

# HOUSE BILL 463

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CF SB 172

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By: **Delegate Barron**

Introduced and read first time: January 15, 2021

Assigned to: Health and Government Operations and Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Equity Resource Act**

3 FOR the purpose of requiring the Secretary of Health to designate certain areas as Health  
4 Equity Resource Communities in a certain manner; specifying the purpose of  
5 establishing Health Equity Resource Communities; authorizing the Secretary to  
6 adopt certain regulations; requiring the Secretary to consult with the Office of  
7 Minority Health and Health Disparities in implementing certain provisions of this  
8 Act; requiring the Secretary to allocate staff and resources to carry out certain  
9 provisions of this Act; requiring the Secretary to establish a Health Equity Resource  
10 Community Advisory Committee; establishing the duties of the Advisory Committee;  
11 providing for the composition, cochairs, and meetings of the Advisory Committee;  
12 specifying the terms and conditions for the removal of Advisory Committee members;  
13 prohibiting a member of the Advisory Committee from receiving certain  
14 compensation, but authorizing the reimbursement of certain expenses; authorizing  
15 nonprofit community-based organizations, nonprofit hospitals, institutions of higher  
16 education, and local government agencies to apply to the Secretary on behalf of  
17 certain areas for designation as Health Equity Resource Communities; establishing  
18 certain procedures and requirements in connection with the application process;  
19 authorizing an application to include certain elements; requiring the application to  
20 allocate certain funding to cover certain costs for a certain employee; requiring the  
21 Secretary to consider certain factors and prioritize certain applications when  
22 designating areas as Health Equity Resource Communities; authorizing the  
23 Secretary to conduct certain outreach for a certain purpose; establishing certain  
24 requirements for an employee to be designated as an evaluator; establishing that the  
25 Secretary's decision to designate an area as a Health Equity Resource Community is  
26 final; authorizing certain health care providers who practice in Health Equity  
27 Resource Communities to receive certain tax credits, assistance, and grants;  
28 authorizing certain nonprofit community-based organizations, nonprofit hospitals,  
29 institutions of higher education, and local government agencies to receive certain  
30 grants; establishing a Health Equity Resource Community Reserve Fund;  
31 establishing the purpose and contents of the Fund; requiring the Secretary to

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 administer the Fund; requiring the Fund to provide certain money to the Maryland  
2 Department of Health to supplement and not supplant existing funding for certain  
3 programs; requiring the State Treasurer to invest the money of the Fund in a certain  
4 manner; requiring the interest earnings of the Fund to be credited to the Fund;  
5 exempting the Fund from a certain provision of law requiring interest earnings on  
6 State money to accrue to the General Fund of the State; requiring certain nonprofit  
7 community-based organizations, nonprofit hospitals, institutions of higher  
8 education, and local government agencies to submit certain reports; authorizing the  
9 Secretary to revoke a designation of an area as a Health Equity Resource Community  
10 under certain circumstances; requiring the Secretary to submit certain reports;  
11 establishing that a designation of an area as a Health Equity Resource Community  
12 has a term of a certain length and may be renewed in a certain manner; authorizing  
13 certain credits against the State income tax for certain health care providers and  
14 organizations under certain circumstances; authorizing certain nonprofit  
15 community-based organizations, nonprofit hospitals, institutions of higher  
16 education, and local government agencies to apply for certain tax credits under  
17 certain circumstances for certain health care providers; authorizing a health care  
18 practitioner or community-based organization to claim a certain refundable tax  
19 credit, under certain circumstances; establishing certain procedures and  
20 requirements for certifying certain tax credits; establishing a certain limit on the  
21 amount of certain tax credits allowed for a fiscal year; requiring the Secretary, in  
22 consultation with the Comptroller, to adopt certain regulations; altering the sales  
23 and use tax rate for the sale of certain alcoholic beverages; requiring a certain  
24 percentage of revenues generated from a certain tax to be credited to the Fund;  
25 defining certain terms; providing for the construction of certain provisions of this  
26 Act; and generally relating to health improvement and the reduction of health  
27 disparities.

28 BY adding to

29 Article – Health – General  
30 Section 20–1401 through 20–1408 to be under the new subtitle “Subtitle 14. Health  
31 Equity Resource Communities”  
32 Annotated Code of Maryland  
33 (2019 Replacement Volume and 2020 Supplement)

34 BY repealing and reenacting, without amendments,

35 Article – State Finance and Procurement  
36 Section 6–226(a)(2)(i)  
37 Annotated Code of Maryland  
38 (2015 Replacement Volume and 2020 Supplement)

39 BY repealing and reenacting, with amendments,

40 Article – State Finance and Procurement  
41 Section 6–226(a)(2)(ii)122. and 123.  
42 Annotated Code of Maryland  
43 (2015 Replacement Volume and 2020 Supplement)

1 BY adding to  
2 Article – State Finance and Procurement  
3 Section 6–226(a)(2)(ii)124.  
4 Annotated Code of Maryland  
5 (2015 Replacement Volume and 2020 Supplement)

6 BY adding to  
7 Article – Tax – General  
8 Section 10–731  
9 Annotated Code of Maryland  
10 (2016 Replacement Volume and 2020 Supplement)

11 BY repealing and reenacting, with amendments,  
12 Article – Tax – General  
13 Section 11–104(g)  
14 Annotated Code of Maryland  
15 (2016 Replacement Volume and 2020 Supplement)

16 Preamble

17 WHEREAS, Chapter 3 of 2012, the Maryland Health Improvement and Disparities  
18 Reduction Act of 2012, established Health Enterprise Zones to target State resources to  
19 reduce health disparities, improve health outcomes, and reduce health costs and hospital  
20 admissions and readmissions in specific areas of the State; and

21 WHEREAS, The provisions of that Act abrogated June 30, 2017; and

22 WHEREAS, A 2018 study concluded that the net cost savings under that Act far  
23 outweighed the initiative’s cost to the State and that implementing such an initiative would  
24 be a viable way to reduce inpatient admissions and reduce health care costs; and

25 WHEREAS, The COVID–19 pandemic has made it clear that certain communities  
26 lack the health care resources they need, leading to disturbing health disparities; now,  
27 therefore,

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

30 **Article – Health – General**

31 **SUBTITLE 14. HEALTH EQUITY RESOURCE COMMUNITIES.**

32 **20–1401.**

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



1 (VII) COGNITIVE, SENSORY, OR PHYSICAL DISABILITY;

2 (VIII) GEOGRAPHIC LOCATION; OR

3 (IX) OTHER CHARACTERISTIC HISTORICALLY LINKED TO  
4 DISCRIMINATION OR EXCLUSION.

