

HOUSE BILL 202

B1

(3lr0120)

ENROLLED BILL

— Appropriations/Budget and Taxation —

Introduced by **The Speaker (By Request – Administration)**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Budget Reconciliation and Financing Act of 2023**

3 FOR the purpose of authorizing or altering the distribution of certain revenue; altering or
4 repealing certain required appropriations; authorizing the use of certain funds for
5 certain purposes; ~~requiring the University of Maryland Medical System to assign~~
6 altering the areas in which certain faculty must specialize to be assigned to provide
7 clinical care at the University of Maryland Capital Region Medical Center; repealing
8 a certain required appropriation to the Revenue Stabilization Account; reducing the
9 budgeted Medicaid Deficit Assessment for a certain fiscal year; extending the date
10 by which the Bainbridge Development Corporation is required to transfer a certain
11 portion of a certain site to the Department of Natural Resources; and generally
12 relating to the financing of State and local government.

13 BY repealing and reenacting, with amendments,
14 Article – Education

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 Section 12–120
2 Annotated Code of Maryland
3 (2022 Replacement Volume)

4 BY repealing and reenacting, with amendments,
5 Article – State Finance and Procurement
6 Section 7–311(j)(1)(v)
7 Annotated Code of Maryland
8 (2021 Replacement Volume and 2022 Supplement)

9 BY repealing and reenacting, with amendments,
10 Chapter 397 of the Acts of the General Assembly of 2011, as amended by Chapter
11 425 of the Acts of the General Assembly of 2013, Chapter 464 of the Acts of
12 the General Assembly of 2014, Chapter 489 of the Acts of the General
13 Assembly of 2015, Chapter 23 of the Acts of the General Assembly of 2017,
14 Chapter 10 of the Acts of the General Assembly of 2018, Chapter 16 of the
15 Acts of the General Assembly of 2019, and Chapter 538 of the Acts of the
16 General Assembly of 2020
17 Section 16(c)

18 BY repealing and reenacting, with amendments,
19 Chapter 717 of the Acts of the General Assembly of 2021
20 Section 2

21 BY repealing and reenacting, with amendments,
22 Chapter 718 of the Acts of the General Assembly of 2021
23 Section 2

24 BY repealing and reenacting, with amendments,
25 Chapter 39 of the Acts of the General Assembly of 2022
26 Section 5

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

29 **Article – Education**

30 12–120.

31 (a) The University of Maryland School of Medicine shall provide clinical care at
32 the University of Maryland Capital Region Medical Center by ~~THE UNIVERSITY OF~~
33 ~~MARYLAND MEDICAL SYSTEM~~ assigning to the Center faculty who specialize in [the
34 following:

35 (1) Neuroscience;

36 (2) Obstetrics and gynecology;

1 (3) Oncology; and

2 (4) Vascular neurology] **IDENTIFIED ESSENTIAL AREAS.**

3 (b) (1) For fiscal years 2023 through 2025, the Governor shall include in the
4 annual budget bill an appropriation of at least \$5,000,000 to implement the provisions of
5 this section.

6 (2) Funds provided in accordance with this subsection shall supplement
7 and may not supplant any other funding provided to the University of Maryland School of
8 Medicine.

9 **Article – State Finance and Procurement**

10 7–311.

11 (j) (1) Except as provided in paragraph (2) of this subsection, for fiscal year
12 2007 and for each subsequent fiscal year, the Governor shall include in the budget bill an
13 appropriation:

14 (v) for fiscal year 2024:

15 1. to the Maryland Equity Investment Fund established
16 under § 10–487 of the Economic Development Article an amount, up to \$10,000,000, that
17 is equal to 10% of the amount by which the unappropriated General Fund surplus as of
18 June 30 of the second preceding fiscal year exceeds \$10,000,000;

19 2. to the accumulation funds of the State Retirement and
20 Pension System an amount, up to a maximum of \$15,000,000, that is equal to 15% of the
21 amount by which the unappropriated General Fund surplus as of June 30 of the second
22 preceding fiscal year exceeds \$10,000,000; **AND**

