

Chapter 655

(Senate Bill 314)

AN ACT concerning

Board of Revenue Estimates and Bureau of Revenue Estimates – Organization and Operations

FOR the purpose of requiring the Comptroller, with certain approval, to appoint the Chief of the Bureau of Revenue Estimates from a list of certain candidates; requiring the Chief to appoint a certain number of analysts and a Deputy Chief; ~~requiring that the Chief and Deputy Chief be members of the Maryland Executive Pay Plan with salaries set within the limits of certain scales of the Plan;~~ requiring a certain report to be reviewed and approved by the Revenue Monitoring Committee before certain estimates may be formally adopted by the Board of Revenue Estimates; requiring the Bureau to submit a certain report to the Board ~~of Revenue Estimates~~ by a certain date that allows the Board to meet ~~prior to~~ before the passage of the annual budget bill in the first chamber of the General Assembly to vote on the budget bill in that year; requiring the Bureau, on or before a certain date each year, to submit a certain report to the Governor and the General Assembly on the strengths and weaknesses of the Bureau during a certain period of time; requiring the Department of Legislative Services, on or before a certain date each year, to submit a certain report to the General Assembly on the operations of the Bureau; requiring the report produced by the Department to cover a certain period of time; requiring the Consensus Revenue Monitoring and Forecasting Group to review and evaluate certain candidates before a new Chief is appointed; requiring the Comptroller and the Bureau to provide research and analysis of certain issues to certain persons under certain circumstances; requiring the Board, on or before a certain date each year and in coordination with the Chief, to schedule certain meetings; authorizing the Board to reschedule a certain meeting under certain circumstances; requiring a certain notice to be posted to a certain website and include a certain statement; requiring the Board to develop and maintain a website that provides access to certain information, links, and reports; and generally relating to the organization and operations of the Bureau of Revenue Estimates and the Board of Revenue Estimates.

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6–101, 6–104(b)(1), and 6–105(a)(1) and (2) and (b)

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6–103, 6–104(b)(2), 6–105(e) and (f), and 6–106

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

BY adding to

Article – State Finance and Procurement
 Section 6–104(f) and (g)
 Annotated Code of Maryland
 (2015 Replacement Volume and 2020 Supplement)

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

Article – State Finance and Procurement

6–101.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Board” means the Board of Revenue Estimates.
- (c) “Bureau” means the Bureau of Revenue Estimates.
- (d) “Chief” means the Chief of the Bureau.

6–103.

- (a) There is a Bureau of Revenue Estimates in the Office of the Comptroller.
- (b) (1) The head of the Bureau is the Chief.
- (2) Subject to the supervision of the Comptroller, the Chief has administrative control of the Bureau.
- (3) Unless the Comptroller, with the approval of the Board, determines that an alternative structure is appropriate, the Chief shall be subject to the supervision of the Deputy Comptroller with responsibility for tax administration.
- (c) (1) Except as otherwise provided by law, subject to the approval of the Board, the Comptroller shall appoint the Chief **FROM A LIST OF NOT FEWER THAN THREE CANDIDATES REVIEWED AND EVALUATED BY THE REVENUE MONITORING COMMITTEE AND THE CONSENSUS REVENUE MONITORING AND FORECASTING GROUP ESTABLISHED UNDER § 6–105 OF THIS SUBTITLE.**
- (2) The Chief may be removed only by a majority of the Board for incompetence or other good cause.

~~(3) (4) THE CHIEF SHALL BE A MEMBER OF THE EXECUTIVE PAY PLAN.~~

~~(H) THE SALARY FOR THE CHIEF SHALL BE SET AT AN AMOUNT WITHIN THE LIMITS OF THE ES10 SCALE OF THE EXECUTIVE PAY PLAN.~~

(D) ~~(1)~~ The Chief shall appoint other employees of the Bureau in accordance with the provisions of the State Personnel and Pensions Article, INCLUDING:

~~(1)~~ (1) A MINIMUM OF SIX ANALYSTS; AND

~~(2)~~ (2) ONE DEPUTY CHIEF.

~~(2) (1) THE DEPUTY CHIEF SHALL BE A MEMBER OF THE EXECUTIVE PAY PLAN.~~

~~(H) THE SALARY FOR THE DEPUTY CHIEF SHALL BE SET AT AN AMOUNT WITHIN THE LIMITS OF THE ES7 SCALE OF THE EXECUTIVE PAY PLAN.~~

6-104.