5 (H) "HEALTH EQUITY RESOURCE COMMUNITY" MEANS A CONTIGUOUS  
6 GEOGRAPHIC AREA THAT:

7 (1) DEMONSTRATES MEASURABLE AND DOCUMENTED HEALTH  
8 DISPARITIES AND POOR HEALTH OUTCOMES;

9 (2) IS SMALL ENOUGH TO ALLOW FOR THE INCENTIVES OFFERED  
10 UNDER THIS SUBTITLE TO HAVE A SIGNIFICANT IMPACT ON IMPROVING HEALTH  
11 OUTCOMES AND REDUCING HEALTH DISPARITIES, INCLUDING RACIAL, ETHNIC,  
12 GEOGRAPHIC, AND DISABILITY RELATED HEALTH DISPARITIES;

13 (3) IS DESIGNATED BY THE SECRETARY IN ACCORDANCE WITH THE  
14 PROVISIONS OF THIS SUBTITLE; AND

15 (4) HAS A MINIMUM POPULATION OF 5,000 RESIDENTS.

16 (I) "HOSPITAL" HAS THE MEANING STATED IN § 19-301 OF THIS ARTICLE.

17 (J) "INSTITUTION OF HIGHER EDUCATION" HAS THE MEANING STATED IN §  
18 10-101 OF THE EDUCATION ARTICLE.  
19 20-1402.

20 (A) THE PURPOSE OF ESTABLISHING HEALTH EQUITY RESOURCE  
21 COMMUNITIES IS TO TARGET STATE RESOURCES TO SPECIFIC AREAS OF THE STATE  
22 TO:

23 (1) REDUCE HEALTH DISPARITIES;

24 (2) IMPROVE HEALTH OUTCOMES;

25 (3) IMPROVE ACCESS TO PRIMARY CARE;

26 (4) PROMOTE PRIMARY AND SECONDARY PREVENTION SERVICES;

27 AND

1           **(5) REDUCE HEALTH CARE COSTS AND HOSPITAL ADMISSIONS AND**  
2 **READMISSIONS.**

3           **(B) (1) THE SECRETARY MAY ADOPT REGULATIONS TO CARRY OUT THE**  
4 **PROVISIONS OF THIS SUBTITLE AND TO SPECIFY ELIGIBILITY CRITERIA AND**  
5 **APPLICATION, APPROVAL, AND MONITORING PROCESSES FOR THE RESOURCES**  
6 **ALLOCATED UNDER THIS SUBTITLE.**

7           **(2) THE SECRETARY SHALL CONSULT WITH THE OFFICE OF**  
8 **MINORITY HEALTH AND HEALTH DISPARITIES IN IMPLEMENTING THE PROVISIONS**  
9 **OF THIS SUBTITLE.**

10          **(C) THE SECRETARY SHALL ALLOCATE STAFF AND RESOURCES AS**  
11 **NECESSARY TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE.**

12 **20-1403.**

13          **(A) (1) ON OR BEFORE DECEMBER 1, 2021, THE SECRETARY SHALL**  
14 **ESTABLISH A HEALTH EQUITY RESOURCE COMMUNITY ADVISORY COMMITTEE.**

15           **(2) THE DUTIES OF THE ADVISORY COMMITTEE INCLUDE:**

16           **(I) PROVIDING INITIAL AND ONGOING ASSISTANCE AND**  
17 **GUIDANCE REGARDING ELIGIBILITY CRITERIA AND APPLICATION, APPROVAL, AND**  
18 **MONITORING PROCESSES FOR HEALTH EQUITY RESOURCE COMMUNITIES AND**  
19 **HEALTH EQUITY RESEARCH PRACTITIONERS;**

20           **(II) COORDINATING WITH THE SECRETARY AS TO THE**  
21 **REQUIRED ANNUAL REPORT DESCRIBED IN § 20-1408(B) OF THIS SUBTITLE; AND**

22           **(III) PROVIDING GUIDANCE TO THE SECRETARY AS NECESSARY**  
23 **TO IMPLEMENT THE PROVISIONS OF THIS SUBTITLE.**

24          **(B) THE ADVISORY COMMITTEE CONSISTS OF:**

25           **(1) THE FOLLOWING MEMBERS, APPOINTED BY THE GOVERNOR:**

26           **(I) ONE REPRESENTATIVE OF THE MARYLAND MEDICAL**  
27 **ASSISTANCE PROGRAM;**

28           **(II) ONE REPRESENTATIVE OF THE OFFICE OF POPULATION**  
29 **HEALTH IMPROVEMENT;**

1 (III) ONE REPRESENTATIVE OF THE PREVENTION AND HEALTH  
2 PROMOTION ADMINISTRATION;

3 (IV) ONE REPRESENTATIVE OF THE DEPARTMENT OF HUMAN  
4 SERVICES;

5 (V) ONE REPRESENTATIVE OF THE DEPARTMENT OF  
6 TRANSPORTATION;

7 (VI) ONE REPRESENTATIVE OF THE HEALTH SERVICES COST  
8 REVIEW COMMISSION; AND

9 (VIII) ONE REPRESENTATIVE WHO IS A MEMBER OF THE GENERAL  
10 PUBLIC AND WHO RESIDES IN AN AREA WHICH HAS BEEN OR MAY BE DESIGNATED AS  
11 A HEALTH EQUITY RESOURCE COMMUNITY; AND

12 (2) THE FOLLOWING MEMBERS, APPOINTED BY THE PRESIDENT OF  
13 THE SENATE:

14 (I) ONE REPRESENTATIVE OF PHYSICIANS;

15 (II) ONE REPRESENTATIVE OF NURSES;

16 (III) ONE REPRESENTATIVE OF HOSPITALS;

17 (IV) ONE REPRESENTATIVE OF DENTISTS;

18 (V) ONE REPRESENTATIVE FROM THE BEHAVIORAL HEALTH  
19 COMMUNITY;

20 (VI) ONE REPRESENTATIVE OF THE CHESAPEAKE REGIONAL  
21 INFORMATION SYSTEM FOR OUR PATIENTS;

22 (VII) ONE REPRESENTATIVE OF ACCOUNTABLE HEALTH  
23 COMMUNITIES;

24 (VIII) ONE REPRESENTATIVE OF A CARE TRANSFORMATION  
25 ORGANIZATION; AND

26 (IX) ONE REPRESENTATIVE WHO IS A MEMBER OF THE GENERAL  
27 PUBLIC AND RESIDES IN AN AREA WHICH HAS BEEN OR MAY BE DESIGNATED AS A  
28 HEALTH EQUITY RESOURCE COMMUNITY; AND

1           **(3) THE FOLLOWING MEMBERS, APPOINTED BY THE SPEAKER OF THE**  
2 **HOUSE:**

3                   **(I) ONE REPRESENTATIVE OF A STATEWIDE HEALTH CARE**  
4 **ADVOCACY COALITION;**

5                   **(II) ONE REPRESENTATIVE OF A STATEWIDE CONSUMER**  
6 **ADVOCACY GROUP;**

7                   **(III) ONE REPRESENTATIVE OF A STATEWIDE ADVOCACY**  
8 **ORGANIZATION FOR SENIORS;**

9                   **(IV) ONE REPRESENTATIVE OF A STATEWIDE ORGANIZATION**  
10 **FOR DIVERSE COMMUNITIES;**

11                   **(V) ONE REPRESENTATIVE OF A LABOR UNION;**

12                   **(VI) ONE REPRESENTATIVE OF AN AREA PREVIOUSLY**  
13 **DESIGNATED AS A HEALTH ENTERPRISE ZONE;**

14                   **(VII) ONE REPRESENTATIVE OF A STATEWIDE IMMIGRANT**  
15 **ADVOCACY GROUP; AND**

16                   **(VIII) ONE REPRESENTATIVE WHO IS A MEMBER OF THE GENERAL**  
17 **PUBLIC AND RESIDES IN AN AREA WHICH HAS BEEN OR MAY BE DESIGNATED AS A**  
18 **HEALTH EQUITY RESOURCE COMMUNITY.**

