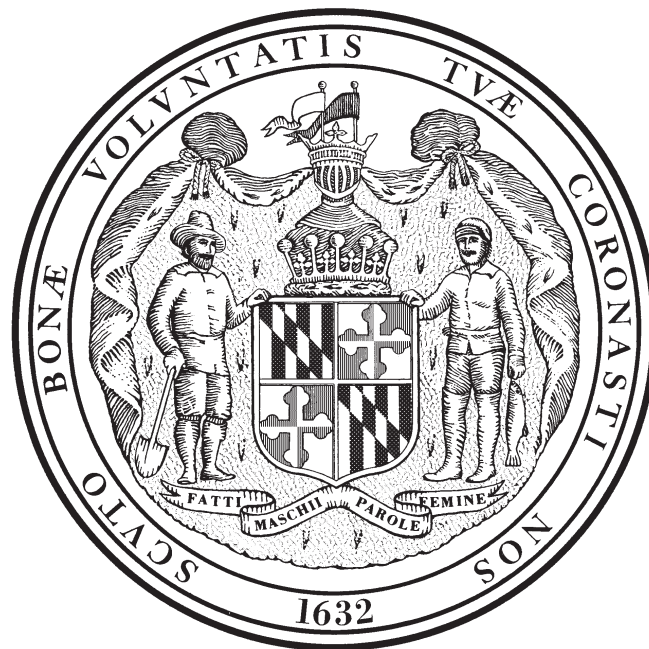


Report of the
HOUSE COMMITTEE ON APPROPRIATIONS
to the Maryland House of Delegates



2006 SESSION

Recommendations, Reductions, and Summary of
Action Pertaining to:
SENATE BILL 110

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Payments to the Civil Divisions of the State

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Department of Public Safety and Correctional Services
Criminal Injuries Compensation Board
Division of Correction
Division of Parole and Probation
Division of Pretrial Detention and Services
Inmate Grievance Office
Maryland Commission on Correctional Standards
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Keshia E. Cheeks

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Salisbury University
University of Baltimore
University of Maryland Eastern Shore

Stacy A. Collins

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Office of Health Care Quality

Jaclyn D. Dixon

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Maryland Transportation Authority
Overview (shared)

Patrick S. Frank

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State Reserve Fund

Andrew D. Gray

Baltimore City Community College
Historic St. Mary's Commission
St. Mary's College of Maryland
Subsequent Injury Fund
Uninsured Employers' Fund
University System of Maryland
University of Maryland, Baltimore
University of Maryland University College
Workers' Compensation Commission

Chantelle M. Green

Judiciary
Maryland Tax Court
Office of Administrative Hearings
Office of the Attorney General
Office of People's Counsel
Office of the Public Defender
Office of the State Prosecutor
Public Service Commission
State Archives

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Maryland General Assembly

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Canal Place Preservation and Development Authority
Department of Business and Economic Development
Department of Housing and Community Development
Maryland African American Museum Corporation
Maryland Stadium Authority
Maryland Technology Development Corporation
State Lottery Agency

Matthew D. Klein

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Jonathan D. Martin

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Alison Mitchell

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Department of Health and Mental Hygiene
AIDS Administration
Health Occupation Boards
Laboratories Administration
Department of Human Resources
Administration
Adult and Community Services
Child Support Enforcement

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Department of Agriculture
Department of Natural Resources
Department of Planning
Maryland Department of the Environment
Maryland Energy Administration
Maryland Environmental Service

Lori J. O'Brien

Department of Budget and Management
Office of Personnel Services and Benefits
Office of the Secretary
Department of Veterans Affairs
Maryland Commission on Human Relations
Maryland Public Broadcasting Commission
State Higher Education Labor Relations Board

Simon G. Powell

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John Quinlan

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David C. Romans

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Michael Rubenstein

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State Retirement Plan

Erika S. Schissler

College Savings Plan of Maryland
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University of Maryland Biotechnology Institute
University of Maryland Center for Environmental Science
University of Maryland, College Park

Jody J. Sprinkle

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Department of Labor, Licensing, and Regulation
Executive Department
Boards, Commissions, and Offices
Governor
Maryland State Board of Contract Appeals
Military Department
Property Tax Assessment Appeals Boards
Registers of Wills
Secretary of State
State Department of Assessments and Taxation

James L. Stoops

Maryland Automobile Insurance Fund
Maryland Economic Development Corporation
Maryland Food Center Authority

Susan M. Werthan

Aid to Community Colleges
Interagency Committee for School Construction
Maryland School for the Deaf
Maryland State Department of Education
Aid to Education
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House Committee on Appropriations Reductions

Agency	General Funds	Special Funds	Federal Funds	Higher Ed Funds	Total Funds	Positions
2007 Budget Request:						
Payments to Civil Divisions of the State	\$3,061,520	\$0	\$0	\$0	\$3,061,520	
Judiciary	10,984,065	0	0	0	10,984,065	9.0
Judiciary Capital	(6,700,000)	0	0	0	(6,700,000)	
Public Service Commission	0	50,051	0	0	50,051	
Office of People's Counsel	0	10,000	0	0	10,000	
Workers' Compensation Commission	0	68,003	0	0	68,003	1.5
Board of Public Works	500,000	0	0	0	500,000	
Maryland Energy Administration	1,575,000	0	0	0	1,575,000	
Maryland State Board of Contract Appeals	4,200	0	0	0	4,200	
Department of Planning	3,766,400	0	0	0	3,766,400	1.0
Department of Planning PAYGO Capital	0	450,000	0	0	450,000	
Military Department	0	0	63,090	0	63,090	
Maryland Institute Emergency Medical Services Systems	0	38,000	0	0	38,000	
Department of Veterans Affairs	108,000	0	286,000	0	394,000	
Maryland Insurance Administration	0	170,000	0	0	170,000	
Comptroller of the Treasury	55,883	100,000	0	0	155,883	
State Lottery Agency	0	2,000,000	0	0	2,000,000	

AX

House Committee on Appropriations Reductions

Agency	General Funds	Special Funds	Federal Funds	Higher Ed Funds	Total Funds	Positions
Department of Budget and Management (DBM) – Personnel	37,584,512	8,006,072	5,932,157	2,175,650	53,698,391	
DBM – Information Technology	3,000,000	0	0	0	3,000,000	
State Retirement Agency	0	209,561	0	0	209,561	
Department of General Services	1,000,000	0	0	0	1,000,000	
MD Department of Transportation (MDOT) – The Secretary's Office	0	360,270	0	0	360,270	3.0
MDOT – Debt Service Requirements	0	3,694,390	0	0	3,694,390	
LX. MDOT – State Highway Administration	0	2,027,396	0	0	2,027,396	
MDOT – State Highway Administration PAYGO Capital	0	1,160,000	0	0	1,160,000	
MDOT – Maryland Port Administration	0	192,110	0	0	192,110	
MDOT – Maryland Port Administration PAYGO Capital	0	23,046	0	0	23,046	
MDOT – Motor Vehicle Administration	0	280,063	0	0	280,063	
Maryland Transit Administration Operating Budget	0	1,956,726	0	0	1,956,726	30.0
MDOT – Maryland Aviation Administration	0	740,655	0	0	740,655	
MDOT – Maryland Aviation Administration PAYGO Capital	0	6,133,304	423,000	0	6,556,304	
Department of Natural Resources	955,142	1,000,000	0	0	1,955,142	1.0
Department of Agriculture	1,285,000	0	0	0	1,285,000	1.0
Department of Health and Mental Hygiene (DHMH) – Administration	210,000	30,000	0	0	240,000	
DHMH – Alcohol and Drug Abuse Administration	54,000	590,000	0	0	644,000	

House Committee on Appropriations Reductions

Agency	General Funds	Special Funds	Federal Funds	Higher Ed Funds	Total Funds	Positions
DHMH – Mental Hygiene Administration	9,500,000	0	0	0	9,500,000	
DHMH – Medical Care Programs Administration	14,106,096	0	5,218,044	0	19,324,140	2.0
DHMH – Health Regulatory Commissions	400,000	0	0	0	400,000	1.0
Department of Human Resources (DHR) – Administration	306,681	0	262,137	0	568,818	
DHR – Child Support Enforcement	0	748,000	1,452,000	0	2,200,000	
Department of Labor, Licensing, and Regulation	10,156,869	0	0	0	10,156,869	4.0
II: Department of Public Safety and Correctional Services (DPSCS) – Office of the Secretary	291,839	0	0	0	291,839	
DPSCS – Division of Correction	1,000,000	0	0	0	1,000,000	
DPSCS – Division of Parole and Probation	102,316	0	0	0	102,316	3.0
DPSCS – Division of Pretrial and Detention Services	500,000	0	0	0	500,000	
Maryland State Department of Education (MSDE) – Headquarters	2,887,059	0	0	0	2,887,059	
MSDE – Aid to Education	5,357,141	0	0	0	5,357,141	
MSDE – Funding for Educational Organizations	75,000	0	0	0	75,000	
Morgan State University	0	0	0	823,257	823,257	
St Mary's College of Maryland	0	0	0	377,418	377,418	
Maryland Public Broadcasting Commission	0	78,000	0	0	78,000	
University System of Maryland	0	0	0	18,898,865	18,898,865	
Aid to University of Maryland Medical System	115,140	0	0	0	115,140	

House Committee on Appropriations Reductions

Agency	General Funds	Special Funds	Federal Funds	Higher Ed Funds	Total Funds	Positions
Maryland Higher Education Commission (MHEC)	1,050,000	0	0	0	1,050,000	
MHEC – Scholarship Programs	2,000,000	0	0	0	2,000,000	
State Support for Higher Education Institutions	85,413	0	0	0	85,413	
Baltimore City Community College	0	0	0	85,413	85,413	
Department of Housing and Community Development	2,238	23,158	176,403	0	201,799	
Department of Business and Economic Development	6,575,000	250,000	0	0	6,825,000	
TEDCO – Maryland Technology Development Corp	5,000,000	0	0	0	5,000,000	
Department of the Environment	876,666	1,000,000	0	0	1,876,666	1.0
Department of Juvenile Services	1,510,000	110,000	0	0	1,620,000	
Maryland State Police	240,352	0	0	0	240,352	
State Reserve Fund	719,076,805	0	0	0	719,076,805	
Subtotal Fiscal 2007 Regular Budget	\$838,658,337	\$31,498,805	\$13,812,831	\$22,360,603	\$906,330,576	57.5
Less General Funds for Higher Education				-85,413	-85,413	
Total Fiscal 2007 Regular Budget	\$838,658,337	\$31,498,805	\$13,812,831	\$22,275,190	\$906,245,163	57.5

House Committee on Appropriations Reductions

Agency	General Funds	Special Funds	Federal Funds	Higher Ed Funds	Total Funds	Positions
Supplemental Budget No. 1 – Fiscal 2007						
Board of Public Works	100,000	0	0	0	100,000	
Board of Public Works PAYGO	7,655,000	0	0	0	7,655,000	
Governor's Office for Children	100,000	0	0	0	100,000	
Department of Planning	250,000	0	0	0	250,000	
Maryland Insurance Administration	0	2,061,361	0	0	2,061,361	
XIX. Department of Natural Resources	0	400,000	0	0	400,000	
DHR – Adult and Community Services	250,000	0	0	0	250,000	
MSDE – Headquarters	255,000	0	0	0	255,000	
MSDE – Funding for Educational Organizations	50,000	0	0	0	50,000	
State Reserve Fund	170,000,000	0	0	0	170,000,000	
Subtotal Supplemental Budget No. 1	\$178,660,000	\$2,461,361	\$0	\$0	\$181,121,361	
Fiscal 2007 Total Budget	\$1,017,318,337	\$33,960,166	\$13,812,831	\$22,275,190	\$1,087,366,524	57.5

House Committee on Appropriations Reductions

Agency	General Funds	Special Funds	Federal Funds	Higher Ed Funds	Total Funds	Positions
Fiscal 2006 Deficiency Budget						
Department of Budget and Management – Personnel	9,000,000	0	0	0	9,000,000	
Department of Agriculture	300,000	0	0	0	300,000	
DPSCS – Division of Correction	10,000,000	0	0	0	10,000,000	
State Reserve Fund	0	2,100,000	0	0	2,100,000	
Subtotal Fiscal 2006 Deficiency Budget	\$19,300,000	\$2,100,000	\$0	\$0	\$21,400,000	
Supplemental Budget No. 1 Deficiency:						
DPSCS – Division of Correction	2,500,000	0	0	0	2,500,000	
Subtotal Fiscal 2006 Deficiency Budget	\$21,800,000	\$2,100,000	\$0	\$0	\$23,900,000	
Grand Total Budget Bill	\$1,039,118,337	\$36,060,166	\$13,812,831	\$22,275,190	\$1,111,266,524	57.5

XX

A
Payments to Civil Divisions of the State

Budget Amendments

A20T00.01 Electricity Generating Equipment Property Tax Grant

Add the following language to the general fund appropriation:

, provided that the \$3,061,250 reduction shall be allocated to the following jurisdictions in the following amounts:

<u>Jurisdiction</u>	<u>Reduction Amount</u>
<u>Anne Arundel County</u>	<u>\$968,783</u>
<u>Baltimore City</u>	<u>\$24,897</u>
<u>Baltimore County</u>	<u>\$114,364</u>
<u>Calvert County</u>	<u>\$592,600</u>
<u>Charles County</u>	<u>\$278,200</u>
<u>Dorchester County</u>	<u>\$17,596</u>
<u>Garrett County</u>	<u>\$1,378</u>
<u>Harford County</u>	<u>\$80,462</u>
<u>Montgomery County</u>	<u>\$358,697</u>
<u>Prince George's County</u>	<u>\$595,049</u>
<u>Washington County</u>	<u>\$29,494</u>

Explanation: The language allocates the reduction to the counties based partially on assessable base growth over the last five years, with counties experiencing higher growth incurring a larger reduction.

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce funds for the electric utility generating equipment property tax grants by 10% in fiscal 2007 only. The reduction would be partially based on assessable base growth over the last five years, with counties experiencing higher growth incurring a larger reduction. The one-time reduction will not require changes to the statute governing the grant.</i>	3,061,520	GF
<i>Total Reductions</i>	3,061,520	

A

<u><i>Effect</i></u>	<u><i>Allowance</i></u>	<u><i>Appropriation</i></u>	<u><i>Amount Reduction</i></u>	<u><i>Position Reduction</i></u>
<i>General Fund</i>	30,615,201	27,553,681	3,061,520	
<i>Total Funds</i>	30,615,201	27,553,681	3,061,520	

Amendment No. **1**

**C00A
Judiciary**

Budget Amendments

Add the following language:

Provided that \$459,273 included in the appropriation for two judicial law clerks and two courtroom clerks is contingent upon enactment of legislation to authorize two additional circuit court judges.

Explanation: New circuit court judges are created by enactment of legislation. The Clerks of the Circuit Court appropriation includes \$459,273 for two new judicial law clerks and courtroom clerks for the two new judges.

C00A00.01 Court of Appeals

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete new Public Affairs assistant position. The action will fund the new ombudsman position.	32,597 GF	1.00
Total Reductions	32,597	1.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	73.00	72.00		1.00
General Fund	7,831,125	7,798,528	32,597	
Total Funds	7,831,125	7,798,528	32,597	

C00A00.03 Circuit Court Judges

Add the following language to the general fund appropriation:

, provided that \$1,945,929 included in the appropriation for the funding of judicial law clerks is contingent upon enactment of legislation authorizing 100 percent funding by the State.

Explanation: The enactment of legislation is required for State assumption of 100% judicial law clerk funding.

C00A

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete funding for jury staff as SB 92/HB 450 has been withdrawn.	1,380,207	GF
Total Reductions	1,380,207	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	370.50	370.50		0.00
General Fund	52,529,708	51,149,501	1,380,207	
Federal Fund	795,088	795,088	0	
Total Funds	53,324,796	51,944,589	1,380,207	

C00A00.04 District Court

Add the following language:

Provided that it is the intent of the General Assembly to begin funding the design of a new Catonsville facility in fiscal 2008. A status report shall be submitted to the budget committees by November 1, 2006, by the Department of Budget and Management, the Department of General Services, and the Judiciary, outlining a single option for the Catonsville facility as well as the status of a capital program plan for the selected option. The budget committees shall have 45 days to review and comment on the report from the date of its receipt.

Explanation: This language requires the submission of a joint status report by the Judiciary, Department of General Services (DGS), and the Department of Budget and Management (DBM) regarding the development of a new Catonsville District Court facility.

Information Request	Authors	Due Date
Status Report on the development of a new Catonsville facility	Judiciary DGS DBM	November 1, 2006

C00A

Add the following language:

Further provided that no State funds may be expended to employ the Maryland Economic Development Corporation for financing any aspect of the Catonsville District Court.

***Explanation:** This language prohibits the Judiciary from using the Maryland Economic Development Corporation for the purposes of constructing a new Catonsville District Court.*

Amendment No. **2**

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete funding for Catonsville District Court as there are too many unknown variables at this time.	1,862,000	GF
2. Reduce allowance for telephone expense based on fiscal 2005 actual expenditures. Telephone expenditures were \$1,841,291 in fiscal 2005. This reduction will appropriate \$1,931,198. This reduction shall be allocated among the general funds divisions.	298,000	GF
3. Reduce general funds for turnover expectancy to better reflect historical turnover rate of approximately 4%. This increases the turnover rate to 3%. The general fund reduction shall be allocated among the divisions.	1,089,319	GF
 Total Reductions	 3,249,319	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,324.00	1,324.00		0.00
General Fund	127,311,775	124,062,456	3,249,319	
Total Funds	127,311,775	124,062,456	3,249,319	

C00A

C00A00.05 Maryland Judicial Conference

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce travel expenses based on fiscal 2005 actual expenditures. Expenditures were \$728,443. This reduction will appropriate \$1,512,919 in fiscal 2007. This reduction shall be allocated among the divisions.	100,000	GF
 Total Reductions	 100,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	250,000	150,000	100,000	
Total Funds	250,000	150,000	100,000	

C00A00.06 Administrative Office of the Courts

Strike the following language added to the general fund appropriation:

~~provided that \$3,947,100 of the general fund appropriation is contingent upon the submission of a fiscal 2007 supplemental budget appropriation for drug court funding in the Department of Public Safety and Correctional Services, the Department of Juvenile Services, and the Office of the Public Defender during the 2006 session by the Governor.~~

~~**Explanation:** Funding for Maryland drug courts is contingent upon the inclusion of additional drug court funding in a supplemental budget submitted by the Governor.~~

Amendment No. 3

	<u>Funds</u>	<u>Positions</u>
Reduce appropriation for the purposes indicated:		
1. Delete four new positions and three contractual conversions in the Administrative Office of the Courts. This action will fund a new accounting associate and court interpreter administrator.	196,371	GF 7.00
1. Reduce drug court funding by \$3,187,100 \$3,169,800 to reflect funding within the Judiciary's budget for executive branch agencies and functions.	3,187,100 3,169,800	GF GF
 Total Reductions	 3,383,471 3,366,171	 7.00

C00A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	105.75	98.75		7.00
General Fund	20,615,745	17,232,274 17,249,574	3,383,471 3,366,171	
Special Fund	11,000,000	11,000,000	0	
Total Funds	31,615,745	28,232,274 28,249,574	3,383,471 3,366,171	

Amendment No. **4**

C00A00.07 Court Related Agencies

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. Delete new Alternative Dispute Resolution Program Evaluations director. This action will fund a contractual conversion for the Maryland Mediation and Conflict Resolution Office.	47,666	GF	1.00
 Total Reductions	 47,666		 1.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	21.75	20.75		1.00
General Fund	5,267,378	5,219,712	47,666	
Total Funds	5,267,378	5,219,712	47,666	

C00A00.10 Clerks of the Circuit Court

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. Reduce circuit court lease funding by \$1,083,105 to reflect the first year phase-in cap for courthouse leasing as originally contemplated in fiscal 2002. This leaves \$250,000 consistent with the first year funding level contemplated in the enabling legislation.	1,083,105	GF	
 Total Reductions	 1,083,105		 0.00

C00A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,297.50	1,297.50		0.00
General Fund	67,633,735	66,550,630	1,083,105	
Special Fund	15,286,830	15,286,830	0	
Federal Fund	2,372,897	2,372,897	0	
Total Funds	85,293,462	84,210,357	1,083,105	

JUDICIARY

C00A00.12 Major Information Technology Development Projects

Add the following language to the general fund appropriation:

, provided that \$2,617,275 of the appropriation for case management modernization (subprogram T001) may not be expended until the Judiciary submits a final requirements analysis report to the budget committees for review and comment. The budget committees shall have 45 days from the date of receipt of the report to review and comment.

Explanation: This action restricts funds pending the final submission of a requirements analysis outlining the strategic direction of the Judiciary’s case management system.

Information Request	Author	Due Date
Final requirements analysis report	Judiciary	45 days prior to expenditure

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for Major Information Technology Project development – Administrative Office of the Courts Back Office Systems. Fund \$500,000 in requirements analysis and defer other expenditures of \$1,725,000 pending review of a final requirements analysis.	1,725,000	GF
Total Reductions	1,725,000	0.00

C00A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	2.00	2.00		0.00
General Fund	7,706,327	5,981,327	1,725,000	
Special Fund	2,923,661	2,923,661	0	
Total Funds	10,629,988	8,904,988	1,725,000	

Committee Narrative

Submission of a Report on the Evaluation of Drug Courts in Maryland: The Judiciary shall submit a report evaluating the effectiveness of Maryland’s drug courts to the budget committees by November 1, 2006. The report should include separate assessments of the effectiveness of adult drug court and juvenile drug court programs. Prior to beginning these evaluations, the Judiciary should consult with the Department of Legislative Services in developing separate research designs for adult and juvenile programs that incorporate statistically significant samples. The report should also contain a cost benefit analysis reflecting quantifiable operations cost savings due to lower recidivism. For example, it is inappropriate to calculate savings based on per diem operating costs for the Division of Pre-trial Detention and Services when in fact only marginal cost savings are realized for food and supplies when fewer offenders are incarcerated. It is the intent of the budget committees to assess the effectiveness of Maryland’s drug court program and consequently, no further expansion shall occur absent further evaluations.

Information Request	Author	Due Date
Submission of a Report on the Status of Adult and Juvenile Drug Courts in the state of Maryland	Judiciary	November 1, 2006

Submission of a Report on the Status of the Circuit Court Jury Commissioner and Staff: The Judiciary and the Maryland Association of Counties shall submit a report to the budget committees by December 1, 2006, outlining a cooperative agreement between the Judiciary and the Maryland Association of Counties regarding the administrative placement and employment of jury staff personnel under the Jury Commissioner. *The report shall also include a status update on the various funding proposals listed in the 1999 Circuit Court Action Plan.*

Information Request	Authors	Due Date
Submission of a Report on the Status of Circuit Court Jury Commissioners and Staff	Judiciary Maryland Association of Counties	December 1, 2006

**C00A01
Judiciary
Capital Appropriation**

Budget Amendments

C00A01.04 District Court – Capital Appropriation

Amend the following language:

C00A01.04 District Court – Capital Appropriation

General Fund Appropriation, provided that this appropriation shall be allocated for the following projects:

Rockville District Court. Provide funds for demolition and site development (Montgomery County)..... 3,000,000

Centreville District Court. Provide funds to construct renovations and an expansion, and equip the district court in Centreville (Queen Anne’s County)..... 3,700,000

3,000,000
6,700,000

Explanation: This language adds ~~\$3.0 million~~ \$6.7 million of PAYGO general funds to the Judiciary budget to provide the funds necessary to complete demolition and site development for the construction of a new district court in Rockville, *and to renovate, construct and equip the district court in Centreville.*

Increase appropriation for the purposes indicated:	<u>Funds</u>	
1. Add funds for demolition and site development for the Rockville District Court <i>and the renovation and construction of the Centreville District Court.</i>	3,000,000	GF
	6,700,000	GF
 Total Increase	 3,000,000	
	6,700,000	

C00A01

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Increase</u>
General Fund	0	3,000,000 6,700,000	3,000,000 6,700,000
Total Funds	0	3,000,000 6,700,000	3,000,000 6,700,000

Amendment No. 5

C80B
Office of the Public Defender

Budget Amendments

Add the following language:

Provided that it is the intent of the General Assembly that the Maryland Office of the Public Defender incorporate into its Managing for Results program strategic planning and operating policies and caseloads standards proposed by the National Center for State Courts in its fiscal 2005 Maryland Attorney and Staff Workload Assessment report submitted to the General Assembly.

Explanation: While the General Assembly is not endorsing a funding mandate, the General Assembly recognizes the need for State-specific caseload standards. After years of rising the Office of the Public Defender (OPD) caseloads, the legislature directed OPD to propose caseload standards by which to assess agency staffing and funding. The proposed standards are detailed in a 2005 Joint Chairmen’s Report response, in a report prepared by the National Center for State Courts, Maryland Attorney and Staff Workload Assessment, 2005. The General Assembly has concluded that these standards are adequate to insure effective assistance of counsel in Maryland and should be incorporated into OPD’s Managing for Results program and used by OPD in determining and assessing staffing levels.

Committee Narrative

Submission of a Report on the Status of Attorney Caseloads Under Maryland Caseload Standards: The Office of the Public Defender (OPD) shall submit a report to the budget committees by November 1, 2006, on the status of attorney caseloads under new Maryland caseload standards. The report should include information regarding OPD’s projected fiscal 2008 staffing needs under the Maryland caseload standards.

Information Request	Author	Due Date
Submission of a Report on the Status of Attorney Caseloads under Maryland Specific Caseload Standards	OPD	November 1, 2006

Report on the Status of Maryland’s Statewide Panel Attorney List: The Office of the Public Defender shall submit a report to the budget committees by November 1, 2006, on the status of the statewide panel attorney list. The report shall include measurable outcomes such as the size of each district’s panel attorney list and improved efficiency among district public defenders.

C80B

Information Request	Author	Due Date
Report on the Status of Maryland's Statewide Panel Attorney List	OPD	November 1, 2006

C82D
Office of the State Prosecutor

Committee Narrative

~~**Submission of a Report on the Sale of Vehicle:** The Office of the State Prosecutor (OSP) shall submit a report on the sale of a previously used vehicle containing mold. The report shall include to whom the vehicle was sold and whether there was full disclosure that the vehicle contained mold prior to its sale.~~

Information Request	Author	Due Date
Submission of a Report on the Sale of Vehicle	OSP	May 1, 2006

**C90G
Public Service Commission**

Budget Amendments

C90G00.01 General Administration and Hearings

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce special funds for turnover expectancy to better reflect the actual number of vacancies. This increases the turnover rate to 5.2%. The special fund reduction shall be allocated amongst the divisions.	46,591 SF	
2. Reduce printing costs for pamphlets and brochures by 20%.	3,460 SF	
Total Reductions	50,051	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	53.50	53.50		0.00
Special Fund	5,876,500	5,826,449	50,051	
Total Funds	5,876,500	5,826,449	50,051	

Committee Narrative

Submission of a Report on Public Hearings Conducted Regarding the Baltimore Gas & Electric Rate Cap Expiration: The Public Service Commission (PSC) shall submit a report to the budget committees by July 1, 2006, outlining whether the agency conducted public hearings for those citizens affected by the upcoming rate cap expiration. The report shall include the date, time, and locations of the hearings. The report shall also include the number of citizens in attendance at each hearing.

<i>Information Request</i>	<i>Author</i>	<i>Due Date</i>
<i>Report on public hearings conducted regarding the BGE rate cap expiration</i>	<i>PSC</i>	<i>July 1, 2006</i>

C91H
Office of the People's Counsel

Budget Amendments

C91H00.01 General Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete new contractual law clerk position. The position is not essential to the Office of the People's Counsel's fiscal operations.	10,000 SF	
 Total Reductions	 10,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	19.00	19.00		0.00
Special Fund	2,658,825	2,648,825	10,000	
Total Funds	2,658,825	2,648,825	10,000	

C98F
Workers' Compensation Commission

Budget Amendments

C98F00.01 General Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete 1.5 long-term vacant positions. A hearings interpreter (PIN 083016) and administrator III (PIN 001937) position have been vacant since June 8, 2004, and June 15, 2004, respectively. Turnover expectancy for fiscal 2007 will require 5.02 vacancies, but as of January 1, 2006, the agency had 8.5 vacancies.	68,003 SF	1.50
 Total Reductions	 68,003	 1.50

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	125.50	124.00		1.50
Special Fund	13,007,639	12,939,636	68,003	
Total Funds	13,007,639	12,939,636	68,003	

**D05E
Board of Public Works**

Budget Amendments

D05E01.02 Contingent Fund

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce Contingent Fund appropriation. The proposed reduction provides \$500,000 to supplement annual appropriations on an emergency basis. Any additional supplemental funding can be handled with deficiency appropriations.	250,000	GF
 Total Reductions	 250,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	750,000	500,000	250,000	
Total Funds	750,000	500,000	250,000	

D05E01.10 Miscellaneous Grants to Private Non-Profit Groups

Amend the following language:

Council of State Governments	125,523
Historic Annapolis Foundation (Paca House).....	686,000
Maryland Zoo in Baltimore	3,100,000
Ivymount School.....	250,000
	<u>-0-</u>

Explanation: This is a technical amendment that reflects the deletion of the general fund grant to the Ivymount School.

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete grant to the Ivymount School. The proposed grant, intended to fund renovations and construction at the school, is capital in nature and should be presented to the budget committees in a bond bill for funding consideration.	250,000	GF
 Total Reductions	 250,000	 0.00

D05E

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	4,161,523	3,911,523	250,000	
Total Funds	4,161,523	3,911,523	250,000	

Committee Narrative

Managing for Results Procurement Measures: The committees request that the Board of Public Works (BPW) establish performance measures that provide data on the various types of procurement contracts considered by BPW each fiscal year. This data should be maintained and reported by BPW with its annual Managing for Results (MFR) submission to the Department of Budget and Management. At a minimum, BPW should provide the following data:

- total number of contracts presented, approved and disapproved;
- total number of contract modifications presented, approved, and disapproved;
- data on the types of procurement methods used – sole source, competitive sealed bid, competitive sealed proposal, etc.
- total dollar value of approved contracts; and
- Minority Business Enterprise (MBE) participation levels – number of contracts with 25% MBE participation and the number of contracts where the 25% MBE participation level was waived.

Information Request	Author	Due Date
MFR Procurement Data	BPW	With the BPW annual MFR submission

D06E
Board of Public Works – Capital Appropriation

Budget Amendments

Amend the following language:

D06E02.01 Public Works Capital Appropriation

General Fund Appropriation, provided that this appropriation will be allocated for the following projects:

Maryland Zoo in Baltimore—Elephant Facilities.....	500,000
Adventure Sports Complex.....	1,500,000
Blind Industries and Services of Maryland.....	1,210,000
Children’s Guild.....	425,000
DGS—Capital Facilities Renewal.....	10,887,000
East Baltimore Biotechnology Park.....	5,000,000
Forest Park Golf Clubhouse.....	500,000
Helping Up Mission.....	1,000,000
Irvine Nature Center.....	500,000
Lloyd Street Synagogue.....	440,000
Maryland Regenerative Research Center.....	12,000,000
Paul’s Place.....	250,000
Public Safety Communication System.....	10,000,000
Ripken Youth Baseball Academy.....	1,000,000
Somerset/Worcester Area Agency on Aging.....	1,500,000
Southern Maryland Stadium.....	3,000,000
UMCP—Golf Course.....	145,000

D06E

Victory Youth Center	750,000
WestSide Revitalization Project	5,000,000
YMCA — Towson	1,000,000
YMCA — Western Family Branch	500,000

57,107,000

<u>Maryland Zoo in Baltimore – Elephant Facilities</u>	<u>500,000</u>
<u>Adventure Sports Complex</u>	<u>750,000</u>
<u>Blind Industries and Services of Maryland</u>	<u>1,000,000</u>
<u>Children’s Guild</u>	<u>135,000</u>
<u>DGS – Capital Facilities Renewal</u>	<u>10,887,000</u>
<u>East Baltimore Biotechnology Park</u>	<u>5,000,000</u>
<u>Forest Park Golf Clubhouse</u>	<u>500,000</u>
<u>Helping Up Mission</u>	<u>1,000,000</u>
<u>Irvine Nature Center</u>	<u>200,000</u>
<u>Ivy Mount School</u>	<u>120,000</u>
<u>Lloyd Street Synagogue</u>	<u>440,000</u>
<u>Paul’s Place</u>	<u>250,000</u>
<u>Public Safety Communication System</u>	<u>10,000,00</u>
<u>Ripken Youth Baseball Academy</u>	<u>1,000,000</u>
<u>Wicomico of Aging MAC Senior Center</u>	<u>1,500,000</u>
<u>Southern Maryland Stadium, provided that it is the intent of the General Assembly that the State’s commitment to this project total \$7,000,000 over fiscal 2007 and 2008</u>	<u>2,000,000</u>

D06E

<u>Victory Youth Center, (Prince George's County).....</u>	<u>225,000</u>
<u>WestSide Revitalization Project.....</u>	<u>5,000,000</u>
<u>YMCA – Towson.....</u>	<u>500,000</u>
<u>YMCA – Western Family Branch.....</u>	<u>500,000</u>

Further provided that ~~\$13,008,000~~ \$15,600,000 of this appropriation may only be used to fund capital appropriations in the amounts and only for the programs and purposes herein listed. Funds not expended for the purposes herein listed shall revert to the general fund.

<u>Program</u>	<u>Amount</u>
(1) <u>Maryland Technology Development Corporation – Technology Development Investment Fund. Incubator Facility Program. Provide funds to support the design, construction, and equipping of business incubators. (statewide).....</u>	<u>2,500,000</u>
(2) <u>Department of the Environment – Maryland Water Quality Revolving Loan Fund. Provide funds to finance water quality improvement projects. These funds shall be administered in accordance with Section 9-1605 of the Environment Article.....</u>	<u>2,618,000</u>
(3) <u>Department of the Environment – Maryland Drinking Water Revolving Loan Fund. Provide funds to finance drinking water projects. These funds shall be administered in accordance with Section 9-1605.1 of the Environment Article.....</u>	<u>1,995,000</u>
(4) <u>Department of Housing and Community Development – Rental Housing Programs. Provide funds for rental housing developments that serve low and moderate income households. The funds shall be administered in accordance with Article 83B, Title 2, Subtitle 5 and Sections 2-303, 2-305, and 2-803 (Statewide).....</u>	<u>5,395,000</u>

D06E

- (5) Maryland Affordable Housing Trust. Provide funds to the Maryland Affordable Housing Trust Fund to fund grants, loans, and other financial assistance to assist in the acquisition, construction, rehabilitation, or preservation of affordable housing. These funds shall be administered in accordance with Article 83B, Title 11.... 500,000
1,000,000

 - (6) Biological Nutrient Removal Program. Provide funds to be credited to the Water Pollution Control Fund to be used for projects to improve the water quality of the Chesapeake Bay and other waters of the State. These funds shall be administered in accordance with Sections 9-345 through 9-351 of the Environment Article to provide grants for projects to remove nutrients at publicly-owned sewage treatment works..... 2,092,000
- 57,170,000
53,015,000
57,107,000

Explanation: This language provides funding for selected State capital programs and miscellaneous capital projects. The language also provides appropriations for State programs to replace general obligation bond funds to be deauthorized in the Maryland Consolidated Capital Bond Loan of 2006 that require the issuance of taxable bonds. Finally, the language expresses the intent of the General Assembly that the State’s commitment to the Southern Maryland Stadium total \$7.0 million over fiscal 2007 and 2008.

Amendment No. **6**

Committee Narrative

Funding of New Scientific Research Facilities: It is the intent of the committees that, prior to State participation in the construction of a regenerative science research facilities, that the Maryland Technology Development Corporation (TEDCO) and the University System of Maryland (USM) cooperatively prepare a comprehensive master plan for regenerative research facilities in Maryland. The plan shall include strategies for attracting the scientific community to conduct research in Maryland. TEDCO and USM shall submit the plan to the committees by December 1, 2006.

D06E

Information Request	Authors	Due Date
Master plan for regenerative research facilities in Maryland	TEDCO USM	December 1, 2006

D06E02.01
Board of Public Works – Capital Appropriation

Committee Narrative

Capital Facilities Renewal Project List: The committees request that the Department of General Services (DGS) follow the \$83.0 million project priority list provided to the General Assembly. Recognizing that unforeseen emergencies may need to be handled immediately, the committees request that a letter of notification be sent to the chairmen of the budget committees and to the Department of Legislative Services regarding any changes to the list, prior to expenditure.

Information Request	Author	Due Date
New capital facilities renewal projects – letter of notification	DGS	As required prior to expenditure

D13A
Executive Department
Maryland Energy Administration

Budget Amendments

Add the following language:

Provided that the Maryland Energy Administration, Department of General Services, and Department of Budget and Management shall submit a report to the budget committees by September 1, 2006, summarizing the findings and recommendations from an anticipated Energy Performance Contracting (EPC) report and outlining how management and implementation of the State's EPC program may be adjusted in response to the report's recommendations. The committees shall have 45 days to review and comment upon the report.

Explanation: This language requires the Maryland Energy Administration (MEA), Department of General Services (DGS), and Department of Budget and Management (DBM) to submit a report to the budget committees by September 1, 2006, summarizing the findings and recommendations from an anticipated Energy Performance Contracting (EPC) report and outlining how management and implementation of the State's EPC program may be adjusted in response to the report's recommendations. The report should discuss how implementation of various recommendations may impact the State's energy usage and expenses.

Information Request	Authors	Due Date
EPC Report	MEA DGS DBM	September 1, 2006

D13A13.01 General Administration

Add the following language to the general fund appropriation:

, provided that the Maryland Energy Administration may transfer funds appropriated for the Solar Energy Grant Program to the Geothermal Heat Pump Grant Program.

Explanation: This language gives the Maryland Energy Administration the authority to transfer Solar Energy Grant Program funds to the Geothermal Heat Pump Grant Program.

D13A

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for the Solar Energy Grant Program.	1,075,000	GF
With this reduction, the program would receive \$1.5 \$1.0 million. The need for this program has diminished since the recently passed federal Energy Policy Act offers new tax credits for residential and business solar energy systems.	1,575,000	GF
 Total Reductions	 1,075,000 1,575,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	18.00	18.00		0.00
General Fund	2,968,525	1,893,525 1,393,525	1,075,000 1,575,000	
Special Fund	1,908,966	1,908,966	0	
Federal Fund	843,772	843,772	0	
Total Funds	5,721,263	4,646,263 4,146,263	1,075,000 1,575,000	

Amendment No. 7

D15A
Executive Department
Boards, Commissions, and Offices

Budget Amendments

D15A05.16 Governor's Office of Crime Control and Prevention

Add the following language:

It is the intent of the General Assembly that the Governor's Office of Crime Control and Prevention transfer federal grant funds in the amount of \$75,000 to the Office of the Attorney General to offset costs associated with the recent transfer of the Juvenile Justice Monitoring Unit from the Governor's Office of Children to the Office of the Attorney General.

Explanation: Chapter 12, Acts of 2006 transferred the Office of the Independent Juvenile Justice Monitor from the Governor's Office of Children (OC) to the Office of the Attorney General (where it has been renamed the Juvenile Justice Monitoring Unit). There have been unanticipated costs associated with this transfer. The language expresses intent that the Governor's Office of Crime Control and Prevention (GOCCP) transfer federal grant funds to cover the estimated \$75,000 in costs incurred by the Office of the Attorney General in implementing the transfer and for which no funding was provided. When the unit was initially established, GOCCP transferred \$267,703 in federal Juvenile Accountability Incentive Block Grant funds to the OC to cover start up costs.

Amendment No. **8**

Committee Narrative

Federal Fund Quarterly Report: The Executive Department Financial Control Unit shall submit 31 days after the quarter ending September 30, 2006, and quarterly thereafter, a federal fund expenditure report that indicates the following for each federal revenue source:

- Catalog of Federal Domestic Assistance number;
- federal fiscal year;
- total authorized amount;
- federal authorization code;
- amount currently reflected in the State budget appropriation;
- State obligations recorded against the revenue;

D15A

- amount of draw down against federal reserve; and
- federal fund accounts receivable.

Information Request	Author	Due Date
Quarterly report on federal fund expenditures	Governor's Finance Office	31 days after the quarter ending September 30, 2006, and quarterly thereafter

~~**Performance Measures:** The committees request that the department, in consultation with the Office of Legislative Audits, develop performance measures that provide appropriate data and benchmarks to assess the department's management of federal funds. The measures should consider issues raised in the 1999 and 2005 legislative audits including the timing of each program's expenditures and recoveries of federal funds.~~

Information Request	Author	Due Date
Performance measures	Governor's Office of Finance	With the submission of the fiscal 2008 allowance

Performance Measures: The committees request that the Office of Crime Control and Prevention (OCCP) develop performance measures that more accurately reflect the office's mission and vision. Considering the office's role as a clearinghouse for information, research, and analysis, the office should adopt measures that document statistics on crime, violence, substance abuse or any other public safety issue. The office should report on its recommended performance measures to the committees by September 1, 2006.

Information Request	Author	Due Date
Performance measures	OCCP	September 1, 2006

D18A
Governor's Office for Children

Committee Narrative

D18A18.01 Governor's Office for Children

Out-of-home Placements: To facilitate evaluation of Maryland's family preservation programs in stemming the flow of children from their homes, the Governor's Office for Children (OC) is requested to submit to the committees data on the total number of out-of-home placements and entries by jurisdiction over the previous three years and similar data on out-of-state placements. OC should also provide information on the costs associated with out-of-home placements, the reasons for new placements, and an evaluation of data derived from the application of the North Carolina Family Assessment Scale. Data should also be collected concerning indicated findings of child abuse and neglect occurring while families are receiving family preservation services or within one year of case closure. OC should submit this report by December 1, 2006.

Information Request	Author	Due Date
Out-of-home placement data and evaluation	OC	December 1, 2006

Residential Placement Resource Capacity: *Children in out-of-home placements should be served in the most appropriate, least restrictive setting possible and as close to their homes as possible. In order to accomplish this, additional residential capacity is needed in certain parts of the State. A state resource development plan is in process with the first draft expected spring/summer 2006. In addition, funding is included in the fiscal 2007 budget that will allow the State to provide incentives to providers to open facilities in underserved areas of the State. The Governor's Office for Children (OC) is requested to work with the Joint Committee for Children, Youth, and Families to continue this effort. The OC should also consult with the Department of Health and Mental Hygiene (DHMH) as part of that department's Institutional Review to determine how surplus capacity at DHMH institutions can be utilized to provide additional out-of-home capacity for children.*

D28A
Maryland Stadium Authority

Budget Amendments

Add the following language:

Provided that:

- (1) no funds may be expended for the purpose of hiring legal counsel outside of the Office of the Attorney General (OAG) until the OAG has had up to 20 business days to review and approve or disapprove the contract. If the OAG has not responded in 20 business days, the Maryland Stadium Authority (MSA) may proceed with the contract; and

- (2)
 - (i) MSA shall provide to the OAG detailed information on existing contracts for legal counsel, including copies of existing contracts, including the name of legal counsel, exact issue and specific nature and scope of work, rate of compensation, and compensation paid to date.

 - (ii) MSA may retain legal counsel under existing contracts until such time as the tasks or issues related to those contracts are completed.

Explanation: In 2004 MSA hired an attorney for \$114,740 to explore litigation against Major League Baseball concerning the introduction of the Washington Nationals Team. The OAG contends that MSA exceeded its authority by hiring a private attorney rather than using its office. This language would prevent MSA from hiring legal counsel outside of the OAG without the OAG's approval within 20 business days to work on prospective tasks or issues. The language also requires MSA to provide information to the OAG about its existing contracts for legal counsel.

Amendment No. **9**

D38I
State Board of Elections

Budget Amendments

D38I01.01 General Administration

Reduce appropriation for the purposes indicated:

1. ~~Reduce funds for contractual support. The reduction still provides for a more than 50% increase over the fiscal 2006 legislative appropriation. Further, the State Board of Elections has more vacant positions than it needs to meet turnover requirements and could fill those positions to meet its staffing requirements.~~

Funds **Positions**

25,000 GF

Total Reductions

25,000
0

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	29.50	29.50		0.00
General Fund	3,932,465	3,907,465 3,932,465	25,000 0	
Total Funds	3,932,465	3,907,465 3,932,465	25,000 0	

Amendment No. **10**

D39S
Maryland State Board of Contract Appeals

Budget Amendments

D39S00.01 Contract Appeals Resolution

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete double budgeted funds for contractual services.	4,200	GF
Total Reductions	4,200	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	5.00	5.00		0.00
General Fund	592,695	588,495	4,200	
Total Funds	592,695	588,495	4,200	

D40W
Department of Planning

Budget Amendments

Add the following language:

Provided that the Maryland Department of Planning (MDP), in consultation with the Department of General Services and Department of Budget and Management, shall submit a report to the budget committees by July 14, 2006, providing the following information:

- (1) a description of the best location for MDP's headquarters based on its mission, field work demands, and the location of key partners;
- (2) the economic impact the move would have on Baltimore City; and
- (3) a complete accounting of available State-owned buildings and land that may fit MDP needs.

