

SB0496/119837/1

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 496  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 21, after “dates;” insert “authorizing the Governor on or before a certain date to transfer certain amounts from certain accounts to a certain fund; establishing the Recovery Now Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Department of Budget and Management to administer the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purpose for which the Fund may be used; providing for the investment of money in and expenditures from the Fund; increasing the monthly benefit under a certain program; requiring that the recipients of payments under a certain program may not be removed from the program before a certain date, except under certain circumstances; requiring certain recipients of payments under a certain program who were denied benefits of the program to be reenrolled in the program until a certain date; requiring certain entities to submit certain reports on or before a certain date and at certain intervals thereafter; authorizing the Governor to process certain budget amendments for certain purposes; stating the intent of the General Assembly; requiring the Comptroller to perform a cash flow analysis and report the results on or before a certain date;”.

AMENDMENT NO. 2

On page 8, after line 6, insert:

“SECTION 6. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2021, the Governor may transfer to the Recovery Now Fund established under this Act:

(1) \$320,000,000 of the funds in the Revenue Stabilization Account established under § 7–311 of the State Finance and Procurement Article; and

(2) \$100,000,000 of the funds in the Local Reserve Account established to comply with § 2–606 of the Tax – General Article.

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SECTION 7. AND BE IT FURTHER ENACTED, That:

- (a) In this section, "Fund" means the Recovery Now Fund.
- (b) There is a Recovery Now Fund.
- (c) The purpose of the Fund is to receive specified money to be spent on specified purposes on or before June 30, 2021.
- (d) (1) The Department of Budget and Management shall administer the Fund.
- (2) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.
- (3) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.
- (e) The Fund consists of money transferred to the Fund as authorized under this Act.
- (f) (1) Except as otherwise provided in this Act, money in the Fund shall be retained in the Fund and may not be spent for any purpose.
- (2) Except as otherwise provided by law, any unspent balance in the Fund on June 30, 2021, shall revert to the General Fund.
- (3) Notwithstanding the requirements of Section 27 of Chapter 19 of the Acts of 2020 and the budget amendment procedure provided in Title 7, Subtitle 2 of the State Finance and Procurement Article, of the money credited to the Fund up to the

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following specified amounts may be used for fiscal year 2021 for the following purposes in addition to the amounts authorized under Chapter 19 of the Acts of 2020:

<u>Appropriation Code</u>	<u>Program Title</u>	<u>Amount</u>
<u>N00G00.08</u>	<u>Assistance Payments</u>	<u>\$22,000,000</u>
<u>D50H01.06</u>	<u>Maryland Emergency Management Agency</u>	<u>\$13,000,000</u>
<u>N00I00.07</u>	<u>Office of Grants Management</u>	<u>\$10,000,000</u>
<u>N00I00.06</u>	<u>Office of Home Energy Programs</u>	<u>\$9,000,000</u>
<u>M00R01.03</u>	<u>Maryland Community Health Resource Commission</u>	<u>\$5,000,000</u>
<u>S00A24.01</u>	<u>Neighborhood Revitalization</u>	<u>\$30,000,000</u>
<u>T00G00.05</u>	<u>Maryland State Arts Council</u>	<u>\$10,000,000</u>
<u>T00F00.23</u>	<u>Maryland Economic Development Assistance Authority and Fund</u>	<u>\$40,000,000</u>
<u>T00F00.23</u>	<u>Maryland Economic Development Assistance Authority and Fund</u>	<u>\$26,000,000</u>
<u>T00F00.23</u>	<u>Maryland Economic Development Assistance Authority and Fund</u>	<u>\$10,000,000</u>
<u>S00A24.01</u>	<u>Neighborhood Revitalization</u>	<u>\$10,000,000</u>
<u>T00F00.15</u>	<u>Maryland Small, Minority, and Women–Owned Businesses Account</u>	<u>\$10,000,000</u>
<u>P00G01.07</u>	<u>Workforce Development</u>	<u>\$10,000,000</u>
<u>T50T01.01</u>	<u>Technology Development, Transfer and Commercialization</u>	<u>\$10,000,000</u>
<u>S00A24.01</u>	<u>Neighborhood Revitalization</u>	<u>\$5,000,000</u>
<u>T00F00.23</u>	<u>Maryland Economic Development Assistance Authority and Fund</u>	<u>\$3,000,000</u>
<u>T00G00.03</u>	<u>Maryland Tourism Development Board</u>	<u>\$1,000,000</u>
<u>P00H01.01</u>	<u>Office of Unemployment Insurance</u>	<u>\$40,000,000</u>
<u>P00H01.01</u>	<u>Office of Unemployment Insurance</u>	<u>\$3,000,000</u>