19           **(c) (1) COLLECTIVELY, THE MEMBERS OF THE ADVISORY COMMITTEE**  
20 **SHALL HAVE KNOWLEDGE OF THE FOLLOWING:**

21                   **(i) EXISTING OR POTENTIAL HEALTH DISPARITIES IN THE**  
22 **STATE;**

23                   **(ii) GROUPS OF RESIDENTS NEGATIVELY AFFECTED BY HEALTH**  
24 **DISPARITIES;**

25                   **(iii) SYSTEMS, POLICIES, AND METHODS LIKELY TO IMPROVE**  
26 **HEALTH OUTCOMES AND REDUCE HEALTH DISPARITIES;**

27                   **(iv) EFFECTIVE PREVENTION SERVICES;**

28                   **(v) HEALTH CARE COSTS, TRENDS, AND DRIVERS;**



1 (VI) CLINICAL AND HEALTH SERVICES RESEARCH; AND

2 (VII) CONSUMER OR PATIENT PERSPECTIVES.

3 (2) TO THE EXTENT PRACTICABLE AND CONSISTENT WITH FEDERAL  
4 AND STATE LAW, THE MEMBERSHIP OF THE ADVISORY COMMITTEE SHALL REFLECT  
5 THE RACIAL, ETHNIC, AND GENDER DIVERSITY OF THE STATE.

6 (3) THE SECRETARY SHALL DESIGNATE THREE COCHAIRS FROM  
7 AMONG THE MEMBERS OF THE ADVISORY COMMITTEE.

8 (D) (1) THE TERM OF A MEMBER OF THE ADVISORY COMMITTEE IS 4  
9 YEARS.

10 (2) THE SECRETARY SHALL STAGGER THE TERMS OF THE INITIAL  
11 APPOINTED MEMBERS.

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

14 (4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES  
15 ONLY FOR THE REMAINDER OF THAT TERM AND UNTIL A SUCCESSOR IS APPOINTED  
16 AND QUALIFIES.

17 (5) THE SECRETARY MAY REMOVE AN APPOINTED MEMBER FOR  
18 INCOMPETENCE, MISCONDUCT, OR FAILURE TO PERFORM THE DUTIES OF THE  
19 POSITION.

20 (E) A MEMBER OF THE ADVISORY COMMITTEE:

21 (1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE  
22 ADVISORY COMMITTEE; BUT

23 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE  
24 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

25 (F) THE ADVISORY COMMITTEE SHALL:

26 (1) ON OR BEFORE JANUARY 1, 2022, HOLD AN INITIAL MEETING;  
27 AND

28 (2) MEET AT LEAST ONCE EVERY 6 MONTHS THEREAFTER.

1           **(G) THIS SECTION MAY NOT BE CONSTRUED TO PREVENT THE SECRETARY**  
2 **FROM CONVENING OTHER FORMAL OR INFORMAL WORKING OR ADVISORY GROUPS**  
3 **TO FACILITATE THE IMPLEMENTATION OF THIS SUBTITLE.**

4 **20-1404.**

5           **(A) FOR AN AREA TO RECEIVE A DESIGNATION AS A HEALTH EQUITY**  
6 **RESOURCE COMMUNITY, A NONPROFIT COMMUNITY-BASED ORGANIZATION, A**  
7 **NONPROFIT HOSPITAL, AN INSTITUTION OF HIGHER EDUCATION, OR A LOCAL**  
8 **GOVERNMENT AGENCY SHALL APPLY TO THE SECRETARY ON BEHALF OF THE AREA**  
9 **TO RECEIVE THE DESIGNATION.**

10           **(B) SUBJECT TO SUBSECTIONS (C) AND (E) OF THIS SECTION, THE**  
11 **APPLICATION SHALL BE IN THE FORM AND MANNER AND CONTAIN THE**  
12 **INFORMATION THAT THE SECRETARY REQUIRES.**

13           **(C) (1) THE APPLICATION SHALL CONTAIN AN EFFECTIVE AND**  
14 **SUSTAINABLE PLAN TO REDUCE HEALTH DISPARITIES, REDUCE COSTS OR PRODUCE**  
15 **SAVINGS TO THE HEALTH CARE SYSTEM, AND IMPROVE HEALTH OUTCOMES.**

16           **(2) THE APPLICATION SHALL INCLUDE:**

17                   **(I) A DESCRIPTION OF HOW FUNDING AVAILABLE UNDER THIS**  
18 **SUBTITLE WILL BE USED TO ADDRESS HEALTH DISPARITIES THROUGH**  
19 **EVIDENCE-BASED, CROSS-SECTOR STRATEGIES THAT MAY INCLUDE:**

- 20                           1.    **BUILDING HEALTH CARE PROVIDER CAPACITY;**
- 21                           2.    **IMPROVING HEALTH SERVICES DELIVERY;**
- 22                           3.    **EFFECTUATING COMMUNITY IMPROVEMENTS;**
- 23                           4.    **CONDUCTING OUTREACH AND EDUCATION EFFORTS;**
- 24                           5.    **IMPLEMENTING SYSTEMIC STRATEGIES TO IMPROVE**  
25 **COORDINATION AND COMMUNICATION ACROSS ORGANIZATIONS THAT PROVIDE**  
26 **HEALTH CARE SERVICES;**
- 27                           6.    **SUPPORTING                COMMUNITY                LEADERSHIP**  
28 **DEVELOPMENT EFFORTS;**
- 29                           7.    **FACILITATING POLICY INTERVENTIONS TO ADDRESS**  
30 **UPSTREAM DETERMINANTS OF HEALTH; AND**

1                   **8. IMPLEMENTING SCALABLE APPROACHES TO MEET**  
2 **THE NONMEDICAL SOCIAL NEEDS OF POPULATIONS IDENTIFIED IN THE MOST**  
3 **RECENT COMMUNITY HEALTH NEEDS ASSESSMENT, SUCH AS UNSTABLE HOUSING,**  
4 **INADEQUATE FOOD, OR JOB DEVELOPMENT; AND**

5                   **(II) A PROPOSAL TO USE FUNDING AVAILABLE UNDER THIS**  
6 **SUBTITLE TO PROVIDE FOR LOAN REPAYMENT INCENTIVES TO INDUCE HEALTH**  
7 **CARE PRACTITIONERS TO PRACTICE IN THE AREA.**