Using this information, MDP should outline several cost-effective alternatives to moving its headquarters to Prince George's County, including the alternative of maintaining the current offices in Baltimore City and Crownsville. The report should convey the potential long- and short-term costs, program impacts, and implementation timelines associated with each alternative as well as information about the results of the Request for Expressions of Interest. The committees shall have 45 days to review and comment upon the report.

Explanation: This language requires MDP, in consultation with the Department of General Services (DGS) and Department of Budget and Management (DBM), to submit a report to the budget committees that provides the following information: a description of the best location for MDP's headquarters based on its mission, field work demands, and location of key partners; the economic impact the move would have on Baltimore City; and a complete accounting of available State-owned buildings and land that may fit MDP needs. MDP is directed to use this information as a basis for outlining several cost-effective alternatives to moving its headquarters to Prince George's County. The alternatives information should address the potential long- and short-term costs, program impacts, and implementation timelines. One alternative should be maintaining the current offices in Baltimore City and Crownsville. The report should also provide a summary of the results of the recent Request for Expression of Interest in Prince George's County that includes at least the following data about each response: proximity to public transit, location, cost, and amount of available office space. The report should be submitted to the committees by July 14, 2006.

Information Request	Authors	Due Date
MDP relocation report	MDP DGS DBM	July 14, 2006

D40W

D40W01.01 General Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete new funding associated with an unidentified watershed restoration initiative. Funding would be deleted for a new planner position (\$45,770) and contractual services (\$20,630) associated with supporting the planning and management capacity of local governments. The department can implement this effort with existing resources. Furthermore, the proposed new position is not consistent with the Spending Affordability Committee's recommended position limit for fiscal 2007.	66,400 GF	1.00
2. <i>Delete retention bonus funds. It is not equitable to provide a bonus of this nature to the employees of one State agency.</i>	450,000 GF	
3. <i>Delete funds for the proposed move to Prince George's County (\$1.75 million) and rent costs associated with the new office space (\$1.0 million). Moving the department's main office is not consistent with legislative intent. Furthermore, the proposed move would result in significant short- and long-term costs and has not been adequately justified.</i>	2,750,000 GF	
<i>Total Reductions</i>	66,400 3,266,400	1.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>Position</i>	40.00	39.00		1.00
<i>General Fund</i>	6,170,284	6,103,884 2,903,884	66,400 3,266,400	
<i>Total Funds</i>	6,170,284	6,103,884 2,903,884	66,400 3,266,400	

Amendment No. **11**

D40W

D40W01.08 Museum Services

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for the Museum Assistance Grant Program (\$250,000) and a grant to establish a Maryland Women's Heritage Center (\$250,000). With this reduction, the Museum Assistance Grant Program would receive a \$1.6 million increase over its fiscal 2006 working appropriation of \$387,384, and the Maryland Women's Heritage Center project would receive a \$250,000 grant.	500,000	GF
Total Reductions	500,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	32.00	32.00		0.00
General Fund	5,236,504	4,736,504	500,000	
Special Fund	373,920	373,920	0	
Federal Fund	167,886	167,886	0	
Total Funds	5,778,310	5,278,310	500,000	

D40W01.11 Historic Preservation – Capital

Add the following language to the special fund appropriation:

, provided that the Maryland Department of Planning may submit a fiscal 2007 budget amendment for up to \$450,000 in special funds for the Maryland Historical Trust Revolving Loan Fund.

Explanation: This language authorizes the Maryland Department of Planning to submit a fiscal 2007 budget amendment for up to a total of \$450,000 in special funds for the Maryland Historical Trust Revolving Loan Fund. If a budget amendment is submitted, sound evidence should be provided to the committees that the funds would be expended in an expeditious manner.

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete funding for the Maryland Historical Trust Revolving Loan Fund. This program has had	450,000	SF

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significant difficulty encumbering and expending funds in a timely manner. Approximately \$1.3 million in prior year (fiscal 2002 – 2005) revenue has been encumbered, but not yet expended.

Total Reductions 450,000 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Special Fund	450,000	0	450,000	
Total Funds	450,000	0	450,000	

D50H
Military Department

Budget Amendments

MILITARY DEPARTMENT OPERATIONS AND MAINTENANCE

D50H01.03 Army Operations and Maintenance

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Increase turnover for new positions to 25% to reflect the standard delay in start-up costs associated with new positions.	63,090	FF
 Total Reductions	 63,090	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	159.00	159.00		0.00
General Fund	6,126,437	6,126,437	0	
Special Fund	121,991	121,991	0	
Federal Fund	6,726,969	6,663,879	63,090	
Total Funds	12,975,397	12,912,307	63,090	

Committee Narrative

D50H01.06 Maryland Emergency Management Agency

Budget Submission Detail for the Maryland State Firemen's Association Grants: The committees request that the Military Department include in future budget submissions the line item detail for the Maryland State Firemen's Association grants, including administrative expenses, the Trustee's Relief Account (Widows and Orphans Fund), and the Volunteer Company Assistance Funds grants and loans. Additionally, the department should include the revenue sources that support each fund.

Information Request	Author	Due Date
Budget submission detail	Military Department	With the submission of the fiscal 2008 allowance and each submission thereafter

D53T
Maryland Institute for Emergency Medical Services Systems

Budget Amendments

D53T00.01 General Administration

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for motor vehicle maintenance and repairs. This reduction still provides for a 10% increase over the most recent actual.	13,000 SF	
2. Reduce funding for various supplies and materials. This reduction still provides for a 20% increase in overall funding for supplies and materials over the most recent actual expenditure level.	25,000 SF	
Total Reductions	38,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	92.60	92.60		0.00
Special Fund	11,168,425	11,130,425	38,000	
Federal Fund	140,000	140,000	0	
Total Funds	11,308,425	11,270,425	38,000	

D55P
Department of Veterans Affairs

Budget Amendments

D55P00.05 Veterans Home Program

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds to more accurately reflect the number of assisted living residents at Charlotte Hall Veterans Home. The Department of Veterans Affairs estimates that it will have 145 assisted living residents at Charlotte Hall in fiscal 2007, 33 more than it does currently. However, the department has consistently overestimated its assisted living resident population and need for funds. The reduction assumes the number of assisted living residents will climb to 134 in fiscal 2007, 22 more than are currently residing at Charlotte Hall.	108,000 GF 286,000 FF	
Total Reductions	394,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	4.00	4.00		0.00
General Fund	6,456,981	6,348,981	108,000	
Special Fund	79,165	79,165	0	
Federal Fund	7,486,132	7,200,132	286,000	
Total Funds	14,022,278	13,628,278	394,000	

D80Z
Maryland Insurance Administration

Budget Amendments

D80Z01.01 Administration and Operations

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Increase turnover to better reflect historical levels. Over the past three years the Maryland Insurance Administration's (MIA) vacancy rate has averaged 6.1% and as of January 1, 2006, the rate was 4.88%. This reduction increases the turnover rate to 3% which will still allow MIA to fill 5.4 additional positions.	170,000	SF
 Total Reductions	 170,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	280.00	280.00		0.00
Special Fund	24,310,140	24,140,140	170,000	
Total Funds	24,310,140	24,140,140	170,000	

Committee Narrative

***Automobile Insurance Rates in Shared Zip Codes:** The committees are concerned that auto insurance customers residing in suburban areas that share zip codes with urban areas may be paying the higher urban insurance rate. The committees request the Maryland Insurance Administration (MIA) to compare the rates Anne Arundel County and Baltimore County auto insurance consumers living in zip codes 21225, 21226, and 21229 pay with the rates Baltimore City auto insurance consumers living in those same zip codes pay. If MIA finds that there is no rate differential, it should work with the insurance carriers to address this issue. MIA should provide a report to the committees detailing the results of its examination and any discussions it has with carriers on this issue by July 1, 2006.*

<i>Information Request</i>	<i>Author</i>	<i>Due Date</i>
<i>Report on results of examination of rates paid by suburban customers living in zip codes shared with urban areas.</i>	<i>MIA</i>	<i>July 1, 2006</i>

E00A
Comptroller of Maryland

Budget Amendments

REVENUE ADMINISTRATION DIVISION

E00A04.01 Revenue Administration

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for rent. This item was overbudgeted by this amount for the lease costs of branch offices.	5,883	GF
2. Reduce funds for the increase in bank fees associated with electronic tax payments. The Comptroller is exploring alternative means to accept electronic payments that are less costly.	50,000	GF
 Total Reductions	 55,883	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	374.80	374.80		0.00
General Fund	32,157,679	32,101,796	55,883	
Special Fund	2,433,098	2,433,098	0	
Total Funds	34,590,777	34,534,894	55,883	

COMPLIANCE DIVISION

E00A05.01 Compliance Administration

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce the funds for printing costs related to newspaper announcements of unclaimed property. Unclaimed property claims are expected to fall in fiscal 2007. Additionally, electronic filings are increasing, further reducing the need for increased printing funds.	100,000	SF
 Total Reductions	 100,000	 0.00

E00A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	346.60	346.60		0.00
General Fund	20,867,492	20,867,492	0	
Special Fund	7,456,696	7,356,696	100,000	
Total Funds	28,324,188	28,224,188	100,000	

Committee Narrative

Video Gaming Enforcement: *It is the intent of the General Assembly that the Comptroller of the Treasury enforces compliance with the prohibition on pay-outs from amusement-only video gaming machines. The Compliance Division shall obtain any available records from local governments on the registration of amusement-only video gaming machines. Using this and any other available data, the Comptroller shall report to the budget committees on the feasibility and costs associated with this enforcement effort. The report should include estimates of the number of machines statewide and where the machines are located. The Comptroller should also discuss its current authority to police illegal video gaming and whether it would require expanded enforcement authority. The Comptroller should report to the budget committees by December 1, 2006.*

Information Request	Author	Due Date
<i>Report on the enforcement of video gaming machines</i>	<i>Comptroller of the Treasury</i>	<i>December 1, 2006</i>

E50C
State Department of Assessments and Taxation

Budget Amendments

E50C00.01 Office of the Director

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. Increase turnover expectancy to better reflect historic trends in actual vacancies. The general fund reduction may be allocated amongst divisions. The effect on the turnover rate is to increase it from 4.03 to 5.0%.	336,825	GF	
 Total Reductions	 336,825		
	0		

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	28.00	28.00		0.00
General Fund	2,384,429	2,047,604 2,384,429	336,825 0	
Total Funds	2,384,429	2,047,604 2,384,429	336,825 0	

Amendment No. **12**

**E75D
State Lottery Agency**

Budget Amendments

E75D00.01 Administration and Operations

Add the following language to the special fund appropriation:

, provided that no funds may be expended or committed to develop or implement any new lottery game using class II or class III gaming machines, or any other gaming device which plays or functions in a manner similar to a slot machine or a video lottery terminal, unless that new game or machine is specially authorized by an act of the General Assembly.

***Explanation:** This language requires the General Assembly to authorize the development or implementation of any new lottery game using class II or class III gaming machines or any device which simulates a slot machine or video lottery terminal.*

Amendment No. **13**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce advertising funds. This reduction provides funding equal to the current level of spending in fiscal 2006.</i>	2,000,000	SF
<i>Total Reductions</i>	2,000,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>Position</i>	<i>171.00</i>	<i>171.00</i>		<i>0.00</i>
<i>Special Fund</i>	<i>58,277,937</i>	<i>56,277,937</i>	<i>2,000,000</i>	
<i>Total Funds</i>	<i>58,277,937</i>	<i>56,277,937</i>	<i>2,000,000</i>	

Amendment No. **14**

E80E
Property Tax Assessment Appeals Boards

Budget Amendments

E80E00.01 Property Tax Assessment Appeals Boards

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for travel. The boards' 2007 allowance for travel increases by more than 41% over the fiscal 2006 working appropriation. This reduction still allows for a 20% increase over the prior year.	1,800	GF
 Total Reductions	1,800 0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	9.00	9.00		0.00
General Fund	909,839	908,039 909,839	1,800 0	
Total Funds	909,839	908,039 909,839	1,800 0	

Amendment No. **15**

F10A02
Department of Budget and Management
Office of Personnel Services and Benefits

Budget Amendments

F10A02.01 Executive Direction

Add the following language to the general fund appropriation:

, provided that \$150,000 of this appropriation is contingent upon the Department of Budget and Management submitting reports to the budget committees concerning the employees' and retirees' health insurance and prescription drug programs by September 15, 2006, December 15, 2006, and March 15, 2007. The reports shall include the information specified below.

- (1) For the prescription drug program, the reports shall include year-to-date data on total expenditures and the number of prescriptions filled. Data for the same period in fiscal 2006 shall also be provided.
- (2) For the employees' and retirees' health insurance program, the reports shall include year-to-date data and data from the same period in the prior year concerning:
 - (a) expenditures and enrollment for the health maintenance organization, preferred provider, and point-of-service plan options;
 - (b) the number of in-patient hospital and out-patient hospital visits paid for through the preferred provider organization and point-of-service plans;
 - (c) expenditures for in-patient and out-patient hospital visits paid for through the preferred provider organization and point-of-service plans;
 - (d) the number of claims for physician services received by the preferred provider organization and point-of-service plans; and
 - (e) the payments for physician services made by the preferred provider organization and point-of-service plans.
- (3) The fund balance remaining in the State Employee and Retiree Health and Welfare Benefits Fund to pay fiscal 2007 bills.

Explanation: These data are necessary for the Department of Legislative Services to track health insurance expenditures and to project future expenditures.

Information Request	Author	Due Date
State Health Insurance Reports	Office of Personnel Services and Benefits	September 15, 2006 December 15, 2006 March 15, 2007

F10A02

F10A02.08 Statewide Expenses

Amend the following language added to the general fund appropriation:

Further provided that \$450,000 of the general fund appropriation is contingent on enactment of SB 388/HB 1722.

Explanation: There is \$450,000 in the fiscal 2007 budget to increase the death benefit to be paid in the event a member of law enforcement is killed in the performance of duty. Enabling legislation (Senate Bill 388/*House Bill 1722*) proposes to increase from \$50,000 to \$125,000 the benefit for law enforcement officers, correctional officers, a volunteer or career firefighter or rescue squad member, or a sworn member of the office of the State Fire Marshal. This payment is made either to a survivor or to the deceased officer's estate and is made in addition to an existing death benefit payment of \$50,000 paid by the Department of Budget and Management to members of State law enforcement, for a total proposed payment of \$175,000.

Amendment No. 16

Amend the following language added to the general fund appropriation:

~~. provided that \$57,544,418 in general funds may only be expended to fund a cost-of-living increase of \$993 per employee. Further provided that \$993 \$900 per employee whose annualized base salary is less than \$45,000 on June 30, 2006; \$1,400 per employee whose annualized base salary is more than \$70,000 on June 30, 2006; and 2% of the fiscal 2006 base salary on June 30, 2006, for the remaining employees. Further provided that the aforementioned cost-of-living increases shall be added to the annualized base salaries of all eligible State employees in fiscal 2007, effective July 1, 2006.~~

Explanation: ~~Cost-of-living increases will be \$993 per employee for fiscal 2007; on a percentage basis, the effect of this change for those paid on the standard salary schedule is a 0.9 (highest paid position) to 6.1% (lowest paid position) increase. \$900 for employees making less than \$45,000 per year, \$1,400 for employees making more than \$70,000 per year, and 2% for the remaining employees for fiscal 2007; on a percentage basis, the effect of this change for those paid on the standard salary schedule is a 1.2 (highest paid position) to 4.2% (lowest paid position) increase. Merit or increment increases will range from 1.7 to 1.9% (step 6 and above) to 3.4 to 3.9% (up to step 5).~~

Amendment No. 17

F10A02

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete funding for an annual salary review adjustment for administrative law judges (ALJ). The Department of Budget and Management has included funding for a one grade adjustment for administrative law judges in the allowance to assist with recruitment and retention efforts. However, there is only a 1.8% vacancy rate for these positions, compared to a 6.9% statewide vacancy rate. Further, ALJs received a one grade upward adjustment in the fiscal 2005 budget.	371,000	GF
Total Reductions	371,000 0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	97,351,468	96,980,468 97,351,468	371,000 0	
Special Fund	14,937,604	14,937,604	0	
Total Funds	112,289,072	111,918,072 112,289,072	371,000 0	

Amendment No. **18**

Amend the following language added to the special fund appropriation:

. provided that \$13,414,793 in special funds may only be expended to fund a cost-of-living increase of \$993 per employee. Further provided that \$993-\$900 per employee whose annualized base salary is less than \$45,000 on June 30, 2006; \$1,400 per employee whose annualized base salary is more than \$70,000 on June 30, 2006; and 2% of the fiscal 2006 base salary on June 30, 2006, for the remaining employees. Further provided that the aforementioned cost-of-living increases shall be added to the annualized base salaries of all eligible State employees in fiscal 2007, effective July 1, 2006.

Explanation: ~~Cost-of-living increases will be \$993 per employee for fiscal 2007; on a percentage basis, the effect of this change for those paid on the standard salary schedule is a 0.9 (highest paid position) to 6.1% (lowest paid position) increase. \$900 for employees making less than \$45,000 per year, \$1,400 for employees making more than \$70,000 per year, and 2% for the remaining employees for fiscal 2007; on a percentage basis, the effect of this change for those paid on the standard salary schedule is a 1.2 (highest paid position) to 4.2% (lowest paid position) increase. Merit or increment increases will range from 1.7 to 1.9% (step 6 and above) to 3.4 to 3.9% (up to step 5).~~

Amendment No. **19**

F10A04
Department of Budget and Management
Office of Information Technology

Budget Amendments

F10A04.02 Division of Enterprise Infrastructure Systems

Reduce appropriation for the purposes indicated:	<u>Funds</u>		<u>Positions</u>
1. Delete two long term vacant positions. Of the 15 vacancies in the Office of Information Technology as of January 1, 2006, 4 had been vacant for more than 12 months.	75,277	GF	2.00
 Total Reductions	75,277 0		2.00 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	38.00	36.00 38.00		2.00 0.00
General Fund	2,734,787	2,659,510 2,734,787	75,277 0	
Special Fund	60,726	60,726	0	
Total Funds	2,795,513	2,720,236 2,795,513	75,277 0	

Amendment No. **20**

Committee Narrative

Business Processes System Planning: *The Office of Information Technology (OIT) in the Department of Budget and Management (DBM) is responsible for a variety of administrative systems utilized by most State agencies (for example, financial management, budgeting, personnel, etc.). In the fiscal 2006 budget, funding was provided to OIT to begin the planning to replace a variety of legacy systems. Specifically, to assess risks associated with current systems, prepare cost estimates to replace the systems, and develop a replacement strategy. The fiscal 2007 budget includes \$2 million to replace one of those legacy systems: the 30-year-old State personnel management system.*

F10A04

The committees are interested in what other administrative systems can be replaced and request OIT to report on the results of the business processes system planning process. In addition, the committees request OIT explore other opportunities to use technology to improve government operations. The report should include:

- *recommendations on what systems should be replaced;*
- *cost estimates for replacement;*
- *strategies to improve the operation of existing administrative functions;*
- *strategies to enhance effectiveness, increase efficiency, and reduce long-term costs through the use of technology in other areas of State government operations; and*
- *the identification of any legal or administrative barriers that inhibit the implementation of identified strategies.*

In developing the report, OIT should consult with the private sector and user community.

<i>Information Request</i>	<i>Author</i>	<i>Due Date</i>
<i>Business Systems Process Planning</i>	<i>OIT</i>	<i>December 1, 2006</i>

F50A01
Department of Budget and Management
Major Information Technology Development Project Fund

Budget Amendments

Add the following language:

The General Assembly approves the use of the Major Information Technology Development Project Fund to support projects as listed in the 2006 Joint Chairmen's Report (JCR). The Office of Information Technology shall submit any projects not listed in the JCR or any projects listed in the JCR for which the proposed funding level increases by more than 10 percent to the budget committees. The committees shall have 45 days to review and comment from the date of receipt of any submittal.

Explanation: The language notes the approval of the following projects at the specified funding levels to be funded from the Major Information Technology Development Project Fund:

<u>Agency</u>	<u>Project Name</u>	<u>Proposed Funding (\$)</u>
Budget and Management	Independent Verification and Validation	\$400,000
Budget and Management	Statewide Personnel System	2,000,000
Budget and Management	Statewide Disaster Recovery Planning	1,000,000
Assessments and Taxation	Assessment Administration and Evaluation System	2,000,000
Comptroller	Computer Assisted Collections System	9,065,000
Health and Mental Hygiene	Hospital Management Information System	2,300,000
Human Resources	Children's Electronic Social Services Information Exchange	3,900,000
Maryland Higher Education Commission	Student Financial Aid System	1,700,000
Public Safety and Correctional Services	Offender Based Management System	1,500,000
Public Safety and Correctional Services	Multiple Agency Fingerprint Information System	6,250,000
Juvenile Services	Statewide Education Technology	1,300,000

F50A01

Information Request	Author	Due Date
Projects that deviate from the 2006 JCR listing of approved projects with funding levels more than 10% above proposed levels as noted in the JCR	Office of Information Technology	45 days prior to expenditure

F50A01.01 Major Information Technology Development Project Fund

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete funds for video surveillance equipment at various Department of Juvenile Services (DJS) facilities. DJS has finally completed a facilities master plan and many of the facilities scheduled to get this equipment will be closed or rebuilt. Video surveillance equipment should be requested through the capital budget as appropriate. DJS's security needs can be handled through the utilization of two-way radios (funded in the fiscal 2006 budget and in the process of implementation throughout DJS's facilities) as well as appropriate staffing.	2,000,000	GF
2. Delete funding for the Department of Labor, Licensing, and Regulation (DLLR) Maryland Business Registry. The Information Technology Project Request for this particular project was lacking in detail. It is also unclear why DLLR should be the location for this project given that it is intended to replace a system at the Department of Business and Economic Development (DBED) that was upgraded in 2002 based on the justification that it made DBED a one-stop shop for business license and permitting information.	1,000,000	GF
Total Reductions	3,000,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	34,415,000	31,415,000	3,000,000	
Total Funds	34,415,000	31,415,000	3,000,000	

G20J
Maryland State Retirement and Pension Systems
State Retirement Agency

Budget Amendments

MARYLAND STATE RETIREMENT AND PENSION SYSTEMS

G20J01.01 State Retirement Agency

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for turnover expectancy. Increase turnover expectancy to 5.0%, requiring 8.75 vacant positions, a level more consistent with the current number of vacant positions. This would still allow the agency to fill 6 vacant positions.	109,561	SF
2. Delete funding for investment research. The Governor's allowance includes \$100,000 for internal investment research studies in addition to \$378,000 for investment consultants and a 0.5 FTE contractual position in the investment division. With additional staff and consultant support available to provide investment analyses, there is little need for internal research studies.	100,000	SF
 Total Reductions	 209,561	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	175.00	175.00		0.00
Special Fund	22,035,333	21,825,772	209,561	
Total Funds	22,035,333	21,825,772	209,561	

G50L
Maryland State Retirement and Pension Systems
Teachers and State Employees Supplemental Retirement Plans

Budget Amendments

G50L00.01 Maryland Supplemental Retirement Plan Board and Staff

Add the following language to the special fund appropriation:

, provided that \$50,000 of this appropriation is contingent on the Maryland Supplemental Retirement Plan (MSRP) submitting written expenditure and fee reports to the budget committees of the General Assembly. The reports shall present the agency's expenditures for fiscal 2007 to date in dollar amounts by object and as percentages of the fiscal 2007 legislative appropriation. The reports shall also provide information on the fee revenues collected for fiscal 2007 to date, and explain any changes in fees adopted by the Board of Trustees. The reports shall also provide justification for any budget amendments submitted by MSRP. The agency shall deliver three reports, no later than October 1, 2006, January 1, 2007, and April 1, 2007, respectively. The budget committees shall have 45 days from the date of receipt of the reports to review and comment.

Explanation: Unlike the State Retirement Agency, the Maryland Supplemental Retirement Plan (MSRP) is not bound by any structural limits on its spending. In two recent fiscal years, MSRP submitted budget amendments totaling approximately 10% of its operating expenses and imposed one-time per-account fees on all accounts. This language allows the budget committees to monitor MSRP's spending and fees during the year to ensure that it is not overspending or relying inappropriately on budget amendments or ad-hoc fees to fund its normal operations.

Information Request	Author	Due Date
<i>Quarterly expenditure and fee reports</i>	<i>MSRP</i>	<i>October 1, 2006 January 1, 2007 April 1, 2007</i>

Amendment No. **21**

H
Department of General Services

Budget Amendments

Add the following language:

Provided that the general fund appropriation made to the Department of General Services (DGS) shall be reduced in the amount of \$500,000 to reflect a corresponding increase in the Department's authority to use funds appropriated in other agency budgets for capital projects as special funds to support DGS operating expenses. Further provided that no amount of the general fund reduction shall be applied to the general fund appropriation for facility renewal projects funded under budget code H00G01.01.

Explanation: This language reduces the Department of General Services (DGS) general fund appropriation to reflect a corresponding increase in the department's authority to use funds appropriated in other agency budgets for capital projects as special funds to support DGS operating expenses.

Add the following language:

Further provided, it is the intent of the General Assembly that the Department of General Services utilize the Blind Industries and Services of Maryland for as much of its procurement needs as possible, subject to Section 14-103 of the State Finance and Procurement Article. The department shall prepare a report on its procurement activities for fiscal 2007 listing the items procured and the vendor used. For any procurement in which the Maryland Correctional Enterprises or the Blind Industries and Services of Maryland were not used, the department shall provide an explanation. The report shall be submitted to the budget committees by August 31, 2007.

Explanation: Section 14-103 of the State Finance and Procurement Article requires State agencies to procure what items they can from either the Maryland Correctional Enterprises (MCE) or the Blind Industries and Services of Maryland (BISM) before they seek an outside vendor. BISM reports that the Department of General Services (DGS) has not consistently used their services. This language requires DGS to report on procurement in which MCE or BISM were not used.

Information Request	Author	Due Date
Procurement activities for fiscal 2007 and explanation of MCE and BISM were not used	DGS	August 31, 2007

H

OFFICE OF PROCUREMENT AND LOGISTICS

H00D01.01 Procurement and Logistics

Add the following language to the general fund appropriation:

, provided that \$1,000,000 of this appropriation made for the purpose of purchasing renewable source energy, may not be expended for that purpose, but may only be expended for the purpose of funding deferred maintenance projects administered by the Department of General Services under budget code H00G01.01. Funds not expended for deferred maintenance projects shall revert to the general fund.

Explanation: This language directs the Department of General Services to increase the funding for deferred maintenance projects by prohibiting the use of funds for the purchase of renewable energy.

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete funds for the purchase of renewable energy. This reduction, in conjunction with budget language directing that \$1.0 million of general funds intended to support the purchase of renewable energy be instead directed to support the Department of General Services' non-capital facility maintenance program, deletes all funding proposed for the purchase of renewable energy.	500,000	GF
Total Reductions	500,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	65.00	65.00		0.00
General Fund	4,497,406	3,997,406	500,000	
Special Fund	2,655,227	2,655,227	0	
Total Funds	7,152,633	6,652,633	500,000	

Add the following language to the special fund appropriation:

, provided that \$500,000 of this appropriation, made for the purpose of funding the vendor contract for the eMaryland Marketplace, may not be expended until the Department of General Services has made available an archival search function on the website for the eMaryland Marketplace to replace the archival information that, until July 1, 2006, had been provided by the Maryland Contract Weekly. A report evidencing the department's compliance with the

H

requirement to add an archival search function shall be submitted to the budget committees. Further provided that the budget committees shall have 45 days to review and comment.

Explanation: This language restricts the expenditure of funds until the Department of General Services has included an archival search function on the eMaryland Marketplace website.

Information Request	Author	Due Date
Archival search function on eMaryland Marketplace	DGS	45 days prior to expenditure of funds

Amendment No. 22

OFFICE OF FACILITIES PLANNING, DESIGN AND CONSTRUCTION

H00G01.01 Facilities Planning, Design and Construction

Add the following language:

Further provided that \$7,000,000 of this appropriation made for the purpose of funding the Department of General Services' deferred maintenance program may only be expended for non-capital deferred maintenance projects and may not be transferred for use for any other purpose.

Explanation: This language restricts the appropriation for the Department of General Services' deferred maintenance program to ensure that the funds are only used to support the program and not used to fund any other purpose.

Amend the following language:

Funds are appropriated in other agency budgets and authorizations for capital projects to pay for services provided by this program. Authorization is hereby granted to use an amount not to exceed ~~\$2,000,000~~ \$2,500,000 of these receipts as special funds for operating expenses in this program provided, however, that authorizations for capital projects may not provide more than ~~\$1,500,000~~ \$1,750,000 for this purpose.

Explanation: This amended language increases the authorization to use funds appropriated in other agency budgets for capital projects as special funds for operating expenses.

H

Committee Narrative

Report on the eMaryland Marketplace Procurement System: The committees are concerned that the State's Internet-based procurement system known as eMaryland Marketplace (eMM) is not providing the State with a cost effective efficient procurement system. The committees request that the Department of Budget and Management (DBM) and the Department of General Services (DGS) prepare and submit to the committees a study of the eMM system. The report should provide an assessment of the eMM system's costs and fee structure, provide recommendations for ways in which the system could be improved to ensure that the bidding and awarding of State procurement contracts is efficient and cost effective and ensure that costs are allocated equitably. The report should also include an assessment of other State Internet-based procurement systems. The report is due September 1, 2006.

Information Request	Authors	Due Date
eMM Procurement System Improvements	DBM DGS	September 1, 2006

J
Department of Transportation

Budget Amendments

Add the following language:

It is the intent of the General Assembly that projects and funding levels appropriated for capital projects, as well as total estimated project costs within the Consolidated Transportation Program (CTP), shall be expended in accordance with the plan approved during the legislative session. The department shall prepare a report to notify the budget committees of the proposed changes in the event the department modifies the program to:

- (1) add a new project to the construction program or development and evaluation program meeting the definition of a major project under Section 2-103.1 of the Transportation Article which was not previously contained within a plan reviewed in a prior year by the General Assembly and will result in the need to expend funds in the current budget year;
or
- (2) change the scope of a project in the construction program or development and evaluation program meeting the definition of a major project under Section 2-103.1 of the Transportation Article which will result in an increase of more than 10 percent or \$1,000,000, whichever is greater, in the total project costs as reviewed by the General Assembly during a prior session.

For each change, the report shall identify the project title, justification for adding the new project or modifying the scope of the existing project, current year funding levels, and the total project cost as approved by the General Assembly during the prior session compared with the proposed current year funding and total project cost estimate resulting from the project addition or change in scope.

Notification of changes in scope shall be made to the General Assembly concurrent with the submission of the draft and final CTP. Notification of new construction project additions, as outlined in paragraph (1) above, shall be made to the General Assembly prior to the expenditure of funds or the submission of any contract for approval to the Board of Public Works.

Explanation: Adoption of annual budget bill language is recommended to require the department to notify the budget committees of proposed changes to the transportation capital program that will add a new project that was not in the 2006 CTP or will increase a total project's cost by more than 10%, or \$1.0 million due to a change in scope. Reports are to be submitted with the draft and final versions of the CTP, with each using the 2006 CTP as the basis for comparison.

Information Request	Author	Due Date
Capital Budget Changes	MDOT	With draft CTP With final CTP

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Add the following language:

The total aggregate outstanding and unpaid principal balance of nontraditional debt, defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond issued by the Maryland Department of Transportation (MDOT), may not exceed \$762,190,000 as of June 30, 2007. Provided, however, that in addition to the limit established under this provision, MDOT may increase the aggregate outstanding unpaid and principal balance of nontraditional debt so long as:

- (1) MDOT provides notice to the Senate Budget and Taxation Committee and the House Committee on Appropriations stating the specific reason for the additional issuance and providing specific information regarding the proposed issuance, including information specifying the total amount of nontraditional debt that would be outstanding on June 30, 2007, and the total amount by which the fiscal 2008 debt service payment for all nontraditional debt would increase following the additional issuance; and
- (2) the Senate Budget and Taxation Committee and the House Committee on Appropriations have 45 days to review and comment on the proposed additional issuance before the publication of a preliminary official statement. The Senate Budget and Taxation Committee and the House Committee on Appropriations may hold a public hearing to discuss the proposed increase and must signal their intent to hold a hearing within 45 days of receiving notice from MDOT.

Explanation: This language limits the amount of nontraditional debt at the end of fiscal 2007 to the total amount that is projected to be outstanding from all previous nontraditional debt issuances including all anticipated sales in fiscal 2006. The language allows MDOT to increase the amount of nontraditional debt outstanding in fiscal 2007 by providing notification to the budget committees regarding the reason that the additional issuances are required.

Information Request	Author	Due Date
Justification for increasing nontraditional debt outstanding	MDOT	45 days prior to the publication of a preliminary official statement

Add the following language:

The Maryland Department of Transportation (MDOT) shall submit with its annual September and January financial forecasts information on (1) anticipated nontraditional debt outstanding as of June 30 of each year and (2) anticipated debt service payments for each outstanding nontraditional debt issuance from fiscal 2006 through 2017. Nontraditional debt is defined as any debt instrument that is not a Consolidated Transportation Bond or a Grant Anticipation Revenue Vehicle bond; such debt includes, but is not limited to, certificates of participation, debt backed by customer facility charges, passenger facility charges, or other revenues, and debt issued by the Maryland Economic Development Corporation or any other third party on behalf of MDOT.

J

Explanation: The budget committees are interested in monitoring the use of nontraditional debt by MDOT. The information requested provides the budget committees with additional information on the usage and annual costs of nontraditional debt.

Information Request	Author	Due Date
Nontraditional debt outstanding and anticipated debt service payments	MDOT	With September forecast With January forecast

Amend the following language:

The Maryland Department of Transportation (MDOT) shall not expend funds on any job or position of employment approved in this budget in excess of ~~9,020.5~~ 9,018.5 positions and 177.4 contractual full-time equivalents paid through special payments payroll (defined as the quotient of the sum of the hours worked by all such employees in the fiscal year divided by 2,080 hours) of the total authorized amount established in the budget for MDOT at any one time during fiscal 2007. The level of how many contractual full-time equivalents may be exceeded only if MDOT notifies the budget committees of the need and justification for additional contractual personnel due to:

- (1) business growth at the Port of Baltimore and Baltimore/Washington International Thurgood Marshall Airport which demands additional personnel; or
- (2) emergency needs which must be met (such as transit security or highway maintenance).

The Secretary shall use the authority under Sections 2-101 and 2-102 of the Transportation Article to implement this provision. However, any authorized job or position to be filled above the regular position ceiling approved by the Board of Public Works shall count against the Rule of 50 imposed by the General Assembly. The establishment of new jobs or positions of employment not authorized in the fiscal 2007 budget shall be subject to Section 7-236 of the State Finance and Procurement Article, and the Rule of 50.

Explanation: The General Assembly has established a position ceiling for MDOT each year to limit growth in regular positions and contractual full-time equivalents.

Information Request	Author	Due Date
Additional regular positions and contractual full-time equivalents	MDOT	As needed

Amendment No. 23

J

Add the following language:

The Maryland Department of Transportation shall not issue bonds through the Maryland Economic Development Corporation for any project.

Explanation: The Maryland Department of Transportation (MDOT) has issued debt through the Maryland Economic Development Corporation (MEDCO) for various projects in past fiscal years. Issuing MEDCO bonds raises the following concerns:

- MDOT has sufficient cash and bonding authority, so that MEDCO bonds are unnecessary; and
- MEDCO bonds are more expensive than Consolidated Transportation Bonds issued by MDOT due to the length of maturity and additional provisions such as the ground rent costs for the Secretary's Office headquarters building.

The language precludes MDOT from issuing bonds through MEDCO.

Add the following language:

It is the intent of the General Assembly that funds dedicated to the Transportation Trust Fund shall be applied to purposes bearing direct relation to the State transportation program, unless directed otherwise by legislation. To implement this intent for the Maryland Department of Transportation in fiscal 2007, no commitment of funds in excess of \$250,000 may be made nor such as an amount may be transferred, by budget amendment or otherwise, for any project or purpose not normally arising in connection with the ordinary ongoing operation of the department and not contemplated in the budget approved or the last published Consolidated Transportation Program without 45 days to review and comment by the budget committees.

Explanation: This annual language prohibits the use of transportation funds for use other than for transportation-related purposes without review and comment by the budget committees.

Information Request	Author	Due Date
Information on non-transportation expenditures exceeding \$250,000	MDOT	As needed

J

Add the following language:

Provided that the Maryland Department of Transportation shall submit the minimum job qualifications for positions in the officials and administrators job family for the department to the budget committees by July 1, 2006. This document shall include the job qualifications for each position that falls within this category.

Explanation: The committees are concerned that the Maryland Department of Transportation (MDOT) does not have a comprehensive list of minimum job qualifications for individuals in the officials and administrators category of positions. This language requires MDOT to provide a minimum job qualification description for each position to the committees by July 1, 2006.

Information Request	Author	Due Date
Minimum job qualifications report	MDOT	July 1, 2006

Amendment No. 24

J00A01
Department of Transportation
The Secretary's Office

Budget Amendments

J00A01.01 Executive Direction

Reduce appropriation for the purposes indicated:	<u>Funds</u>		<u>Positions</u>
1. Reduce funds for subscriptions for the department. This provides funding equal to the fiscal 2005 actual level with a \$3,000 increase for Project Management Institute certifications.	6,000	SF	
2. Increase turnover expectancy to 3.2% requiring 10.7 vacant positions, a level more consistent with the current number of vacant positions.	157,866	SF	
3. <i>Reduce funds for contractual positions. This reduces funding to the fiscal 2005 actual expenditure.</i>	57,186	SF	
4. Delete one vacant PIN (008902). This PIN has been vacant almost four years. Delete three vacant PINs (010328, 008902, and 084368). Two positions are being considered for reclassification as part of the Governor's Initiative regarding environmental compliance. The third PIN has been vacant almost four years.	28,657	SF	1.00
	139,218	SF	3.00
 Total Reductions	 192,523		 1.00
	360,270		3.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	202.50	201.50 199.50		1.00 3.00
Special Fund	23,906,993	23,714,470 23,546,723	192,523 360,270	
Total Funds	23,906,993	23,714,470 23,546,723	192,523 360,270	

Amendment No. **25**

J00A01

J00A01.02 Operating Grants-In-Aid

Add the following language to the special fund appropriation:

, provided that no more than \$4,119,526 of this appropriation may be expended for operating grants-in-aid, except for:

- (1) any additional special funds necessary to match unanticipated federal fund attainments; or
- (2) any proposed increase either to provide funds for a new grantee or to expend funds for an existing grantee; and
- (3) the department providing notification to the budget committees to justify the need for additional expenditures due to either provision (1) or (2) above, and the committees provide review and comment or 45 days elapse from the date such notification is provided to the committees.

Explanation: This annual language caps the level of special funds provided for operating grants-in-aid. The cap may be increased to match unanticipated federal dollars or to provide new or expanded grant funding upon notification to the budget committees.

Information Request	Author	Due Date
Explanation of need for additional special funds for grants-in-aid	MDOT	As needed

J00A01.03 Facilities and Capital Equipment

Strike the following language:

, provided that \$2,795,000 of this appropriation for the Transportation Emission Reduction Program may not be expended prior to the Maryland Department of Transportation providing the \$6,000,000 in State matching funds for the Silver Spring Transit Center project in Montgomery County.

Explanation: The following language would restrict \$2,795,000 from the Transportation Emission Reduction program in fiscal 2007 contingent upon the department providing \$6,000,000 in State matching funds for the Silver Spring Transit Center project in Montgomery County.

Amendment No. 26

J00A01

Committee Narrative

J00A01.04 Washington Metropolitan Area Transit – Operating

Performance Measures: In order to continue to assess the performance of the Washington Metropolitan Area Transit Authority (WMATA), the committees request that the Maryland Department of Transportation work with WMATA in order that the following data developed by WMATA can be included in the Governor’s fiscal 2008 budget:

- farebox recovery rates for Metrobus, Metrorail, Metroaccess, and for WMATA as a whole;
- total ridership on Metrobus, Metrorail, and Metroaccess in Maryland and throughout the WMATA system;
- operating expenses per vehicle mile;
- operating expense per passenger trip;
- passenger trip per vehicle mile;
- benchmarks for each of the above data; and
- comparisons to the performance of peer systems.

Actual data shall be reported for fiscal 2005 and 2006 and projections shall also be provided for fiscal 2007 and 2008.

Information Request	Author	Due Date
Performance Measures	MDOT	With the submission of the fiscal 2008 budget

J00A04
Department of Transportation
Debt Service Requirements

Budget Amendments

Add the following language:

Consolidated Transportation Bonds may be issued in any amount provided that the aggregate outstanding and unpaid balance of these bonds and bonds of prior issues shall not exceed \$1,248,750,000 as of June 30, 2007. Provided, however, that the debt service will be reduced by any proceeds generated from bond sale premiums. To achieve this reduction, the Maryland Department of Transportation may either use projected proceeds from bond sale premiums to reduce the size of the bond issuance or apply the proceeds from the premium to debt service for that bond issuance.

Explanation: Section 3-202 of the Transportation Article requires the General Assembly to establish the maximum debt outstanding each year in the budget bill. The level will be based on outstanding debt as of June 30, 2006, plus projected debt issued during fiscal 2007 in support of the transportation capital program.

J00A04.01 Debt Service Requirements

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce the amount of the debt service allowance to reflect the proceeds from the bond sale premium.	3,694,390	SF
Total Reductions	3,694,390	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Special Fund	123,639,388	119,944,998	3,694,390	
Total Funds	123,639,388	119,944,998	3,694,390	

J00A04

Committee Narrative

Debt Efficiency Report: The committees request that the Maryland Department of Transportation (MDOT) undertake an analysis of how to efficiently measure the level of debt issued by or on behalf of MDOT. In addition, the department should make recommendations as how best to ensure prudent limits on Consolidated Transportation Bond debt outstanding and non-traditional debt outstanding. The analysis should look at the relationship between cash available for the capital plan and the amount of debt issued and determine if there is a measure to ensure that the department does not over leverage debt issuances compared to cash available. In recent years the level of non-traditional debt issued by MDOT has increased. This report shall be submitted by October 27, 2006.

Information Request	Author	Due Date
Debt efficiency report	MDOT	October 27, 2006

J00B
Department of Transportation
State Highway Administration

Budget Amendments

J00B01.01 State System Construction and Equipment

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. Reduce funds for the State Highway Administration to purchase vehicles to reduce reimbursement payments for individuals' use of private vehicles. A review of the cost benefit analysis for this proposal determined that there is no cost savings associated with the purchase of the vehicles.	660,000	SF	
2. <i>Reduce funds for the Community Safety and Enhancement Program which provides for a \$7.4 million or 38.7% increase over the fiscal 2006 working appropriation.</i>	500,000	SF	
 Total Reductions	 660,000 1,160,000		

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,674.00	1,674.00		0.00
Special Fund	471,200,000	470,540,000 470,040,000	660,000 1,160,000	
Federal Fund	544,800,000	544,800,000	0	
Total Funds	1,016,000,000	1,015,340,000 1,014,840,000	660,000 1,160,000	

Amendment No. **27**

J00B01.02 State System Maintenance

Add the following language:

It is the intent of the General Assembly that the State Highway Administration shall budget funds for snow removal in fiscal 2008 and beyond using a rolling five-year actual historical average.

J00B

Explanation: This language will require the State Highway Administration to more accurately portray the actual expense of snow removal in its annual budget allowance submission.

