individual[, at the last known address of the individual]:

~~(i)~~ **1.** a renewal application form; and

~~(ii)~~ **2.** a notice that states:

~~A.~~ **A.** the date on which the inactive status expires; **AND**

~~B.~~ **B.** [the date by which the State Board must receive the renewal application for the renewal to be issued and mailed before the inactive status expires; and

3.] the amount of the renewal fee.

(II) IF AN ELECTRONIC TRANSMISSION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH IS RETURNED TO THE STATE BOARD AS UNDELIVERABLE, THE STATE BOARD SHALL MAIL TO THE INDIVIDUAL, AT THE LAST KNOWN ADDRESS OF THE INDIVIDUAL, THE MATERIALS REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH WITHIN 10 BUSINESS DAYS OF THE DATE THE STATE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

6.5–312.

(b) (1) At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

(i) a renewal application form; and

(ii) a notice that states:

1. the date on which the current license expires; **AND**

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 as required under § 6.5–207 of this title.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

[(2)] (3) The failure of a licensee to receive the notice as provided for in this subsection does not prevent the license from expiring as specified under subsection (a) of this section.

7–306.

(a) If an applicant qualifies for a license under this subtitle, the Board shall mail **OR ELECTRONICALLY TRANSMIT TO** the applicant a notice that states that:

(1) the applicant has qualified for a license;

(2) on receipt of a \$55 license fee, the Board will issue a license to the applicant; and

(3) if the applicant fails to pay the license fee within 30 days after receipt of the notice, the applicant forfeits the right to be issued a license and, to obtain a license, may be required to submit a new application and to pay a new application fee.

7-308.

(b) **(1)** At least 30 days before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **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

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

8-307.

(b) **(1)** At least 30 days before the certificate expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the certificate holder[, at the last known address of the certificate holder]:

~~(1)~~ **(I)** a renewal application form;

~~(2)~~ **(II)** a notice that states[:

(i)] the date on which the current certificate expires; and

[(ii) the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the certificate expires; and]

~~(3)~~ **(III)** the amount of the certificate fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE CERTIFICATE HOLDER, AT THE LAST KNOWN ADDRESS OF THE CERTIFICATE HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

9-309.

(b) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(i)~~ **(I)** a renewal application form; and

~~(ii)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **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

(iii)] the amount of the license fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

9-408.

(b) **(1)** At least 1 month before a permit expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the permit holder[, at the last known address of the holder]:

~~(i)~~ **(I)** a renewal application form; and

~~(ii)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current permit expires; **AND**

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the permit expires; and

(iii)] the amount of the permit fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

11-408.

(b) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **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

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

12-308.

(b) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **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

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

13–308.

(c) At least 1 month before a license expires, the Secretary shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

(1) a renewal application form; and

(2) a notice that states:

(i) the date on which the current license expires;

(ii) ~~that~~ that the Secretary must receive the renewal application and the statements required under § 13–309 of this subtitle, at least 15 days before the license expiration date, for the renewal to be issued and mailed before the license expires;

(iii)~~] the amount of the renewal fee;~~

~~(iv)] (iii)~~ that, if the statements required under § 13–309 of this subtitle are not received at least 15 days before the license expiration date, a fee of \$10 per day shall be charged against the licensee until the statements are received; and

~~(v)] (iv)~~ that the submission of a false statement in the renewal application or in the annual statements is cause for revocation of the license.

14–314.

(b) (1) At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

(i) a renewal application form; and

(ii) a notice that states:

1. the date on which the current license expires; **AND**

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 license fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

~~[(2)] (3)~~ The failure of a licensee to receive the notice for which this subsection provides does not prevent the license from expiring as specified under subsection (a) of this section.

14-407.

(b) **(1)** At least 1 month before a permit expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the permit holder[, at the last known address of the holder]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current permit expires; **AND**

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the permit expires; and

(iii)] the amount of the permit fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

15-314.

(b) (1) At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

- (i) a renewal application form; and
- (ii) a notice that states:

1. the date on which the current license expires; AND
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 license fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

~~[(2)]~~ **(3)** The failure of a licensee to receive the notice for which this subsection provides does not prevent the license from expiring as specified under subsection (a) of this section.

15-406.

(b) **(1)** At least 1 month before a permit expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the permit holder[, at the last known address of the holder]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current permit expires; AND

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the permit expires; and

(iii)] the amount of the permit fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

16-308.

(b) **(1)** At least 1 month before the license expires, the Commission shall [send] **MAIL OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **2.** [the date by which the Commission must receive the renewal application for the renewal to be issued and mailed before the license expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE COMMISSION AS UNDELIVERABLE, THE COMMISSION SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE COMMISSION RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

16-3A-07.

(b) **(1)** At least 1 month before a license expires, the Commission shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; and

~~(ii)~~ **2.** the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE COMMISSION AS UNDELIVERABLE, THE COMMISSION SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE COMMISSION RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

16-5A-04.

(b) (2) At least 1 month before a real estate appraiser trainee license expires, the Commission shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

- (i) a renewal application form; and
- (ii) a notice that states:
 - 1. the date on which the current license expires; **AND**
 - 2. [the date by which the Commission 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.

(3) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (2) OF THIS SUBSECTION IS RETURNED TO THE COMMISSION AS UNDELIVERABLE, THE COMMISSION SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE COMMISSION RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

[(3) (4) The failure of a licensee to receive the notice under this subsection does not prevent the license from expiring as specified under subsection (a) of this section.

17-314.

(d) (1) At least 1 month before a license expires, the Commission shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee, as provided in paragraph (2) of this subsection:

- (i) a renewal application form; and
- (ii) a notice that states:
 - 1. the date on which the current license expires; **AND**
 - 2. [the date by which the Commission 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.

(2) (i) If the licensee is a real estate broker, the Commission shall mail **OR ELECTRONICALLY TRANSMIT** the renewal application form and notice to the principal office of the broker.

(ii) If the licensee is an associate real estate broker or a real estate salesperson, the Commission shall mail **OR ELECTRONICALLY TRANSMIT** the renewal application form and notice to the principal office of the real estate broker with whom the licensee is affiliated.

(3) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OR (2) OF THIS SUBSECTION IS RETURNED TO THE COMMISSION AS UNDELIVERABLE, THE COMMISSION SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE COMMISSION RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

18-307.

(c) At least 1 month before a license expires, the Secretary shall mail **OR ELECTRONICALLY TRANSMIT** to the agency[, at the last known address of the agency]:

(1) a renewal application form; and

(2) a notice that states:

(i) the date on which the current license expires;

(ii) ~~that~~ the Secretary must receive the renewal application and proof of insurance or bonding as required in § 18-401 of this title at least 15 days before the license expiration date for the renewal to be issued and mailed before the license expires;

(iii) ~~the~~ amount of the renewal fee;

~~(iv)~~ ~~(iii)~~ that, if the complete renewal application and proof of insurance or bonding as required in § 18-401 of this title are not received at least 15 days before the license expiration date, a fee of \$25 per day shall be charged against the agency until the day the license expires, at which time the agency shall be considered closed;

~~(v)~~ ~~(iv)~~ that an agency may not be issued a license under this title until all outstanding obligations are satisfied with the Secretary; and

~~(vi)~~ ~~(v)~~ that the submission of a false statement in the renewal application or the submission of altered or false documents that are otherwise required is cause for revocation of the agency license.

19–308.

(c) At least 1 month before a license expires, the Secretary shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

(1) a renewal application form; and

(2) a notice that states:

(i) the date on which the current license expires;

(ii) ~~that~~ that the Secretary must receive the renewal application and the statements required under § 19–309 of this subtitle, at least 15 days before the license expiration date, for the renewal to be issued and mailed before the license expires;

(iii)~~]~~ the amount of the renewal fee;

~~[(iv)]~~ ~~(III)~~ that, if the statements required under § 19–309 of this subtitle are not received at least 15 days before the license expiration date, a fee of \$10 per day shall be charged against the licensee until the statements are received; and

~~[(v)]~~ ~~(IV)~~ that the submission of a false statement in the renewal application or in the annual statements is cause for revocation of the license.

20–309.

(b) At least 2 months before a license expires, the Secretary shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

(1) a renewal application form; and

(2) a notice that states:

(i) the date on which the current license expires;

(ii) [that the Secretary must receive the renewal application at least 21 days before the license expiration date, for the renewal to be issued and mailed before the current license expires;

(iii)] the amount of the renewal fee; and

[(iv)] (III) that the submission of a false statement in the renewal application or in the annual statements is cause for revocation of the license.

21–306.

(a) If an applicant qualifies for a registration under this subtitle, the Board shall [send] **MAIL OR ELECTRONICALLY TRANSMIT TO** the applicant a notice that states that:

(1) the applicant has qualified for a registration; and

(2) on receipt of a registration fee set by the Board, the Board will issue a registration to the applicant.

21-308.

(b) **(1)** At least 1 month before a registration expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the individual[, at the last known address of the individual]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current registration expires; **AND**

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the registration expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE INDIVIDUAL, AT THE LAST KNOWN ADDRESS OF THE INDIVIDUAL, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

Article – Business Regulation

5-307.

(b) **(1)** At least 90 days before a registration or permit expires, the Director shall mail **OR ELECTRONICALLY TRANSMIT** to the registrant or permit holder[, at the last known address of the registrant or permit holder]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current registration or permit expires; AND

~~(ii)~~ **2.** [the date by which the Director must receive the renewal application for the renewal to be issued and mailed before the registration or permit expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE DIRECTOR AS UNDELIVERABLE, THE DIRECTOR SHALL MAIL TO THE REGISTRANT OR PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE REGISTRANT OR PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE DIRECTOR RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

8-308.

(c) **(1)** At least 1 month before a license expires, the Commission shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; AND

~~(ii)~~ **2.** [the date by which the Commission must receive the renewal application for the renewal to be issued and mailed before the license expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE COMMISSION AS UNDELIVERABLE, THE COMMISSION SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE COMMISSION RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

9A-304.

(c) The Board shall [send] **MAIL OR ELECTRONICALLY TRANSMIT** written notice of the date, hour, and place of examination to each applicant for a license who is required to pass the examination.

12-207.

(b) **(1)** At least 1 month before a license expires, the Secretary shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **2.** [the date by which the Secretary must receive the renewal application for the renewal to be issued and mailed before the license expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE SECRETARY AS UNDELIVERABLE, THE SECRETARY SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE SECRETARY RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

12.5-209.

(d) **(1)** At least 60 days before a license expires, the Secretary shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form;

~~(2)~~ **(II)** a form that allows a licensee to update the information submitted in the original application or state that the information is current and accurate;

~~(3)~~ **(III)** except as provided in subsection (e) of this section, a form that requires the licensee to agree to continue to comply with each requirement applicable to the original application; and

~~(4)~~ **(IV)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **2.** [the date by which the Secretary must receive the renewal application for the renewal to be issued and mailed before the license expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE SECRETARY AS UNDELIVERABLE, THE SECRETARY SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE SECRETARY RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

Article – Public Safety

12–833.

(b) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **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

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) **Before an occupational and professional licensing board, commission, or other regulatory entity may electronically transmit a communication as authorized under Section 1 of this Act, the board, commission, or entity shall:**

(1) mail a notice informing the licensee, registrant, or permit holder that the board, commission, or entity will switch from a system of physical mail to a system of electronic transmission; and

(2) inquire whether the e-mail address that the board, commission, or entity has on file is a current and valid e-mail address for the licensee, registrant, or permit holder.

(b) If a licensee, registrant, or permit holder does not respond within 30 days after the board, commission, or entity mails the notice required under subsection (a) of this section, the board, commission, or entity may assume that the e-mail address is current and valid and may electronically transmit communications as authorized under Section 1 of this Act.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Approved by the Governor, April 18, 2017.

Chapter 247

(House Bill 138)

AN ACT concerning

Occupational and Professional Licensing Boards, Commissions, and Regulatory Entities – Notifications of Applicants, Licensees, Registrants, and Permit Holders

FOR the purpose of altering the methods by which certain occupational and professional licensing boards, commissions, and other regulatory entities are authorized to send certain notices to certain applicants and certain renewal notices to certain licensees, registrants, or permit holders *subject to a certain condition*; altering certain requirements for, and the contents of, certain notices; and generally relating to notifications of licensees, registrants, permit holders, and certificate holders regulated by occupational and professional licensing boards, commissions, and other regulatory entities.

BY repealing and reenacting, with amendments,

Article – Business Occupations and Professions

Section 2-305(f) and (g)(1), 2-309(a), 2-311(b), 2-313(c)(2), 2-405(a), 2-407(b), 3-309(b), 3-408(b), 4-304.1(c), 4-310(c), 4-405(c), 4-506(b), 5-307(e), 5-311(c), 5-405(c), 5-506(b), 6-306(g), 6-310(b), 6-311(d)(2), ~~6.5-312(b)(1)~~, 6.5-312(b), 7-306(a), 7-308(b), 8-307(b), 9-309(b), 9-408(b), 11-408(b), 12-308(b), 13-308(c), ~~14-314(b)(1)~~ 14-314(b), 14-407(b), ~~15-314(b)(1)~~

15-314(b), 15-406(b), 16-308(b), 16-3A-07(b), ~~16-5A-04(b)(2)~~
16-5A-04(b)(2) and (3), 17-314(d), 18-307(c), 19-308(c), 20-309(b),
21-306(a), and 21-308(b)
 Annotated Code of Maryland
 (2010 Replacement Volume and 2016 Supplement)

BY adding to

Article – Business Occupations and Professions
Section 16-15A-04(b)(3)
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
 Article – Business Regulation
 Section 5-307(b), 8-308(c), 9A-304(c), 12-207(b), and 12.5-209(d)
 Annotated Code of Maryland
 (2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
 Article – Public Safety
 Section 12-833(b)
 Annotated Code of Maryland
 (2011 Replacement Volume and 2016 Supplement)

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

Article – Business Occupations and Professions

2-305.

(f) (1) The Board shall mail **OR ELECTRONICALLY TRANSMIT** to each applicant notice of the applicant's examination score.

(2) Any applicant who requests an appointment within 60 days after the date on which the notice is mailed **OR ELECTRONICALLY TRANSMITTED** may review the applicant's answers to the examination.

(g) (1) If the Board uses the services of the American Institute of Certified Public Accountants to grade an examination, the Board may [send] **MAIL OR ELECTRONICALLY TRANSMIT** the examination answers to the Institute [by electronic transmission, by mail, or by a private delivery service].

2-309.

(a) If an applicant qualifies for a license under this subtitle, the Board shall [send] **MAIL OR ELECTRONICALLY TRANSMIT TO** the applicant a notice that states that:

- (1) the applicant has qualified for a license; and
- (2) on receipt of a license fee set by the Board, the Board will issue a license to the applicant.

2-311.

(b) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

- ~~(1)~~ **(I)** a renewal application form; and
- ~~(2)~~ **(II)** a notice that states:
 - ~~(i)~~ **1.** the date on which the current license expires; **AND**
 - ~~(ii)~~ **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
 - (iii)] the amount of the license fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

2-313.

(c) (2) **(I)** At least 1 month before the inactive status of a licensee expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

- ~~(1)~~ **1.** a renewal application form; and
- ~~(2)~~ **2.** a notice that states:
 - ~~1.~~ **A.** the date on which the inactive status expires; **AND**
 - ~~2.~~ **B.** [the date by which the Board must receive the renewal application for the renewal to be mailed before the inactive status expires; and

3.] the amount of the inactive status fee.

(II) IF AN ELECTRONIC TRANSMISSION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER SUBPARAGRAPH (I) OF THIS SUBSECTION PARAGRAPH WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

2-405.

(a) If an applicant qualifies for a permit under this subtitle, the Board shall [send] **MAIL OR ELECTRONICALLY TRANSMIT TO** the applicant a notice that states that:

- (1) the applicant has qualified for a permit; and
- (2) on receipt of a permit fee set by the Board, the Board will issue a permit to the applicant.

2-407.

(b) **(1)** At least 1 month before a permit expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the permit holder[, at the last known address of the holder]:

- ~~(1)~~ **(I)** a renewal application form; and
- ~~(2)~~ **(II)** a notice that states:
 - ~~(i)~~ **1.** the date on which the current permit expires; **AND**
 - ~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the permit expires; and
 - (iii)] the amount of the permit fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

3-309.

(b) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **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

(iii)] the amount of the license fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

3-408.

(b) **(1)** At least 1 month before a permit expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the permit holder[, at the last known address of the permit holder]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current permit expires; **AND**

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the permit expires; and

(iii)] the amount of the permit fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS

SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

4–304.1.

(c) The Board or the Board’s designees shall mail **OR ELECTRONICALLY TRANSMIT** to each applicant notice of the applicant’s examination results.

4–310.

(c) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(i)~~ **(I)** a renewal application form; and

~~(ii)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **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

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

4–405.

(c) **(1)** At least 1 month before registration as an apprentice barber expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the apprentice barber[, at the last known address of the apprentice barber]:

~~(i)~~ **(I)** a renewal application form; and

~~(ii)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current registration as an apprentice barber expires; **AND**

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be approved, issued, and mailed before the registration expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE APPRENTICE BARBER, AT THE LAST KNOWN ADDRESS OF THE APPRENTICE BARBER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

4-506.

(b) **(1)** At least 1 month before a barbershop permit expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the permit holder[, at the last known address of the holder]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current permit expires; **AND**

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the permit expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

5-307.

(e) The Board or the Board's designee shall mail **OR ELECTRONICALLY TRANSMIT** to each applicant notice of the applicant's examination result.

5-311.

(c) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **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

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

5-405.

(c) **(1)** At least 1 month before the registration of an individual expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the individual[, at the last known address of the individual]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current registration expires; **AND**

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the registration expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE INDIVIDUAL, AT THE LAST KNOWN ADDRESS OF THE INDIVIDUAL, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

5-506.

(b) **(1)** At least 1 month before a beauty salon permit expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the beauty salon permit holder[, at the last known address of the holder]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current permit expires; **AND**

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the permit expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE BEAUTY SALON PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE BEAUTY SALON PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

6-306.

(g) Within 45 days after the examination, the State Board shall mail **OR ELECTRONICALLY TRANSMIT** to each applicant notice of the applicant's examination score.

6-310.

(b) **(1)** At least 1 month before a State license expires, the State Board shall mail **OR ELECTRONICALLY TRANSMIT** to the State licensee[, at the last known address of the State licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current State license expires; **AND**

~~(ii)~~ **2.** [the date by which the State Board must receive the renewal application for the renewal to be issued and mailed before the State license expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE STATE BOARD AS UNDELIVERABLE, THE STATE BOARD SHALL MAIL TO THE STATE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE STATE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE STATE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

6–311.

(d) (2) **(I)** At least 1 month before the inactive status of an individual expires, the State Board shall mail **OR ELECTRONICALLY TRANSMIT** to the individual[, at the last known address of the individual]:

~~(i)~~ **1.** a renewal application form; and

~~(ii)~~ **2.** a notice that states:

~~1.~~ **A.** the date on which the inactive status expires; **AND**

~~2.~~ **B.** [the date by which the State Board must receive the renewal application for the renewal to be issued and mailed before the inactive status expires; and

3.] the amount of the renewal fee.

(II) IF AN ELECTRONIC TRANSMISSION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH IS RETURNED TO THE STATE BOARD AS UNDELIVERABLE, THE STATE BOARD SHALL MAIL TO THE INDIVIDUAL, AT THE LAST KNOWN ADDRESS OF THE INDIVIDUAL, THE MATERIALS REQUIRED UNDER SUBPARAGRAPH (I) OF THIS SUBSECTION PARAGRAPH WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

6.5–312.

(b) (1) At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

- (i) a renewal application form; and
- (ii) a notice that states:
 1. the date on which the current license expires; AND
 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 as required under § 6.5–207 of this title.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

~~[(2)]~~ **(3)** The failure of a licensee to receive the notice as provided for in this subsection does not prevent the license from expiring as specified under subsection (a) of this section.

7–306.

(a) If an applicant qualifies for a license under this subtitle, the Board shall mail **OR ELECTRONICALLY TRANSMIT TO** the applicant a notice that states that:

- (1) the applicant has qualified for a license;
- (2) on receipt of a \$55 license fee, the Board will issue a license to the applicant; and
- (3) if the applicant fails to pay the license fee within 30 days after receipt of the notice, the applicant forfeits the right to be issued a license and, to obtain a license, may be required to submit a new application and to pay a new application fee.

7–308.

(b) **(1)** At least 30 days before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

- ~~(1)~~ **(I)** a renewal application form; and
- ~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; AND

~~(ii)~~ **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

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

8–307.

(b) **(1)** At least 30 days before the certificate expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the certificate holder[, at the last known address of the certificate holder]:

~~(1)~~ **(I)** a renewal application form;

~~(2)~~ **(II)** a notice that states[:

(i)] the date on which the current certificate expires; and

[(ii) the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the certificate expires; and]

~~(3)~~ **(III)** the amount of the certificate fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE CERTIFICATE HOLDER, AT THE LAST KNOWN ADDRESS OF THE CERTIFICATE HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

9–309.

(b) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; AND

~~(ii)~~ **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

(iii)] the amount of the license fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

9-408.

(b) **(1)** At least 1 month before a permit expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the permit holder[, at the last known address of the holder]:

~~(i)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current permit expires; AND

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the permit expires; and

(iii)] the amount of the permit fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

11-408.

(b) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

- ~~(1)~~ **(I)** a renewal application form; and
- ~~(2)~~ **(II)** a notice that states:
 - ~~(i)~~ **1.** the date on which the current license expires; AND
 - ~~(ii)~~ **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
 - (iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

12-308.

(b) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

- ~~(1)~~ **(I)** a renewal application form; and
- ~~(2)~~ **(II)** a notice that states:
 - ~~(i)~~ **1.** the date on which the current license expires; AND
 - ~~(ii)~~ **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
 - (iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

13-308.