(b) (1) After the end of each fiscal year, the Bureau shall submit to the Board a report that:

(i) contains an itemized statement of the State revenues from all sources for that fiscal year; and

(ii) includes any recommendations of the Bureau.

(2) (I) In December, March, and September of each year, the Bureau shall submit to the Board a report that contains an itemized statement of the estimated State revenues from all sources for the fiscal year following the fiscal year in which the report is made.

(II) THE REPORT REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE REVIEWED AND APPROVED BY THE REVENUE MONITORING COMMITTEE BEFORE THE ESTIMATES IN THE REPORT MAY BE FORMALLY ADOPTED BY THE BOARD.

~~(H) (III) THE BUREAU SHALL SUBMIT THE MARCH REPORT REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH TO THE BOARD BY A DATE THAT ALLOWS THE BOARD TO MEET ~~PRIOR TO~~ BEFORE THE PASSAGE OF THE ANNUAL BUDGET BILL IN THE FIRST CHAMBER OF THE GENERAL ASSEMBLY TO VOTE ON THE BUDGET BILL IN THAT YEAR.~~

(F) ON OR BEFORE FEBRUARY 1, 2023, AND FEBRUARY 1 OF EVERY FOURTH YEAR THEREAFTER, THE BUREAU, IN COLLABORATION WITH THE

CONSENSUS REVENUE MONITORING AND FORECASTING GROUP ESTABLISHED UNDER § 6–105 OF THIS SUBTITLE, SHALL SUBMIT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY A REPORT ON THE STRENGTHS AND WEAKNESSES OF THE BUREAU IN THE PRECEDING FOUR YEARS, INCLUDING:

(1) THE ACCURACY OF BUREAU ESTIMATES OF STATE REVENUE;

(2) THE IMPACT OF THE REVENUE VOLATILITY CAP ON REPORTING;

AND

(3) THE CHALLENGES FACED BY THE BUREAU IN FORECASTING STATE REVENUES.

(G) (1) ON OR BEFORE AUGUST 1, 2023, AND AUGUST 1 OF EVERY FOURTH YEAR THEREAFTER, THE DEPARTMENT OF LEGISLATIVE SERVICES SHALL SUBMIT, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY A REPORT ON THE OPERATIONS OF THE BUREAU, INCLUDING:

(I) AN ANALYSIS OF THE TRANSPARENCY AND USABILITY OF DATA AND REPORTS PRODUCED BY THE BUREAU;

(II) AN OVERVIEW OF APPROPRIATIONS FOR THE BUREAU AND MAJOR EXPENDITURES;

(III) AN ANALYSIS OF THE STAFFING NEEDS OF THE BUREAU;

AND

(IV) ISSUES PREVENTING THE BUREAU FROM CARRYING OUT ITS DUTIES UNDER THIS SUBTITLE.

(2) THE REPORT SHALL COVER THE OPERATIONS OF THE BUREAU DURING THE SAME PERIOD AS THE REPORT ISSUED BY THE BUREAU UNDER SUBSECTION (F) OF THIS SECTION.

6–105.

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

(2) “Group” means the Consensus Revenue Monitoring and Forecasting Group established under this section.

(b) There is a Consensus Revenue Monitoring and Forecasting Group.

(e) The Group and its constituent units shall:

(1) review and analyze attainment of revenues on a monthly basis;

(2) advise and collaborate with the Bureau:

(i) in the development of revenue forecasts and any necessary revisions to those forecasts; and

(ii) in the performance of any pertinent studies or analyses as requested by the Chief or as directed by the Board; [and]

(3) develop and recommend to the Bureau a methodology for determining the State share of nonwithholding income tax revenues for each fiscal year; **AND**

(4) BEFORE A NEW CHIEF IS APPOINTED, REVIEW AND EVALUATE CANDIDATES FOR THE POSITION.

(f) To assist the Group in performing its function, the Comptroller and the Bureau shall:

(1) within 7 calendar days after the end of each month, provide to members of the Group detailed data on revenue collections; [and]

(2) before any document relating to the work of the Bureau is published, provide a draft of the document to the members of the Group for review and comment; **AND**

(3) AT THE REQUEST OF THE GROUP, PROVIDE RESEARCH AND ANALYSIS OF PARTICULAR ISSUES IDENTIFIED BY THE GROUP IN THE COURSE OF ITS DUTIES.

6–106.