Information Request	Author	Due Date
Snow Removal Budget	MDOT	Budget Request Data Budget Allowance Data

Amendment No. 28

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. Reduce funds for the State Highway Administration to purchase 16 trucks to reduce its reliance on reimbursing individuals who operate privately owned vehicles. A review of the cost benefit analysis for this proposal determined that there is no cost savings associated with the purchase of the vehicles.	288,946	SF	
2. <i>Reduce funds for communication device maintenance. This action provides \$368,534 for communication device maintenance in fiscal 2007.</i>	100,000	SF	
3. Increase the turnover expectancy to 4.17% requiring 135 vacant positions and putting it in line with historical vacancy rates for the agency. The turnover rate increase is to be allocated across all agency programs, and the agency is authorized to adjust turnover if funds are available and the rate of vacancy is lower than expected. Increase turnover expectancy to 4.3% requiring 139 vacant positions to a level more consistent with historical vacancy rates for the agency. The agency is authorized to adjust turnover if funds are available and the rate of vacancy is lower than expected.	219,673	SF	
	438,450	SF	
4. <i>Reduce funds for overtime. Regular earnings increased 3.1% for the agency while overtime increased 6%. This reduction provides funding for overtime equal to the increase in regular earnings.</i>	200,000	SF	
Total Reductions	508,619		
	1,027,396		

J00B

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,502.00	1,502.00		0.00
Special Fund	178,022,252	177,513,633 176,994,856	508,619 1,027,396	
Federal Fund	5,580,098	5,580,098	0	
Total Funds	183,602,350	183,093,731 182,574,954	508,619 1,027,396	

Amendment No. 29

J00B01.05 County and Municipality Funds

Add the following language to the special fund appropriation:

, provided that \$1,000,000 of this appropriation, made for the purpose of distributing the share of revenues from the Gasoline and Motor Vehicle Revenue Account to Prince George’s County (i.e., highway user revenues) shall be deducted prior to the distribution of funds to the county and be retained by the Transportation Trust Fund. The deduction would occur after the deduction of sinking fund requirements for county transportation bonds from highway user revenues.

Explanation: In 1996, an agreement was reached between the State, Prince George’s County, and Jack Kent Cooke, Inc. (then owner of the Washington Redskins) concerning road and infrastructure improvement adjacent to a stadium in Prince George’s County for the Redskins (now FedEx Field). The agreement included a State grant for local roadway improvements around the stadium, for which the county agreed to reimburse the State \$1.0 million annually through fiscal 2012. The agreement gives the county the option to choose a \$1.0 million deduction or quarterly payments of \$250,000. Previously, the county has opted for the \$1.0 million deduction. The budget bill language adjusts the county’s share of highway user revenues, consistent with the 1996 agreement.

J00B

Committee Narrative

Dolefield Boulevard Feasibility Study: The Maryland Department of Transportation should submit the final feasibility study report on the Dolefield Boulevard/I-795 Interchange in Owings Mills, Maryland by July 1, 2006, and the budget committees shall have 45 days to review and comment upon receipt. If the feasibility study is favorable, it is the intent of the committees that the department shall begin preliminary engineering within six months of submitting the feasibility study.

Information Request	Author	Due Date
Feasibility study on Dolefield Boulevard/ I-795 Interchange	SHA	July 1, 2006

J00D
Department of Transportation
Maryland Port Administration

Budget Amendments

Add the following language:

It is the intent of the General Assembly that the Maryland Department of Transportation (MDOT) shall not sell the World Trade Center (WTC) until the budget committees have 45 days to review and comment on the reports requested in the fiscal 2006 budget. These reports shall include a cost-benefit analysis of the sale of the WTC and a preliminary plan for relocating the Maryland Port Administration staff housed at the WTC. Additionally, as also stated in the fiscal 2006 budget, MDOT shall not enter into a contract to sell the building until it has provided the budget committees with two independent appraisals of the WTC. Furthermore, MDOT shall make every effort to maximize the occupancy rate of the WTC prior to sale to ensure the highest bid possible.

Explanation: MDOT has placed the WTC on the market. The General Assembly is concerned about the lack of information that it has received throughout this process. Language included in the fiscal 2006 budget required MDOT to submit a cost-benefit analysis, a preliminary plan for staff relocation, and two independent appraisals. This language reinforces the importance of receiving these reports in a timely manner so that the budget committees have an opportunity to review the reports before the sale is completed.

Amendment No. **30**

J00D00.01 Port Operations

Add the following language to the special fund appropriation:

, provided that \$1,000,000 of this appropriation may not be expended until the Maryland Department of Transportation (MDOT) submits a report to the budget committees concerning the sale of the World Trade Center (WTC). This report shall include the sale price of the WTC, the proceeds received, and a plan for how MDOT proposes to allocate the funds. The budget committees shall have 45 days to review and comment following receipt of the report.

Explanation: MDOT expects to sell the WTC just prior to fiscal 2007. Preliminary estimates project that the building may sell for \$30 million to \$45 million. This would be a large source of one time revenues for the Transportation Trust Fund. This language restricts \$1 million until MDOT submits a report concerning the sale price, profit realized, and a plan for allocation of the proceeds.

Information Request	Author	Due Date
Report on the sale of the World Trade Center	MDOT	45 days prior to expenditure

House Committee on Appropriations - Operating Budget, March 2006

J00D

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for replacement of motor vehicles. <i>Three of the replacement vehicles are sport utility vehicles (SUVs) that are part of the Maryland Port Administration's Executive Vehicle Program. These vehicles should be replaced by Executive Sedans instead. Additionally, this also This replaces a maintenance vehicle with the same type of vehicle, an ethanol fueled ½ ton pick-up truck rather than replacing it with a compressed natural gas fueled ¾ ton pick-up truck.</i>	40,875 SF 48,210 SF	
2. Reduce funds for out-of-state travel. The fiscal 2007 allowance increases funding for out-of-state travel by \$120,000, or 500%. This action would reduce the allowance to a more appropriate level based on past year actuals. This still allows the Maryland Port Administration additional money for travel due to the competitive nature of its business and the closing of its Midwest office.	37,500 SF 75,000 SF	
3. Reduce funds for in-state travel. This action would maintain the appropriation for in-state travel at the fiscal 2006 level. This would eliminate the 13% increase in the allowance. This action is based on historical travel expenditures.	3,900 SF	
4. Reduce the allowance for replacement equipment by \$50,000. The allowance reflects nearly a \$400,000 increase over the fiscal 2006 appropriation. This action would still allow for a substantial increase.	50,000 SF	
5. Reduce funds for medical care to reflect actual usage levels. Medical care ranges from drug screens to psychological tests to chest X-rays. The actual expenditure in fiscal 2004 was \$12,863 and \$15,444 in fiscal 2005. This action would reduce the fiscal 2007 allowance to \$26,117, which is more consistent with actual expenditures.	15,000 SF	
Total Reductions	417,275 192,110	

J00D

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	250.00	250.00		0.00
Special Fund	97,705,230	97,587,955 97,513,120	117,275 192,110	
Total Funds	97,705,230	97,587,955 97,513,120	117,275 192,110	

Amendment No. **31**

J00D00.02 Port Facilities and Capital Equipment

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce the funding for travel expenditures to fiscal 2005 levels.</i>	16,806 SF	
2. <i>Reduce the funds for office equipment to the fiscal 2006 appropriated level.</i>	6,240 SF	
<i>Total Reductions</i>	23,046	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	42.00	42.00		0.00
Special Fund	112,539,343	112,516,297	23,046	
Federal Fund	2,517,000	2,517,000	0	
Total Funds	115,056,343	115,033,297	23,046	

Amendment No. **32**

J00D

Committee Narrative

Maryland Port Administration Operating Exclusions: The committees direct that the Office of Legislative Audits (OLA) review the operating exclusions utilized by the Maryland Port Administration (MPA) to see if they conform to Generally Accepted Accounting Principles (GAAP). A report shall be submitted to the budget committees by November 1, 2006.

Information Request	Author	Due Date
Review of MPA's operating exclusions for conformity to GAAP	OLA	November 1, 2006

Port Security: *The committees are concerned about security at the Port of Baltimore. Therefore the committees request that the Maryland Port Administration (MPA) and the Maryland Department of Transportation (MDOT) provide a report to the committees that details the current security practices and efforts at the Port, who is responsible for security at the Port, how many cargo containers are examined, and the process by which cargo containers are examined. In addition, the MPA shall consult with its various internal and external stakeholders regarding the current security practices at the Port.*

Information Request	Authors	Due Date
<i>Port security</i>	<i>MPA MDOT</i>	<i>December 1, 2006</i>

J00E
Department of Transportation
Motor Vehicle Administration

Budget Amendments

Add the following language:

It is the intent of the General Assembly that the Administrator of the Motor Vehicle Administration shall adopt regulations requiring that notice be provided to persons who may apply for a waiver or reduction of an insurance compliance penalty, under provisions under COMAR 11.18.03.02 or Waiver or Reduction of Penalty.

Explanation: The General Assembly is concerned that individuals are not notified of waivers or reductions to the insurance compliance penalty as spelled out in regulation. This language would express the intent that the Motor Vehicle Administration adopt regulations that would notify individuals if they qualify for a waiver or reduction, which currently is not the practice.

J00E00.01 Motor Vehicle Operations

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for office equipment. This provides funding for office equipment equal to the fiscal 2005 actual.	20,000 SF	
2. Reduce funds for building and road repairs and maintenance for the agency. This reduction provides for a \$32,000 increase over the fiscal 2006 working appropriation.	35,000 SF	
3. Increase turnover expectancy for the agency. Turnover expectancy decreased \$726,009 in the fiscal 2007 allowance. This action sets turnover at 3.5%, closer to historical levels, meaning the agency must hold 56.44 full-time equivalent positions vacant.	225,063 SF	
Total Reductions	280,063	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,602.50	1,602.50		0.00
Special Fund	139,562,863	139,282,800	280,063	
Federal Fund	15,000	15,000	0	
Total Funds	139,577,863	139,297,800	280,063	

J00E

Committee Narrative

Update Once Federal Regulations for the REAL-ID Act Are Issued: The Motor Vehicle Administration (MVA) should provide an update to the committees once the Department of Homeland Security has issued federal regulations on the implementation of the REAL-ID Act. This update should include the following:

- a summary of the proposed regulations and their requirements;
- what impact each regulation will have on the operations of MVA;
- any constitutional or statutory issues for Maryland that may result from the federal regulations;
- a draft workplan and timeline for how MVA will begin the process of implementing the REAL-ID Act; and
- information regarding what technology improvements and projected costs MVA will need to undertake to comply with federal regulations.

A report should be issued 60 days after federal regulations on the REAL-ID Act have been issued and should detail what the regulations are, their impact and projected cost on Maryland, and draft a workplan.

In addition, the committees should provide an update of the agency's actions in response to the federal regulations to the committees 6 months after the initial report.

Information Request	Authors	Due Date
Update once federal regulations for the REAL-ID Act are issued	MDOT	60 days after the issuance of federal regulations on the REAL-ID Act
REAL-ID Act follow-up	MVA	6 months after initial report

J00H
Department of Transportation
Maryland Transit Administration

Budget Amendments

J00H01.01 Transit Administration

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for building equipment. This provides a \$37,943 increase over the fiscal 2006 working appropriation.	37,000 SF	
2. Reduce funding for office supplies equal to the fiscal 2005 actual expenditure for the entire department.	53,726 SF	
Total Reductions	90,726	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	281.00	281.00		0.00
Special Fund	43,404,643	43,313,917	90,726	
Total Funds	43,404,643	43,313,917	90,726	

J00H01.02 Bus Operations

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete 30 new positions. In its final report, the Spending Affordability Committee recommended that the Governor not include any new positions and fund any new positions by reclassifying existing vacancies. The department may increase funding for overtime through budget amendment if needed.	1,866,000 SF	30.00
Total Reductions	1,866,000	30.00

J00H

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1,844.00	1,814.00		30.00
Special Fund	175,907,478	174,041,478	1,866,000	
Federal Fund	30,278,599	30,278,599	0	
Total Funds	206,186,077	204,320,077	1,866,000	

J00H01.04 Rail Operations

Strike the following language:

~~Provided that the Maryland Transit Administration (MTA) shall review and study the impact of the double track construction of the Baltimore Light Rail System and submit a report to the budget committees by October 31, 2006, and the budget committees shall have 45 days to review and comment from the date of receipt. The report shall include the following information:~~

- ~~(1) for a period of six months prior to double track construction and since the reopening of the Light Rail system, a compilation of reported crimes and calls for law enforcement services in or adjacent to Light Rail trains and Light Rail stations from all relevant law enforcement agencies in police department reporting areas containing Light Rail stations;~~
- ~~(2) the changes in MTA's deployment of fare inspectors, MTA police, and video surveillance on trains and in stations between July 2005, and the reopening of the double track Light Rail system;~~
- ~~(3) the number of citizen contacts and other services provided to the public by MTA security staff during the six months prior to double track construction and since the reopening of the Light Rail system; and~~
- ~~(4) a comparison of service performance between the new double track system with the former single track system; by segments (north of Baltimore City, within Baltimore City, and south of Baltimore City) and for the overall system; for peak and non-peak commuter routes; and special events, including farebox recovery, parking lot usage and availability, schedule performance, and peak and non-peak ridership on comparable MTA bus routes.~~

~~**Explanation:** This language requests the Maryland Transit Administration (MTA) to submit a report to the budget committees on the re-opening of the Baltimore Light Rail System after the construction of the double-track system. The report should include public safety information to compare the safety of the Light Rail system before construction, when local governments provided Light Rail security, after construction, and when MTA took over Light Rail security. The report should also include information on the effectiveness of MTA to provide fare inspectors, MTA police, citizen contacts, and video surveillance on trains and in stations. Finally, the report should compare service performance, by segments and for the overall system, between the new double-tracked system and the old single track system.~~

J00H

Information Request	Authors	Due Date
Report on reopening of Light Rail system after double tracking	MTA	October 31, 2006

Amendment No. 33

J00H01.05 Facilities and Capital Equipment

Amend the following language:

Provided that no funds may be expended for Phase II of the Greater Baltimore Bus Initiative until:

- (1) October 1, 2006;
- (2) the Maryland Transit Administration (MTA) submits a report to the budget committees by October 1, 2006, that outlines the impact and achieved efficiencies from the bus reorganization associated with Phase I of the Greater Baltimore Bus Initiative;
- (3) the MTA holds ~~three~~ four public hearings on the proposed changes entailed in Phase II of the Greater Baltimore Bus Initiative prior to their implementation before September 30, 2006; and
- (4) the budget committees have 45 days to review and comment from the date of receipt of the report.

Further provided that the MTA may submit a budget amendment for the costs associated with the restoration of any bus route implemented during Phase I of the Greater Baltimore Bus Initiative.

Explanation: The following language would prohibit the Maryland Transit Administration (MTA) from expending any funds for the Great Baltimore Bus Initiative Phase II prior to October 1, 2006. In addition the language requests a report from the agency regarding the impact and achieved efficiencies from the bus reorganization in Phase I and that the MTA hold ~~three~~ four public hearings before September 30, 2006, and prior to the implementation of Phase II. Finally, should the agency change any bus routes from Phase I to their original route prior to the bus reorganization, the agency may process a budget amendment for this purpose.

Information Request	Author	Due Date
Greater Baltimore Bus Initiative impact and effectiveness report	MTA	October 1, 2006

Amendment No. 34

J00H

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for the Greater Baltimore Bus Initiative Phase II by approximately half.	1,491,000	SF
Total Reductions	1,491,000	0

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	107.00	107.00		0.00
Special Fund	113,098,000	111,607,000 113,098,000	1,491,000 0	
Federal Fund	122,755,000	122,755,000	0	
Total Funds	235,853,000	234,362,000 235,853,000	1,491,000 0	

Amendment No. **35**

Committee Narrative

Additional Managing for Results for Mobility Services: In order to continue to assess the performance of the Maryland Transit Administration's (MTA) Mobility paratransit services, the committees request that MTA include the following data in the Governor's 2008 budget and any other reports issued by MTA on Managing for Results data:

- *the average hold time for individuals scheduling a reservation;*
- the number of registered users; and
- the percentage of service provided on time.

Actual data should be reported for fiscal 2005 and 2006, and projections shall be provided for fiscal 2007 and 2008.

Information Request	Author	Due Date
Performance Measures	MTA	With the submission of the fiscal 2008 budget

J00H

Comparison of Paratransit Service Delivery Models: The Maryland Transit Administration (MTA) has undertaken a study of paratransit service delivery models to determine the most cost effective approach. The MTA has hired a local transit consultant who helped develop the current model for paratransit service delivery and a national transit consultant reviewed and confirmed the results of that study. In addition the MTA has contracted with a consultant who will be providing ongoing monitoring of the service model and will make recommendations for improvements to the MTA.

As MTA continues to monitor the current mix of providers, state versus private, without sacrificing service delivery, the committees expect that the MTA will provide a report to the committees comparing the paratransit services in peer cities identified in the quadrennial audit report. The report should provide an overview and comparison of how other cities provide paratransit service, including detail on:

- who provides the service and how;
- what operations are provided by the city and what operations are provided by any outside contractors;
- what was the cost of the program over the past three fiscal years; and
- what actions the service has undertaken to improve service and reduce costs.

Information Request	Author	Due Date
Information on paratransit service delivery models and costs	MTA	December 1, 2006

J00I
Department of Transportation
Maryland Aviation Administration

Budget Amendments

Add the following language:

Provided that the Maryland Aviation Administration (MAA) shall submit a report to the budget committees by December 1, 2006, on actions taken by the Maryland Aviation Commission during fiscal 2006 in regards to the management personnel positions specified in Section 5-201.1 of the Transportation Article. The report shall provide the following information:

- (1) positions added to or removed from the 12 management personnel positions;
- (2) the appointment of a new person in one of these positions, including previous incumbent's salary as well the current incumbent's salary;
- (3) salary changes by position, including the previous salary, new salary, and change in salary; and
- (4) a list of all of the positions and salaries included in this exemption.

Furthermore, MAA should work with the Governor and the Department of Budget and Management to include the personnel detail for these 12 positions in the budget submitted by the Governor.

Explanation: This language requires MAA to submit a report to the budget committees that provides an update on any actions taken by the Maryland Aviation Commission in the previous fiscal year in regards to the 12 management personnel positions. This includes positions added to or removed from the 12 management personnel positions; the appointment of a new person in one of these positions, including previous incumbent's salary as well the current incumbent's salary; salary changes by position, including previous salary, new salary, and change in salary; and an annual listing of all of the positions and salaries included in this exemption. This would also require inclusion of these 12 positions in the annual back of the bill language in the Governor's proposed budget. This language is necessary for greater legislative oversight and to make the reporting requirements for MAA and the Maryland Port Administration comparable for their respective 12 management personnel positions. This report shall be submitted by December 1, 2006.

Information Request	Author	Due Date
Report on 12 management positions	MAA	December 1, 2006

J00I

J00I00.02 Airport Operations

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for audit services. This action would reduce funds for audit services to a more appropriate level based on past year actuals. The fiscal 2003 actual was \$6,300, \$6,400 in fiscal 2004, and \$6,500 in fiscal 2005. This action would reduce the allowance to \$24,243, which still leaves room for increased auditing of revenue contracts beginning in fiscal 2006 that the Maryland Aviation Administration says is necessary.	50,000	SF
2. Reduce funds for customer service surveys. With this reduction, funding will remain for one additional customer service survey, in addition to the three customer service surveys per year, as in fiscal 2006.	82,666	SF
3. Reduce funds for telecommunications. The remaining amount leaves a \$86,276 increase over the fiscal 2005 actual to allow for maintenance and repair of call boxes and emergency phones whose warranties have recently expired. Telecommunications includes basic telephone and long distance service, repair and maintenance, and wireless services.	100,000	SF
4. Reduce funding for miscellaneous communications charges to the average of the past three years' actual. This action would reduce funding to a more appropriate level based on actual usage.	36,338	SF
5. Reduce funding for vehicle maintenance and repair based on the average of the past three years' actual usage at the Baltimore/Washington International Thurgood Marshall Airport.	36,771	SF
6. Reduce funds for bookbinding and photography. This action would reduce the fiscal 2007 allowance to the fiscal 2005 actual to reflect actual usage patterns.	15,072	SF
7. Reduce funds for extermination to reflect actual usage. Over the past three fiscal years, actual usage has consistently been \$40,000 to \$50,000 less than appropriated. The proposed appropriation is 8% above the fiscal 2005 actual.	50,597	SF

J001

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| <p>8. Reduce funding for laundry services to the fiscal 2006 appropriation. This action would eliminate the increase for laundry service included in the allowance. The fiscal 2005 actual was \$7,165 less than the appropriation, making an increase unnecessary.</p> | 16,350 | SF | |
| <p>9. Reduce funds for maintenance and repair of other vehicles, which includes heavy trucks and fire rescue specialized vehicles. This action would eliminate the increase included in the Governor's allowance. The Maryland Aviation Administration specifies that the increase is necessary for increased repairs on fire rescue specialized vehicles. However, the fiscal 2005 actual was roughly \$100,000 less than the working appropriation, allowing adequate funds for increased repairs.</p> | 35,408 | SF | |
| <p>10. Reduce funding for equipment rental to reflect actual usage. The three-year average of usage is \$179,772. This action would reduce the allowance to \$200,000, which seems more appropriate given actual usage.</p> | 117,453 | SF | |
| <p>11. Reduce funding for equipment repair and maintenance. This action would moderate the nearly \$1 million increase included in the Governor's allowance. The fiscal 2005 actual was \$10.5 million. The fiscal 2006 working appropriation increased by \$5.4 million as a result of increased funding for the opening of Concourse A.</p> | 200,000 | SF | |
| <p>Total Reductions</p> | 740,655 | 0.00 | |

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	485.00	485.00		0.00
Special Fund	170,762,540	170,021,885	740,655	
Federal Fund	279,945	279,945	0	
Total Funds	171,042,485	170,301,830	740,655	

J00I

J00I00.03 **Airport Facilities and Capital Equipment**

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for out-of-state travel. This action would reduce funding for out-of-state travel to more appropriate levels based on prior years' actual usage.	40,000	SF
2. Reduce funds for advertising and legal publications to more appropriate levels based on prior years' actual usage. These capital funds provide for the publication of notices of public meetings and hearings in newspapers and the Maryland Register. The actual was \$715 in fiscal 2005, \$387 in fiscal 2004, and \$4,990 in fiscal 2003. This reduction would leave \$10,000 remaining for these costs, which should be more than adequate given past usage.	36,960	SF
3. Delete funding for the aircraft hangar at Martin State Airport (MTN). This action would delete funding for the Black & Decker aircraft hangar at MTN due to a considerable increase in the projected cost.	5,081,000 423,000	SF FF
4. Reduce funds for additional temporary assistance. This action would reduce funding to the fiscal 2003 actual, the highest actual level in the past three fiscal years.	17,894	SF
5. Eliminate funding for other technical and special fees. This action would eliminate funding for transcription services for Neighbor's Committee meetings. This same amount of money has been appropriated the past three fiscal years and none of this money has been used in any of the previous three fiscal years.	4,450	SF
6. Reduce funding for the Homeowner Assistance Program. This action would reduce funding to more appropriate levels based on historical spending. The Homeowner Assistance Program is an ongoing project that provides for the mitigation of aircraft noise and the improvement of land-use compatibility around Baltimore/Washington International Thurgood Marshall Airport. Demand changes from year to year.	453,000 953,000	SF SF
Total Reductions	6,056,304 6,556,304	

J00I

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	57.00	57.00		0.00
Special Fund	58,304,000	52,670,696 52,170,696	5,633,304 6,133,304	
Federal Fund	27,830,000	27,407,000	423,000	
Total Funds	86,134,000	80,077,696 79,577,696	6,056,304 6,556,304	

Amendment No. **36**

K
Department of Natural Resources

Budget Amendments

Add the following language:

Provided that the \$1,243,512 in general funds and \$655,959 in special funds appropriated for vehicle purchases in the Department of Natural Resources may only be expended for vehicle purchases. General funds unexpended at the end of the fiscal year shall revert to the State General Fund. Unexpended special fund appropriations will be canceled.

Explanation: In the past, the Department of Natural Resources (DNR) has not made vehicle purchases a priority. Consequently, the vehicle fleet fell into disrepair. This language requires DNR to spend funds appropriated for vehicle purchases only on vehicle purchases or to revert or cancel the funds.

Add the following language:

Further provided, no funds may be expended to move the Maryland Geological Survey from the Kenneth Weaver Building and annex in Baltimore City.

Explanation: This language prohibits the use of funds to move the Maryland Geological Survey from the Kenneth Weaver Building and annex in Baltimore City.

Add the following language:

Further provided, the Department of Natural Resources may submit a fiscal 2007 budget amendment for up to \$500,000 in State Forest and Park Reserve Funds for the State Park Service.

Explanation: This language authorizes the Department of Natural Resources to submit a fiscal 2007 budget amendment for up to \$500,000 in State Forest and Park Reserve Fund revenue for the State Park Service.

OFFICE OF THE SECRETARY

K00A01.03 Finance and Administrative Service

Add the following language to the general fund appropriation:

, provided that \$458,334 of these funds may only be used by the Department of Natural Resources for contractual positions at the State forests and parks.

Explanation: This budget bill language restricts the use of \$458,334 in fiscal 2007 general funds for contractual positions at the State forests and parks. These funds will provide a buffer to uncertainties about the availability of State Forest and Park Reserve special funds in fiscal 2007.

K

FOREST, WILDLIFE AND HERITAGE SERVICE

K00A02.09 Forestry Service

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete <i>Reduce</i> funding for an urban tree canopy project. These funds would be used to provide grants to several jurisdictions for tree planting. Funding for this type of activity is available through the Chesapeake Bay Trust.	300,000 GF	
	150,000 GF	
 Total Reductions	 300,000 150,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	100.00	100.00		0.00
General Fund	6,965,765	6,665,765 6,815,765	300,000 150,000	
Special Fund	2,812,661	2,812,661	0	
Federal Fund	1,453,374	1,453,374	0	
Total Funds	11,231,800	10,931,800 11,081,800	300,000 150,000	

Amendment No. **37**

STATE FOREST AND PARK SERVICE

K00A04.01 Statewide Operation

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for a grant to Mid-Atlantic Off-Road Enthusiasts. With this reduction, a \$75,000 \$100,000 grant would still be provided, level with fiscal 2006. These funds would be used for trail projects and educational seminars about trail construction, design, and maintenance.	50,000 GF	
	25,000 GF	

K

2. Reduce State Park operating funds for contractual employees (\$850,000) and local jurisdiction refunds (\$150,000). This reduction reflects the likelihood that sufficient State Forest and Park Reserve Fund revenue will not be available for these costs in fiscal 2007.

Total Reductions	1,050,000 1,050,000 1,025,000
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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	221.75	221.75		0.00
General Fund	15,933,977	15,883,977 15,908,977	50,000 25,000	
Special Fund	15,807,965	14,807,965	1,000,000	
Federal Fund	268,441	268,441	0	
Total Funds	32,010,383	30,960,383 30,985,383	1,050,000 1,025,000	

Amendment No. **38**

CAPITAL GRANTS AND LOAN ADMINISTRATION

K00A05.11 Waterway Service Projects

Add the following language to the special fund appropriation:

, provided that \$99,000 of this appropriation for the Fairview Beach Boating Facility project may not be expended for this purpose or transferred to any other program or purpose except that the funds may be expended for the Anne Arundel County Fire Department project. Funds unexpended for this purpose shall revert to the Waterway Improvement Fund. Further provided that \$50,000 of this appropriation for the Anne Arundel County Fire Department project may only be expended for that purpose.

Explanation: The fiscal 2007 allowance for the Waterway Improvement Program includes \$99,000 for the Fairview Beach Boating Facility in northern Anne Arundel County and \$50,000 for the Anne Arundel County Fire Department. This language prohibits funds from being expended for the Fairview Beach Boating Facility and earmarks \$149,000 for the Anne Arundel County Fire Department in fiscal 2007.

Amendment No. **39**

K

RESOURCE ASSESSMENT SERVICE

K00A12.06 Tidewater Ecosystem Assessment

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete two new positions and associated funding and reduce contractual and equipment funds for bay grass restoration. This action deletes funding for two new biologists (\$90,631) and reduces funding for contracts (\$150,000) and equipment (\$200,000) associated with restoring bay grasses. The proposed addition of these two positions is not consistent with the Spending Affordability Committee's recommended position limit for fiscal 2007. With this reduction, \$549,613 in new funds would still be provided for this bay grass restoration effort.	440,631 GF	2.00
 Total Reductions	440,631 0	2.00 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	30.00	28.00 30.00		2.00 0.00
General Fund	2,626,344	2,185,713 2,626,344	440,631 0	
Special Fund	720,424	720,424	0	
Federal Fund	1,328,558	1,328,558	0	
Total Funds	4,675,326	4,234,695 4,675,326	440,631 0	

Amendment No. **40**

K

CHESAPEAKE AND COASTAL WATERSHED SERVICE

K00A14.02 Program Development and Operation

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. Delete a new position and associated funding and contractual funding for an unidentified watershed restoration initiative. This action deletes funding for one new position (\$47,958) to manage this effort and \$732,184 in contractual funding to develop wetlands, establish a forested riparian buffer, and restore streams. Funding for this effort in fiscal 2007 is premature since a specific watershed has not been identified. Furthermore, the proposed addition of this new position is not consistent with the Spending Affordability Committee's recommended position limit for fiscal 2007.	780,142	GF	1.00
Total Reductions	780,142		1.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	51.75	50.75		1.00
General Fund	3,394,133	2,613,991	780,142	
Special Fund	1,508,637	1,508,637	0	
Federal Fund	1,625,206	1,625,206	0	
Total Funds	6,527,976	5,747,834	780,142	

Committee Narrative

Tidal Fisheries Management Strategy: The committees want to ensure that the Department of Natural Resources (DNR) adopts management strategies for safeguarding tidal fisheries that are not only consistent with its statutory mandate of promoting resources conservation in a fair and equitable manner, but are transparent in nature. DNR, in cooperation with the Maryland Watermen's Association, Maryland Charter Boat Association, Maryland Saltwater Sportfishermen's Association, Coastal Conservation Association, and the Maryland Aquatic Resources Coalition, should submit a report to the committees by October 2, 2006, that delineates the scientifically-based means and user group input process by which DNR researches, develops, and adopts conservation and management measures for tidal fisheries.

K

Information Request	Author	Due Date
Tidal fisheries management strategy report	DNR	October 2, 2006

State Park Operations: *The committees are concerned about the general operations of Maryland State parks, high entrance fees being charged by the parks, and the apparent lack of sufficient park maintenance and operations funds. Therefore, the committees request that the Department of Natural Resources (DNR) prepare a report that provides the following information:*

- *a comparison of Maryland State park fees to the fees charged by State parks throughout the country;*
- *the number of visitors to each State park in Maryland in fiscal 2004, 2005, and 2006;*
- *a table outlining annual special fund revenues in fiscal 2004, 2005, and 2006 generated by each State park in Maryland;*
- *a table outlining annual fiscal 2004, 2005, and 2006 expenditures at each State park in Maryland by budget object as well as fund type;*
- *a table outlining annual staffing at each State park in Maryland for fiscal 2000 through 2006; and*
- *a description of special policies that exist or could be adopted to facilitate access to Maryland State parks by citizens who live in the community in which a State park is located.*

Since the committees are also concerned about current law enforcement coverage at the State parks, DNR should also provide the following information for fiscal 2004, 2005, and 2006:

- *the geographic allocation of law enforcement officer positions by State park; and*
- *the number of “gone on arrival” occurrences at each State park.*

DNR should provide this information to the committees by August 1, 2006.

Information Request	Author	Due Date
State park report	DNR	August 1, 2006

K

Waterway Improvement Funds: *The committees are concerned about the diversion of \$27.0 million in Waterway Improvement Funds (WWIF) to the General Fund during calendar year 2002 and 2003. Therefore, the committees request that the Department of Natural Resources (DNR) in collaboration with the Department of Budget and Management (DBM) prepare a report that outlines a strategy for repaying the \$27.0 million in WWIF special funds with future year general funds. DNR should provide this information to the committees by August 1, 2006.*

Information Request	Authors	Due Date
WWIF repayment report	DNR DBM	August 1, 2006

Lyme Disease Control: *The committees are concerned about the prevalence of Lyme disease throughout the State. Therefore, the committees request that the Department of Natural Resources (DNR) develop educational and informational materials concerning Lyme disease and other tick-borne diseases (including tick bite prevention) for users of Maryland State forests and parks. In addition, the committees request that DNR investigate all commercially available technologies for controlling tick populations in parks, forests, and other outdoor areas under State authority, and subsequently develop a plan for implementing the most appropriate technology.*

L
Department of Agriculture

Budget Amendments

Add the following language:

Provided that the Maryland Department of Agriculture (MDA) shall submit a report to the budget committees by September 29, 2006, that compares and analyzes the relationship between the State's fiscal 2007 legislative appropriation and the budgetary and programmatic recommendations released in calendar year 2006 by the Agricultural Stewardship Commission (ASC) and the Maryland Agricultural Commission (MAC). The report should include a discussion of the feasibility and anticipated programmatic and policy impact of the ASC and MAC recommendations as well as how the recommendations would impact MDA's performance goals and the State's Chesapeake Bay Agreement goals. The committees shall have 45 days to review and comment on the report.

Explanation: This language requires the Maryland Department of Agriculture (MDA) to submit a report that compares and analyzes the relationship between the State's fiscal 2007 legislative appropriation and the budgetary and programmatic recommendations released by the ASC and MAC. The report should include a discussion of the feasibility and anticipated programmatic and policy impact of the ASC and MAC recommendations. Further, the report should provide detailed information showing how these various recommendations would impact MDA's performance goals as well as the State's Chesapeake Bay Agreement goals. The report should be submitted to the budget committees by September 29, 2006.

Information Request	Author	Due Date
Agriculture recommendations report	MDA	September 29, 2006

Amend the following language:

Further provided, ~~\$1,260,000~~ \$1,060,000 in general funds for the Cover Crop Program is deleted from the budget of the Maryland Department of Agriculture.

Explanation: This action reduces the Cover Crop Program's fiscal 2007 allowance by ~~\$1.3~~ \$1.1 million in general funds. This action would delete funds earmarked for an unknown watershed (\$160,000) and *reduce funds for* a new Cover Crop Commodity subprogram (~~\$1.0 million~~), and ~~reduce funds for Tributary Strategy implementation (\$100,000)~~. With this reduction, the Cover Crop Program would still receive ~~\$8.1~~ \$8.3 million, a ~~\$5.2~~ \$5.4 million increase over the fiscal 2006 working appropriation of \$2.9 million. This reduction would help slow down overall growth in State spending.

Amendment No. **41**.

L

OFFICE OF THE SECRETARY

L00A11.11 Capital Appropriation

Strike the following language:

~~provided that \$2,415,000 of these funds may only be used by the Tri-County Council for Southern Maryland for agricultural land preservation projects.~~

~~**Explanation:** This budget bill language restricts the use of \$2.4 million in fiscal 2007 Maryland Agricultural Land Preservation Program funding for the Tri-County Council for Southern Maryland's agricultural land preservation efforts. Due to the \$42 million increase in funds available for the Maryland Agricultural Land Preservation Program in fiscal 2007, it is not necessary to use bond funding for the Tri-County Council program.~~

Amendment No. **42**

OFFICE OF RESOURCE CONSERVATION

L00A15.03 Resource Conservation Operations

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. Delete personnel funding associated with "Corsica II", an unidentified watershed initiative. This action deletes funding for one regular and two contractual positions, as well as grant funding for one University of Maryland extension agent. The Corsica II initiative is an attempt to replicate the watershed conservation efforts initiated in fall 2005 in the Corsica River watershed. However, a specific watershed has not yet been identified for this new initiative, and the ongoing Corsica River initiative has not yet had time to coalesce. Therefore, funding for Corsica II is premature in fiscal 2007.	185,000	GF	1.00
Total Reductions	185,000		1.00

L

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	111.50	110.50		1.00
General Fund	7,010,669	6,825,669	185,000	
Special Fund	109,830	109,830	0	
Federal Fund	865,003	865,003	0	
Total Funds	7,985,502	7,800,502	185,000	

L00A15.04 Resource Conservation Grants

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete Horse Pasture Program funding associated with "Corsica II", an unidentified watershed initiative. The Corsica II initiative is an attempt to replicate the watershed conservation efforts initiated in fall 2005 in the Corsica River watershed. However, a specific watershed has not yet been identified for this new initiative, and the ongoing Corsica River initiative has not yet had time to coalesce. Therefore, funding for Corsica II is premature in fiscal 2007.	40,000 GF	
Total Reductions	40,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	9.00	9.00		0.00
General Fund	5,557,549	5,517,549	40,000	
Special Fund	5,480,377	5,480,377	0	
Total Funds	11,037,926	10,997,926	40,000	

M00A
Department of Health and Mental Hygiene
Office of the Secretary

Budget Amendments

M00A01.02 Financial Management Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds based on anticipated federal indirect cost recoveries. The department recovers federal funds to cover indirect costs incurred by the department for certain federally funded positions and other items. Based on the extent of federally funded positions in the fiscal 2007 budget (including the proposed 2% cost-of-living adjustment), the extent of fiscal 2007 indirect cost recoveries is understated. The department may increase federal funds by budget amendment to offset reduced general funds.	185,000	GF
Total Reductions	185,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	122.00	122.00		0.00
General Fund	4,862,073	4,677,073	185,000	
Federal Fund	2,240,564	2,240,564	0	
Total Funds	7,102,637	6,917,637	185,000	

Committee Narrative

OFFICE OF THE SECRETARY

M00A01.01 Executive Direction

Firefighter Occupational Health Studies and Funding for Comprehensive Health Screenings:
The committees are concerned about the occupational health hazards faced by firefighters and request the Department of Health and Mental Hygiene (DHMH), in consultation with local health departments, the National Institute of Occupational Safety and Health, the National Fire Protection Association, the Federal Emergency Management Agency, the United States Department of Homeland Security, and other appropriate governmental agencies to explore opportunities for the State to participate in federal studies relating to occupational health research, including research in occupational health issues for firefighters. DHMH should also identify federal, State, or local funding sources for comprehensive health screenings for career and volunteer firefighters.

M00A

Information Request	Author	Due Date
<i>Firefighter occupational health studies and funding for comprehensive health screenings</i>	<i>DHMH</i>	<i>December 31, 2006</i>

Linking Reimbursement to Quality of Care: *In establishing rates for health care providers funded through its various programs, the Department of Health and Mental Hygiene (DHMH) uses a variety of different rate-setting methodologies. These methodologies are usually determined by historical practice, what best suits a particular service, or programmatic goals. Although the department has expressed a desire to closely align rates to quality of care, the committees observe that few provider rates appear to be specifically tied to outcomes. The committees are interested in promoting the link between funding and quality of care and request DHMH to develop an action plan to align provider rates in all of the department's programs to appropriate outcomes.*

Information Request	Author	Due Date
<i>Linking reimbursement to quality of care</i>	<i>DHMH</i>	<i>November 1, 2006</i>

Emergency Department Overcrowding: *The committees are concerned about continued overcrowding in emergency departments. The committees request the Secretary of the Department of Health and Mental Hygiene (DHMH) to direct the Maryland Health Care Commission (MHCC) and Health Services Cost Review Commission (HSCRC) to update the MHCC/HSCRC 2002 report on emergency department utilization in order that the committees are provided with a comprehensive assessment of the reasons for this overcrowding. In submitting an updated report to the committees, DHMH should also include solutions to identified problems.*

Information Request	Author	Due Date
<i>Emergency department overcrowding</i>	<i>DHMH MHCC HSCRC</i>	<i>December 1, 2006</i>

Work Plan Addressing Staffing Levels and Current Priorities: *The Office of Health Care Quality (OHCQ) should annually submit to the committees a work plan including an analysis of existing staffing levels and current priorities. The work plan should also include a labor/hour data analysis for all survey activity.*

M00A

Information Request	Author	Due Date
Annual Work Plan	OHCQ	November 1, 2006

Budget Amendments

M00A01.04 Health Professionals Boards and Commission

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Increase budgeted turnover to 6%. Currently, the Health Occupation Boards are budgeted for a turnover of 2.93%, but in the past 3 years, the Health Occupation Boards have not had a turnover rate lower than 5.75%. During the same 3 year period, the turnover rate has been as high as 12.8%. This reduction is to be distributed among all health occupation boards according to the turnover experience of each board.	7,269 GF 356,176 SF	

Total Reductions	363,445	0
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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	93.00	93.00		0.00
General Fund	247,619	240,350 247,619	7,269 0	
Special Fund	9,299,980	8,943,804 9,299,980	356,176 0	
Total Funds	9,547,599	9,184,154 9,547,599	363,445 0	

Amendment No. 43

M00A

M00A01.06 State Board of Physicians

Strike the following language:

~~, provided that \$109,000 in special funds for contractual employment by the Board of Physicians may not be expended for that purpose and may only be used to fund health insurance and retirement benefits associated with converting contractual positions to regular positions.~~

~~**Explanation:** In the sunset review, the Board of Physicians agreed with the Department of Legislative Services recommendation to limit the use of contractual employment and request contractual conversions. Instead, for fiscal 2007, the Board of Physicians requested no contractual conversions and 2.5 additional full time contractual equivalents (FTEs). The language restricts \$109,000 in funding included in the budget for the 2.5 new contractual employees to fund health insurance and retirement benefits associated with the conversion of 8 contractuales to regular positions.~~

Amendment No. 44

Committee Narrative

Personnel Adequacy at Health Occupation Boards: The committees are concerned that the health occupation boards are unable to attract and retain qualified individuals, and in particular skilled investigators. The committees believe that this issue is systemic across all of the health occupations boards, and impedes the ability of the boards from carrying out their principal investigative duties.

The committees request the Departments of Health & Mental Hygiene (DHMH) and Budget & Management (DBM) undertake a comprehensive review of the current level of personnel available to each of the health occupation boards, including the adequacy of current job classifications for investigative positions, compared to investigative caseloads. The departments should report findings and recommendations to the committees, the House Health & Government Operations Committee, and the Senate Education, Health & Environmental Affairs Committee by October 1, 2006.

<i>Information Request</i>	<i>Authors</i>	<i>Due Date</i>
<i>Personnel adequacy at health occupation boards</i>	<i>DHMH DBM</i>	<i>October 1, 2006</i>

M00C
Department of Health and Mental Hygiene
Deputy Secretary for Operations

Budget Amendments

DEPUTY SECRETARY FOR OPERATIONS

M00C01.04 General Services Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for commemorative birth certificates. The Division of Vital Records issues a commemorative birth certificate. This reduction is based on actual sales. If sales exceed the current level, the department may process a budget amendment to account for the increase in special funds.	30,000 SF	
Total Reductions	30,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	74.50	74.50		0.00
General Fund	3,598,489	3,598,489	0	
Special Fund	60,000	30,000	30,000	
Federal Fund	3,667,299	3,667,299	0	
Total Funds	7,325,788	7,295,788	30,000	

M00F01
Department of Health and Mental Hygiene
Deputy Secretary for Public Health Services

Budget Amendments

DEPUTY SECRETARY FOR PUBLIC HEALTH SERVICES

M00F01.01 Executive Direction

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for resident grievance contracts based on the last two years of actual expenditures. Expenditures on resident grievance contracts (used to provide independent legal representation to residents of State psychiatric hospitals and State residential centers) dropped significantly in fiscal 2005. The number of requests for grievance services as well as actual grievances filed has fallen in recent years, reflecting a lower institutional population.	25,000	GF

Total Reductions	25,000	0.00
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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	21.00	21.00		0.00
General Fund	2,901,650	2,876,650	25,000	
Total Funds	2,901,650	2,876,650	25,000	

M00F02
Department of Health and Mental Hygiene
Community Health Administration

Committee Narrative

M00F02.03 Community Health Services

***Tick-borne Infections:** The committees are concerned about the prevalence of Lyme disease throughout the State. Therefore the committees request that the Department of Health and Mental Hygiene's Community Health Administration (CHA) educate Maryland physicians and other healthcare providers on the state-of-the-art diagnosis and treatment of tick-borne infections including Lyme disease. In addition, the committees request that CHA develop and distribute educational materials for the citizens of Maryland as to the risk of tick-borne infections, prevention of infection, and identification of signs and symptoms of infection. This must include young and school aged children as a high risk group.*

M00F03
Department of Health and Mental Hygiene
Family Health Administration

Budget Amendments

FAMILY HEALTH ADMINISTRATION

M00F03.02 Family Health Services and Primary Care

Add the following language to the general fund appropriation:

, provided that \$50,000 of this appropriation made for the purposes of contractual employment in the Family Health Administration may only be expended to support the Maryland P3 Diabetes Management Project in Allegany County.