(c) At least 1 month before a license expires, the Secretary shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

(1) a renewal application form; and

(2) a notice that states:

(i) the date on which the current license expires;

(ii) ~~that~~ that the Secretary must receive the renewal application and the statements required under § 13–309 of this subtitle, at least 15 days before the license expiration date, for the renewal to be issued and mailed before the license expires;

(iii) ~~the~~ the amount of the renewal fee;

~~(iv)~~ ~~(iii)~~ that, if the statements required under § 13–309 of this subtitle are not received at least 15 days before the license expiration date, a fee of \$10 per day shall be charged against the licensee until the statements are received; and

~~(v)~~ ~~(iv)~~ that the submission of a false statement in the renewal application or in the annual statements is cause for revocation of the license.

14–314.

(b) (1) At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

(i) a renewal application form; and

(ii) a notice that states:

1. the date on which the current license expires; **AND**

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 license fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

[(2)] (3) The failure of a licensee to receive the notice for which this subsection provides does not prevent the license from expiring as specified under subsection (a) of this section.

14-407.

(b) **(1)** At least 1 month before a permit expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the permit holder[, at the last known address of the holder]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current permit expires; **AND**

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the permit expires; and

(iii)] the amount of the permit fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

15-314.

(b) (1) At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

(i) a renewal application form; and

(ii) a notice that states:

1. the date on which the current license expires; **AND**

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 license fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10

BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

~~[(2)] (3)~~ The failure of a licensee to receive the notice for which this subsection provides does not prevent the license from expiring as specified under subsection (a) of this section.

15-406.

(b) **(1)** At least 1 month before a permit expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the permit holder[, at the last known address of the holder]:

~~(i)~~ **(I)** a renewal application form; and

~~(ii)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current permit expires; **AND**

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the permit expires; and

(iii)] the amount of the permit fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

16-308.

(b) **(1)** At least 1 month before the license expires, the Commission shall [send] **MAIL OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(i)~~ **(I)** a renewal application form; and

~~(ii)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **2.** [the date by which the Commission must receive the renewal application for the renewal to be issued and mailed before the license expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE COMMISSION AS UNDELIVERABLE, THE COMMISSION SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE COMMISSION RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

16-3A-07.

(b) **(1)** At least 1 month before a license expires, the Commission shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; and

~~(ii)~~ **2.** the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE COMMISSION AS UNDELIVERABLE, THE COMMISSION SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE COMMISSION RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

16-5A-04.

(b) **(2)** At least 1 month before a real estate appraiser trainee license expires, the Commission shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

(i) a renewal application form; and

(ii) a notice that states:

1. the date on which the current license expires; **AND**

2. [the date by which the Commission 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.

(3) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (2) OF THIS SUBSECTION IS RETURNED TO THE COMMISSION AS UNDELIVERABLE, THE COMMISSION SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE COMMISSION RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

~~[(3)] (4)~~ The failure of a licensee to receive the notice under this subsection does not prevent the license from expiring as specified under subsection (a) of this section.

17-314.

(d) (1) At least 1 month before a license expires, the Commission shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee, as provided in paragraph (2) of this subsection:

(i) a renewal application form; and

(ii) a notice that states:

1. the date on which the current license expires; **AND**

2. [the date by which the Commission 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.

(2) (i) If the licensee is a real estate broker, the Commission shall mail **OR ELECTRONICALLY TRANSMIT** the renewal application form and notice to the principal office of the broker.

(ii) If the licensee is an associate real estate broker or a real estate salesperson, the Commission shall mail **OR ELECTRONICALLY TRANSMIT** the renewal application form and notice to the principal office of the real estate broker with whom the licensee is affiliated.

(3) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OR (2) OF THIS SUBSECTION IS RETURNED TO THE COMMISSION AS UNDELIVERABLE, THE COMMISSION SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION

WITHIN 10 BUSINESS DAYS OF THE DATE THE COMMISSION RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

18–307.

(c) At least 1 month before a license expires, the Secretary shall mail **OR ELECTRONICALLY TRANSMIT** to the agency[, at the last known address of the agency]:

(1) a renewal application form; and

(2) a notice that states:

(i) the date on which the current license expires;

(ii) ~~that~~ the Secretary must receive the renewal application and proof of insurance or bonding as required in § 18–401 of this title at least 15 days before the license expiration date for the renewal to be issued and mailed before the license expires;

(iii)~~]~~ the amount of the renewal fee;

~~[(iv)]~~ ~~(iii)~~ that, if the complete renewal application and proof of insurance or bonding as required in § 18–401 of this title are not received at least 15 days before the license expiration date, a fee of \$25 per day shall be charged against the agency until the day the license expires, at which time the agency shall be considered closed;

~~[(v)]~~ ~~(iv)~~ that an agency may not be issued a license under this title until all outstanding obligations are satisfied with the Secretary; and

~~[(vi)]~~ ~~(v)~~ that the submission of a false statement in the renewal application or the submission of altered or false documents that are otherwise required is cause for revocation of the agency license.

19–308.

(c) At least 1 month before a license expires, the Secretary shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

(1) a renewal application form; and

(2) a notice that states:

(i) the date on which the current license expires;

(ii) ~~that~~ that the Secretary must receive the renewal application and the statements required under § 19–309 of this subtitle, at least 15 days before the license expiration date, for the renewal to be issued and mailed before the license expires;

(iii)~~] the amount of the renewal fee;~~

~~[(iv)] (III)~~ that, if the statements required under § 19–309 of this subtitle are not received at least 15 days before the license expiration date, a fee of \$10 per day shall be charged against the licensee until the statements are received; and

~~[(v)] (IV)~~ that the submission of a false statement in the renewal application or in the annual statements is cause for revocation of the license.

20–309.

(b) At least 2 months before a license expires, the Secretary shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

(1) a renewal application form; and

(2) a notice that states:

(i) the date on which the current license expires;

(ii) ~~that~~ that the Secretary must receive the renewal application at least 21 days before the license expiration date, for the renewal to be issued and mailed before the current license expires;

(iii)] the amount of the renewal fee; and

~~[(iv)] (III)~~ that the submission of a false statement in the renewal application or in the annual statements is cause for revocation of the license.

21–306.

(a) If an applicant qualifies for a registration under this subtitle, the Board shall ~~[send]~~ **MAIL OR ELECTRONICALLY TRANSMIT TO** the applicant a notice that states that:

(1) the applicant has qualified for a registration; and

(2) on receipt of a registration fee set by the Board, the Board will issue a registration to the applicant.

21–308.

(b) **(1)** At least 1 month before a registration expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the individual[, at the last known address of the individual]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current registration expires; **AND**

~~(ii)~~ **2.** [the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the registration expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE INDIVIDUAL, AT THE LAST KNOWN ADDRESS OF THE INDIVIDUAL, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

Article – Business Regulation

5–307.

(b) **(1)** At least 90 days before a registration or permit expires, the Director shall mail **OR ELECTRONICALLY TRANSMIT** to the registrant or permit holder[, at the last known address of the registrant or permit holder]:

~~(1)~~ **(I)** a renewal application form; and

~~(2)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current registration or permit expires; **AND**

~~(ii)~~ **2.** [the date by which the Director must receive the renewal application for the renewal to be issued and mailed before the registration or permit expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE DIRECTOR AS UNDELIVERABLE, THE

DIRECTOR SHALL MAIL TO THE REGISTRANT OR PERMIT HOLDER, AT THE LAST KNOWN ADDRESS OF THE REGISTRANT OR PERMIT HOLDER, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE DIRECTOR RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

8-308.

(c) **(1)** At least 1 month before a license expires, the Commission shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(i)~~ **(I)** a renewal application form; and

~~(ii)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **2.** [the date by which the Commission must receive the renewal application for the renewal to be issued and mailed before the license expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE COMMISSION AS UNDELIVERABLE, THE COMMISSION SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE COMMISSION RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

9A-304.

(c) The Board shall [send] **MAIL OR ELECTRONICALLY TRANSMIT** written notice of the date, hour, and place of examination to each applicant for a license who is required to pass the examination.

12-207.

(b) **(1)** At least 1 month before a license expires, the Secretary shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(i)~~ **(I)** a renewal application form; and

~~(ii)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; AND

~~(ii)~~ **2.** [the date by which the Secretary must receive the renewal application for the renewal to be issued and mailed before the license expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE SECRETARY AS UNDELIVERABLE, THE SECRETARY SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE SECRETARY RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

12.5–209.

(d) **(1)** At least 60 days before a license expires, the Secretary shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(1)~~ **(I)** a renewal application form;

~~(2)~~ **(II)** a form that allows a licensee to update the information submitted in the original application or state that the information is current and accurate;

~~(3)~~ **(III)** except as provided in subsection (e) of this section, a form that requires the licensee to agree to continue to comply with each requirement applicable to the original application; and

~~(4)~~ **(IV)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; AND

~~(ii)~~ **2.** [the date by which the Secretary must receive the renewal application for the renewal to be issued and mailed before the license expires; and

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE SECRETARY AS UNDELIVERABLE, THE SECRETARY SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE SECRETARY RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

12-833.

(b) **(1)** At least 1 month before a license expires, the Board shall mail **OR ELECTRONICALLY TRANSMIT** to the licensee[, at the last known address of the licensee]:

~~(i)~~ **(I)** a renewal application form; and

~~(ii)~~ **(II)** a notice that states:

~~(i)~~ **1.** the date on which the current license expires; **AND**

~~(ii)~~ **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

(iii)] the amount of the renewal fee.

(2) IF AN ELECTRONIC TRANSMISSION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS RETURNED TO THE BOARD AS UNDELIVERABLE, THE BOARD SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE LICENSEE, THE MATERIALS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION WITHIN 10 BUSINESS DAYS OF THE DATE THE BOARD RECEIVED THE NOTICE THAT THE ELECTRONIC TRANSMISSION WAS UNDELIVERABLE.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) Before an occupational and professional licensing board, commission, or other regulatory entity may electronically transmit a communication as authorized under Section 1 of this Act, the board, commission, or entity shall:

(1) mail a notice informing the licensee, registrant, or permit holder that the board, commission, or entity will switch from a system of physical mail to a system of electronic transmission; and

(2) inquire whether the e-mail address that the board, commission, or entity has on file is a current and valid e-mail address for the licensee, registrant, or permit holder.

(b) If a licensee, registrant, or permit holder does not respond within 30 days after the board, commission, or entity mails the notice required under subsection (a) of this section, the board, commission, or entity may assume that the e-mail address is current and valid and may electronically transmit communications as authorized under Section 1 of this Act.

SECTION ~~2.~~ **3.** AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Approved by the Governor, April 18, 2017.

Chapter 248

(House Bill 141)

AN ACT concerning

Unemployment Insurance – Eligibility for Benefits – Business Operation Closings

FOR the purpose of authorizing the Secretary of Labor, Licensing and Regulation to exempt employees of an employer that closes its business operations or part of its business operations for certain periods of time for certain purposes from the requirement to actively seek work during that period to be eligible to receive unemployment insurance benefits; providing that a certain exemption may be granted only with respect to a specific business operation closing; and generally relating to eligibility for unemployment insurance benefits during business operation closings.

BY repealing and reenacting, with amendments,
Article – Labor and Employment
Section 8–904
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Labor and Employment

8–904.

(a) When an employer closes its entire plant, **BUSINESS OPERATION**, [or] part of its plant, **OR PART OF ITS BUSINESS OPERATION** for inventory, vacation, or another purpose that will cause unemployment for a definite period not exceeding 10 weeks, the Secretary may exempt employees of the [plant] **EMPLOYER** from the requirement of § 8–903(a)(1)(iii) of this subtitle to actively seek work during that period if the Secretary finds that circumstances and labor market conditions justify the exemption.

(b) Whenever an employer closes its entire plant, **BUSINESS OPERATION**, [or] part of its plant, **OR PART OF ITS BUSINESS OPERATION** for a purpose other than inventory or vacation that will cause unemployment for a definite period not exceeding 26 weeks, for the period of the specific shutdown, the Secretary may exempt employees of the

[plant] **EMPLOYER** from the requirement of § 8–903(a)(1)(iii) of this subtitle to actively seek work if:

- (1) the employer and affected employees jointly request the exemption;
- (2) the employer provides that all affected employees shall return to work for the employer within 26 weeks; and
- (3) the Secretary determines that the exemption will promote productivity and economic stability within the State.

(c) (1) This subsection does not exempt an individual from meeting the requirements of § 8–902(a) or § 8–903(a)(1)(i) and (ii) of this subtitle to be able to work and otherwise fully available for work.

(2) An exemption under this section may be granted only with respect to a specific plant **OR BUSINESS OPERATION** closing.

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

Approved by the Governor, April 18, 2017.

Chapter 249

(Senate Bill 17)

AN ACT concerning

Unemployment Insurance – Eligibility for Benefits – Business Operation Closings

FOR the purpose of authorizing the Secretary of Labor, Licensing and Regulation to exempt employees of an employer that closes its business operations or part of its business operations for certain periods of time for certain purposes from the requirement to actively seek work during that period to be eligible to receive unemployment insurance benefits; providing that a certain exemption may be granted only with respect to a specific business operation closing; and generally relating to eligibility for unemployment insurance benefits during business operation closings.

BY repealing and reenacting, with amendments,
Article – Labor and Employment
Section 8–904
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Labor and Employment

8–904.

(a) When an employer closes its entire plant, **BUSINESS OPERATION**, [or] part of its plant, **OR PART OF ITS BUSINESS OPERATION** for inventory, vacation, or another purpose that will cause unemployment for a definite period not exceeding 10 weeks, the Secretary may exempt employees of the [plant] **EMPLOYER** from the requirement of § 8–903(a)(1)(iii) of this subtitle to actively seek work during that period if the Secretary finds that circumstances and labor market conditions justify the exemption.

(b) Whenever an employer closes its entire plant, **BUSINESS OPERATION**, [or] part of its plant, **OR PART OF ITS BUSINESS OPERATION** for a purpose other than inventory or vacation that will cause unemployment for a definite period not exceeding 26 weeks, for the period of the specific shutdown, the Secretary may exempt employees of the [plant] **EMPLOYER** from the requirement of § 8–903(a)(1)(iii) of this subtitle to actively seek work if:

- (1) the employer and affected employees jointly request the exemption;
- (2) the employer provides that all affected employees shall return to work for the employer within 26 weeks; and
- (3) the Secretary determines that the exemption will promote productivity and economic stability within the State.

(c) (1) This subsection does not exempt an individual from meeting the requirements of § 8–902(a) or § 8–903(a)(1)(i) and (ii) of this subtitle to be able to work and otherwise fully available for work.

(2) An exemption under this section may be granted only with respect to a specific plant **OR BUSINESS OPERATION** closing.

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

Approved by the Governor, April 18, 2017.

Chapter 250**(House Bill 135)**

AN ACT concerning

Unemployment Insurance – Electronic Transmission of Information and Documents – Authority

FOR the purpose of authorizing the Department of Labor, Licensing, and Regulation, individuals, and employers to electronically send certain information and documents relating to unemployment insurance; requiring the Department to adopt certain regulations; making conforming changes; and generally relating to the electronic transmission of information and documents under unemployment insurance law.

BY adding to

Article – Labor and Employment
Section 8–108
Annotated Code of Maryland
(2016 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Labor and Employment
Section 8–629(f), 8–638(e), and 8–806(g)
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Labor and Employment

8–108.

(A) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE GOVERNING METHODS OF DELIVERY, AN INDIVIDUAL OR EMPLOYER MAY ELECTRONICALLY SEND TO THE DEPARTMENT INFORMATION, A REPORT, A REQUEST, OR A DOCUMENT, INCLUDING A REQUEST FOR A DETERMINATION, A REDETERMINATION, OR AN APPEAL.

(B) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE GOVERNING METHODS OF DELIVERY, THE DEPARTMENT MAY ELECTRONICALLY SEND A DETERMINATION, A REDETERMINATION, AN APPEALS DECISION, A NOTICE, OR ANY OTHER DOCUMENT PROVIDED TO AN INDIVIDUAL OR EMPLOYER UNDER THIS TITLE.

(C) THE DEPARTMENT SHALL ADOPT REGULATIONS ESTABLISHING THE METHODS AND MEANS FOR ELECTRONICALLY SENDING INFORMATION AND DOCUMENTS UNDER THIS SECTION.

8–629.

(f) (1) An assessment under this section is final unless:

(i) within 15 days after the [mailing of the] assessment **IS SENT**, an employing unit applies to the Board of Appeals for a hearing; or

(ii) on its own motion, the Board of Appeals reduces the contribution or interest.

(2) After a hearing held under this subsection, the Board of Appeals shall:

(i) pass an order to affirm, modify, or set aside the assessment; and

(ii) promptly give an employing unit written notice of its decision.

8–638.

(e) (1) If a claim for an adjustment or refund is rejected, the Secretary shall [mail] **SEND** a written notice of rejection to the employing unit.

(2) (i) Within 15 days after receiving a notice of rejection, the employing unit may petition the Appeals Board for a formal hearing.

(ii) The petition shall state the grounds on which the refund or adjustment is claimed.

(3) The Board of Appeals shall:

(i) grant a hearing requested under this subsection;

(ii) notify the employing unit of the time and place of the hearing;

(iii) after the hearing, pass an order that the Board of Appeals considers to be just and lawful; and

(iv) [give] **SEND** a copy of the order to the employing unit.

8–806.

(g) (1) Within 15 days after the date [of mailing of the notice or the date of delivery] **THE NOTICE OF THE DETERMINATION OR REDETERMINATION IS SENT**, a

claimant or employing unit entitled to notice of a determination or redetermination under this section may appeal to the Lower Appeals Division.

(2) The Secretary may, at the Secretary's discretion, be a party to an appeal filed by a claimant or employing unit with the Lower Appeals Division.

(3) Unless an appeal of a determination or redetermination under this section is withdrawn or removed to the Board of Appeals, a hearing examiner shall:

(i) give the parties a reasonable opportunity for a fair hearing in accordance with the notice provisions in §§ 10–207 and 10–208 of the State Government Article, except that the provisions of § 10–208(b)(4) and (7) of the State Government Article do not apply;

(ii) make findings of fact and conclusions of law; and

(iii) on the basis of those findings and conclusions, affirm, modify, or reverse a determination or redetermination.

(4) If an appeal involves an issue of whether employment that a claimant performed is covered employment:

(i) the hearing examiner shall give special notice of the issue and appeal to the Secretary and employer; and

(ii) on receipt of the notice, the Secretary and employer shall be parties to the proceeding and be given reasonable opportunity to offer evidence on that issue.

(5) The hearing examiner promptly shall mail to each party at the last known address of the party or otherwise deliver to the party:

(i) notice of the decision of the hearing examiner; and

(ii) a copy of the decision and the findings of fact and conclusions of law that support the decision.

(6) A decision under this subsection is final unless within 15 days after the mailing or other delivery of notice of the decision, further review is initiated under subsection (h) of this section.

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

Approved by the Governor, April 18, 2017.

Chapter 251**(House Bill 139)**

AN ACT concerning

Unemployment Insurance – Employer Determinations – Process and Appeal Rights

FOR the purpose of specifying the process and timeframe for exercising certain appeal rights related to employer determinations under the unemployment insurance law; requiring the Lower Appeals Division to hear and decide appeals from review determination decisions; authorizing an employer to file an appeal of a review determination decision to the Lower Appeals Division and the Board of Appeals under certain circumstances and within certain time periods; requiring the Secretary of Labor, Licensing, and Regulation to be a party to a certain appeal; authorizing a hearing examiner to take certain action regarding a review determination decision; authorizing the Board to initiate a review of a certain decision under certain circumstances; requiring the Secretary to make certain determinations; authorizing the Board to remand certain findings of a hearing examiner on certain bases; requiring the Secretary, under certain circumstances, to make a certain determination; requiring that a certain notice advise employers of a certain right and certain information; specifying the processes for the Secretary, Division, and Board to undertake certain reviews and appeals determinations and make certain decisions; authorizing the Secretary to adopt certain regulations; specifying the circumstances under which certain determinations and decisions become final and not subject to appeal; altering the time period within which requests for certain review determinations must be submitted; making a technical change; making certain clarifying and conforming changes; providing for the application of this Act; defining certain terms; altering a certain definition; and generally relating to employer determinations under the unemployment insurance law.

BY repealing and reenacting, without amendments,

Article – Labor and Employment

Section 8–101(a) and 8–638(f)

Annotated Code of Maryland

(2016 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Labor and Employment

Section 8–101(f), 8–503, 8–507, 8–508, 8–5A–10, 8–602, 8–617(f), 8–621,
8–629(f), and 8–638(e)

Annotated Code of Maryland

(2016 Replacement Volume)

BY adding to

Article – Labor and Employment

Section 8–101(j–1), (m–1), (q–1), (t–1), (u–1), (w–1), (w–2), and (x–1), 8–604, 8–605,
8–613(i), and 8–617(g)

Annotated Code of Maryland

(2016 Replacement Volume)

BY repealing

Article – Labor and Employment

Section 8–617(g)

Annotated Code of Maryland

(2016 Replacement Volume)

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

Article – Labor and Employment

8–101.

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

(f) “Board of Appeals” means the Board of Appeals of the Department of Labor,
Licensing, and Regulation **ESTABLISHED UNDER § 8–5A–01 OF THIS TITLE.**

**(J–1) “CLAIMS EXAMINER” MEANS AN INDIVIDUAL APPOINTED BY THE
SECRETARY WHO MAKES DETERMINATIONS OR REDETERMINATIONS OF CLAIMS
UNDER SUBTITLE 8 OF THIS TITLE.**

**(M–1) “DETERMINATION” MEANS A DECISION MADE BY OR ON BEHALF
OF THE SECRETARY UNDER THIS TITLE.**

**(Q–1) “HEARING EXAMINER” MEANS AND INDIVIDUAL APPOINTED
UNDER § 8–502 OF THIS TITLE WHO IS AUTHORIZED TO CONDUCT HEARINGS AND
ISSUE DECISIONS IN CASES APPEALED TO THE LOWER APPEALS DIVISION.**

**(T–1) “LAST KNOWN ADDRESS” INCLUDES A PHYSICAL ADDRESS OR AN
ELECTRONIC ADDRESS.**

**(U–1) “MAILED OR OTHERWISE DELIVERED” MEANS TO CAUSE TO BE
DELIVERED BY ELECTRONIC TRANSMISSION OR PHYSICAL MAILING.**

**(W–1) “REVIEW DETERMINATION” MEANS THE PROCESS BY WHICH THE
DEPARTMENT CONDUCTS AN INTERNAL REVIEW OF A DETERMINATION MADE**

UNDER SUBTITLE 6 OF THIS TITLE, INDEPENDENT OF A DETERMINATION OR REDETERMINATION OF A CLAIM.