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<u>P00H01.01</u>	<u>Office of Unemployment Insurance</u>	<u>\$1,000,000</u>
<u>J00H01.02</u>	<u>Bus Operations</u>	<u>\$30,000,000</u>
<u>J00B01.02</u>	<u>State System Maintenance</u>	<u>\$25,000,000</u>
<u>T00F00.23</u>	<u>Maryland Economic Development Assistance Authority and Fund</u>	<u>\$8,000,000</u>
<u>M00L01.02</u>	<u>Community Services</u>	<u>\$20,000,000</u>
<u>M00R01.03</u>	<u>Maryland Community Health Resource Commission</u>	<u>\$14,000,000</u>
<u>M00F06.01</u>	<u>Office of Preparedness and Response</u>	<u>\$10,000,000</u>
<u>M00F06.01</u>	<u>Office of Preparedness and Response</u>	<u>\$1,000,000</u>
<u>S00A25.05</u>	<u>Rental Services</u>	<u>\$25,000,000</u>
<u>C00A00.06</u>	<u>Administrative Office of the Courts</u>	<u>\$3,000,000</u>
<u>R62I00.05 and R95C00</u>	<u>Aid to Community Colleges and Baltimore City Community College</u>	<u>\$15,000,000</u>
<u>R00A01.15</u>	<u>Juvenile Services Education Program</u>	<u>\$1,000,000</u>

(4) (i) Notwithstanding any other provision of law and subject to subparagraph (ii) of this paragraph, for purposes of the amount authorized under paragraph (3) of this subsection for the Temporary Disability Assistance Program (N00G00.08), for the remainder of fiscal year 2021, the maximum monthly allowable assistance under the Program shall be increased by \$100 each month for the remainder of fiscal year 2021.

(ii) 1. Except as the result of a final determination of a Supplemental Security Income claim, the recipient of payments under the Program may not be removed from the Program before July 1, 2021.

2. A recipient of payments who was denied payments on or after July 1, 2020, shall be reenrolled in the Program until July 1, 2021, unless the denial of Program payments was the result of a final determination of a Supplemental Security Income claim.

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(5) For purposes of the amount authorized under paragraph (3) of this subsection for the Maryland Emergency Management Agency (D50H01.06), the Agency shall distribute the amount authorized as grants to volunteer fire departments and rescue squads.

(6) For purposes of the amount authorized under paragraph (3) of this subsection for the Office of Grants Management (N00I00.07), the Office shall distribute the amount authorized to the Maryland Food Bank and Capital Area Foodbank.

(7) For purposes of the amount authorized under paragraph (3) of this subsection for the Office of Home Energy Programs (N00I00.06), the Office shall distribute the amount authorized as grants to assist households with utility arrearages.

(8) For purposes of the \$5,000,000 authorized under paragraph (3) of this subsection for the Maryland Community Health Resource Commission (M00R01.03), the Commission shall provide grants to community providers of services under Title 7 of the Health – General Article to support pandemic–related reopening, transformation, and revenue loss.

(9) For purposes of the \$30,000,000 authorized under paragraph (3) of this subsection for Neighborhood Revitalization (S00A24.01), the Department of Housing and Community Development shall distribute the money to local governments to provide grants to nonprofits that can demonstrate need with priority given to organizations that have not received assistance through the Neighborhood Revitalization Program.

(10) (i) Subject to subparagraph (ii) of this paragraph, for purposes of the amount authorized under paragraph (3) of this subsection for the Maryland State Arts Council (T00G00.05), the Council shall provide emergency art grants to artists, art districts, and art organizations.

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(ii) The Council shall prioritize grants to organizations that have not received prior funding from the Council or do not qualify for funding under other Council programs.

(11) (i) Subject to subparagraph (ii) of this paragraph, for purposes of the \$40,000,000 authorized under paragraph (3) of this subsection for the Maryland Economic Development Assistance Authority and Fund (T00F00.23), the Authority shall provide \$12,000 grants to businesses that:

1. do not engage in a business activity that requires the business to collect sales and use tax; and

2. can demonstrate a need for assistance.

(ii) 1. At least 15% of the amount distributed under subparagraph (i) of this paragraph shall be distributed to disadvantaged businesses.

2. The Authority shall prioritize providing grants to businesses that have not received prior funding from the Authority.

(12) (i) Subject to subparagraph (ii) of this paragraph, for purposes of the \$26,000,000 authorized under paragraph (3) of this subsection for the Maryland Economic Development Assistance Authority and Fund (T00F00.23), the Authority shall provide funding to local governments to provide \$12,000 grants to businesses that:

1. are primarily engaged in activities that, in accordance with the North American Industrial Classification System, would be included in Code 7225 (Restaurants and Other Eating Places); and

2. can demonstrate a need for assistance.

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(ii) 1. At least 15% of the amount distributed under subparagraph (i) of this paragraph shall be distributed to disadvantaged businesses.