Explanation: *The language restricts \$50,000 of the contractual employment appropriation in the Family Health Administration for the Maryland P3 Diabetes Management Project in Allegany County.*

Amendment No. **45**

Committee Narrative

Family Planning Program: It is the intent of the committees that the fiscal 2008 budget for the Department of Health and Mental Hygiene's Family Health Administration shall include an additional \$500,000 for the Family Planning Program. The committees are concerned that the funding level for family planning activities such as gynecology exams, prevention of sexually transmitted diseases, prevention of cervical cancer, and medical evaluation for birth control methods is insufficient.

M00F03.06 Prevention and Disease Control

Office of Minority Health and Health Disparities: *It is the intent of the committees that the Department of Health and Mental Hygiene's Family Health Administration shall increase funding for the Office of Minority Health and Health Disparities to \$1,000,000 beginning in fiscal 2008. This additional funding shall be used to provide grants to community-based organizations and historically black colleges and universities to conduct research, demonstration, and evaluation projects for targeted at-risk racial and ethnic minority populations and to support ongoing community-based programs that are designed to reduce or eliminate racial and ethnic health disparities in the State.*

M00F04
Department of Health and Mental Hygiene
AIDS Administration

Budget Amendments

Add the following language:

It is the intent of the General Assembly that no rebate funds from the Maryland AIDS Drug Assistance Program (MADAP) will be recognized as general fund revenue without explicit approval by the federal Department of Health and Human Services.

Explanation: The fiscal 2007 allowance changes the accounting of the MADAP drug rebate funds. Instead of the drug rebate going back to the AIDS Administration, the drug rebate will go into the State's general fund. There is some disagreement about whether the drug rebates earned through federal fund expenditures are able to be redirected to the general fund and spent on other purposes. This language asks the department to verify with the federal government that this accounting change is permissible under the MADAP regulations.

Add the following language:

It is the intent of the General Assembly that the Department of Health and Mental Hygiene develop a plan to transition the HIV reporting system to a name-based system:

- (1) if federal legislation is enacted that would lead to the reduction of federal Ryan White Funds to Maryland if the State does not transition to name-based reporting for HIV reports; or
- (2) if under the authority of Title 42 Chapter 6A-33 of the United States Code, the federal Department of Health and Human Services notifies the State of an impending reduction in Ryan White Funds, due to the lack of a name-based HIV surveillance system.

The plan shall be developed in consultation with stakeholders, including people with HIV and AIDS, service providers, and advocates.

Explanation: The language expresses the General Assembly's intent that the Department of Health and Mental Hygiene develop a transition plan in the event that the State is required to use a name-based reporting system for HIV reports in order to receive Ryan White funds.

Amendment No. 46

M00F04

M00F04.01 AIDS Administration

Amend the following language:

, provided that \$1,700,000 of this appropriation for unspecified direct services may not be expended until:

- (1) all 33 remaining Maryland Institute for Policy Analysis and Research (MIPAR) positions are transitioned into permanent positions within the AIDS Administration; and
- (2) the AIDS Administration submits a report to the budget committees detailing how the funds will be spent and the budget committees have 45 days from the receipt of the report to review and comment.

Explanation: The fiscal 2007 allowance terminated the Maryland Institute for Policy Analysis and Research (MIPAR) contract and instead of removing the funds from the AIDS Administration's budget, allocated the \$1.7 million for unspecified direct services. ~~The language withholds the funds until 33 positions currently working under the MIPAR contract are converted to regular positions.~~ Also, the funds are further restricted pending the receipt of a report providing a plan for how the funds will be spent on direct services.

Information Request	Author	Due Date
Plan for spending \$1.7 million for direct services	AIDS Administration	45 days prior to expenditure of funds

Amendment No. 47

M00K
Department of Health and Mental Hygiene
Alcohol and Drug Abuse Administration

Budget Amendments

Amend the following language added to the general fund appropriation:

, provided that \$100,000 of this appropriation may not be expended until the Maryland State Drug and Alcohol Abuse Council, in consultation with the local drug and alcohol abuse councils, develops a formula for the allocation of all alcohol and drug abuse prevention and treatment funds distributed by the Alcohol and Drug Abuse Administration (ADAA) to local jurisdictions. Further, it is the intent of the General Assembly that such a formula be implemented to apply to all ADAA prevention and treatment funding distributed to local jurisdictions by fiscal 2010.

In developing this formula, consideration should be given to:

- (1) the need to equitably fund prevention and treatment services in all jurisdictions;
- (2) holding jurisdictions harmless from the impact of any developed formula;
- (3) properly accounting for the benefits that accrue from regional-based treatment provided by a single jurisdiction; and
- (4) ~~(2)~~ the funding necessary to appropriately phase-in the formula by fiscal 2010.

The Maryland State Drug and Alcohol Abuse Council shall report to the budget committees by ~~December 15, 2006~~ February 1, 2007 on the development of a funding formula and an implementation time-line. The committees shall have 45 days to review and comment.

Further provided that it is the intent of the General Assembly that fiscal 2009 prevention and treatment spending should be guided by a finalized State comprehensive two-year plan as called for in the Maryland State Drug and Alcohol Abuse Council September 9, 2005 report to Governor Robert L. Ehrlich, Jr. In turn, the plan should be guided by locally-determined priorities as developed in local plans by the local drug and alcohol councils.

Explanation: The language requires the Maryland State Drug and Alcohol Council to develop a formula for the distribution of funding provided to local jurisdictions for alcohol and drug abuse prevention and treatment. The language also expresses legislative intent as to when the formula should be implemented, *the need for a State comprehensive plan to guide prevention and treatment spending*, as well as adding a reporting requirement.

M00K

Information Request	Author	Due Date
Formula for the allocation of prevention and treatment funding distributed by ADAA to local jurisdictions	Maryland State Drug and Alcohol Abuse Council	December 15, 2006 February 1, 2007

Amendment No. **48**

M00K02.01 Alcohol and Drug Abuse Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce contractual employment spending to the fiscal 2005 actual.	40,000 SF	
2. Delete funding for the "Get the Message" program. The program is inconsistent with the Alcohol and Drug Abuse Administration's efforts to use model prevention programs as approved by the federal Substance Abuse and Mental Health Services Administration.	54,000 GF	
3. Reduce funding for prior year grant activity. The Alcohol and Drug Abuse Administration (ADAA) is required to estimate grant and contract settlements and to budget for settlements that it may make in a separate sub-program. In prior years, settlement activity was substantial because of ADAA's practice of over-awarding funds on the basis that not all funds would be spent. This practice has since ended, and closer attention is being paid to grant awards. This in turn should limit the amount of settlement activity. The reduction is based on ADAA's fiscal 2006 estimate of settlement activity. If settlement activity is higher, ADAA may process a budget amendment accordingly.	550,000 SF	
 Total Reductions	 644,000	 0.00

M00K

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	64.00	64.00		0.00
General Fund	82,725,893	82,671,893	54,000	
Special Fund	18,228,136	17,638,136	590,000	
Federal Fund	31,691,643	31,691,643	0	
Total Funds	132,645,672	132,001,672	644,000	

M00L
Department of Health and Mental Hygiene
Mental Hygiene Administration

Budget Amendments

Strike the following language:

~~It is the intent of the General Assembly that in fiscal 2008 and for subsequent fiscal years, the Department of Health and Mental Hygiene comply with Chapter 444, Acts of 2005 and fund services provided at the Regional Institutes for Children and Adolescents regardless of who provides those services. This will require the department to provide a grant to the Montgomery and Prince George's counties local education agencies for educational services provided at the facilities in Montgomery and Prince George's counties.~~

~~**Explanation:** As intended under Chapter 444, Acts of 2005, the Department of Health and Mental Hygiene was required to resume the funding of education services for residential students at the three State-run Regional Institutes for Children and Adolescents (RICAs) in fiscal 2007. While educational programming is being supported at RICA Baltimore, no funding was provided to support the cost of education provided to youth at RICA Southern Maryland or RICA Gildner by the Prince George's and Montgomery County local education agency (previously \$2 million in grant funding was included in the budget for this purpose). The language clarifies legislative intent.~~

Amendment No. 49

M00L01.01 Program Direction

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation may not be expended until the Mental Hygiene Administration provides a report to the budget committees detailing short-term and long-term solutions to the problem of overutilization of emergency rooms by persons with psychiatric illness. The report shall also include a clear articulation of the State versus private sector role in the provision of acute inpatient psychiatric services. If that articulated role involves a significant change to the current State or private sector role, the report should detail what is required to accomplish that change as well as a time-line for implementation. The Mental Hygiene Administration shall also detail the extent to which the solutions it proposes to ease emergency room overutilization by persons with psychiatric illness and the delivery system envisaged for acute inpatient psychiatric services is agreed to by all the appropriate providers and regulators. The Mental Hygiene Administration shall submit its report by December 1, 2006 and the budget committees shall have 45 days to review and comment.

M00L

Explanation: The public mental health system is based on a continuum of care whereby acute inpatient psychiatric care is provided by private psychiatric and acute general hospitals with the State psychiatric facilities providing longer-term inpatient services. The system also relies on various community-based services to prevent hospitalization as well as facilitate integration into the community after hospitalization. There is concern that this continuum of care is currently not working, resulting in overcrowding in emergency rooms. The language withholds funds until the Mental Hygiene Administration (MHA) report back to the committees on solutions to the problem of overutilization of emergency rooms by persons with psychiatric illness as well as providing a clear articulation of the State versus private sector role in the provision of acute inpatient psychiatric services.

Information Request	Author	Due Date
Report on solutions to emergency room overcrowding and an articulation of the State role in the provision of acute inpatient psychiatric services	MHA	December 1, 2006

M00L01.02 Community Services

	<u>Funds</u>	<u>Positions</u>
Reduce appropriation for the purposes indicated:		
1. <i>Reduce funds based on anticipated federal fund attainment under the primary care waiver. The Mental Hygiene Administration's fiscal 2007 budget was built assuming that services for 25% of its uninsured clients would become eligible for federal funding under the new primary care waiver. This level of savings understates existing eligibility for services under that waiver by over 20%.</i>	2,500,000	GF
<i>Total Reductions</i>	2,500,000	

M00L

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>Position</i>	2.00	2.00		0.00
<i>General Fund</i>	78,182,781	75,682,781	2,500,000	
<i>Special Fund</i>	31,119	31,119	0	
<i>Federal Fund</i>	25,194,236	25,194,236	0	
<i>Total Funds</i>	103,408,136	100,908,136	2,500,000	

Amendment No. **50**

M00L01.03 Community Services for Medicaid Recipients

Add the following language to the general fund appropriation:

provided that \$1,900,000 of this appropriation may only be used to offset the fiscal 2007 loss of federal matching funds for services provided at Institutions for Mental Diseases. If the State is able to retain the authority to fully claim federal matching funds under the Section 1115 waiver, these funds may not be transferred or expended for any other purpose but shall revert to the State general fund.

Explanation: Maryland is expected to lose the authority under its Section 1115 waiver to claim federal matching funds for certain services provided in Institutions for Mental Diseases. This authority will be phased-out over two years. The fiscal 2007 budget assumes only a partial match for these services rather than the full match attained by the State in the current fiscal year. However, the State and federal government continue to have conversations about this issue. The language provides that if the State is able to continue to receive current federal matching funds, \$1.9 million in general funds included in the fiscal 2007 budget to back-fill for the anticipated federal fund reduction shall revert to the general fund.

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds based on the availability of prior year accruals. The Statewide Review of Budget Closeout Transactions for Fiscal Year 2005 noted that the Mental Hygiene Administration (MHA) was accruing funds for claims received in fiscal 2006 but for services provided in fiscal 2005. This is a normal practice as Medicaid claims can be made up to nine months after the date of service. However, a review	7,000,000	GF

M00L

of the accrual level reveals that MHA overestimated general fund accruals by an estimated \$7 million. These funds may be used by MHA to offset fiscal 2007 expenses.

Total Reductions 7,000,000 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	257,865,346	250,865,346	7,000,000	
Federal Fund	220,223,199	220,223,199	0	
Total Funds	478,088,545	471,088,545	7,000,000	

Committee Narrative

Evidence-based Treatment: The committees are encouraged that the fiscal 2007 budget is intended to provide incentives to community mental health providers to implement evidence-based practices in three areas: Assertive Community Treatment, supported employment, and family psycho-education. Further, it is the intent of the committees that the Mental Hygiene Administration (MHA) maximize the use of evidence-based practices. Thus, the committees request MHA report back to them by November 1, 2006 with:

- an inventory of services provided by MHA through both the community mental health fee-for-service system and grants and contracts to the Core Service Agencies;
- detail on for which of those services evidence-based practices are currently available; and
- a time-table for maximizing the use of evidence-based practices.

Information Request	Author	Due Date
Maximizing the use of evidence-based practices	MHA	November 1, 2006

M00L

Committee Narrative

Movement of Forensic Patients: *The committees are concerned about the movement of forensic patients into and out of State psychiatric hospitals. The committees request the Mental Hygiene Administration (MHA) and the Judiciary jointly report on:*

- *the estimated demand for forensic placements in State psychiatric hospitals;*
- *a detailed analysis of forensic patient lengths-of-stay at State psychiatric hospitals;*
- *barriers to appropriate movement of patients from State psychiatric beds back to the courts;*
- *programs to divert individuals with mental illness from contact with the criminal justice system; and*
- *any other initiatives that would facilitate the movement of the forensic population between the two systems.*

<i>Information Request</i>	<i>Authors</i>	<i>Due Date</i>
<i>Movement of forensic patients</i>	<i>MHA Judiciary</i>	<i>October 1, 2006</i>

M00Q
Department of Health and Mental Hygiene
Medical Care Programs Administration

Budget Amendments

M00Q01.03 Medical Care Provider Reimbursements

Add the following language:

All appropriations provided for the program M00Q01.03 are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose.

Explanation: The language restricts funds for Medicaid provider reimbursements to that purpose.

Add the following language:

It is the intent of the General Assembly that the Department of Health and Mental Hygiene reimburse medically based child care centers that participate in the Maryland Medical Assistance Program for care provided to Program recipients at a per diem rate of at least \$80.

Explanation: The language expresses the intent of the General Assembly that per diem rates for medically based child care centers be increased from \$70 to at least \$80.

Strike the following language:

~~It is the intent of the General Assembly that the Department of Health and Mental Hygiene (DHMH) continue to work with managed care entities and other healthcare providers to: (1) identify Medicaid enrollees at risk for chronic kidney disease (CKD) through routine clinical laboratory assessments of kidney function; (2) evaluate those individuals through the use of a serum creatinine test and an estimated glomerular filtration rate (GFR) calculation to identify the stage of kidney disease; and (3) determine if early identification and appropriate management of risk factors can improve health conditions and prolonged kidney function, thereby delaying disease progression to End Stage Renal Disease. DHMH shall also continue to prepare information for physicians and other health care providers regarding generally accepted standards of clinical care in the clinical management of high risk individuals and shall report to the budget committees by January 1, 2007 on projected cost savings and health outcomes that result from early identification and clinical management of individuals at highest risk for CKD.~~

~~**Explanation:** Fiscal 2005 budget language directed the Department of Health and Mental Hygiene (DHMH) to establish a plan to identify and evaluate individuals at highest risk for chronic kidney disease in order to delay disease progression and onset of end stage renal disease. The intent of the language was to determine whether early identification and clinical management of chronic kidney disease among Medicaid participants will result in better health~~

M00Q

~~outcomes and cost savings by reducing hospitalizations and ultimately the need for renal replacement therapy to sustain life. DHMH has designed a HealthChoice chronic kidney disease performance improvement project to identify enrollees with impaired renal function prior to a diagnosis of end stage renal disease and HealthChoice enrollees that are at increased risk of developing chronic kidney disease. This language directs DHMH to continue that project.~~

Information Request	Author	Due Date
Report on potential savings and improved health outcomes resulting from early identification and management of individuals at high risk of chronic kidney disease	DHMH	January 1, 2007

Amendment No. 51

Add the following language:

It is the intent of the General Assembly that rates paid to Medicaid managed care organizations (MCOs) be adequate and actuarially sound under Section 15-103 of the Health-General Article and remain actuarially sound after any mid-year adjustment. Inpatient hospital costs represent a significant portion of the costs incurred by MCOs, and such costs shall be reflected in the rates paid to MCOs. The Department of Health and Mental Hygiene (DHMH) and the Health Services Cost Review Commission shall jointly analyze and report back to the budget committees before July 1, 2006, on whether:

- (1) the rates paid to MCOs for the calendar years 2004 and 2005 reflected the actual inpatient hospital charge-per-case trend applicable to MCOs, and if not, the amount of any shortfall;
- (2) the rates to be paid to MCOs for the calendar year 2006 adequately reflect the actual inpatient hospital charge-per-case trend applicable to MCOs, and if not, the amount of any shortfall; and
- (3) DHMH has complied with the requirements of COMAR 10.09.65.19(D) for the calendar years 2004, 2005, and 2006 relating to interim adjustments to MCO rates based on increases in the statewide hospital charge-per-case.

Explanation: The language requires DHMH and the Health Services Cost Review Commission to study and report back to the budget committees on whether MCO rates are fully recognizing the inpatient hospital charge-per-case.

M00Q

Information Request	Author	Due Date
Report on MCO rates	DHMH	July 1, 2006

Strike the following language added to the general fund appropriation:

~~Further provided that \$380,000 of this appropriation may not be expended for any program or purpose except that the funds may be expended to provide medical day care providers with the annual per diem rate adjustment set forth in COMAR 10.09.07.09(D).~~

Strike the following language added to the federal fund appropriation:

~~, provided that \$380,000 of this appropriation may not be expended for any program or purpose except that the funds may be expended to provide medical day care providers with the annual per diem rate adjustment set forth in COMAR 10.09.07.09(D).~~

Explanation: ~~The inflationary increase for adult medical day services is reduced by one third in the Governor's fiscal 2007 allowance despite rising costs to providers. The fiscal 2007 Department of Health and Mental Hygiene Budget Overview shows that adult medical day providers have only received an average increase of 1.8% from fiscal 2002-2006, which has not kept up with medical inflation. This language would restore the full inflationary increase for fiscal 2007.~~

Amendment No. 52

Strike the following language added to the general fund appropriation:

~~Further provided that \$477,500,000 of this appropriation may not be expended for any program or purpose except that the funds may be used for payments to nursing homes.~~

Strike the following language added to the federal fund appropriation:

~~Further provided that \$477,500,000 of this appropriation may not be expended for any program or purpose except that the funds may be used for payments to nursing homes.~~

Explanation: ~~The language restricts funds for nursing home payments. The restricted amount exceeds the allowance for nursing homes by \$10 million (\$5 million of general funds and \$5 million of federal funds) to partially offset the impact of the \$36 million in cost containment proposed in the allowance. The additional funding will result in a 5.2% rate increase for nursing homes compared to the 4.1% increase assumed in the allowance.~~

Amendment No. 53

M00Q

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funds to recognize savings from changes in federal law. Federal budget reconciliation legislation enacted in January will produce Medicaid savings by reducing payments to pharmacies, closing loopholes that allow nursing home residents to shelter assets, and changing the start of the penalty period from the date of any below market value asset transfer to the date of Medicaid application.	5,000,000	GF
	5,000,000	FF
2. Reduce funds for Medbank. The State has provided operating grants to Medbank since fiscal 2002. The amount of the grant has declined gradually reflecting the State's desire for Medbank to become self-sufficient over time. In fiscal 2005, Medicare beneficiaries represented about half of the people receiving assistance in obtaining prescription drugs through Medbank. In fiscal 2007, Medicare eligible individuals will qualify for the Medicare prescription drug benefit and should no longer require Medbank's assistance. As a result, Medbank will serve fewer people and should be able to reduce its operating expenses. The reduction still provides Medbank with a \$350,000 grant from the State, half the amount provided in fiscal 2006.	150,000	GF
3. Reduce funding for state clawback payment. The proposed fiscal 2007 State budget includes \$101.4 million for this payment including portions designated for calendar 2006 and 2007. The Department of Health and Human Services (HHS) recently provided updated calendar 2006 clawback payments; and Maryland's share of the clawback is \$83.3 million, \$8.9 million less than originally estimated. A similar reduction is also expected for calendar 2007 allowing for the full \$8.9 million reduction in fiscal 2007. This reduction will align the State Medical Care Programs Administration budget with the revised HHS figure.	8,900,000	GF
Total Reductions	19,050,000	
	18,900,000	

M00Q

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	2,117,093,724	2,103,043,724 2,103,193,724	14,050,000 13,900,000	
Special Fund	150,947,878	150,947,878	0	
Federal Fund	2,184,981,430	2,179,981,430	5,000,000	
Total Funds	4,453,023,032	4,433,973,032 4,434,123,032	19,050,000 18,900,000	

Amendment No. **54**

M00Q01.04 Office of Health Services

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation is contingent upon the Department of Health and Mental Hygiene (DHMH) submitting a report to the budget committees by November 30, 2006 on the number of medical day care applicants and recipients denied initial admission or continuing eligibility; the number of initial or continuing stay denials that affected persons with a psychiatric diagnosis, developmental disability, or brain injury; the number of appeals and the outcome of those appeals; and the number of individuals denied care who later received services through a nursing facility, medical day care provider, inpatient hospital stay, agency licensed by the Developmental Disabilities Administration, or the Mental Hygiene Administration. The report shall cover the period from October 1, 2005 through September 1, 2006.

Explanation: The language requests a report on the number of people seeking medical day care who are denied initial admission or continuing eligibility. Information is also requested on the number of people denied access to medical day care who subsequently receive services through medical day care, hospitals, nursing homes, providers licensed by the Developmental Disabilities Administration, or the Mental Hygiene Administration.

Information Request	Author	Due Date
Report on medical day care eligibility	DHMH	November 30, 2006

M00Q

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete funding for two new positions. These positions were created to implement the specialty care expansion of the new Adult Primary Care Program. Chapter 280, Acts of 2005 required the Department of Health and Mental Hygiene (DHMH) to apply for an amendment to its Primary Care Program waiver to include specialty care services, although it did not require the implementation of those services. DHMH applied for the waiver; however, the Centers for Medicare and Medicaid Services approval is still pending. Furthermore, the fiscal 2007 allowance does not include funding to implement the specialty care services.	40,721 GF 45,919 FF	2.00
Total Reductions	86,640	2.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	183.80	181.80		2.00
General Fund	10,606,465	10,565,744	40,721	
Special Fund	15,000	15,000	0	
Federal Fund	7,451,429	7,405,510	45,919	
Total Funds	18,072,894	17,986,254	86,640	

M00Q01.05 Office of Planning, Development and Finance

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for payment error rate measurement eligibility reviews. Fiscal 2007 is the first year the department will fully participate in the Payment Error Rate Measurement Program. The Centers for Medicare and Medicaid Services will require the department to conduct approximately 100 eligibility reviews per month in fiscal 2007. The department had originally estimated \$1.2 million to conduct 400 eligibility reviews. The reduction in funding recognizes the savings from conducting 100 eligibility reviews per month vs. 400.	165,375 GF 172,125 FF	
Total Reductions	337,500	0.00

M00Q

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	85.00	85.00		0.00
General Fund	3,858,316	3,692,941	165,375	
Federal Fund	4,291,293	4,119,168	172,125	
Total Funds	8,149,609	7,812,109	337,500	

Committee Narrative

Encouraging Healthy Behavior and Proper Utilization of Services: The committees find that the design of Maryland's Medicaid program fails to encourage healthy behavior and discourage inappropriate utilization of care. For example, Maryland Medicaid beneficiaries are far more likely than other residents to make an emergency room visit that does not culminate with an in patient stay. The committees note that other states are exploring the use of health savings accounts and higher beneficiary cost sharing to change behavior and generate program savings. While the specific reforms proposed elsewhere may not be appropriate for Maryland, the committees encourage the Department of Health and Mental Hygiene (DHMH) to explore potential innovations aimed at changing enrollee behavior. The committees direct DHMH to study methods for rewarding Medicaid enrollees who engage in healthy behaviors; the feasibility of establishing a health savings account through which enrollees can access rewards earned; and the potential impact of additional cost sharing on enrollee health. An analysis of the fiscal implications of the options examined should be included in the study. The report shall be submitted by December 1, 2006.

Information Request	Author	Due Date
Report on encouraging appropriate utilization of care and healthy behavior	DHMH	December 1, 2006

M00Q

Purchasing Prescription Drugs in the Most Cost Effective Manner: Since the advent of HealthChoice, managed care organizations (MCOs) have been responsible for purchasing most prescription drugs for their enrollees. The State has retained responsibility for purchasing mental health drugs for HealthChoice participants and all prescription drugs for Medicaid enrollees who are not enrolled with an MCO. The decision to include most prescription drugs in the managed care program was made years before the State developed a preferred drug list; pursued supplemental rebates from manufacturers; joined a multi-State purchasing initiative; and significantly reduced pharmacy payment rates. With significant fee-for-service cost containment measures now in place, the State may wish to re-examine the benefits of a prescription drug carve-out. The committees direct the Department of Health and Mental Hygiene (DHMH) to study whether the State could achieve additional savings through a prescription drug carve-out, while ensuring care will be maintained for State Medicaid recipients. The department shall submit to the legislature a report on the effects of a change to the current prescription drugs program on continuity of care, quality of care and the cost effectiveness of a prescription drugs carve out on overall treatment patterns. The report shall be conducted in consultation with the State's contracted Medicaid managed care organizations, health care providers, pharmacists and case managers, with special focus on those individuals with chronic conditions and those individuals (including children and the aged) with special health care needs. The report shall include at a minimum:

- (1) the cost of program development and operation;
- (2) additional burdens on providers, patients and managed care organizations associated with care coordination, including obtaining prior authorization;
- (3) expected incidence of patient treatment non-compliance due to a changed benefit design;
- (4) estimated patient health outcome improvements from a prescription drug carve-out;
- (5) estimated health cost savings from a prescription drug carve-out;
- (6) a separate evaluation of the effect on patients being treated for mental illness; and

~~the impact of the changed recipient population demographics due to the new federal Medicare Part D Prescription Benefit.~~ The department should report its findings to the committees by December 1, 2006.

Information Request	Author	Due Date
Study on the potential savings from carving-out prescription drugs	DHMH	December 1, 2006

M00R
Department of Health and Mental Hygiene
Health Regulatory Commissions

Budget Amendments

M00R01.01 Maryland Health Care Commission

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. Delete <i>Reduce</i> funds and delete associated position (PIN NEW005) for the State Public Sector Health Policy Center. Long term State public health sector policy planning should be done within existing resources. The three initial priorities include addressing rising health care costs, innovations in Medicaid policies and programs, and long term care. The Medical Care Programs Administration within the Department of Health and Mental Hygiene has been actively pursuing ways to contain rising health care costs including the creation of the new CommunityChoice and Adult Primary Care programs. Medicaid has also implemented innovative programs such as the Employed Persons with Disabilities Program that allows disabled people to earn a higher income but still qualify for Medicaid. Creating a new Policy Center to research policy areas currently studied by the Medical Care Programs Administration seems redundant and therefore unnecessary. This reduction provides a \$100,000 appropriation.	500,000	GF	1.00
	400,000	GF	
 Total Reductions	 500,000 400,000		 1.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	65.30	64.30		1.00
General Fund	500,000	0 100,000	500,000 400,000	
Special Fund	19,664,920	19,664,920	0	
Total Funds	20,164,920	19,664,920 19,764,920	500,000 400,000	

Amendment No. **55**

N00A
Department of Human Resources

Budget Amendments

Add the following language:

It is the intent of the General Assembly that the Secretary of Human Resources shall adopt new regulations to publicize and implement the provisions of Section 5-641 of the Courts and Judicial Proceedings Article (Maryland Safe Haven Act) throughout the State, concerning persons who leave an unharmed newborn with a responsible adult under circumstances providing immunity from liability under the Maryland Safe Haven Act.

Explanation: This language instructs the Department of Human Resources to publicize the Maryland Safe Haven Act.

OFFICE OF THE SECRETARY

N00A01.01 Office of the Secretary

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce telephone costs in the Office of Communications. With the reduction, the Office of Communications will experience a more than 100% increase from the fiscal 2005 actual expenditure.	132,719	GF 88,479 FF
2. Reduce funding for in-state travel. The fiscal 2007 allowance increases the funding for this subobject by 75%. With the reduction to the allowance, the object experiences a 20% increase from the fiscal 2005 actual.	30,037	GF 19,828 FF
3. Delete funding for contractual support in the Department of Human Resources' administrative offices. The need for this contractual support has not been expressed, and there are regular positions that have been vacant for more than 12 months.	15,918	GF 10,511 FF
Total Reductions	297,492 247,627	

N00A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	112.00	112.00		0.00
General Fund	6,052,679	5,874,005 5,904,042	178,674 148,637	
Federal Fund	3,996,583	3,877,765 3,897,593	118,818 98,990	
Total Funds	10,049,262	9,751,770 9,801,635	297,492 247,627	

Amendment No. **56**

N00E
Department of Human Resources
Operations Office

Budget Amendments

OPERATIONS OFFICE

N00E01.01 Division of Budget, Finance and Personnel

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete funding for contractual support in the Department of Human Resources' administrative offices. The need for this contractual support has not been expressed, and there are regular positions that have been vacant for more than 12 months.	33,115 GF 19,354 FF	
 Total Reductions	 52,469	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	164.00	164.00		0.00
General Fund	9,507,737	9,474,622	33,115	
Federal Fund	5,636,467	5,617,113	19,354	
Total Funds	15,144,204	15,091,735	52,469	

N00E01.02 Division of Administrative Services

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete funding for contractual support in the Department of Human Resources' administrative offices. The need for this contractual support has not been expressed, and there are regular positions that have been vacant for more than 12 months.	15,897 GF 10,532 FF	
 Total Reductions	 26,429	 0.00

N00E

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	64.00	64.00		0.00
General Fund	4,391,070	4,375,173	15,897	
Federal Fund	4,130,018	4,119,486	10,532	
Total Funds	8,521,088	8,494,659	26,429	

N00F
Department of Human Resources
Office of Technology for Human Services

Budget Amendments

N00F00.04 General Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for in-state travel. The fiscal 2007 allowance increases the funding for this subobject by 75%. With the reduction to the allowance, the object experiences a 20% increase from the fiscal 2005 actual.	34,353 GF 31,712 FF	
2. Reduce enhancement and maintenance costs for Maryland Children's Electronic Social Services Information Exchange (MD-CHESSIE). Since full implementation of MD-CHESSIE will not occur until November 2006, enhancement and maintenance costs for MD-CHESSIE are not needed for the first half of fiscal 2007. This reduction still leaves almost \$3,000,000 in the allocation for enhancements and maintenance.	1,035,000 GF 465,000 FF	
Total Reductions	1,566,065 0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	118.50	118.50		0.00
General Fund	25,518,117	24,448,764 25,518,117	1,069,353 0	
Special Fund	438,940	438,940	0	
Federal Fund	32,148,442	31,651,730 32,148,442	496,712 0	
Total Funds	58,105,499	56,539,434 58,105,499	1,566,065 0	

Amendment No. **57**

N00F

Committee Narrative

Status Reports on the Implementation of the Maryland Children's Electronic Social Services Information Exchange (MD CHESSIE): The committees would like to monitor the Department of Human Resources' (DHR) implementation of MD CHESSIE. As such, DHR should submit two status reports to the committees following the implementation of phase I and phase II of MD CHESSIE. DHR should submit the first status report on July 1, 2006, and this report should cover the implementation of MD CHESSIE in Harford County. The second report should cover phase II of MD CHESSIE, and the report should be submitted the earlier of 30 days following the completion of phase II or November 1, 2006.

Information Request	Author	Due Date
Status reports on implementation of MD CHESSIE	DHR	July 1, 2006 The earlier of 30 days following completion of phase II or November 1, 2006

N00G
Department of Human Resources
Local Department Operations

Budget Amendments

LOCAL DEPARTMENT OPERATIONS

N00G00.01 Foster Care Maintenance Payments

Add the following language:

Provided that all appropriations provided for Program N00G00.01 Foster Care Maintenance Payments are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to program N00G00.03 Child Welfare Services.

Explanation: This language restricts funds appropriated for foster care payments to that use only or for transfer to N00G00.03 Child Welfare Services which is where child welfare caseworker positions are funded.

N00G00.03 Child Welfare Services

Add the following language:

Provided that all appropriations provided for program N00G00.03 Child Welfare Services are to be used only for the purposes herein appropriated, and there shall be no budgetary transfer to any other program or purpose except that funds may be transferred to program N00G00.01 Foster Care Maintenance Payments.

Explanation: This language restricts funds appropriated for child welfare services to that use only or for transfer to N00G00.01 Foster Care Maintenance Payments.

Amend the following language added to the general fund appropriation:

, provided that \$2,000,000 of this appropriation may not be expended until:

- (1) the Department of Human Resources (DHR) contracts with the Child Welfare League of America for technical assistance in developing a methodology for calculating child welfare case-to-worker ratios that conforms to best practices including, but not limited to, accounting for employee leave usage and training requirements when calculating the number of hours per month child welfare caseworkers and supervisors can devote to casework;
- (2) DHR develops a procedure for applying the methodology for calculating case-to-worker ratios that is verifiable, conforms to generally accepted accounting procedures, and addresses the problems identified in the legislative performance audit report issued

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N00G

December 2005 regarding the comprehensiveness and accuracy of the underlying data used to calculate the required number of worker and supervisor positions;

- (3) DHR provides a report to the budget committees by September 1, 2006 that:
- (a) describes the methodology that was developed with the help of the Child Welfare League of America;
 - (b) describes the procedures that will be used for calculating the number of workers and supervisors required to meet the staffing ratios recommended by the Child Welfare League of America;
 - (c) lists, by jurisdiction:
 - (i) the number of filled child welfare caseworker and supervisor positions that would be required to meet the Child Welfare League of America's staffing guidelines using the new methodology;
 - (ii) the number of authorized positions; and
 - (iii) the number of filled positions as of July 1, 2006; and
- (4) the budget committees have reviewed and commented on the report or 45 days have elapsed from the date the committees received the report.

Further provided that ~~\$2,000,000~~ \$1,000,000 of this appropriation may not be expended unless DHR has on December 1, 2006, at least the lesser of:

- (1) 1,941 filled caseworker and supervisor positions; or
- (2) filled caseworker and supervisor positions equal to the number required to achieve the Child Welfare League of America's staffing guidelines using the new methodology as reported pursuant to (3)(c)(i) above.

Further provided that \$1,000,000 of this appropriation may not be expended unless DHR has on March 1, 2007, at least the lesser of:

- (1) 1,941 filled caseworker and supervisor positions; or
- (2) filled caseworker and supervisor positions equal to the number required to achieve the Child Welfare League of America's staffing guidelines using the new methodology as reported pursuant to (3)(c)(i) above.

It is the intent of the General Assembly that DHR increase as quickly as possible the number of filled child welfare caseworker and supervisor positions in order to attain the case-to-worker ratios recommended by the Child Welfare League of America.

N00G

Explanation: A legislative audit of the manner in which DHR was calculating the needed filled child welfare caseworker and supervisor positions to meet the Child Welfare League of America (CWLA) standards revealed that DHR was underestimating the number of staff by failing to account for staff leave usage and scheduled training. This language restricts funding until DHR consults with CWLA to develop a methodology for calculating case-to-worker ratios that conforms to best practices, and develops a procedure for applying the case-to-worker ratios that is verifiable and adheres to generally accepted accounting procedures. The language requires DHR to report to the budget committees on the methodology, procedure for calculating, and the number of filled positions required to meet the CWLA using the new methodology and calculation procedure.

~~An additional amount of Additional~~ funding is withheld unless DHR has on December 1, 2006 and March 1, 2007, the lesser of 1,941 filled caseworker and supervisor positions or the number that would be required to meet the CWLA standards using the new methodology and calculation procedures. The target of 1,941 filled positions was derived by adding to the January 1, 2006, target of 1,863 (which does not take leave usage into account), half the number of additional caseworker and supervisor positions that the legislative audit indicates would be a conservative estimate of the additional number of positions that would be needed if leave usage is factored into the calculation (65 additional caseworkers and 13 additional supervisors.)

Information Request	Author	Due Date
Report Reports on new methodology and procedure to be used for calculating the number of filled positions required to meet the CWLA guidelines, and the number of authorized and filled positions as of July 1, 2006	DHR	September 1, 2006

Amendment No. **58**

N00G00.05 General Administration

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce appropriation for consulting expenses and legal fees to be level funded with the working appropriation for fiscal 2006 and a 40% increase over the actual for fiscal 2005.	109,032 GF 133,261 FF	
Total Reductions	242,293	0.00

N00G

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	527.00	527.00		0.00
General Fund	22,010,407	21,901,375	109,032	
Special Fund	3,557,555	3,557,555	0	
Federal Fund	18,676,706	18,543,445	133,261	
Total Funds	44,244,668	44,002,375	242,293	

N00G00.09 Purchase of Child Care

Strike the following language:

~~Provided that the funds budgeted in this program may only be expended for the purposes appropriated and may not be transferred by budget amendment or otherwise to any other program or purpose.~~

~~**Explanation:** Purchase of Care funding has been used in the past to cover shortfalls in other areas of the Department of Human Resources' budget. This language restricts the funds budgeted for child care subsidies to that purpose only.~~

Amendment No. **59**

N00H
Department of Human Resources
Child Support Enforcement Administration

Budget Amendments

Add the following language:

It is the intent of the General Assembly that the insourcing initiative be discontinued by the close of fiscal 2007. The General Assembly encourages the Governor to address the staffing needs of local child support enforcement offices by creating additional positions through the Board of Public Works or requesting new positions at the 2007 Session.

Explanation: The General Assembly finds that staffing local child support offices on a long-term basis with a combination of State employees and employees hired and paid by a private contractor is not appropriate. The language encourages the Governor to address the long-term need for additional staff in local child support enforcement offices by requesting additional positions.

Amendment No. **60**

N00H00.08 Support Enforcement – State

Add the following language to the general fund appropriation:

, provided that \$1,000,000 of this appropriation shall not be expended until the Child Support Enforcement Administration submits a report by November 1, 2006 to the budget committees providing the status of the implementation of the May 2005 recommendations of the Office of Legislative Audits, and specifically detailing the resolution of the \$2,100,000 of unreconciled funds from the central bank disbursement account.

Explanation: The General Assembly requests a status report detailing the implementation of the recommendations from the audit of the Child Support Enforcement Administration released May 2005. As of February 2006, CSEA had initiated at least some corrective action on all 11 findings reviewed in the follow up. The department should submit a report detailing the status of implementing the audit recommendations. The committees are particularly concerned with CSEA's inability to reconcile the \$2.1 million unreconciled difference and would like to department to specifically report on the disposition of funds.

Information Request	Author	Due Date
Status report on implementation of audit recommendations.	DHR	November 1, 2006

Amendment No. **61**

N00H

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for the in-sourcing initiative. The contract for the in-sourcing initiative will not be signed until June 2006, which means the \$2.2 million allocated in fiscal 2006 for the in-sourcing initiative will not be expended in fiscal 2006 and can be encumbered to pay for fiscal 2007 services. The fiscal 2007 allowance also includes funds to cover the costs of the in-sourcing initiative in fiscal 2007.	748,000 GF 748,000 SF 1,452,000 FF	
Total Reductions	2,200,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	88.50	88.50		0.00
General Fund	4,375,440	3,627,440 4,375,440	748,000 0	
Special Fund	9,056,451	9,056,451 8,308,451	748,000	
Federal Fund	39,756,530	38,304,530	1,452,000	
Total Funds	53,188,421	50,988,421	2,200,000	

Amendment No. **62**

Committee Narrative

Cost-effectiveness of Child Support: The committees are concerned about the future of child support in the State. The committees request that the Department of Human Resources (DHR) provide a report on the cost-effectiveness of child support programs throughout the State with specific attention toward the cost-effectiveness of privatization.

Information Request	Author	Due Date
Report on the cost-effectiveness of child support	DHR	October 1, 2006

N001
Department of Human Resources
Family Investment Administration

Budget Amendments

FAMILY INVESTMENT ADMINISTRATION

N00I00.04 Director's Office

Amend the following language added to the general fund appropriation:

, provided that \$1,000,000 of this appropriation may not be expended until:

- (1) the Department of Human Resources submits a report to the budget committees by August 1, 2006 that:
- (a) summarizes the regulatory changes made by the U.S. Department of Health and Human Services to implement the reauthorization of the Temporary Assistance for Needy Families (TANF) program;
 - (b) details the policy, administrative, and regulatory changes it has made or intends to make in response to the reauthorization of TANF;
 - (c) indicates how the department intends to deal with potential federal penalties given the changes in TANF including but not limited to consideration of the following strategies:
 - (i) increasing work activity rates among temporary cash assistance recipients through broader work activity requirements, stricter enforcement and more rapid sanctions, use of work-experience slots for recipients unable to find work, and the elimination of eligibility for recipients who do not meet Family Investment Program requirements;
 - (ii) moving former Family Investment Program working families into the work participation rate by providing assistance to support these families as they leave welfare and make the transition from welfare to work; and
 - (iii) moving current Family Investment Program families with parents who may be unable to work because of disability, or family circumstances, out of the Family Investment Program while still providing these families with State benefits; and
 - (d) explains how it intends to address populations currently being served in State Only Programs that will be included in the work participation rate calculation under the new TANF provisions; and

N001

- (2) the committees have reviewed and commented on the report or ~~60~~ 45 days have elapsed from the date the committees received the report.

Explanation: States face several challenges in avoiding federal penalties under the reauthorized TANF program. This language requires the Department of Human Resources (DHR) to report to the budget committees on the federal regulation changes made to implement the reauthorization of TANF and the changes the department intends to make in response.

Information Request	Author	Due Date
Report on federal regulatory changes related to the reauthorization of TANF and DHR's planned actions in response to TANF reauthorization	DHR	August 1, 2006

Amendment No. **63**

Committee Narrative

Quarterly Reports on Temporary Assistance for Needy Families (TANF) Spending: The committees would like to continue monitoring TANF expenditures of the Department of Human Resources (DHR). DHR should submit quarterly reports to the committees. The reports should track TANF expenditures and obligations by budget code and report the TANF balance available at the end of each quarter. DHR should submit its first quarterly report on September 1, 2006, and this report should cover the quarter ending June 30, 2006.

Information Request	Author	Due Date
Quarterly reports on TANF spending	DHR	Quarterly beginning September 1, 2006

P
Department of Labor, Licensing, and Regulation

Budget Amendments

DIVISION OF LABOR AND INDUSTRY

P00D01.02 Employment Standards Services

Add the following language to the general fund appropriation:

, provided that 4 regular positions (NEW002, NEW003, NEW004, NEW005) and associated general funds of \$156,869 be deleted from this budget. It is the intent of the General Assembly that the Department of Labor, Licensing, and Regulation reclassify existing vacant positions to staff and fund the Employment Standards Services. The General Assembly supports the Employment Standards Services and this reduction is not intended to diminish the staff, funding, or responsibilities of the unit.

Explanation: This language reduces by four the number of new positions within the Department of Labor, Licensing, and Regulation. The language expresses the General Assembly's support of the Employment Standards Services and the General Assembly's intent that the department use existing vacant positions to fully staff and fund the unit.

DIVISION OF RACING

P00E01.02 Maryland Racing Commission

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete funds for purse enhancements in the Horse Racing Commission. Legislation should be considered to divert lottery over-attainment funds up to \$10 million for this purpose.	10,000,000	GF
Total Reductions	10,000,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	5.00	5.00		0.00
General Fund	10,438,085	438,085	10,000,000	
Special Fund	1,410,000	1,410,000	0	
Total Funds	11,848,085	1,848,085	10,000,000	

Q00A
Department of Public Safety and Correctional Services
Office of the Secretary

Budget Amendments

Add the following language:

Provided that the Department of Public Safety and Correctional Services may not enter into a nonrevenue generating interagency agreement in excess of \$100,000 or expend funds to support an interagency agreement, unless:

- (1) the agreement prohibits the use of subcontractors that are not selected through a competitive bid process;
- (2) the agreement is submitted to and approved by the Board of Public Works; and
- (3) copies of the approved agreement are submitted to the budget committees and the Department of Legislative Services.

The budget committees shall have 45 days to review and comment on the reports.

Explanation: This language modifies the process by which the Department of Public Safety and Correctional Services (DPSCS) can enter into an agreement with another State agency. It was initially included in the fiscal 2005 budget bill in response to audit issues that found the office had circumvented bid requirements.