8                   **(D) THE APPLICATION MAY INCLUDE:**

9                   **(1) A PLAN TO USE TAX CREDITS AVAILABLE UNDER THIS SUBTITLE**  
10 **AND § 10-731 OF THE TAX – GENERAL ARTICLE AND OTHER RESOURCES TO**  
11 **ENCOURAGE HEALTH CARE PRACTITIONERS AND COMMUNITY HEALTH WORKERS TO**  
12 **ESTABLISH OR EXPAND HEALTH CARE PRACTICES IN THE AREA;**

13                   **(2) A PROPOSAL TO USE INNOVATIVE PUBLIC HEALTH STRATEGIES**  
14 **TO REDUCE HEALTH DISPARITIES IN THE AREA THAT MAY BE SUPPORTED BY**  
15 **GRANTS AWARDED UNDER THIS SUBTITLE, SUCH AS THE USE OF COMMUNITY**  
16 **HEALTH WORKERS, COMMUNITY HEALTH CENTERS, FEDERALLY QUALIFIED HEALTH**  
17 **CENTERS, INSTITUTIONS OF HIGHER EDUCATION, AND COMMUNITY-BASED DISEASE**  
18 **MANAGEMENT ACTIVITIES; AND**

19                   **(3) A PROPOSAL TO USE OTHER INCENTIVES OR MECHANISMS TO**  
20 **ADDRESS HEALTH DISPARITIES THAT FOCUS ON WAYS TO EXPAND ACCESS TO CARE,**  
21 **EXPAND ACCESS TO NONMEDICAL INTERVENTIONS THAT PROMOTE IMPROVED**  
22 **HEALTH OUTCOMES, PROMOTE HIRING, AND REDUCE COSTS TO THE HEALTH CARE**  
23 **SYSTEM.**

24                   **(E) THE APPLICATION SUBMITTED IN ACCORDANCE WITH THIS SECTION**  
25 **SHALL ALLOCATE SUFFICIENT FUNDING TO COVER SALARY AND BENEFIT COSTS FOR**  
26 **THE EVALUATOR REQUIRED UNDER § 20-1406 OF THIS SUBTITLE.**

27 **20-1405.**

28                   **(A) (1) THE SECRETARY SHALL DESIGNATE AREAS AS HEALTH EQUITY**  
29 **RESOURCE COMMUNITIES IN ACCORDANCE WITH THIS SUBTITLE.**

30                   **(2) THE SECRETARY:**

31                   **(I) SHALL CONSIDER GEOGRAPHIC DIVERSITY, AMONG OTHER**  
32 **FACTORS, WHEN DESIGNATING AREAS AS HEALTH EQUITY RESOURCE**

1 COMMUNITIES; AND

2 (ii) MAY CONDUCT OUTREACH EFFORTS TO FACILITATE A  
3 GEOGRAPHICALLY DIVERSE POOL OF APPLICANTS, INCLUDING EFFORTS TO  
4 FACILITATE SUBMISSION OF APPLICATIONS FROM RURAL AREAS.

5 (3) AFTER RECEIVING ALL APPLICATIONS SUBMITTED TO THE  
6 SECRETARY, THE SECRETARY SHALL REPORT TO THE SENATE FINANCE  
7 COMMITTEE AND THE HOUSE HEALTH AND GOVERNMENT OPERATIONS  
8 COMMITTEE, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT  
9 ARTICLE, ON THE NAMES OF APPLICANTS AND GEOGRAPHIC AREAS IN WHICH  
10 APPLICANTS ARE LOCATED.

11 (B) THE SECRETARY SHALL GIVE PRIORITY TO APPLICATIONS THAT  
12 DEMONSTRATE:

13 (1) SUPPORT FROM AND PARTICIPATION OF KEY STAKEHOLDERS IN  
14 THE PUBLIC AND PRIVATE SECTORS, INCLUDING RESIDENTS OF THE AREA AND  
15 LOCAL GOVERNMENT;

16 (2) A PLAN FOR LONG-TERM FUNDING AND SUSTAINABILITY;

17 (3) INCLUSION OF SUPPORTING FUNDS FROM THE PRIVATE SECTOR;

18 (4) INTEGRATION WITH THE STATE HEALTH IMPROVEMENT  
19 PROCESS AND THE GOALS SET OUT IN THE STRATEGIC PLAN OF THE LOCAL HEALTH  
20 IMPROVEMENT COALITION;

21 (5) A PLAN FOR EVALUATION OF THE IMPACT OF DESIGNATION OF  
22 THE PROPOSED AREA AS A HEALTH EQUITY RESOURCE COMMUNITY AND  
23 STRATEGIES FOR QUALITY IMPROVEMENT; AND

24 (6) OTHER FACTORS THAT THE SECRETARY DETERMINE ARE  
25 APPROPRIATE TO DEMONSTRATE A COMMITMENT TO REDUCE HEALTH DISPARITIES  
26 AND IMPROVE HEALTH OUTCOMES.

27 (C) (1) AN APPLICATION FOR DESIGNATION OF AN AREA AS A HEALTH  
28 EQUITY RESOURCE COMMUNITY SUBMITTED BY A NONPROFIT COMMUNITY-BASED  
29 ORGANIZATION, A NONPROFIT HOSPITAL, AN INSTITUTION OF HIGHER EDUCATION,  
30 OR A LOCAL GOVERNMENT AGENCY SHALL PROVIDE FOR THE EMPLOYMENT AND  
31 SUPERVISION OF EMPLOYMENT OF ONE FULL-TIME EMPLOYEE TO SERVE AS AN  
32 EVALUATOR OF THE OPERATION, IMPACT, AND EFFECTIVENESS OF THE HEALTH  
33 EQUITY RESOURCE COMMUNITY DESIGNATED UNDER THIS SUBTITLE.

1           **(2) TO BE DESIGNATED AS AN EVALUATOR UNDER THIS SUBSECTION,**  
2 **THE EMPLOYEE MUST DEMONSTRATE EXPERIENCE IN METHODS OF QUALITATIVE**  
3 **AND QUANTITATIVE RESEARCH METHODOLOGY.**

4           **(3) AN EMPLOYEE DESIGNATED AS AN EVALUATOR UNDER THIS**  
5 **SUBSECTION SHALL COORDINATE WITH THE SECRETARY AND THE ADVISORY**  
6 **COMMITTEE TO:**

7                   **(I) MONITOR THE OPERATION, EFFECTIVENESS, AND IMPACT**  
8 **OF THE HEALTH EQUITY RESOURCE COMMUNITY; AND**

9                   **(II) PROVIDE DATA, STATISTICS, AND ANALYSIS TO THE**  
10 **SECRETARY AND THE HEALTH EQUITY RESOURCE ADVISORY COMMITTEE THAT**  
11 **SHALL ADDRESS THE REPORTING ELEMENTS SPECIFIED UNDER § 20-1408(B) OF**  
12 **THIS SUBTITLE.**

13           **(D) THE DECISION OF THE SECRETARY TO DESIGNATE AN AREA AS A**  
14 **HEALTH EQUITY RESOURCE COMMUNITY SHALL BE A FINAL DECISION.**