(W-2) “REVIEW DETERMINATION DECISION” MEANS THE SECRETARY’S FINAL DETERMINATION UNDER SUBTITLE 6 OF THIS TITLE FOR WHICH A RIGHT TO A REVIEW DETERMINATION IS AVAILABLE THAT:

- (1) IS ISSUED IN ACCORDANCE WITH § 8-604 OF THIS TITLE; AND**
- (2) MAY BE APPEALED IN ACCORDANCE WITH § 8-605 OF THIS TITLE.**

(X-1) “SEND” MEANS TO CAUSE TO BE DELIVERED BY ELECTRONIC TRANSMISSION OR PHYSICAL MAILING.

8-503.

The Lower Appeals Division shall hear and decide appeals from:

- (1) the determinations of the claims examiners; AND**
- (2) REVIEW DETERMINATION DECISIONS.**

8-507.

(a) In a proceeding before a hearing examiner, a claimant may be represented by a lawyer or another agent authorized by the claimant.

(b) A lawyer **REPRESENTING A CLAIMANT** may charge and accept compensation in an amount not greater than that approved by the chief hearing examiner.

(c) Except as provided in subsection (b) of this section, an agent may not charge or accept compensation for representing a claimant in a proceeding before a hearing examiner.

(d) In a proceeding before a hearing examiner, an employer may appear pro se or be represented by a lawyer or another agent authorized by the employer.

(e) A person may not solicit, for that person or another person, the business of appearing on behalf of a claimant in a proceeding before a hearing examiner.

8-508.

(a) **(1)** An individual who files a claim for benefits or an employer entitled to notice of a determination or redetermination of the claim may file an appeal with the Lower Appeals Division within 15 days after notice of the determination or redetermination **OF A**

CLAIM is mailed to the claimant or employer at the last known address of the claimant or employer or otherwise is delivered.

[(b)] (2) The Secretary, at the Secretary's discretion, may be a party to an appeal filed by a claimant or employing unit with the Lower Appeals Division **UNDER PARAGRAPH (1) OF THIS SUBSECTION.**

(B) (1) AN EMPLOYER MAY FILE AN APPEAL OF A REVIEW DETERMINATION DECISION WITH THE LOWER APPEALS DIVISION WITHIN 30 DAYS AFTER THE NOTICE OF THE REVIEW DETERMINATION DECISION IS SENT TO THE EMPLOYER AT THE LAST KNOWN ADDRESS OF THE EMPLOYER.

(2) THE SECRETARY SHALL BE A PARTY TO AN APPEAL FILED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(c) Unless an appeal filed under subsection (a) **OR SUBSECTION (B)** of this section is withdrawn or removed to the Board of Appeals, a hearing examiner shall:

(1) give the parties a reasonable opportunity for a fair hearing in accordance with the notice provisions in §§ 10–207 and 10–208 of the State Government Article, except that the notice is not subject to § 10–208(b)(4) and (7) of the State Government Article;

(2) make findings of fact and conclusions of law, based on a preponderance of evidence, in accordance with § 10–217 of the State Government Article; and

(3) on the basis of the findings of fact and conclusions of law, affirm, modify, or reverse a determination or redetermination **OF A CLAIM OR A REVIEW DETERMINATION DECISION.**

(d) The hearing examiner promptly shall give each party:

(1) notice of the decision of the hearing examiner in accordance with § 10–221 of the State Government Article; and

(2) a copy of the decision and the findings of fact and conclusions of law that support the decision.

(e) The decision of the hearing examiner is final after 10 days after notice of the decision has been mailed or otherwise delivered to the individual or employer that filed the appeal with the Lower Appeals Division, unless further review is initiated under § 8–5A–10 of this title.

(a) **(1) [A] IN A CASE INVOLVING A DETERMINATION OR A REDETERMINATION OF A CLAIM,** A party who wishes to file an appeal with the Board of Appeals shall do so within 15 days after notice of the decision of a hearing examiner was mailed to the party at the last known address of the party or otherwise was delivered to the party.

(2) IN A CASE INVOLVING A DETERMINATION UNDER SUBTITLE 6 OF THIS TITLE FOR WHICH A REVIEW DETERMINATION WAS ISSUED, AN EMPLOYER THAT WISHES TO FILE AN APPEAL WITH THE BOARD OF APPEALS SHALL DO SO WITHIN 30 DAYS AFTER NOTICE OF THE DECISION OF A HEARING EXAMINER WAS SENT TO THE EMPLOYER.

(b) After a hearing examiner makes a final decision under § 8–508 of this title:

(1) if the hearing examiner does not affirm the determination or redetermination of a claim **OR THE REVIEW DETERMINATION DECISION**, the Board of Appeals shall allow an appeal by either the Secretary, or a party entitled to notice of the decision, or both; and

(2) if the hearing examiner affirms the determination or redetermination of a claim **OR THE REVIEW DETERMINATION DECISION**, the Board of Appeals may allow an appeal by a party entitled to notice of the decision.

(c) **(1)** Within the time limit for filing an appeal under subsection [(a)] **(A)(1)** of this section, on its own motion the Board of Appeals may initiate a review of the decision of a hearing examiner **IN A CASE INVOLVING A DETERMINATION OR A REDETERMINATION OF A CLAIM.**

(2) WITHIN THE TIME LIMIT FOR FILING AN APPEAL UNDER SUBSECTION (A)(2) OF THIS SECTION, ON ITS OWN MOTION THE BOARD OF APPEALS MAY INITIATE REVIEW OF THE DECISION OF A HEARING EXAMINER IN A CASE INVOLVING A REVIEW DETERMINATION DECISION.

(d) On review on its own motion or on appeal, the Board of Appeals may **REMAND**, affirm, modify, or reverse the findings of fact or conclusions of law of the hearing examiner on the basis of:

(1) evidence submitted to the hearing examiner; or

(2) evidence that the Board of Appeals may direct to be taken.

(e) A proceeding removed or appealed to the Board of Appeals shall be heard by a quorum.

(a) On the Secretary's own initiative or on application of an employer, the Secretary shall, on the basis of facts that the Secretary finds, determine:

- (1) whether the employer is an employing unit;
- (2) which employment is covered; [and]
- (3) the contribution rate to be assigned;
- (4) **BENEFITS CHARGED TO AN EMPLOYER; AND**

(5) (I) THE STATUS OF THE EMPLOYER UNDER § 8-613 OF THIS SUBTITLE, INCLUDING WHETHER THE EMPLOYER IS A REORGANIZED EMPLOYER, A PREDECESSOR EMPLOYER, OR A SUCCESSOR EMPLOYER; AND

(II) WHETHER THE EMPLOYER HAS VIOLATED § 8-614 OF THIS SUBTITLE.

(b) (1) The Secretary shall [mail] **SEND** notice of the determination under subsection (a) of this section to the employer at its last known address or otherwise deliver notice to the employer.

(2) The notice shall:

(I) include a statement of the supporting facts found by the Secretary;

(II) ADVISE THE EMPLOYER OF THE EMPLOYER'S RIGHT TO REQUEST A REVIEW DETERMINATION AS PROVIDED UNDER § 8-604 OF THIS SUBTITLE; AND

(III) ADVISE THE EMPLOYER THAT THE DETERMINATION IS FINAL AND NOT SUBJECT TO APPEAL IF THE EMPLOYER DOES NOT REQUEST A REVIEW DETERMINATION IN ACCORDANCE WITH § 8-604 OF THIS SUBTITLE.

(c) (1) An employer may appeal a determination of the Secretary to the Board of Appeals within 15 days after the Secretary mailed or otherwise delivered the notice under subsection (b) of this section.

(2) The Board of Appeals shall allow the appeal.

(3) The Secretary shall be a party to the appeal.

(4) The Board of Appeals shall give the parties a reasonable opportunity for a fair hearing as provided under Subtitle 5A of this title.

(D) EXCEPT IN THE CASE OF FRAUD OR A PERIOD FOR WHICH A REPORT UNDER § 8-626 OF THIS SUBTITLE WAS NOT FILED, A DETERMINATION MADE UNDER SUBSECTION (A) OF THIS SECTION SHALL BE SENT TO THE EMPLOYER WITHIN 3 YEARS OF THE LAST DAY FOR THE PERIOD AT ISSUE IN THE DETERMINATION.

8-604.

(A) IN THIS SECTION, “EMPLOYER” INCLUDES ANY EMPLOYER, EMPLOYING UNIT, GOVERNMENTAL ENTITY, OR NOT FOR PROFIT ORGANIZATION ENTITLED TO NOTICE OF A DETERMINATION UNDER THIS SUBTITLE.

(B) (1) THIS SUBSECTION APPLIES TO ANY DETERMINATION UNDER THIS SUBTITLE FOR WHICH THE RIGHT TO REQUEST A REVIEW DETERMINATION IS AVAILABLE.

(2) AN EMPLOYER MAY REQUEST A REVIEW DETERMINATION WITHIN 30 DAYS AFTER THE DATE THE SECRETARY’S DETERMINATION WAS SENT TO THE EMPLOYER.

(3) THE REQUEST FOR A REVIEW DETERMINATION SHALL STATE THE REASONS THE EMPLOYER DISAGREES WITH THE SECRETARY’S DETERMINATION.

(4) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, IF AN EMPLOYER DOES NOT MAKE A TIMELY REQUEST FOR A REVIEW DETERMINATION, THE PREVIOUSLY ISSUED DETERMINATION OF THE SECRETARY IS FINAL AND NOT SUBJECT TO APPEAL.

(II) IF AN EMPLOYER MAKES A LATE REQUEST FOR A REVIEW DETERMINATION, THE SECRETARY MAY, IN THE SECRETARY’S DISCRETION, ACCEPT THE REQUEST FOR A REVIEW DETERMINATION AS IF THE REQUEST HAD BEEN MADE TIMELY.

(C) (1) THE REVIEW DETERMINATION SHALL BE CONDUCTED IN ACCORDANCE WITH PROCEDURES ESTABLISHED BY THE SECRETARY.

(2) THE SECRETARY MAY ADOPT REGULATIONS ESTABLISHING PROCEDURES FOR CONDUCTING A REVIEW DETERMINATION.

(D) (1) AFTER CONDUCTING A REVIEW DETERMINATION, THE SECRETARY SHALL ISSUE A REVIEW DETERMINATION DECISION AND SEND IT TO THE EMPLOYER.

(2) THE REVIEW DETERMINATION DECISION:

(I) SHALL INCLUDE A STATEMENT OF THE FACTS ON WHICH THE DECISION IS BASED;

(II) MAY ACCEPT, RECONSIDER, OR AMEND THE SECRETARY'S INITIAL DETERMINATION; AND

(III) MAY BE APPEALED TO THE LOWER APPEALS DIVISION IN ACCORDANCE WITH § 8-605 OF THIS SUBTITLE.

(E) (1) IF THE SECRETARY HAS NOT ISSUED A REVIEW DETERMINATION DECISION WITHIN 60 DAYS AFTER THE DATE THE REVIEW DETERMINATION REQUEST WAS SENT, THE EMPLOYER MAY REQUEST, IN WRITING, THAT THE SECRETARY ADOPT THE PREVIOUSLY ISSUED DETERMINATION AS A FINAL DETERMINATION, WHICH MAY BE APPEALED TO THE LOWER APPEALS DIVISION IN ACCORDANCE WITH § 8-605 OF THIS SUBTITLE.

(2) ON RECEIPT OF A REQUEST UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE SECRETARY SHALL ISSUE AND SEND TO THE EMPLOYER A NOTICE:

(I) ADOPTING THE SECRETARY'S PREVIOUSLY ISSUED DETERMINATION AS A REVIEW DETERMINATION DECISION; AND

(II) ADVISING THE EMPLOYER OF THE RIGHT TO FILE AN APPEAL TO THE LOWER APPEALS DIVISION IN ACCORDANCE WITH § 8-605 OF THIS SUBTITLE.

8-605.

(A) (1) AN EMPLOYER MAY APPEAL A REVIEW DETERMINATION DECISION ISSUED UNDER § 8-604 OF THIS SUBTITLE TO THE LOWER APPEALS DIVISION WITHIN 30 DAYS AFTER THE SECRETARY SENT THE REVIEW DETERMINATION DECISION TO THE EMPLOYER.

(2) AN APPEAL UNDER THIS SECTION SHALL IDENTIFY ALL FACTS AND ISSUES ON WHICH THE APPEAL IS BASED.

(3) THE LOWER APPEALS DIVISION SHALL ALLOW THE APPEAL.

(4) A HEARING EXAMINER SHALL PROVIDE THE PARTIES WITH A REASONABLE OPPORTUNITY FOR A FAIR HEARING IN ACCORDANCE WITH SUBTITLE 5 OF THIS TITLE.

(B) THE HEARING EXAMINER'S DECISION UNDER THIS SECTION AND SUBTITLE 5 OF THIS TITLE IS FINAL IF THE EMPLOYER OR THE SECRETARY DOES NOT FILE AN APPEAL WITH THE BOARD OF APPEALS IN ACCORDANCE WITH SUBTITLE 5A OF THIS TITLE WITHIN 30 DAYS AFTER THE DECISION IS SENT TO THE EMPLOYER.

8-613.

(I) THE SECRETARY'S DETERMINATION UNDER THIS SECTION IS FINAL AND NOT SUBJECT TO APPEAL IF THE EMPLOYING UNIT DOES NOT REQUEST A REVIEW DETERMINATION IN ACCORDANCE WITH § 8-604 OF THIS SUBTITLE WITHIN 30 DAYS AFTER THE NOTICE IS SENT TO THE EMPLOYING UNIT.

8-617.

(f) **[(1)]** In accordance with regulations adopted to carry out this title, the Secretary shall notify each not for profit organization of any determination that the Secretary makes about:

[(i)] (1) its status as an employing unit; or

[(ii)] (2) the effective date of an election or termination of election.

[(g)] (1) A not for profit organization may appeal a determination of the Secretary to the Board of Appeals within 15 days after the Secretary mails notice of the determination to the not for profit organization at the last known address of the not for profit organization or otherwise delivers the notice.

(2) The Secretary shall be a party to the appeal.]

(G) A DETERMINATION BY THE SECRETARY UNDER SUBSECTION (F) OF THIS SECTION IS FINAL AND NOT SUBJECT TO APPEAL UNLESS, WITHIN 30 DAYS AFTER THE DETERMINATION IS SENT TO THE EMPLOYER, A NOT FOR PROFIT ORGANIZATION REQUESTS A REVIEW DETERMINATION IN ACCORDANCE WITH § 8-604 OF THIS SUBTITLE.

8-621.

[(a)] (1) A bill from the Secretary under § 8-620 of this subtitle is final **AND NOT SUBJECT TO APPEAL** for a not for profit organization or governmental entity unless it

[submits an application for] **REQUESTS A** review [by the Secretary] **DETERMINATION IN ACCORDANCE WITH § 8-604 OF THIS SUBTITLE** within [15] **30** days after [the Secretary mailed] the bill **WAS SENT** to the [last known address of the] not for profit organization or governmental entity [or otherwise delivered the bill].

[(2) An application under this subsection shall set forth the grounds for review.

(b) (1) On receipt of an application for review, the Secretary promptly shall review and reconsider the amount due in the bill and issue a review determination.

(2) The Secretary shall mail a copy of the review determination to a not for profit organization or governmental entity to its last known address or otherwise deliver the copy.

(c) A review determination of a bill is final unless a not for profit organization or governmental entity submits an appeal to the Board of Appeals within 15 days after the Secretary mailed the review determination to the last known address of the not for profit organization or governmental entity or otherwise delivered the review determination.

(d) Proceedings on appeal to the Board of Appeals from the amount of a bill or a redetermination of the amount shall be in accordance with Subtitle 5A of this title.]

8-629.

(f) (1) An assessment under this section is final unless:

(i) within [15] **30** days after the [mailing of the] assessment **WAS SENT**, an employing unit [applies to the Board of Appeals for a hearing] **REQUESTS A REVIEW DETERMINATION UNDER § 8-604 OF THIS SUBTITLE**; or

(ii) on its own motion, the Board of Appeals [reduces] **GRANTS A HEARING TO CONSIDER WHETHER** the contribution or interest **SHOULD BE REDUCED**.

(2) After a hearing held under this subsection, the Board of Appeals shall:

(i) pass an order to affirm, modify, or set aside the assessment; and

(ii) promptly give an employing unit written notice of its decision.

(3) EXCEPT IN THE CASE OF A FRAUDULENT REPORT OR IN THE CASE OF A PERIOD FOR WHICH A REPORT UNDER § 8-626 OF THIS SUBTITLE WAS NOT FILED, A NOTICE UNDER THIS SECTION SHALL BE SENT TO THE EMPLOYER WITHIN 3 YEARS OF THE LAST DAY OF THE PERIOD AT ISSUE IN THE NOTICE.

8–638.

(e) (1) If a claim for an adjustment or refund is rejected, the Secretary shall [mail] SEND a written notice of rejection to the employing unit.

(2) [(i) Within 15 days after receiving a notice of rejection, the employing unit may petition the Appeals Board for a formal hearing] **THE SECRETARY'S DETERMINATION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS FINAL AND NOT SUBJECT TO APPEAL IF THE EMPLOYING UNIT DOES NOT REQUEST A REVIEW DETERMINATION IN ACCORDANCE WITH § 8–604 OF THIS SUBTITLE WITHIN 30 DAYS AFTER THE NOTICE IS SENT TO THE EMPLOYING UNIT.**

[(ii) The petition shall state the grounds on which the refund or adjustment is claimed.]

(3) The Board of Appeals shall:

(i) grant a hearing requested under this subsection;

(ii) notify the employing unit of the time and place of the hearing;

(iii) after the hearing, pass an order that the Board of Appeals considers to be just and lawful; and

(iv) give a copy of the order to the employing unit.]

(f) This title does not:

(1) authorize an adjustment or refund of money that was due under the law in effect at the time that the money was paid; or

(2) prohibit a refund required under § 8–640 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 determinations made by the Secretary under Title 8, Subtitle 6 of the Labor and Employment Article before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Approved by the Governor, April 18, 2017.

Chapter 252**(House Bill 140)**

AN ACT concerning

State Commission of Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors – Supervision of Appraiser Trainees

FOR the purpose of altering the qualifications for a real estate appraisal license and for a certificate for residential or general real estate appraisal to require that the applicant provide real estate appraiser services as a trainee under the supervision of only a certified appraiser; and generally relating to real estate appraisers.

BY repealing and reenacting, without amendments,
Article – Business Occupations and Professions
Section 16–302(a), (b), (c), and (d)(1) and 16–503(a) and (b)(1)
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – Business Occupations and Professions
Section 16–302(d)(2) and 16–503(b)(2)
Annotated Code of Maryland
(2010 Replacement Volume and 2016 Supplement)

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

Article – Business Occupations and Professions

16–302.

(a) To qualify for a real estate appraisal license, an applicant shall be an individual who meets the requirements of this section.

(b) An applicant shall be of good character and reputation.

(c) An applicant shall be at least 18 years old.

(d) (1) An applicant shall satisfy the minimum real estate appraiser qualifications for licensure established under the federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

(2) An applicant shall have completed at least 2,000 hours providing real estate appraiser services as a real estate appraiser trainee under the supervision of a [licensed or] certified appraiser.

16–503.

(a) To qualify for a certificate for residential or general real estate appraisal, an applicant shall be an individual who meets the requirements of this section.

(b) (1) An applicant shall:

(i) be of good character and reputation;

(ii) be at least 18 years old; and

(iii) satisfy the minimum real estate appraiser qualifications for residential certification or general certification, as appropriate, established under the federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

(2) An applicant shall have completed at least 2,000 hours providing real estate appraiser services as a real estate appraiser trainee under the supervision of a [licensed or] certified appraiser.

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

Approved by the Governor, April 18, 2017.

Chapter 253

(House Bill 182)

AN ACT concerning

Commissioner of Financial Regulation and State Collection Agency Licensing Board – Licensees – Revisions

FOR the purpose of requiring certain licensees to obtain and maintain a certain unique identifier and transfer licensing information to the Nationwide Mortgage Licensing System and Registry (NMLS) during a certain time period established by the Commissioner of Financial Regulation; requiring the Commissioner to notify certain licensees of a certain transfer period and provide instructions for the transfer of licensing information to NMLS at least a certain number of days before the transfer period begins; requiring, on or after a certain date, applicants for certain initial licenses and license renewals to apply for an initial license or license renewal through NMLS; altering the requirements an applicant for certain licenses must meet; altering the contents of applications for certain licenses; providing that a

separate license is required for certain locations of a person who does business as a collection agency, engages in business as a sales finance company, or provides check cashing services; altering certain fees for certain licenses; requiring the State Collection Agency Licensing Board to issue a license to a certain applicant; requiring certain applicants to submit a separate application, pay separate fees, and file a separate bond for certain locations; altering the circumstances under which the Board is required to approve or deny a certain application; requiring the Board to take certain actions if an applicant for a certain license does not meet certain requirements; authorizing certain licensees to hold more than one license under certain circumstances; altering the term of certain licenses; establishing and altering certain requirements for the renewal of certain licenses; altering the circumstances under which certain licenses may be required to expire on a staggered basis; altering the process by which certain licensees may surrender a license; prohibiting the Board from refunding any part of a license fee under certain circumstances; authorizing the Board to enter into certain information-sharing agreements with certain agencies under certain circumstances; authorizing the Board to exchange certain information about collection agencies with certain agencies; providing that the requirements under certain federal and State laws regarding the confidentiality of information or material provided to NMLS, and any privilege arising out of federal or state law, shall continue to apply after the information or material has been disclosed to NMLS; authorizing the sharing of certain information and material with certain officials without the loss of privilege or confidentiality protections provided by federal or certain State laws; prohibiting certain information or material from being subject to disclosure, subpoena, discovery, or admission into evidence under certain circumstances; authorizing the Commissioner to participate in NMLS for certain persons; authorizing the Commissioner to adopt regulations that waive or modify the requirements of certain provisions of law to facilitate participation in NMLS; extending the term of certain licenses until a certain date, under certain circumstances; altering the circumstances under which the Commissioner is required to approve or deny certain applications; altering the actions the Commissioner must take after denying certain applications; altering the information that the Commissioner must include on certain licenses; altering the circumstances under which the Commissioner may issue more than one license to certain applicants; prohibiting the Commissioner from refunding any part of the fee for certain licenses under certain circumstances; altering the manner in which certain licensees may change the location for which a license is issued; requiring the Commissioner to send the licensee an amended license if the Commissioner approves the proposed change of location; requiring the Commissioner to investigate certain facts for a certain purpose under certain circumstances; repealing a requirement that certain applicants or licensees provide fingerprints for certain purposes; repealing a provision of law that exempts a certain licensee that applies for more than one license from providing fingerprints for a certain purpose for more than one application; requiring certain applicants, licensees, and agents to provide fingerprints to NMLS for a certain purpose, under certain circumstances; requiring the Commissioner to refund the license fee of a certain applicant if the applicant does not meet certain requirements; providing that only one location may be maintained under a certain license; defining certain terms; altering certain definitions; repealing a certain

definition; making certain conforming, clarifying, and stylistic changes; providing for the construction of certain provisions of this Act; and generally relating to licensing requirements for persons licensed by the Commissioner of Financial Regulation and the State Collection Agency Licensing Board.