Information Request	Author	Due Date
Interagency agreement approved by the Board of Public Works	DPSCS	45 days prior to agreement

Q00A01.01 General Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Increase turnover rate by 1%. In recent years the vacancy rate has averaged over 10% in the Office of the Secretary. Overall, as of December 31, 2005, the Department of Public Safety and Correctional Services has 300 more vacancies than it needs to meet budgeted turnover.	291,839	GF
Total Reductions	291,839	0.00

Q00A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	162.00	162.00		0.00
General Fund	18,036,316	17,744,477	291,839	
Special Fund	353,033	353,033	0	
Total Funds	18,389,349	18,097,510	291,839	

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation may not be expended until the Department of Public Safety and Correctional Services provides a detailed report to the budget committees about deaths in the correctional institutions in fiscal 2006. The report shall include the number of deaths, the dates of the deaths, and detailed information about the causes and circumstances. It is the intent of the General Assembly that the report be submitted by September 1, 2006, and that follow-up reports continue to be submitted as deaths occur. The budget committees shall have 45 days to review and comment on the report.

Explanation: This language restricts funds until a report is submitted that provides details about deaths in the correctional institutions, including dates and causes. The language also requests follow-up reports as deaths occur.

Information Request	Author	Due Date
Report on deaths in the correctional institutions	DPSCS	September 1, 2006, and whenever a death occurs thereafter

Amendment No. 64

Committee Narrative

9-1-1 Call Centers Technology Upgrade Plan: The committees would like Maryland to continue to accommodate the latest technology at its 9-1-1 call centers. As such, the committees direct the Emergency Number Systems Board to develop a plan for upgrading the 9-1-1 call centers to Internet Protocol-capable technology. The plan should include a timeline for implementation, an estimate of anticipated costs and recommendations for increases to currently assessed fees, if necessary. The plan should also include a proposal for educating Voice Over Internet Protocol (VoIP) consumers about the need to purchase Global Positioning System-capable (GPS) attachments for their VoIP equipment or upgrade to a GPS-capable device. The report should be submitted to the committees no later than December 1, 2006.

Q00A

Information Request	Author	Due Date
Report on 9-1-1 Call Centers Technology Upgrade Plan	DPSCS	December 1, 2006

Inmate Assaults by Level of Severity: The committees are concerned about the number of assaults on fellow inmates and staff in Department of Public Safety and Correctional Services (DPSCS) institutions. The committees direct DPSCS to continue submitting quarterly reports on inmate assaults to the committees. The reports should examine both inmate-on-inmate assaults and inmate-on-staff assaults, and should detail the level of severity of the assaults.

Information Request	Author	Due Date
Quarterly reports on inmate assaults by level of severity	DPSCS	July 1, 2006, and quarterly thereafter

Q00B
Department of Public Safety and Correctional Services
Division of Correction - Headquarters

Budget Amendments

Add the following language:

Provided that the department may not expend funds for educational services in support of Reentry Enforcement Services Targeting Addiction, Rehabilitation, and Treatment (RESTART) pilot programs or any other education programs. The department is authorized to transfer via budget amendment funds designated for the RESTART pilot programs and other education programs to the Maryland State Department of Education, Division of Correctional Education, for the provision of educational services for the RESTART pilot programs and other education programs in the Department of Public Safety and Correctional Services.

Explanation: The General Assembly has expressed its intent that the Maryland State Department of Education (MSDE) provides all educational services at correctional institutions managed by the Department of Public Safety and Correctional Services (DPSCS). This language restricts DPSCS from expending funds for education programs at Division of Correction institutions. The language instead allows DPSCS to transfer education funding to MSDE for the provision of educational services at correctional institutions.

Strike the following language:

~~Further provided that the department may only expend funds allocated for Reentry Enforcement Services Targeting Addiction, Rehabilitation, and Treatment (RESTART) programs at the Maryland Correctional Training Center and the Maryland Correctional Institution for Women and for inmates in the pre-release system that have previously participated in RESTART programs for at least one year at the two pilot sites. This restriction does not apply to education funds allocated for institutions outside of RESTART pilot institutions.~~

~~**Explanation:** The General Assembly has expressed concern about the RESTART program expanding to more sites before the General Assembly has had time to evaluate its success. This language allows RESTART to expand to the pre-release facility but only to offer services to those inmates that have already participated in the RESTART program at the two pilot sites. The restriction does not apply to education programs at non-RESTART institutions.~~

Amendment No. **65**

Q00B

Add the following language:

Further provided that the department may not expend any funds for Reentry Enforcement Services Targeting Addiction, Rehabilitation, and Treatment (RESTART) at any institution except the Maryland Correctional Training Center and the Maryland Correctional Institution for Women until a report about pre-release inmates is submitted to the budget committees. The report shall contain information about the average length-of-stay in pre-release facilities, what services will be offered to pre-release inmates, and how pre-release inmates will benefit from RESTART services given the length of stay. The report shall be submitted by July 1, 2006. The budget committees shall have 45 days to review and comment on the report.

Explanation: The department has proposed to expand RESTART to the pre-release facilities; however, it does not have information about the average length-of-stay in pre-release. Without this information, it is difficult to evaluate the impact the RESTART programs and services can have on pre-release inmates. This language restricts funds from being spent on the RESTART program except at the two existing pilot sites until a report that includes average-length of stay, a description of services, and the expected benefits from those services is submitted.

Information Request	Author	Due Date
Report on Proposed Expansion of RESTART to Pre-Release Facilities	DPSCS	July 1, 2006

Strike the following language:

Authorization is hereby granted to the Department of Public Safety and Correctional Services to add 75 Correctional Officer I positions to staff existing posts in correctional institutions when 95% or more of the fiscal year 2007 budgeted Correctional Officer I, II, and III positions are filled during fiscal 2007. ~~Provided that only funds already budgeted in object 01 salaries and wages may be used to pay for the additional correctional officer positions.~~

~~**Explanation:** This action requires the department to use only funds already budgeted for salaries and wages to pay for the additional 75 correctional officer positions that can only be added after 95% of the fiscal 2007 budgeted Correctional Officer I, II, and III positions are filled during fiscal 2007.~~

Q00B

JESSUP REGION

Q00B02.01 Maryland House of Correction

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce overtime spending. The enhancements to correctional officer salaries included in the Department of Budget and Management's Personnel allowance should allow for better retention of correctional officers which will, in turn, reduce the need for overtime.</i>	1,000,000	GF
<i>Total Reductions</i>	1,000,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>Position</i>	435.00	435.00		0.00
<i>General Fund</i>	39,099,992	38,099,992	1,000,000	
<i>Special Fund</i>	1,012,371	1,012,371	0	
<i>Total Funds</i>	40,112,363	39,112,363	1,000,000	

Amendment No. 66

BALTIMORE REGION

Q00B03.07 Baltimore City Correctional Center

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete new Reentry Enforcement Services Targeting Addiction, Rehabilitation, and Treatment (RESTART) positions and associated funds. Departmentwide there are 300 more vacancies than are required to meet turnover. Therefore, all new positions in the department should be abolished and existing PINs should be converted to handle the functions the new PINs would have provided. Furthermore, the proposed expansion of RESTART should be limited to the pre-release system to only those inmates who have previously participated in RESTART programs at the two pilot sites. Consequently, the department	150,486	GF 4.00

Q00B

~~will not require as many RESTART related positions in the pre-release system as it anticipated when it proposed offering RESTART services to all inmates in the pre-release system.~~

Total Reductions	150,486	4.00
	0	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	113.00	109.00 113.00		4.00 0.00
General Fund	9,523,630	9,373,144 9,523,630	150,486 0	
Special Fund	487,876	487,876	0	
Total Funds	10,011,506	9,861,020 10,011,506	150,486 0	

Amendment No. **67**

WOMEN'S FACILITIES

Q00B05.02 Pre-Release Unit for Women

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete new Reentry Enforcement Services Targeting Addiction, Rehabilitation, and Treatment (RESTART) positions and associated funds. Departmentwide there are 300 more vacancies than are required to meet turnover. Therefore, all new positions in the department should be abolished and existing PINs should be converted to handle the functions the new PINs would have provided. Furthermore, the proposed expansion of RESTART should be limited to the pre-release system to only those inmates who have previously participated in RESTART programs at the two pilot sites. Consequently, the department will not require as many RESTART related positions	105,319 GF	3.00

Q00B

~~in the pre-release system as it anticipated when it proposed offering RESTART services to all inmates in the pre-release system.~~

Total Reductions	105,319	3.00
	0	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	68.00	65.00 68.00		3.00 0.00
General Fund	4,842,013	4,736,694 4,842,013	105,319 0	
Special Fund	189,218	189,218	0	
Total Funds	5,031,231	4,925,912 5,031,231	105,319 0	

Amendment No. **68**

MARYLAND CORRECTIONAL PRE-RELEASE SYSTEM

Q00B06.02 Brockbridge Correctional Facility

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. Delete new Reentry Enforcement Services Targeting Addiction, Rehabilitation, and Treatment (RESTART) positions and associated funds. Departmentwide there are 300 more vacancies than are required to meet turnover. Therefore, all new positions in the department should be abolished and existing PINs should be converted to handle the functions the new PINs would have provided. Furthermore, the proposed expansion of RESTART should be limited to the pre-release system to only those inmates who have previously participated in RESTART programs at the two pilot sites. Consequently, the department will not require as many RESTART related positions	225,406	GF	6.00

Q00B

~~in the pre-release system as it anticipated when it proposed offering RESTART services to all inmates in the pre-release system.~~

Total Reductions	225,406	6.00
	0	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	179.00	173.00 179.00		6.00 0.00
General Fund	14,071,480	13,846,074 14,071,480	225,406 0	
Special Fund	603,744	603,744	0	
Total Funds	14,675,224	14,449,818 14,675,224	225,406 0	

Amendment No. 69

Committee Narrative

HEADQUARTERS

Q00B01.01 General Administration

Report on Planned Reentry Enforcement Services Targeting Addiction, Rehabilitation, and Treatment (RESTART) Expansion: The committees direct the Department of Public Safety and Correctional Services to develop and report on its planned future RESTART program expansion. The report should include a proposed timeline for expansion and an explanation of how institutions were prioritized; a description of what services would be offered at which sites, estimated costs for both start-up and annualization, and details about anticipated personnel needs. The report shall be submitted to the committees no later than October 1, 2006.

Information Request	Author	Due Date
Report on planned RESTART expansion	DPSCS	October 1, 2006

Q00B

Report on Reentry Enforcement Services Targeting Addiction, Rehabilitation, and Treatment (RESTART) Interim Program Measurements: The committees would like to evaluate the progress in the RESTART program before final recidivism data is available. The committees direct the Department of Public Safety and Correctional Services (DPSCS) to prepare and submit a report on interim program measurement data. The report shall include completion rates and raw participation numbers for education programs, drug treatment programs, job training, specific program-staff vacancy detail, and any other program evaluation data that the department thinks would be useful in evaluating progress. The report shall be provided by September 1, 2006.

Information Request	Author	Due Date
Report on RESTART interim program measurements	DPSCS	September 1, 2006

Report on Prescription Drug Purchasing Options: The committees are interested in exploring alternative methods of purchasing prescription drugs for inmates. The committees direct the Department of Public Safety and Correctional Services (DPSCS) and the Department of Health and Mental Hygiene (DHMH) to study and report on whether the State could purchase prescription drugs for inmates through the federal 340B pricing program. The report shall be submitted by September 1, 2006.

Information Request	Authors	Due Date
Report on Prescription Drug Purchasing Options	DPSCS DHMH	September 1, 2006

Report on Medicaid Reimbursements: The committees direct the Department of Public Safety and Correctional Services (DPSCS) and the Department of Health and Mental Hygiene (DHMH) to study and report on the State's eligibility to get a federal fund Medicaid reimbursement for inmates that are admitted to a hospital. The report shall be provided to the committees by September 15, 2006.

Information Request	Authors	Due Date
Report on Medicaid Reimbursements	DPSCS DHMH	September 15, 2006

Q00C01
Department of Public Safety and Correctional Services
Maryland Parole Commission

Committee Narrative

New Parole Guidelines: The committees direct the Maryland Parole Commission to report information on the new parole guidelines. These new guidelines should be based on the commission's revalidated risk assessment instrument and the completion of rehabilitative programs while incarcerated. The study should also address the effects of the guidelines on the existing correctional population. The study should be submitted to the committees no later than October 1, 2006.

Information Request	Author	Due Date
Report on the new parole guidelines	DPSCS	October 1, 2006

Q00C02
Department of Public Safety and Correctional Services
Division of Parole and Probation

Budget Amendments

Add the following language:

It is the intent of the General Assembly that the Department of Public Safety and Correctional Services Division of Parole and Probation include information about the number of offenders at the end of the fiscal year in addition to the number of cases for all supervision types in its future Managing for Results submissions. It is also the intent of the General Assembly that the Division of Parole and Probation include a breakdown of active and delinquent cases.

Explanation: This language expresses the intent of the General Assembly that the Division of Parole and Probation (DPP) include the number of offenders in its Managing for Results submissions. Currently DPP only includes the number of cases. Including the number of offenders will allow the General Assembly to better evaluate caseloads and personnel needs.

Q00C02.02 Field Operations

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete three new positions and associated funds. The fiscal 2007 allowance turnover rate for the Department of Public Safety and Correctional Services (DPSCS) is 6.6%, which necessitates that 749 positions be held vacant. As of January 1, 2006, DPSCS had 1,049 vacancies or 300 more vacancies than are needed to meet turnover. This action would delete three new positions and associated funds. Existing PINs may be reclassified to fulfill the intended function.	102,316 GF	3.00
Total Reductions	102,316	3.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	1209.50	1206.50		3.00
General Fund	77,185,335	77,083,019	102,316	
Special Fund	8,674,553	8,674,553	0	
Total Funds	85,859,888	85,757,572	102,316	

Q00C02

Committee Narrative

Case Management and Fee Collection Information Technology Needs: The committees are concerned that the technology that the Division of Parole and Probation is using for case management and fee collection tracking purposes is inadequate. The committees direct that the Department of Public Safety and Correctional Services (DPSCS) evaluate and report on their information technology needs to improve case management and supervision fee collection tracking. The report shall be provided by December 1, 2006.

Information Request	Author	Due Date
Report on case management and fee collection information technology needs	DPSCS	December 1, 2006

Q00G
Department of Public Safety and Correctional Services
Police and Correctional Training Commissions

Budget Amendments

Add the following language:

It is the policy of the General Assembly that the Maryland State Police shall not be charged any form of rent for the space utilized and the administration thereof at the Public Safety Education Training Center in Sykesville. This includes, but is not limited to, any per diem charge for dormitories or other overnight accommodation, square foot charge for classroom or administrative offices, or any charge for the use of any equipment or facility associated with the use of that equipment.

Explanation: *This language expresses the policy of the General Assembly that the Maryland State Police should not be charged rent for use of the Public Safety Education Training Center. This language is not intended to apply to utilities reimbursement for space used exclusively by the Maryland State Police or to contracts for cadet meals.*

Amendment No. **70**

Amend the following language:

Provided that the Police and Correctional Training Commissions may not enter into a Memorandum of Understanding (MOU) that involves the reimbursement for personnel with a local government entity or expend funds to support a MOU with a local government entity, unless copies of the approved agreement are submitted to the budget committees and the Department of Legislative Services. The budget committees shall have 45 days to review and comment on the MOUs. Further provided that all MOUs shall require detailed documentation to support payments.

Explanation: This language modifies the process by which the Police and Correctional Training Commissions (PCTC) can enter into a Memorandum of Understanding (MOU) *that pertains to the reimbursement for personnel* with a local government entity. *The language also requires all MOUs to have detailed billing statements.* It is being included in response to a special review conducted by the Office of Legislative Audits that suggested that a MOU was being used to circumvent the intent of State retirement laws.

Information Request	Author	Due Date
Memoranda of Understanding with local government entities	PCTC	45 days prior to agreement

Amendment No. **71**

Q00G

Q00G00.01 General Administration

Add the following language:

Provided that the authorization to expend reimbursable funds for Q00G00.01 is reduced by \$240,352, the amount of revenues the department expected from the Department of State Police for use of the Public Safety Education Training Center. It is the intent of the General Assembly that the costs of the Public Safety Education Training Center be funded entirely from the General Fund, not appropriations from other State agencies.

Explanation: This language reduces the authorization to spend reimbursable funds for the Police and Correctional Training Commissions (PCTC). Though housed in the Department of Public Safety and Correctional Services, PCTC is responsible for developing standards for Maryland State Police officers and correctional officers alike. Given this, PCTC should be funded entirely from the general fund, and should not be receiving appropriations from the Maryland State Police for the operational costs of the Public Safety Education Training Center. The department should seek a deficiency appropriation from the general fund to account for the reduced reimbursable funds.

Q00P
Department of Public Safety and Correctional Services
Division of Pretrial and Detention Services

Budget Amendments

Q00P00.03 Baltimore City Detention Center

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for overtime spending. Even after accounting for the 6% salary increase in overtime, overtime spending for the two custody functions increase by approximately \$2.2 million over the fiscal 2006 working appropriation.	500,000	GF
Total Reductions	500,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	864.00	864.00		0.00
General Fund	75,831,726	75,331,726	500,000	
Special Fund	2,439,380	2,439,380	0	
Federal Fund	10,000	10,000	0	
Total Funds	78,281,106	77,781,106	500,000	

Committee Narrative

Q00P00.04 Central Booking and Intake Facility

Report on 24-hour Rule Compliance: The committees are concerned about the division providing arrestees with access to a Court Commissioner within 24 hours of their arrival at the Baltimore Central Booking and Intake Center (BCBIC). The division shall prepare and submit a report on its continued efforts to comply with the 24-hour rule. The report shall include a list of 24-hour rule violations in fiscal 2006 at BCBIC including date of occurrence, an explanation for why the violation occurred, the resolution of the violation, what efforts have been taken to further reduce the likelihood of violations, and a count of how many arrestees have been processed each month. If there have been no violations, the division should still report on its continued efforts and the number of arrestees processed each month. The report shall be provided to the budget committees by September 15, 2006.

Information Request	Author	Due Date
Report on 24-hour rule compliance	DPSCS Division of Pretrial Detention and Services	September 15, 2006

R00A01
State Department of Education
Headquarters

Budget Amendments

R00A01.01 Office of the State Superintendent

Add the following language to the general fund appropriation:

, provided that \$250,000 of this appropriation may not be expended until the Maryland State Department of Education submits a report to the budget committees on the amount of funds encumbered at the close of fiscal 2006 and the specific purposes for which the funds were encumbered. The budget committees shall have 45 days to review and comment on the report before the release of funds.

Explanation: At the close of fiscal 2005, the department encumbered approximately \$6 million against contracts that did not exist. The language requests a detailed report on any fiscal 2006 encumbrances. This report shall be submitted by September 1, 2006.

Information Request	Author	Due Date
Amounts and purposes of encumbrances at the close of fiscal 2006	MSDE	September 1, 2006

R00A01.04 Division of Accountability and Assessment

Amend the following language:

, provided that the Maryland State Department of Education is hereby authorized to retain ~~\$1,937,059~~ \$1,887,059 of funds unused in fiscal 2005 to pay fiscal 2007 bills.

Explanation: The language authorizes the department to retain unused funds from fiscal 2005 to pay fiscal 2007 bills.

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding based on the availability of prior year encumbrances. The Statewide Review of Budget Closeout Transactions for fiscal 2005 identified approximately \$5.8 million in encumbrances that should have been canceled. The Maryland State Department of Education has concluded that \$1,937,059 \$1,887,059 of this amount is available for cancellation. Rather than reverting at the end of fiscal 2006, these funds may be used to offset fiscal 2007 expenses.	1,937,059 GF 1,887,059 GF	

R00A02
State Department of Education
Aid to Education

Budget Amendments

R00A02.07 Students With Disabilities

Amend the following language:

Formula.....	234,022,601
	<u>232,065,460</u>
Non-Public Placement Program.....	119,485,734
	<u>117,985,734</u>
	<u>116,485,734</u>

Explanation: This technical amendment reflects the reduction of funds for *in the Students with Disabilities program in formula funding and the Non-Public Placement Program.*

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for the Non-Public Placement program. It is projected that the remaining \$117,985,734 \$116,485,734 will be sufficient to cover the State's share of the costs.	1,500,000 GF 3,000,000 GF	
2. <i>Reduce funding for the Students with Disabilities program. During the process of verifying the number of Special Education students enrolled in the program, the Maryland State Department of Education determined that enrollment is lower than estimated in some local jurisdictions. The reduction adjusts funding to reflect accurate enrollment figures.</i>	1,957,141 GF	
Total Reductions	1,500,000 4,957,141	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	358,708,334	357,208,334 353,751,193	1,500,000 4,957,141	
Total Funds	358,708,334	357,208,334 353,751,193	1,500,000 4,957,141	

Amendment No. **74**

R00A02

R00A02.10 Environmental Education

Add the following language to the general fund appropriation:

, provided that \$1,500,000 of the appropriation may not be expended until:

- (1) the Department of Natural Resources implements the first recommendation in the February 2005 audit completed by the Department of Legislative Services' Office of Legislative Audits and submits a report to the budget committees detailing how the lease has been modified; and
- (2) the Maryland State Department of Education submits a report to the budget committees on how the funding provided to NorthBay will be allocated to ensure an equitable distribution among local jurisdictions to students interested in participating. The report shall include funds provided in fiscal 2006 and fiscal 2007.

The budget committees shall have 45 days to review and comment on the reports before the release of funds.

Further provided that it is the intent of the General Assembly that NorthBay shall apply to the Maryland State Department of Education for funding as a State-aided educational institution in fiscal 2008, in accordance with Sections 5-501 and 5-502 of the Education Article. The application process for funding as a State-aided educational institution shall replace funding through the Environmental Education program.

Explanation: The language restricts funding to NorthBay until the Department of Natural Resources implements an audit recommendation concerning modification of a long-term lease agreement to clarify the public benefits that would be realized as a result of this lease. A second report must be provided by MSDE on the allocation of funding to local jurisdictions for program fees for students who otherwise would be unable to participate. The budget committees shall have 45 days from receipt of these reports to review and comment. Language also conforms the funding process for NorthBay to the statutory process followed by other similar non-profit organizations that provide educational services.

Information Request	Authors	Due Date
Clarification of the public benefits of long-term lease modifications	DNR	45 days prior to release of funds
Distribution of funds to local jurisdictions for student participation	MSDE	45 days prior to release of funds

Amendment No. **75**

R00A02

R00A02.52 Science And Mathematics Education Initiative

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for Science, Technology, Engineering, and Mathematics (STEM) Academies. The remaining amount will provide initial funding for new STEM Academies.	1,000,000	GF
 Total Reductions	 1,000,000 0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	2,590,115	1,590,115 2,590,115	1,000,000 0	
Federal Fund	1,518,756	1,518,756	0	
Total Funds	4,108,871	3,108,871 4,108,871	1,000,000 0	

Amendment No. **76**

R00A02.55 Teacher Development

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for Governor's Teacher Excellence Award program. The reduction leaves \$100,000 to be awarded as grants to outstanding teachers.	400,000	GF
 Total Reductions	 400,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	8,050,000	7,650,000	400,000	
Federal Fund	39,115,740	39,115,740	0	
Total Funds	47,165,740	46,765,740	400,000	

R00A03
State Department of Education
Funding for Educational Organizations

Budget Amendments

R00A03.02 Blind Industries and Services of Maryland

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for the Blind Industries and Services of Maryland. Reducing the allowance increase for the Blind Industries and Services of Maryland is consistent with its progressing toward self sufficiency, as envisioned in 1998 budget bill language and prior budget actions.	75,000	GF
Total Reductions	75,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	707,999	632,999	75,000	
Total Funds	707,999	632,999	75,000	

R00A03.03 Other Institutions

Amend the following language:

~~Annapolis Symphony..... \$100,000~~
Annapolis Symphony.....\$100,000

Explanation: ~~This technical amendment reflects the deletion of funds for the Annapolis Symphony. Funding for the Annapolis Symphony is restored.~~

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete funding for the Annapolis Symphony. The organization did not follow the procedures required by State law for designation as a State aided Educational Institution. No application was filed with the Maryland State Department of Education before funding was allocated in the fiscal 2007 allowance.	100,000	GF
Total Reductions	100,000 0	

R00A03

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	6,589,432	6,489,432 6,589,432	100,000 0	
Total Funds	6,589,432	6,489,432 6,589,432	100,000 0	

Amendment No. 77

Committee Narrative

Funding Sources for State-aided Educational Institutions: The Maryland State Department of Education (MSDE) is requested to submit a report on the amounts and sources of funding for State-aided Educational Institutions (SAI). Information about other government funds and private funds that supplement the State funding received by SAIs will enable better assessment of the effectiveness of State funding. The department is requested to provide the report by December 1, 2006, on the SAIs recommended for fiscal 2008 funding by the State Board of Education.

<i>Information Request</i>	<i>Author</i>	<i>Due Date</i>
<i>Total funding of SAIs</i>	<i>MSDE</i>	<i>December 1, 2006</i>

R00A04
State Department of Education
Children's Cabinet Interagency Fund

Budget Amendments

R00A04.01 Local Management Board Fund

Add the following language to the general fund appropriation:

, provided that the funds budgeted for Resource Development may not be expended until:

- (1) the Office for Children has submitted a report to the budget committees detailing how the funds will be spent; and
- (2) the committees have reviewed and commented on the report or 45 days have elapsed from the date the committees received the report.

Explanation: The details on how the funds budgeted to provide incentives for residential child care to open facilities in under served areas of the State have not yet been worked out. This language restricts expenditure of these funds until the Office for Children (OC) reports to the committees on how the funds will be spent and the committees have reviewed and commented on the report.

Information Request	Author	Due Date
Report on how funds budgeted for Resource Development will be spent	OC	45 days prior to expenditure

Add the following language to the general fund appropriation:

Further provided that \$500,000 of this appropriation intended for Wraparound Maryland may only be expended for juvenile delinquency prevention pilot projects involving the Department of Juvenile Services working with elementary schools that are experiencing high incidences of behavioral problems. It is the intent of the General Assembly that pilot projects be carried out in urban, suburban and rural jurisdictions of the State.

Explanation: This language restricts \$500,000 budgeted for wraparound services to be used only for juvenile delinquency prevention pilot projects involving the Department of Juvenile Services working with schools in order to divert youth from the juvenile justice system. Restricting \$500,000 of the wraparound funds still allows \$500,000 to start a wraparound pilot project in a rural jurisdiction.

R00A04

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds budgeted to expand Wraparound pilot projects. The fiscal 2006 budget included \$1 million for Wraparound pilot projects in Montgomery County and Baltimore City. The fiscal 2007 allowance includes an additional \$2 million comprising \$1 million to annualize the two existing pilots and \$1 million to start up new pilots in up to two rural jurisdictions and one additional urban/suburban jurisdiction. Because the effectiveness of the existing pilot projects cannot be evaluated until several years of data is collected, funding should only be allowed to start a pilot in one rural jurisdiction. Expansion of this program beyond the three pilots should only be done once the program has data showing that this model of service delivery is effective in Maryland.	500,000	GF
Total Reductions	500,000 0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	32,157,470	31,657,470 32,157,470	500,000 0	
Special Fund	600,000	600,000	0	
Federal Fund	14,917,081	14,917,081	0	
Total Funds	47,674,551	47,174,551 47,674,551	500,000 0	

Amendment No. 78

R13M
Morgan State University

Budget Amendments

R13M00.00 Morgan State University

Add the following language to the current unrestricted appropriation:

, provided that \$1,500,000 of this appropriation, for the purpose of Access and Success, may not be expended until Morgan State University has prepared and submitted a report to the budget committees outlining how the funds will be spent and the measures that will be used to evaluate performance. The budget committees shall have 45 days to review and comment on the report.

Explanation: This language restricts the expenditure of funds until Morgan State University (MSU) submits a report on how the funds will be spent to improve the retention and graduation rate for students.

Information Request	Author	Due Date
Access and Success expenditure and measures report	MSU	45 days prior to expenditure

Amend the following language:

Further provided that the appropriation herein for Morgan State University (MSU) ~~to fund State Employee and Retiree Health and Welfare Benefits Program costs~~ shall be reduced by \$823,257 in current unrestricted funds attributable to tuition revenues for resident undergraduate students.

MSU shall not increase the current unrestricted fund appropriation through budget amendment due to tuition and fee revenue *attributable to a tuition rate increase for resident undergraduate students*. Any tuition and fee revenue realized in fiscal 2007 in excess of \$42,752,504 *attributable to a tuition rate increase for resident undergraduate students* shall be transferred to the fund balance and not expended. Notwithstanding the above, if MSU experiences full-time equivalent student enrollment growth of at least 5% greater than anticipated in the fiscal 2007 Governor's budget proposal, MSU may increase through budget amendment its current unrestricted fund appropriation to recognize the increased tuition and fee revenue.

If MSU experiences full-time equivalent student enrollment growth of at least 5% greater than anticipated in the fiscal 2007 Governor's budget proposal, MSU shall report the amount by which it will increase its current unrestricted fund appropriation through budget amendment due to increased tuition and fee revenue.

R13M

Explanation: ~~The statewide fiscal 2007 allowance for employee and retiree health insurance overstates the projected costs by about \$85 million due to faulty actuarial assumptions and lower than anticipated fiscal 2006 costs. MSU's share of the overstated costs is \$856,000.~~

~~The State-supported savings MSU will realize from lower than anticipated health insurance costs are almost identical to the revenues anticipated from increasing undergraduate resident tuition rates. This language would limit tuition revenue growth attributable to resident undergraduate students to 0% above fiscal 2006. The language prohibits MSU from increasing unrestricted fund appropriations due to increased tuition and fee revenue *from a tuition increase for resident undergraduate students*, except if MSU experiences full-time equivalent enrollment growth of at least 5% greater than anticipated.~~

Information Request	Author	Due Date
Report if enrollment growth exceeds estimate by at least 5%	MSU	As needed

Amendment No. 79

Add the following language:

Provided that the appropriation herein for Morgan State University (MSU) shall be reduced by \$823,257 in current unrestricted funds if the undergraduate in-state tuition rate for the 2006-2007 academic year exceeds the undergraduate in-state tuition rate for the 2005-2006 academic year. MSU shall report undergraduate in-state tuition rates for the 2006-2007 academic year to the budget committees by July 15, 2006.

Explanation: The fiscal 2007 allowance assumes the Morgan State University (MSU) undergraduate in-state tuition rates increase 5.0% on average above the fiscal 2006 rates. This language would reduce the general funds of MSU by \$823,257 if MSU increases undergraduate in-state tuition rates in the 2006-2007 academic year above the 2005-2006 academic year undergraduate in-state tuition rates.

Information Request	Author	Due Date
MSU's undergraduate in-state tuition	MSU	July 15, 2006

R13M

Committee Narrative

Institutional Aid Reports: The committees request that Morgan State University (MSU) submit all categories (need-based, merit, mission, and athletic) of institutional aid data in the same format that it is submitted to the Maryland Higher Education Commission with the budget request and allowance, including prior year actual, current year working, and allowance.

Information Request	Author	Due Date
Reports on all categories of institutional aid provided in the same format submitted to the Maryland Higher Education Commission	MSU	With request and allowance

Faculty Workload Reports: The committees request that Morgan State University (MSU) continue to provide annual instructional workload reports for tenured and tenure-track faculty. By focusing on these faculty, the committees gain a sense of the teaching activities for the regular, core faculty at the institutions. Additional information can be included in the report at MSU's discretion.

Information Request	Author	Due Date
Annual report on instructional workload for tenured and tenure-track faculty	MSU	December 1, 2006

R14D
St. Mary's College of Maryland

Budget Amendments

R14D00.00 St. Mary's College of Maryland

Amend the following language:

. provided the appropriation herein for St. Mary's College of Maryland (SMCM) to fund State Employee and Retiree Health and Welfare Benefits Program costs shall be reduced by \$377,418 in current unrestricted funds attributable to tuition revenues for resident undergraduate students. SMCM shall not increase the current unrestricted fund appropriation through budget amendment due to tuition and fee revenue *attributable to a tuition rate increase greater than 4.8 percent for resident undergraduate students*. Any tuition and fee revenue realized in fiscal 2007 in excess of \$22,689,252 *attributable to a tuition rate increase greater than 4.8 percent for resident undergraduate students* shall be transferred to SMCM's fund balance and not expended.

Explanation: The statewide fiscal 2007 allowance for employee and retiree health insurance overstates the projected costs by about \$85 million due to faulty actuarial assumptions and lower than anticipated fiscal 2006 costs. The St. Mary's College of Maryland (SMCM) share of the overstated costs is about \$0.4 million in State-supported expenses.

The State-supported savings SMCM will realize from lower than anticipated health insurance costs are almost identical to the revenues anticipated from increasing undergraduate resident tuition rates by 3% (\$0.4 million). This language would limit tuition revenue growth attributable to resident undergraduate tuition rate increase to 4.8% above fiscal 2006, 3% less than the 7.8% proposed by SMCM.

The language prohibits SMCM from increasing unrestricted fund appropriations due to increased tuition and fee revenue *from a tuition increase of more than 4.8% for resident undergraduates*. The reduction still leaves SMCM with \$502,767 for enhancements in fiscal 2007. The reduction in tuition revenues creates an incentive for the school to minimize student costs.

Amendment No. **80**

Add the following language:

Further provided that the appropriation herein for St. Mary's College of Maryland (SMCM) shall be reduced by \$377,418 in current unrestricted funds if the undergraduate in-state tuition rate for the 2006-2007 academic year exceeds the undergraduate in-state tuition rate for the 2005-2006 academic year by more than 4.8%.

Explanation: The fiscal 2007 allowance assumes that the SMCM undergraduate in-state tuition rate increases 7.8% above the fiscal 2006 rate. This language would reduce the general funds of SMCM by \$377,418 if SMCM increases the undergraduate in-state tuition rates in the 2006-2007 academic year more than 4.8% above the 2005-2006 academic year undergraduate in-state tuition rates.

R14D

Committee Narrative

Faculty Workload Reports: The committees request that St. Mary's College of Maryland (SMCM) continue to provide annual instructional workload reports for tenured and tenure-track faculty. By focusing on these faculty, the committees gain a sense of the teaching activities for the regular, core faculty at the institutions. Additional information can be included in the report at SMCM's discretion.

Information Request	Author	Due Date
Annual report on instructional workload for tenured and tenure-track faculty	SMCM	December 1, 2006

Institutional Aid Reports: The committees request that St. Mary's College of Maryland (SMCM) submit all categories (need-based, merit, mission, and athletic) of institutional aid data in the same format that it is submitted to the Maryland Higher Education Commission with the budget request and allowance, including prior year actual, current year working, and allowance.

Information Request	Author	Due Date
Reports on all categories of institutional aid provided in the same format submitted to the Maryland Higher Education Commission	SMCM	With request and allowance

R15P
Maryland Public Broadcasting Commission

Budget Amendments

R15P00.03 Broadcasting

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for new broadcast talent to reflect the standard turnover rate for new positions. This reduction will increase turnover for these new positions to 25%.	78,000	SF
 Total Reductions	 78,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	43.00	43.00		0.00
Special Fund	9,430,903	9,352,903	78,000	
Federal Fund	4,050,000	4,050,000	0	
Total Funds	13,480,903	13,402,903	78,000	

R30B00
University System of Maryland

Budget Amendments

Amend the following language:

The appropriation herein for University System of Maryland (USM) institutions to fund State Employee and Retiree Health and Welfare Benefits Program costs shall be reduced by \$18,898,865 in current unrestricted funds attributable to tuition revenues related to rate increases for resident undergraduate students. The allocation of the reduction shall be determined by the USM Board of Regents and adopted in a public meeting. In allocating the reduction to tuition revenues, the Board may reallocate the general fund appropriations reflected in the fiscal 2007 budget. It is the intent of the General Assembly that the allocation be based on each institution's share of the overstated costs in the fiscal 2007 budget and tuition revenue reductions. The Board of Regents shall report to the budget committees by July 1, 2006, specifying and explaining the allocation of the reduction.

USM shall not increase the current unrestricted fund appropriation of any institution through budget amendment due to tuition and fee revenue attributable to a tuition rate increase for resident undergraduate students. Any tuition and fee revenue realized in fiscal 2007 in excess of \$1,021,570,619 attributable to a tuition rate increase for resident undergraduate students shall be transferred to the fund balance of the collecting institution and not expended. Notwithstanding the above, any institution that experiences full-time equivalent student enrollment growth of at least 5% greater than anticipated in the fiscal 2007 Governor's budget proposal may increase through budget amendment its current unrestricted fund appropriation for increased tuition and fee revenue.

The Board of Regents shall report to the budget committees on any institution that experiences full-time equivalent student enrollment growth of at least 5% greater than anticipated in the fiscal 2007 Governor's budget proposal. The Board shall report the amount by which the institution will increase its current unrestricted fund appropriation through budget amendment due to increased tuition and fee revenue.

Explanation: ~~The Statewide fiscal 2007 allowance for employee and retiree health insurance overstates the projected costs by about \$85 million due to faulty actuarial assumptions and lower than anticipated fiscal 2006 costs. The University System of Maryland's (USM) share of the overstated costs is \$22.1 million including almost \$19 million in State supported expenses. The fiscal 2007 allowance assumes USM tuition and fee revenues that are 5.9% above the fiscal 2006 level. This language would limit tuition revenue growth attributable to resident undergraduate students to 0% above fiscal 2006 to offset general fund increases in the allowance. USM receives a 15.1% increase if employee cost-of-living adjustments are included (which USM will receive through the Department of Budget and Management).~~

~~The State supported savings USM will realize from lower than anticipated health insurance costs are almost identical to the revenues anticipated from increasing undergraduate resident tuition rates by an average of 4.3% (\$18.9 million). This language would limit tuition revenue growth attributable to resident undergraduate students to 0% above fiscal 2006. The language authorizes the Board of Regents to reallocate general funds based on each institution's share of the~~

R30B00

~~overstated costs and~~ tuition revenue reductions in the fiscal 2007 budget. The language prohibits USM from increasing unrestricted fund appropriations due to increased tuition and fee revenue *from a tuition increase for resident undergraduate students*, except in cases where an institution experiences full-time equivalent enrollment growth of at least 5% greater than anticipated.

Information Request	Author	Due Date
Report on allocation of reduction in unrestricted fund appropriation related to tuition and fee revenues	USM	July 1, 2006
Report on any institution that experiences enrollment growth of at least 5%	USM	As needed

Amendment No. **81**

Add the following language:

Provided that the appropriation herein for the University System of Maryland (USM) institutions shall be reduced by \$18,898,865 in current unrestricted funds if the undergraduate in-state tuition rate for the 2006-2007 academic year at any USM institution exceeds the institution's undergraduate in-state tuition rates for the 2005-2006 academic year. USM shall report each institution's undergraduate in-state tuition rates for the 2006-2007 academic year to the budget committees by July 15, 2006. The USM Board of Regents is hereby authorized to allocate the reduction among the USM institutions.

Explanation: The fiscal 2007 allowance assumes the University System of Maryland (USM) undergraduate in-state tuition rates increase 4.3% on average above the fiscal 2006 rates. This language would reduce the general funds of USM by \$18,898,865 if any USM institution increases the undergraduate in-state tuition rates in the 2006-2007 academic year above the 2005-2006 academic year undergraduate in-state tuition rates.

Information Request	Author	Due Date
Report on each institution's undergraduate in-state tuition rate for the 2006-2007 academic year	USM	July 15, 2006

R30B00

Committee Narrative

Effectiveness and Efficiency (E&E) Workgroup Reports: The University System of Maryland (USM) Board of Regents has approved an E&E plan for the system involving many initiatives recommended by the USM E&E Workgroup. The plan covers fiscal 2006 to 2008. The committees request that the board annually submit a report on December 1 of each year detailing the amount and type of fiscal effect associated with the E&E plan for each year of the plan, including fiscal 2006 actual, fiscal 2007 working, and fiscal 2008 allowance. The report should also indicate how initiatives shall be implemented and the progress of implementation. The report should also indicate how many full-time equivalent students are served by USM institutions with no additional cost to the State, including prior year actual, current year working, and allowance. Each report shall provide this information for each year of the plan, and the committees shall be provided with additional written information if the plan is changed significantly. Any required information that is not available to be submitted by the due date shall be submitted as soon as possible and no later than with the allowance.

Information Request	Author	Due Date
Reports of fiscal effects and implementation strategies for efficiency initiatives	USM	December 1, 2006; and December 1, 2007
Reports on significant changes in the efficiency plan	USM	As needed

Faculty Workload Reports: The committees request that the University System of Maryland (USM) continue to provide annual instructional workload reports for tenured and tenure-track faculty. The committees also request that USM provide in its annual instructional workload reports the percent of the University of Maryland, Baltimore's (UMB) faculty meeting or exceeding teaching standards for tenured and tenure-track faculty. This information should be aggregated for all of UMB's schools; it was not included in USM's annual report in fiscal 2006. By focusing on these faculty, the committees gain a sense of the teaching activities for the regular, core faculty at the institutions. Additional information can be included in the report at USM's discretion.

Information Request	Author	Due Date
Annual report on instructional workload for tenured and tenure-track faculty including UMB	USM	December 1, 2006

R30B21
University System of Maryland
University of Maryland, Baltimore

Committee Narrative

Poison Control Centers Funding Declining Despite Increased Activity: The committees are concerned that funding for the two poison control centers serving Maryland has declined over the past decade, despite the increased scope and volume of services provided and the increased cost of providing those services. For example, the poison control centers have added functions related to terrorism preparedness and real-time case surveillance for public health.

The committees request that the Maryland Poison Center in consultation with the National Capital Poison Center, Department of Health & Mental Hygiene, Health Services Cost Review Commission, Maryland Institute for Emergency Medical Services System, and Office of Homeland Security report on the long-term operating needs, including cost estimates and funding options to support poison control services.

Information Request	Author	Due Date
Report on long-term operating needs and funding options to provide poison control services within the State	Maryland Poison Center	October 1, 2006

R30B22
University System of Maryland
University of Maryland, College Park

Budget Amendments

Add the following language to the current unrestricted appropriation:

, provided that \$2,000,000 of this appropriation may not be expended until a report is submitted to the budget committees on the proposed joint School of Public Health between the University of Maryland, College Park and the University of Maryland, Baltimore. The report shall identify what degree programs already exist at the two institutions, what degree programs will be offered by the joint School of Public Health, and any new classes that will be established at either institution as part of the School of Public Health. The report shall also include what degree programs already exist at other schools of public health in Maryland. This report shall be submitted by July 1, 2006. The budget committees shall have 45 days to review and comment on the report.

Explanation: This language will prevent the spending of funds that are allocated to the new joint School of Public Health until a report is submitted to the budget committees. The report shall be collaboratively written by the University of Maryland, College Park (UMCP), the University of Maryland, Baltimore (UMB), and the Maryland Higher Education Commission (MHEC). The report shall identify the existing degree programs at each institution, what degree programs will be offered by the joint School of Public Health, and any new classes that will be established at either institution as part of the School of Public Health. The report will also include the degree programs that already exist at other Schools of Public Health in Maryland.

Information Request	Authors	Due Date
Report on the degree programs and classes in the proposed joint School of Public Health	UMCP UMB MHEC	July 1, 2006

Amendment No. **82**

Committee Narrative

Accreditation Status Report: The committees request that the University of Maryland, College Park (UMCP) report on the status of the accreditation of the teacher education program. The program was placed on conditional status by the National Council of Accreditation of Teacher Education (NCATE) in the fall of 2005. The report shall address the progress of UMCP in preparing for NCATE's reevaluation of the program. The report shall also address whether the mock visit was conducted and what the results were and whether an early reevaluation by NCATE will be requested. If NCATE reevaluates UMCP in the fall of 2006, then the committees request a report on the findings of NCATE.

R30B22

Information Request	Author	Due Date
Report on the accreditation status	UMCP	September 1, 2006
Report on NCATE findings	UMCP	December 1, 2006

R30B23
University System of Maryland
Bowie State University

Budget Amendments

R30B23.00 Bowie State University

Add the following language to the current unrestricted appropriation:

, provided that \$1,500,000 of this appropriation, for the purpose of Access and Success for Bowie State University, may not be expended until the institution has prepared and submitted a report to the budget committees outlining how the funds will be spent and the measures that will be used to evaluate performance. The budget committees shall have 45 days to review and comment on the report.

Explanation: This language restricts the expenditure of funds until Bowie State University (BSU) submits a report on how the funds will be spent to improve the retention and graduation rate for students at these institutions.

Information Request	Author	Due Date
Access and Success expenditure and measures report	BSU	45 days prior to expenditure

R30B25
University System of Maryland
University of Maryland Eastern Shore

Budget Amendments

R30B25.00 University of Maryland Eastern Shore

Add the following language to the current unrestricted appropriation:

, provided that \$1,500,000 of this appropriation, for the purpose of Access and Success for University of Maryland Eastern Shore, may not be expended until the institution has prepared and submitted a report to the budget committees outlining how the funds will be spent and the measures that will be used to evaluate performance. The budget committees shall have 45 days to review and comment on the report.