15           **(E) A DESIGNATION BY THE SECRETARY OF AN AREA AS A HEALTH EQUITY**  
16 **RESOURCE COMMUNITY SHALL HAVE A TERM OF 5 YEARS AND MAY BE RENEWED IN**  
17 **ACCORDANCE WITH AN APPLICATION APPROVED BY THE SECRETARY.**

18 **20-1406.**

19           **(A) HEALTH CARE PRACTITIONERS AND COMMUNITY HEALTH WORKERS**  
20 **THAT PRACTICE IN A HEALTH EQUITY RESOURCE COMMUNITY MAY RECEIVE:**

21                   **(1) TAX CREDITS AGAINST THE STATE INCOME TAX AS PROVIDED**  
22 **UNDER § 10-731 OF THE TAX - GENERAL ARTICLE; AND**

23                   **(2) LOAN REPAYMENT ASSISTANCE, AS PROVIDED FOR IN THE**  
24 **APPLICATION FOR DESIGNATION FOR THE HEALTH EQUITY RESOURCE**  
25 **COMMUNITY AND APPROVED BY THE SECRETARY UNDER THIS SUBTITLE.**

26           **(B) (1) A HEALTH CARE PRACTITIONER OR COMMUNITY HEALTH**  
27 **WORKER MAY APPLY TO THE SECRETARY FOR A GRANT TO DEFRAY THE COSTS OF**  
28 **CAPITAL OR LEASEHOLD IMPROVEMENTS TO, OR MEDICAL OR DENTAL EQUIPMENT**  
29 **TO BE USED IN, A HEALTH EQUITY RESOURCE COMMUNITY.**

30                   **(2) TO QUALIFY FOR A GRANT UNDER PARAGRAPH (1) OF THIS**  
31 **SUBSECTION, A HEALTH CARE PRACTITIONER OR A COMMUNITY HEALTH WORKER**

1 SHALL:

2 (I) OWN OR LEASE THE HEALTH CARE FACILITY; AND

3 (II) PROVIDE HEALTH CARE FROM THAT FACILITY.

4 (3) (I) A GRANT TO DEFRAY THE COST OF MEDICAL OR DENTAL  
5 EQUIPMENT MAY NOT EXCEED THE LESSER OF \$25,000 OR 50% OF THE COST OF THE  
6 EQUIPMENT.

7 (II) GRANTS FOR CAPITAL OR LEASEHOLD IMPROVEMENTS  
8 SHALL BE FOR THE PURPOSES OF IMPROVING OR EXPANDING THE DELIVERY OF  
9 HEALTH CARE IN THE HEALTH EQUITY RESOURCE COMMUNITY.

10 (C) (1) A NONPROFIT COMMUNITY-BASED ORGANIZATION, A NONPROFIT  
11 HOSPITAL, AN INSTITUTION OF HIGHER EDUCATION, OR A LOCAL GOVERNMENT  
12 AGENCY THAT RECEIVES APPROVAL OF AN APPLICATION SUBMITTED UNDER §  
13 20-1403 OF THIS SUBTITLE MAY SUBMIT AN APPLICATION, ON ITS OWN BEHALF, TO  
14 RECEIVE GRANTS FOR CAPITAL OR LEASEHOLD IMPROVEMENTS, AS DETERMINED  
15 BY THE SECRETARY, FOR THE PURPOSES DESCRIBED UNDER SUBSECTION (B)(3)(II)  
16 OF THIS SECTION.

17 (2) SUBJECT TO § 20-1408(A)(2) OF THIS SUBTITLE, THE TERM OF  
18 ANY GRANT AWARDED TO A NONPROFIT COMMUNITY-BASED ORGANIZATION, A  
19 NONPROFIT HOSPITAL, AN INSTITUTION OF HIGHER EDUCATION, OR A LOCAL  
20 GOVERNMENT AGENCY FOR CAPITAL OR LEASEHOLD IMPROVEMENTS UNDER THIS  
21 SUBSECTION SHALL HAVE A TERM OF 5 YEARS, AND MAY BE RENEWED IN  
22 ACCORDANCE WITH AN APPLICATION APPROVED BY THE SECRETARY.

23 20-1407.

24 (A) THERE IS A HEALTH EQUITY RESOURCE COMMUNITY RESERVE FUND.

25 (B) THE PURPOSE OF THE FUND IS TO:

26 (1) SUPPORT AREAS DESIGNATED BY THE SECRETARY AS HEALTH  
27 EQUITY RESOURCE COMMUNITIES BY PROVIDING GRANTS OR TAX CREDITS TO  
28 COMMUNITY-BASED ORGANIZATIONS, NONPROFIT HOSPITALS, INSTITUTIONS OF  
29 HIGHER EDUCATION, LOCAL GOVERNMENT AGENCIES, HEALTH CARE  
30 PRACTITIONERS, AND COMMUNITY HEALTH WORKERS TO FACILITATE REDUCTION  
31 OF HEALTH DISPARITIES, IMPROVE HEALTH OUTCOMES, PROVIDE DRUG  
32 TREATMENT AND REHABILITATION, AND REDUCE HEALTH COSTS AND HOSPITAL  
33 ADMISSIONS AND READMISSIONS IN SPECIFIC AREAS OF THE STATE; AND

1           **(2) PROVIDE FUNDING TO THE DEPARTMENT TO SUPPLEMENT AND**  
2 **NOT SUPPLANT EXISTING FUNDING FOR BEHAVIORAL HEALTH PROGRAMS THAT**  
3 **PROVIDE PREVENTION, RECOVERY SUPPORT, AND HARM REDUCTION SERVICES FOR**  
4 **INDIVIDUALS WITH SUBSTANCE USE AND MENTAL HEALTH DISORDERS.**

5           **(C) THE SECRETARY SHALL ADMINISTER THE FUND.**

6           **(D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**  
7 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

8           **(2) ANY UNSPENT PORTION OF THE FUND MAY NOT BE TRANSFERRED**  
9 **OR REVERT TO THE GENERAL FUND BUT SHALL REMAIN IN THE FUND TO BE USED**  
10 **FOR THE PURPOSES SPECIFIED IN THIS SUBTITLE.**

11           **(3) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**  
12 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

13           **(E) THE FUND CONSISTS OF:**

14           **(1) 10% OF THE INCOME GENERATED FROM ALCOHOLIC BEVERAGE**  
15 **TAX REVENUE UNDER § 11-104(G) OF THE TAX – GENERAL ARTICLE;**

16           **(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

17           **(3) INTEREST EARNINGS OF THE FUND; AND**

18           **(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**  
19 **THE BENEFIT OF THE FUND.**

20           **(F) THE FUND ANNUALLY SHALL PROVIDE MONEY TO THE DEPARTMENT TO**  
21 **SUPPLEMENT AND NOT SUPPLANT EXISTING FUNDING FOR BEHAVIORAL HEALTH**  
22 **PROGRAMS THAT PROVIDE PREVENTION, RECOVERY SUPPORT, AND HARM**  
23 **REDUCTION SERVICES FOR INDIVIDUALS WITH SUBSTANCE USE AND MENTAL**  
24 **HEALTH DISORDERS IN THE FOLLOWING AMOUNTS:**