BY repealing and reenacting, with amendments,

Article – Business Regulation

Section 7–101, 7–301, 7–302, 7–302.1(a), and 7–303 through 7–306

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY repealing

Article – Business Regulation

Section 7–307

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY adding to

Article – Business Regulation

Section 7–307 and 7–307.1

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Financial Institutions

Section 1–101(q), 2–105.1, 11–201, 11–204, 11–206 through 11–209, 11–210, 11–211, 11–401, 11–403, 11–404, 11–407 through 11–412, 11–501(o), 11–506.1, 11–601(s), 12–101, 12–105, 12–107(a), 12–108 through 12–110, 12–111 through 12–113, 12–408, 12–901, 12–904, 12–906, 12–908 through 12–913, and 12–915

Annotated Code of Maryland

(2011 Replacement Volume and 2016 Supplement)

BY adding to

Article – Financial Institutions

Section 11–203.1, 11–203.2, 11–209.1, 11–412.1, 12–107.1, and 12–110.1

Annotated Code of Maryland

(2011 Replacement Volume and 2016 Supplement)

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

Article – Business Regulation

7–101.

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

(b) “Board” means the State Collection Agency Licensing Board.

(C) “BRANCH LOCATION” MEANS ANY LOCATION OTHER THAN THE PRINCIPAL EXECUTIVE OFFICE OF A LICENSEE OR LICENSE APPLICANT AT WHICH A PERSON DOES BUSINESS AS A COLLECTION AGENCY OR, ON LICENSURE, WILL DO BUSINESS AS A COLLECTION AGENCY, IN THE STATE OR WITH A PERSON IN THE STATE.

[(c)] (D) “Collection agency” means a person who engages directly or indirectly in the business of:

- (1) (i) collecting for, or soliciting from another, a consumer claim; or
- (ii) collecting a consumer claim the person owns, if the claim was in default when the person acquired it;
- (2) collecting a consumer claim the person owns, using a name or other artifice that indicates that another party is attempting to collect the consumer claim;
- (3) giving, selling, attempting to give or sell to another, or using, for collection of a consumer claim, a series or system of forms or letters that indicates directly or indirectly that a person other than the owner is asserting the consumer claim; or
- (4) employing the services of an individual or business to solicit or sell a collection system to be used for collection of a consumer claim.

[(d)] (E) “Commissioner” means the Commissioner of Financial Regulation.

[(e)] (F) “Consumer claim” means a claim that:

- (1) is for money owed or said to be owed by a resident of the State; and
- (2) arises from a transaction in which, for a family, household, or personal purpose, the resident sought or got credit, money, personal property, real property, or services.

(G) (1) “CONTROL PERSON” MEANS A PERSON WHO HAS THE POWER, DIRECTLY OR INDIRECTLY, TO DIRECT THE MANAGEMENT OR POLICIES OF A COLLECTION AGENCY, WHETHER THROUGH OWNERSHIP OF SECURITIES, BY CONTRACT, OR OTHERWISE.

(2) “CONTROL PERSON” INCLUDES A PERSON WHO:

(I) IS A GENERAL PARTNER, AN OFFICER, A DIRECTOR, OR A MEMBER OF A COLLECTION AGENCY, OR OCCUPIES A SIMILAR POSITION OR PERFORMS A SIMILAR FUNCTION;

(II) DIRECTLY OR INDIRECTLY HAS THE RIGHT TO VOTE 10% OR MORE OF A CLASS OF VOTING SECURITIES, OR HAS THE POWER TO SELL OR DIRECT THE SALE OF 10% OR MORE OF A CLASS OF VOTING SECURITIES OF A COLLECTION AGENCY; OR

(III) IN THE CASE OF A PARTNERSHIP, A LIMITED PARTNERSHIP, A LIMITED LIABILITY PARTNERSHIP, A LIMITED LIABILITY COMPANY, OR ANY OTHER BUSINESS ENTITY:

1. HAS THE RIGHT TO RECEIVE ON LIQUIDATION OR DISSOLUTION OF A COLLECTION AGENCY 10% OR MORE OF THE CAPITAL OF THE COLLECTION AGENCY; OR

2. HAS CONTRIBUTED 10% OR MORE OF THE CAPITAL OF A COLLECTION AGENCY.

[(f)] (H) “License” means a license issued by the Board to do business as a collection agency.

[(g)] (I) “Licensed collection agency” means a person who is licensed by the Board to do business as a collection agency.

(J) “NMLS” MEANS A MULTISTATE UNIFORM LICENSING SYSTEM DEVELOPED AND MAINTAINED BY THE CONFERENCE OF STATE BANK SUPERVISORS, OR BY A SUBSIDIARY OR AN AFFILIATE OF THE CONFERENCE OF STATE BANK SUPERVISORS, THAT MAY BE USED FOR THE LICENSING OF PERSONS REQUIRED TO BE LICENSED BY THE BOARD.

(K) “UNIQUE IDENTIFIER” MEANS A NUMBER OR ANOTHER IDENTIFIER ASSIGNED BY NMLS.

7-301.

(a) Except as otherwise provided in this title, a person must have a license whenever the person does business as a collection agency in the State.

(b) This section does not apply to:

(1) a regular employee of a creditor while the employee is acting under the general direction and control of the creditor to collect a consumer claim that the creditor owns; or

(2) a regular employee of a licensed collection agency while the employee is acting within the scope of employment.

(C) A SEPARATE LICENSE IS REQUIRED FOR THE PRINCIPAL EXECUTIVE OFFICE AND EACH BRANCH LOCATION OF A PERSON WHO DOES BUSINESS AS A COLLECTION AGENCY.

(D) DURING THE TIME PERIOD ESTABLISHED BY THE COMMISSIONER UNDER SUBSECTION (E) OF THIS SECTION, EACH LICENSEE SHALL:

(1) OBTAIN AND MAINTAIN A VALID UNIQUE IDENTIFIER ISSUED BY NMLS WHEN AN ACCOUNT IS CREATED WITH NMLS; AND

(2) TRANSFER LICENSING INFORMATION TO NMLS.

(E) (1) THE COMMISSIONER SHALL ESTABLISH A TIME PERIOD THAT IS NOT LESS THAN 2 MONTHS WITHIN WHICH A LICENSEE MUST TRANSFER LICENSING INFORMATION TO NMLS.

(2) THE TIME PERIOD THAT THE COMMISSIONER ESTABLISHES UNDER THIS SUBSECTION SHALL BEGIN ON OR AFTER JULY 1, 2017.

(3) AT LEAST 30 DAYS BEFORE THE TRANSFER PERIOD BEGINS, THE COMMISSIONER SHALL:

(I) NOTIFY ALL LICENSEES OF THE TRANSFER PERIOD; AND

(II) PROVIDE INSTRUCTIONS FOR THE TRANSFER OF LICENSING INFORMATION TO NMLS.

(F) SUBJECT TO SUBSECTION (D) OF THIS SECTION, AN APPLICANT FOR AN INITIAL LICENSE OR A LICENSE RENEWAL SHALL APPLY FOR THE INITIAL LICENSE OR LICENSE RENEWAL THROUGH NMLS:

(1) ON OR AFTER JULY 1, 2017; OR

(2) IF THE COMMISSIONER HAS NOT JOINED NMLS WITH RESPECT TO COLLECTION AGENCIES AS OF JULY 1, 2017, ON OR AFTER THE DATE THAT THE COMMISSIONER JOINS, AS SPECIFIED BY THE COMMISSIONER BY PUBLIC NOTICE.

7-302.

(a) [(1)] An applicant for a license shall:

[(i)] (1) submit [to the Board an] **A COMPLETED** application [on] **IN** the form, **AND IN ACCORDANCE WITH THE PROCESS**, that the Board [provides] **REQUIRES**; [and]

[(ii)] (2) pay to the Board:

[1.] (I) [an] **A NONREFUNDABLE** application fee in the amount set by the Board; and

[2.] (II) [an] **A NONREFUNDABLE** investigation fee in the amount set by the Board; **AND**

(3) PROVIDE ALL THE INFORMATION THAT THE BOARD REQUESTS.

[(2) The fees authorized under this subsection may not exceed a total of \$900 for a 2–year term.]

(b) An application shall be made under oath **AND SHALL INCLUDE**:

(1) THE APPLICANT’S NAME, PRINCIPAL EXECUTIVE OFFICE ADDRESS, TELEPHONE NUMBER, E–MAIL ADDRESS, AND WEB SITE ADDRESSES, IF ANY;

(2) THE ADDRESS OF EACH BRANCH LOCATION, IF ANY;

(3) THE FEDERAL EMPLOYER IDENTIFICATION NUMBER OR SOCIAL SECURITY NUMBER OF THE APPLICANT, AS APPLICABLE;

(4) THE STATE OF FORMATION AND THE DATE OF FORMATION OF THE APPLICANT IF THE APPLICANT IS A BUSINESS ENTITY;

(5) THE NAME AND RESIDENCE ADDRESS OF EACH CONTROL PERSON;

(6) THE NAME AND ADDRESS OF THE PRINCIPAL CONTACT FOR CONSUMER COMPLAINTS;

(7) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE APPLICANT’S RESIDENT AGENT; AND

(8) ANY OTHER INFORMATION THAT THE BOARD REQUESTS.

(c) If an applicant wishes to do business as a collection agency at [more than 1 place] **A BRANCH LOCATION**, the applicant shall submit a separate application and pay a separate application fee **AND INVESTIGATION FEE** for each [place] **BRANCH LOCATION**.

[(d) An application fee is nonrefundable.

(e) Before a license expires, the licensee periodically may renew the license for additional 2-year terms, if the licensee:

(1) otherwise is entitled to be licensed;

(2) pays to the Board a renewal fee in an amount, not exceeding \$900, set by the Board;

(3) submits to the Board a renewal application on a form required by the Board; and

(4) files with the Board a bond or bond continuation certificate as required under § 7-304 of this subtitle.]

(D) IN ADDITION TO ANY OTHER REQUIREMENT FOR LICENSURE UNDER THIS SUBTITLE, AN APPLICANT FOR A LICENSE SHALL FILE WITH THE BOARD A SURETY BOND AS REQUIRED UNDER § 7-304 OF THIS SUBTITLE.

(E) THE BOARD SHALL ISSUE A LICENSE TO EACH APPLICANT WHO MEETS THE REQUIREMENTS OF THIS SUBTITLE.

7-302.1.

(a) [Subject to § 7-302(a)(2) and (e)(2) of this subtitle, the] **THE** Board shall set by regulation the fees provided for in this subtitle.

7-303.

(a) Within 60 days after an applicant submits [an] **A COMPLETE** application for a license and pays the [application fee] **FEES REQUIRED BY § 7-302 OF THIS SUBTITLE**, the Board shall approve or deny the application.

(b) To qualify for a license, an applicant shall satisfy the Board that the applicant is of good moral character and has sufficient financial responsibility, business experience, and general fitness to:

(1) engage in business as a collection agency;

(2) warrant the belief that the business will be conducted lawfully, honestly, fairly, and efficiently; and

(3) command the confidence of the public.

(c) The Board may deny an application for a license to any person who:

(1) has committed any act that would be a ground for reprimand, suspension, or revocation of a license under this subtitle; or

(2) otherwise fails to meet the requirements for licensure.

(D) IF AN APPLICANT DOES NOT MEET THE REQUIREMENTS OF THIS SUBTITLE, THE BOARD SHALL:

(1) DENY THE APPLICATION; AND

(2) IMMEDIATELY NOTIFY THE APPLICANT OF THE DENIAL.

[(d)] (E) (1) The denial of an application under this section is subject to the hearing provisions of § 7-309 of this subtitle.

(2) An applicant who seeks a hearing on a license application denial shall file a written request for a hearing within 45 days following receipt of the notice to the applicant of the applicant's right to a hearing.

7-304.

(a) **[(1)]** An applicant for a license shall execute a surety bond for the benefit of any member of the public who has a loss or other damage as a result of a violation of this title or the Maryland Consumer Debt Collection Act by the applicant or an agent or employee of the applicant.

[(2)] (B) The surety bond shall be:

[(i)] (1) in a form that the Board approves;

[(ii)] (2) with a surety that the Board approves; and

[(iii)] (3) in the amount of \$5,000.

[(3)] (C) The total liability of a surety on a bond under this section may not exceed the amount of the bond, regardless of the number or amount of claims against the bond.

[(4)] (D) If the amount of claims against a bond exceeds the amount of the bond, the surety:

[(i)] (1) shall pay the amount of the bond to the Board for distribution to claimants; and

[(ii)] (2) then is relieved of liability under the bond.

[(b) The Board shall issue a license to each applicant who meets the requirements of this subtitle.]

7-305.

(a) A license authorizes the licensee to do business as a collection agency at only [1 place of business] **THE LICENSED LOCATION.**

(b) **[A SUBJECT TO § 7-301(C) OF THIS SUBTITLE,** A licensee may hold more than 1 license under this title.

7-306.

[(a) (1) A license issued on or before September 30, 1997, expires on December 31 of the year in which it was issued.

(2) A license issued on or after October 1, 1997, expires on December 31 in each odd-numbered year after December 31, 1997.]

(A) AN INITIAL LICENSE TERM SHALL:

(1) BEGIN ON THE DATE THE LICENSE IS ISSUED; AND

(2) EXPIRE ON DECEMBER 31 OF THE YEAR:

(I) IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS ISSUED BEFORE NOVEMBER 1; OR

(II) IMMEDIATELY FOLLOWING THE YEAR IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS ISSUED ON OR AFTER NOVEMBER 1.

(B) ON OR AFTER NOVEMBER 1 OF THE YEAR IN WHICH A LICENSE EXPIRES, THE LICENSE MAY BE RENEWED FOR AN ADDITIONAL 1-YEAR TERM, IF THE LICENSEE:

(1) IS OTHERWISE IS ENTITLED TO BE LICENSED;

(2) PAYS TO THE BOARD A NONREFUNDABLE RENEWAL FEE SET BY THE BOARD;

(3) SUBMITS A RENEWAL APPLICATION IN THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE BOARD REQUIRES; AND

(4) FILES AS PART OF THE APPLICATION A SURETY BOND AS REQUIRED UNDER § 7-304 OF THIS SUBTITLE.

[(b)] (C) [The Secretary] TO THE EXTENT REQUIRED OR PERMITTED BY NMLS, THE BOARD may determine that licenses issued under this subtitle shall expire on a staggered basis.

(D) A LICENSEE MAY NOT RENEW A LICENSE UNLESS, BEFORE THE SUBMISSION OF THE LICENSE RENEWAL APPLICATION, THE LICENSEE HAS TRANSFERRED THE LICENSEE'S LICENSING INFORMATION TO NMLS IN ACCORDANCE WITH § 7-301(D) OF THIS SUBTITLE.

[7-307.

(a) A licensee may surrender a license by giving the Board written notice that the license is surrendered.

(b) Surrender of a license does not affect:

(1) the civil or criminal liability of the licensee for an act committed before surrender of the license; or

(2) the obligation of a claim that the licensee lawfully acquired before the surrender.]

7-307.

(A) A LICENSEE MAY SURRENDER A LICENSE BY SENDING TO THE BOARD IN THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE BOARD REQUIRES A STATEMENT THAT THE LICENSE IS SURRENDERED.

(B) IF A LICENSE IS SURRENDERED VOLUNTARILY, OR IS SUSPENDED OR REVOKED, THE BOARD MAY NOT REFUND ANY PART OF THE LICENSE FEE REGARDLESS OF THE TIME REMAINING IN THE LICENSE TERM.

(C) THE SURRENDER OF A LICENSE DOES NOT AFFECT ANY CIVIL OR CRIMINAL LIABILITY OF THE LICENSEE FOR ACTS COMMITTED BEFORE THE LICENSE WAS SURRENDERED.

7-307.1.

(A) (1) THE REQUIREMENTS UNDER ANY FEDERAL LAW AND TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE REGARDING THE PRIVACY OR CONFIDENTIALITY OF INFORMATION OR MATERIAL PROVIDED TO NMLS, AND ANY PRIVILEGE ARISING UNDER FEDERAL OR STATE LAW, INCLUDING

THE RULES OF ANY FEDERAL OR STATE COURT WITH RESPECT TO THAT INFORMATION OR MATERIAL, SHALL CONTINUE TO APPLY TO THAT INFORMATION OR MATERIAL AFTER THE INFORMATION OR MATERIAL HAS BEEN DISCLOSED TO NMLS.

(2) THE INFORMATION AND MATERIAL MAY BE SHARED WITH ALL STATE AND FEDERAL REGULATORY OFFICIALS HAVING AUTHORITY OVER THE DEBT COLLECTION INDUSTRY, INCLUDING THE FINANCIAL CRIMES ENFORCEMENT NETWORK AND THE OFFICE OF FOREIGN ASSETS CONTROL, AND ANY SUCCESSOR TO THESE AGENCIES, WITHOUT THE LOSS OF PRIVILEGE OR THE LOSS OF CONFIDENTIALITY PROTECTIONS PROVIDED BY FEDERAL LAW OR TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE.

(B) THE BOARD MAY:

(1) ENTER INTO INFORMATION SHARING AGREEMENTS WITH ANY FEDERAL OR STATE REGULATORY AGENCY HAVING AUTHORITY OVER COLLECTION AGENCIES OR WITH ANY FEDERAL OR STATE LAW ENFORCEMENT AGENCY, INCLUDING THE FINANCIAL CRIMES ENFORCEMENT NETWORK AND THE OFFICE OF FOREIGN ASSETS CONTROL, AND ANY SUCCESSOR TO THESE AGENCIES, PROVIDED THAT THE AGREEMENTS PROHIBIT THE AGENCIES FROM DISCLOSING ANY SHARED INFORMATION WITHOUT THE PRIOR WRITTEN CONSENT FROM THE BOARD REGARDING DISCLOSURE OF THE PARTICULAR INFORMATION; AND

(2) EXCHANGE INFORMATION ABOUT COLLECTION AGENCIES WITH ANY FEDERAL OR STATE REGULATORY AGENCY HAVING AUTHORITY OVER COLLECTION AGENCIES OR WITH ANY FEDERAL OR STATE LAW ENFORCEMENT AGENCY.

(C) INFORMATION OR MATERIAL THAT IS SUBJECT TO A PRIVILEGE OR CONFIDENTIALITY UNDER SUBSECTION (A) OF THIS SECTION MAY NOT BE SUBJECT TO:

(1) DISCLOSURE UNDER ANY FEDERAL OR STATE LAW GOVERNING THE DISCLOSURE TO THE PUBLIC OF INFORMATION HELD BY AN OFFICER OR AGENCY OF THE FEDERAL GOVERNMENT OR A STATE THAT HAS RECEIVED THE INFORMATION OR MATERIAL; OR

(2) SUBPOENA, DISCOVERY, OR ADMISSION INTO EVIDENCE, IN ANY PRIVATE CIVIL LITIGATION OR ADMINISTRATIVE PROCESS, UNLESS, WITH RESPECT TO ANY PRIVILEGE HELD BY NMLS, THE PERSON TO WHOM THE INFORMATION OR MATERIAL PERTAINS WAIVES, IN WHOLE OR IN PART, THAT PRIVILEGE.

(D) ANY PROVISIONS OF TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE RELATING TO THE DISCLOSURE OF ANY INFORMATION OR MATERIAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION THAT ARE INCONSISTENT WITH SUBSECTION (A) OF THIS SECTION SHALL BE SUPERSEDED BY THE REQUIREMENTS OF THIS SECTION.

(E) THIS SECTION DOES NOT APPLY TO INFORMATION OR MATERIAL RELATING TO PUBLICLY ADJUDICATED DISCIPLINARY AND ENFORCEMENT ACTIONS AGAINST A DEBT COLLECTION AGENCY THAT IS INCLUDED IN NMLS AND DESIGNATED FOR ACCESS BY THE PUBLIC.

Article – Financial Institutions

1–101.

(q) “Nationwide Mortgage Licensing System and Registry” **OR “NMLS”** means a multistate uniform licensing system developed and maintained by the Conference of State Bank Supervisors, or by a subsidiary or an affiliate of the Conference of State Bank Supervisors, that may be used for the licensing of persons required to be licensed under this article.

2–105.1.

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

(2) “COLLECTION AGENCY” HAS THE MEANING STATED IN § 7–101 OF THE BUSINESS REGULATION ARTICLE.

(3) “CREDIT SERVICES BUSINESS” HAS THE MEANING STATED IN § 14–1901 OF THE COMMERCIAL LAW ARTICLE.

(4) “DEBT MANAGEMENT SERVICES PROVIDER” HAS THE MEANING STATED IN § 12–901 OF THIS ARTICLE.