Explanation: This language restricts the expenditure of funds until the University of Maryland Eastern Shore (UMES) submits a report on how funds will be spent to help retention and graduation rates for students at the institution.

Information Request	Author	Due Date
Access and Success expenditure and measures report	UMES	45 days prior to expenditure

R30B27
University System of Maryland
Coppin State University

Budget Amendments

R30B27.00 Coppin State University

Add the following language to the current unrestricted appropriation:

, provided that \$1,500,000 of this appropriation, for the purpose of Access and Success, may not be expended until Coppin State University has prepared and submitted a report to the budget committees outlining how the funds will be spent and the measures that will be used to evaluate performance. The budget committees shall have 45 days to review and comment on the report.

Explanation: This language restricts the expenditure of funds until Coppin State University (CSU) submits a report on how the funds will be spent to improve the retention and graduation rate for students.

Information Request	Author	Due Date
Access and Success expenditure and measures report	CSU	45 days prior to expenditure

R30B35
University System of Maryland
University of Maryland Biotechnology Institute

Committee Narrative

Study of the Administrative Association of the Institute for Human Virology: The University System of Maryland (USM) is studying the structure of the Institute for Human Virology (IHV) and whether it would be more appropriate for IHV to be associated with the University of Maryland, Baltimore instead of with the University of Maryland Biotechnology Institute. The committees request that USM report on its findings and whether it will make changes to the structure of IHV.

Information Request	Author	Due Date
Study of the Institute for Human Virology's structure	USM Office	September 1, 2006

Report on the University of Maryland Biotechnology Institute's (UMBI) Efforts to Identify a Performance Peer: UMBI has been researching possible performance peers with which it can compare itself. The committees request that UMBI report on its findings and whether it has identified any peers.

Information Request	Author	Due Date
Identification of UMBI's performance peers	UMBI	October 1, 2006

R30B36
University System of Maryland
University System of Maryland Office

Committee Narrative

Institutional Aid Report: The committees request that the University System of Maryland (USM) Office submit all categories (need-based, merit, mission, and athletic) of institutional aid data for USM institutions in the same format that it is submitted to the Maryland Higher Education Commission with the budget request and allowance, including prior year actual, current year working, and allowance.

Information Request	Author	Due Date
Report on all categories of institutional aid provided	USM	With request and allowance

Effectiveness and Efficiency (E&E) Workgroup Reports: The University System of Maryland (USM) Board of Regents has approved an E&E plan for the system involving many initiatives recommended by the USM E&E Workgroup. The plan covers fiscal 2006 to 2008. The committees request that the board annually submit a report on December 1 of each year detailing the amount and type of fiscal effect associated with the E&E plan for each year of the plan, including fiscal 2006 actual, fiscal 2007 working, and fiscal 2008 allowance. The report should also indicate how initiatives shall be implemented and the progress of implementation and indicate how many full-time equivalent students are served by USM institutions with no additional cost to the State, including prior year actual, current year working, and allowance. Each report shall provide this information for each year of the plan, and the committees shall be provided with additional written information if the plan is changed significantly. Any required information that is not available to be submitted by the due date shall be submitted as soon as possible and no later than with the allowance.

Information Request	Author	Due Date
Reports of fiscal effects and implementation strategies for efficiency initiatives	USM	December 1, 2006, and December 1, 2007
Reports on significant changes in the efficiency plan	USM	As needed

R55Q
Aid to University of Maryland Medical System

Budget Amendments

R55Q00.01 Aid to University of Maryland Medical System

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for the Montebello Rehabilitation Program at Kernan Hospital. This action provides a 4% increase in State support, which is the percent increase recognized by the University of Maryland Medical System to provide a reasonable level of support to the program. This reduction still provides \$2.2 million to offset uncompensated care costs.	115,140	GF
 Total Reductions	 115,140	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	3,052,331	2,937,191	115,140	
Special Fund	6,700,000	6,700,000	0	
Total Funds	9,752,331	9,637,191	115,140	

R62I
Maryland Higher Education Commission

Budget Amendments

Add the following language:

Provided that it is the intent of the General Assembly that the Maryland Higher Education Commission use the commission's enrollment projections when calculating the State general funds per full-time equivalent student for determining State aid under the Senator John A. Cade, the Joseph A. Sellinger, and the Baltimore City Community College funding formulas beginning in fiscal 2008.

Explanation: In 2005, the General Assembly requested that the Maryland Higher Education Commission use the most accurate enrollment figures available in calculating State aid under the funding formulas for community colleges and private institutions. The commission has concluded that its enrollment projections are the most accurate. This language expresses the General Assembly's intent that the commission's enrollment projections be used in calculating State aid beginning in fiscal 2008.

R62I00.01 General Administration

Add the following language added to the general fund appropriation:

provided that it is the intent of the General Assembly that no funds in this program be expended to approve duplicative academic programs at any public higher education institution.

Explanation: *This language states the General Assembly's intent that no funds budgeted for General Administration in the Maryland Higher Education Commission be expended to approve duplicative academic programs at public higher education institutions.*

Amendment No. **83**

R62I00.07 Educational Grants

Amend the following language added to the general fund appropriation:

Further provided that ~~\$6,000,000~~ \$4,900,000 in general funds designated to enhance the State's four historically black institutions may not be expended for any program or purpose except that \$1,243,730 may be expended for a grant to Bowie State University, \$691,921 may be expended for a grant to Coppin State University, \$1,264,160 may be expended for a grant to University of Maryland Eastern Shore, and \$1,700,189 may be expended for a grant to Morgan State

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University. Further provided that these funds may not be expended until the Maryland Higher Education Commission submits a report to the budget committees outlining how the funds will be spent. The budget committees shall have 45 days to review and comment on the report.

Explanation: This language *allocates the enhancement funds to the historically black institutions using the same methodology as in previous years and* restricts the expenditure of funds until the commission reports to the budget committees on the plans for spending funds designated to enhance the State's four historically black institutions.

Information Request	Author	Due Date
Enhancement expenditure report	MHEC	45 days prior to expenditure

Amendment No. 84

Add the following language:

Further provided that \$2,000,000 of this appropriation to support professional development schools (PDS) may not be expended until a report is submitted to the budget committees of the General Assembly that provides a plan for distributing the funds to professional development schools and includes the following information for each higher education institution proposed to receive professional development school funds: number of PDS sites; number of teacher interns; other affiliated higher education institutions; affiliated local education agencies; total operating budget for PDS; and total revenue by revenue source for PDS. The budget committees shall have 45 days to review and comment on the report.

Explanation: The fiscal 2007 allowance includes \$2 million for professional development schools (PDS). Teacher candidates in Maryland, with limited exceptions, are required to participate in a PDS for one year. The Maryland State Department of Education (MSDE) estimates that there are currently 379 PDS in Maryland with approximately 1,700 teacher education students also known as interns. Federal funds and small grants distributed by the Maryland Higher Education Commission (MHEC) and the University System of Maryland (USM) have supported PDS in the past, along with the higher education institutions offering the teacher education programs. Federal Title II funds are no longer available to support PDS. The language requires MSDE, MHEC, and USM to provide information on PDS and a plan to distribute the grants before the funds may be expended.

Information Request	Authors	Due Date
Professional School Development Report	MHEC K-16 Council	July 1, 2006

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Add the following language:

Further provided that \$433,073 of this appropriation for the Private Donation Incentive Program is contingent upon the enactment of HB 799 Child Welfare Accountability Act of 2006 and may not be expended for any program or purpose except that it may be expended as a grant to the University of Maryland, Baltimore School of Social Work for the purpose of implementing the Memorandum of Understanding required by HB 799.

Explanation: This language restricts funds to implement the Memorandum of Understanding required in HB 799 between Department of Human Resources and the University of Maryland, Baltimore School of Social Work for the purpose of developing a local department self-assessment process for child welfare services and for the school of social work to collect and maintain information on service delivery measures laid out in the bill.

Amendment No. 85

Add the following language:

Further provided that \$950,000 of this appropriation for a grant for the School of Aging Studies at the University of Maryland Baltimore County may not be expended for any program or purpose except that it may be expended as additional grants to regional higher education centers (RHEC) in the following amounts: \$100,000 to the Arundel Mills Center, \$400,000 to the Eastern Shore Center, \$100,000 to the HEAT Center, \$100,000 to the Laurel Center, \$150,000 to Southern Maryland Center and \$100,000 to the Waldorf Center. Further provided that no RHEC can receive the additional grant funds unless each RHEC receives the additional amount specified above.

It is the intent of the General Assembly that the Maryland Higher Education Commission implement the proposed Regional Higher Education Center Funding Strategy for non-University System of Maryland (USM) Regional Higher Education Centers (Arundel Mills Center, Eastern Shore Center, HEAT Center, Laurel Center, Southern Maryland Center and Waldorf Center) in fiscal 2008. The funding strategy should include an annual inflationary adjustment for center operating costs.

It is the further intent of the General Assembly that the University of Maryland Baltimore County School of Aging Studies receive \$1,750,000 in fiscal 2008, which would fulfill the State's commitment to provide \$5,000,000 to the school.

Explanation: This language reduces the appropriation to University of Maryland Baltimore County's (UMBC) School of Aging Studies from \$3.5 million to \$1.75 million. The language restricts funds to be provided as additional grants to regional higher education centers (RHECs). The fiscal 2007 allowance includes \$850,000 for RHECs. This language will provide an additional \$950,000. The Maryland Higher Education Commission (MHEC) submitted a Proposed Regional Higher Education Funding Strategy in response to a 2005 Joint Chairmen's Report request that MHEC develop an equitable, consistent and ongoing funding strategy for RHECs. The funding strategy recommends certain funding for RHECs including base funding, per student funding, leasing costs, and incentive funding, but does not include any inflationary

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adjustments. It is the General Assembly’s intent that the funding strategy be implemented for non-USM RHECs in fiscal 2008, with the addition of an annual inflationary adjustment for RHEC operating costs. The language also states the General Assembly’s intent that the UMBC School of Aging Studies receives funds in fiscal 2008 to fulfill the State’s \$5 million commitment to the school.

Amendment No. **86**

Add the following language:

Further provided that \$500,000 of this appropriation for a grant to the Academy of Leadership at the University of Maryland, College Park may not be expended until a report is submitted to the budget committees on the goals of the program and the use of the funds. The report shall include fiscal 2006 and 2007 funds. The budget committees shall have 45 days to review and comment on the report before the funds are released.

Explanation: *This language restricts the expenditure of funds for the University of Maryland, College Park’s (UMCP) Academy of Leadership until the university reports to the budget committees on the program’s goals and the use of the funds.*

Information Request	Author	Due Date
<i>Report on program goals and use of funds</i>	<i>UMCP, Academy of Leadership</i>	<i>45 days prior to expenditure</i>

Amendment No. **87**

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for the Private Donation Incentive Program. The program is overbudgeted in the fiscal 2007 allowance.	433,073	GF
2. Reduce funds for the University of Maryland, Baltimore WellMobile. Funding for the WellMobile still increases by \$275,000.	250,000	GF
3. <i>Reduce funds for the University of Maryland Baltimore County School of Aging Studies.</i>	800,000	GF
Total Reductions	683,073 1,050,000	

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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	16,626,000	15,942,927 15,576,000	683,073 1,050,000	
Federal Fund	1,034,823	1,034,823	0	
Total Funds	17,660,823	16,977,750 16,610,823	683,073 1,050,000	

Amendment No. **88**

R62I00.10 Educational Excellence Awards

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce need-based aid increase by \$2.0 million. The reduction still provides a \$17.5 million or 26.2% increase in need-based aid programs over fiscal 2006. In addition, unspent scholarship funds may be carried forward in fiscal 2007 for need-based aid; \$5.6 million in carry forward funds are available for need-based aid in fiscal 2006.	5,101,220 GF 2,000,000 GF	
Total Reductions	5,101,220 2,000,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	78,093,659	72,992,439 76,093,659	5,101,220 2,000,000	
Federal Fund	609,204	609,204	0	
Total Funds	78,702,863	73,601,643 76,702,863	5,101,220 2,000,000	

Amendment No. **89**

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Committee Narrative

Report on Alternative Funding Sources: *The committees support the efforts of University Maryland Baltimore (UMB) WellMobile Program and would like to ensure that other available funding sources are being utilized to support the program. UMB should submit a report on its effort to identify and acquire alternative funding in fiscal 2007 and the future, including state programs such as the new Nurse Support Program II, and the Department of Health & Mental Hygiene's Division of Community Support Services.*

<i>Information Request</i>	<i>Author</i>	<i>Due Date</i>
<i>Report on alternative funding sources</i>	<i>UMB</i>	<i>September 1, 2006</i>

R75T
Higher Education

Budget Amendments

R75T00.01 Support for State Operated Institutions of Higher Education

Strike the following language:

~~, provided the appropriation for Baltimore City Community College is reduced by \$250,000 contingent upon the failure of legislation creating a new law enforcement agency.~~

~~**Explanation:** The Baltimore City Community College was allocated \$250,000 in the fiscal 2007 allowance for the creation of a law enforcement agency. The funding for this law enforcement agency is made contingent upon enactment of legislation creating the law enforcement agency.~~

Amendment No. **90**

Add the following language to the general fund appropriation:

, provided that \$2,000,000 of this appropriation may not be expended until a report is submitted to the budget committees on the proposed joint School of Public Health between the University of Maryland, College Park and the University of Maryland, Baltimore. The report shall identify what degree programs already exist at the two institutions, what degree programs will be offered by the joint School of Public Health, and any new classes that will be established at either institution as part of the School of Public Health. The report shall also include what degree programs already exist at other schools of public health in Maryland. This report shall be submitted by July 1, 2006. The budget committees shall have 45 days to review and comment on the report.

Explanation: This language will prevent the spending of funds that are allocated to the new joint School of Public Health until a report is submitted to the budget committees. The report shall be collaboratively written by the University of Maryland, College Park (UMCP), the University of Maryland, Baltimore (UMB), and the Maryland Higher Education Commission (MHEC). The report shall identify the existing degree programs at each institution, what degree programs will be offered by the joint School of Public Health, and any new classes that will be established at either institution as part of the School of Public Health. The report will also include the degree programs that already exist at other Schools of Public Health in Maryland.

R75T

<i>Information Request</i>	<i>Authors</i>	<i>Due Date</i>
<i>Report on the degree programs and classes in the proposed joint School of Public Health</i>	<i>UMCP UMB MHEC</i>	<i>July 1, 2006</i>

Amendment No. 91

Add the following language to the general fund appropriation:

Provided that the appropriation herein for Morgan State University (MSU) shall be reduced by \$823,257 in general funds if the undergraduate in-state tuition rate for the 2006-2007 academic year exceeds the undergraduate in-state tuition rate for the 2005-2006 academic year. MSU shall report undergraduate in-state tuition rates for the 2006-2007 academic year to the budget committees by July 15, 2006.

Explanation: The fiscal 2007 allowance assumes MSU undergraduate in-state tuition rates increase 5.0% on average above the fiscal 2006 rates. This language would reduce the general funds of MSU by \$823,257 if MSU increases undergraduate in-state tuition rates in the 2006-2007 academic year above the 2005-2006 academic year undergraduate in-state tuition rates.

Information Request	Author	Due Date
MSU's undergraduate in-state tuition	MSU	July 15, 2006

Add the following language to the general fund appropriation:

Provided that the appropriation herein for St. Mary's College of Maryland (SMCM) shall be reduced by \$377,418 in general funds if the undergraduate in-state tuition rate for the 2006-2007 academic year exceeds the undergraduate in-state tuition rate for the 2005-2006 academic year by more than 4.8%.

Explanation: The fiscal 2007 allowance assumes that the St. Mary's College of Maryland (SMCM) undergraduate in-state tuition rate increases 7.8% above the fiscal 2006 rate. This language would reduce the general funds of SMCM by \$377,418 if SMCM increases the undergraduate in-state tuition rates in the 2006-2007 academic year more than 4.8% above the 2005-2006 academic year undergraduate in-state tuition rates.

R75T

Add the following language to the general fund appropriation:

Provided that the appropriation for the University System of Maryland (USM) institutions shall be reduced by \$18,898,865 in general funds if the undergraduate in-state tuition rate for the 2006-2007 academic year at any USM institution exceeds the institution's undergraduate in-state tuition rates for the 2005-2006 academic year. USM shall report each institution's undergraduate in-state tuition rates for the 2006-2007 academic year to the budget committees by July 15, 2006. USM Board of Regents is hereby authorized to allocate the reduction among the USM institutions.

Explanation: The fiscal 2007 allowance assumes the University System of Maryland (USM) tuition and fee revenues that are 5.9% above the fiscal 2006 level. This language would reduce the general funds of USM by \$18,898,865 if any USM institution increases the undergraduate in-state tuition rate in the 2006-2007 academic year above the 2005-2006 academic year undergraduate in-state tuition rate.

Information Request	Author	Due Date
Report on each institution's undergraduate in-state tuition rate for the 2006-2007 academic year	USM	July 15, 2006

Add the following language to the general fund appropriation:

Further provided that the amount listed below for each institution listed below for the purpose of Access and Success may not be expended until the university has submitted a report to the budget committees outlining how the funds will be spent and the measures that will be used to evaluate performance:

<u>Institution</u>	<u>Amount</u>
<u>Bowie State University</u>	<u>\$1,500,000</u>
<u>Coppin State University</u>	<u>\$1,500,000</u>
<u>University of Maryland Eastern Shore</u>	<u>\$1,500,000</u>
<u>Morgan State University</u>	<u>\$1,500,000</u>

The budget committees shall have 45 days to review and comment on the report before the release of funds.

Explanation: This language restricts the expenditure of funds until each of the following universities (Coppin State University (CSU), Bowie State University (BSU), University of Maryland Eastern Shore (UMES), and Morgan State University (MSU)) submits a report on how the funds will be spent to improve the retention and graduation rate for students.

R75T

Information Request	Authors	Due Date
Access and Success expenditure and measures report	CSU BSU UMES MSU	45 days prior to expenditure

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce general funds for Baltimore City Community College. The proposed reduction provides a 6.9% increase over fiscal 2006, counting the law enforcement funds.</i>	85,413	GF
<i>Total Reductions</i>	85,413	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>General Fund</i>	1,022,808,497	1,022,723,084	85,413	
<i>Special Fund</i>	6,322,072	6,322,072	0	
<i>Total Funds</i>	1,029,130,569	1,029,045,156	85,413	

Amendment No. 92

R95C
Baltimore City Community College

Budget Amendments

Strike the following language:

~~, provided that this appropriation is reduced by \$250,000 contingent upon the failure of legislation creating a new law enforcement agency.~~

Explanation: ~~The Baltimore City Community College was allocated \$250,000 in the fiscal 2007 allowance for the creation of a law enforcement agency. The full funding for this law enforcement agency is made contingent upon enactment of legislation creating the law enforcement agency.~~

Amendment No. **93**

R95C00.00 Baltimore City Community College

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce general funds for Baltimore City Community College. The proposed reduction provides a 6.9% increase over fiscal 2006, counting the law enforcement funds.</i>	85,413	UF
<i>Total Reductions</i>	85,413	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>Position</i>	553.00	553.00		0.00
<i>Unrestricted Fund</i>	56,778,145	56,692,732	85,413	
<i>Restricted Fund</i>	23,552,389	23,552,389	0	
<i>Total Funds</i>	80,330,534	80,245,121	85,413	

Amendment No. **94**

S00A
Department of Housing and Community Development

Budget Amendments

DIVISION OF FINANCE AND ADMINISTRATION

S00A27.01 Finance and Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Increase budgeted turnover rate. The budgeted turnover rate for fiscal 2007 is 2%, while from fiscal 2000 to 2006 the department's vacancy rate has averaged 6.5% (as of December 31 of each fiscal year). The turnover reduction amounts represent changing the rate from 2 to 3% and may be distributed among the department's divisions.	2,238 GF 23,158 SF 176,403 FF	
Total Reductions	201,799	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	45.00	45.00		0.00
General Fund	10,000	7,762	2,238	
Special Fund	3,913,009	3,889,851	23,158	
Federal Fund	1,099,872	923,469	176,403	
Total Funds	5,022,881	4,821,082	201,799	

Committee Narrative

OFFICE OF THE SECRETARY

S00A20.03 Office of Management Services

***Maryland Housing Equity Fund:** As part of its efforts to address the State's affordable housing shortage, the Department of Housing and Community Development (DHCD) supported the creation of the Maryland Housing Equity Fund. This private equity fund expects to begin supporting housing and community development projects by summer 2006. The fund is actually structured as two funds expected to be \$50 million to \$75 million each that can, among other things, reduce borrowing costs on multifamily rental development projects. The committees request that DHCD submit a report indicating the amount of investments received and the projects funded as of December 1, 2006.*

<i>Information Request</i>	<i>Author</i>	<i>Due Date</i>
<i>Equity fund investments received and projects funded</i>	<i>DHCD</i>	<i>December 1, 2006</i>

S50B
Maryland African American Museum Corporation

Budget Amendments

S50B01.01 General Administration

Add the following language:

Provided that it is the intent of the General Assembly that the fiscal 2008 general fund grant to the Maryland African American Museum Corporation supports no more than 50 percent of the operating costs of the museum.

Explanation: This language is consistent with previously expressed intent of the General Assembly concerning the level of State support provided to the Maryland African American Museum Corporation.

Committee Narrative

Memorandum of Understanding (MOU) on Use of General Fund Grant: The Maryland African American Museum Corporation (MAAMC) and the Department of Budget and Management (DBM) executed a MOU governing use of MAAMC's general fund grant for fiscal 2006. The committees request that a similar MOU be executed for fiscal 2007. The MOU should specify that the State intends to support no more than 75% of MAAMC's operating costs in fiscal 2007, which is consistent with previously expressed intent of the General Assembly.

Information Request	Authors	Due Date
MOU specifying use of the fiscal 2007 general fund grant	MAAMC DBM	July 1, 2006

T
Department of Business and Economic Development
DIVISION OF BUSINESS DEVELOPMENT

Budget Amendments

T00E00.02 Maryland Biotechnology Investment Tax Credit Reserve Fund

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce biotechnology investment tax credit funds. The reduction represents a more moderated approach to growth.</i>	1,500,000	GF
<i>Total Reductions</i>	1,500,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>General Fund</i>	6,000,000	4,500,000	1,500,000	
<i>Total Funds</i>	6,000,000	4,500,000	1,500,000	

Amendment No. **95**

T00E00.03 NanoTech Biotechnology Initiative Funds

Add the following language to the general fund appropriation:

, provided that this appropriation may not be expended until the Department of Business and Economic Development submits a report to the budget committees explaining how the nano-biotechnology research funds will be awarded, including estimated award amounts per project and information on composition of the award selection committee. The budget committees shall have 45 days from the date of receipt of the report to review and comment.

Explanation: The fiscal 2007 allowance for the Department of Business and Economic Development (DBED) includes new funds to support nano-biotechnology research at University System of Maryland (USM) institutions. DBED is working with USM to determine how the funds will be awarded and what types of representatives will be included on the award selection committee. DBED anticipates that these decisions will be made in early spring 2006. This language restricts expenditure of the research funds until the General Assembly is notified on how the funds will be spent.

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Information Request	Author	Due Date
Report on how nano-biotechnology research funds will be awarded	DBED	45 days prior to expenditure of funds

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce nano-biotechnology research funds. The reduction represents a more moderated approach to growth.</i>	625,000	GF
<i>Total Reductions</i>	625,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>General Fund</i>	2,500,000	1,875,000	625,000	
<i>Total Funds</i>	<i>2,500,000</i>	<i>1,875,000</i>	<i>625,000</i>	

Amendment No. 96

DIVISION OF FINANCING PROGRAMS

T00F00.21 Maryland Economic Adjustment Fund – Business Assistance

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce Maryland Economic Adjustment funds. The reduction represents a more moderated approach to growth.</i>	250,000	SF
<i>Total Reductions</i>	250,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>Special Fund</i>	750,000	500,000	250,000	
<i>Total Funds</i>	<i>750,000</i>	<i>500,000</i>	<i>250,000</i>	

Amendment No. 97

T

T00F00.23 Maryland Economic Development Assistance Authority and Fund – Capital Appropriation

Amend the following language added to the general fund appropriation:

, provided that ~~\$5,894,833~~ \$8,654,833 of this appropriation may only be used to fund capital appropriations in the amounts and only for the programs and purposes herein listed. Funds not expended for the purposes herein listed shall revert to the general fund:

<u>Program</u>	<u>Amount</u>
(1) <u>Department of Housing and Community Development – Community Legacy Program. Provide funds to assist neighborhoods with revitalization efforts. The funds shall be administered in accordance with Article 83B, Sections 4-801 through 4-811 (Statewide).....</u>	<u>5,894,833</u>
(2) <u>National Aquarium in Baltimore – Center of Aquatic Life and Conservation. Provide a grant to the Board of Governors of the National Aquarium in Baltimore, Inc. to assist in the acquisition, design, construction, and equipping of the Center for Aquatic Life and Conservation, subject to the requirement that the grantee provide an equal and matching fund for this purpose. The matching fund may include funds expended prior to the effective date of this Act (Baltimore City).....</u>	<u>1,000,000</u>
(3) <u>Maryland Zoo in Baltimore – Facilities Renewal. Provide a grant to the Board of Directors of the Maryland Zoological Society, Inc. to assist in the design and construction of various facilities renewal projects (Baltimore City).....</u>	<u>760,000</u>
(4) <u>Frederick Keys – Harry Grove Stadium. Provide a grant to the Mayor and Board of Aldermen of the City of Frederick to assist in the design, construction, and renovation of improvements to the Harry Grove Stadium in Frederick, subject to the requirement that the grantee provide an equal and matching fund for this purpose (Frederick).....</u>	<u>1,000,000</u>
	<u>15,000,000</u>
	<u>5,894,833</u>
	<u>15,000,000</u>

Explanation: This language allows for the use of \$5,894,833 of the appropriation to fund grants and loans made through the Department of Housing and Community Development’s Community Legacy Program. A total of \$7,894,833 in prior authorized general obligation

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bond funds that will have to be issued as taxable debt are to be deauthorized in the Maryland Consolidated Capital Bond Loan of 2006 and this language provides for a partial replacement of those deauthorized funds. *The language also adds the National Aquarium in Baltimore – Center of Aquatic Life and Conservation, Maryland Zoo in Baltimore – Facilities Renewal, and Frederick Keys – Harry Grove Stadium to the list of projects to be funded with the appropriation.*

Amendment No. **98**

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce general funds budgeted for the Maryland Economic Development Assistance Fund.	9,105,167	GF
 Total Reductions	 9,105,167 0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	15,000,000	5,894,833 15,000,000	9,105,167 0	
Special Fund	20,000,000	20,000,000	0	
Total Funds	35,000,000	25,894,833 35,000,000	9,105,167 0	

Amendment No. **99**

DIVISION OF TOURISM, FILM AND THE ARTS

T00G00.01 Assistant Secretary and Administration

Add the following language to the general fund appropriation:

provided that \$1,350,000 of this appropriation may not be used for grants to the Baltimore Symphony Orchestra, the Baltimore Opera Company, or the Creative Alliance until those organizations have provided a report detailing complete plans for addressing their financial challenges and a full listing of grant funds currently received from the State. The Baltimore Symphony Orchestra shall also submit its three most recent audited financial statements and

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shall indicate in its plan how its deficit will be eliminated without State support beyond what it customarily receives each year (not including the funds in this appropriation). The Baltimore Symphony Orchestra shall receive \$750,000, the Baltimore Opera Company shall receive \$375,000, and the Creative Alliance shall receive \$225,000 from this appropriation. The budget committees shall have 45 days from the date of receipt of the report to review and comment.

Explanation: The fiscal 2007 allowance includes \$1.8 million in grants to three arts organizations through the Office of the Assistant Secretary and Administration of the Division of Tourism, Film, and the Arts. The Department of Business and Economic Development reports that these are intended to be one-time grants to help the organizations with current financial challenges.

The General Assembly is concerned about the possibility that these organizations may be experiencing financial challenges that cannot be solved in one year. This language requires that additional information be provided before funds are appropriated.

Information Request	Authors	Due Date
Plans for addressing financial challenges, and a listing of State grant funds	Baltimore Symphony Orchestra Baltimore Opera Company Creative Alliance	45 days prior to release of funds

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funds in the tourism and arts administration office for certain arts organizations.	450,000	GF
Total Reductions	450,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	6.00	6.00		0.00
General Fund	2,436,824	1,986,824	450,000	
Total Funds	2,436,824	1,986,824	450,000	

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T00G00.06 Film Production Wage Tax Credit Program

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce film employer wage rebate funds. The reduction represents a more moderated approach to growth.</i>	4,000,000	GF
<i>Total Reductions</i>	4,000,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>General Fund</i>	8,000,000	4,000,000	4,000,000	
<i>Total Funds</i>	8,000,000	4,000,000	4,000,000	

Amendment No. 100

Committee Narrative

T00C00.01 Division of Economic Policy, Research and Legislative Affairs

Performance Data Collection and Quality Control: Although the Department of Business and Economic Development (DBED) provides the General Assembly with performance data about its programs, legislative audits of fiscal 2001 and 2003 data showed problems regarding the quality of information about job creation and other measures. In fact, none of the data from these audits could be certified and some 2001 data were inaccurate. The data are reported as part of the State's Managing for Results (MFR) efforts.

DBED reports that a new computer system that became functional in summer 2005 will improve its MFR data collection methods. Steps taken to ensure data quality control still are unclear. For example, the agency does not have written MFR policies and procedures, and it is not clear whether final responsibility for ensuring accuracy lies with division directors or with MFR staff.

DBED should submit a report to the Office of Legislative Audits (OLA) by October 1, 2006, detailing its improved MFR data collection methods and any steps taken to improve quality control. OLA should brief the budget committees on whether it appears that past problems are being addressed.

Information Request	Author	Due Date
Report on performance data collection and quality control	DBED	October 1, 2006

T50
Maryland Technology Development Corporation

Budget Amendments

T50T01.03 Stem Cell Research Fund

Add the following language to the general fund appropriation:

, provided that this appropriation is contingent upon enactment of SB 144 or HB 1. Further provided that these funds may only be expended subject to the procedures established by and the purposes authorized under that legislation. Authorization is hereby granted to transfer funds as necessary to implement the legislation.

Explanation: This language ensures that any funds appropriated for stem cell research would be spent according to legislation enacted by the General Assembly.

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for stem cell research.	10,000,000	GF
	5,000,000	GF
Total Reductions	10,000,000	
	5,000,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	20,000,000	10,000,000	10,000,000	
		15,000,000	5,000,000	
Total Funds	20,000,000	10,000,000	10,000,000	
		15,000,000	5,000,000	

Amendment No. **101**

Committee Narrative

University and Affiliated Research Park Performance Data: The State has made significant investments in university-affiliated research parks. Through fiscal 2006, spending has totaled \$30.6 million for five of these parks, which bring together businesses and faculty to enhance lines of research and commercialize technology.

In order to measure the return on the State's investments and evaluate overall progress toward technology commercialization, the committees request that the Maryland Technology Development Corporation (TEDCO) report annually on performance at the State's primary

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public research institutions as well as the research parks affiliated with them. The following institutions should report data to TEDCO: the University of Maryland, College Park (including its research park); the University of Maryland, Baltimore (including its research park); the University of Maryland Baltimore County (including its research park); the University of Maryland Biotechnology Institute; and the University of Maryland Center for Environmental Science. Currently, neither Managing for Results nor Maryland Higher Education Commission peer data include consistent technology commercialization performance measures among these institutions.

The measures should include invention disclosures, cumulative active licenses and options, and adjusted license income received, among others. This type of information already is collected by most higher education research institutions and reported to the Association of University Technology Managers. Measures of affiliated business incubator performance also should be included. The University System of Maryland (USM) and TEDCO should work collaboratively to develop appropriate measures.

Information Request	Authors	Due Date
Annual report on technology commercialization at universities and their affiliated research parks	TEDCO USM	November 1, 2006, and November 1 of each year thereafter

U00A
Department of the Environment

Budget Amendments

Add the following language:

It is the intent of the General Assembly that not more than \$6,709,125 in total may be expended for Enterprise Environmental Management System (EEMS) project implementation. Provided that the Maryland Department of the Environment (MDE) shall not expend funds for the fourth task order release associated with phase three of EEMS implementation until a status report is submitted to the budget committees after completion of the third task order associated with phase three or December 1, 2006, whichever occurs first. The status report shall include the latest EEMS implementation budget estimate and schedule, the results of an independent verification and validation report on EEMS, and updated estimates of specific MDE annual operating cost savings resulting from EEMS implementation including the identification of specific personnel savings by position identification number. The budget committees shall have 45 days to review and comment upon the report. Further provided that it is the intent of the General Assembly that not more than \$1,100,000 in federal funds be expended for EEMS in fiscal 2007, unless additional funding is sought via budget amendment or a deficiency budget.

Explanation: This budget bill language expresses the General Assembly's intent with regard to implementation of EEMS. Specifically, it notes that not more than \$6.7 million in total should be dedicated to EEMS implementation and not more than \$1.1 million in federal funds should be dedicated to EEMS in fiscal 2007, unless funds are brought in via the budget amendment or budget deficiency process. Finally, this language requires MDE to submit a status report on EEMS prior to initiating the fourth task order release associated with the third phase of EEMS implementation, or by December 1, 2006, whichever occurs first.

Information Request	Authors	Due Date
EEMS Status Report	MDE DBM	December 1, 2006, or prior to the fourth task order release

ADMINISTRATIVE AND EMPLOYEE SERVICES ADMINISTRATION

U00A02.02 Administrative and Employee Services Administration

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete funding to move the Maryland Geological Survey from the Department of Natural Resources to the Maryland Department of the Environment. This organizational change is not necessary, and the total estimated move cost of \$575,000 is expensive.	116,666 GF	
Total Reductions	116,666	0.00

U00A

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	48.00	48.00		0.00
General Fund	5,620,891	5,504,225	116,666	
Special Fund	1,188,755	1,188,755	0	
Federal Fund	712,490	712,490	0	
Total Funds	7,522,136	7,405,470	116,666	

TECHNICAL AND REGULATORY SERVICES ADMINISTRATION

U00A05.01 Technical and Regulatory Services

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete personnel and grant funding associated with an unidentified watershed restoration initiative. This action deletes funding for one new position and \$716,230 in grant funds to help local governments meet wastewater treatment and/or stormwater management goals. Funding for this effort is premature in fiscal 2007 since a specific watershed has not been identified. Furthermore, the proposed addition of this new position is not consistent with the Spending Affordability Committee's recommended position limit for fiscal 2007.	760,000 GF	1.00
2. Delete contractual funds for wetland creation and stormwater management projects on State lands. Existing funds should be dedicated to this type of work.	326,000 GF	
Total Reductions	1,086,000 760,000	1.00

V
Department of Juvenile Services

Budget Amendments

Add the following language:

Provided that funds appropriated to the Department of Juvenile Services in Comptroller Object 01 Salaries and Wages are to be utilized for their intended purposes only and may not be transferred to any other purpose.

Explanation: The language restricts the use of funding appropriated to support regular position salaries and fringe benefits to that purpose.

DEPARTMENTAL SUPPORT

V00D02.01 Departmental Support

Add the following language:

Provided that 5 vacant regular positions and \$271,000 shall be deleted from this budget contingent on the failure of HB 880 or other legislation expanding the jurisdiction of the Juvenile Justice Monitoring Unit of the Office of the Attorney General.

Explanation: Uncodified language in HB 880 authorizes the transfer of five positions and \$271,000 from the Department of Juvenile Services (DJS) to the Juvenile Justice Monitoring Unit of the Office of the Attorney General. The language makes a reduction of five positions and \$271,000 in the DJS budget contingent on the failure of HB 880 or other legislation expanding the jurisdiction of that unit.

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete five vacant administrative positions at the Department of Juvenile Services Headquarters.	271,000	GF 5.00
2. Reduce funding for information technology upgrades at Cheltenham. This reduction leaves \$750,000 for the most critical upgrades. Other upgrades can be deferred pending detailed discussion of the new facility for Cheltenham. The recently submitted Facilities Master Plan calls for the replacement of Cheltenham beginning in fiscal 2008.	1,050,000	GF

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3. Reduce funding for replacement computer equipment. The department submitted an extensive list of replacement equipment to be funded in the fiscal 2007 allowance. This reduction is based on pricing used in the request for desktop and laptop computers.	216,000	GF
Total Reductions	1,537,000 1,266,000	5.00 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	212.50	207.50 212.50		5.00 0.00
General Fund	28,484,294	26,947,294 27,218,294	1,537,000 1,266,000	
Special Fund	50,000	50,000	0	
Federal Fund	442,851	442,851	0	
Total Funds	28,977,145	27,440,145 27,711,145	1,537,000 1,266,000	

Amendment No. **103**

RESIDENTIAL OPERATIONS

V00E01.11 Cheltenham Youth Facility

Reduce appropriation for the purposes indicated:		<u>Funds</u>	<u>Positions</u>
1. Reduce funding based on estimates of donations. The department receives donations at various facilities. This reduction aligns fiscal 2007 estimated donations with the most recent actuals. If the donation levels are higher, the department may add those donations through budget amendment.	75,000	SF	
Total Reductions	75,000		0.00

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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	109.00	109.00		0.00
General Fund	6,612,078	6,612,078	0	
Special Fund	75,000	0	75,000	
Total Funds	6,687,078	6,612,078	75,000	

HEALTH SERVICES DIVISION

V00E02.01 Health Services Division

Add the following language to the general fund appropriation:

, provided that \$100,000 of this appropriation may not be expended until the Department of Juvenile Services submits a report to the budget committees by November 1, 2006, detailing a procedure for seeking Medicaid reimbursement for behavioral health evaluations delivered in community settings. In developing the report, the department shall consult with the Department of Health and Mental Hygiene. The budget committees shall have 45 days to review and comment on the report.

Explanation: The Department of Juvenile Services (DJS) is proposing significant expansion of behavioral health evaluations in the fiscal 2007 allowance. Although federal law restricts the ability to claim Medicaid funds for such evaluations in certain juvenile detention and commitment facilities, some of the evaluations occur in community settings for which Medicaid funds may be claimed. The language withholds funds until DJS, in consultation with the Department of Health and Mental Hygiene (DHMH), develops a procedure for attaining any Medicaid funds for which it may be eligible.

Information Request	Author	Due Date
Report on claiming Medicaid funds for behavioral health assessments	DJS in consultation with DHMH	November 1, 2006

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Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funding for medicine and related supplies. This reduction is consistent with other realignment of somatic health care costs given the changing population served directly by the department.	100,000	GF
 Total Reductions	 100,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	131.20	131.20		0.00
General Fund	18,807,759	18,707,759	100,000	
Federal Fund	658,969	658,969	0	
Total Funds	19,466,728	19,366,728	100,000	

COMMUNITY SERVICES SUPERVISION

V00E03.01 Community Services Supervision

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for non-residential programming. The department's fiscal 2006 budget included a significant increase in non-residential programming. However, the department has been slow to develop the programming and spend these funds. This reduction level funds fiscal 2007 expenditures to the fiscal 2006 appropriation.	144,000	GF
 Total Reductions	 144,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	656.95	656.95		0.00
General Fund	73,448,196	73,304,196	144,000	
Federal Fund	9,309,744	9,309,744	0	
Total Funds	82,757,940	82,613,940	144,000	

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V00F03.01 Region Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce funding based on estimates of donations. The department receives donations at various facilities. This reduction aligns fiscal 2007 estimated donations with the most recent actuals. If the donation levels are higher, the department may add those donations through budget amendment.	35,000 SF	
 Total Reductions	 35,000	 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	24.50	24.50		0.00
General Fund	2,360,288	2,360,288	0	
Special Fund	65,000	30,000	35,000	
Total Funds	2,425,288	2,390,288	35,000	

Committee Narrative

Regionalization: Underpinning the recently submitted Facilities Master Plan for the Department of Juvenile Services (DJS) was a revised regional structure (*moving from five to four regions*) and a proposal to enhance the autonomy of those regions. However, to date, little detail on the specific level of autonomy has been provided. DJS has indicated it will finalize its regionalization initiative *including the composition of the regions* once it has evaluated the implementation of a pilot project in the Western Maryland region. The committees request that DJS report back on its regionalization initiative including an evaluation of the strengths and weaknesses exhibited in the pilot region.

In addition, the report should finalize the regional structure DJS intends to use. To the extent that this structure deviates from the five region structure in place during fiscal 2005, DJS should provide:

- *detail on how the regions were defined;*
- *specific justification for any change in the number of regions;*
- *specific justification for the geographic composition of those regions; and*

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- *to the extent that there is realignment of jurisdictions, the report should offer specific evidence of the benefits that will accrue from realignment.*

Information Request	Author	Due Date
Evaluation of regionalization initiative	DJS	December 15, 2006 October 1, 2006

Residential and Non-residential Program Resource Directory: *The committees are concerned that all agencies involved in the juvenile justice system have a uniform listing of placement options that are available for juvenile delinquents. The committees believe that the development of such a listing will aid in the appropriate placement of youth. The committees request the Department of Juvenile Services (DJS) build on its existing glossary of programs and facilities to develop a standard residential and non-residential program resource directory identifying program types, services provided in those program types, as well as the name and capacity of available programs. This directory should be distributed to all agencies participating in the juvenile justice system and should be periodically updated. The committees request that DJS submit a copy of the initial directory by December 1, 2006, together with a description of the offender classification instruments being utilized by the department to determine placements and how those instruments are used to make placement decisions.*

Information Request	Author	Due Date
<i>Residential and Non-residential program resource directory</i>	DJS	December 1, 2006

W
Department of State Police

Budget Amendments

MARYLAND STATE POLICE

W00A01.01 Office of the Superintendent

Add the following language to the general fund appropriation:

, provided that \$1,000,000 of this appropriation is restricted until the Department of State Police (DSP) submits the Crime in Maryland: 2005 Uniform Crime Report (UCR) to the budget committees. The budget committees shall have 45 days to review and comment.

Furthermore, if DSP encounters difficulty in obtaining the necessary crime data on a timely basis from local jurisdictions who provide this data for inclusion in the UCR, the department may withhold a portion, totaling no more than 50 percent, of that jurisdiction's State Aid for Police Protection grant for fiscal 2007 until such time that the jurisdiction submits its crime data.

Explanation: This language was originally added because DSP had not been submitting its annual crime report in a timely manner. As such, this language withholds a portion of the department's general fund appropriation until the budget committees receive the 2005 Uniform Crime Report.

Information Request	Author	Due Date
2005 Uniform Crime Report	DSP	45 days prior to expenditure of funds

Strike the following language:

~~Further provided that \$500,000 of this appropriation shall be restricted until the Department of State Police and the Maryland Institute of Emergency Medical Services Systems, in consultation with the Emergency Medical Systems Board and the Emergency Medical Systems Advisory Council, submit a plan to the budget committees by August 1, 2006, for the scheduled replacement of the Dauphin Med Evac helicopters. The plan shall include a plan to finance the replacements and shall justify the ongoing need for a twelfth helicopter. The budget committees shall have 45 days to review and comment on the plan.~~

~~**Explanation:** This language restricts \$500,000 of the general fund appropriation for the Department of State Police (DSP) until the department provides a report to the budget committees concerning the scheduled replacement of the Med Evac helicopter fleet. This report was originally requested during the 2005 session.~~

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Information Request	Authors	Due Date
Helicopter Replacement Report	DSP MIEMSS	August 1, 2006

Amendment No. **104**

W00A01.04 Support Services Bureau

Reduce appropriation for the purposes indicated:

1. Reduce funds for rent payments for the use of the Public Safety Education and Training Center (PSETC). PSETC is operated by the Police and Correctional Training Commissions (PCTC). Though housed in the Department of Safety and Correctional Services, PCTC is responsible for developing standards for Maryland State Police officers and correctional officers alike. Given this, PCTC should be funded entirely from the general fund, and should not be receiving appropriations from the Maryland State Police for the operational costs of PSETC.