(a) (1) In this section, “nonwithholding income tax revenues” means the State share of income tax quarterly estimated and final payments with returns made by individuals, as defined in § 10–101 of the Tax – General Article.

(2) “Nonwithholding income tax revenues” does not include:

(i) the county share of income tax quarterly estimated and final payments with returns made by individuals;

(ii) income tax payments made by corporations;

(iii) income tax refunds paid to individuals or corporations; or

(iv) income tax withholding.

(a-1) The Board shall:

- (1) study the information that the Bureau provides; and
- (2) consider the recommendations of the Bureau.

(b) (1) In December, March, and September of each year, the Board shall submit to the Governor and, in accordance with § 2-1257 of the State Government Article, to the General Assembly, a report that:

(i) contains an itemized statement of the estimated State revenues from all sources for the fiscal year following the fiscal year in which the report is made; and

(ii) includes any recommendations of the Board.

(2) (i) Subject to subparagraph (ii) of this paragraph, the Governor shall state the most recent estimates of revenues reported by the Board in the proposed budget and any supplemental budget submitted to the General Assembly.

(ii) If the Governor uses different estimates of revenues in the formulation of the proposed budget and any supplemental budget submitted to the General Assembly than those reported by the Board, a statement providing an explanation as to the differences shall be included together with those submissions.

(3) The report required under paragraph (1) of this subsection shall include estimated revenues from nonwithholding income taxes calculated in accordance with § 6-104(e) of this subtitle.

(c) The Board shall approve a methodology for determining the State share of nonwithholding income tax revenues for each fiscal year.

(D) (1) ON OR BEFORE JULY 31 EACH YEAR, THE BOARD, IN COORDINATION WITH THE CHIEF, SHALL SCHEDULE THE BOARD'S ANNUAL MEETINGS FOR MARCH, DECEMBER, AND SEPTEMBER OF THAT FISCAL YEAR.

(2) NOT LATER THAN 5 DAYS BEFORE THE SCHEDULED DATE OF THE MEETING, THE BOARD, ON THE RECOMMENDATION OF THE CHIEF, MAY RESCHEDULE A MEETING UNDER THIS SUBSECTION.

(3) NOTICE OF A MEETING RESCHEDULED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL:

(I) BE POSTED TO THE WEBSITE ESTABLISHED UNDER SUBSECTION (E) OF THIS SECTION; AND

(II) INCLUDE A STATEMENT FROM THE CHIEF CONCERNING THE REASON THE MEETING IS RESCHEDULED.

(E) THE BOARD SHALL DEVELOP AND MAINTAIN A WEBSITE THAT:

(1) PROVIDES ACCESS TO THE REVENUE ESTIMATES, PROJECTIONS, AND REPORTS DEVELOPED BY THE BOARD;

(2) PROVIDES A SCHEDULE OF UPCOMING BOARD MEETINGS AND AGENDAS FOR OPEN MEETINGS OF THE BOARD;

(3) PROVIDES LINKS TO LIVE VIDEO STREAMING OF EACH OPEN MEETING OF THE BOARD;

(4) PROVIDES A COMPLETE AND UNEDITED ARCHIVED VIDEO RECORDING OF EACH OPEN MEETING FOR WHICH LIVE VIDEO STREAMING WAS MADE AVAILABLE UNDER ITEM (3) OF THIS SUBSECTION FOR A MINIMUM OF 5 YEARS AFTER THE DATE OF THE MEETING;

(5) PROVIDES ACCESS TO REPORTS AND PROJECTIONS OF THE GENERAL FUND OF THE STATE AND THE FOLLOWING SPECIAL FUNDS:

(I) THE BLUEPRINT FOR MARYLAND'S FUTURE FUND ESTABLISHED UNDER § 5-219 OF THE EDUCATION ARTICLE;

(II) THE EDUCATION TRUST FUND ESTABLISHED UNDER § 9-1A-30 OF THE STATE GOVERNMENT ARTICLE; AND

(III) THE TRANSPORTATION TRUST FUND ESTABLISHED UNDER § 3-216 OF THE TRANSPORTATION ARTICLE;

(6) PROVIDES ACCESS TO REPORTS AND PROJECTIONS OF APPROPRIATIONS FOR, DISTRIBUTIONS FROM, AND FUNDS MAINTAINED BY PROGRAM OPEN SPACE; AND

(7) PROVIDES ANY OTHER INFORMATION THE BOARD CONSIDERS RELEVANT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2021.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 30, 2021.