[(2)] (5) “Money transmission” has the meaning stated in § 12–401 of this article.

[(3)] (6) “Mortgage lender” has the meaning stated in § 11–501 of this article.

[(4)] (7) “Mortgage originator” has the meaning stated in § 11–601 of this article.

(8) “PROVIDE CHECK CASHING SERVICES” HAS THE MEANING STATED IN § 12–101 OF THIS ARTICLE.

(9) “SALES FINANCE COMPANY” HAS THE MEANING STATED IN § 11-401 OF THIS ARTICLE.

(b) The Commissioner may adopt and enforce regulations reasonably necessary to carry out the authority and responsibility of the office of Commissioner.

(c) (1) The Commissioner may participate in [the establishment and implementation of a multistate automated licensing system] **NMLS** for:

(I) COLLECTION AGENCIES;

(II) DEBT MANAGEMENT SERVICES PROVIDERS;

[(i)] (III) Mortgage lenders;

[(ii)] (IV) Mortgage originators; [and]

[(iii)] (V) Persons who engage in money transmission;

(VI) PERSONS WHO ARE REQUIRED TO BE LICENSED UNDER TITLE 11, SUBTITLE 2 OF THIS ARTICLE;

(VII) PERSONS WHO ARE REQUIRED TO BE LICENSED UNDER TITLE 11, SUBTITLE 3 OF THIS ARTICLE;

(VIII) PERSONS WHO ARE REQUIRED TO BE LICENSED UNDER TITLE 12, SUBTITLE 1 OF THIS ARTICLE;

(IX) PERSONS WHO ARE REQUIRED TO BE LICENSED UNDER TITLE 14, SUBTITLE 19 OF THE COMMERCIAL LAW ARTICLE; AND

(X) SALES FINANCE COMPANIES.

(2) To facilitate [implementation of a multistate automated licensing system] **PARTICIPATION IN NMLS**, the Commissioner may adopt regulations that waive or modify the requirements of:

(i) Title 11, Subtitles 4, 5, and 6 of this article with respect to **SALES FINANCE COMPANIES**, mortgage lenders, and mortgage originators; [and]

(ii) Title 12, [Subtitle] **SUBTITLES 1, 4, AND 9** of this article with respect to **PROVIDERS OF CHECK CASHING SERVICES**, persons who engage in money transmission, **AND PROVIDERS OF DEBT MANAGEMENT SERVICES;**

(III) TITLE 11, SUBTITLE 2 OF THIS ARTICLE;

(IV) TITLE 11, SUBTITLE 3 OF THIS ARTICLE;

(V) TITLE 7 OF THE BUSINESS REGULATION ARTICLE WITH RESPECT TO COLLECTION AGENCIES; AND

(VI) TITLE 14, SUBTITLE 19 OF THE COMMERCIAL LAW ARTICLE.

11-201.

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

(B) “BRANCH LOCATION” MEANS ANY LOCATION OTHER THAN THE PRINCIPAL EXECUTIVE OFFICE OF A LICENSEE OR LICENSE APPLICANT AT WHICH THE LICENSEE CONDUCTS, OR THE LICENSE APPLICANT, ON LICENSURE, WILL CONDUCT, ACTIVITIES REQUIRED TO BE LICENSED UNDER THIS SUBTITLE.

(C) (1) “CONTROL PERSON” MEANS A PERSON WHO HAS THE POWER, DIRECTLY OR INDIRECTLY, TO DIRECT THE MANAGEMENT OR POLICIES OF A LICENSEE OR LICENSE APPLICANT, WHETHER THROUGH OWNERSHIP OF SECURITIES, BY CONTRACT, OR OTHERWISE.

(2) “CONTROL PERSON” INCLUDES A PERSON WHO:

(I) IS A GENERAL PARTNER, AN OFFICER, OR A DIRECTOR OF A LICENSEE OR LICENSE APPLICANT, OR OCCUPIES A SIMILAR POSITION OR PERFORMS A SIMILAR FUNCTION;

(II) DIRECTLY OR INDIRECTLY HAS THE RIGHT TO VOTE 10% OR MORE OF A CLASS OF VOTING SECURITIES, OR HAS THE POWER TO SELL OR DIRECT THE SALE OF 10% OR MORE OF A CLASS OF VOTING SECURITIES OF A LICENSEE OR LICENSE APPLICANT; OR

(III) IN THE CASE OF A PARTNERSHIP, A LIMITED PARTNERSHIP, A LIMITED LIABILITY PARTNERSHIP, A LIMITED LIABILITY COMPANY, OR ANY OTHER BUSINESS ENTITY:

1. HAS THE RIGHT TO RECEIVE ON LIQUIDATION OR DISSOLUTION OF A LICENSEE OR LICENSE APPLICANT 10% OR MORE OF THE CAPITAL OF THE LICENSEE OR LICENSE APPLICANT; OR

2. HAS CONTRIBUTED 10% OR MORE OF THE CAPITAL OF A LICENSEE OR LICENSE APPLICANT.

[(b)] (D) “License” means a license issued by the Commissioner under this subtitle to make loans under the Maryland Consumer Loan Law.

[(c)] (E) “Loan” means any loan or advance of money or credit made under Title 12, Subtitle 3 of the Commercial Law Article, the Maryland Consumer Loan Law – Credit Provisions.

[(d)] (F) “Maryland Consumer Loan Law” means this subtitle and Title 12, Subtitle 3 of the Commercial Law Article.

[(e)] (G) “Person” includes an individual, corporation, business trust, statutory trust, estate, trust, partnership, association, two or more persons having a joint or common interest, or any other legal or commercial entity.

(H) “UNIQUE IDENTIFIER” MEANS A NUMBER OR ANOTHER IDENTIFIER ASSIGNED BY NMLS.

11-203.1.

(A) UNLESS A PERSON IS LICENSED BY THE COMMISSIONER, THE PERSON MAY NOT:

(1) MAKE A LOAN; OR

(2) IN ANY WAY USE ANY ADVANTAGE PROVIDED BY THE MARYLAND CONSUMER LOAN LAW.

(B) A SEPARATE LICENSE IS REQUIRED FOR THE PRINCIPAL EXECUTIVE OFFICE OF THE LICENSE APPLICANT OR LICENSEE AND EACH BRANCH LOCATION.

(C) DURING THE TIME PERIOD ESTABLISHED BY THE COMMISSIONER UNDER SUBSECTION (D) OF THIS SECTION, EACH LICENSEE SHALL:

(1) OBTAIN AND MAINTAIN A VALID UNIQUE IDENTIFIER ISSUED BY NMLS WHEN AN ACCOUNT IS CREATED WITH NMLS;

(2) TRANSFER LICENSING INFORMATION TO NMLS; AND

(3) PAY TO THE COMMISSIONER A LICENSE EXTENSION FEE CALCULATED IN ACCORDANCE WITH SUBSECTION (D)(5) OF THIS SECTION.

(D) (1) THE COMMISSIONER SHALL ESTABLISH A TIME PERIOD THAT IS NOT LESS THAN 2 MONTHS WITHIN WHICH A LICENSEE MUST TRANSFER LICENSING INFORMATION TO NMLS.

(2) THE TIME PERIOD THAT THE COMMISSIONER ESTABLISHES UNDER THIS SUBSECTION SHALL BEGIN ON OR AFTER JULY 1, 2017.

(3) AT LEAST 30 DAYS BEFORE THE TRANSFER PERIOD BEGINS, THE COMMISSIONER SHALL:

(I) NOTIFY ALL LICENSEES OF THE TRANSFER PERIOD; AND

(II) PROVIDE INSTRUCTIONS FOR THE TRANSFER OF LICENSING INFORMATION TO NMLS.

(4) FOR EACH LICENSEE THAT COMPLIES WITH SUBSECTION (C) OF THIS SECTION, THE TERM OF THE LICENSEE'S LICENSE SHALL EXTEND TO DECEMBER 31 OF THE YEAR IN WHICH THE LICENSE OTHERWISE WOULD HAVE EXPIRED.

(5) THE LICENSE EXTENSION FEE REQUIRED UNDER SUBSECTION (C)(3) OF THIS SECTION IS NONREFUNDABLE AND, BASED ON THE ANNUAL LICENSE FEE, SHALL BE PRORATED TO THE NUMBER OF DAYS BETWEEN THE DATE THE LICENSE OTHERWISE WOULD HAVE EXPIRED AND DECEMBER 31 OF THE SAME YEAR.

(E) SUBJECT TO SUBSECTION (C) OF THIS SECTION, AN APPLICANT FOR AN INITIAL LICENSE OR A LICENSE RENEWAL SHALL APPLY FOR THE INITIAL LICENSE OR LICENSE RENEWAL THROUGH NMLS:

(1) ON OR AFTER JULY 1, 2017; OR

(2) IF THE COMMISSIONER HAS NOT JOINED NMLS WITH RESPECT TO PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE AS OF JULY 1, 2017, ON OR AFTER THE DATE THAT THE COMMISSIONER JOINS, AS SPECIFIED BY THE COMMISSIONER BY PUBLIC NOTICE.

11-203.2.

(A) (1) THE REQUIREMENTS UNDER ANY FEDERAL LAW AND TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE REGARDING THE PRIVACY OR CONFIDENTIALITY OF INFORMATION OR MATERIAL PROVIDED TO NMLS, AND ANY PRIVILEGE ARISING UNDER FEDERAL OR STATE LAW, INCLUDING THE RULES OF ANY FEDERAL OR STATE COURT WITH RESPECT TO THAT INFORMATION OR MATERIAL, SHALL CONTINUE TO APPLY TO THAT INFORMATION

OR MATERIAL AFTER THE INFORMATION OR MATERIAL HAS BEEN DISCLOSED TO NMLS.

(2) THE INFORMATION AND MATERIAL MAY BE SHARED WITH ALL STATE AND FEDERAL REGULATORY OFFICIALS HAVING OVERSIGHT AUTHORITY OVER PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE, INCLUDING THE FINANCIAL CRIMES ENFORCEMENT NETWORK AND THE OFFICE OF FOREIGN ASSETS CONTROL, AND ANY SUCCESSOR TO THESE AGENCIES, WITHOUT THE LOSS OF PRIVILEGE OR THE LOSS OF CONFIDENTIALITY PROTECTIONS PROVIDED BY FEDERAL LAW OR TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE.

(B) INFORMATION OR MATERIAL THAT IS SUBJECT TO A PRIVILEGE OR CONFIDENTIALITY UNDER SUBSECTION (A) OF THIS SECTION MAY NOT BE SUBJECT TO:

(1) DISCLOSURE UNDER ANY FEDERAL OR STATE LAW GOVERNING THE DISCLOSURE TO THE PUBLIC OF INFORMATION HELD BY AN OFFICER OR AGENCY OF THE FEDERAL GOVERNMENT OR A STATE THAT HAS RECEIVED THE INFORMATION OR MATERIAL; OR

(2) SUBPOENA, DISCOVERY, OR ADMISSION INTO EVIDENCE, IN ANY PRIVATE CIVIL LITIGATION OR ADMINISTRATIVE PROCESS, UNLESS, WITH RESPECT TO ANY PRIVILEGE HELD BY NMLS, THE PERSON TO WHOM THE INFORMATION OR MATERIAL PERTAINS WAIVES, IN WHOLE OR IN PART, THAT PRIVILEGE.

(C) ANY PROVISIONS OF TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE RELATING TO THE DISCLOSURE OF ANY INFORMATION OR MATERIAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION THAT ARE INCONSISTENT WITH SUBSECTION (A) OF THIS SECTION SHALL BE SUPERSEDED BY THE REQUIREMENTS OF THIS SECTION.

(D) THIS SECTION DOES NOT APPLY TO INFORMATION OR MATERIAL RELATING TO PUBLICLY ADJUDICATED DISCIPLINARY AND ENFORCEMENT ACTIONS AGAINST A PERSON REQUIRED TO BE LICENSED UNDER THIS SUBTITLE THAT IS INCLUDED IN NMLS AND DESIGNATED FOR ACCESS BY THE PUBLIC.

11-204.

(a) [Unless a person is licensed by the Commissioner, the person may not:

(1) Make a loan; or

(2) In any way use any advantage provided by the Maryland Consumer Loan Law.

(b) (1) A separate license is required for each place of business where a person makes a loan or transacts any business under the Maryland Consumer Loan Law.

(2)] A person may not:

[(i)] (1) Receive any application for a loan or allow any note or contract for a loan to be signed at any place of business for which the person does not have a license;

[(ii)] (2) Conduct any business under the Maryland Consumer Loan Law under a name different from the name that appears on the person's license; or

[(iii)] (3) Evade the application of this section by any device, subterfuge, or pretense of any kind.

[(3)] (B) This [subsection] SECTION does not prohibit a licensee from accommodating a borrower, at the borrower's request, by making a loan by mail because of the borrower's sickness or hours of employment or for similar reasons.

[(4)] (C) Notwithstanding [paragraphs (2) and (3) of this subsection] SUBSECTIONS (A) AND (B) OF THIS SECTION, for a loan that is to be secured by residential real property:

[(i)] (1) A licensee may solicit and accept an application for a loan:

[1.] (I) By mail;

[2.] (II) By telephone or other electronic means; or

[3.] (III) At any location requested by the prospective borrower;

[(ii)] (2) Except as provided in [subparagraph (iii) of this paragraph] ITEM (3) OF THIS SUBSECTION, the loan closing shall be conducted at:

[1.] (I) The lender's licensed location;

[2.] (II) The office of an attorney representing the licensee, the borrower, the title company, or title insurer in connection with the loan; or

[3.] (III) The office of the title insurer or title agency performing closing services in connection with the loan; and

[(iii)] (3) A licensee may conduct the loan closing at another location at the written request of the borrower or the borrower's designee to accommodate the borrower because of the borrower's sickness.

11-206.

(a) (1) To apply for a license, an applicant shall **[sign and]**:

(I) COMPLETE, SIGN, AND submit to the Commissioner **[a verified]** AN application **[on]** **MADE UNDER OATH IN** the form, **AND IN ACCORDANCE WITH THE PROCESS**, that the Commissioner requires; **AND**

(II) PROVIDE ALL THE INFORMATION THAT THE COMMISSIONER REQUESTS.

(2) The application shall include:

(i) The applicant's name **[and address]**, **THE APPLICANT'S PRINCIPAL EXECUTIVE OFFICE ADDRESS**, and, if the applicant is not an individual, the **[names] NAME** and **[addresses] RESIDENCE ADDRESS** of each **[of its principal owners and each of its officers, directors, or members]** **CONTROL PERSON**;

(ii) The address **[at which the business is to be conducted]** **OF EACH BRANCH LOCATION, IF ANY**; and

(iii) Any other pertinent information that the Commissioner requires for an investigation and findings under § 11-207 of this subtitle.

(b) With the application, the applicant shall pay to the Commissioner:

(1) An investigation fee of \$100; and

(2) A license fee of $[\]$:

(i) \$1,700 if the applicant applies for a license to be issued on or after January 1 and on or before December 31 of an even-numbered year;

(ii) Effective January 1, 1999, \$850 if the applicant applies for a license to be issued on or after January 1 and on or before December 31 of an odd-numbered year; or

(iii) \$1,700 if the applicant applies for a license to be issued on or after October 1, 1997 and on or before December 31, 1997] **\$850**.

(c) (1) With the application, the applicant shall file **[with the Commissioner]** a surety bond.

(2) The surety bond filed under this subsection shall run to this State for the benefit of this State and of any person who has a cause of action against the applicant under the Maryland Consumer Loan Law.

(3) The surety bond shall be:

(i) In an amount equal to twice the amount of the largest loan that may be made under the Maryland Consumer Loan Law;

(ii) With sureties that the Commissioner approves; and

(iii) Conditioned that the applicant will comply with the Maryland Consumer Loan Law and will pay to this State or to any person any money that the applicant may owe to this State or to that person under the Maryland Consumer Loan Law.

(d) For **THE PRINCIPAL EXECUTIVE OFFICE AND** each **BRANCH LOCATION** license for which an applicant applies, the applicant shall:

(1) Submit a separate application;

(2) Pay a separate investigation fee and license fee; and

(3) File a separate bond.

11–207.

(a) When an applicant for a license files the application and bond and pays the fees required by § 11–206 of this subtitle, the Commissioner shall investigate the facts relevant to the application to determine if the applicant meets the requirements of this subtitle.

(b) Unless the Commissioner and an applicant agree in writing to extend the time, the Commissioner shall approve or deny each application for a license within 60 days after the date [when the application and bond are filed and the fees are paid] **ON WHICH THE COMPLETE APPLICATION IS FILED, THE FEES ARE PAID, AND THE SURETY BOND IS FILED.**

(c) The Commissioner shall issue a license to any applicant who meets the requirements of this subtitle.

(d) (1) If an applicant does not meet the requirements of this subtitle, the Commissioner shall:

(i) Deny the application;

(ii) Notify the applicant immediately of this fact;

- (iii) Return the bond filed under § 11–206 of this subtitle;
- (iv) Refund the license fee; and
- (v) Keep the investigation fee.

[(2) Within 10 days after the Commissioner denies an application, the Commissioner shall:

- (i) File in the Commissioner's office written findings and a summary of the evidence supporting them; and
- (ii) Send a copy of the findings and summary to the applicant.]

(2) (I) WITHIN 10 DAYS AFTER THE COMMISSIONER DENIES AN APPLICATION, THE COMMISSIONER SHALL SEND A WRITTEN NOTICE TO THE APPLICANT STATING THE REASONS FOR THE DENIAL.

(II) THE NOTICE SHALL BE SENT BY UNITED STATES MAIL, E-MAIL, OR ANY MEANS PROVIDED THROUGH NMLS TO THE ADDRESS LISTED IN THE APPLICATION.

11–208.

(a) The Commissioner shall include on each license:

- (1) The name of the licensee; [and]
- (2) The address **OF THE LOCATION** at which the business is to be conducted; **AND**

(3) THE LICENSE NUMBER AND UNIQUE IDENTIFIER OF THE LICENSEE.

(b) (1) A license authorizes the licensee to do business under the license, at the licensed [place of business] **LOCATION** and under the name stated on the license.

(2) Only one [place of business] **LOCATION** may be maintained under any one license.

(c) [The] **SUBJECT TO § 11–203.1(B) OF THIS SUBTITLE, THE** Commissioner may issue more than one license to an applicant who:

(1) **CONDUCTS ACTIVITIES FOR WHICH A LICENSE IS REQUIRED AT MORE THAN ONE LOCATION;**

(2) Complies with § 11–206 of this subtitle; and

~~[(2)]~~ (3) Otherwise meets the requirements of this subtitle.

11–209.

[(a)] (a) A license issued before September 30, 1997 expires on the June 30 after its effective date, unless it is renewed on or before June 1 of the year of expiration for an additional term as provided in this section.

(b) A license issued on or after October 1, 1997 expires on December 31 in each odd-numbered year after December 31, 1997, unless it is renewed for a 2-year term as provided in this section.]

(A) **AN INITIAL LICENSE TERM SHALL:**

(1) **BEGIN ON THE DATE THE LICENSE IS ISSUED; AND**

(2) **EXPIRE ON DECEMBER 31 OF THE YEAR:**

(I) **IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS ISSUED BEFORE NOVEMBER 1; OR**

(II) **IMMEDIATELY FOLLOWING THE YEAR IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS ISSUED ON OR AFTER NOVEMBER 1.**

[(c)] (B) On or [before December] **AFTER NOVEMBER 1** of the year [of expiration,] **IN WHICH a license EXPIRES, THE LICENSE** may be renewed for an additional [2-year] **1-YEAR** term, if the licensee:

(1) Otherwise is entitled to be licensed;

(2) Pays to the Commissioner a renewal fee of [\$1,700] **\$850**; and

(3) Submits to the Commissioner a renewal application [on] **IN** the form, **AND IN ACCORDANCE WITH THE PROCESS**, that the Commissioner requires.

[(d)] (C) The Commissioner may waive the requirements of § 11–205(1) and (2) of this subtitle for the renewal of a license.

[(e)] (D) [The Secretary] TO THE EXTENT REQUIRED OR PERMITTED BY NMLS, THE COMMISSIONER may determine that licenses issued under this subtitle shall expire on a staggered basis.

(E) A LICENSEE MAY NOT RENEW A LICENSE UNLESS, BEFORE THE SUBMISSION OF THE LICENSE RENEWAL APPLICATION, THE LICENSEE HAS TRANSFERRED THE LICENSEE'S LICENSING INFORMATION TO NMLS IN ACCORDANCE WITH § 11-203.1(C) OF THIS SUBTITLE.

11-209.1.

(A) A LICENSEE MAY SURRENDER A LICENSE BY SENDING TO THE COMMISSIONER, IN THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE COMMISSIONER REQUIRES, A STATEMENT THAT THE LICENSE IS SURRENDERED.

(B) IF A LICENSE IS SURRENDERED VOLUNTARILY, OR IS SUSPENDED OR REVOKED, THE COMMISSIONER MAY NOT REFUND ANY PART OF THE LICENSE FEE REGARDLESS OF THE TIME REMAINING IN THE LICENSE TERM.

(C) THE SURRENDER OF A LICENSE DOES NOT AFFECT ANY CIVIL OR CRIMINAL LIABILITY OF THE LICENSEE FOR ACTS COMMITTED BEFORE THE LICENSE WAS SURRENDERED.

11-210.

(a) A license is not transferable.

(b) Each licensee shall display the license conspicuously at the licensee's [place of business] LICENSED LOCATION.

11-211.

(a) A licensee may not change the [place of business] LOCATION for which a license is issued unless the licensee:

(1) [Notifies] PROVIDES TO the Commissioner, in [writing] THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE COMMISSIONER REQUIRES, NOTICE of the proposed change; and

(2) Receives the written consent of the Commissioner BY UNITED STATES MAIL, E-MAIL, OR ANY MEANS PROVIDED THROUGH NMLS.

(b) If the Commissioner consents to a proposed change of [place of business] LOCATION, THE COMMISSIONER SHALL SEND the licensee [shall attach the written consent to the] AN AMENDED license.

11-401.

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

(b) “Agreement” means an installment sale agreement, a renewed or extended installment sale agreement, and any renewal, extension, or refund agreement made in connection with an installment sale agreement.