<u>Funds</u>	<u>Positions</u>
240,352 GF	

Total Reductions	240,352	0.00
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<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	256.00	256.00		0.00
General Fund	48,099,475	47,859,123	240,352	
Special Fund	150,000	150,000	0	
Federal Fund	2,932,000	2,932,000	0	
Total Funds	51,181,475	50,941,123	240,352	

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Committee Narrative

Report on Laboratory Oversight Board: Discoveries of misconduct and crime lab dysfunction throughout the country have brought to light the need for an independent body to oversee and regulate forensic laboratories. Additionally, some federal grant money designated for forensic improvement and to address backlogs of case work will soon require the existence of an independent oversight board. As such, the budget committees direct the Department of State Police (DSP) to study and report on a potential forensic laboratory oversight body. The report should include information about what other states are doing, what federal grants may be available for such an oversight body, and what federal grants may be lost if such an oversight body is not in place. DSP should recommend a location independent of DSP and a structure for a forensic laboratory oversight body in Maryland. The study should be submitted no later than October 1, 2006.

Information Request	Author	Due Date
Report on independent forensic laboratory oversight board	DSP	October 1, 2006

Y
State Reserve Fund

Budget Amendments

Y01A01.01 Revenue Stabilization Account

Add the following language to the general fund appropriation:

, provided that, if the State does not receive at least \$14,500,000 in premiums from the sale of State bonds in July 2006, authorization is hereby granted to transfer, by approved budget amendment, from the State Reserve Fund to the Board of Public Works, an amount equal to the difference between \$14,500,000 and the amount of premiums received. Any money transferred under this provision may be expended only by the Comptroller to provide grants, for public school construction projects approved by the Interagency Committee on School Construction.

Explanation: This language authorizes the transfer of up to \$14.5 million from the State Reserve Fund in fiscal 2007 for public school construction projects if the State does not receive at least \$14.5 million in bond sale premiums in July 2006.

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce Rainy Day Fund appropriation to allow the funds to increase the general fund balance.</i>	49,076,805	GF
<i>Total Reductions</i>	49,076,805	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>General Fund</i>	593,282,470	544,205,665	49,076,805	
<i>Total Funds</i>	593,282,470	544,205,665	49,076,805	

Amendment No. **105**

Y01A02.01 Dedicated Purpose Account

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete Dedicated Purpose Account appropriation for fiscal 2008 expenditure requirements. This represents a transfer of funds out of the Rainy Day Fund, decreasing the fund balance to 5%. To be consistent with the Spending Affordability Committee's recommendations, it is recommended that the	670,000,000	GF

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appropriation be deleted and the funds remain in the Rainy Day Fund. This provides sufficient funds to increase the Rainy Day Fund balance to at least 7.5%.

Total Reductions 670,000,000 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	823,000,000	153,000,000	670,000,000	
Total Funds	823,000,000	153,000,000	670,000,000	

Amend the following language:

Reserve for fiscal year 2008 operations.....-670,000,000
0

Explanation: This is a technical amendment that strikes language pertaining to deleted Dedicated Purpose Account funds.

C82D
Office of the State Prosecutor

Fiscal 2006 Deficiency

C82D00.01 General Administration

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce fiscal 2006 deficiency funding request by the amount received from the sale of the vehicle.	4,000	GF
 Total Reductions	 4,000 0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	102,670	98,670 102,670	4,000 0	
Total Funds	102,670	98,670 102,670	4,000 0	

Amendment No. **106**

F
Department of Budget and Management

Fiscal 2006 Deficiency

OFFICE OF PERSONNEL SERVICES AND BENEFITS

F10A02.08 Statewide Expenses

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete <i>Reduce</i> funding for a deficiency for correctional officer enhancements and delay implementation until July 1, 2006 <u>April 15, 2006</u> . These enhancements for a correctional officer recruitment and retention program include salary increases for correctional officers, a higher entry-level salary to attract new recruits, hiring bonuses, and retention bonuses based upon employee performance. These changes are also funded in the fiscal 2007 budget; deleting the deficiency funds will delay implementation of the recruitment and retention program until July 1, 2006 <u>also fully funded in the fiscal 2007 budget</u> .	15,500,000 9,000,000	GF GF
Total Reductions	15,500,000 9,000,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	15,500,000	0 6,500,000	15,500,000 9,000,000	
Total Funds	15,500,000	0 6,500,000	15,500,000 9,000,000	

Amendment No. **107**

L
Department of Agriculture

Fiscal 2006 Deficiency

OFFICE OF RESOURCE CONSERVATION

L00A15.04 Resource Conservation Grants

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce fiscal 2006 deficiency funding request for the Cover Crop Program since fewer acres than anticipated may be eligible for program funding in spring 2006.	400,000	GF
	300,000	GF
 Total Reductions	 400,000	
	300,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	1,400,000	1,000,000	400,000	
		1,100,000	300,000	
Total Funds	1,400,000	1,000,000	400,000	
		1,100,000	300,000	

Amendment No. **108**

Q00B
Department of Public Safety and Correctional Services
Division of Correction - Headquarters

Fiscal 2006 Deficiency

HEADQUARTERS

Q00B01.01 General Administration

Strike the following language:

To become available immediately upon passage of this budget to supplement the appropriation for fiscal year 2006 to provide funds to contract for substance abuse and psychotherapy services to incarcerated women with babies to develop the capacity to mother and to resist drugs (~~\$272,000~~) and the installation of a sprinkler system (~~\$250,000~~) required by the Baltimore City Fire Marshal in the building occupied by the clients.

Explanation: This is a technical amendment related to reducing the deficiency appropriation.

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete the three deficiency appropriations for contractual services and fuel and utilities. Funds were included in the fiscal 2006 budget for the opening and operation of North Branch Correctional Institution (NBCI). NBCI is now scheduled to open in late October 2006, so the fiscal 2006 operating funds are no longer required. The funds originally budgeted for the operation of NBCI can be used to pay for fuel and utilities and the required contractual services.	500,000	GF
	522,000	GF
 Total Reductions	 500,000 522,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	522,000	22,000	500,000	
		0	522,000	
Total Funds	522,000	22,000	500,000	
		0	522,000	

Amendment No. 109

Q00B

JESSUP REGION

Q00B02.01 Maryland House of Correction

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the deficiency appropriation for fuel and utilities. Funds were included in the fiscal 2006 budget for the opening and operation of North Branch Correctional Institution (NBCI). NBCI is now scheduled to open in late October 2006, so the fiscal 2006 operating funds are no longer required. The funds originally budgeted for the operation of NBCI can be used to pay for fuel and utilities.	2,000,000 GF 4,000,000 GF	
Total Reductions	2,000,000 4,000,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	4,000,000	2,000,000 0	2,000,000 4,000,000	
Total Funds	4,000,000	2,000,000 0	2,000,000 4,000,000	

Amendment No. 110

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce the deficiency appropriation for payments on the inmate medical contract. Funds were included in the fiscal 2006 budget for the opening and operation of the North Branch Correctional Institution (NBCI). NBCI is now scheduled to open in late October 2006, so the fiscal 2006 operating funds are no longer required. The funds originally budgeted for the operation of NBCI can be used to pay for the costs of the inmate medical contract that exceed the original budgeted amount and the remainder of the deficiency appropriation.	2,500,000 GF 4,478,000 GF	

Q00B

Total Reductions			2,500,000	
			4,478,000	
			Amount	Position
<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Reduction</u>	<u>Reduction</u>
General Fund	18,000,000	15,500,000	2,500,000	
		13,522,000	4,478,000	
Total Funds	18,000,000	15,500,000	2,500,000	
		13,522,000	4,478,000	

Amendment No. 111

HAGERSTOWN REGION

Q00B04.01 Maryland Correctional Institution – Hagerstown

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <i>Delete the deficiency appropriation for fuel and utilities. Funds were included in the fiscal 2006 budget for the opening and operation of North Branch Correctional Institution (NBCI). NBCI is now scheduled to open in late October 2006, so the fiscal 2006 operating funds are no longer required. The funds originally budgeted for the operation of NBCI can be used to pay for fuel and utilities and the required contractual services.</i>	1,000,000	GF

Total Reductions

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount</u>	<u>Position</u>
			<u>Reduction</u>	<u>Reduction</u>
General Fund	1,000,000	0	1,000,000	
Total Funds	1,000,000	0	1,000,000	

Amendment No. 112

V
Department of Juvenile Services

Fiscal 2006 Deficiency

V00D02.03 Capital Appropriations

Add the following language to the 2006 deficiency appropriation:

Provided that these funds may not be expended until the Department of Juvenile Services, in consultation with the Juvenile Court, Family Court and other participating agencies in Children in Need of Assistance and delinquency proceedings at the Baltimore City Juvenile Justice Center, submits a detailed plan on the renovations to the budget committees. The plan should include:

- (1) detailed cost estimates;
- (2) justification for, and detail on, new classrooms and any other new use of space;
- (3) the impact on current occupants including the operating budget impact on any displaced occupants; and
- (4) how the renovations, changes in building occupancy and new functions in the building will not interfere with the current Juvenile Court Case Processing program and other benefits of inter-agency cooperation at the Center.

The committees shall have 30 days to review and comment on the plan.

Explanation: The Baltimore City Juvenile Justice Center (BCJJC) was designed to be a “one-stop shop” for youth in the juvenile justice system, with the hope that having all of the participants in a single location could yield systemic benefits. The Department of Juvenile Services (DJS) is proposing a substantial renovation to BCJJC to accommodate additional educational and treatment space. However, DJS has no detailed plans or cost estimates for the project. The language withholds the funds until DJS submits a detailed plan to the budget committees on the proposed renovations. The plan should include cost estimates as well as the impact on existing occupants and the programming at the center.

Information Request	Author	Due Date
Detailed plan on proposed renovations to BCJJC	DJS	30 days prior to the expenditure of funds

V

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete funding for renovations at the Baltimore City Juvenile Justice Center. The department has provided no detailed description of the work to be undertaken or project cost data.	3,000,000	GF
Total Reductions	3,000,000	0

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	3,000,000	0	3,000,000	
		3,000,000	0	
Total Funds	3,000,000	0	3,000,000	
		3,000,000	0	

Amendment No. 113

Y
State Reserve Fund

Fiscal 2006 Deficiency

Y01A02.01 Dedicated Purpose Account

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce Energy Overcharge Restitution Fund (EORF) appropriation for fiscal 2006 energy assistance programs. The Department of Human Resources (DHR) advises that the estimated fiscal 2006 need is \$10.4 million and the Department of Housing and Community Development (DHCD) advises it requires another \$500,000. The appropriation provides \$13 million (\$6 million in general funds and \$7 million in EORF special funds). This is \$2.1 million more than DHR's and DHCD's projected need. The overbudgeted funds are deleted.	2,100,000	SF
Total Reductions	2,100,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	6,000,000	6,000,000	0	
Special Fund	7,000,000	4,900,000	2,100,000	
Total Funds	13,000,000	10,900,000	2,100,000	

Budget Amendments

Section 2 Restricted Appropriations

Amend the following section:

SECTION 2. AND BE IT FURTHER ENACTED, ~~That: That in order to carry out the provisions of these appropriations the Secretary of Budget and Management is authorized:~~

- (a) ~~To allot all or any portion of the funds herein appropriated to the various departments, boards, commissions, officers, schools and institutions by monthly, quarterly, or seasonal periods and by objects of expense and may place any funds appropriated but not allotted in contingency reserve available for subsequent allotment. Upon the Secretary's own initiative or upon the request of the head of any State agency, the Secretary may authorize a change in the amount of funds so allotted.~~

~~The Secretary shall, before the beginning of the fiscal year, file with the Comptroller of the Treasury a schedule of allotments, if any. The Comptroller shall not authorize any expenditure or obligation in excess of the allotment made and any expenditure so made shall be illegal.~~

- (b) ~~To allot all or any portion of funds coming into the hands of any department, board, commission, officer, school, and institution of the State, from sources not estimated or calculated upon in the budget.~~

- (c) (1) Prior to July 1, 2006, the Department of Budget and Management shall file with the Comptroller of the Treasury a list of the appropriations for each program in the State budget.

- (2) Prior to July 1, 2006, the Presiding Officers of the General Assembly shall submit to the Comptroller of the Treasury a list of the appropriations restricted in this Act. The Comptroller of the Treasury shall place the restricted appropriations into a contingency reserve until such time as the Comptroller of the Treasury receives written notification from the chairmen of the Senate Budget and Taxation Committee and House Committee on Appropriations that the funds may be released from the contingency reserve and made available to the appropriate department, board, commission, officer, school, or institution.

- (3) Except as provided in paragraph (2) of this section, the Comptroller of the Treasury may not authorize any expenditure or obligation that requires use of funds in the contingency reserve and any expenditure so made shall be illegal.

- (4) The Secretary of Budget and Management is authorized to ~~To~~ fix the number and classes of positions, including temporary contractual and permanent regular positions, or person years of authorized employment for each agency, unit, or program thereof,

not inconsistent with the Public General Laws in regard to classification of positions. The Secretary shall make such determinations before the beginning of the fiscal year and shall base them on the positions or person years of employment authorized in the budget as amended by approved budgetary position actions. No payment for salaries or wages nor any request for or certification of personnel shall be made except in accordance with the Secretary's determinations. At any time during the fiscal year the Secretary may amend the number and classes of positions or person years of employment previously fixed by the Secretary; the Secretary may delegate all or part of this authority. The governing boards of public institutions of higher education shall have the authority to transfer positions between programs and campuses under each institutional board's jurisdiction without the approval of the Secretary, as provided in Section 15-105 of the Education Article.

~~(d) To prescribe procedures and forms for carrying out the above provisions.~~

Explanation: Amendments to this section remove the authorization for the Governor to unilaterally withhold allotments from agencies and provide a process for the release of funds restricted by the General Assembly.

Information Request	Author	Due Date
List of appropriations for each program in the State budget	DBM	Prior to July 1, 2006

Section 17 Using Funds for Their Intended Purposes

Amend the following section:

SECTION 17. AND BE IT FURTHER ENACTED, That funds appropriated to the various State agency programs and subprograms in Comptroller Objects 0152 (Health Insurance), 0154 (Retirees Health Insurance Premiums), 0175 (Workers' Compensation), 0217 (Health Insurance - MDOT only), 0305 (DBM Paid Telecommunications) and 0322 (Capital Lease Telecommunications) are to be utilized for their intended purposes only. ~~The expenditure or transfer of these funds for other purposes requires the prior approval of the Secretary of Budget and Management.~~ Notwithstanding any other provision of law, the Secretary of Budget and Management may transfer amounts appropriated in Comptroller objects ~~0152, 0152 and 0154, 0305, and 0322~~ between State departments and agencies by approved budget amendment in fiscal year 2006 and fiscal year 2007. All funds budgeted in or transferred to Comptroller Objects 0152 and 0154, and any funds restricted in this budget for use in the employee and retiree health insurance program that are unspent shall be credited to the fund as established in accordance with Section 2-516 of the State Personnel and Pensions Article of the Annotated Code of Maryland.

Further provided that funds may be transferred between State agency programs and subprograms within Comptroller Objects 0305 and 0322.

Further provided that each agency that receives funding in this budget in any of the restricted Comptroller Objects herein listed within this section shall establish within the State's accounting system a structure of accounts to separately identify for each restricted Comptroller Object by fund source, the legislative appropriation, monthly transactions, and final expenditures. It is the intent of the General Assembly that accounting detail be established so that the Office of Legislative Audits may review the disposition of funds appropriated for each restricted Comptroller Object as part of each closeout audit to ensure that funds are used only for the purposes for which they are restricted and that unspent funds are reverted or cancelled.

Explanation: This amendment withdraws the opportunity for the Secretary of Budget and Management to redirect certain funds for other purposes and makes it possible for the Office of Legislative Audits to track the disposition of funds in Comptroller objects 0152, 0154, 0217, 0305, and 0322.

Section 18 Increase Revenue Stabilization Account Balance

Amend the following section:

SECTION 18. AND BE IT FURTHER ENACTED, That for fiscal 2007, the total amount of funds transferred from the Revenue Stabilization Account of the State Reserve Fund to the general fund may not exceed ~~\$200,000,000~~ \$150,923,195.

Explanation: The language is consistent with a Spending Affordability Committee recommendation to increase the Revenue Stabilization Account (Rainy Day Fund) balance to 7.5%. The committee expressed the concern that the importance which the bond rating agencies place on maintaining a Rainy Day Fund balance of at least 5% of the estimated general fund revenues has changed the practical use of the Rainy Day Fund. Even during times of fiscal distress, maintaining a balance equivalent to 5% of general fund revenues is treated as a necessity. Thus, the reserves are not available to meet the statutory goals for the fund. For the Rainy Day Fund to again serve as a short-term revenue source in times of distress, a balance in excess of 5% is required.

The language limits the amount of funds transferred out of the Revenue Stabilization Account (Rainy Day Fund) to ~~\$200~~ \$151 million. This leaves the fund with an estimated balance of at least \$1,149 million, which is \$507 million over the 5% current minimum. ~~The language also allows the administration to transfer \$100 million into the Dedicated Purpose Account and \$100 million into the general fund, resulting in an estimated general fund balance of \$132 million at the end of fiscal 2007. In a separate action, the Rainy Day Fund appropriation was reduced \$49 million to allow the estimated fiscal 2007 end-of-year fund balance to increase to at least \$150 million.~~

Amendment No. 114

Section 19 Cigarette Restitution Fund Report

Add the following section:

SECTION 19. AND BE IT FURTHER ENACTED, That \$26,000,000 of the special fund appropriation for M00Q01.03 from the Cigarette Restitution Fund may not be expended until the Department of Budget and Management and the State's Office of the Attorney General submit a letter to the budget committees certifying that the legal proceedings related to the 2006 Master Settlement Agreement payment will not result in revenues received by the Cigarette Restitution Fund during 2006 falling below \$123,604,700. The budget committees shall have 45 days to review and comment on the letter from the date the letter was received by the committees.

Explanation: This language prohibits the expenditure of \$26.0 million of Cigarette Restitution Funds appropriated in the Medicaid budget. Recent actions by participating manufacturers threaten to reduce the 2006 Master Settlement Agreement (MSA) payment to the states. The MSA authorizes manufacturers that lose a certain share of the market to adjust the MSA payment by withholding three times the amount of their losses. This adjustment known as a "Non-Participating Manufacture" (NPM) adjustment has the potential to reduce payments under the MSA by \$1.1 billion, or 18%, of which Maryland's share is approximately \$26.0 million. An arbitrator will issue a final decision on March 27, 2006, on whether the MSA was a significant factor contributing to the loss of market share. If the arbitrator finds that the MSA was not a significant factor, there will be no NPM adjustment and Maryland will be entitled to receive its full 2006 MSA payment. If the arbitrator finds that the MSA was a significant factor, \$1.1 billion may be withheld from the 2006 MSA payment. The MSA provides that the NPM adjustment will apply to all states unless a state has enacted and is diligently enforcing its Qualifying Statute. Diligent enforcement of the Qualifying Statute will be determined on a state-by-state basis, through a court proceeding. If Maryland is found to have diligently enforced its Qualifying Statute, there will be no NPM adjustment and Maryland's 2006 MSA payment will not be affected; however, if it is determined that Maryland has not diligently enforced the statute, the State will be allocated a portion of the entire NPM adjustment. If one state wins on diligent enforcement, that state's share of the NPM adjustment will be reallocated to those states that are found not to have diligently enforced. Consequently, it is possible that Maryland's share of the NPM adjustment could exceed \$26 million.

The language also requires the Department of Budget and Management (DBM) and the State's Office of the Attorney General to submit a letter to the committees notifying the committees of the conclusion of the proceedings. The budget committees will have 45 days to review and comment prior to the release of funds.

Information Request	Authors	Due Date
Letter notifying the committees of the conclusion of the legal proceedings	DBM Attorney General	45 days prior to release of funds

Section 20 Across-the-board Reductions and Higher Education

Add the following section:

SECTION 20. AND BE IT FURTHER ENACTED, That all across-the-board reductions applied to the Executive Branch, unless otherwise stated, shall apply to current unrestricted and general funds in the University System of Maryland, St. Mary's College of Maryland, Morgan State University, and Baltimore City Community College.

Explanation: This section explicitly applies reductions intended for the full Executive Branch to the University System of Maryland, St. Mary's College of Maryland, Morgan State University, and Baltimore City Community College, unless their exclusion is specifically stated.

Section 21 Injured Workers' Insurance Fund Accounts

Add the following section:

SECTION 21. AND BE IT FURTHER ENACTED, That the Comptroller of the Treasury's General Accounting Division shall establish a subsidiary ledger control account to debit all State agency funds budgeted under subobject 0175 (workers' compensation coverage) and to credit all payments disbursed to the Injured Workers' Insurance Fund (IWIF) via transmittal. The control account shall also record all funds withdrawn from the IWIF and returned to the State and subsequently transferred to the general fund. IWIF shall submit monthly reports to the Department of Legislative Services concerning the status of the account.

Explanation: This section provides continuation of a system to track workers' compensation payments to IWIF for payment of claims, current expenses, and funded liability for incurred losses by the State.

Information Request	Author	Due Date
Report on status of ledger control account	IWIF	Monthly beginning July 1, 2006

Section 22 Reporting Federal Monies

Add the following section:

SECTION 22. AND BE IT FURTHER ENACTED, That executive budget books shall include a summary statement of federal revenues by major federal program source supporting the federal appropriations made therein along with the major assumptions underpinning the federal fund estimates. The Department of Budget and Management (DBM) shall exercise due diligence in reporting these data and ensure that they are updated as appropriate to reflect ongoing

Congressional action on the federal budget. In addition, DBM shall provide to the Department of Legislative Services (DLS) data for the actual, current, and budget years listing the components of each federal fund appropriation by Catalogue of Federal Domestic Assistance number or equivalent detail for programs not in the catalogue. Data shall be provided in an electronic format subject to the concurrence of DLS.

Explanation: This annual language provides for consistent reporting of federal monies received by the State.

Information Request	Author	Due Date
Report of components of each federal fund appropriation	DBM	With submission of the fiscal 2008 budget

Section 23 Capital Fund Budgeting

Add the following section:

SECTION 23. AND BE IT FURTHER ENACTED, That for fiscal 2008, capital funds shall be budgeted in separate eight-digit programs. When multiple projects and/or programs are budgeted within the same nontransportation eight-digit program, each distinct program and project shall be budgeted in a distinct subprogram. To the extent possible, subprograms for projects spanning multiple years shall be retained to preserve funding history. Furthermore, the budget detail for fiscal 2006 and 2007 submitted with the fiscal 2008 budget shall be organized in the same fashion to allow comparison between years.

Explanation: This annual language requires that capital funds be budgeted in separate eight-digit programs to aid in the identification of individual capital projects.

Section 24 Federal Fund Spending

Add the following section:

SECTION 24. AND BE IT FURTHER ENACTED, That in the expenditure of federal funds appropriated in this budget or subsequent to the enactment of this budget by the budget amendment process:

- (1) State agencies shall administer these federal funds in a manner that recognizes that federal funds are taxpayer dollars that require prudent fiscal management, careful application to the purposes for which they are directed, and strict attention to budgetary and accounting procedures established for the administration of all public funds.

- (2) For fiscal 2007, except with respect to capital appropriations, to the extent consistent with federal requirements:
- (a) when expenditures or encumbrances may be charged to either State or federal fund sources, federal funds shall be charged before State funds are charged; this policy does not apply to the Department of Human Resources with respect to federal funds to be carried forward into future years for child welfare or welfare reform activities, or to the Department of Health and Mental Hygiene with respect to funds to be carried forward into future years for the purpose of reducing the waiting list for community services for individuals with developmental disabilities or with respect to funds to be carried forward into future years for HIV/AIDS-related activities, or to the Maryland State Department of Education with respect to funds to be carried forward into future years for child care;
 - (b) when additional federal funds are sought or otherwise become available in the course of the fiscal year, agencies shall consider, in consultation with the Department of Budget and Management, whether opportunities exist to use these federal revenues to support existing operations rather than to expand programs or establish new ones; and
 - (c) the Department of Budget and Management shall take appropriate actions to effectively establish these as policies of the State with respect to administration of federal funds by executive agencies.

Explanation: This annual language defines the policies under which federal funds shall be used in the State budget.

Section 25 Report on Indirect Cost

Add the following section:

SECTION 25. AND BE IT FURTHER ENACTED, That the Department of Budget and Management shall provide an annual report on indirect costs to the General Assembly in January 2007 as an appendix in the Governor's fiscal 2008 budget books. The report shall detail by agency for the actual fiscal 2006 budget the amount of statewide indirect cost recovery received, the amount of statewide indirect cost recovery transferred to the general fund, and the amount of indirect cost recovery retained for use by each agency. In addition, it shall list the most recently available federally approved statewide and internal agency cost recovery rates. As part of the normal fiscal/compliance audit performed for each agency once every three years, the Office of Legislative Audits shall assess available information on the timeliness, completeness, and deposit history of indirect cost recoveries by State agencies. Further provided that for fiscal 2007, excluding the Maryland Department of Transportation, the amount of revenue received by each agency from any federal source for statewide cost recovery may only be transferred to the general fund and may not be retained in any clearing account or by any other means, nor may the Department of Budget and Management or any other agency or entity approve exemptions to permit any agency to retain any portion of federal statewide cost recoveries.

Explanation: This is annual language that requires a report on indirect costs and disallows waivers of statewide cost recovery, requiring that recovered funds may only be transferred to the general fund.

Information Request	Author	Due Date
Annual report on indirect costs	DBM	With submission of Governor's fiscal 2008 budget books

Section 26 Executive Long-term Forecast

Add the following section:

SECTION 26. AND BE IT FURTHER ENACTED, That the executive budget books shall include a forecast of the impact of the executive budget proposal on the long-term fiscal condition of General Fund, Transportation Trust Fund, and higher education current unrestricted fund accounts. This forecast shall estimate aggregate revenues, expenditures, and fund balances in each account for the fiscal year last completed, the current year, the budget year, and four years thereafter. Expenditures shall be reported at such agency, program, or unit levels or categories as may be determined appropriate after consultation with the Department of Legislative Services. A statement of major assumptions underlying the forecast shall also be provided, including but not limited to general salary increases, inflation, and growth of caseloads in significant program areas.

Explanation: This annual language provides for the delivery of the executive's general fund forecast and defines the conditions under which it is to be provided.

Information Request	Author	Due Date
Executive's general fund forecast	DBM	With submission of Governor's fiscal 2008 budget books

Section 27 Reporting of Budget Data and Organizational Charts

Add the following section:

SECTION 27. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that all State departments, agencies, bureaus, commissions, boards, and other organizational units included in the State budget, including the Judiciary, shall prepare and submit items for the fiscal 2008 budget detailed by "Statewide Subobject" classification in accordance with instructions promulgated by the Comptroller of the Treasury. The presentation

of budget data in the Governor's budget books shall include object, fund, and personnel data in the manner provided for fiscal 2007 except as indicated elsewhere in this Act; however, this shall not preclude the placement of additional information into the budget book. For actual fiscal 2006 spending, the fiscal 2007 working appropriation, and the fiscal 2008 allowance, the budget detail shall be available from the Department of Budget and Management's automated data system at the subobject level by statewide subobject codes and classifications for all agencies. To the extent possible, except for public higher education institutions, subobject expenditures shall be designated by fund for actual fiscal 2006 spending, the fiscal 2007 working appropriation, and the fiscal 2008 allowance. The agencies shall exercise due diligence in reporting these data and ensuring correspondence between reported position and expenditure data for the actual, current, and budget fiscal years. These data shall be made available upon request and in a format subject to the concurrence of the Department of Legislative Services. Further, the expenditure of appropriations shall be reported and accounted for by the subobject classification in accordance with the instructions promulgated by the Comptroller of the Treasury.

Further provided due diligence shall be taken to accurately report full-time equivalent position counts of contractual positions in the budget books. For the purpose of this count, contractual positions are defined as those individuals having an employee-employer relationship with the State. This count shall include those individuals in higher education institutions who meet this definition but are paid with additional assistance funds.

Further provided that the Department of Budget and Management shall provide to the Department of Legislative Services with the allowance for each department, unit, agency, office, and institution an organizational chart that depicts the allocation of personnel across operational and administrative activities of the entity.

Explanation: This annual language provides for consistent reporting of fiscal 2006, 2007, and 2008 budget data, and for the second year provides for the submission of department, unit, agency, office, and institutions' organizational charts to the Department of Legislative Services with the allowance.

Section 28 Maintenance of Accounting Systems

Add the following section:

SECTION 28. AND BE IT FURTHER ENACTED, That:

- (1) The Secretary of Health and Mental Hygiene shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2006 in program M00Q01.03 Medical Care Provider Reimbursements have been disbursed for services provided in that fiscal year and shall prepare and submit the periodic reports required under this section for that program.

- (2) The State Superintendent of Schools shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2006 to program R00A02.07 Students with Disabilities for Non-Public Placements have been disbursed for services provided in that fiscal year and to prepare periodic reports as required under this section for that program.
- (3) The Secretary of Human Resources shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2006 in program N00G00.01 Foster Care Maintenance Payments have been disbursed for services provided in that fiscal year and to prepare the periodic reports required under this section for that program.
- (4) For the programs specified, reports shall indicate total appropriations for fiscal 2006 and total disbursements for services provided during that fiscal year up through the last day of the second month preceding the date on which the report is to be submitted and a comparison to data applicable to those periods in the preceding fiscal year.
- (5) Reports shall be submitted to the budget committees, the Department of Legislative Services, the Department of Budget and Management, and the Comptroller on November 1, 2006, March 1, 2007, and June 1, 2007.
- (6) It is the intent of the General Assembly that general funds appropriated for fiscal 2006 to the programs specified which have not been disbursed within a reasonable period, not to exceed 12 months from the end of the fiscal year, shall revert.

Explanation: This annual language requires the maintenance of accounting systems for certain programs, states the intent of the General Assembly that general funds not disbursed be reverted, and requires reporting of disbursements by the Department of Health and Mental Hygiene (DHMH), the Maryland State Department of Education (MSDE), and the Department of Human Resources (DHR).

Information Request	Authors	Due Date
Report on appropriations and disbursements in M00Q01.03, R00A02.07, and N00G00.01	DHMH MSDE DHR	November 1, 2006 March 1, 2007 June 1, 2008

Section 29 Statewide Subobjects

Add the following section:

SECTION 29. AND BE IT FURTHER ENACTED, That the Department of Budget and Management (DBM) shall maintain three statewide subobjects for fiscal 2007. Subobject 0111 is for leave payout funds used when long-term employees leave State service and are entitled to payment for accrued leave, subobject 0112 is for funds to be used for reclassifications and hiring

above the minimum for a classification, and subobject 0306 is for cell phone expenditures. DBM shall further require that agency programs and subprograms specify in agency budget requests the use to which subobjects 0110 (Miscellaneous Adjustments) and 0199 (Other Fringe Benefit Costs) are being put.

Explanation: Agencies have treated two potentially notable personnel expenditures inconsistently. Some agencies in the past have budgeted vacation leave payout and expenditures related to hiring above the minimum rate in subobject 0110. Both of these are expenditures that other agencies have taken into consideration when calculating their turnover expectancy because they budgeted them within regular earnings (subobject 0101). By treating these expenditures differently in different agencies, it is difficult to consistently calculate and adequately compare turnover expectancy between agencies or to an agency's vacancy experience.

The addition of the cell phone expenditure subobject was necessary because it was found that without it, agencies were inconsistently budgeting cell phone expenditures, using as many as 30 different subobjects. That practice made cell phone expenditures extremely difficult to track.

Agencies also have the option of using subobjects 0110 and 0199 for various purposes, making it possible that expenditures more appropriately budgeted elsewhere will be reflected in these undefined categories.

Section 30 Faith-based Organizations

Add the following section:

SECTION 30. AND BE IT FURTHER ENACTED, That no funds in this budget may be expended pursuant to, or in furtherance of, any policy, program, or office, so named or otherwise, to purposefully promote or facilitate the participation of faith-based organizations in State programs providing health, social, educational, or other community services, unless that policy, program, or office is specifically authorized by an Act of the 2006 General Assembly.

Explanation: This language prohibits spending for faith-based organizations or for a policy, program, or office named for that purpose unless specifically authorized by an Act of the General Assembly. Nothing in this section affects the eligibility of a faith-based organization to receive monies under any program funded in the budget. Likewise, nothing in this section precludes an agency from applying for and obtaining federal funds under a program that benefits faith-based and secular organizations in a neutral manner.

Section 31 Interagency Agreements

Add the following section:

SECTION 31. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that on or before August 1, 2006, each State agency and each public institution of higher education shall report to the Department of Budget and Management any agreements in place for any part of fiscal 2007 between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 over the term of the agreement. Further provided that the Department of Budget and Management shall provide direction and guidance to all State agencies and public institutions of higher education as to the procedures and specific elements of data to be reported with respect to these interagency agreements, to include at a minimum:

- (1) a common code for each interagency agreement that specifically identifies each agreement and the fiscal year in which the agreement began;
- (2) the starting date for each agreement;
- (3) the ending date for each agreement;
- (4) a total potential expenditure, or not-to-exceed dollar amount, for the services to be rendered over the term of the agreement by any public institution of higher education to any State agency;
- (5) a description of the nature of the goods and services to be provided;
- (6) the total number of personnel, both full-time and part-time, associated with the agreement; and
- (7) contact information for the agency and the public institution of higher education for the person(s) having direct oversight or knowledge of the agreement.

Further provided that the Department of Budget and Management shall annually submit a consolidated report to the budget committees and the Department of Legislative Services by December 1, 2006, which contains information on all agreements between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000, that were in effect at any time during the prior fiscal year.

Explanation: The language requires all State agencies and public institutions of higher education to report on all interagency agreements between State agencies and public institutions of higher education having a total potential expenditure over the term of the agreement in excess of \$100,000. This applies only to agreements for the purchase of goods and/or services and does not apply to grants or space agreements between State agencies and public institutions of higher education. Further, it requires that the Department of Budget and Management submit a consolidated report on all agreements by December 1, 2006, to the budget committees and the Department of Legislative Services.

Information Request	Author	Due Date
Consolidated report on all interagency agreements	DBM	December 1, 2006

Section 32 The “Rule of 50”

Add the following section:

SECTION 32. AND BE IT FURTHER ENACTED, That the Board of Public Works, in exercising its authority to create additional positions pursuant to Section 7-236 of the State Finance and Procurement Article, may authorize during the fiscal year no more than 50 positions in excess of the total number of authorized State positions on July 1, 2006, as determined by the Secretary of Budget and Management. Provided, however, that if the imposition of this ceiling causes undue hardship in any department, agency, board, or commission, additional positions may be created for that affected unit to the extent that positions authorized by the General Assembly for the fiscal year are abolished in that unit or in other units of State government. It is further provided that the limit of 50 does not apply to any position that may be created in conformance with specific manpower statutes that may be enacted by the State or federal government nor to any positions created to implement block grant actions or to implement a program reflecting fundamental changes in federal/State relationships. Notwithstanding anything contained in this section, the Board of Public Works may authorize additional positions to meet public emergencies resulting from an act of God and violent acts of men, which are necessary to protect the health and safety of the people of Maryland.

The Board of Public Works may authorize the creation of additional positions within the Executive Branch provided that 1.25 full-time equivalent contractual positions are abolished for each regular position authorized and that there be no increase in agency funds in the current budget and the next two subsequent budgets as the result of this action. It is the intent of the General Assembly that priority is given to converting individuals that have been in a contractual position for at least two years. Any position created by this method shall not be counted within the limitation of 50 under this section.

In addition to any positions created within the limitation of 50 under this section, the Board of Public Works may authorize the creation of no more than 150 positions within the Department of Human Resources to provide services purchased by Local Management Boards through contracts with local departments of social services. If a Local Management Board terminates a contract with a local department of social services during the fiscal year, all the positions created by the Board of Public Works to provide services under the terms of that contract shall be abolished.

In addition to any positions created within the limitation of 50 under this section, the Board of Public Works may authorize the creation of positions within the Department of Human Resources to provide services funded by grants from sources other than Local Management Boards. If any grant entity terminates a grant award with a local department of social services or other unit during the fiscal year, all positions created by the Board of Public Works to provide

services under the terms of the grant award shall be abolished. The employee contracts for these positions shall explicitly state that the positions are abolished at the termination of the grant award. General funds or any other State funds shall not be used to pay any of the salaries or benefits for these positions. Furthermore, the Department of Human Resources must provide a summary to the budget committees by December 1 of each year on the number of positions created under this section.

The numerical limitation on the creation of positions by the Board of Public Works established in this section shall not apply to positions entirely supported by funds from federal or other non-State sources so long as both the appointing authority for the position and the Secretary of Budget and Management certify for each position created under this exception that:

- (1) funds are available from non-State sources for each position established under this exception; and
- (2) any positions created will be abolished in the event that non-State funds are no longer available.

The Secretary of Budget and Management shall certify and report to the General Assembly by June 30, 2007, the status of positions created with non-State funding sources during fiscal 2004, 2005, 2006, and 2007 under this provision as remaining authorized or abolished due to discontinuation of funds.

Explanation: This annual language, the “Rule of 50”, limits the number of positions that may be added after the beginning of the fiscal year to 50 and provides for exceptions to the limit.

Information Request	Authors	Due Date
Certification of the status of positions created with non-State funding sources during fiscal 2004, 2005, 2006, and 2007	DBM	June 30, 2007
Report on grant funded positions created	DHR	December 1, 2006

Section 33 Position Reporting Requirement

Add the following section:

SECTION 33. AND BE IT FURTHER ENACTED, That immediately following the close of fiscal 2006, the Secretary of Budget and Management shall determine the total number of full-time equivalent positions that are authorized as of the last day of fiscal 2006 and on the first day of fiscal 2007. Authorized positions shall include all positions authorized by the General

Assembly in the personnel detail of the budgets for fiscal 2006 and 2007 including nonbudgetary programs, the Maryland Transportation Authority, the University System of Maryland self-supported activities, and Maryland Correctional Enterprises.

The Department of Budget and Management shall also prepare during fiscal 2007 a report for the budget committees upon creation of regular full-time equivalent (FTE) positions through Board of Public Works action and upon transfer or abolition of positions. This report shall also be provided as an appendix in the fiscal 2008 Governor's budget books. It shall note, at the program level:

- (1) where regular FTE positions have been abolished;
- (2) where regular FTE positions have been created;
- (3) from where and to where regular FTE positions have been transferred; and
- (4) where any other adjustments have been made.

Provision of contractual FTE position information in the same fashion as reported in the appendices of the fiscal 2007 Governor's budget books shall also be provided.

Explanation: This is annual language providing reporting requirements for regular and contractual State positions.

Information Request	Author	Due Date
Total number of FTEs on June 30 and July 1	DBM	July 14, 2006
Report on the creation, transfer, or abolition of regular positions	DBM	As needed

Section 34 Executive Pay Plan Salaries

Add the following section:

SECTION 34. AND BE IT FURTHER ENACTED, That the Department of Budget and Management and the Maryland Department of Transportation are required to submit to the Department of Legislative Services' (DLS) Office of Policy Analysis:

- (1) a report listing the grade, salary, title, and incumbent of each position in the Executive Pay Plan (EPP) as of July 1, 2006, October 1, 2006, January 1, 2007, and April 1, 2007; and
- (2) detail on any lump-sum increases given to employees paid on the EPP subsequent to the previous quarterly report.

Flat rate employees on the EPP shall be included in these reports. Each position in the report shall be assigned a unique identifier, which describes the program to which the position is assigned for budget purposes and corresponds to the manner of identification of positions within the budget data provided annually to DLS' Office of Policy Analysis.

Explanation: Legislation adopted during the 2000 session altered the structure of the EPP to give the Governor flexibility to compensate executives at appropriate levels within broad salary bands established for their positions, without reference to a rigid schedule of steps, and through other compensation methods such as a flat rate salary. These reports fulfill a requirement for documentation of any specific recruitment, retention, or other issues that warrant a pay increase.

Information Request	Authors	Due Date
Report of all Executive Pay	DBM	July 15, 2006
Plan positions	MDOT	October 15, 2006
		January 15, 2007
		April 15, 2007

Section 35 Positions Abolished in the Budget

Add the following section:

SECTION 35. AND BE IT FURTHER ENACTED, That no position identification number assigned to a position abolished in this budget may be reassigned to a job or function different from that to which it was assigned when the budget was submitted to the General Assembly. Incumbents in positions abolished may continue State employment in another position.

Explanation: This language prevents employees from being moved into positions abolished in the budget. It also allows that incumbents in abolished positions may continue State employment in another position.

Section 36 Federal Grant Report

Add the following section:

SECTION 36. AND BE IT FURTHER ENACTED, That the Maryland State Department of Education (MSDE) shall submit a report no later than December 15, 2006 listing for each federal grant in effect on October 1, 2006, the total amount:

- (1) awarded;
- (2) expended prior to fiscal year 2007;
- (3) appropriated in the fiscal 2007 budget as approved by the General Assembly;

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- (4) appropriated by approved budget amendment after the fiscal 2007 budget was approved by the General Assembly;
- (5) unexpended and unappropriated and available in fiscal 2007; and
- (6) eligible to be spent by MSDE and eligible to be spent by local education agencies.

Explanation: Due to the extensive federal grants received by the Maryland State Department of Education and the variation in grant periods, the General Assembly should be updated on the status of the department's grants. This report shall be submitted by December 15, 2006.

Information Request	Author	Due Date
Report on federal grants	MSDE	December 15, 2006

Section 37 Budget Amendments

Amend the following section:

SECTION 37. AND BE IT FURTHER ENACTED, That any budget amendment to increase the total amount of special, federal, or higher education (current restricted and current unrestricted) fund appropriations, or to make reimbursable fund transfers from the Governor's Office of Crime Control and Prevention or the Maryland Emergency Management Agency, made in Section 1 of this Act shall be subject to the following restrictions:

- (1) This section shall not apply to budget amendments for the sole purpose of:
 - (a) appropriating funds available as a result of the award of federal disaster assistance;
 - (b) transferring funds from the State Reserve Fund – Economic Development Opportunities Fund for projects approved by the Legislative Policy Committee; and
 - (c) appropriating funds for Major Information Technology Development Project Fund projects approved by the budget committees.
- (2) Budget amendments increasing total appropriations in any fund account by \$100,000 or more may not be approved by the Governor until (i) that amendment has been submitted to the Department of Legislative Services and (ii) the budget committees or the Legislative Policy Committee have considered the amendment or 45 days have elapsed from the date of submission of the amendment. Each amendment submitted to the Department of Legislative Services shall include a statement of the amount, sources of funds and purposes of the amendment, and a summary of impact on budgeted or contractual position and payroll requirements.

- (3) Unless permitted by the budget bill or the accompanying supporting documentation or by other authorizing legislation, and notwithstanding the provisions of Section 3-216 of the Transportation Article, a budget amendment may not:
- (a) restore funds for items or purposes specifically denied by the General Assembly;
 - (b) fund a capital project not authorized by the General Assembly provided, however, that subject to provisions of the Transportation Article, projects of the Maryland Department of Transportation shall be restricted as provided in Section 1 of this Act;
 - (c) increase the scope of a capital project by an amount 7.5 percent or more over the approved estimate or 5 percent or more over the net square footage of the approved project until the amendment has been submitted to the Department of Legislative Services and the budget committees have considered and offered comment to the Governor or 45 days have elapsed from the date of submission of the amendment. This provision does not apply to the Maryland Department of Transportation; and
 - (d) provide for the additional appropriation of special, federal, or higher education funds of more than \$100,000 for the reclassification of a position or positions.
- (4) A budget may not be amended to increase a federal fund appropriation by \$100,000 or more unless documentation evidencing the increase in funds is provided with the amendment and fund availability is certified by the Secretary of Budget and Management.
- (5) No expenditure or contractual obligation of funds authorized by a proposed budget amendment may be made prior to approval of that amendment by the Governor.
- (6) Notwithstanding the provisions of this section, any federal, special, or higher education fund appropriation may be increased by budget amendment upon a declaration by the Board of Public Works that the amendment is essential to maintaining public safety, health or welfare, including protecting the environment or economic welfare of the State.
- (7) Further provided that the fiscal 2007 appropriation detail as shown in the Governor's budget books submitted to the General Assembly in January 2007 and the supporting electronic detail, shall not include appropriations for budget amendments that have not been signed by the Governor, exclusive of the Maryland Department of Transportation PAYGO capital program.
- (8) Further provided that it is the policy of the State to recognize and appropriate additional special, higher education, and federal revenues in the budget bill as approved by the General Assembly.