2. The Authority shall prioritize providing grants to businesses that have not received prior funding from the Authority.

(13) (i) Subject to subparagraph (ii) of this paragraph, for purposes of the \$10,000,000 authorized under paragraph (3) of this subsection for the Maryland Economic Development Assistance Authority and Fund (T00F00.23), the Authority shall provide funding to local governments to provide \$25,000 grants to businesses that:

1. are primarily engaged in activities that, in accordance with the North American Industrial Classification System, would be included in Code 721110 (Hotels (except Casino Hotels) and Motels) or Code 721191 (Bed-and-Breakfast Inns); and

2. can demonstrate a need for assistance.

(ii) The Authority shall prioritize providing grants to businesses that have not received prior funding from the Authority.

(14) For purposes of the \$10,000,000 authorized under paragraph (3) of this subsection for Neighborhood Revitalization (S00A24.01), the Department of Housing and Community Development shall provide grants to the 12 largest entertainment venues in the State.

(15) For purposes of the amount authorized under paragraph (3) of this subsection for the Maryland Small, Minority, and Women–Owned Businesses Account (T00F00.15), the amount shall be used as provided under § 5–1501 of the Economic Development Article.

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(16) (i) Subject to subparagraph (ii) of this paragraph, for purposes of the amount authorized under paragraph (3) of this subsection for Workforce Development (P00G01.07), the Maryland Department of Labor shall distribute funds directly to local workforce development boards according to the same formula used to distribute fiscal year 2021 Federal Workforce Innovation and Opportunity Act adult funds to local workforce areas.

(ii) The local workforce development boards shall utilize the funds to engage, upskill, and connect residents to employment, including providing subsidized employment opportunities for the unemployed, youth (ages 16–24), adults, ex–offenders, and other populations who are in need of reemployment assistance.

(17) For purposes of the amount authorized under paragraph (3) of this subsection for Technology Development, Transfer, and Commercialization (T50T01.01), the Maryland Technology Development Corporation, in consultation with the Maryland Agriculture and Resource–Based Industry Development Corporation, shall provide grants to Maryland’s rural and agricultural businesses.

(18) For purposes of the \$5,000,000 authorized under paragraph (3) of this subsection for Neighborhood Revitalization (S00A24.01), the Department of Housing and Community Development shall establish a grant program to help preserve the State’s main street economies.

(19) For purposes of the \$3,000,000 authorized under paragraph (3) of this subsection for the Maryland Economic Development Assistance Authority and Fund (T00F00.23), the Authority shall provide grants to businesses in distressed communities to assist the businesses in setting up an online sales framework and offering employees telework opportunities.

(20) For purposes of the amount authorized under paragraph (3) of this subsection for the Maryland Tourism Development Board (T00G00.03), the Board shall use the amount authorized to market Maryland small businesses for tourism.



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(21) For purposes of the \$40,000,000 authorized under paragraph (3) of this subsection for the Office of Unemployment Insurance (P00H01.01), the Maryland Department of Labor shall provide a \$1,000 grant to any individual whose unemployment benefits have been suspended, provided that the suspension is not related to an allegation of fraud.

(22) For purposes of the \$3,000,000 authorized under paragraph (3) of this subsection for the Office of Unemployment Insurance (P00H01.01), the Maryland Department of Labor shall hire additional caseworkers to assist Maryland residents with accessing unemployment insurance benefits.

(23) For purposes of the \$1,000,000 authorized under paragraph (3) of this subsection for the Office of Unemployment Insurance (P00H01.01), the Maryland Department of Labor shall increase workshare program participation with the goal of reaching at least 5% participation.

(24) For purposes of the \$8,000,000 authorized under paragraph (3) of this subsection for the Maryland Economic Development Assistance Authority and Fund (T00F00.23), the Authority shall assist private commuter and shuttle bus operators, including entities that provide commuter and shuttle bus services contractually to governmental entities, with losses that are a result of the COVID-19 pandemic.

(25) For purposes of the amount authorized under paragraph (3) of this subsection for Community Services (M00L01.02), the Maryland Department of Health shall provide mobile crisis and stand-alone walk-in crisis services for the treatment of community mental health and substance use disorders.

(26) For purposes of the \$14,000,000 authorized under paragraph (3) of this subsection for the Maryland Community Health Resource Commission (M00R01.03), the Commission shall provide grants to:

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- (i) reduce health disparities;
- (ii) improve health outcomes;
- (iii) improve access to primary care;
- (iv) promote primary and secondary prevention services; and
- (v) reduce health care costs and hospital admissions and readmissions.

(27) For purposes of the \$10,000,000 authorized under paragraph (3) of this subsection for the Office of Preparedness and Response (M00F06.01), the Office shall provide a grant to each county for vaccine outreach and training, provided that at least \$1,500,000 shall be provided to the University of Maryland Baltimore Campus to assist with mobile vaccine administration.