23 3. to the Postretirement Health Benefits Trust Fund
24 established under § 34–101 of the State Personnel and Pensions Article an amount, up to
25 a maximum of \$25,000,000, that is equal to 25% of the amount by which the unappropriated
26 General Fund surplus as of June 30 of the second preceding fiscal year exceeds
27 \$10,000,000[; and

28 4. to the Account equal to the amount by which the
29 unappropriated General Fund surplus as of June 30 of the second preceding fiscal year
30 exceeds \$10,000,000, less the amount of the appropriations under items 1 through 3 of this
31 item].

32 **Chapter 397 of the Acts of 2011, as amended by Chapter 425 of the Acts of 2013,**
33 **Chapter 464 of the Acts of 2014, Chapter 489 of the Acts of 2015, Chapter 23 of**

1 **the Acts of 2017, Chapter 10 of the Acts of 2018, Chapter 16 of the Acts of 2019,**
2 **and Chapter 538 of the Acts of 2020**

3 SECTION 16. AND BE IT FURTHER ENACTED, That, in addition to any other
4 revenue generated under § 19–214 of the Health – General Article, as amended by this Act:

5 (c) (1) For fiscal year 2015 and 2016, the Commission and the Maryland
6 Department of Health shall adopt policies that will provide up to \$389,825,000 in special
7 fund revenues from hospital assessment and remittance revenue.

8 (2) For fiscal year 2017, the Governor shall reduce the budgeted Medicaid
9 Deficit Assessment by \$25,000,000 over the assessment level for the prior year.

10 (3) For fiscal year 2018, the budgeted Medicaid Deficit Assessment shall be
11 \$364,825,000.

12 (4) For fiscal year 2019, the budgeted Medicaid Deficit Assessment shall be
13 \$334,825,000.

14 (5) For fiscal year 2020, the budgeted Medicaid Deficit Assessment shall be
15 \$309,825,000.

16 (6) **[For] EXCEPT AS PROVIDED IN PARAGRAPH (7) OF THIS**
17 **SUBSECTION, FOR** fiscal year 2021 and each fiscal year thereafter, the budgeted Medicaid
18 Deficit Assessment shall be \$294,825,000.

19 **(7) FOR FISCAL YEAR 2024 ONLY, THE BUDGETED MEDICAID**
20 **DEFICIT ASSESSMENT SHALL BE \$244,825,000.**

21 **[(7)] (8)** To the extent that the Commission takes other actions that
22 reduce Medicaid costs, those savings shall also be used to reduce the budgeted Medicaid
23 Deficit Assessment.

24 **[(8)] (9)** To the maximum extent possible, the Commission and the
25 Maryland Department of Health shall adopt policies that preserve the State's Medicare
26 waiver.

27 **Chapter 717 of the Acts of 2021**

28 **SECTION 2. AND BE IT FURTHER ENACTED, That:**

29 **(a) For taxable years beginning after June 30, 2017, but before July 1, 2021, the**
30 **State Department of Assessments and Taxation shall determine whether a homeowner is**
31 **owed additional State homeowners' property tax credits as a result of the property tax**
32 **credit under § 9–104 of the Tax – Property Article, as enacted by Section 1 of this Act, and**
33 **if so, the amount of the refund owed.**

1 (b) The State Department of Assessments and Taxation shall notify the
2 homeowner and the county within which the homeowner’s dwelling is located of the amount
3 of the refund determined under subsection (a) of this section.

4 (c) [(1) Subject to paragraph (2) of this subsection, on] ON certification by the
5 State Department of Assessments and Taxation, the Comptroller shall pay to an eligible
6 homeowner the refund determined under subsection (a) of this section from the Local
7 Reserve Account established under § 2–606 of the Tax – General Article.