(C) “BRANCH LOCATION” MEANS ANY LOCATION OTHER THAN THE PRINCIPAL EXECUTIVE OFFICE OF A LICENSEE OR LICENSE APPLICANT AT WHICH THE LICENSEE CONDUCTS, OR THE LICENSE APPLICANT, ON LICENSURE, WILL CONDUCT, ACTIVITIES REQUIRED TO BE LICENSED UNDER THIS SUBTITLE.

[(c)] (D) (1) “Buyer” means a person who buys or leases goods under an installment sale agreement, even though the person has entered into one or more renewal, extension, or refund agreements.

(2) “Buyer” includes a prospective buyer.

[(d)] (E) (1) “Collateral security” means any security interest in, encumbrance on, or pledge of property or goods that is given to secure performance of an obligation of a buyer or a surety for a buyer under an agreement.

(2) “Collateral security” includes the undertaking of a surety for a buyer.

(3) “Collateral security” does not include any goods or interest in goods that are the subject of an installment sale agreement.

(F) (1) “CONTROL PERSON” MEANS A PERSON WHO HAS THE POWER, DIRECTLY OR INDIRECTLY, TO DIRECT THE MANAGEMENT OR POLICIES OF A LICENSEE OR LICENSE APPLICANT, WHETHER THROUGH OWNERSHIP OF SECURITIES, BY CONTRACT, OR OTHERWISE.

(2) “CONTROL PERSON” INCLUDES A PERSON WHO:

(I) IS A GENERAL PARTNER, AN OFFICER, A DIRECTOR, OR A MEMBER OF A LICENSEE OR LICENSE APPLICANT, OR OCCUPIES A SIMILAR POSITION OR PERFORMS A SIMILAR FUNCTION;

(II) DIRECTLY OR INDIRECTLY HAS THE RIGHT TO VOTE 20% OR MORE OF A CLASS OF VOTING SECURITIES, OR HAS THE POWER TO SELL OR DIRECT THE SALE OF 20% OR MORE OF A CLASS OF VOTING SECURITIES, OF A LICENSEE OR LICENSE APPLICANT; OR

(III) IN THE CASE OF A PARTNERSHIP, A LIMITED PARTNERSHIP, A LIMITED LIABILITY PARTNERSHIP, A LIMITED LIABILITY COMPANY, OR ANY OTHER BUSINESS ENTITY:

1. HAS THE RIGHT TO RECEIVE ON LIQUIDATION OR DISSOLUTION OF A LICENSEE OR LICENSE APPLICANT 20% OR MORE OF THE CAPITAL OF THE LICENSEE OR LICENSE APPLICANT; OR

2. HAS CONTRIBUTED 20% OR MORE OF THE CAPITAL OF A LICENSEE OR LICENSE APPLICANT.

[(e)] (G) (1) “Goods” means all tangible personal property that has a cash price of \$25,000 or less.

(2) “Goods” does not include money or things in action.

[(f)] (H) (1) “Installment sale agreement” means a contract for the retail sale of consumer goods, negotiated or entered into in this State, under which:

(i) Part or all of the price is payable in one or more payments after the making of the contract; and

(ii) The seller takes collateral security or keeps a security interest in the goods sold.

(2) “Installment sale agreement” includes:

(i) A prospective installment sale agreement;

(ii) A purchase money security agreement; and

(iii) A contract for the bailment or leasing of consumer goods under which the bailee or lessee contracts to pay as compensation a sum that is substantially equal to or is more than the value of the goods.

(3) “Installment sale agreement” does not include:

(i) A bona fide C.O.D. transaction or a layaway agreement as defined in § 14-1101(g) of the Commercial Law Article; or

(ii) A lease for industrial, commercial, or agricultural purposes.

[(g)] (I) “License” means a license issued by the Commissioner under this subtitle to engage in business as a sales finance company.

[(h)] (J) “Person” includes an individual, corporation, business trust, statutory trust, estate, trust, partnership, association, two or more persons having a joint or common interest, or any other legal or commercial entity.

[(i)] (K) “Retail sale” means the sale of goods for use or consumption by the buyer or for the benefit or satisfaction that the buyer may derive from the use or consumption of the goods by another, but not for resale by the buyer.

[(j)] (L) “Sales finance company” means a person who is engaged, whether by purchase, discount, pledge, loan, or otherwise, in the business of acquiring, investing in, or lending money or credit on the security of any interest in:

(1) An installment sale agreement made between other parties;

(2) A retail credit account transaction, as defined in § 12–501 of the Commercial Law Article, made between other parties; or

(3) A transaction that deals with home improvement, as defined in § 8–101 of the Business Regulation Article, made between other parties, if collateral security is required by and given to the contractor as a condition to the transaction.

[(k)] (M) “Security interest” has the meaning stated in § 1–201(37) of the Commercial Law Article.

[(l)] (N) “Seller” means a person who sells or leases or agrees to sell or lease goods under an installment sale agreement.

[(m)] (O) (1) “Surety” includes a guarantor.

(2) “Surety” does not include a seller who sells, transfers, or assigns an agreement.

(P) “UNIQUE IDENTIFIER” MEANS A NUMBER OR ANOTHER IDENTIFIER ASSIGNED BY NMLS.

11–403.

(a) Except as otherwise provided in this subtitle, a person may not engage in business as a sales finance company unless the person is licensed by the Commissioner.

(b) A separate license is required for **THE PRINCIPAL EXECUTIVE OFFICE AND** each **[place of business] BRANCH LOCATION** where a person engages in business as a sales finance company.

(c) A political subdivision may not require a licensee to have a local license or pay a local fee for permission to engage in business as a sales finance company.

(D) DURING THE TIME PERIOD ESTABLISHED BY THE COMMISSIONER UNDER SUBSECTION (E) OF THIS SECTION, EACH LICENSEE SHALL:

(1) OBTAIN AND MAINTAIN A VALID UNIQUE IDENTIFIER ISSUED BY NMLS WHEN AN ACCOUNT IS CREATED WITH NMLS;

(2) TRANSFER LICENSING INFORMATION TO NMLS; AND

(3) PAY TO THE COMMISSIONER A LICENSE EXTENSION FEE CALCULATED IN ACCORDANCE WITH SUBSECTION (E)(5) OF THIS SECTION.

(E) (1) THE COMMISSIONER SHALL ESTABLISH A TIME PERIOD THAT IS NOT LESS THAN 2 MONTHS WITHIN WHICH A LICENSEE MUST TRANSFER LICENSING INFORMATION TO NMLS.

(2) THE TIME PERIOD THAT THE COMMISSIONER ESTABLISHES UNDER THIS SUBSECTION SHALL BEGIN ON OR AFTER JULY 1, 2017.

(3) AT LEAST 30 DAYS BEFORE THE TRANSFER PERIOD BEGINS, THE COMMISSIONER SHALL:

(I) NOTIFY ALL LICENSEES OF THE TRANSFER PERIOD; AND

(II) PROVIDE INSTRUCTIONS FOR THE TRANSFER OF LICENSING INFORMATION TO NMLS.

(4) FOR EACH LICENSEE THAT COMPLIES WITH SUBSECTION (D) OF THIS SECTION, THE TERM OF THE LICENSEE'S LICENSE SHALL BE EXTENDED TO DECEMBER 31 OF THE YEAR IN WHICH THE LICENSE OTHERWISE WOULD HAVE EXPIRED.

(5) THE LICENSE EXTENSION FEE REQUIRED UNDER SUBSECTION (D)(3) OF THIS SECTION IS NONREFUNDABLE AND, BASED ON THE ANNUAL LICENSE FEE, SHALL BE PRORATED TO THE NUMBER OF DAYS BETWEEN THE DATE THE LICENSE OTHERWISE WOULD HAVE EXPIRED AND DECEMBER 31 OF THE SAME YEAR.

(F) SUBJECT TO SUBSECTION (D) OF THIS SECTION, AN APPLICANT FOR AN INITIAL LICENSE OR A LICENSE RENEWAL SHALL APPLY FOR THE INITIAL LICENSE OR LICENSE RENEWAL THROUGH NMLS:

(1) ON OR AFTER JULY 1, 2017; OR

(2) IF THE COMMISSIONER HAS NOT JOINED NMLS WITH RESPECT TO PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE AS OF JULY 1, 2017, ON OR AFTER THE DATE THAT THE COMMISSIONER JOINS, AS SPECIFIED BY THE COMMISSIONER BY PUBLIC NOTICE.

11-404.

(a) (1) To apply for a license, an applicant shall:

(I) COMPLETE, sign, and submit to the Commissioner [a verified] A COMPLETED application [on] MADE UNDER OATH IN the form, AND IN ACCORDANCE WITH THE PROCESS, that the Commissioner requires; AND

(II) PROVIDE ALL THE INFORMATION THAT THE COMMISSIONER REQUESTS.

(2) The application shall include:

(i) The [name of the applicant] **APPLICANT'S NAME, THE APPLICANT'S PRINCIPAL EXECUTIVE OFFICE ADDRESS, AND, IF THE APPLICANT IS NOT AN INDIVIDUAL, THE NAME AND RESIDENCE ADDRESS OF EACH CONTROL PERSON;**

(ii) The address [at which the business is to be conducted, including, if applicable, the office building and room number] **OF EACH BRANCH LOCATION, IF ANY; AND**

(iii) [The address of each branch, subsidiary, or affiliate that the applicant operates in this State;

(iv) If the applicant is a corporation, the date of its incorporation;

(v) The name and residence address of each owner of or partner in the applicant or, if the applicant is a corporation or association, the name and residence address of each of its directors or trustees, its principal officers, and each person who owns an interest of 20 percent or more in the applicant; and

(vi) Any other pertinent information that the Commissioner requires.

(b) With the application, the applicant shall pay to the Commissioner:

(1) An investigation fee of \$100; and

(2) A license fee of ~~\$250~~ **\$125**.

(c) [(1)] For **THE PRINCIPAL EXECUTIVE OFFICE AND** each **BRANCH LOCATION** license for which an applicant applies, the applicant shall:

[(i)] (1) Submit a separate application; and

[(ii)] (2) Pay a separate investigation fee and license fee.

[(2)] If an applicant applies for three or more licenses at the same time, the total investigation fee is \$300.]

11-407.

(a) [The] **WHEN AN APPLICANT FOR A LICENSE FILES THE APPLICATION AND PAYS THE FEES REQUIRED BY § 11-404 OF THIS SUBTITLE, THE** Commissioner shall [approve or deny each application for a license within 60 days after the date when the application is made and the fees are paid] **INVESTIGATE THE FACTS RELEVANT TO THE APPLICATION TO DETERMINE IF THE APPLICANT MEETS THE REQUIREMENTS OF THIS SUBTITLE.**

(B) THE COMMISSIONER SHALL APPROVE OR DENY EACH APPLICATION FOR A LICENSE WITHIN 60 DAYS AFTER THE DATE ON WHICH THE COMPLETE APPLICATION IS FILED AND THE FEES ARE PAID.

[(b)] (C) The Commissioner shall issue a license to any applicant who meets the requirements of this subtitle.

[(c)] (D) (1) If the Commissioner denies an application, the Commissioner shall:

(i) Notify the applicant of the denial;

(ii) Refund the license fee to the applicant; and

(iii) Keep the investigation fee and any charges collected under § 11-406 of this subtitle.

[(2)] Within 20 days after the Commissioner denies an application, the Commissioner shall:

(i) File in the Commissioner's office a written decision and statement of the reasons for denying the application; and

(ii) Send a copy of the decision and statement to the applicant.]

(2) (I) WITHIN 20 DAYS AFTER THE COMMISSIONER DENIES AN APPLICATION, THE COMMISSIONER SHALL SEND A WRITTEN NOTICE TO THE APPLICANT STATING THE REASONS FOR THE DENIAL.

(II) THE NOTICE SHALL BE SENT BY UNITED STATES MAIL, E-MAIL, OR ANY MEANS PROVIDED THROUGH NMLS TO THE ADDRESS LISTED ON THE APPLICATION.

11-408.

(a) The Commissioner shall include on each license that the Commissioner issues:

(1) The name of the licensee; [and]

(2) The address [where] **OF THE LOCATION AT WHICH** the business will be conducted; **AND**

(3) THE LICENSE NUMBER AND THE UNIQUE IDENTIFIER OF THE LICENSEE.

(b) (1) A license authorizes the licensee to do business under the license, at the licensed [place of business] **LOCATION** and under the name stated on the license.

(2) Only one [place of business] **LOCATION** may be maintained under any one license.

(c) [The] **SUBJECT TO § 11-403(B) OF THIS SUBTITLE, THE** Commissioner may issue more than one license to an applicant who:

(1) **CONDUCTS ACTIVITIES FOR WHICH A LICENSE IS REQUIRED AT MORE THAN ONE BRANCH LOCATION;**

(2) Complies with [§] §§ 11-404 AND 11-406 of this subtitle; and

[(2)] (3) Otherwise meets the requirements of this subtitle.

11-409.

[(a) (1) A license issued on or before September 30, 1997 expires on December 31 of the year in which it was issued.

(2) A license issued on or after October 1, 1997 expires on December 31 in each odd-numbered year after December 31, 1997.]

(A) AN INITIAL LICENSE TERM SHALL:

- (1) BEGIN ON THE DATE THE LICENSE IS ISSUED; AND
- (2) EXPIRE ON DECEMBER 31 OF THE YEAR:

(i) IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS ISSUED BEFORE NOVEMBER 1; OR

(ii) IMMEDIATELY FOLLOWING THE YEAR IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS ISSUED ON OR AFTER NOVEMBER 1.

(b) [Before] ON OR AFTER NOVEMBER 1 OF THE YEAR IN WHICH a license expires, the LICENSE MAY BE RENEWED FOR AN ADDITIONAL 1-YEAR TERM IF THE licensee [may apply for a new license]:

- (1) OTHERWISE IS ENTITLED TO BE LICENSED;
- (2) PAYS TO THE COMMISSIONER A RENEWAL FEE OF ~~\$175~~ \$125; AND

(3) SUBMITS TO THE COMMISSIONER A RENEWAL APPLICATION IN THE FORM, AND IN ACCORDANCE WITH THE PROCESS, THAT THE COMMISSIONER REQUIRES.

(c) [The Secretary] TO THE EXTENT REQUIRED OR PERMITTED BY NMLS, THE COMMISSIONER may determine that licenses issued under this subtitle shall expire on a staggered basis.

(D) A LICENSEE MAY NOT RENEW A LICENSE UNLESS, BEFORE THE SUBMISSION OF THE LICENSE RENEWAL APPLICATION, THE LICENSEE HAS TRANSFERRED THE LICENSEE'S LICENSING INFORMATION TO NMLS IN ACCORDANCE WITH § 11-403(D) OF THIS SUBTITLE.

11-410.

(a) A license is not transferable.

(b) Each licensee shall display the license conspicuously at the licensee's [place of business] LICENSED LOCATION.

11-411.

(a) If a licensee changes the [place of business] LOCATION FOR WHICH A LICENSE IS ISSUED, the licensee immediately shall [notify] PROVIDE TO the Commissioner, in [writing] THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE COMMISSIONER REQUIRES, NOTICE of the change.

(b) [(1)] On receiving notice under this section, the Commissioner, without charge, shall send the licensee an [endorsement] **AMENDED LICENSE** stating the change and its date.

[(2)] The licensee shall attach the endorsement to the license.]

11-412.

(a) A licensee may surrender the license by [delivering] **SENDING** to the Commissioner, **IN THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE COMMISSIONER REQUIRES**, a [written] statement that the license is surrendered.

(b) **IF A LICENSE IS SURRENDERED VOLUNTARILY, OR IS SUSPENDED OR REVOKED, THE COMMISSIONER MAY NOT REFUND ANY PART OF THE LICENSE FEE REGARDLESS OF THE TIME REMAINING IN THE LICENSE TERM.**

(c) The surrender of a license does not affect any civil or criminal liability of the licensee for acts committed before the license was surrendered.

11-412.1.

(A) (1) **THE REQUIREMENTS UNDER ANY FEDERAL LAW AND TITLE 4, SUBTITLES 1 THROUGH 4 OF THE GENERAL PROVISIONS ARTICLE REGARDING THE PRIVACY OR CONFIDENTIALITY OF INFORMATION OR MATERIAL PROVIDED TO NMLS AND ANY PRIVILEGE ARISING UNDER FEDERAL OR STATE LAW, INCLUDING THE RULES OF ANY FEDERAL OR STATE COURT WITH RESPECT TO THAT INFORMATION OR MATERIAL, SHALL CONTINUE TO APPLY TO THAT INFORMATION OR MATERIAL AFTER THE INFORMATION OR MATERIAL HAS BEEN DISCLOSED TO NMLS.**

(2) **THE INFORMATION AND MATERIAL MAY BE SHARED WITH ALL STATE AND FEDERAL REGULATORY OFFICIALS HAVING OVERSIGHT AUTHORITY OVER PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE, INCLUDING THE FINANCIAL CRIMES ENFORCEMENT NETWORK AND THE OFFICE OF FOREIGN ASSETS CONTROL, AND ANY SUCCESSOR TO THESE AGENCIES, WITHOUT THE LOSS OF PRIVILEGE OR THE LOSS OF CONFIDENTIALITY PROTECTIONS PROVIDED BY FEDERAL LAW OR TITLE 4, SUBTITLES 1 THROUGH 4 OF THE GENERAL PROVISIONS ARTICLE.**

(B) **INFORMATION OR MATERIAL THAT IS SUBJECT TO A PRIVILEGE OR CONFIDENTIALITY UNDER SUBSECTION (A) OF THIS SECTION MAY NOT BE SUBJECT TO:**

(1) DISCLOSURE UNDER ANY FEDERAL OR STATE LAW GOVERNING THE DISCLOSURE TO THE PUBLIC OF INFORMATION HELD BY AN OFFICER OR AGENCY OF THE FEDERAL GOVERNMENT OR A STATE THAT HAS RECEIVED THE INFORMATION OR MATERIAL; OR

(2) SUBPOENA, DISCOVERY, OR ADMISSION INTO EVIDENCE, IN ANY PRIVATE CIVIL LITIGATION OR ADMINISTRATIVE PROCESS, UNLESS, WITH RESPECT TO ANY PRIVILEGE HELD BY NMLS, THE PERSON TO WHOM THE INFORMATION OR MATERIAL PERTAINS WAIVES, IN WHOLE OR IN PART, THAT PRIVILEGE.

(C) ANY PROVISION OF TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE RELATING TO THE DISCLOSURE OF ANY INFORMATION OR MATERIAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION THAT IS INCONSISTENT WITH SUBSECTION (A) OF THIS SECTION SHALL BE SUPERSEDED BY THE REQUIREMENTS OF THIS SECTION.

(D) THIS SECTION DOES NOT APPLY TO INFORMATION OR MATERIAL RELATING TO PUBLICLY ADJUDICATED DISCIPLINARY AND ENFORCEMENT ACTIONS AGAINST A PERSON REQUIRED TO BE LICENSED UNDER THIS SUBTITLE THAT IS INCLUDED IN NMLS AND DESIGNATED FOR ACCESS BY THE PUBLIC.

11-501.

(o) “Nationwide Mortgage Licensing System and Registry” OR “NMLS” has the meaning stated in § 1-101 of this article.

11-506.1.

(a) [In this section, “Central Repository” means the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services.

(b)] This section does not apply to any corporation the securities of which are exempt from registration under § 11-601(8) or (12) of the Corporations and Associations Article.

[(c)] (B) In connection with an initial application FOR A LICENSE UNDER § 11-507 OF THIS SUBTITLE, and at any other time the Commissioner requests, [each applicant or licensee shall provide fingerprints for:

(1) Use by the Central Repository to conduct State criminal history records checks; and

(2) Submission to the Federal Bureau of Investigation, and any other governmental agency or entity authorized to receive this information, for a state, national, or international criminal history background check.

(d) In addition to the requirement under subsection (c) of this section, if the Commissioner requires in connection with an initial application, and at any other time the Commissioner requests,] an applicant or licensee shall provide to the Nationwide Mortgage Licensing System and Registry information concerning the applicant's identity, including:

(1) Fingerprints for submission to the Federal Bureau of Investigation, and any other governmental agency or entity authorized to receive this information, for a state, national, or international criminal history background check; and

(2) Personal history and experience in a form prescribed by the Nationwide Mortgage Licensing System and Registry, including the submission of authorization for the Nationwide Mortgage Licensing System and Registry and the Commissioner to obtain:

(i) An independent credit report from a consumer reporting agency described in the federal Fair Credit Reporting Act, 15 U.S.C. § 1681a(p); and

(ii) Information related to any administrative, civil, or criminal findings by any governmental jurisdiction.

[(e)] (C) The Commissioner may request from **[the Central Repository,]** the Federal Bureau of Investigation**[,]** or the Nationwide Mortgage Licensing System and Registry, as applicable, for each applicant or licensee who is required to provide fingerprints under subsection **[(c) or (d)] (B)** of this section:

(1) (i) The state, national, or international criminal history records of the applicant or licensee; and

(ii) A printed statement listing any conviction or other disposition of, and any plea of guilty or nolo contendere to, any criminal charge;

(2) (i) An update of the initial criminal history records check or criminal history background check of the applicant or licensee; and

(ii) A revised statement listing any conviction or other disposition of, and any plea of guilty or nolo contendere to, any criminal charge occurring after the date of the initial criminal history records check or criminal history background check; and

(3) An acknowledged receipt of the application for a criminal history records check or criminal history background check of the applicant or licensee.

[(f)] (D) An applicant or licensee who is required to provide fingerprints under subsection **[(c) or (d)] (B)** of this section shall pay any processing or other fees required by **[the Central Repository,]** the Federal Bureau of Investigation**[,]** and the Nationwide Mortgage Licensing System and Registry.

[(g)] (E) To implement this subtitle, the Commissioner may use the Nationwide Mortgage Licensing System and Registry as a channeling agent to request information from and distribute information to the Department of Justice, any other governmental agency with subject matter jurisdiction, and any other state licensing entity that has loan originators registered with the Nationwide Mortgage Licensing System and Registry.

11-601.