25           **(1) \$1,000,000 FOR FISCAL YEAR 2022; AND**

26           **(2) \$2,000,000 FOR EACH FISCAL YEAR THEREAFTER.**

27           **(G) EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THE FUND**  
28 **MAY BE USED ONLY TO PROVIDE FUNDING TO THE SECRETARY FOR THE SUPPORT**  
29 **OF AREAS DESIGNATED AS HEALTH EQUITY RESOURCE COMMUNITIES BY**

1 PROVIDING GRANTS OR TAX CREDITS TO COMMUNITY-BASED ORGANIZATIONS,  
2 NONPROFIT HOSPITALS, INSTITUTIONS OF HIGHER EDUCATION, LOCAL  
3 GOVERNMENT AGENCIES, HEALTH CARE PRACTITIONERS, FEDERALLY QUALIFIED  
4 HEALTH CENTERS, COMMUNITY HEALTH WORKERS, AND INSTITUTIONS OF HIGHER  
5 EDUCATION TO REDUCE HEALTH DISPARITIES, IMPROVE HEALTH OUTCOMES,  
6 PROVIDE ADDICTION AND MENTAL HEALTH SERVICES, AND REDUCE HEALTH COSTS  
7 AND HOSPITAL ADMISSIONS AND READMISSIONS.

8 (H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND  
9 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

10 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO  
11 THE FUND.

12 (I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE  
13 WITH THE STATE BUDGET.

14 (J) MONEY EXPENDED FROM THE FUND TO SUPPORT AREAS DESIGNATED  
15 BY THE SECRETARY AS HEALTH EQUITY RESOURCE COMMUNITIES UNDER THIS  
16 SUBTITLE IS SUPPLEMENTAL TO AND IS NOT INTENDED TO SUPPLANT FUNDING  
17 THAT OTHERWISE WOULD BE APPROPRIATED FOR THOSE PURPOSES.

18 20-1408.

19 (A) (1) ON OR BEFORE SEPTEMBER 15 EACH YEAR, EACH NONPROFIT  
20 COMMUNITY-BASED ORGANIZATION, NONPROFIT HOSPITAL, INSTITUTION OF  
21 HIGHER EDUCATION, OR LOCAL GOVERNMENT AGENCY THAT HAS SUBMITTED A  
22 SUCCESSFUL APPLICATION FOR DESIGNATION OF AN AREA AS A HEALTH EQUITY  
23 RESOURCE COMMUNITY UNDER § 20-1403 OF THIS SUBTITLE SHALL SUBMIT TO  
24 THE SECRETARY A REPORT THAT INCLUDES:

25 (I) A DESCRIPTION OF PROGRESS MADE TOWARD THE  
26 OBJECTIVES SET FORTH IN THE APPLICATION; AND

27 (II) A DESCRIPTION OF OBJECTIVES TO BE MET DURING THE  
28 IMMEDIATELY FOLLOWING YEAR.

29 (2) THE SECRETARY MAY REVOKE A DESIGNATION OF AN AREA AS A  
30 HEALTH EQUITY RESOURCE COMMUNITY IF THE NONPROFIT COMMUNITY-BASED  
31 ORGANIZATION, NONPROFIT HOSPITAL, INSTITUTION OF HIGHER EDUCATION, OR  
32 LOCAL GOVERNMENT AGENCY THAT HAS SUBMITTED A SUCCESSFUL APPLICATION  
33 FOR DESIGNATION OF AN AREA AS A HEALTH EQUITY RESOURCE COMMUNITY FAILS  
34 TO MEET THE OBJECTIVES PROVIDED TO THE SECRETARY UNDER SUBSECTION



1 (A)(1) OF THIS SECTION FOR A GIVEN YEAR.

2 (B) (1) ON OR BEFORE DECEMBER 15 EACH YEAR, THE SECRETARY  
3 SHALL SUBMIT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE  
4 STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY A REPORT THAT  
5 INCLUDES:

6 (I) THE NUMBER AND TYPES OF INCENTIVES GRANTED IN EACH  
7 HEALTH EQUITY RESOURCE COMMUNITY;

8 (II) EVIDENCE OF THE IMPACT OF THE TAX AND LOAN  
9 REPAYMENT INCENTIVES IN ATTRACTING HEALTH CARE PRACTITIONERS AND  
10 COMMUNITY HEALTH WORKERS TO HEALTH EQUITY RESOURCE COMMUNITIES;

11 (III) EVIDENCE OF THE IMPACT OF THE INCENTIVES OFFERED IN  
12 HEALTH EQUITY RESOURCE COMMUNITIES IN REDUCING HEALTH DISPARITIES  
13 AND IMPROVING HEALTH OUTCOMES; AND

14 (IV) EVIDENCE OF THE PROGRESS IN REDUCING HEALTH COSTS  
15 AND HOSPITAL ADMISSIONS AND READMISSIONS IN HEALTH EQUITY RESOURCE  
16 COMMUNITIES.

17 (2) THE REPORT DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION  
18 SHALL INCLUDE DATA DISAGGREGATED BY THE FOLLOWING:

19 (I) RACE;

20 (II) ETHNICITY;

21 (III) PRIMARY LANGUAGE;

22 (IV) GENDER;

23 (V) SOCIOECONOMIC STATUS; AND

24 (VI) ZIP CODE.

25 Article – State Finance and Procurement

26 6-226.

27 (a) (2) (i) Notwithstanding any other provision of law, and unless  
28 inconsistent with a federal law, grant agreement, or other federal requirement or with the  
29 terms of a gift or settlement agreement, net interest on all State money allocated by the

1 State Treasurer under this section to special funds or accounts, and otherwise entitled to  
 2 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General  
 3 Fund of the State.

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

6 122. the Racing and Community Development Financing Fund;  
 7 [and]

8 123. the Racing and Community Development Facilities Fund;  
 9 AND

10 124. THE HEALTH EQUITY RESOURCE COMMUNITY  
 11 RESERVE FUND.

12 **Article – Tax – General**

13 **10-731.**

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

16 (2) “COMMUNITY-BASED ORGANIZATION” MEANS A PUBLIC OR  
 17 PRIVATE ORGANIZATION THAT IS REPRESENTATIVE OF A COMMUNITY OR  
 18 SIGNIFICANT SEGMENTS OF A COMMUNITY AND PROVIDES EDUCATIONAL, HEALTH,  
 19 OR SOCIAL SERVICES TO INDIVIDUALS IN THE COMMUNITY.

20 (3) “COMMUNITY HEALTH WORKER” HAS THE MEANING STATED IN §  
 21 13-3701 OF THE HEALTH – GENERAL ARTICLE.

22 (4) “DEPARTMENT” MEANS THE MARYLAND DEPARTMENT OF  
 23 HEALTH.

24 (5) “FUND” MEANS THE HEALTH EQUITY RESOURCE COMMUNITY  
 25 RESERVE FUND ESTABLISHED UNDER § 20-1407 OF THE HEALTH – GENERAL  
 26 ARTICLE.

27 (6) “HEALTH CARE PRACTITIONER” HAS THE MEANING STATED IN §  
 28 20-1401 OF THE HEALTH – GENERAL ARTICLE.