8 [(2) For each of the fiscal years 2023 through 2037, the Governor shall
9 include in the annual budget bill an appropriation to the Local Reserve Account in an
10 amount equal to one–fifteenth of the total refunds paid in accordance with paragraph (1) of
11 this subsection from the Local Reserve Account during fiscal year 2022.]

12 (d) Notwithstanding any other provision of law, for the taxable year beginning
13 after June 30, 2021, but before July 1, 2022, a refund paid to a homeowner in accordance
14 with this section may not be included in the calculation of the homeowner’s gross income
15 for purposes of eligibility for the property tax credit under § 9–104 of the Tax – Property
16 Article.

17 **Chapter 718 of the Acts of 2021**

18 **SECTION 2. AND BE IT FURTHER ENACTED, That:**

19 (a) For taxable years beginning after June 30, 2017, but before July 1, 2021, the
20 State Department of Assessments and Taxation shall determine whether a homeowner is
21 owed additional State homeowners’ property tax credits as a result of the property tax
22 credit under § 9–104 of the Tax – Property Article, as enacted by Section 1 of this Act, and
23 if so, the amount of the refund owed.

24 (b) The State Department of Assessments and Taxation shall notify the
25 homeowner and the county within which the homeowner’s dwelling is located of the amount
26 of the refund determined under subsection (a) of this section.

27 (c) [(1) Subject to paragraph (2) of this subsection, on] ON certification by the
28 State Department of Assessments and Taxation, the Comptroller shall pay to an eligible
29 homeowner the refund determined under subsection (a) of this section from the Local
30 Reserve Account established under § 2–606 of the Tax – General Article.

31 [(2) For each of the fiscal years 2023 through 2037, the Governor shall
32 include in the annual budget bill an appropriation to the Local Reserve Account in an
33 amount equal to one–fifteenth of the total refunds paid in accordance with paragraph (1) of
34 this subsection from the Local Reserve Account during fiscal year 2022.]

(d) Notwithstanding any other provision of law, for the taxable year beginning after June 30, 2021, but before July 1, 2022, a refund paid to a homeowner in accordance with this section may not be included in the calculation of the homeowner's gross income for purposes of eligibility for the property tax credit under § 9-104 of the Tax – Property Article.

Chapter 39 of the Acts of 2022

SECTION 5. AND BE IT FURTHER ENACTED, That, on or before June 1, [2023] ~~2024~~ 2025, the Bainbridge Development Corporation shall transfer to the Department of Natural Resources a portion of the Bainbridge Naval Training Center site consisting of not less than 120 acres and not more than 150 acres, including:

- (1) the historic Tome School;
- (2) the Snow Hill archaeological site; and
- (3) the adjacent wooded conservation area.

SECTION 2. AND BE IT FURTHER ENACTED, That the unexpended appropriation for the Assistance Payments Program (N00G00.08) within the Department of Human Services, that was included in the fiscal year 2023 operating budget (Chapter 484 of the Acts of 2022) is reduced by \$7,500,000 in general funds.

SECTION 3. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, \$9,250,000 ~~shall be transferred from~~ of the money derived from the AltaGas LTD. and WGL Holdings, Inc. merger approved by the Public Service Commission in Case No. 9449, Order No. 88631 on April 4, 2018, and deposited as the Maryland Gas Expansion Fund into the Maryland Strategic Energy Investment Fund established under § 9-20B-05 of the State Government Article ~~to the Public Service Commission in order to provide funding~~ is authorized to be used by the Maryland Energy Administration to support the repair of existing natural gas infrastructure in the Washington Gas service territory.

SECTION 4. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, on or before June 30, 2023, the Governor may transfer by budget amendment the unexpended appropriation under the Miscellaneous Grants – Capital Appropriation (H00H01.03) that was included in the fiscal year 2023 operating budget (Chapter 484 of the Acts of 2022) to provide funding to Baltimore County to acquire Stevenson University's Greenspring Campus to the following entities in the following amounts:

- (1) Woodlawn Library \$9,000,000; and
- (2) Essex Library \$1,000,000.

SECTION ~~2~~ ~~4~~ 5. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2023.