(s) “Nationwide Mortgage Licensing System and Registry” OR “NMLS” has the meaning stated in § 1-101 of this article.

12-101.

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

(B) “BRANCH LOCATION” MEANS ANY LOCATION OTHER THAN THE PRINCIPAL EXECUTIVE OFFICE OF A LICENSEE OR LICENSE APPLICANT AT WHICH THE LICENSEE CONDUCTS, OR THE LICENSE APPLICANT, ON LICENSURE, WILL CONDUCT, ACTIVITIES REQUIRED TO BE LICENSED UNDER THIS SUBTITLE.

(C) (1) “CONTROL PERSON” MEANS A PERSON WHO HAS THE POWER, DIRECTLY OR INDIRECTLY, TO DIRECT THE MANAGEMENT OR POLICIES OF A LICENSEE OR LICENSE APPLICANT, WHETHER THROUGH OWNERSHIP OF SECURITIES, BY CONTRACT, OR OTHERWISE.

(2) “CONTROL PERSON” INCLUDES A PERSON WHO:

(I) IS A GENERAL PARTNER, AN OFFICER, A DIRECTOR, OR A MEMBER, OR OCCUPIES A SIMILAR POSITION OR PERFORMS A SIMILAR FUNCTION;

(II) DIRECTLY OR INDIRECTLY HAS THE RIGHT TO VOTE 5% OR MORE OF A CLASS OF VOTING SECURITIES, OR HAS THE POWER TO SELL OR DIRECT THE SALE OF 5% OR MORE OF A CLASS OF VOTING SECURITIES, OF A LICENSEE OR LICENSE APPLICANT; OR

(III) IN THE CASE OF A PARTNERSHIP, A LIMITED PARTNERSHIP, A LIMITED LIABILITY PARTNERSHIP, A LIMITED LIABILITY COMPANY, OR ANY OTHER BUSINESS ENTITY:

1. HAS THE RIGHT TO RECEIVE ON LIQUIDATION OR DISSOLUTION OF A LICENSEE OR LICENSE APPLICANT 5% OR MORE OF THE CAPITAL OF THE LICENSEE OR LICENSE APPLICANT; OR

2. HAS CONTRIBUTED 5% OR MORE OF THE CAPITAL OF A LICENSEE OR LICENSE APPLICANT.

[(b)] (D) “Exempt entity” means an entity that is exempt from all requirements of licensing as provided under § 12–103(b) and (c) of this subtitle.

[(c)] (E) “License” means, unless the context requires otherwise, a license issued by the Commissioner under this subtitle to provide check cashing services.

[(d)] (F) “Licensee” means, unless the context requires otherwise, a person that is licensed by the Commissioner under this subtitle to provide check cashing services.

[(e)] (G) “Mobile unit” means a motor vehicle or other movable means from which check cashing services are provided.

[(f)] (H) (1) “Payment instrument” means a check or a draft ordering a person to pay money.

(2) “Payment instrument” includes a money order.

[(g)] (I) “Provide check cashing services” means to accept or cash, for compensation, a payment instrument regardless of the date of the payment instrument.

(J) “UNIQUE IDENTIFIER” MEANS A NUMBER OR ANOTHER IDENTIFIER ASSIGNED BY NMLS.

12–105.

(a) Except as provided in § 12–102(a) of this subtitle, a person may not provide check cashing services unless the person is licensed under this subtitle or is an exempt entity.

(b) A separate license is required for **THE PRINCIPAL EXECUTIVE OFFICE OF THE LICENSE APPLICANT OR LICENSEE AT WHICH**, each [place of business] **BRANCH LOCATION** at which, [or] **AND EACH** mobile unit from which, a person provides check cashing services.

(C) DURING THE TIME PERIOD ESTABLISHED BY THE COMMISSIONER UNDER SUBSECTION (D) OF THIS SECTION, EACH LICENSEE SHALL:

(1) OBTAIN AND MAINTAIN A VALID UNIQUE IDENTIFIER ISSUED BY NMLS WHEN AN ACCOUNT IS CREATED WITH NMLS;

(2) TRANSFER LICENSING INFORMATION TO NMLS; AND

(3) PAY TO THE COMMISSIONER A LICENSE EXTENSION FEE CALCULATED IN ACCORDANCE WITH SUBSECTION (D)(5) OF THIS SECTION.

(D) (1) THE COMMISSIONER SHALL ESTABLISH A TIME PERIOD THAT IS NO LESS THAN 2 MONTHS WITHIN WHICH A LICENSEE MUST TRANSFER LICENSING INFORMATION TO NMLS.

(2) THE TIME PERIOD THAT THE COMMISSIONER ESTABLISHES UNDER THIS SUBSECTION SHALL BEGIN ON OR AFTER JULY 1, 2017.

(3) AT LEAST 30 DAYS BEFORE THE TRANSFER PERIOD BEGINS, THE COMMISSIONER SHALL:

(I) NOTIFY ALL LICENSEES OF THE TRANSFER PERIOD; AND

(II) PROVIDE INSTRUCTIONS FOR THE TRANSFER OF LICENSING INFORMATION TO NMLS.

(4) FOR EACH LICENSEE THAT COMPLIES WITH SUBSECTION (C) OF THIS SECTION, THE TERM OF THE LICENSEE'S LICENSE SHALL EXTEND TO DECEMBER 31 OF THE YEAR IN WHICH THE LICENSE OTHERWISE WOULD HAVE EXPIRED.

(5) THE LICENSE EXTENSION FEE REQUIRED UNDER SUBSECTION (C)(3) OF THIS SECTION IS NONREFUNDABLE AND, BASED ON THE ANNUAL LICENSE FEE, SHALL BE PRORATED TO THE NUMBER OF DAYS BETWEEN THE DATE THE LICENSE OTHERWISE WOULD HAVE EXPIRED AND DECEMBER 31 OF THE SAME YEAR.

(E) SUBJECT TO SUBSECTION (C) OF THIS SECTION, AN APPLICANT FOR AN INITIAL LICENSE OR A LICENSE RENEWAL SHALL APPLY FOR THE INITIAL LICENSE OR LICENSE RENEWAL THROUGH NMLS:

(1) ON OR AFTER JULY 1, 2017; OR

(2) IF THE COMMISSIONER HAS NOT JOINED NMLS WITH RESPECT TO PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE AS OF JULY 1, 2017, ON OR AFTER THE DATE THAT THE COMMISSIONER JOINS, AS SPECIFIED BY THE COMMISSIONER BY PUBLIC NOTICE.

12-107.

(a) [With] IN CONNECTION WITH an INITIAL application FOR A LICENSE UNDER THIS SUBTITLE, and at any other time the Commissioner requires, an applicant or licensee shall provide fingerprints, AS DIRECTED BY THE COMMISSIONER, TO NMLS for use by the Federal Bureau of Investigation [and the Criminal Justice Information

System Central Repository of the Department of Public Safety and Correctional Services] to conduct a criminal history records check.

12-107.1.

(A) (1) THE REQUIREMENTS UNDER ANY FEDERAL LAW AND TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE REGARDING THE PRIVACY OR CONFIDENTIALITY OF INFORMATION OR MATERIAL PROVIDED TO NMLS, AND ANY PRIVILEGE ARISING UNDER FEDERAL OR STATE LAW, INCLUDING THE RULES OF ANY FEDERAL OR STATE COURT WITH RESPECT TO THAT INFORMATION OR MATERIAL, SHALL CONTINUE TO APPLY TO THAT INFORMATION OR MATERIAL AFTER THE INFORMATION OR MATERIAL HAS BEEN DISCLOSED TO NMLS.

(2) THE INFORMATION AND MATERIAL MAY BE SHARED WITH ALL STATE AND FEDERAL REGULATORY OFFICIALS HAVING OVERSIGHT AUTHORITY OVER PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE, INCLUDING THE FINANCIAL CRIMES ENFORCEMENT NETWORK AND THE OFFICE OF FOREIGN ASSETS CONTROL, AND ANY SUCCESSOR TO THESE AGENCIES, WITHOUT THE LOSS OF PRIVILEGE OR THE LOSS OF CONFIDENTIALITY PROTECTIONS PROVIDED BY FEDERAL LAW OR TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE.

(B) INFORMATION OR MATERIAL THAT IS SUBJECT TO A PRIVILEGE OR CONFIDENTIALITY UNDER SUBSECTION (A) OF THIS SECTION MAY NOT BE SUBJECT TO:

(1) DISCLOSURE UNDER ANY FEDERAL OR STATE LAW GOVERNING THE DISCLOSURE TO THE PUBLIC OF INFORMATION HELD BY AN OFFICER OR AGENCY OF THE FEDERAL GOVERNMENT OR A STATE THAT HAS RECEIVED THE INFORMATION OR MATERIAL; OR

(2) SUBPOENA, DISCOVERY, OR ADMISSION INTO EVIDENCE, IN ANY PRIVATE CIVIL LITIGATION OR ADMINISTRATIVE PROCESS, UNLESS, WITH RESPECT TO ANY PRIVILEGE HELD BY NMLS, THE PERSON TO WHOM THE INFORMATION OR MATERIAL PERTAINS WAIVES, IN WHOLE OR IN PART, THAT PRIVILEGE.

(C) ANY PROVISIONS OF TITLE 4, SUBTITLES 1 THROUGH 5 OF THE GENERAL PROVISIONS ARTICLE RELATING TO THE DISCLOSURE OF ANY INFORMATION OR MATERIAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION THAT ARE INCONSISTENT WITH SUBSECTION (A) OF THIS SECTION SHALL BE SUPERSEDED BY THE REQUIREMENTS OF THIS SECTION.

(D) THIS SECTION DOES NOT APPLY TO INFORMATION OR MATERIAL RELATING TO PUBLICLY ADJUDICATED DISCIPLINARY AND ENFORCEMENT ACTIONS AGAINST A PERSON REQUIRED TO BE LICENSED UNDER THIS SUBTITLE THAT IS INCLUDED IN NMLS AND DESIGNATED FOR ACCESS BY THE PUBLIC.

12-108.

(a) (1) To apply for a license, an applicant shall [submit to the Commissioner an application on the form that the Commissioner requires]:

(I) COMPLETE, SIGN, AND SUBMIT TO THE COMMISSIONER AN APPLICATION MADE UNDER OATH IN THE FORM, AND IN ACCORDANCE WITH THE PROCESS, THAT THE COMMISSIONER REQUIRES; AND

(II) PROVIDE ALL THE INFORMATION THAT THE COMMISSIONER REQUESTS.

(2) The application shall include:

(i) The applicant's name [and address], **THE APPLICANT'S PRINCIPAL EXECUTIVE OFFICE ADDRESS**, and, if the applicant is not an individual, the [names] **NAME** and [addresses] **RESIDENCE ADDRESS** of each **CONTROL PERSON**[:];

1. Owner who owns 5% or more of the entity; and

2. Officer, director, or principal of the entity;]

(ii) [1.] The address [at which check cashing services will be provided] **OF EACH BRANCH LOCATION, IF ANY; [or]**

[2.] **(III)** If the license is for a mobile unit, the vehicle identification number of the mobile unit and the geographic area in which the mobile unit will be operating; and

[(iii)] (IV) Any other information that the Commissioner requires for an investigation and findings under § 12-109 of this subtitle.

(b) With the application, the applicant shall pay to the Commissioner:

(1) An investigation fee of \$100; and

(2) A license fee of[:

(i) \$1,000 if the applicant applies for a license to be issued on or after January 1 and on or before December 31 of an even-numbered year; or

(ii) \$500 if the applicant applies for a license to be issued on or after January 1 and on or before December 31 of an odd-numbered year] **\$500.**

(c) [(1) Subject to the provisions of paragraph (2) of this subsection, if an applicant applies for more than one license, as to each license] **FOR THE PRINCIPAL EXECUTIVE OFFICE, EACH BRANCH LOCATION, AND EACH MOBILE UNIT LICENSE FOR WHICH AN APPLICANT APPLIES,** the applicant shall:

[i] (1) Submit a separate application; and

[ii] (2) Pay a separate investigation fee and license fee.

[(2) An applicant that applies for more than one license is not required to provide fingerprints for a criminal history records check for more than one application.]

12-109.

(a) When an applicant for a license files the application and pays the fees required by § 12-108 of this subtitle, the Commissioner shall investigate the facts relevant to the application to determine if the applicant meets the requirements of this subtitle.

(b) Unless the Commissioner and an applicant agree in writing to extend the time, the Commissioner shall approve or deny each application for a license within 60 days after the date [when] **ON WHICH** the complete application is filed and the fees are paid.

(c) The Commissioner shall issue a license to any applicant who meets the requirements of this subtitle.

(d) (1) If an applicant does not meet the requirements of this subtitle, the Commissioner shall:

(i) Deny the application;

(ii) Notify the applicant immediately of the denial;

(iii) Refund the license fee; and

(iv) Retain the investigation fee.

[(2) Within 10 days after the Commissioner denies an application, the Commissioner shall:

(i) File in the Commissioner's office written findings and a summary of the evidence supporting them; and

- (ii) Send a copy of the findings and summary to the applicant.]

(2) (I) WITHIN 10 DAYS AFTER THE COMMISSIONER DENIES AN APPLICATION, THE COMMISSIONER SHALL SEND A WRITTEN NOTICE TO THE APPLICANT STATING THE REASONS FOR THE DENIAL.

(II) THE NOTICE SHALL BE SENT BY UNITED STATES MAIL, E-MAIL, OR ANY MEANS PROVIDED THROUGH NMLS TO THE ADDRESS LISTED IN THE APPLICATION.

12-110.

- (a) The Commissioner shall include on each license:

(1) The name of the licensee; [and]

(2) (i) The address **OF THE LOCATION** at which check cashing services will be provided; or

(ii) If the license is for a mobile unit, the vehicle identification number of the mobile unit and the geographic area in which check cashing services will be provided; **AND**

(3) THE LICENSE NUMBER AND UNIQUE IDENTIFIER OF THE LICENSEE.

(b) (1) A license authorizes the licensee to provide check cashing services under the name stated on the license and at the [address] **LOCATION** at which, or if the license is for a mobile unit the geographic area in which, check cashing services will be provided.

(2) Only one [place of business] **LOCATION**, or one mobile unit, may be maintained under [a] **ANY ONE** license.

(c) [The] **SUBJECT TO § 12-105(B) OF THIS SUBTITLE, THE** Commissioner may issue more than one license to an applicant who:

(1) CONDUCTS ACTIVITIES FOR WHICH A LICENSE IS REQUIRED AT MORE THAN ONE LOCATION;

[(1)] **(2)** Complies with § 12-108 of this subtitle; and

[(2)] **(3)** Otherwise meets the requirements of this subtitle.

12-110.1.

(A) A LICENSEE MAY SURRENDER A LICENSE BY SENDING TO THE COMMISSIONER, IN THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE COMMISSIONER REQUIRES, A STATEMENT THAT THE LICENSE IS SURRENDERED.

(B) IF A LICENSE IS SURRENDERED VOLUNTARILY, OR IS SUSPENDED OR REVOKED, THE COMMISSIONER MAY NOT REFUND ANY PART OF THE LICENSE FEE REGARDLESS OF THE TIME REMAINING IN THE LICENSE TERM.

(C) THE SURRENDER OF A LICENSE DOES NOT AFFECT ANY CIVIL OR CRIMINAL LIABILITY OF THE LICENSEE FOR ACTS COMMITTED BEFORE THE LICENSE WAS SURRENDERED.

12-111.

[(a) A license expires on December 31 in each odd-numbered year unless it is renewed for a 2-year term as provided in this section.]

(A) AN INITIAL LICENSE TERM SHALL:

(1) BEGIN ON THE DATE THE LICENSE IS ISSUED; AND

(2) EXPIRE ON DECEMBER 31 OF THE YEAR:

(i) IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS ISSUED BEFORE NOVEMBER 1; OR

(ii) IMMEDIATELY FOLLOWING THE YEAR IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS ISSUED ON OR AFTER NOVEMBER 1.

(b) On or [before December 1] AFTER NOVEMBER 1 of the year [of expiration,] a license EXPIRES, THE LICENSE may be renewed for an additional [2-year] 1-YEAR term, if the licensee:

(1) Otherwise is entitled to be licensed;

(2) Pays to the Commissioner a renewal fee of [\$1,000] \$500; and

(3) Submits to the Commissioner a renewal application [on] IN the form, AND IN ACCORDANCE WITH THE PROCESS, that the Commissioner requires.

(c) The Commissioner shall determine if the requirements of § 12-106 of this subtitle to qualify for a license continue to apply.

(d) **[The] TO THE EXTENT REQUIRED OR PERMITTED BY NMLS, THE** Commissioner may determine that licenses issued under this subtitle shall expire on a staggered basis.

(E) A LICENSEE MAY NOT RENEW A LICENSE UNLESS, BEFORE THE SUBMISSION OF THE LICENSE RENEWAL APPLICATION, THE LICENSEE HAS TRANSFERRED THE LICENSEE'S LICENSING INFORMATION TO NMLS IN ACCORDANCE WITH § 12-105(C) OF THIS SUBTITLE.

12-112.

(a) A license is not transferable.

(b) A licensee shall display the license conspicuously at the licensee's **[place of business] LICENSED LOCATION** or mobile unit.

12-113.

(a) A licensee may not change the **[place of business] LOCATION** for which a license is issued unless the licensee:

(1) **[Notifies] PROVIDES TO** the Commissioner, in **[writing] THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE COMMISSIONER REQUIRES, NOTICE** of the proposed change; and

(2) Receives the written consent of the Commissioner **BY UNITED STATES MAIL, E-MAIL, OR ANY MEANS PROVIDED THROUGH NMLS** prior to the change.

(b) If the Commissioner consents to a proposed change of **[place of business] LOCATION, THE COMMISSIONER SHALL SEND** the licensee **[shall attach the written consent to the] AN AMENDED** license.

12-408.

(a) **[In this section, "Central Repository" means the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services.**

(b)] This section does not apply to any corporation the securities of which are exempt from registration under § 11-601(8) or (12) of the Corporations and Associations Article or any wholly owned subsidiary of the corporation.

[(c) (B)] In connection with an initial application for a license under § 12-407 of this subtitle, and at any other time that the Commissioner requests, an applicant or licensee shall provide to **[the nationwide licensing system] NMLS** information concerning the applicant's identity, including:

(1) Fingerprints for submission to the Federal Bureau of Investigation, and any other governmental agency or entity[, including the Central Repository,] authorized to receive this information for a state, a national, or an international criminal history background check;

(2) In the case of a sole proprietorship, personal history and experience in a form prescribed by [the nationwide licensing system] **NMLS**, including the submission of authorization for [the nationwide licensing system] **NMLS** and the Commissioner to obtain:

(i) An independent credit report from a consumer reporting agency described in the federal Fair Credit Reporting Act, 15 U.S.C. § 1681a(p); and

(ii) Information related to any administrative, civil, or criminal findings by any governmental jurisdiction; and

(3) In the case of a corporation or another business entity:

(i) Business history in a form prescribed by [the nationwide licensing system] **NMLS**, including:

1. The submission of a business credit report for the applicant that is no older than 3 months before the date of the application; and

2. Information related to any administrative, civil, or criminal findings by any governmental jurisdiction; and

(ii) For each control person, personal history in a form prescribed by [the nationwide licensing system] **NMLS**.

[(d)] (C) Subject to § 12–408.1 of this subtitle, to implement this subtitle, the Commissioner may use [the nationwide licensing system] **NMLS** as a channeling agent to request information from and distribute information to the Department of Justice, any other governmental agency with subject matter jurisdiction, and any other state licensing entity that has money transmitters licensed or registered with [the nationwide licensing system] **NMLS**.

[(e)] In addition to the requirements under subsection (c) of this section, in connection with an initial application for a license under § 12–407 of this subtitle, and at any other time that the Commissioner requests, an applicant or a licensee shall provide fingerprints for use by the Central Repository to conduct criminal history records checks.]

[(f)] (D) An applicant or a licensee who is required to provide fingerprints under subsection [(c) or (e)] **(B)** of this section shall pay the processing or other fees required by

[the Central Repository,] the Federal Bureau of Investigation[,] and [the nationwide licensing system] NMLS.

[(g)] (E) The Commissioner may request from [the Central Repository,] the Federal Bureau of Investigation[,] or [the nationwide licensing system] NMLS, as applicable, for each person who is required to provide fingerprints under subsection [(c) or (e)] (B) of this section:

(1) (i) The state, national, or international criminal history records of the person; and

(ii) A printed statement listing any conviction or other disposition of, and any plea of guilty or nolo contendere to, any criminal charge;

(2) (i) An update of the initial criminal history records check or criminal history background check of the person; and

(ii) A revised statement listing any conviction or other disposition of, and any plea of guilty or nolo contendere to, any criminal charge occurring after the date of the initial criminal history records check or criminal history background check; and

(3) An acknowledged receipt of the application for a criminal history records check or criminal history background check of the person.

[(h)] (F) If the applicant or licensee is a corporation or another business entity, the fingerprinting and criminal history records check requirements under subsection [(c) or (e)] (B) of this section shall apply to an executive officer, a general partner, or a managing member of, or an individual serving in a similar capacity with respect to, the corporation or other business entity, as requested by the Commissioner.

12-901.

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

(b) “Annual gross revenue” means income or revenue from all sources, before any expenses or taxes, computed according to generally accepted accounting principles for the preceding fiscal year.

(c) **“BRANCH LOCATION” MEANS ANY LOCATION OTHER THAN THE PRINCIPAL EXECUTIVE OFFICE OF A LICENSEE OR LICENSE APPLICANT AT WHICH THE LICENSEE CONDUCTS, OR THE LICENSE APPLICANT, ON LICENSURE, WILL CONDUCT, ACTIVITIES REQUIRED TO BE LICENSED UNDER THIS SUBTITLE.**

[(c)] (D) “Consultation fee” means a fee paid by a consumer to a debt management services provider in connection with the processing of any application that the consumer makes for debt management services.

[(d)] (E) “Consumer” means an individual who:

- (1) Resides in the State; and
- (2) Is seeking debt management services or has entered into a debt management services agreement.