29 (7) “HEALTH EQUITY RESOURCE COMMUNITY” HAS THE MEANING  
 30 STATED IN § 20-1401 OF THE HEALTH – GENERAL ARTICLE.

1           **(8) “INSTITUTION OF HIGHER EDUCATION” HAS THE MEANING**  
2 **STATED IN § 10–101 OF THE EDUCATION ARTICLE.**

3           **(9) “QUALIFIED EMPLOYEE” MEANS A HEALTH CARE PRACTITIONER,**  
4 **A COMMUNITY HEALTH WORKER, AN INDIVIDUAL DESIGNATED AS AN EVALUATOR**  
5 **UNDER § 20–1405 OF THE HEALTH – GENERAL ARTICLE, OR ANY OTHER**  
6 **INDIVIDUAL WHO:**

7                   **(I) PROVIDES DIRECT SUPPORT TO A HEALTH CARE**  
8 **PRACTITIONER OR A COMMUNITY HEALTH WORKER; AND**

9                   **(II) EXPANDS ACCESS TO SERVICES IN A HEALTH EQUITY**  
10 **RESOURCE COMMUNITY.**

11           **(10) (I) “QUALIFIED POSITION” MEANS A QUALIFIED EMPLOYEE**  
12 **POSITION THAT:**

13                           1.   **PAYS AT LEAST 150% OF THE FEDERAL MINIMUM**  
14 **WAGE;**

15                           2.   **IS FULL–TIME AND OF INDEFINITE DURATION;**

16                           3.   **IS LOCATED IN A HEALTH EQUITY RESOURCE**  
17 **COMMUNITY;**

18                           4.   **IS NEWLY CREATED AS A RESULT OF THE**  
19 **ESTABLISHMENT OF, OR EXPANSION OF SERVICES IN, A HEALTH EQUITY RESOURCE**  
20 **COMMUNITY; AND**

21                           5.   **IS FILLED.**

22                   **(II) “QUALIFIED POSITION” DOES NOT INCLUDE A POSITION**  
23 **THAT IS FILLED FOR A PERIOD OF LESS THAN 12 MONTHS.**

24           **(11) “SECRETARY” MEANS THE SECRETARY OF HEALTH.**

25           **(B) A HEALTH CARE PRACTITIONER OR A COMMUNITY HEALTH WORKER**  
26 **WHO PRACTICES HEALTH CARE IN A HEALTH EQUITY RESOURCE COMMUNITY**  
27 **DESIGNATED UNDER TITLE 20, SUBTITLE 14 OF THE HEALTH – GENERAL ARTICLE**  
28 **MAY SUBMIT TO THE SECRETARY A REQUEST FOR CERTIFICATION OF ELIGIBILITY**  
29 **FOR INCOME TAX CREDITS ESTABLISHED UNDER SUBSECTION (D) OF THIS SECTION**  
30 **IN ACCORDANCE WITH AN APPROVED APPLICATION FOR DESIGNATION OF AN AREA**  
31 **AS A HEALTH EQUITY RESOURCE COMMUNITY IF THE INDIVIDUAL:**

1           **(1) DEMONSTRATES COMPETENCY IN CULTURAL, LINGUISTIC, AND**  
2 **HEALTH LITERACY IN A MANNER DETERMINED BY THE SECRETARY;**

3           **(2) ACCEPTS AND PROVIDES CARE FOR PATIENTS ENROLLED IN THE**  
4 **MARYLAND MEDICAL ASSISTANCE PROGRAM AND FOR UNINSURED PATIENTS;**

5           **(3) UNDERGOES TRAINING IN ANTIRACISM AND CULTURAL**  
6 **COMPETENCE THROUGH A PROGRAM APPROVED BY THE SECRETARY; AND**

7           **(4) MEETS ANY OTHER CRITERIA ESTABLISHED BY THE SECRETARY.**

8           **(C) A NONPROFIT COMMUNITY-BASED ORGANIZATION, A NONPROFIT**  
9 **HOSPITAL, AN INSTITUTION OF HIGHER EDUCATION, OR A LOCAL GOVERNMENT**  
10 **AGENCY THAT SUBMITS AN APPLICATION TO THE SECRETARY TO ESTABLISH A**  
11 **HEALTH EQUITY RESOURCE COMMUNITY MAY SUBMIT TO THE SECRETARY A**  
12 **REQUEST FOR CERTIFICATION OF ELIGIBILITY FOR INCOME TAX CREDITS**  
13 **ESTABLISHED UNDER SUBSECTION (D) OF THIS SECTION IN ACCORDANCE WITH THE**  
14 **APPLICATION FOR DESIGNATION OF AN AREA AS A HEALTH EQUITY RESOURCE**  
15 **COMMUNITY ON BEHALF OF A HEALTH CARE PRACTITIONER OR A COMMUNITY**  
16 **HEALTH WORKER WHO:**

17           **(1) IS PRACTICING OR SEEKING TO PRACTICE IN A HEALTH EQUITY**  
18 **RESOURCE COMMUNITY; AND**

19           **(2) SATISFIES THE REQUIREMENTS OF SUBSECTION (B) OF THIS**  
20 **SECTION.**

21           **(D) (1) IF THE SECRETARY APPROVES A REQUEST FOR CERTIFICATION**  
22 **SUBMITTED UNDER SUBSECTION (B) OR (C) OF THIS SECTION, A HEALTH CARE**  
23 **PRACTITIONER OR A COMMUNITY HEALTH WORKER MAY CLAIM A CREDIT AGAINST**  
24 **THE STATE INCOME TAX IN AN AMOUNT EQUAL TO 100% OF THE AMOUNT OF THE**  
25 **STATE INCOME TAX EXPECTED TO BE DUE FROM THE HEALTH CARE PRACTITIONER**  
26 **OR COMMUNITY HEALTH WORKER FROM INCOME DERIVED FROM PRACTICE IN THE**  
27 **HEALTH EQUITY RESOURCE COMMUNITY, AS CERTIFIED BY THE SECRETARY FOR**  
28 **THE TAXABLE YEAR.**

29           **(2) (I) IN ADDITION TO THE STATE INCOME TAX CREDIT PROVIDED**  
30 **UNDER PARAGRAPH (1) OF THIS SUBSECTION, A HEALTH CARE PRACTITIONER OR A**  
31 **COMMUNITY-BASED ORGANIZATION MAY CLAIM A REFUNDABLE CREDIT OF \$10,000**  
32 **AGAINST THE STATE INCOME TAX FOR HIRING FOR A QUALIFIED POSITION IN THE**  
33 **HEALTH EQUITY RESOURCE COMMUNITY, AS CERTIFIED BY THE SECRETARY FOR**  
34 **THE TAXABLE YEAR.**

1           **(II) TO BE ELIGIBLE FOR THE CREDIT PROVIDED UNDER THIS**  
2 **PARAGRAPH, A HEALTH CARE PRACTITIONER OR A COMMUNITY-BASED**  
3 **ORGANIZATION MAY CREATE ONE OR MORE QUALIFIED POSITIONS DURING ANY**  
4 **24-MONTH PERIOD.**