(28) For purposes of the \$1,000,000 authorized under paragraph (3) of this subsection for the Office of Preparedness and Response (M00F06.01), the Office shall provide outreach, recruitment, and training for individuals.

(29) For purposes of the amount authorized under paragraph (3) of this subsection for Rental Services (S00A25.05), the Department of Housing and Community Development shall provide grants to pay for housing debt or up to 30 days of emergency housing.

(30) For purposes of the amount authorized under paragraph (3) of this subsection for the Administrative Office of the Courts (C00A00.06), the Office shall provide a grant to the Maryland Legal Services Corporation to pay for legal assistance for individuals facing eviction.

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(31) For purposes of the amount authorized under paragraph (3) of this subsection for Aid to Community Colleges (R62I00.05) and Baltimore City Community College (R95C00), the Maryland Higher Education Commission shall increase the resources of community colleges to offer services to students or members of the community who are seeking training or other assistance to improve their job skills or reenter the workplace after losing a job or being otherwise negatively impacted by the pandemic. The funds should be allocated proportional to each college's share of total State aid provided under §§ 16-305 and 16-512 of the Education Article in fiscal year 2021.

(32) For purposes of the amount authorized under paragraph (3) of this subsection for the Juvenile Services Education Program (R00A01.15), the State Department of Education shall enhance the educational services provided to children in the Juvenile Services System.

(g) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any interest earnings of the Fund shall be credited to the General Fund of the State.

(h) Money expended from the Fund for any program or purpose is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for the program or purpose.

(i) (1) On or before the second Wednesday after enactment of this Act and every 2 weeks thereafter, the Department of Budget and Management shall report to the General Assembly, in accordance with § 2-1257 of the State Government Article, on:

(i) deposits into and distributions from the Fund; and

(ii) for each program listed under subsection (f)(3) of this section:

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1. the amount distributed to the program;
2. if available, the individuals or organizations that were served by the program;
3. the amount spent or encumbered for the purposes of the program and any remaining balance in the Fund; and
4. plans to allocate the remaining balance in the Fund.

(2) (i) On or before the second Wednesday after enactment of this Act and every 2 weeks thereafter, the State Department of Education shall report to the General Assembly, in accordance with § 2-1257 of the State Government Article, and to the Department of Budget and Management on:

1. distributions to each eligible school; and
2. for each item in Section 8 of this Act:
  - A. how the funds were used;
  - B. the number of students served by the funds disaggregated by income and racial demographics;
  - C. the amount encumbered; and
  - D. plans to use remaining funds.

(ii) The information provided under subparagraph (i) of this paragraph for public schools in each county may be aggregated for each county.

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SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2021, the Governor may process a budget amendment to transfer from the Blueprint for Maryland's Future Fund established under § 5-219 of the Education Article to the Blueprint for Maryland's Future Grant Program (R00A02.60) the following amounts for the following purposes:

(1) \$50,000,000 to the county boards of education to provide 8 weeks of summer school or tutoring services during the summer, provided that the amounts shall be distributed proportional to the number of public school students who qualify for free or reduced-priced meals in the county as compared to the number of total public school students who qualify for free or reduced-priced meals in the State; and

(2) \$50,000,000 to county boards of education to safely move toward delivering in-person education with priority given to special education students, students without reliable broadband service, and students who have shown a need for in-person education in order to succeed, and the amounts shall be distributed proportional to the number of public school students enrolled in the county as compared to the number of total public school students enrolled in the State.

SECTION 9. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that:

(1) to the extent practicable, funds authorized under Sections 7 and 8 of this Act be distributed equally across the State; and

(2) grants that are required to go to disadvantaged businesses under subparagraph (f)(11)(ii)1 and (12)(ii)1 of Section 7 of this Act be distributed to businesses that qualify for investment capital and loans under § 5-1501 of the Economic Development Article.

SECTION 10. AND BE IT FURTHER ENACTED, That:

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(a) The Comptroller shall perform a cash flow analysis of the Local Reserve Account established to comply with § 2-606 of the Tax – General Article, beginning with the April 30, 2021, distribution through the September 30, 2022, distribution to determine how much of the balance is needed to make income tax distributions to the local jurisdictions during this period and how much can be used to support COVID-19-related expenses.

(b) On or before April 1, 2021, the Comptroller shall report to the Senate Budget and Taxation Committee and the House Appropriations Committee, in accordance with § 2-1257 of the State Government Article, and the Maryland Association of Counties on the results of the cash flow analysis required under subsection (a) of this section.”.

AMENDMENT NO. 3

On page 8, in lines 7 and 10, strike “6.” and “7.”, respectively, and substitute “11.” and “12.”, respectively.