

**HB0914/124565/2**

BY: Appropriations Committee

AMENDMENTS TO HOUSE BILL 914  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “Delegate Serafini” and substitute “Delegates Serafini, Conway, Beitzel, Eckardt, Gaines, Griffith, Haynes, James, McConkey, Proctor, Robinson, Wood, and Zucker”; in line 5, after “taxes;” insert “altering the minimum rate for the county income tax for a county to qualify for a certain grant; repealing a certain obsolete provision;”; in line 16, strike “(d)” and substitute “(b)(2) and (3) and (d)”; and strike in their entirety lines 25 through 27, inclusive.

On page 2, strike in their entirety lines 1 through 7, inclusive.

AMENDMENT NO. 2

On page 2, after line 18, insert:

“(b) (2) [(i) Subject to subparagraph (ii) of this paragraph, if] IF the per capita yield of the county income tax for a county determined under paragraph (1)(i) of this subsection is less than 75% of the per capita statewide yield of the county income tax determined under paragraph (1)(ii) of this subsection, the Comptroller shall determine the amount that would increase the county per capita yield to equal 75% of the statewide per capita yield, as rounded to the nearest dollar.

[(ii) For fiscal year 2012 only, if the per capita yield of the county income tax for a county determined under paragraph (1)(i) of this subsection is less than 77% of the per capita statewide yield of the county income tax determined under paragraph (1)(ii) of this subsection, the Comptroller shall determine the amount that would increase the county per capita yield to equal 77% of the statewide per capita yield, as rounded to the nearest dollar.]

(Over)

(3) A county may not receive a distribution under this subsection if the county tax rate in that county was less than [2.4%] **2.6%**:

(i) For the taxable year that ended in the second prior fiscal year; or

(ii) For any subsequent taxable year through the taxable year that ends in the current fiscal year.”;

and strike in their entirety lines 23 through 31, inclusive, and substitute:

**“(2) (I) IF A COUNTY OR BALTIMORE CITY HAS A COUNTY INCOME TAX RATE OF AT LEAST 2.8% BUT LESS THAN 3%, THE COUNTY OR BALTIMORE CITY MAY RECEIVE A MINIMUM OF 20% OF THE AMOUNT DETERMINED UNDER SUBSECTION (B)(2) OF THIS SECTION.**

**(II) IF A COUNTY OR BALTIMORE CITY HAS A COUNTY INCOME TAX RATE OF AT LEAST 3% BUT LESS THAN 3.2%, THE COUNTY OR BALTIMORE CITY MAY RECEIVE A MINIMUM OF 40% OF THE AMOUNT DETERMINED UNDER SUBSECTION (B)(2) OF THIS SECTION.**

**(III) IF A COUNTY OR BALTIMORE CITY HAS A COUNTY INCOME TAX RATE OF AT LEAST 3.2%, THE COUNTY OR BALTIMORE CITY MAY RECEIVE A MINIMUM OF 60% OF THE AMOUNT DETERMINED UNDER SUBSECTION (B)(2) OF THIS SECTION.”.**

On page 3, in line 7, strike “2.4%” and substitute “**2.6%**”.

On pages 4 and 5, strike in their entirety the lines beginning with line 15 on page 4 through line 10 on page 5, inclusive, and substitute:

“(2) (I) IF A COUNTY OR BALTIMORE CITY HAS A COUNTY INCOME TAX RATE OF AT LEAST 2.8% BUT LESS THAN 3%, THE COUNTY OR BALTIMORE CITY MAY RECEIVE A MINIMUM OF 20% OF THE AMOUNT DETERMINED UNDER SUBSECTION (C)(3) OF THIS SECTION.

(II) IF A COUNTY OR BALTIMORE CITY HAS A COUNTY INCOME TAX RATE OF AT LEAST 3% BUT LESS THAN 3.2%, THE COUNTY OR BALTIMORE CITY MAY RECEIVE A MINIMUM OF 40% OF THE AMOUNT DETERMINED UNDER SUBSECTION (C)(3) OF THIS SECTION.

(III) IF A COUNTY OR BALTIMORE CITY HAS A COUNTY INCOME TAX RATE OF AT LEAST 3.2%, THE COUNTY OR BALTIMORE CITY MAY RECEIVE A MINIMUM OF 60% OF THE AMOUNT DETERMINED UNDER SUBSECTION (C)(3) OF THIS SECTION.”.

AMENDMENT NO. 3

On page 5, after line 10, insert:

“SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that, during the 2013 Interim, the Senate Budget and Taxation Committee and the House Appropriations Committee shall study the disparity grant formula under Article 24, § 9-1101 of the Code and revised in § 16-501 of the Local Government Article. In examining the disparity grant formula, the committees shall examine:

- (1) Local taxing effort;
- (2) The local poverty rates;
- (3) State aid to the local jurisdictions;

(Over)

(4) The potential effects of capping the overall amount of the disparity grant; and

(5) Local disparity grants that could increase or decrease each year based on the formula.”;

strike in their entirety lines 15 through 20, inclusive; in line 21, strike “7.” and substitute “5.”; and in line 22, strike “Sections 4 and 6” and substitute “Section 4”.