5           **(III) THE CREDIT EARNED UNDER THIS PARAGRAPH SHALL BE**  
6 **TAKEN OVER A 24-MONTH PERIOD, WITH 50% OF THE CREDIT AMOUNT ALLOWED**  
7 **EACH YEAR BEGINNING WITH THE FIRST TAXABLE YEAR IN WHICH THE CREDIT IS**  
8 **CERTIFIED.**

9           **(IV) IF THE QUALIFIED POSITION IS FILLED FOR A PERIOD OF**  
10 **LESS THAN 24 MONTHS, THE CREDIT SHALL BE RECAPTURED AS FOLLOWS:**

11                   **1. THE CREDIT SHALL BE RECOMPUTED AND REDUCED**  
12 **ON A PRORATED BASIS, BASED ON THE PERIOD OF TIME THE POSITION WAS FILLED,**  
13 **AS DETERMINED BY THE DEPARTMENT AND REPORTED TO THE COMPTROLLER; AND**

14                   **2. THE HEALTH CARE PRACTITIONER OR**  
15 **COMMUNITY-BASED ORGANIZATION WHICH RECEIVED THE CREDIT SHALL REPAY**  
16 **ANY AMOUNT OF THE CREDIT THAT MAY HAVE ALREADY BEEN REFUNDED TO THE**  
17 **HEALTH CARE PRACTITIONER OR COMMUNITY-BASED ORGANIZATION THAT**  
18 **EXCEEDS THE AMOUNT RECOMPUTED BY THE SECRETARY IN ACCORDANCE WITH**  
19 **ITEM 1 OF THIS SUBPARAGRAPH.**

20           **(3) TO BE CERTIFIED AS ELIGIBLE FOR THE CREDITS ESTABLISHED**  
21 **UNDER THIS SUBSECTION, A HEALTH CARE PRACTITIONER, COMMUNITY HEALTH**  
22 **WORKER, OR COMMUNITY-BASED ORGANIZATION MAY APPLY FOR CERTIFICATION**  
23 **THROUGH THE NONPROFIT COMMUNITY-BASED ORGANIZATION, NONPROFIT**  
24 **HOSPITAL, INSTITUTION OF HIGHER EDUCATION, OR LOCAL GOVERNMENT THAT**  
25 **RECEIVES APPROVAL FROM THE SECRETARY TO ESTABLISH A HEALTH EQUITY**  
26 **RESOURCE COMMUNITY.**

27           **(4) (I) ELIGIBILITY FOR THE CREDITS PROVIDED UNDER THIS**  
28 **SUBSECTION IS LIMITED BY AVAILABILITY OF BUDGETED FUNDS FOR THAT**  
29 **PURPOSE, AS DETERMINED BY THE SECRETARY.**

30                   **(II) CERTIFICATES OF ELIGIBILITY SHALL BE SUBJECT TO**  
31 **APPROVAL BY THE SECRETARY ON A FIRST-COME, FIRST-SERVED BASIS, AS**  
32 **DETERMINED BY THE SECRETARY IN THE SECRETARY'S SOLE DISCRETION.**

33           **(E) THE SECRETARY SHALL CERTIFY TO THE COMPTROLLER THE**  
34 **APPLICABILITY OF THE CREDITS PROVIDED UNDER THIS SECTION FOR EACH**

1 HEALTH CARE PRACTITIONER, COMMUNITY HEALTH WORKER, OR  
2 COMMUNITY-BASED ORGANIZATION AND THE AMOUNT OF EACH CREDIT ASSIGNED  
3 TO A HEALTH CARE PRACTITIONER, COMMUNITY HEALTH WORKER, OR  
4 COMMUNITY-BASED ORGANIZATION, FOR EACH TAXABLE YEAR.

5 (F) THE CREDITS ALLOWED UNDER THIS SECTION FOR A FISCAL YEAR MAY  
6 NOT EXCEED THE AMOUNT PROVIDED FOR IN THE STATE BUDGET FOR THAT FISCAL  
7 YEAR.

8 (G) THE SECRETARY, IN CONSULTATION WITH THE COMPTROLLER, SHALL  
9 ADOPT REGULATIONS TO IMPLEMENT THE TAX CREDIT UNDER THIS SECTION.

10 11-104.

11 (g) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE  
12 MEANINGS INDICATED.

13 (II) "ALCOHOLIC BEVERAGE" HAS THE MEANING STATED IN §  
14 1-101 OF THE ALCOHOLIC BEVERAGES ARTICLE.

15 (III) "OFF-SALE RETAILERS" MEANS RETAIL SELLERS AND  
16 OTHER ENTITIES HOLDING A STATE OR LOCAL LICENSE TO SELL PACKAGED  
17 ALCOHOLIC BEVERAGES FOR OFF-SITE CONSUMPTION.

18 (IV) "ON-SALE RETAILERS" MEANS RESTAURANTS, BARS,  
19 BREWERIES, WINERIES, DISTILLERIES, AND OTHER ENTITIES HOLDING A STATE OR  
20 LOCAL LICENSE TO MANUFACTURE OR SELL ALCOHOLIC BEVERAGES:

21 1. FOR CONSUMPTION ON SITE; OR

22 2. TO SELL ALCOHOLIC BEVERAGES ON SITE AS  
23 CARRY-OUT PRODUCTS FOR CONSUMPTION OFF SITE.

24 (2) The sales and use tax rate for the sale of an alcoholic beverage[, as  
25 defined in § 5-101 of this article,] is:

26 [(1) 9% of the charge for the alcoholic beverage; and]

27 (I) 1. FOR SALES OF ALCOHOLIC BEVERAGES BY OFF-SALE  
28 RETAILERS AFTER OCTOBER 1, 2021, 10% OF THE CHARGE FOR THE ALCOHOLIC  
29 BEVERAGE;

30 2. FOR SALES OF ALCOHOLIC BEVERAGES BY ON-SALE  
31 RETAILERS BETWEEN OCTOBER 1, 2021, AND SEPTEMBER 30, 2023, INCLUSIVE, 9%

1 **OF THE CHARGE FOR THE ALCOHOLIC BEVERAGE; AND**

2 **3. FOR SALES OF ALCOHOLIC BEVERAGES BY ON-SALE**  
3 **RETAILERS AFTER OCTOBER 1, 2023, 10% OF THE CHARGE FOR THE ALCOHOLIC**  
4 **BEVERAGE; AND**

5 [(2)] (II) 6% of a charge that is made in connection with the sale of an  
6 alcoholic beverage and is stated as a separate item of the consideration and made known  
7 to the buyer at the time of sale for:

8 [(i)] 1. any labor or service rendered;

9 [(ii)] 2. any material used; or

10 [(iii)] 3. any property sold.

11 (3) 10% OF THE REVENUES GENERATED UNDER THIS SUBSECTION  
12 SHALL BE CREDITED TO THE HEALTH EQUITY RESOURCE COMMUNITY RESERVE  
13 FUND ESTABLISHED UNDER § 20-1407 OF THE HEALTH – GENERAL ARTICLE.

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