- (a) To implement this policy the following restrictions shall apply:
- (i) no amendment may be processed to appropriate revenues, grants, balances, or funding sources if the availability of those funds was known to the administering agency on or before March 15, 2006, ~~except with approval of the Board of Public Works after review and comment as provided under this section;~~
 - (ii) no amendment may be processed from special funds or current unrestricted revenues for State supported activities with the effect of increasing the total appropriation for a program receiving the funds by more than 2.5 percent;
 - (iii) the Governor may request a deficiency appropriation in the budget submitted to the 2007 General Assembly for any item barred under this paragraph
- (b) This paragraph shall not apply to:
- (i) the appropriation of federal Temporary Assistance for Needy Families dollars by the Department of Human Resources;
 - (ii) the appropriation of federal funds to backfill for general or special funds reduced by the General Assembly due to the availability of unappropriated federal funds; or
 - (iii) budget amendments expressly authorized by the General Assembly or necessary to implement legislation enacted from the 2006 session.

Explanation: This revised annual language defines the process under which budget amendments may be used.

Amendment No. 115

Section 38 Secretary's or Acting Secretary's Nomination and Salary

Add the following section:

SECTION 38. AND BE IT FURTHER ENACTED, That no funds in this budget may be expended to pay the salary of a Secretary or Acting Secretary of any department whose nomination as Secretary has been rejected by the Senate or an Acting Secretary who was serving in that capacity prior to the 2006 session whose nomination for the Secretary position was not put forward and approved by the Senate during the 2006 session.

Explanation: This language ensures that the intentions of the Senate are reflected in the payment of executive salaries.

Section 39 Executive Branch Position Cap

Amend the following language:

SECTION 39. AND BE IT FURTHER ENACTED, That:

- (1) For fiscal 2007 the total number of full-time equivalent (FTE) regular positions may not exceed 52,148 52,168 in Executive Branch agencies and the number of FTE contractual positions, as reported in the State Budget Books, may not exceed 2,797 in Executive Branch agencies. For the purposes of this section, Executive Branch agencies shall exclude the University System of Maryland, St. Mary's College of Maryland, Morgan State University, Baltimore City Community College, the Maryland Aviation Administration, and the Maryland Port Administration.
- (2) The Governor shall submit to the Board of Public Works not later than June 15, 2006, a schedule for aligning the authorizations in Section 1 of this Act to the levels established in paragraph (1) of this section, and shall take such actions as necessary to implement any necessary reductions. This schedule may only alter position authorizations for agencies of the Executive Branch, excluding the University System of Maryland, St. Mary's College of Maryland, Morgan State University, Baltimore City Community College, the Maryland Aviation Administration, and the Maryland Port Administration.
- (3) In implementing this section, the Governor shall abolish the number of vacant positions in Executive Branch agencies, excluding the University System of Maryland, St. Mary's College of Maryland, Morgan State University, Baltimore City Community College, the Maryland Aviation Administration, and the Maryland Port Administration, necessary to reach the limit.
- (4) Notwithstanding any other provisions of this budget, positions shall not be created in the executive service, management service, or commission plan nor shall existing positions be reclassified into or transferred from one agency, office, or department to another for the purpose of increasing, overall or within any agency, office, or department, the number of positions in the executive service, management service, or the commission plan during fiscal 2007.
- (5) The number of exempt or non-State funded positions added in fiscal 2006 after January 4, 2006, through the Board of Public Works in nonhigher education agencies, under the authority of Section 35 of the 2005 budget bill (Chapter 443, Acts of 2005) shall not count under the limit established in paragraph (1).

Explanation: This language imposes a cap of ~~52,148~~ 52,168 regular positions for Executive Branch agencies, excluding the University System of Maryland, St. Mary's College of Maryland, Morgan State University, Baltimore City Community College, the Maryland Aviation Administration, and the Maryland Port Administration. The Maryland Aviation Administration and the Maryland Port Administration were added to the exclusion list this year in recognition of their function as enterprise agencies within State government, where increased numbers of positions are absorbed within the assessments of private enterprises.

This limit is ~~612~~ 592 below the Spending Affordability Committee recommended cap of 52,760 FTE positions. The language also restricts the creation and/or increase in the number of executive service, management service, and commission plan positions during the fiscal year.

Information Request	Author	Due Date
List of abolished positions	DBM	July 1, 2006

Amendment No. 116

Section 40 Health Insurance Overbudgeting

Amend the following section:

~~SECTION 40. AND BE IT FURTHER ENACTED, That notwithstanding Section 17 of this Act, the amounts listed below, determined to be in excess of the amounts required to fund the State Employee and Retiree Health and Welfare Benefits Program, may not be expended for that purpose. Funds restricted may be transferred to the Dedicated Purpose Account to reserve funds to help defray future costs associated with retirement benefits for State and local public school teachers and State employees.~~

<u>Department</u>	<u>Fund</u>	<u>Amount</u>
<u>Executive</u>	<u>General</u>	<u>\$39,638,453</u>
<u>Executive</u>	<u>Special</u>	<u>9,416,571</u>
<u>Executive</u>	<u>Federal</u>	<u>7,063,701</u>
<u>Judiciary</u>	<u>General</u>	<u>3,613,461</u>
<u>Judiciary</u>	<u>Special</u>	<u>168,166</u>
<u>Judiciary</u>	<u>Federal</u>	<u>37,288</u>
<u>Legislative</u>	<u>General</u>	<u>819,363</u>

Authorization is granted to transfer funds thus restricted among the programs of the budget as necessary to increase funding in the Dedicated Purpose Account to implement this section. General funds restricted but not transferred to the Dedicated Purpose Account shall revert to the general fund.

For the purposes of this section, Support for State Operated Institutions of Higher Education (R75T00.01) shall not be reduced by any amount required of the Executive. Higher education institutions shall be defined as all institutions of the University System of Maryland, St. Mary's College, and Morgan State University.

(1) Notwithstanding Section 17 of this Act, the amounts listed below, determined to be in excess of the amounts required to fund the State Employee and Retiree Health and Welfare Benefits Program, may not be expended for that purpose. Funds restricted may be transferred to the Dedicated Purpose Account to reserve funds to help defray future costs associated with retirement benefits for State and local public school teachers and State employees:

<u>Department</u>	<u>Fund</u>	<u>Amount</u>
<u>Executive</u>	<u>General</u>	<u>\$33,795,093</u>
<u>Executive</u>	<u>Special</u>	<u>7,865,868</u>
<u>Executive</u>	<u>Federal</u>	<u>5,905,198</u>
<u>Judiciary</u>	<u>General</u>	<u>3,088,983</u>
<u>Judiciary</u>	<u>Special</u>	<u>140,204</u>
<u>Judiciary</u>	<u>Federal</u>	<u>26,959</u>
<u>Legislative</u>	<u>General</u>	<u>700,436</u>
<u>Higher Education</u>	<u>Current Unrestricted</u>	<u>2,175,650</u>

Authorization is granted to transfer funds thus restricted among the programs of the budget as necessary to increase funding in the Dedicated Purpose Account to implement this section. General funds restricted but not transferred to the Dedicated Purpose Account shall revert to the general fund.

(2) Further provided that notwithstanding Section 17 of this Act, the amounts listed below, determined to be in excess of the amounts required to fund the State Employee and Retiree Health and Welfare Benefits Program, may not be expended for that purpose. Funds restricted may only be expended to fund a cost-of-living increase of \$900 per employee whose annualized base salary is less than \$45,000 on June 30, 2006; \$1,400

per employee whose annualized base salary is more than \$70,000 on June 30, 2006; and 2 percent of the fiscal 2006 base salary on June 30, 2006, for the remaining employees. Further provided that the aforementioned cost-of-living increases shall be added to the annualized base salaries of all eligible State employees in fiscal 2007, effective July 1, 2006. Funds restricted but not expended for this purpose shall revert to their fund of origin:

<u>Department</u>	<u>Fund</u>	<u>Amount</u>
<u>Executive</u>	<u>General</u>	<u>\$3,924,930</u>
<u>Executive</u>	<u>Special</u>	<u>913,534</u>
<u>Executive</u>	<u>Federal</u>	<u>685,824</u>
<u>Judiciary</u>	<u>General</u>	<u>358,751</u>
<u>Judiciary</u>	<u>Special</u>	<u>16,283</u>
<u>Judiciary</u>	<u>Federal</u>	<u>3,131</u>
<u>Legislative</u>	<u>General</u>	<u>81,348</u>
<u>Higher Education</u>	<u>Current Unrestricted</u>	<u>1,543,772</u>

- (3) Further provided that notwithstanding Section 17 of this Act, \$500,000 in Executive Branch general funds, determined to be in excess of the amounts required to fund the State Employee and Retiree Health and Welfare Benefits Program, may not be expended for that purpose. Funds restricted may only be expended to fund a consultant chosen through a request for proposal (RFP) bid process, prepared by the Department of Budget and Management by August 1, 2006, to do a comprehensive salary and benefits survey of non-higher education Executive Branch positions. The RFP shall go to the budget committees for review and comment for a period not to exceed 30 days. This survey shall provide information on the relative internal and external competitiveness of the salaries and benefits provided all nonhigher education Executive Branch position classifications. A report on the results of the survey shall be provided to the budget committees no later than June 30, 2007. Funds restricted but not expended for this purpose shall revert to their fund of origin.
- (4) For the purposes of this section, Support for State Operated Institutions of Higher Education (R75T00.01) shall not be reduced by any amount required of the Executive. Higher education institutions shall be defined as all institutions of the University System of Maryland, St. Mary's College, and Morgan State University.

Explanation: This language addresses overbudgeting in the State Employee and Retiree Health and Welfare Benefits Program resulting from an overestimate of fiscal 2007 health care expenditures. It also addresses the availability of \$19.7 million in general funds due to a federal Medicare payment that the State will receive for continuing prescription drug coverage for retirees, which is to be credited to the State Employees and Retirees Health and Welfare Benefits Fund (State Personnel and Pensions Article, Section 2-516). These funds can be used to offset agencies' general fund obligation for health insurance costs. No assumptions were made about the availability of these funds in the allowance.

This section provides that these funds be used for retirement benefits for State and local teachers and State employees; *for the additional cost of a general salary increase to be no less than \$900 per employee on an annualized basis and no more than \$1,400 per employee on an annualized basis; and for a survey of non-higher education Executive Branch positions classifications.*

Information Request	Authors	Due Date
RFP for consultant to conduct comprehensive Executive Branch salary survey	DBM	August 1, 2006
Report on results of comprehensive Executive Branch salary survey	DBM and Consultant	June 30, 2007

Amendment No. 117

Section 41 Group Homes – Provider Retained Earnings

Add the following section:

SECTION 41. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for M00A01.01 – Executive Direction, and \$100,000 of the general fund appropriation for N00A01.01 – Office of the Secretary, and \$100,000 of the general fund appropriation for V00D01.01 – Office of the Secretary may not be expended until:

- (1) the Department of Health and Mental Hygiene, the Department of Human Resources, and the Department of Juvenile Services submit a report to the budget committees and the Interagency Rates Committee in the Maryland State Department of Education by January 31, 2007, listing by provider, the amount and percentage of annual funding paid to licensed child residential group home providers in Maryland that was retained by the provider at the end of the previous fiscal year; and
- (2) the budget committees have reviewed and commented on the report or 45 days have elapsed from the date the committees received the report.

It is the intent of the General Assembly that the departments should submit this report on an annual basis.

Explanation: In order to improve oversight of group homes for children and ensure that provider rates are being set properly, it is important for the State to monitor the amount of earnings providers retain each year. This language restricts funding in the budgets of the Department of Health and Mental Hygiene (DHMH), the Department of Human Resources (DHR), and the Department of Juvenile Services (DJS) until the departments provide a report on retained earnings to the budget committees and the Interagency Rate Committee.

Information Request	Authors	Due Date
Report on earnings retained by child residential group home providers	DHMH DHR DJS	January 31, 2007

Section 42 Group Homes – Provider Audits

Add the following section:

SECTION 42. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for M00A01.01 – Executive Direction, and \$100,000 of the general fund appropriation for N00A01.01 – Office of the Secretary, and \$100,000 of the general fund appropriation for V00D01.01 – Office of the Secretary may not be expended until:

- (1) the Department of Health and Mental Hygiene, the Department of Human Resources, and the Department of Juvenile Services submit a copy of each independent audit of rate contracts for fiscal 2006 for licensed child residential group homes in Maryland to the Interagency Rates Committee in the Maryland State Department of Education (MSDE) by January 31, 2007;
- (2) MSDE submits a report by March 31, 2007, to the budget committees certifying receipt of the audits and listing the providers from which audit reports were not received; and
- (3) the budget committees have reviewed and commented on the report or 45 days have elapsed from the date the committees received the report.

MSDE shall incorporate review of these audits into the annual rate-setting process for group homes licensed in Maryland by checking the audit results against reported budget data that were used to develop the rates. It is the intent of the General Assembly that the departments submit audit reports to the Interagency Rates Committee on an annual basis.

Explanation: In order to improve oversight of group homes for children and ensure that provider rates are being set properly, it is important that the audits submitted by the providers at the end of each year be evaluated against the budgets that were submitted by the providers the previous

year as part of the rate application process and that the results of this comparison be taken into consideration when the new rates are developed. This language restricts funding in the budgets of the Department of Health and Mental Hygiene, the Department of Human Resources, and the Department of Juvenile Services until the departments provide the audits to the Interagency Rates Committee (IRC). It also requires the IRC to certify the receipt of the audits and to incorporate the review of the audits into the annual rate setting process.

Information Request	Author	Due Date
Report certifying receipt of provider audits and list of audits not received	MSDE	March 31, 2007

Section 43 Group Homes – Direct Care Spending

Add the following section:

SECTION 43. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for M00A01.01 – Executive Direction, and \$100,000 of the general fund appropriation for N00A01.01 – Office of the Secretary, and \$100,000 of the general fund appropriation for V00D01.01 – Office of the Secretary may not be expended until:

- (1) the Department of Health and Mental Hygiene, the Department of Human Resources, and the Department of Juvenile Services submit a report to the budget committees by October 1, 2006, that reports on the percentage of dollars currently paid to licensed child residential group homes that is spent on direct care and that proposes a minimum percentage of the per diem funds paid to child residential group home providers in Maryland that should be spent on the direct care of residents. The report shall also discuss the feasibility of requiring licensed child residential group homes in Maryland to spend a minimum percentage of the per diem funds on the direct care of residents and the recommended method (by statute, regulation, or other means) such a requirement would be instituted; and
- (2) the budget committees have reviewed and commented on the report or 45 days have elapsed from the date the report was received by the committees.

Explanation: Currently, there is no minimum amount of the State funds received by providers of child residential group homes that must be spent on the direct care of the residents. This language restricts funds in the Department of Health and Mental Hygiene (DHMH), the Department of Human Resources (DHR), and the Department of Juvenile Services (DJS) until the departments submit a report identifying what the minimum percentage should be for direct care spending and the feasibility of establishing a minimum direct care spending requirement.

Information Request	Authors	Due Date
Report on minimum direct care spending	DHMH DHR DJS	October 1, 2006

Section 44 Group Homes – Performance-based Incentives – Rates

Add the following section:

SECTION 44. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for N00A01.01 – Office of the Secretary, and \$100,000 of the general fund appropriation for R00A01.01 – Office of the State Superintendent-Headquarters, and \$100,000 of the general fund appropriation for V00D01.01 – Office of the Secretary may not be expended until:

- (1) the Department of Human Resources, the Department of Juvenile Services, and the Interagency Rates Committee in the Maryland State Department of Education submit a report to the budget committees by October 1, 2006, providing a methodology for fiscal 2008 rates set by the Interagency Rates Committee to incorporate performance-based incentives based upon outcomes appropriate for each department; and
- (2) the budget committees have reviewed and commented on the report or 45 days have elapsed from the date the committees received the report.

It is the intent of the General Assembly that the departments should utilize performance-based contracts for all out-of-home placements that utilize rates set by the Interagency Rates Committee annually beginning in fiscal 2008.

Explanation: Current rate-setting methodology does not incorporate any element related to vendor performance. This language restricts funding in the budgets of the Department of Human Resources (DHR), the Maryland State Department of Education (MSDE), and the Department of Juvenile Services (DJS) until those agencies provide a report to the budget committees detailing a methodology to incorporate performance-based incentives into the rate-setting process. The language also expresses legislative intent that such incentives be built into rates beginning in fiscal 2008.

Information Request	Authors	Due Date
Report on incorporating performance-based incentives into the rate-setting process	DHR MSDE DJS	October 1, 2006

Section 45 Group Homes – Incident Reporting

Add the following section:

SECTION 45. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for M00A01.01 – Executive Direction, and \$100,000 of the general fund appropriation for N00A01.01 – Office of the Secretary, and \$100,000 of the general fund appropriation for V00D01.01 – Office of the Secretary may not be expended until:

- (1) The Department of Health and Mental Hygiene (DHMH), the Department of Human Resources (DHR), and the Department of Juvenile Services (DJS) submit a report to the budget committees beginning July 15, 2006, listing by provider, the number of incidents and deficiencies noted by licensed child residential group home licensing monitors in the previous three months. This report should be submitted quarterly thereafter; and
- (2) DHMH, DHR, and DJS report back to the budget committees on the feasibility of establishing a procedure for the collection of local police incident reports concerning incidents involving licensed child residential group homes. The budget committees shall have 45 days to review and comment on the report.

Explanation: This language restricts funding in the budgets of DHMH, DHR, and DJS until the departments provide a quarterly report beginning July 15, 2006, concerning the extent of incidents and deficiencies reported by group home licensing monitors and a report on how feasible it is to collect data from local police departments on incident reports concerning group homes.

Information Request	Authors	Due Date
Report on incidents and deficiencies at group homes	DHMH DHR DJS	July 15, 2006, and quarterly thereafter
Feasibility of collecting local police reports concerning group homes	DHMH DHR DJS	45 days prior to the expenditure of funds

Section 46 Group Homes – Enrollment in Education and Research Transfer

Add the following section:

SECTION 46. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for R00A01.01 – Office of the State Superintendent-Headquarters may not be expended until:

- (1) the Maryland State Department of Education, in consultation with the Governor's Office for Children, submits to the budget committees by October 1, 2006, a status report on the implementation of Chapter 217, Acts of 2003 and Chapter 308, Acts of 2005. The report shall describe current policies and regulations relating to the enrollment of children in State-supervised care in the local school system and procedures and timelines adopted for the transfer of their educational records. The report shall identify any specific barriers to the expeditious enrollment of these children and the transfer of records and propose options for addressing those barriers; and
- (2) the budget committees have reviewed and commented on the report or 45 days have elapsed from the date the committees received the report.

Explanation: Several laws have been enacted in recent years to improve the oversight of group homes for children. Chapter 217, Acts of 2003 and Chapter 308, Acts of 2005 required prompt enrollment of children cared for in group homes in the local school system, the expeditious transfer of educational records, and enhanced provider involvement with the local school system. Whether and how successfully these Acts have been implemented remains unclear to the General Assembly. This language restricts funding in the budget of the Maryland State Department of Education (MSDE) until the department provides a report in consultation with the Office for Children (OC) on the implementation of Chapter 217, Acts of 2003 and Chapter 308, Acts of 2005.

Information Request	Authors	Due Date
Status report on the implementation of Chapter 217, Acts of 2003 and Chapter 308, Acts of 2005	MSDE OC	October 1, 2006

Section 47 Group Homes – Program Administrator Certification

Add the following section:

SECTION 47. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for M00A01.01 – Executive Direction may not be expended until:

- (1) the Department of Health and Mental Hygiene, in consultation with the Governor's Office for Children, submits to the budget committees by October 1, 2006, a status report on the implementation of Chapter 438, Acts of 2004. The status report shall detail both the progress made to date and specific timelines for future actions to make the State Board for Certification of Residential Child Care Program Administrators operational. The report shall address how the department will ensure that all residential child care program administrators will be identified and certified by October 1, 2007; and
- (2) the budget committees have reviewed and commented on the report or 45 days have elapsed from the date the committees received the report.

Explanation: Several laws have been enacted in recent years to improve the oversight of group homes for children. Chapter 438, Acts of 2004 established a State Board for the Certification of Residential Child Care Program Administrators and required State certification of an estimated 500 program administrators by October 1, 2007. Certification of program administrators will help to ensure that children are afforded the best possible care and that State funding for group homes is properly expended. This language restricts funding in the budget of the Department of Health and Mental Hygiene (DHMH) until the department in consultation with the Office for Children (OC) provides a report on the implementation of Chapter 438, Acts of 2004.

Information Request	Authors	Due Date
Status report on the implementation of Chapter 438, Acts of 2004	DHMH OC	October 1, 2006

Section 48 Group Homes – Ratio of Monitors to Homes

Add the following section:

SECTION 48. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for M00A01.01 – Executive Direction, and \$100,000 of the general fund appropriation for N00A01.01 – Office of the Secretary, and \$100,000 of the general fund appropriation for V00D01.01 – Office of the Secretary may not be expended until:

- (1) the Departments of Health and Mental Hygiene, Human Resources, and Juvenile Services, in consultation with the Governor’s Office for Children, submit a report to the budget committees by October 1, 2006, proposing an appropriate ratio of licensing and monitoring staff to group homes for children licensed by each department. The report shall:
 - (a) list, for each agency, the total number of annual routine inspections required based on the number of group homes licensed multiplied by the number of inspections per home required by statute and/or regulation;
 - (b) provide an estimate, for each agency, of the number of additional inspections which may be required in order to follow up with reported problems or problems identified in the course of routine inspections;
 - (c) list, by agency, the average number of staff hours required to perform all routine inspections for one facility;
 - (d) review the current number of group home licensing and monitoring staff in each department;

- (e) specify the number of budgeted positions, the personnel classifications, and the number of vacancies among licensing and monitoring staff assigned to group homes for children in each department;
 - (f) propose a ratio of group home licensing and monitoring staff to licensed group homes for children that will help to ensure that all group home licensing and monitoring laws and regulations will be fully enforced in a timely manner; and
 - (g) identify the number of additional licensing and monitoring staff that would be required to meet the proposed ratio and whether any current staff could be reassigned for this function; and
- (2) the budget committees have reviewed and commented on the report or 45 days have elapsed from the date the committees received the report.

Explanation: To ensure that group home providers are following all applicable laws and regulations and that children are receiving the care and services required to meet their needs, the three State agencies responsible for group homes for children must have adequate staff assigned to the licensing and monitoring function. This language restricts funding in the budgets of the Department of Health and Mental Hygiene (DHMH), the Department of Human Resources (DHR), and the Department of Juvenile Services (DJS) until the departments in consultation with the Office for Children (OC) provide a report on the appropriate ratio of licensing and monitoring staff to group homes for children.

Information Request	Authors	Due Date
Report on the appropriate ratio of licensing and monitoring staff to group homes for children	DHMH DHR DJS OC	October 1, 2006

Section 49 Discontinuing Grades 1 – 4 in the Standard Salary Schedule

Add the following section:

SECTION 49. AND BE IT FURTHER ENACTED, That to provide funding for the reclassification of positions currently in grades 1 through 4 to grade 5 or above and to provide compensation for employees affected as provided for in that grade, the following funds shall be restricted to be used only for that purpose:

<u>Department</u>	<u>Fund</u>	<u>Amount</u>
<u>Department of General Services</u>	<u>General</u>	<u>\$26,990</u>
<u>Department of Health and Mental Hygiene</u>	<u>General</u>	<u>44,095</u>

House Committee on Appropriations - Operating Budget, March 2006

<u>Department of Health and Mental Hygiene</u>	<u>Federal</u>	<u>1,411</u>
<u>Department of Human Resources</u>	<u>General</u>	<u>13,410</u>
<u>Department of Human Resources</u>	<u>Federal</u>	<u>20,806</u>
<u>Maryland State Department of Education</u>	<u>General</u>	<u>39,474</u>
<u>Maryland State Department of Education</u>	<u>Federal</u>	<u>1,814</u>
<u>Department of Juvenile Services</u>	<u>General</u>	<u>18,265</u>
<u>Department of Juvenile Services</u>	<u>Federal</u>	<u>10,704</u>

Authorization is granted to transfer funds restricted among the programs of the budget as necessary to provide funding for the reclassification of positions currently in grades 1 through 4 to grade 5 or above and to provide compensation for employees affected as provided for in that grade. Funds not expended for this purpose may not be expended and shall revert or lapse into their fund of origin. It is the intent that no regular, non-contractual employee shall be paid in grades 1 through 4 on the standard salary schedule, effective July 1, 2006.

Explanation: This section provides that funding will be provided to implement the reclassification of grades 1 through 4 to grade 5 or above in the largest departments that employ personnel in grades 1 through 4. The effect of this language is that no non-contractual, regular position will be paid less than \$20,457.

Section 50 Reduction of Secretary's Salary

Add the following section:

SECTION 50. AND BE IT FURTHER ENACTED, That whenever the Joint Audit Committee, through its review and evaluation process of audit reports issued by the Legislative Auditor, and after consultation with the Legislative Auditor, determines, based upon exceptions contained in the audit reports, that a particular agency (to include department, administration, division, bureau, board, or commission) does not adequately comply with State laws, rules, and regulations regarding the agency's fiscal and accounting records and procedures and/or fiscal administration activities, that the committee may recommend to the Governor that the Comptroller withhold up to 25 percent of the salary of the Secretary of the department and/or of the State official deemed responsible. The amount to be withheld, the duration of such withholding, and the date of release of any amount withheld shall be recommended by the committee after consultation with the Legislative Auditor, including any recommendations that the Legislative Auditor deems appropriate. The Governor shall advise the committee as to the decision regarding the committee's recommendations. If the Governor directs that the salary of the head of the agency and/or salary of the Secretary of the department and/or salary of the State official deemed responsible be withheld, the Governor may restore the full amount as provided

in the budget and order the amount withheld to be paid. The Governor shall notify the budget committees of any salary actions described under this section.

Explanation: This annual language provides for the possible reduction of up to 25% of a Secretary's salary in the event that the agency does not adequately comply with State laws, rules, and regulations regarding the agency's fiscal support.

Section 51 Information Sharing Among Child-serving Agencies

Add the following section:

SECTION 51. AND BE IT FURTHER ENACTED, That \$100,000 of the general fund appropriation for D18A18.01 – Governor's Office for Children, and \$100,000 of the general fund appropriation for M00A01.01 – Executive Direction, and \$100,000 of the general fund appropriation for N00A01.01 – Office of the Secretary, and \$100,000 of the general fund appropriation for R00A01.01 – Office of the State Superintendent-Headquarters, and \$100,000 of the general fund appropriation for V00D01.01 – Office of the Secretary may not be expended until:

(1) the Governor's Office for Children, the Department of Health and Mental Hygiene, the Department of Human Resources, the Maryland State Department of Education, and the Department of Juvenile Services, in consultation with the Department of Budget and Management, submit a report to the budget committees by July 1, 2006 that:

(a) identifies barriers to sharing information about children that are or should be served by multiple State agencies;

(b) details the actions already made to improve the sharing of information about children among child-serving State agencies;

(c) outlines the additional steps that need to be taken to further improve the sharing of information among child-serving State agencies, including but not limited to actions needed to remove the barriers identified pursuant to paragraph (a) above; and

(d) provides a timeline for the additional steps outlined in (1)(c) above; and

(2) the budget committees have reviewed and commented on the report or 45 days have elapsed from the date the committees received the report.

Explanation: The the Governor's Office for Children (OC), the Department of Health and Mental Hygiene (DHMH), the Department of Human Resources (DHR), the Maryland State Department of Education (MSDE), and the Department of Juvenile Services (DJS) are all involved in the provision of services to children. State and federal laws and regulations often needlessly inhibit the sharing of information between agencies to the detriment of the children

being served. This language requires the child-serving agencies to submit a report to the budget committees outlining barriers to information sharing and the steps taken and planned to improve information sharing.

Information Request	Authors	Due Date
Report on barriers to information sharing among child-serving State agencies and steps taken and planned to improve information sharing	OC DHMH DHR MSDE DJS	July 1, 2006

Amendment No. 118

Section 52 Advertising Restrictions

Add the following section:

SECTION 52. AND BE IT FURTHER ENACTED, That until January 10, 2007:

- (1) no State funds including State funds appropriated to any local jurisdiction or municipality, may be expended for development, production, or distribution to the public of promotional or informational materials on behalf of State programs through billboard, magazine, radio, or television media which bear the likeness or voice, or includes the name, of a person who has filed a certificate of candidacy for statewide office with the State Board of Elections for an election to occur in calendar 2006;
- (2) any contracts or agreements authorizing distribution of materials or content subject to subparagraph (1) shall be terminated for convenience or otherwise as authorized under provisions of the State Finance and Procurement Article and the materials or content shall be returned to the contracting agency; and
- (3) this section does not apply to communications of the Governor or any candidate for statewide office to the media that are directly connected to the performance of the duties of office or in furtherance of the protection of public welfare, health, or safety, or to the use of locally derived revenue sources.

Explanation: This section prohibits any candidate for statewide office who has filed a certificate of candidacy with the State Board of Elections from appearing in State-sponsored advertisement or publications. The language also applies to the use of State funds appropriated as local aid, to any candidate for statewide office, exclusive of locally derived revenue sources.

Amendment No. 119

C81C
Office of the Attorney General

Supplemental Budget No. 1

Strike the following language:

~~, provided that funds may be used for this purpose only and may not be applied or transferred, by budget amendment or otherwise, to any other purpose.~~

~~**Explanation:** The language restricts funds for Cigarette Restitution Fund litigation.~~

Amendment No. **120**_m

D05E
Board of Public Works

Supplemental Budget No. 1

D05E01.10 Miscellaneous Grants to Private Non-Profit Groups

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete funds for the Cumberland YMCA.	100,000	GF
Total Reductions	100,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	100,000	0	100,000	
Total Funds	100,000	0	100,000	

D06E
Board of Public Works – Capital Appropriation

Supplemental Budget No. 1

D06E02.01 Public Works Capital Appropriation

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for a capital grant to the Ivymount School. This is the amount requested by the organization in its bond bill request.	80,000 GF	
Total Reductions	80,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	250,000	170,000	80,000	
Total Funds	250,000	170,000	80,000	

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete capital funds for the National Lacrosse Center. This project is not included in the 2006 Capital Improvement Program five-year plan.	2,225,000 GF	
Total Reductions	2,225,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	2,225,000	0	2,225,000	
Total Funds	2,225,000	0	2,225,000	

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Reduce funds for the Great Blacks in Wax Museum. This project receives an additional \$350,000 from the Senate local bond bill allocation.	350,000 GF	
Total Reductions	350,000	0.00

D06E

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	1,000,000	650,000	350,000	
Total Funds	1,000,000	650,000	350,000	

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete funds for the Johns Hopkins Medical capital projects. An additional \$20 million has been provided in the capital budget for these projects.	5,000,000	GF
Total Reductions	5,000,000	0

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	5,000,000	0	5,000,000	
		5,000,000	0	
Total Funds	5,000,000	0	5,000,000	
		5,000,000	0	

Amendment No. **121**

Add the following language:

, provided that these funds may not be expended until the Department of Juvenile Services, in consultation with the Juvenile Court, Family Court and other participating agencies in Children in Need of Assistance and delinquency proceedings at the Baltimore City Juvenile Justice Center, submits a detailed plan on the renovations to the budget committees. The plan should include:

- (i) detailed cost estimates;
- (ii) justification for, and detail on, new classrooms and any other new use of space;
- (iii) the impact on current occupants including the operating budget impact on any displaced occupants; and

D06E

(iv) how the renovations, changes in building occupancy and new functions in the building will not interfere with the current Juvenile Court Case Processing program and other benefits of inter-agency cooperation at the Center.

The committees shall have 30 days to review and comment on the plan.

Explanation: The Baltimore City Juvenile Justice Center (BCJJC) was designed to be a “one-stop shop” for youth in the juvenile justice system, with the hope that having all of the participants in a single location could yield systemic benefits. The Department of Juvenile Services (DJS) is proposing a substantial renovation to BCJJC to accommodate additional educational and treatment space. However, DJS has no detailed plans or cost estimates for the project. The language withholds the funds until DJS submits a detailed plan to the budget committees on the proposed renovations. The plan should include cost estimates as well as the impact on existing occupants and the programming at the center.

Information Request	Author	Due Date
Detailed plan on proposed renovations to BCJJC	DJS	30 days prior to the expenditure of funds

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete funds for the Baltimore City Juvenile Justice Center educational space renovation.	2,596,000	GF
Total Reductions	2,596,000	0

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	2,596,000	0	2,596,000	0
		2,596,000	0	
Total Funds	2,596,000	0	2,596,000	0
		2,596,000	0	

Amendment No. 122

D06E

Amend the following language:

, provided that it is the intent of the General Assembly that the total State contribution for this project may not exceed a maximum of ~~\$15,000,000~~ \$10,000,000.

Explanation: Add intent language to the appropriation for the University of Maryland College Park's new School of Journalism Building. The university advises that ~~\$15~~ \$10 million of State funds will be needed over the life of the \$26.9 million project.

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce funds for the construction of a new Journalism building.</i>	5,000,000	GF
<i>Total Reductions</i>	5,000,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>General Fund</i>	10,000,000	5,000,000	5,000,000	
<i>Total Funds</i>	10,000,000	5,000,000	5,000,000	

Amendment No. 123

D15A
Executive Department
Boards, Commissions and Offices

Supplemental Budget No. 1

Add the following language:

, provided that 1 position may not be filled by the Governor's Office of Crime Control and Prevention and may only be transferred to the Department of Juvenile Services for use of the Cheltenham Youth Facility. Further provided that \$34,626 of this appropriation may not be expended for any program or purpose except that the funds may be transferred to the Department of Juvenile Services and expended for the Cheltenham Youth Facility.

Explanation: This language is intended to reverse the transfer of one position from the Department of Juvenile Services to the Governor's Office of Crime Control and Prevention for the Disproportionate Minority Contract function.

Amendment No. **124**

D18A
Governor's Office for Children

Supplemental Budget No. 1

D18A18.01 Governor's Office for Children

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce grant to Boys and Girls Clubs. The reduction leaves \$100,000.</i>	100,000	GF
<i>Total Reductions</i>	100,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>General Fund</i>	200,000	100,000	100,000	
<i>Total Funds</i>	200,000	100,000	100,000	

Amendment No. **125**

D40W
Department of Planning

Supplemental Budget No. 1

D40W01.07 Management Planning and Educational Outreach

Reduce appropriation for the purposes indicated:	<u>Funds</u>	<u>Positions</u>
1. Delete funds for a grant to the Sports Legends Museum.	250,000	GF
Total Reductions	250,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	250,000	0	250,000	
Total Funds	250,000	0	250,000	

D80Z
Maryland Insurance Administration

Supplemental Budget No. 1

D80Z01.01 Administration and Operations

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete funds for moving expenses and increased rent.	2,061,361	SF
Total Reductions	2,061,361	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Special Fund	2,061,361	0	2,061,361	
Total Funds	2,061,361	0	2,061,361	

F
Department of Budget and Management

Supplemental Budget No. 1

OFFICE OF THE SECRETARY

F10A01.01 Executive Direction

Reduce appropriation for the purposes indicated:	<u>Funds</u>		<u>Positions</u>
1. Reduce funding and number of new audit positions. This reduction still provides 5 new full time equivalent positions.	254,216	GF	5.00
 Total Reductions	 254,216 0		 5.00 0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Position	10.00	5.00 10.00		5.00 0.00
General Fund	508,432	254,216 508,432	254,216 0	
Total Funds	508,432	254,216 508,432	254,216 0	

Amendment No. **126**

K
Department of Natural Resources

Supplemental Budget No. 1

CHESAPEAKE AND COASTAL WATERSHED SERVICE

K00A14.02 Program Development and Operation

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete <i>Reduce</i> funds to purchase satellite imagery resources to monitor conservation easement compliance.	800,000 SF	400,000 SF
 Total Reductions	 800,000 400,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
Special Fund	800,000	0 400,000	800,000 400,000	
Total Funds	800,000	0 400,000	800,000 400,000	

Amendment No. **127**

L
Department of Agriculture

Supplemental Budget No. 1

OFFICE OF MARKETING, ANIMAL INDUSTRIES, AND CONSUMER SERVICES

L00A12.10 Marketing and Agriculture Development

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete funds to promote and foster the wine and grape industry.	100,000	GF
 Total Reductions	 100,000 0	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	100,000	0 100,000	100,000 0	
Total Funds	100,000	0 100,000	100,000 0	

Amendment No. **128**

M00K
Department of Health and Mental Hygiene
Alcohol and Drug Abuse Administration

Supplemental Budget No. 1

Amend the following language:

General Fund Appropriation, provided that the funds are used for the sole purpose of providing substance abuse treatment services to individuals under the judicial supervision of drug courts established in FY 2007.

***Explanation:** The amendment removes a restriction on the use of funds for drug courts.*

Amendment No. **129**¹⁰

N00C
Department of Human Resources
Community Services Administration

Supplemental Budget No. 1

COMMUNITY SERVICES ADMINISTRATION

N00C01.05 Shelter and Nutrition

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete \$250,000 in general funds allocated to the Mission of Love Charities, Inc. This reduction leaves the Mission of Love Charities, Inc. with a 78% increase over the fiscal 2006 funding.	250,000	GF
 Total Reductions	250,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	350,000	100,000	250,000	
Total Funds	350,000	100,000	250,000	

Q00B
Department of Public Safety and Correctional Services
Division of Correction – Headquarters

Fiscal 2006 Supplemental Deficiency

JESSUP REGION

Q00B02.01 Maryland House of Correction

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Reduce deficiency appropriation for inmate medical contract by \$2.5 million. The department has indicated that it needs an additional \$6.1 million over the working appropriation and previous deficiency appropriation to pay for higher than expected pharmacy and hospitalization costs.	2,500,000	GF
 Total Reductions	2,500,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	8,600,000	6,100,000	2,500,000	
Total Funds	8,600,000	6,100,000	2,500,000	

Q00C02
Department of Public Safety and Correctional Services
Division of Parole and Probation

Supplemental Budget No. 1

Q00C02.02 Field Operations

Amend the following language:

In addition to the appropriation shown on page 93 of the printed bill (first reading of the bill), to provide funds for the sole purpose of providing parole and probation services to adults under the judicial supervision of drug courts ~~established~~ in FY 2007.

General Fund Appropriation, provided that the funds are used for the sole purpose of providing parole and probation services to individuals under the judicial supervision of drugs courts ~~established~~ in FY 2007.

***Explanation:** This action amends language so that the funds can be used for all drug courts, not just those established in fiscal 2007.*

Amendment No. **130**

Add the following language to the general fund appropriation:

, provided that this appropriation is contingent up on the enactment of HB 304 or SB 237.

Explanation: This language makes \$750,000 of the general fund appropriation contingent upon the enactment of HB 304 or SB 237, which would create a pilot program to assess the use of global positioning technology to monitor sexual offenders.

R00A01
State Department of Education
Headquarters

Supplemental Budget No. 1

R00A01.12 Division of Student and School Services

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. <i>Reduce funding for a Chess Enrichment program.</i>	255,000	GF
<i>Total Reductions</i>	255,000	

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
<i>General Fund</i>	255,000	0	255,000	
<i>Total Funds</i>	255,000	0	255,000	

Amendment No. **131**¹⁰

R00A02.59 Child Care Subsidy Program

Add the following language:

Provided that the funds budgeted in this program may only be expended for the purposes appropriated and may not be transferred by budget amendment or otherwise to any other program or purpose.

Explanation: *This language restricts the funds budgeted for child care subsidies to that purpose only.*

Amendment No. **132**¹⁰

R00A03
State Department of Education
Funding for Educational Organizations

Supplemental Budget No. 1

R00A03.03 Other Institutions

Reduce appropriation for the purposes indicated:

	<u>Funds</u>		<u>Positions</u>
1. Reduce funding for Outward Bound.	50,000	GF	
Total Reductions	50,000		0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>		<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	50,000		0	50,000	
Total Funds	50,000		0	50,000	

R30B23
University System of Maryland
Bowie State University

Supplemental Budget No. 1

Add the following language:

, provided that \$1,100,000 of this appropriation, for the purpose of OCR enhancement, may not be expended until Bowie State University has prepared and submitted a report to the budget committees outlining how the funds will be spent. The budget committees shall have 45 days to review and comment on the report.

Explanation: This language restricts the funds until Bowie State University (BSU) reports to the budget committees on the plans for spending funds designated to enhance the institution.

Information Request	Author	Due Date
Enhancement expenditure report	BSU	45 days prior to expenditure

R62I
Maryland Higher Education Commission

Supplemental Budget No. 1

R62I00.01 General Administration

Add the following language:

, provided that \$250,000 in special funds is contingent upon the enactment of SB 230/HB 322.

Explanation: The fiscal 2007 allowance includes \$5,600,000 in special funds for the new Nurse Support Program II. Of the \$5,600,000, salaries and fringe benefits associated with 3.5 positions to implement the Program account for \$250,000. This language makes funding for the Program contingent upon enactment of legislation creating the Nurse Support Program Assistance Fund (Senate Bill 230/House Bill 322).

R62I00.07 Educational Grants

Add the following language:

, provided that \$5,350,000 in special funds is contingent upon the enactment of SB 230/HB 322.

Explanation: The fiscal 2007 allowance includes \$5,600,000 in special funds for the new Nurse Support Program II. Of the \$5,600,000, funds necessary to award the competitive and statewide grants associated with the Program account for \$5,350,000. This language makes funding for the Program contingent upon enactment of legislation creating the Nurse Support Program Assistance Fund (Senate Bill 230/House Bill 322).

R75T
Higher Education

Supplemental Budget No. 1

Add the following language:

, provided that \$1,100,000 of this appropriation, for the purpose of OCR enhancement, may not be expended until Bowie State University has prepared and submitted a report to the budget committees outlining how the funds will be spent. The budget committees shall have 45 days to review and comment on the report.

Explanation: This language restricts the funds until Bowie State University (BSU) reports to the budget committees on the plans for spending funds designated to enhance the institution.

Information Request	Author	Due Date
Enhancement expenditure report	BSU	45 days prior to expenditure

V
Department of Juvenile Services

Supplemental Budget No. 1

Amend the following language:

In addition to the appropriation shown on page 132 of the printed bill (first reading file bill), to provide funds for the sole purpose of providing services to juveniles under the judicial supervision of drug courts ~~established~~ in FY 2007.

General Fund Appropriation, provided that the funds are used for the sole purpose of providing services to individuals under the judicial supervision of drug courts ~~established~~ in FY 2007.

***Explanation:** The amendment removes a restriction on the use of funds for drug courts.*

Amendment No. **133**

Y
State Reserve Fund

Supplemental Budget No. 1

Amend the following language:

In addition to the appropriation shown on page 135 of the printed bill (first reading file bill), to provide funds ~~to install a new statewide voting system with the capacity to provide an accessible voter-verified paper audit trail. that may only be used:~~

- (1) ~~first to support the implementation of Chapter 5, Acts of 2006 including the purchase of E-poll books; and~~
- (2) ~~after the provisions of paragraph (1) have been funded, to support a program for accessible voter-verified paper audit trails or the modification of the State's existing touch screen voting system, contingent on the enactment of Senate Bill 713 or other legislation requiring a modification to the State's existing touch screen voting system. to install a new statewide voting system with the capacity to provide an accessible voter-verified paper audit trail. Provided that this appropriation is contingent on the enactment of HB 244 or other legislation requiring an accessible voter-verified paper audit trail.~~

Explanation: ~~The language changes the purpose for which certain funds provided for the State's elections system can be used. The language makes the funds contingent upon legislation.~~

Amendment No. **134**

Y01A02.01 Dedicated Purpose Account

Reduce appropriation for the purposes indicated:

	<u>Funds</u>	<u>Positions</u>
1. Delete Dedicated Purpose Account appropriation for fiscal 2008 expenditure requirements. This is consistent with SB 542 and HB 1331, which have crossed over to the opposite chambers.	170,000,000	GF
Total Reductions	170,000,000	0.00

<u>Effect</u>	<u>Allowance</u>	<u>Appropriation</u>	<u>Amount Reduction</u>	<u>Position Reduction</u>
General Fund	170,000,000	0	170,000,000	
Total Funds	170,000,000	0	170,000,000	

Technical Amendments
AMENDMENTS TO SENATE BILL 110/HOUSE BILL 150

Amendment No. 1:

Add the following language:

Cumberland YMCA..... 100,000

Explanation: Deletes funding for the Cumberland YMCA.

Amendment No. 3:

Amend the following language:

Wicomico Area Agency on Aging Wicomico MAC Senior Center

Explanation: This language corrects the name of the entity receiving a PAYGO appropriation.

Amendment No. **135**

Amendment No. 8:

Strike the following language:

Outward Bound..... \$210,000
\$160,000

Explanation: This technical amendment reflects the reduction in funds for the Outward Bound organization.