[(e)] (F) “Consumer education program” means a program or plan that:

- (1) Seeks to improve the financial literacy of consumers regarding personal finance, budgeting, and credit and debt management; and
- (2) Provides counseling tailored to the needs and circumstances of the consumer with regard to options and strategies for addressing the consumer’s debt problems, including:
 - (i) Creating and maintaining a budget;
 - (ii) Establishing debt management payment plans with creditors;
 - (iii) Negotiating directly with creditors on payment or interest rate relief; and
 - (iv) Filing for bankruptcy.

(G) (1) “CONTROL PERSON” MEANS A PERSON WHO HAS THE POWER, DIRECTLY OR INDIRECTLY, TO DIRECT THE MANAGEMENT OR POLICIES OF A LICENSEE OR LICENSE APPLICANT, WHETHER THROUGH OWNERSHIP OF SECURITIES, BY CONTRACT, OR OTHERWISE.

(2) “CONTROL PERSON” INCLUDES A PERSON WHO:

(I) IS A GENERAL PARTNER, AN OFFICER, OR A DIRECTOR OF A LICENSEE OR LICENSE APPLICANT, OR A MEMBER THAT OCCUPIES A SIMILAR POSITION OR PERFORMS A SIMILAR FUNCTION;

(II) DIRECTLY OR INDIRECTLY HAS THE RIGHT TO VOTE 10% OR MORE OF A CLASS OF VOTING SECURITIES, OR HAS THE POWER TO SELL OR DIRECT THE SALE OF 10% OR MORE OF A CLASS OF VOTING SECURITIES, OF A LICENSEE OR LICENSE APPLICANT; OR

(III) IN THE CASE OF A PARTNERSHIP, A LIMITED PARTNERSHIP, A LIMITED LIABILITY PARTNERSHIP, A LIMITED LIABILITY COMPANY, OR ANY OTHER BUSINESS ENTITY:

1. HAS THE RIGHT TO RECEIVE ON LIQUIDATION OR DISSOLUTION OF A LICENSEE OR LICENSE APPLICANT 10% OR MORE OF THE CAPITAL OF THE LICENSEE OR LICENSE APPLICANT; OR

2. HAS CONTRIBUTED 10% OR MORE OF THE CAPITAL OF A LICENSEE OR LICENSE APPLICANT.

[(f)] (H) “Debt management counselor” means a permanent, temporary, or contractual employee of a debt management services provider or its agent who provides counseling to consumers on behalf of the debt management services provider.

[(g)] (I) “Debt management services” means receiving funds periodically from a consumer under an agreement with the consumer for the purpose of distributing the funds among the consumer’s creditors in full or partial payment of the consumer’s debts.

[(h)] (J) “Debt management services agreement” means a written contract, plan, or agreement between a debt management services provider and a consumer for the performance of debt management services.

[(i)] (K) “Debt management services provider” means a person that provides or offers to provide debt management services to a consumer.

[(j)] (L) “Licensee” means a person licensed under this subtitle to provide debt management services.

[(k)] (M) “Maintenance fee” means a fee paid by a consumer to a debt management services provider for the maintenance or servicing of the consumer’s accounts with the consumer’s creditors in accordance with a debt management services agreement.

[(l)] (N) “Relative” means any of the following who are related to an individual by blood, marriage, or adoption:

- (1) A spouse;
- (2) A child;
- (3) A sibling;
- (4) A parent;
- (5) A grandparent;
- (6) A grandchild;
- (7) A stepparent;

- (8) A stepchild;
- (9) A stepsibling;
- (10) An aunt; or
- (11) An uncle.

[(m)] (O) “Resident agent” means an individual residing in the State or a Maryland corporation whose name, address, and designation as a resident agent are filed or recorded with the State Department of Assessments and Taxation in accordance with the provisions of the Corporations and Associations Article.

[(n)] (P) “Trust account” means an account that is:

- (1) Established in a financial institution that is federally insured;
- (2) Separate from the debt management services provider’s operating account;
- (3) Designated as a “trust account” or by another appropriate designation indicating that the funds in the account are not the funds of the licensee or its officers, employees, or agents;
- (4) Unavailable to creditors of the debt management services provider; and
- (5) Used to hold funds paid by consumers to a debt management services provider for disbursement to creditors of the consumers.

(Q) “UNIQUE IDENTIFIER” MEANS A NUMBER OR ANOTHER IDENTIFIER ASSIGNED BY NMLS.

12–904.

[The Commissioner shall charge:

- (1) (i) A fee for the issuance of an initial license under this subtitle in an even-numbered year as follows:]

(A) AN APPLICANT SHALL SUBMIT SEPARATE APPLICATIONS FOR THE APPLICANT’S PRINCIPAL EXECUTIVE OFFICE AND EACH BRANCH LOCATION.

(B) WITH THE LICENSE APPLICATION FOR THE PRINCIPAL EXECUTIVE OFFICE OF AN APPLICANT, THE APPLICANT SHALL PAY TO THE COMMISSIONER:

(1) A NONREFUNDABLE INVESTIGATION FEE OF \$1,000 FOR AN INITIAL LICENSE; AND

(2) A LICENSE FEE FOR AN INITIAL LICENSE OR A LICENSE RENEWAL FOR AN ADDITIONAL 1-YEAR TERM, AS FOLLOWS:

[1. \$1,000] **(I) \$500**, if the applicant's annual gross revenue is not more than \$3,000,000;

[2. \$2,000] **(II) \$1,000**, if the applicant's annual gross revenue is more than \$3,000,000 but not more than \$6,000,000;

[3. \$4,000] **(III) \$2,000**, if the applicant's annual gross revenue is more than \$6,000,000 but not more than \$15,000,000;

[4. \$6,000] **(IV) \$3,000**, if the applicant's annual gross revenue is more than \$15,000,000 but not more than \$30,000,000; or

[5. \$8,000] **(V) \$4,000**, if the applicant's annual gross revenue is more than \$30,000,000[; and].

(C) WITH THE LICENSE APPLICATION FOR EACH BRANCH LOCATION OF AN APPLICANT, THE APPLICANT SHALL PAY TO THE COMMISSIONER A \$100 LICENSE FEE FOR AN INITIAL LICENSE OR A LICENSE RENEWAL FOR AN ADDITIONAL 1-YEAR TERM.

[(ii) A fee for the issuance of an initial license under this subtitle in an odd-numbered year as follows:

1. \$500, if the applicant's annual gross revenue is not more than \$3,000,000;

2. \$1,000, if the applicant's annual gross revenue is more than \$3,000,000 but not more than \$6,000,000;

3. \$2,000, if the applicant's annual gross revenue is more than \$6,000,000 but not more than \$15,000,000;

4. \$3,000, if the applicant's annual gross revenue is more than \$15,000,000 but not more than \$30,000,000; or

5. \$4,000, if the applicant's annual gross revenue is more than \$30,000,000;

(2) A fee for renewal of a license issued under this subtitle as follows:

(i) \$1,000, if the applicant's annual gross revenue is not more than \$3,000,000;

(ii) \$2,000, if the applicant's annual gross revenue is more than \$3,000,000 but not more than \$6,000,000;

(iii) \$4,000, if the applicant's annual gross revenue is more than \$6,000,000 but not more than \$15,000,000;

(iv) \$6,000, if the applicant's annual gross revenue is more than \$15,000,000 but not more than \$30,000,000; or

(v) \$8,000, if the applicant's annual gross revenue is more than \$30,000,000;

(3) A fee of \$100, for each location in the State at which a licensee provides debt management services under this subtitle, payable at the time of application for an initial license and at each renewal of a license; and

(4) A fee of \$1,000, for an investigation of an applicant under this subtitle, payable at the time of application for an initial license.]

12-906.

(A) Whether or not the person maintains an office in this State, a person may not provide debt management services to consumers unless the person:

(1) Is licensed by the Commissioner under this subtitle; or

(2) Is exempt from licensing under this subtitle.

(B) A SEPARATE LICENSE IS REQUIRED FOR THE PRINCIPAL EXECUTIVE OFFICE OF THE LICENSE APPLICANT OR LICENSEE AND EACH BRANCH LOCATION.

(C) DURING THE TIME PERIOD ESTABLISHED BY THE COMMISSIONER UNDER SUBSECTION (D) OF THIS SECTION, EACH LICENSEE SHALL:

(1) OBTAIN AND MAINTAIN A VALID UNIQUE IDENTIFIER ISSUED BY NMLS WHEN AN ACCOUNT IS CREATED WITH NMLS;

(2) TRANSFER LICENSING INFORMATION TO NMLS; AND

(3) PAY TO THE COMMISSIONER A LICENSE EXTENSION FEE CALCULATED IN ACCORDANCE WITH SUBSECTION (D)(5) OF THIS SECTION.

(D) (1) THE COMMISSIONER SHALL ESTABLISH A TIME PERIOD THAT IS NOT LESS THAN 2 MONTHS WITHIN WHICH A LICENSEE MUST TRANSFER LICENSING INFORMATION TO NMLS.

(2) THE TIME PERIOD THAT THE COMMISSIONER ESTABLISHES UNDER THIS SUBSECTION SHALL BEGIN ON OR AFTER JULY 1, 2017.

(3) AT LEAST 30 DAYS BEFORE THE TRANSFER PERIOD BEGINS, THE COMMISSIONER SHALL:

(I) NOTIFY ALL LICENSEES OF THE TRANSFER PERIOD; AND

(II) PROVIDE INSTRUCTIONS FOR THE TRANSFER OF LICENSING INFORMATION TO NMLS.

(4) FOR EACH LICENSEE THAT COMPLIES WITH SUBSECTION (C) OF THIS SECTION, THE TERM OF THE LICENSEE'S LICENSE SHALL EXTEND TO DECEMBER 31 OF THE YEAR IN WHICH THE LICENSE OTHERWISE WOULD HAVE EXPIRED.

(5) THE LICENSE EXTENSION FEE REQUIRED UNDER SUBSECTION (C)(3) OF THIS SECTION IS NONREFUNDABLE AND, BASED ON THE ANNUAL LICENSE FEE, SHALL BE PRORATED TO THE NUMBER OF DAYS BETWEEN THE DATE THE LICENSE OTHERWISE WOULD HAVE EXPIRED AND DECEMBER 31 OF THE SAME YEAR.

(E) SUBJECT TO SUBSECTION (C) OF THIS SECTION, AN APPLICANT FOR AN INITIAL LICENSE OR A LICENSE RENEWAL SHALL APPLY FOR THE INITIAL LICENSE OR LICENSE RENEWAL THROUGH NMLS:

(1) ON OR AFTER JULY 1, 2017; OR

(2) IF THE COMMISSIONER HAS NOT JOINED NMLS WITH RESPECT TO PERSONS REQUIRED TO BE LICENSED UNDER THIS SUBTITLE AS OF JULY 1, 2017, ON OR AFTER THE DATE THAT THE COMMISSIONER JOINS, AS SPECIFIED BY THE COMMISSIONER BY PUBLIC NOTICE.

12-908.

(a) To apply for a license, an applicant shall [submit to the Commissioner an application on the form that the Commissioner provides]:

(1) COMPLETE, SIGN, AND SUBMIT TO THE COMMISSIONER AN APPLICATION MADE UNDER OATH IN THE FORM, AND IN ACCORDANCE WITH THE PROCESS, THAT THE COMMISSIONER REQUIRES; AND

(2) PROVIDE ALL THE INFORMATION THAT THE COMMISSIONER REQUESTS.

(b) The application shall include:

(1) The applicant's name, [business address, telephone number, electronic mail address, if any, and website address, if any] **PRINCIPAL EXECUTIVE OFFICE ADDRESS, AND WEB SITE ADDRESS, IF ANY, AND, IF THE APPLICANT IS NOT AN INDIVIDUAL, THE NAME AND RESIDENCE ADDRESS OF EACH CONTROL PERSON, IF ANY;**

(2) The address of each [location in the State] **BRANCH LOCATION, IF ANY,** at which the applicant will provide debt management services;

(3) The name and address of each owner, officer, director, and principal of the applicant **WHO IS NOT A CONTROL PERSON;**

(4) The name, address, and telephone number of the applicant's resident agent in the State;

(5) A description of the ownership interest of any officer, director, agent, or employee of the applicant in any affiliate or subsidiary of the applicant or in any other business entity that provides any service to the applicant or any consumer relating to the applicant's debt management services business;

(6) The name and address of any agent acting on behalf of the applicant to manage a trust account required under § 12–917 of this subtitle;

(7) The applicant's federal employer identification number;

(8) A list of any state in which:

(i) The applicant engages in the business of providing debt management services;

(ii) The applicant is registered or licensed to provide debt management services; and

(iii) The applicant's registration or license has been suspended or revoked;

(9) A statement of whether any pending judgment, tax lien, material litigation, or administrative action by any government agency exists against the applicant;

(10) The most recent, unconsolidated financial statement of the applicant that:

(i) Is prepared in accordance with generally accepted accounting principles applied on a consistent basis;

(ii) Includes a certified opinion audit prepared by an independent certified public accountant; and

(iii) Was prepared no more than 12 months before the date of application;

(11) If applicable, evidence of nonprofit status under § 501(c) of the Internal Revenue Code;

(12) If the applicant is a corporation, a detailed description of the applicant's corporate structure, including parent companies, subsidiaries, and affiliates;

(13) The applicant's business credit report;

(14) Evidence of general liability or fidelity insurance that insures against dishonesty, fraud, theft, or other malfeasance on the part of an employee of the applicant;

(15) A description of the applicant's consumer education program that is provided to consumers;

(16) A description of the applicant's financial analysis and initial budget plan, including any form or electronic model, that are used to evaluate the financial condition of consumers;

(17) A copy of the debt management services agreement that the applicant will use in its debt management services business;

(18) A copy of the applicant's plan to ensure that each debt management counselor is certified by an independent organization within 6 months after the debt management counselor is hired, and that any employee who is a supervisor or manager of a debt management counselor is certified by an independent organization within 3 months after the employee is hired;

(19) The most recent financial statement of each affiliate, subsidiary, or other person that provides services related to debt management services for the applicant or for any consumer;

(20) A copy of each contract or fee-for-service arrangement between the applicant and any person that provides services related to the debt management services business; [and]

(21) **A SURETY BOND AS REQUIRED UNDER § 12–914 OF THIS SUBTITLE; AND**

(22) Any other information that the Commissioner reasonably requires.

(c) The Commissioner may refuse an application if it contains erroneous or incomplete information.

[(d) With the application, the applicant shall pay to the Commissioner:

(1) A license fee in the amount established under § 12–904 of this subtitle;
and

(2) A nonrefundable investigation fee in the amount established under § 12–904 of this subtitle.

(e) With the application, the applicant shall file a surety bond with the Commissioner as provided in § 12–914 of this subtitle.]

12–909.

(a) In connection with an initial application, a renewal application, and at any other time the Commissioner requests, an applicant or licensee shall provide fingerprints **TO NMLS** for use by the Federal Bureau of Investigation [and the Maryland Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services] to conduct criminal history records checks.

(b) An applicant or licensee required to provide fingerprints under this section shall pay any processing or other required fee.

(c) If the applicant or licensee is a corporation, the fingerprinting and criminal history records check requirements shall apply to the president and any other officer, director, principal, or owner of the corporation as required by the Commissioner.

(d) [The Commissioner shall require any] **ANY** agent acting on behalf of a licensee to manage a trust account required under § 12–917 of this subtitle, and any agent of the licensee who has access to the account, [to] **SHALL** provide **TO NMLS** fingerprints for use by the Federal Bureau of Investigation [and the Maryland Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services] to conduct criminal history records checks.

12–910.

(a) After an applicant for a license files a complete application, files a surety bond, and pays the license and investigation fees required under this subtitle, the Commissioner

shall investigate the facts relevant to the application to determine if the applicant meets the requirements of this subtitle.

(b) Unless the Commissioner notifies an applicant that a different time period is necessary, the Commissioner shall approve or deny each application for a license within 60 days after the date on which the complete application is filed, the surety bond is filed, and the fees are paid.

(c) The Commissioner shall issue a license to any applicant that meets the requirements of this subtitle.

(d) (1) If an applicant does not meet the requirements of this subtitle, the Commissioner:

(i) Subject to the hearing provisions of § 12-927 of this subtitle, shall deny the application;

(ii) Shall notify the applicant immediately of the denial;

(iii) Shall refund the license fee; and

(iv) Shall keep the investigation fee.

(2) (I) Within 30 days after the Commissioner denies an application, the Commissioner shall [state] **SEND A WRITTEN NOTICE TO THE APPLICANT STATING** the reasons for the denial [in writing and mail them].

(II) **THE NOTICE SHALL BE SENT BY UNITED STATES MAIL, E-MAIL, OR ANY MEANS PROVIDED THROUGH NMLS** to [the applicant at] the address listed in the application.

12-911.

(a) The Commissioner shall include on each license:

(1) The name of the licensee;

(2) The address **OF THE LOCATION** at which the business is to be conducted; and

(3) The [debt management services license number of the licensee] **LICENSE NUMBER AND UNIQUE IDENTIFIER OF THE LICENSEE.**

(b) A license authorizes the licensee to provide debt management services.

(c) A license may not be transferred, assigned, or pledged.

(d) (1) If the licensee has an office in the State, the licensee shall prominently display the license in a location that is open to the public and at which the licensee engages in the business of providing debt management services.

(2) If the licensee does not maintain an office in the State, the licensee shall maintain the license in the licensee's headquarters.

(e) A licensee that offers or provides debt management services through the Internet shall include the following notice on its website:

“The Commissioner of Financial Regulation for the State of Maryland will accept any questions and complaints from Maryland residents regarding (name and license number of the debt management services provider) at (address of Commissioner), phone (toll-free number of the Commissioner)”.

(F) ONLY ONE LOCATION MAY BE MAINTAINED UNDER ANY ONE LICENSE.

12-912.

[(a) A license issued under this subtitle expires on December 31 of each odd-numbered year unless it is renewed for a 2-year term as provided in subsection (b) of this section.]

(A) AN INITIAL LICENSE TERM SHALL:

(1) BEGIN ON THE DATE THE LICENSE IS ISSUED; AND

(2) EXPIRE ON DECEMBER 31 OF THE YEAR:

(I) IN WHICH THE LICENSE IS ISSUED, IF THE LICENSE IS ISSUED BEFORE NOVEMBER 1; OR

(II) IMMEDIATELY FOLLOWING THE YEAR THAT THE LICENSE IS ISSUED, IF THE LICENSE IS ISSUED ON OR AFTER NOVEMBER 1.

(b) On or [before December] **AFTER NOVEMBER 1** of the year [of expiration,] **IN WHICH** a license **EXPIRES, THE LICENSE** may be renewed for [a 2-year] **AN ADDITIONAL 1-YEAR** term if the licensee:

(1) Otherwise is entitled to be licensed;

(2) Pays to the Commissioner the renewal fee established under § 12-904 of this subtitle;

(3) Files with the Commissioner a surety bond renewal certificate or a new surety bond required under § 12–914 of this subtitle; and

(4) Submits to the Commissioner a renewal application [on] **IN** the form, **AND IN ACCORDANCE WITH THE PROCESS**, that the Commissioner requires.

(c) [The] **TO THE EXTENT REQUIRED OR PERMITTED BY NMLS, THE** Commissioner may determine that licenses issued under this subtitle shall expire on a staggered basis.

(D) A LICENSEE MAY NOT RENEW A LICENSE UNLESS, BEFORE THE SUBMISSION OF THE LICENSE RENEWAL APPLICATION, THE LICENSEE HAS TRANSFERRED THE LICENSEE’S LICENSING INFORMATION TO NMLS IN ACCORDANCE WITH § 12–906(C) OF THIS SUBTITLE.

12–913.

(a) (1) A licensee may surrender a license by sending to the Commissioner, **IN THE FORM AND IN ACCORDANCE WITH THE PROCESS THAT THE COMMISSIONER REQUIRES**, a [written] statement that the license is surrendered.

(2) The statement shall provide:

(i) The reason for the license surrender;

(ii) For each consumer for whom the licensee is providing debt management services, the following information:

1. The name of the consumer;

2. The total amount of funds held by the licensee for distribution to the consumer’s creditors; and

3. The name of each creditor of the consumer that is receiving payments from the licensee for debts owed by the consumer to the creditor, and the outstanding balance owed to each creditor.

(b) The surrender of a license does not:

(1) Affect any administrative, civil, or criminal liability of the licensee for acts committed before the license is surrendered;

(2) Affect the surety bond required under § 12–914 of this subtitle; or

(3) Entitle the licensee to the return of any fee paid to the Commissioner under § 12–904 of this subtitle.

12–915.

(a) (1) A licensee shall give the Commissioner written notice of any change in the information required to be included in the licensee’s application under § 12–908(b)(1) and (2) of this subtitle at least 30 days before the change is effective.

(2) The licensee shall provide with the notice evidence that, after the change described in the notice, the licensee will continue to satisfy the surety bond requirement under § 12–914 of this subtitle.

(b) Unless approved by the Commissioner, a licensee may not change [an owner, officer, director, or principal] **A CONTROL PERSON** of the licensee, or an agent who is acting on behalf of the licensee to manage a trust account, listed on the licensee’s application under § 12–908(b)(3) and (6) of this subtitle.

(c) (1) To request approval of a proposed change described in subsection (b) of this section, the licensee shall notify the Commissioner in writing of the proposed change and submit any information that the Commissioner requires.

(2) For a proposed change in owner or agent acting on behalf of the licensee to manage a trust account, the Commissioner may determine that the filing of a new application for the issuance of a license is warranted.

(3) Unless the Commissioner notifies the licensee that a different time period is necessary, the Commissioner shall approve or deny a request for a change described in subsection (b) of this section within 60 days after the date the Commissioner receives all information required under paragraph (1) of this subsection.

SECTION 2. AND BE IT FURTHER ENACTED, That the changes made to the licensing requirements for persons required to be licensed under Title 11, Subtitles 2, 3, and 4 and Title 12, Subtitles 1 and 9 of the Financial Institutions Article and Title 7 of the Business Regulation Article, as enacted by Section 1 of this Act, shall be construed to apply only prospectively and, except as provided in Section 1 of this Act, may not be interpreted to affect the validity or term of any license issued or renewed before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

Approved by the Governor, April 18, 2017.
